

## Enclosure 11 in No. 22.

CONVERSION OF 1896.—Table showing the Equivalent in  $3\frac{1}{2}$ -per-cent. Stock of a £100 Debenture of the Under-mentioned Loans for the Half-yearly Period 1st July, 1896.

Market Price of $3\frac{1}{2}$ -per-cent. Stock.	Amount of $3\frac{1}{2}$ -per-cent. Inscribed Stock, equivalent to each £100 Debenture of the Stocks indicated, taken at the Market Prices of $3\frac{1}{2}$ -per-cent. Stock, as shown.									
	Consolidated Loan, 1867.	Auckland Loan, 1863.	Lyttelton and Christchurch Railway Loan, 1860.			Canterbury Loan, 1862.			Otago Loan, 1862.	Nelson Loan, 1874.
	Valued at	Valued at	£28,700. Valued at	£21,300. Valued at	£18,500. Valued at	£9,200. Valued at £100 19s. 7d.	£10,600. Valued at £125 19s. 5d.	£12,200. Valued at £127 7s. 1d.	Valued at £103 16s. 2d.	Valued at
						£ s. d.	£ s. d.	£ s. d.	£ s. d.	
93						108 11 8	135 9 0	136 18 10	111 12 5	
93 $\frac{1}{2}$						108 0 0	134 14 7	136 4 2	111 0 6	
94						107 8 6	134 0 3	135 9 8	110 8 8	
94 $\frac{1}{2}$						106 17 2	133 6 0	134 15 4	109 17 0	
95						106 5 11	132 12 0	134 1 2	109 5 5	
95 $\frac{1}{2}$						105 14 9	131 18 1	133 7 2	108 14 0	
96						105 3 9	131 4 4	132 13 3	108 2 8	
96 $\frac{1}{2}$						104 12 10	130 10 9	131 19 6	107 11 6	
97						104 2 1	129 17 4	131 5 11	107 0 4	
97 $\frac{1}{2}$						103 11 5	129 4 0	130 12 5	106 9 5	
98						103 0 10	128 10 10	129 19 1	105 18 6	

*Example :* Thus, if the value of £100 debenture of the Otago Loan is £103 16s. 2d. (taken at 4 per cent. interest), and that of the  $3\frac{1}{2}$ -per-cent. inscribed stock is 94, then £110 8s. 8d. of  $3\frac{1}{2}$ -per-cent. inscribed stock (repayable at par forty-nine years hence) is the equivalent of £100 debenture of the Otago Loan.  
15th July, 1891.

A. H. BAILEY.  
RALPH P. HARDY.

## No. 23.

The PREMIER to the AGENT-GENERAL.

(No. 54.)

SIR,—

Premier's Office, Wellington,  
26th October, 1891.

Referring to your No. 1229, of 20th August last, I am glad to find that steps have been taken to inscribe stock so as to represent the amount of money which had been paid out of the Public Account for conversion purposes. In this connection you have therefore further inscribed £170,000 of  $3\frac{1}{2}$ -per-cent. stock at the Bank of England, making a total sum of £334,654 lying in the names of yourself and the Audit Officer, and you have left a balance of £30,000 (out of £310,000 created) to be dealt with later on.

Accompanying your letter is a statement, dated the 12th August, showing the amounts drawn from the Public Account. With respect to the June series of the 1863 loan, it is stated that the sum of £157,800 had been drawn. In the Treasury books, however, the amount is set down at £173,600, or a difference of £15,800 between us, which appears to be represented by Commissioners' Orders Nos. 391, 392, and 394.

In addition to this £15,800, there is also Commissioners' Order No. 432 for purchase of £9,500 of the December series of the loan of 1863, which is also omitted from the statement of moneys drawn from the Public Account, and which should be provided for by inscription of equivalent stock.

As the turn of the market for the sale of colonial stocks does not appear to be favourable just now it is the more important that a proper margin of inscribed stock should be held against the moneys which have been taken out of the Public Account from time to time for conversion purposes. I therefore enclose for your information a statement showing the cash which has been advanced, and the amount of stock which I think ought at once to be inscribed, so as to show collateral security for the existing overdraft in the Conversion Account. If you coincide with the view I have taken of the matter, and also with my figures, I shall be glad if you will have the necessary inscription effected before the 31st December next so as to be able to advise me by cable of what you have done. I have taken the selling-price of the stock you hold at 92 $\frac{1}{4}$ , which is the quoted price in to-day's telegrams of our  $3\frac{1}{2}$ -per-cent. inscribed stock. I have not taken into account the outstanding debentures of the 1860 loan, nor of the the balances of the March and June series of the 1863 loan. These, together with the balance of the December series, you will of course make further provision for.

I have, &c.,

A. J. CADMAN.

(For the Premier.)

The Agent-General for New Zealand, London.