

No. 18.

The PREMIER to the AGENT-GENERAL.

(No. 50.)

SIR,—

Premier's Office, Wellington, 8th October, 1891.

In continuation of my letter of the 6th instant, No. 46, I have now to inform you that it has been ascertained that the parcel of £5,000 of debentures of the Canterbury Loan of 1862 held in Christchurch are payable in London on the 2nd July, 1916.

I have, &c.,

R. J. SEDDON,
(For the Premier.)

The Agent-General for New Zealand, London.

No. 19.

The AGENT-GENERAL to the PREMIER.

(No. 1108.)

SIR,—

Westminster Chambers, 13, Victoria Street, London, S.W.,

24th July, 1891.

Since my letter of the 10th instant, No. 1016, the only addition to the debentures then sent in (or to be sent in) for conversion has been £3,300 of the loan of 1860, under my instructions to the Union Bank of Australia. The aggregate amount is increased accordingly from £250,400 (as last reported) to £253,700, and the amounts of each loan are now as follows:—

		Last Letter. £	Addition. £	Totals. £	£
1. Loan of 1860,—	...	67,900	3,300	...	71,200
2. Loan of 1863,—					
March series	...	42,400	...	42,400	
June series	...	28,700	...	28,700	
December series	...	13,900	...	13,900	
					85,000
3. Provincial loans,—					
Lyttelton and Christchurch (as before)	...	...	...	6,200	
Auckland	...	...	...	11,800	
Otago	...	...	...	23,700	
Canterbury	...	...	...	5,800	
Westland	...	...	...	50,000	
Nelson	...	...	...	Nil	
					97,500
Total	...	...	...	...	£253,700

The £9,500 bonds lately bought by me of the loan of 1863 (December series) have not been sent in to the Bank of England for conversion, as special instructions must be given to the Bank in respect to them. Having been bought at par with the December coupon detached, they will have to be treated under the special provision in the conversion prospectus relating to bonds deposited after the 15th June; and, if they were to be now converted into stock bearing interest from the 1st July, there would be two interests running. The course, therefore, which I propose taking is to retain them till the 1st December, when the stock will be inscribable ex. div., and they can be converted then. The loss of interest at the public account in the meantime, together with brokerage, &c., will form part of the charges debited to the conversion.

The Trustees of the Sinking Fund of 1863 have sold £10,000 more 4-per-cent. stock out of the fund at 105. Copy of the Crown Agents' letter reporting the sale is annexed. The proceeds have been placed, as on previous occasions, on deposit at call. The contribution of £1,894 made to the 1914 fund (fives of 1914, loan of 1863) has been applied to the transfer of stock from the 1891 fund (sixes of 1891, loan of 1863) to the same amount at the market price of the day, the cash being placed, with the proceeds of sale of £10,000 just mentioned, on deposit at call.

In accordance with my letter of the 10th instant, No. 1015, the balance of £25,000 then due to the Bank of England for advances on Conversion Account was paid off on the 16th, together with the further advance of £15,000 which the Bank made on the 14th instant. The Bank made a further advance yesterday of £5,000, and this also will be paid off in a few days.

On the 15th instant (Stock Exchange settlement day) the $3\frac{1}{2}$ -per-cent. conversion stock which had been sold to the amount of £85,000 was paid for, and the proceeds thereof, £80,100, paid into the Public Account. Copies of the contracts went to you last mail. On the same day I paid for the £9,500 bonds of the 1863 loan (December series) bought for the Government.

No further sales of $3\frac{1}{2}$ -per-cent. stock have since been made, as the markets had fallen again all round, owing to various causes having created fresh financial anxiety; and our $3\frac{1}{2}$ -per-cent. stock went below my limit of 94. A rather better tone now exists, and the quotation is back to 94; but the market is very weak, and sales could not be made yet at that price. Contrary to expectations, a good deal of the gold that had been sent to Russia has returned from that country, and it is not now thought that there will be such a drain of gold to America in the autumn as was looked for a few weeks ago.

The actuaries have completed the new tables of equivalents for the loan of 1867 (not drawing) and the provincial loans, to which I referred in my letter of the 26th June last (No. 1010); and the measures of value being now fixed for each succeeding half-year up to 1896, new instructions can