

from the first day of January, one thousand nine hundred and thirteen, to the thirty-first day of December, one thousand nine hundred and thirteen, both days inclusive. We ascertained that the number of coins in the only packet produced to us corresponded with the number which the Officers of the Mint represented it to contain, and we took all the coins from such packet of gold coins, amounting altogether to two sovereigns or twenty-shilling pieces, and we weighed each of the said coins separately, and ascertained that they were within the remedy as to weight prescribed in the First Schedule to the Coinage Act, 1870, as amended by the Coinage Act, 1891. We found that the amount of variation from the standard of weight specified in the said First Schedule to the said Act as so amended was plus nine hundred thousandths of an ounce (+ .00009 oz.) on the whole of such coins. We found that such sovereigns weighed respectively, the first 123.372 grains, and the second 123.223 grains. We then assayed the said two sovereigns separately, and we found the millesimal fineness of such sovereigns to be, the first 916.89, and the second 916.87.

Dated the 13th day of May, 1914.

R. WILLIAMS, Foreman.
ALFRED DENT.
JOHN B. CARRINGTON.
HENRY F. BOWLES.
CHAS. H. TOWNLEY.
H. C. LAMBERT.
BOVERTON REDWOOD.

J. F. W. DEACON.
H. ALSTON.
W. H. N. GOSCHEN.
CHARLES T. HEYCOCK.
H. W. ROBINSON.
GEO. H. PITTE.

JOHN MACDONELL,
King's Remembrancer.

APPENDIX No. IX.

Messrs. MOCATTA and GOLDSMID'S Circular on the Movements of Gold and Silver during 1913.

31st December, 1913.

In reviewing the course of silver during the past year we have to note that the higher level, to which we referred as one of the features of 1912, has hardly been maintained; the average for the year is slightly lower though, as shown below, neither the highest nor the lowest quotations of last year have been seen this year.

	1913.	1912.	1911.	1910.	1909.
Highest quotation	293 $\frac{3}{4}$ d.	291 $\frac{1}{4}$ d.	26 $\frac{1}{4}$ d.	26 $\frac{1}{4}$ d.	24 $\frac{1}{4}$ d.
Lowest	25 $\frac{1}{4}$ d.	25 $\frac{1}{4}$ d.	23 $\frac{1}{4}$ d.	23 $\frac{1}{4}$ d.	23 $\frac{1}{4}$ d.
Range of prices	3 $\frac{1}{4}$ d.	4 $\frac{1}{4}$ d.	2 $\frac{1}{4}$ d.	3 $\frac{1}{4}$ d.	1 $\frac{1}{4}$ d.
Average price	27 $\frac{1}{4}$ d.	28 $\frac{1}{4}$ d.	24 $\frac{1}{4}$ d.	24 $\frac{1}{4}$ d.	23 $\frac{1}{4}$ d.

It is perhaps interesting to note that the lowest quotation this year is within $\frac{3}{4}$ d. of the highest quotation in 1911.

Starting on January 1st, with the price at 29 $\frac{1}{4}$ d., we had a very steady market at about that level during the first three weeks, the highest quotation of the year, 29 $\frac{3}{4}$ d., being quoted on the 7th and 8th of January, and the price not falling below 29d. till after the 21st of that month. From then onwards, however, although there were slight rallies, the quotation fell sharply until 26 $\frac{1}{4}$ d. was reached on the 25th March. This fall was chiefly due to heavy sales on China account, the market becoming very despondent with regard to the China loan negotiations which had been carried on for so many months and over which interminable hitches and set backs seemed to occur. The continuance, too, of the Balkan war and other causes were keeping money very dear and helping to deter buyers.

During the last days of March, the fall of Adrianople and the consequent prospects of peace in the Balkans, together with signs of renewed efforts on the part of the Five Power Group to arrange the long awaited Chinese loan, gave the silver market a brighter tone, and during April the price gradually advanced, 27 $\frac{1}{4}$ d. being reached on the 25th of that month.

On the 28th April it became known that the loan for 25,000,000l. had actually been signed and silver that day was quoted at 28 $\frac{1}{4}$ d.

During May we had a very steady market, the price fluctuating only between 27 $\frac{3}{4}$ d., and 28 $\frac{3}{4}$ d., but the heavy stock of silver in London, which then amounted to nearly 4,000,000l., was discouraging to buyers, and the prospect of financing this silver over the half year was sufficiently depressing to lower the quotations in June in spite of most satisfactory news with regard to the bursting of the monsoon.

During the whole of July the price only varied between 261 $\frac{3}{4}$ d. and 27 $\frac{3}{4}$ d. for, although the currency returns showed a steady decrease in the stock of rupees and the prospects of bumper crops were most favourable, the Indian Government seemed very reluctant to commence purchasing and it was not till late in August that they came into the market. Their purchases were, moreover, unsuspected by the market for some time and it was not till the huge stock of 4,200,000l. which had been accumulated in London was reduced by three shipments of 1,000,000l. each in three consecutive weeks that it was realised to what extent the Government had bought.

281 $\frac{1}{2}$ d. was the highest price reached this Autumn and that only for one day and before the end of October, when there were unfavourable reports from India about the latter rains, the quotation had receded to 27 $\frac{3}{4}$ d. and although the Government made some further purchases the market continued to sag owing to heavy bear sales.

Early in November rumours of financial trouble in Bombay and many failures in the Mill Share market, caused great uneasiness as to the financial standing of the Bull speculators, who had for so long been operating in silver on such an enormous scale. Matters moved quickly during the next few weeks there being many failures of native banks and a petition made by a small shareholder in the Indian Specie Bank for an investigation of their books having been granted in the Court was cancelled a few days afterwards. This, however, was followed by the startling news on the 29th November that the Managing Director of the Indian Specie Bank had died suddenly and that the Bank had suspended payment.

On it becoming known that the Bank's holdings were still about 3,000,000l. a far larger amount than anyone had suspected, the market seemed to be on the verge of a very serious crisis, the price falling to 261 $\frac{3}{4}$ d. on the 1st December, creating a new record for the year. So serious was the outlook at this time that it was quickly realised that an effort of unusual importance must be made and a small but particularly strong syndicate was formed to take over all the ready silver and the contracts for forward delivery, then open with the Indian Specie Bank. Late on the 4th December the news of this syndicate having been formed was cabled out to India and confidence in the market was immediately restored. This caused the Bears, whose commitments for December and January were exceptionally large, to partially cover and the price advanced quickly to 27 $\frac{1}{4}$ d. quoted on the 6th December. Since then the market has been quiet and featureless, the above mentioned syndicate being apparently ready to feed the market at reasonable prices, and the quotation during the last three weeks has remained remarkably steady in the neighbourhood of 26 $\frac{3}{4}$ d. per ounce standard.

Having thus briefly recorded the fluctuations in the price from month to month and their chief causes, we turn to the more general influences on the market such as the production, and one

of the chief features in this respect has been the greatly reduced output from Mexico owing to the state of revolution which has prevailed there practically throughout the year. Not only did the disturbed condition of the country make the movements of bullion undesirable, but the Mexican Government were in June and again recently making large purchases for coinage purposes. In October, in order to check the melting of dollars, which it was suspected were then being shipped in the form of bullion to Europe, a transaction which the heavy fall in the exchange value of the dollar made very profitable, the Mexican Government issued a decree more strictly prohibiting such melting of the national coinage under heavy penalties of fines and imprisonment.

On the other hand the arrivals from Cobalt show a decided increase, but this is chiefly due to a great deal of the silver formerly refined in the United States being now treated in Canada.

The Indian Government, during the twelve months under review, has purchased about 5,500,000l.; the Royal Mint and the West African Currency Board have also been unusually important buyers.

The shipments to India have been about 9 $\frac{1}{2}$ millions sterling, and Russia has taken about 700,000l. during the twelve months, both of which are very much on a par with last year, but Germany's requirements have been very much larger at about 1,700,000l.

The relative difference between the spot and forward quotation during the twelve months rather calls for comment; the fact that the forward quotation has been at a premium practically the whole year being partly due to the heavy stocks held in London, partly to the dearthness of money and chiefly to the large bull account which has been carried forward all through the year. The biggest premium quoted was $\frac{3}{4}$ d. in March, when the dearthness of money and forced sales by China depressed the spot price down to 261 $\frac{1}{4}$ d. leaving forward at 261 $\frac{7}{8}$ d. It was not till the end of September when the heavy shipments on behalf of the Indian Government reduced the stocks by nearly three millions sterling, that spot silver went to a small premium. Throughout November the quotations remained more or less level but towards the end of that month, owing to the acute financial difficulties in Bombay and the consequent fall in the price, the forward rate again went to a premium and has not since been at a discount.

It is always difficult, if not dangerous, to express any opinion as to the probable course of silver, and owing to the recent startling developments it is particularly difficult to do so for the coming year, but taking into consideration that the price is now more than 2d. per ounce lower than at this time last year, coupled with the fact that the huge bull account, which has been such a menace to the market for many years, has now passed into very strong hands, we cannot see any cause for lower prices at present.

The statistical position, too, is very much sounder than it was a year ago; it is true that the stocks in Shanghai have increased by about 2½ millions sterling, but this is of relatively little importance, as this stock in China is currency and not a speculative commodity. Taking the figures of London and Bombay, and including the amount on the water shipped to the East, there is a decrease in the total of no less than 3½ millions, as compared to last year. In addition to this, the preponderance of the bull over the bear account is also greatly reduced, the former being diminished, and the latter considerably increased. Moreover, the supplies are apt to be restricted until more settled conditions are restored in Mexico.

The determining factor, however, will as usual be the monsoon and the consequent value of the exports from India, for it must be remembered that the Government of India has bought about 12 millions in the past two years, and a big recovery can hardly be looked for unless they appear as buyers again during 1914.

The movements of bar gold during the past year call for but little comment, the entire absence of competition between the buyers for export being emphasised by the fact that the minimum price of 77s. 9d. per ounce standard has been quoted throughout the whole year, without even the few days exception such as we had in 1912. Under these conditions it is not surprising that, except during the months of June and September when there was a good demand for Germany, the Bank of England has secured the bulk of the arrivals each week, receiving in bars during the year a total of about 21,000,000*l.* against which there have, of course, been no withdrawals.

The arrivals of gold from the Transvaal have been about on a par with those of last year and the total imports show a very slight variation, but the exports of bars are interesting as showing an increase of about 9,000,000*l.* over last year's figures, making a total of over 23,000,000*l.* The chief buyers have been Russia who has taken 2,000,000*l.*, Germany 8,000,000*l.*, France 1,500,000*l.*, whilst the ever increasing demand in India for the ten-ounce bars has absorbed over 9,500,000*l.*, the latter making a record shipment of these bars to that country.

The arrivals of sovereigns during the year have been very heavy amounting to nearly 12,000,000*l.*, an increase of about 7,000,000*l.*, which is chiefly accounted for by the large arrivals from Brazil and the Argentine, from each of which nearly 4,000,000*l.* have been received.

The total export of sovereigns amount to about 19 millions sterling of which Egypt, as usual, has been the chief taker, nearly 8,000,000*l.* going there, whilst France has taken 4,000,000*l.* India on the other hand has only taken 850,000*l.* from this country their requirements being largely filled by Egypt and Australia. The withdrawals of sovereigns from the Bank of England during the year to meet this export demand have been about 14,500,000*l.*

The imports and exports during the last five years have been as follows:—

	Ster.	
	Imports.	Exports.
1909	£ 14,000,000	£ 12,600,000
1910	£ 15,900,000	£ 13,300,000
1911	£ 16,000,000	£ 17,000,000
1912	£ 18,300,000	£ 18,400,000
1913	£ 15,700,000	£ 16,000,000
	<i>Gold.</i>	
	Imports.	Exports.
	£	£
1909	54,500,000	47,200,000
1910	57,500,000	50,500,000
1911	48,800,000	40,000,000
1912	52,680,000	46,500,000
1913	58,500,000	45,800,000