THE BOND AND SHARE SOCIETY

NEWSLETTER

2-81

Heatherdene,
Blackhall Lane,
Sevenoaks,
Kent.

April, 1981.

NEWS LETTER

2/81

Dear Collector,

1. Membership. The number of members has now reached 680. If you have not already done so please help Brian Mills, the Membership Secretary, 56, The Avenue, Tadworth, Surrey, KT20 5DE, by returning the yellow membership renewal form already sent to you with your remittance as soon as possible.

2. Future Meetings. Richard Jackson, the Functions Secretary, (address: c/o Greene & Co., Bilbao House, 35/38 New Broad Street, London, E.C.2.) writes as follows:

Prior to the Mini-auctions a number of talks have been arranged to broaden members knowledge of Bond collecting.

I am especially pleased that chief Inspector Parsons from New Scotland Yard has agreed to come and talk on the safe keeping of Bonds. Many members will have collections that are now of considerable value and will want to know the best way to prevent theft.

The meetings will be held at the Ski-Club of Great Britain, 118, Eaton Square, on the following dates:-

Date	Speaker	Subject
5 May	Brian Mills	American Railroads
2 June	Chief Inspector M. Parsons	Crime Prevention Officer
7 July	Michael Gough	Council of Foreign Bondholders
1 Sept.	Michael Veissid	Early English Construction Companies
6 Oct.	Tim Barker	Russian Cities and Railways
3 Nov.	Anne Marie-Hendy	Confederate State Bonds

Members should note that these talks will begin at 6.15 p.m. sharp, so that the speaker may leave if he so wishes before the auctions. However, I hope that most speakers will stay on and offer members the chance of further discussion.

If any member would like to give a talk to members at the monthly meetings please let me know.

Mini-auctions will be held at all these meetings (except on 7th July). Members are requested to inform Jonathan Lyttleton - our Auctioneer, of details of any offerings well in advance. His home address and telephone number are:-

2, Elm Walk, London NW3 - 01-458-1000

3. News Letter 3/81. Please let me have your contributions as soon as possible and not later than 15th June.

4. Annual General Meeting. This was held at the Ski Club on 3rd February.

(a) Accounts. The Accounts for 1980/81 were approved after making partial provision for funding the Congress, the balance carried forward amounted to £1,145.46 - the surplus for the year being £835.57

(b) Officers

The following elections were made:-

Chairman	J.P. Berthoud
Hon. Treasurer and Membership Secretary	B.W. Mills
Hon. Secretary and Editor of the News Letter	R.D. Ross
Functions Secretary	R.E. Jackson
Committee Members	M. Moule
Committee Member and Auctioneer	Jonathan Lyttleton
Hon. Auditor	Richard Stokes

(c) Subscriptions. It was resolved that these should be raised to:-

£5 - for U.K. members

£6 - for members resident elsewhere

5. SCRIP. Welcome to the first issue of SCRIP the new magazine for bond collectors! The annual subscription rates for 6 issues a year is:-

U.K.	-	£5
Europe	-	£7
Elsewhere	-	£9

SCRIP can be ordered from Scrip Publishing Ltd., 58 Inglehurst Gardens, Redbridge, Ilford, Essex, 1G4 5HE

6. Visit to Frankfurt Auction. Geoff Metzka is considering organising a coach party to attend a FRENDS auction in Frankfurt in September. Details from him at 8/13 Criswell Street, E.C.1.

7. New Dealers. W.M. Collectables Ltd. based at Westcombe House, 56/58, Whitcomb Street, W.C.2. has been formed to trade in old bonds and share certificates. The directors are:

Anne-Marie Hendy (Tel. No: 970-2048) and Michael Wheeler. Robin Hendy (Tel. No: 606-6733 and 930 - 3770) will act as consultant.

8. Michael L. Wyler, 33 's-Gravensingel, Rotterdam, Holland has offered to help collectors by researching Dutch material of bonds and certificates on banks or telegraph. Please write to him direct.

9. Doctorates of Scripophily. W.R. Zaretzki of P.O. Box 51, S-145-01- Norsborg, Sweden is conferring the degree of Doctor of Scripophily on suitable candidates. Details of his charges can be obtained from him direct.

10. New Catalogues. Uli Drumm of Freunde Historischer Wertpapiere writes cheerfully. His Russian City Catalogue is nearing completion. He is also busy on catalogues for Turkey, Austrian State and narrow guage railways and the Panama Canal.

11. Missionary Work in Gibraltar. Member Dickie Dickenson writes from Gibraltar where he has been holidaying. In addition to acquiring some interesting Spanish mining certificates dated 1850, he found time to give a talk on bonds on Gibraltar Radio which was also featured in the Gibraltar Chronicle.

12. Other Societies, etc.

(a) The U.S. Chapter.

January Meeting. A well attended meeting at the New York Collectors Club on 17 January heard a spirited talk by Mr. McAuliffe, a streetcar hobbyist. He contrasted the mainline railroads - freewheeling out to the West like the old stage coaches - with the first streetcars, omnibuses on rails, hauled by mules and horses. The first trolley was in Richmond Virginia. The electric system was invented by Van der Pole. Sadly, no more trolleys were built in the U.S.A. after 1940.

February Meeting. The highlight of the evening was when Mr. Keys displayed the progressive trial proofs of the Bonds of the Pennsylvania Fine Arts Academy, 1872. Other interesting items included a Commonwealth of Pennsylvania $10,000 coupon Specimen Bond with a vignette of the capitol building at Harrisburg, a collection of Pennsylvania Bank Specimen certificates, and a 5% Loan certificate issued to Thomas and John G. Biddle, 1825, signed by Joseph Watson, Mayor - this is the earliest Pennsylvania municipal bond that Mr. Keys knows of. Also, a Reading Auxiliary Fire Alarm Co., 1897, with vignette of the fire alarm, one of two known certificates. Mr. Keys mentioned that collecting a specialty, whether it is a person's home state or a number of other topical interests seems to be growing in popularity among collectors.

Society Meeting at the Memphis Show. Following the tradition of the past two years, there will be a Society meeting at the International Paper Money Show at Memphis Tennessee in June. Probably, the meeting will be on Saturday morning, June 21. The meeting is hosted by the American Chapter and all Society members are welcome. For further details, contact Diana Herzog, the American Chapter Secretary.

(b) The Bond and Share Society of Australasia.

News Letter No. 2 just received shows the Australasian Society is already firmly established. The Secretary's name and address are:-

Richard Green,
20th Floor, 367 Collins Street,
Melbourne, 3000.

Membership fee is $2 Australian

(c) South Africa.

Raymond Levenberg would be glad to hear from anyone who would like to help form a South African Chapter. His address is: 11 Shakespeare Avenue, Sanderwood, Bedford View 2008, South Africa.

OBITUARY

The world of scripophily lost one of its greatest enthusiasts in Derek Fawcett, who died peacefully at his home in Beckenham on March 15th. He was 59.

Derek was brought up in Blackheath and was educated at Canford School near Bournemouth. During the Second World War he served with the Royal Artillery in the U.K. and the Far East as an instructor of gunnery. When the Territorial Army was re-started in 1948 Derek immediately volunteered. He spent about 20 years in the T.A. rising from his wartime rank of Captain to be Lieutenant Colonel of his regiment.

His career in the City of London started after the war, at Ullmann and Company, private bankers, where he had the good fortune to meet his wife Jeane. Following Ullmanns he spend many happy years with the Cable and Globe Investment Trusts where he rapidly acquired a great depth of knowledge about world stock markets. In the mid-1960s he became a stockbroker and proceeded to look after his clients, both large and small, with equal devotion and dedication.

Since boyhood, Derek was an ardent stamp collector. He was also very keen on railways and steam locomotives. Naturally, when a new collecting hobby came along combining financial history, railways and the stock market, stamps had to take a back seat! From his first purchase of £1500 Kokand Namangan 4½% 1910, at 2½%, in March 1978, Derek concentrated his talent in the field of Russian Rails - and more recently Russian Cities.

In his stockbroking career Derek was always concerned for the small investor, unfailingly putting everyone else first and himself last. He always had so much time for people, a feeling conveyed to all the many collectors and dealers who knew him. His dedication, hard work and enthusiasm for the Bond and Share Society, where he was responsible for running the Postal Auction, somehow touched everyone in the Society who had the good fortune to meet him.

He will be sadly missed by his wife Jeane, daugther Caroline, his mother, and all his many friends.

Michael Moule

The 1st International Scripophily Congress on 22nd March.

This letter would be incomplete if it did not record the success of this first major event promoted by the Society. Further details are given elsewhere in this letter but a very loud "thank you" must be accorded to Jonathan Lyttleton and all his helpers who devoted so much effort to launch it.

Yours sincerely,

Honorary Secretary

P.S. American Chapter - New Address. The address of the Society is now

26 Broadway, New York.
New York 10004

Tel: (212) 668-1880

Chairman- Mr. Patrick Berthoud (in the middle)

Collect from an old name in collecting.

Stanley Gibbons, long-established leaders in the collectors' world, were leaders again in scripophily.

Send the coupon or write or phone for our monthly list and news of auctions. We will be very glad to help or advise at any time. Please tell us if you have a special interest.

Stanley Gibbons Currency Ltd. (Bond and Share Certificate Department.)

399 Strand, London WC2R 0LX. Tel: 01-836 8444. Telex 28883.

☐ Please send me more information.

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BSSJ

JOHN LAWS AND FRANCE

John Laws arrived from England on the French shores in 1716. He had recently wasted away a considerable inheritance on gambling and other such disreputable pastimes. His reasons for leaving England were those of necessity, he had been successful in a duel and was wanted for murder.

He was originally of Scottish birth and it was there that he formulated and tried to sell his idea for a Land Bank. The original idea was for a Bank that would issue notes to borrowers against the security of the land of the country. Having failed to sell it to his fellow countrymen, he then tried in Holland and Italy with equally little success.

The financial condition of his chosen exile, France, was very poor, Louis XIV had died a year before Laws arrived and the country was controlled by the acting Regent, Philippe, Duc d'Orleans. Laws had met the now Regent in a gambling den where the other was most impressed by his financial genius. So the Regent set Laws to work under a Royal Edict of 2nd May 1716, he with his brother was given the right to establish a bank with the capital sum of six million livres, about £250,000.

It is worth pausing a moment to look a little further into the dreadful mess of the French Treasury. Expenditures were twice receipts, the Treasury was chronically empty, the tax collectors and their assistants were competent only in the lining of their own pockets. It was into this climate the Laws brothers arrived.

The newly established Bank was authorised to issue notes and this it did in the form of loans, the chief borrower being the State. The Government in its turn used the notes to pay its expenses and pay off its creditors. The notes were declared legal tender for the payment of all taxes.

Initially the notes were accepted for all forms of payment and exchange, due principally to Laws insistance that any banker who did not keep a sufficient reserve in gold coin to redeem his paper money was deserving of death. One reason that they were so successful was that the French kings, in common with other monarchs, had a habit of reducing the weight of metal contained in their currency. Laws was seen to be providing security against such practices.

For a while in comparison with the coins of the same value Laws' notes rose in value. Thus the financial embarrassment of the government was temporarily eased. Laws then opened branches in Lyons, La Rochelle, Tours, Amiens and Orleans, his bank finally becoming a publicly chartered company, the 'Banque Royale.'

The Regent flushed with the success of the whole operation decided to produce another issue. Laws agreed reluctantly. It was at this point of time that Laws sought to reintroduce his 'pet' scheme of a Land Bank. His idea was to create the Mississippi company to exploit and bring to France the large gold deposits which Louisiana was thought to have as subsoil. The advantage of trade was also to be added at a later date. Early in 1719, the Mississippi company (compagnie d'Occident), later the Company of the Indies, was given the exclusive trading privileges in India, China and the

South Seas. Shortly afterwards it received the tobacco monopoly, the right to coin money and also the tax farm. On its introduction in 1719 there was a mad panic to buy stock. Men who had invested a few thousands early on now found they could sell stock for millions in a matter of weeks or months. Hence it was in this year that the French termed for future generations the phrase 'millionaire.'

The money raised by Laws, however, did not find its way into the coffers of the Mississippi company but into those of the government. Laws was enobled by a grateful Regent and became the first and only Duc d'Arkansas. On January 5th 1720 he was made Comptroller General of France. Soon as was bound to occur, the investors wanted to cash in their stock and notes for cash. Thus a run took place on the Banque Royale with which it could not hope to honour. In July 1720 a mob besieged the Bank in Paris and Laws fled the country to Venice.

He spent the rest of his life in retirement in Venice.

T.J. Robson

THE BALTIC STATES

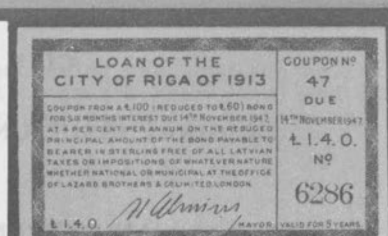
The Baltic States of Estonia, Latvia and Lithuania had four significant foreign bond issues. Most were redeemed between 1970-1973 under the Foreign Compensation (USSR) Order 1969, after remaining in a state of default for 29 years, and are the only bonds from the territories of the USSR to have been honoured. Those not handed in represent some of the rarest bonds in existence.

The issues were as follows: Republic of Estonia 7% 1927; City of Riga 4½% 1913; City of Vilna 5% 1912 and 1931; Wolmar Railway 4½% 1910.

The story behind them is poignant, as they relate to the valiant attempts of three peoples to retain political, economic and cultural independence: Lithuania, Estonia and Latvia. Independent statehood lasted only 20 years. Their present-day captivity was sealed in 1944 by Molotov of the Soviet Union with this harsh message in reply to Allied protests against the annexation of the territories: "You must take a good look at reality and understand that in future small nations will have to disappear ... The Baltic nations will have to join the glorious family of the Soviet Union."

The strategic position of the Baltic States between East and West caused them to be overrun by successive invaders. As they struggled to preserve their cultures, Russia, weakened by her bloody confrontation with Germany, voluntarily renounced her rights over the sovereignty of these peoples and their territories in 1918. The Baltic States were recognised as independent nations and became members of the League of Nations.

In order to rebuild their ruined economies the populace collected gold (some in the form of jewellery and treasured heirlooms) and other assets and lodged these with the Bank of England and elsewhere in Europe and America.



CITY OF RIGA, 1913, ENDORSED UNDER THE 1934 AGREEMENT, WITH NEW COUPONS (INSET)

When the shadow of another war loomed, the central banks of the Baltic States suggested their gold should be moved out of Europe, but assurances of safety from the Bank of England (later to be proved false) precluded such a move.

By 1940 all three countries had been annexed by Russia. A terrible genocide ensued; thousands of Baltic men, women and children were murdered or deported as slave labour and the last vestiges of freedom were stamped out. When Germany occupied the territories a year later, Britain at once impounded the Baltic assets by invoking the provisions of the "Trading with the Enemy Act" and all assets deposited with the Bank of England were vested in the Custodian of Enemy Property. Thus did the Baltic States lose their treasures to the British.

In September 1944 when Germany was finally driven out of Eastern Europe, Russia again seized the three countries. Russia has repeatedly insisted that Britain and her allies should recognise "de jure" her incorporation of the Baltic States and hand over the assets of the Central Banks. Successive British governments refused to do either on the grounds that Russia violated the Atlantic Charter and the United Nations Charter and has therefore no legal title to these assets, and since 1942 negotiations have taken place with the Soviet Union in efforts to compensate the British owners of these defaulted bonds. Under Harold Wilson's labour government this eventually came to pass, culminating in the Foreign Compensation (USSR) Order 1969 which by no means sailed without hitch through the House of Commons.

The Conservative Opposition branded it a "squalid story" and a "financially bad bargain for Britain" as well as for any future governments of the Baltic States. Russia abandoned all claims to the gold which was sold by the Bank of England in June 1967 for £5,700,000; £500,000 of this was used to buy consumer goods in this country, which were then sent to the USSR. The rest of the money went towards compensating those who had lost shares and property in the Baltic States.

Those who opposed the settlement considered it immoral to use the assets raised by non-subjugated peoples to compensate debts incurred by their subjugators. The bond and shareholders received only a portion of the value of their holdings as indicated below:

Settlement

Vilna

The 1912 issue of £449,160 was largely replaced by the 1931 Conversion Bonds. The amount remaining of the 1912 at that time was only £35,540 (i.e.8%). The Conversion Bonds were paid up until 1939 when Vilna was seized from Poland by the USSR and remained in default until settlement during 1970-73.

Riga

Following an agreement of 1934 between the City of Riga and Lazards, the terms of the loan were renegotiated. The principal was reduced by 40% (i.e. a £100 bond became £60) and the interest rate reduced to 4% from 4½%. Almost all the outstanding bonds were endorsed with those changes and nearly all were redeemed as a result of the 1969 Settlement. Any remaining are usually in extremely poor condition.

Wolmar

For the sake of the 1969 Settlement, Wolmar bonds were treated as shares. Excluding those redeemed or lost in the normal course of events, a major quantity were surrendered during 1970-73.

(The above is a copy of Deborah Stratton's article published in the Old Bond Times to whom acknowledgement is due)

TENTERDEN RAILWAY COMPANY

New Issue

The Tenterden Railway Company ~~is~~ has issued at par ~~of~~ £20,000 8% unsecured Bearer Bonds 1991/96 in multiples of £25 each. The Company is also uniquely registered as a charity.

Bond 001 is understood to have changed hands for £130 and Bond 007 (signed by Roger Moore) for £42.

The Secretary of the Company (address - The Tenterden Railway Company Limited, Tenterden Town Station, Kent, TN30 6HE) understands this is the only bearer bond issue since the war and would be interested to hear from any member who knows when the last bearer bond issued was made.

History and Business

The earliest plans for a railway to Tenterden were made in the 1850's. The South Eastern Railway proposed that their Ashford to Hastings line should pass through Tenterden, but a more southerly route, through Appledore and Rye, was chosen. In the following 40 years, various plans to build a line from Tenterden to either Headcorn or Paddock Wood were proposed but all failed to materialise. However, in 1896 new proposals were put forward to construct a railway from Robertsbridge to Tenterden.

The directors of the new company decided to take advantage of the Light Railways Act 1896, designed to encourage railways in thinly populated areas by easing the regulations relating to gradients, fencing, station facilities, etc. The Rother Valley Railway, as it was then known, was the first line to be built under this Act.

Construction proceeded under the direction of Mr. (later Lt.Col.) Holman F. Stephens and the first section, to the present day Rolvenden Station, was opened on 26th March 1900. Tenterden residents had to wait until 1903 before the line was extended up the hill to Tenterden Town.

In 1904 the company changed the name to the Kent & East Sussex Railway and on 15th May 1905 an extension to Headcorn was opened giving a total length of 21½ miles.

Despite optimistic forecasts, profits were never large and from 1926 onwards increasing losses were incurred. Following Government control during the Great War, the line maintained its independence in 1923 when most other railways were grouped into four great companies, but on 1st January 1948, the K.& E.S.R. was nationalised. Traffic continued to decline and as a result regular passenger services ceased on 2nd January 1954 and the Tenterden to Headcorn

section was dismantled. Freight services on the remainder were maintained until 12th July 1961.

Following the closure by British Railways, a group was formed in 1961, with the objective of reopening the 13½ miles of line from Tenterden to Robertsbridge for both passenger and freight traffic. Although this initial attempt failed a revised scheme was subsequently put forward by The Tenterden Railway Company Ltd., incorporated on 14th April 1971 with the aim of reopening the 10 miles of railway from Tenterden to Bodiam as a tourist attraction. The Company is limited by guarantee, without a share capital, and is supported by approximately 2,000 members. It was granted charitable status in 1971 in view of the historical and educational interest of the Railway.

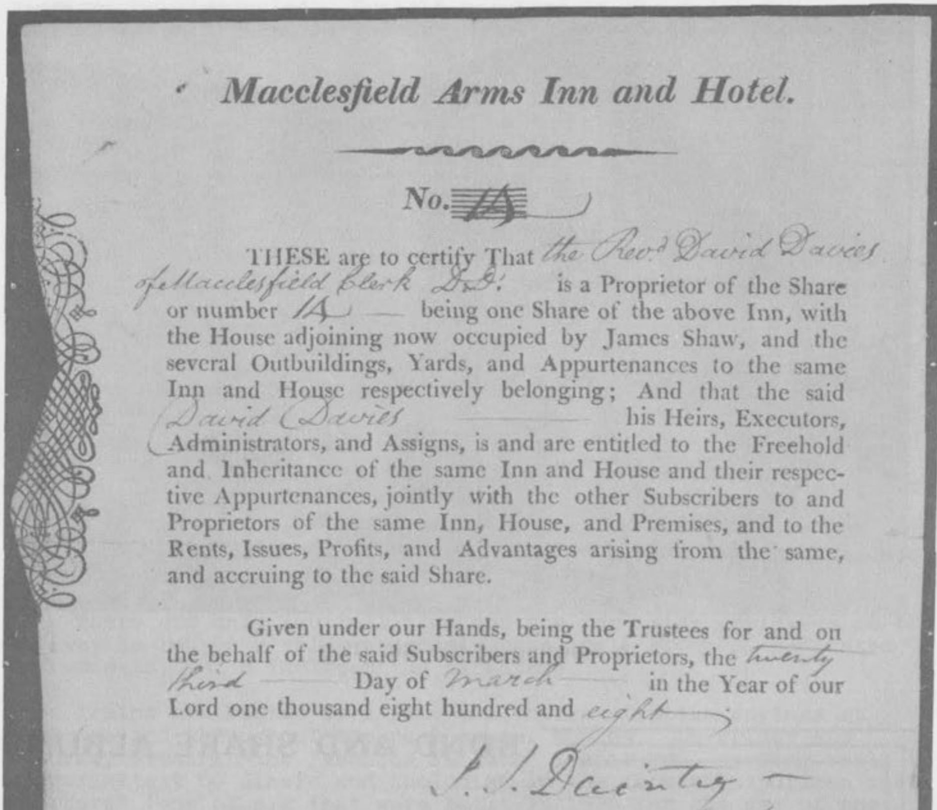
The necessary statutory powers were transferred to the Company by the British Railways Board (Kent and East Sussex) Light Railway (Transfer and Amendment) Order 1973.

Services commenced in 1974 between Tenterden and Rolvenden and since then the operational railway has been extended in stages, until Wittersham Road, some 4 miles from Tenterden , was reached in 1978. This station had to be completely rebuilt, as the old structure had been demolished by British Railways. Considerable assistance was obtained for this project from the Government sponsored Job Creation Programme.

There are only two full time and one part time employees as the Railway is run on a voluntary basis by a small group of dedicated enthusiasts, which includes the Directors.

Trains are hauled by a fine collection of steam engines at weekends and throughout the peak summer months. On Friday and Saturday evenings the "Wealden Pullman" trains run, serving meals to approximately 60 diners and including in the formation pullman car "Barbara" (one of six that were built in 1926 for the use of the Pullman Car Company on the London to Hastings line service) and an open saloon vehicle built for the Southern Railway in 1933 for use on the Continental boat expresses. In 1979, the railway carried a total of 45,394 passengers including 1,677 on the Wealden Pullman Trains. Traffic in 1980 has so far shown a healthy increase and at the end of September was some 11% up on the corresponding period of 1979. There are still six more miles of railway to reopen and in the first instance the 2½ miles of line between Wittersham Road and Northiam will be tackled in two stages. Track has to be relaid, a bridge renovated, undergrowth cleared, a level crossing repaired and signalling installed before trains can run again. Thereafter the track ahead on the final section from Northiam to Bodiam will be less daunting as it does not involve any major civil engineering works. Apart from its historical interest and the pleasure of seeing steam in operation, the Railway attracts attention by virtue of its surroundings. Between Rolvenden and Bodiam, the valley of the River Rother is crossed by only two roads, giving the railway traveller a privileged view of mile upon mile of completely unspoiled country-side. Bodiam itself contains the famous 14th century castle, one of the most popular National Trust properties and described by Pevsner as one of the most gripping castles in England by its absolute symmetry, and its placing in a wide moat.

A meeting at the Ski Club



Macclesfield Arms Inn and Hotel.

No. 14

THESE are to certify That the Revd David Davies of Macclesfield Clerk D.D. is a Proprietor of the Share or number 14 — being one Share of the above Inn, with the House adjoining now occupied by James Shaw, and the several Outbuildings, Yards, and Appurtenances to the same Inn and House respectively belonging; And that the said David Davies his Heirs, Executors, Administrators, and Assigns, is and are entitled to the Freehold and Inheritance of the same Inn and House and their respective Appurtenances, jointly with the other Subscribers to and Proprietors of the same Inn, House, and Premises, and to the Rents, Issues, Profits, and Advantages arising from the same, and accruing to the said Share.

Given under our Hands, being the Trustees for and on the behalf of the said Subscribers and Proprietors, the twenty third Day of March in the Year of our Lord one thousand eight hundred and eight

J. J. Dainty

J. Swanwick

Ra. Deane

A VERY EARLY INN/HOTEL SHARE CERTIFICATE OF 1908

It was extremely unusual for a venture of this kind to be organised on a Joint Stock basis.

Courtesy of Belcher Associates.

WEST LONDON COFFEE HOUSE COMPANY

The Company was formed on 11th February 1879, and carried on business in Numbers 130 and 132 King Street West, Hammersmith as a hotel, coffee tavern and livery stables.

Other premises were used for public meetings, (except political,) entertainment, club rooms, libraries and reading rooms.

The Company was originally formed by a group of people including two Accountants, two Solicitors, a Barrister, Dentist and a Tourist Agent.

10,000 £1 shares were issued and members of the public were asked to subscribe for the shares on 18th August 1879. A further issue of 2436 shares was made in 1881 which raised £1,857.5.0 and a number of shares were forfeited due to unpaid calls.

A short while later, the Governors of the Company disappeared and nothing was ever heard of them again. The Company was officially dissolved under clause 7(4) of the Companies Act 1880 by notice No. 12183 of the London Gazette dated 4th January 1887.

The share certificates were printed by the West London Observer, Steam Printing and Lithographic Works, in Hammersmith.

R.E. Jackson

MARKET INDICATORS IN THE BOND AND SHARE MARKET

The purpose of an indicator is to give an idea of market conditions. Most indicators based on a "representative" collection of bonds are amenable to manipulation as bonds for collecting purposes are an illiquid market with small supplies of stock.

The most important people in the market are collectors and so any indicator must reflect the activities of collectors rather than companies trading in the market, whose prices may bear little relationship to the actual trading value between collectors.

With these facts in mind may I suggest an indicator based upon the societies auctions? If we consider the type of material it is most general. Therefore, the percentage sold reflects the buying interest. If this fraction is multiplied by the societies receipts then a value figure is incorporated.

Figures for the last three auctions are given below. These figures represent in their changes at least my impression of the state of the market recently.

Auction 2	1st Feb. 1980	51/106 x £82	=	39.45
Auction 3	31st May 1980	41/118 x £71.46	=	24.82
Auction 4	1st Dec. 1980	76/142 x £114	=	61.01

I offer this for discussion by the members.

P.L. Jenkins

(Dr. P.L. Jenkins
Flat 29, Belle Vue Court,
Belle Vue Gardens, Brighton.)

END OF THE LONG MARCH FOR INVESTORS?

Will 1981 be the year of the Chinese Bonds? They have certainly got off to a good start with prices of these sterling denominated bonds doubling on the stock exchange this week.

The flurry of activity in these bonds was the result of an announcement made at the beginning of the week inviting the British public to register their claims against the Chinese government for assets seized during the Communist revolution of 1949.

The claims - which must be registered with the Foreign Compensation Commission by July 5 - include losses by property pensions, bank balances and bonds issued by the Government denominated in Chinese currency. Explicitly excluded from the list, however, are the bonds issued in foreign currencies, including those which saw a dramatic rise in price this week.

The Chinese government defaulted on these bonds as far back as 1935 and so far the Communist government has been adamant in its view that it is not responsible for previous government debts, despite repeated requests from the Council of Foreign Bondholders in London to alter its position.

This council, set up in 1868 by London stockbroker Isidor Gerstenberg, specializes in helping British investors to retrieve sterling bad debts from foreign governments. Among the big successes of this 12-man council, whose members included representatives from the British Insurance Association, the Council of the Stock Exchange and the Association of Investment Trust Companies, are debts retrieved from the German and Japanese governments after the war and more recently the £66m tied up by British investors in Zimbabwe since 1965.

But it still has a millstone around its neck in the shape of the £61m capital invested in Chinese bonds and the Tsarist Russian bonds, a debt which runs into millions of pounds, also runs into millions of pounds.

Another thorn in its side is the State of Mississippi which defaulted on a loan raised in London back in 1830 to the tune of $7m. with millions of dollars in arrears of interest. The state astutely ignore letters sent by the council.

Despite notice from the Foreign Office that future negotiations with the Chinese government would include demands for a settlement on these bonds, hopes have not been raised at the Council of Foreign Bondholders.

"Some will see these recent events as a slight crumb of hope of an eventual settlement on sterling bonds," said Mr. Michael Gough, director of the council. "But I do not think anything has changed" he added. The only real step forward would be for China to agree to neotiate on its pre-revolution debt."

Investors though are taking a more optimistic view and with prices of larger issues of these bonds - which not only reflects the likelihood but also the size of an eventual settlement - doubled in the last week. For example, the price of 5 per cent Reorganisation Gold Loan 1913, with nearly £20m outstanding rose from £10 to £20 over the week.

"Some form of settlement is on the cards at some time, but it is not likely to be very generous," said Mr. Paul Seabrook who specializes in these bonds at stockbrokers Pidgeon de Smitt. China's membership of the International Monetary Fund might help to change the government's view on these particular bonds.

If you are tempted by the price rises to sell your bonds, check other avenues first before disposing of them on the stock market.

Chinese bonds came into vogue as collectors items a couple of years ago which has pushed the price of some up dramatically. For example, 5 per cent 1911 Hukuang Railways bonds which sold for £50 in 1978 are now worth as much as £250.

But as Mr. Grant Woods from the bond department of dealers Stanley Gibbons explains, the price you will get not only depends on the condition of your bond (prices drop quickly if they are badly creased or torn) but also the issue. There were nine different issues of the £6m Hukuang Railways Bond, and from a collector's point of view it is the £20 denominated bond issued by a consortium of American banks which tops the list at the moment.

(With acknowledgement to The Times of 10th January, 1981.)

5% CHINESE RAILWAY LOAN, ISSUED BY YOKOHAMA SPECIE BANK CA 118 SERIES)

Owen Coslett reports that the issues of this loan were as follows:

		Nos. Issued
CA 118a	100 year	3000
CA 118b	500 year	2230
CA 118c	1000 year	5735
CA 118d	5000 year	570

LONDON AUCTION NEWS DECEMBER 1980 - MARCH 1981

Stanley Gibbons. 5 December 1980.

This sale was remarkable for its speed, as the 237 lots were sold in only 40 minutes. Prices were generally on the low side, but the Australian section was a notable exception, mostly selling at about double the estimated values. One £100 share certificate in the Bank of Australia on vellum, dated 1833, sold for £540 against an estimate of £75.

Phillips. 11 December 1980.

The 219 lots included 58 Chinese and 58 U.S.A. There were several early British share certificates on vellum, including a 1761 unissued share in the Thames and Severn Canal Navigation Co. in E.F. condition, sold at £80 (estimate £80/120). Among the more expensive items, a Russian Kokand-Namangan £500 railway bond went under the hammer at £380 against an estimate of £700/900. However, it should be noted that the bond had a hole in the centre; collectors seem to place far more emphasis on condition than they did a year ago.

James. 25 February 1981.

Prices were low throughout, and only about 50 of the 271 lots were sold in the room. Only 12 lots went over their estimates. One of the exceptions was a Texian Loan of 1836 which went under the hammer at £100 (estimate £75). The top price among the British items was £100 for a 1795 Basingstoke Canal Navigation certificate on vellum (estimate £150).

Phillips. 26 February 1981.

The attendance of about 40 for this sale of 212 lots was encouraging. Although prices were still low throughout. Among the American items, an 1863 7% Cotton Loan £200 bond sold for only £92 (estimate £140/180). In the Chinese section, a 1919 Vickers £100 bond with original coupons fetched only £220 (estimate £400/450). Among the British railways, an 1858 Stockton and Darlington £25 Class A Preferential Share in E.F. condition went under the hammer at £270 (estimate £400/600).

Bond and Share Society Congress. 22 March 1981.

The auction consisted of 228 lots, including 69 U.S.A. The attendance was about 150-200. Prices were generally low, but this was not universal. The top price was £500 for a Standard Oil Company share certificate dated 1878 and signed by J.D. Rockefeller as President, and H.M. Flagler as Secretary.

Sotheby's. 23 March 1981.

About 40 people attended this sale of 261 lots, which was strong in U.S.A. and early British material. The sale catalogue was excellent, with very complete descriptions. Prices were generally low, but there were exceptions. A Standard Oil Co. share certificate dated 1878 and signed by J.D. Rockefeller and H.M. Flagler sold for £580 (estimate £500/600). The top price for a British certificate was £220 for a share in the Theatre Royal, Drury Lane, dated 1812. A vellum certificate issued by the Warminster Literary Institute in 1837 also sold for £220 (estimate £180/220).

General comment.

Dealers report a lot of interest in low-priced material and it seems that there is now a stronger collector base than there was a year ago. This is also reflected by better attendances at auctions recently, which is surely an encouraging sign for the future. It is also noticeable how condition has become more important over the last year.

WANTS AND FOR SALE

Laurens Bogers, Oudegracht 183, 3511 NE Utrecht, Holland

wishes to purchase items with vignettes of waterfalls, oil refineries. Also any old Dutch items. Can swap for Russian Railroads and rare loans. List available.

Robin Kent, 35 Oakwood Road, London SW20 OPL

is now specialising in Canada, and welcomes lists of Canadian material, and general information.

Brian Mills, 56 The Avenue, Tadworth, Surrey

seeks for his own collection US stocks and bonds pre 1950. Also Wells/Fargo/Butterfield cheques and drafts pre-1850.

Michael L. Wyler, 33 's-Gravensingel, Rotterdam, Holland

(a) wants to buy or exchange Banks, Telegraph, Radio and related

(b) can offer Russian Bonds, Automotive

(c) also wants certificates of The Atlantic Telegraph Cable 1865 and The Great Ship Company Ltd. 1859

John L. Gageby, Riversdale House, 75 Bushy Park Road, Rathgar, Dublin 6

seeks Irish certificates

Kjell Arvid Unneland, Stativ 71, N-5233, Haukeland, Norway

seeks Norwegian Bonds (general). Please send list with offers.

P. Wynne, 42 Barry Drive, Leicester Forest East, Leicester

has a Stanley Gibbons loose leaf album 20½ x 15¼ in mint condition with three loose leaf pages inside for sale. Price £12, post free.

F. Ketels, Molenstraat 32, 2000 Antwerpen, Belgium

seeks bonds, shares North America, with vignettes showing Indians. Photocopies please.

R.J. Reid, 10, Wavertree Court, Ellesmere Port, Cheshire

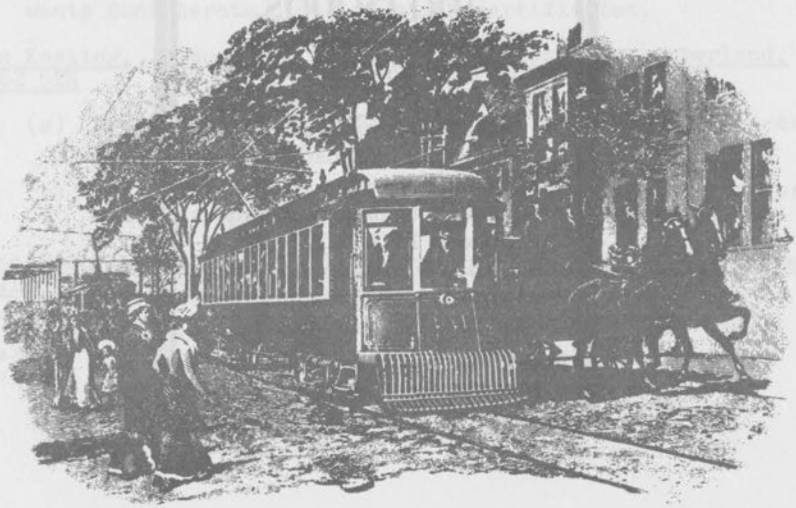
has for sale:- Gold Mining Certificates in:-

(i) Mount Chalmers Co. 1890. 100 shares E.F.

(ii) Pigg's Peak Estate 1891. 150 shares E.F.

Ralph Huber, Hildastr. 39, D-7600 Offenberg, W. Germany (Tel No: 0781-37280)

seeks coffee and tea shares and has a list of Russian Railway, City and State loans for sale.



Keith Hollander interviewing the press!

P. Wynne, 42 Barry Drive, Leicester Forest East, Leicester (Tel No: 0533-393281)

has Criswell's 27, 55, 92, 99, 117 and 119 for sale or exchange. Seeks Japanese Government sterling bonds, Russian cities; Southern States.

M. Clifford Young, Post Office Box 5, Kenmore Station, Boston, MA 02215, U.S.A.

wants Confederate blockade stock certificates.

Owen Kesling, 15 Woodhorn Drive, Chappington, Northumberland, NE62 5EN

(a) would like to hear from anybody interested in research on Russian bonds and shares

(b) has a list of about 100 Russian bonds and shares for sale, dated 1819 - 1914. Send S.A.E. for details.

Catherine Chesney, 28 Galwally Park, Belfast BT8 4AH, Northern Ireland (Tel. No: Belfast 691448)

wishes to dispose of the following Chinese Bonds. The Catalogue numbers are: 102c, 103, 109, 2 x 115c, 2 x 116b, 116c, 2 x 117b, 117d, 117f, 117h, 157e.

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