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"Notice, too, may be made of recent developments in Switzerland, in which country, of an available 4,000,000 h.p. 1,400,000 has already been developed. That country is becoming more and more an electrical country, and the problems, unlike those of other countries, have had to be tackled and solved by native engineers, and this has been done very successfully too. Particularly is this the case in such recent developments as the power station at Eglisau, on the Rhine, in the machine-room of which plant has been installed up to 42,000 h.p."

\* \* \*

An interesting point with regard to insurance has just been settled by the French Courts, and the following particulars, reported by *Reuter* (Jan. 27th), will be found instructive:—

"M. Georges Salles, a Paris notary, was insured with a Swiss company for 20,000 francs, the sums to be payable in February, 1920.

On the date laid down in the policy M. Salles applied for his money, which he stipulated should be paid in Swiss francs. The Swiss company refused, on the ground that the premiums had been paid in French francs, and that consequently the sum insured should be paid in the same currency.

M. Salles then took the matter to court, and the First Chamber of the Civil Court has now decided that M. Salles is perfectly within his rights in demanding Swiss francs, since the headquarters of the company are in Switzerland, and, moreover, the policy stipulated that payment could be made either in Basle or Paris.

M. Salles will thus receive 46,000 French francs instead of 20,000 francs."

\* \* \*

The *Manchester Guardian Commercial* (Jan. 26th) contains an article on "The Swiss Franc," the abnormal value of which is a detrimental factor in Swiss economic life. Reference is also made to the conditions prevailing in the engineering, boot and shoe, and tobacco trades, and a separate exposé explains the working of the export subsidy granted by the Federal Council to the watch and clock industry.

## FINANCIAL AND COMMERCIAL NEWS FROM SWITZERLAND.

### The New Federal Loan.

On the 20th of January the lists opened for subscriptions to the new 5½% Federal Loan, the nominal amount of which is fixed at 100 million francs. The Federal Council, however, reserve the right to increase the amount of the issue if subscriptions are received beyond the first 100 millions. The whole amount is redeemable at par on the 1st of September, 1930. The issue price is par, and interest is payable half-yearly on the 1st of March, and the 1st of September, the first coupon being payable on the 1st of September, 1922.

A special provision made in the prospectus is that bonds of this issue will be accepted by the Confederation at any time at par plus accrued interest in payment of the war profits tax and the war tax. The object of the present loan is to effect the partial consolidation of the floating debt of the Confederation. The lists were closed on 31st of January.

According to information which has been received up to date there seems to have been a very satisfactory subscription to this new loan, the amount subscribed having reached 285 million francs. The general industrial depression and the attendant low deposit rates has had the effect of rendering large amounts of money available for investments. As there is practically no supply of short-term securities, these funds naturally find their way into any attractive Government issue.

### Canton of Grisons Loan.

The Canton of Grisons will invite subscriptions in February to a loan intended to meet the conversion of the 21,000,000 francs 3½% loan of 1901, which falls due for redemption at the end of March. The new loan will be of the 5½% type.

### The Zuzach Soda Works.

The accounts of the Swiss Soda Works in Zuzach, which is now being absorbed by the Belgian company of Solvay & Co. in Brussels, have now been made up to the end of October,

1921, and show a gross profit of 967,735 frs. as against 1,921,639 frs. in 1919-20.

There is a profit on investments amounting to 116,802 frs. and on the other side of the account general expenditure amounts to 205,435 frs. (374,418 frs. last year), interest payable to 89,520 frs. and 1,030,457 frs. to writing down. This leaves the Company with a loss of 162,229 frs. as against a net profit of 293,311 frs. last year. The present deficit is to be covered out of the special reserve fund, which will thus be reduced from 200,000 frs. to 37,770 frs. The balance will be carried forward to the credit of the profit and loss account.

There is a debenture debt of 6,500,000 frs. outstanding and in the terms of the agreement with the Solvay Company the latter undertake the guarantee of this both as to capital and interest.

### Results of the Solothurnische Leihkasse.

The accounts of this institution for the year 1921 show a net profit of 66,013 frs. as against 62,339 frs. in 1920. It is proposed to pay a dividend of 6½%, as last year, and to devote 13,000 frs. to reserves, which will then be brought up to 30% of the share capital, viz., 800,000 frs. The balance will be carried forward.

### Chemin de Fer Rhétique.

The receipts of this railway during 1921 totalled 10,135,572 francs against 9,511,728 frs. in 1920. Expenditure amounted to 7,524,412 frs. against 7,963,209 frs. in 1920. Excess of revenue over expenditure for the year was therefore 2,611,162 francs against 1,548,519 francs in 1920. Of the receipts an amount of 4,255,336 frs. is attributed to the passenger traffic.

### Schweizerische Handels- und Industriegesellschaft für Brasilien in Zürich.

This Company, which was founded in Zurich in 1913 with a capital of 2 million francs to facilitate Swiss exports to Brazil, has now been forced to go in for a scheme of reconstruction. After certain initial difficulties, the early years of the Company's existence were successful so that in 1916 it was possible to pay a dividend of 4% and in the following year to increase the distribution to 7%. Owing to the difficulties of transport the resultant delay in shipping, owing to war conditions, the stocks of goods held by the Company in Brazil grew very large. It was then that, in October 1917 the capital was increased to 3 millions, and in the spring of 1920 it was again increased to 4 millions, while at the end of 1920 the company raised 3 million francs in 8% debentures.

The incidence of the general economic crisis brought with it a very serious fall in the Brazilian exchange, and the Company was seriously affected owing to the large stocks held in the country. The proposed scheme of reorganisation is the only means available to the Company to obviate the necessity of selling off their stocks at a great loss and ceasing operations entirely.

### STOCK EXCHANGE PRICES.

BONDS.		Jan. 23rd	Jan. 30th
Swiss Confederation 3% 1903	...	66.63%	67.13%
Swiss Confederation 9th Mob. Loan 5%	...	100.02%	100.05%
Federal Railways A—K 3½%	...	70.02%	71.17%
Canton Basle-Stadt 5½% 1921	...	98.63%	98.63%
Canton Fribourg 3% 1892...	...	63.17%	62.50%
Zurich (Stadt) 4% 1909	...	99.12%	99.25%
SHARES.		Jan. 23rd	Jan. 30th
Crédit Suisse...	...	560 frs.	565 frs.
Union de Banques Suisses...	...	512 frs.	515 frs.
Swiss Bank Corporation	...	553 frs.	553 frs.
Fabrique Chimique ci-dev. Sandoz	...	1125 frs.	1140 frs.
C. F. Bally S.A.	...	705 frs.	700 frs.
Fabrique de Machines Oerlikon...	...	405 frs.	410 frs.
Enterprises Sulzer	...	462 frs.	435 frs.
S.A. Brown Boveri (new)	...	204 frs.	205 frs.
Nestlé & Anglo-Swiss Condensed Milk Co.	...	198 frs.	199 frs.
Chocolats Suisses Peter-Cailler-Kohler...	...	138 frs.	133 frs.
Compagnie de Navig'n sur le Lac Léman	...	*341 frs.	415 frs.

\* Ex carte and ex coupon 28.

Owing to exceptional pressure on our space we must reluctantly hold over for the next issue the publication of the final chapter of our feuilleton "Schnauzi."

We trust our readers will pardon this unavoidable suspense.