THE BOND & SHARE SOCIETY
(Established 1978)

NEWSLETTER — NOVEMBER 1987

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CHAIRMAN	Tony Ross
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FORTHCOMING EVENTS

DECEMBER

2nd	Bond & Share Society meeting, London
10th	NASCA Auction of Foreign (i.e. non-USA) stocks and bonds, New York

JANUARY

5th	Bond & Share Society meeting, London

FEBRUARY

2nd	Bond & Share Society meeting, London
5th/7th	NASCA Auction, & American Chapter of B&SS Bourse, Strasburg, Pennsylvania

MARCH

1st	Bond & Share Society meeting, London
4th	Auction, Phillips, London
19th/20th	Auction & Bourse, Frankfurt

APRIL

5th	Bond & Share Society meeting, London
16th	Auction & Bourse, Boone, Antwerp
23rd	Auction, H.P., Berne
23rd	Auction, Weng, Wiesbaden

Society meetings are held at the Ski Club of Great Britain, Eaton Square (near Victoria Station) from 6.30 pm.

AUCTION! AUCTION! AUCTION!

Quite a number of members have complained that the Society hasn't had a postal auction recently, but we are about to put that right. Assuming an adequate number of lots (& prospects look good), there will be a postal auction in the next Bond & Share Society Journal, to be published late January or February. If YOU have pieces to sell, please send to Jonathan Lyttleton by the end of December. Late sendings will have to wait for next time. We do hope this will please our members away from London, who do not benefit from the opportunities at monthly meetings to enrich their collections.

STOP PRESS

SOTHEBY'S — 24 November 1987

There were about fifty people in the room for the one lot sale of 75,000 Bearer Bonds of The Confederate States of America as well as six inter-continental manned telephone link-lines. James Morton conducted the sale and his preamble confirmed that the bonds were being sold with absolute title and that they were the remainder of a hoard held since 1887 by a London bank. In the event of a foreigner being the buyer, a United Kingdom Board of Trade Export Licence would be required by the successful bidder. The bidding started at £75,000 (there were five bidders), soon swept past £200,000, leaving only two competitors to leapfrog each other until eventually the lot was knocked down at a hammer price of £320,000 (equivalent to a total price of £356,000 – $640,000), well above the estimate of £180,000 – £220,000.

John Saunders, President of London Coin Galleries, Mission Viejo, California jointly with Heritage Rare Coins, Dallas and in association with Howard Simmons (he runs the successful London Coin Fairs at the Cumberland Hotel) bought the lot, with Gerald Schmidt of Imperial Coins in Richmond, Virginia being the underbidder. Your correspondent spoke to John Saunders who indicated "he had been pushed to his bidding limit". A member of the Erlanger family was believed also to have been a bidder in the room.

Grover C. Criswell came over for the sale to promote the sale of his standard catalogue, Confederate and Southern States Bonds. Hope he sells enough copies to cover the air fare!

Jonathan A. Lyttleton

CUMBERLAND MONEY FAIR, LONDON

Dealers in the U.K. have decided to have a permanent presence at the Cumberland Money Fair. This event, held three times a year at the Cumberland Hotel, Marble Arch, London, is very well organised and highly regarded, and should prove an attractive opportunity for collectors to meet dealers, and see what is currently on offer. The next fair is on 6 February, when only a small number of dealers will be present, but at the following fair in May it is expected that almost all the U.K. dealers will have tables, with hopefully a substantial presence from the Continent also.

We have all needed this outlet, please let it be well supported, and a continuing success.

U.S.A.

The American chapter of the Bond & Share Society is holding a bourse, as part of the country's bicentennial celebrations, on 6 & 7 February, 1988, at Strasburg, Pennsylvania. NASCA will be holding an auction on the preceding day, 5 February. Tables for the bourse will cost $150 for the two days together: further information and bookings from Diana Herzog, Secretary of the American chapter. There will be a meeting of members of the chapter during the weekend. We understand that the Strasburg Inn is offering a special rate of $42.50 for a double room per night. The Strasburg area is full of interest for the visitor, with the Pennsylvania railway museum, many antique shops, and the 'Pennsylvania Dutch' community.

We hear that the international Paper Money Show in Memphis, Tennessee, was very strong on stocks & bonds this year, with some 40 dealers offering them, and considerable interest by European (including British) dealers. An article in Bank Note Reporter, by Dale Flesher, tells us of certificates being bought by one gentleman to wall-paper part of his home! Unfortunately, the demand in Europe for decorative certificates makes it impossible to follow suit here without making this an extremely expensive type of wallpaper! Dale mentions very low prices in the U.S.A. Doubtless this is partly due to the American practice of releasing cancelled certificates, whereas in Europe they are almost always destroyed, making cancelled pieces often a rare variety! It was felt at Memphis that our hobby is growing much more quickly in Europe than in the U.S.A. Is this because of, or in spite of, a higher price structure?

GERMANY/SWITZERLAND

The June issue of H.P. Magazin featured the customary auction reports, with articles on the bourse of Königsberg (formerly East Prussia, now part of the Soviet Union), the Unisys Corporation (Burroughs plus the Sperry corporation & their antecedents), the Hamburg zoo, and Nash Motors, a big name in U.S. cars in the 1920s and 1930s.

Special features in July were Swiss lake-steamers, the Weimar-Rastenburg railway in Germany, early Spanish mining pieces & German states' dollar loans. American railways led the September issue, with a report on the market in these pieces for the first half of 1987, followed by articles on 2 German companies, a Swiss railways update, and a Belgian car company.

October devoted much space to auction reports, including H.P.'s own auction in Berne, but for the rest was almost exclusively for collectors of German and Swiss material, with relevant company histories, with an article on Duchamp, a French designer of the 1920's, who produced many unusual certificates.

FRANCE

Sadly, Le Collectionneur Français has had to discontinue its scripophily articles. It has been saying for some time that unless articles are forthcoming, this may happen. Recent articles published have been of interest exclusively to French collectors, but the last two issues have had nothing at all to offer us.

A warning to our members who are unwilling to make any efort towards keeping OUR publications going.

INDIA & NEIGHBOURING COUNTRIES

We understand that there are now regular auctions of certificates from India and other Asian countries, run by Mr Rajesh Kumar Lodha, of Kathmandu, Nepal (advertisement elsewhere). We hope this venture is well supported, and that it will increase the modest number of collectors of certificates from that part of the world, both inside and outside the countries involved. We are sure Mr Lodha will be happy to give further information to our members.

AUCTION REPORTS

FRANKFURT, 26/27 SEPTEMBER

The auction market is extremely busy in Germany, with at least five auctioneers holding regular specialised sales. German bonds and shares have always been at the forefront, with prices being in a different range to those in other countries, with the exception of Switzerland. A sugar company share in Actien-Zucker-Fabrik Peine, dated 1866, sold at DM 1400 (£470), despite having a large piece cut from the bottom, and an 1886 share in Bremer Pferde-Bahn sold at DM 950 (£320). Quite a few German pieces, however, did not sell — estimates too optimistic? One superb piece in this category was the English company 'Copartnership for carrying on a Trade in Masts, Deals, Timber, etc., from Hanover, Bremen, Hamburgh, and other parts of Germany', dated 1720 and carrying a starting price of DM 4800 (£1600).

Famous names are always popular and high prices are obtained. An 1829 share in the Liverpool & Manchester Railway Company sold at DM 3600 (£1200), even in poor condition. Two 18th-century Spanish pieces found willing buyers: the Compania Real de la Extremadura of 1746 sold at DM 5800 (£1950) and an unissued 1759 share in the Real Compania de Comercio Barcelona sold at DM 3900 (£1300).

Not all lots in the sale were in the £100's, there were many below this, although the minimum start-price seems to be about DM 50 (£17). Top price in the sale was DM 17700 (£5900) paid for an Austrian piece signed by Maria Theresa in 1756.

M. Veissid
(By kind permission of "Bond & Banknote News")

SOTHEBY'S, LONDON — 1 OCTOBER

Sotheby's held its customary small sale (70 lots) in its coin and banknote sale, arranged to coincide with the I.B.N.S. Congress.

The non-British element, amounting to about ¼ of the lots, was generally not of outstanding interest, although a City of Dublin tontine, seen in auction before, went at £900, and early Canadian and Swedish pieces sold well. A lot of 24 Louisiana bonds of 1871, a very scarce issue, was probably a bargain at £550.

The British material was of generally good quality, and with substantial bids on the book, and enthusiastic bidding from the small attendance in the room, many estimates were comfortably exceeded, with the best pieces mostly going abroad. The early British railways and canals, such a strong market recently, were bid up, with the beautiful Wear Valley Railway at £700, and three others not far behind. 17th and 18th century pieces were strong, with high estimates for Orders of Payment being reached, and a 'Million Bank' stock receipt of 1752 selling at £330, nearly twice the estimate. However, a South Sea receipt of the good date of 1721, estimated at £800/900, went at only £650; the strong market for such pieces depends on a fairly small number of buyers — if they are not active, then the best prices will not be reached. Of the miscellaneous British pieces, much the best were the two Kent insurance offices, the Fire and the Life & Annuity, both of the early 1800's. These elegant vellum certificates, with splendid vignettes, went to the Continent at £800 (estimate £500/600) and £500 (£400/500) respectively. It seems to be almost inevitable these days that the strong market on the Continent will draw the high-quality pieces away from Britain.

This sad reflection apart, this was a generally good and lively sale, which, together with the Phillips sale on the following day, helped to maintain London's strengthening reputation as a scripophily auction centre.

Howard Shakespeare

PHILLIPS, LONDON — 2 OCTOBER

Timed to coincide with the International Bank Notes Society London Fair, Phillips packed this auction with 700 lots, of which 200 were scripophily items and the rest paper money. They were rewarded with a good crowd of bidders, mostly dealers, from several countries on both sides of the Atlantic. Only a handful of the scripophily lots went unsold, and most were close to or over the upper limit of the estimate.

Book is a listing of every railway from 1836 to 1986 in Canada. The book is intended to look up charters of each railway, and lists each passage of act for every rail line. In this information is incorporation dates, bond issue years, amalgamations with other lines, histories and what happened to the rail lines. The most useful book to Rail collectors of Canada's Rail lines. Originally published in 1938, it is now available and updated to present in the new republication.

Amongst the rarities, the highest price paid was £580 (plus premium) for a London & Brighton Railway Company bearer certificate of 1847, in rather sorry condition but never seen before and showing vignettes of London's St. Paul's Cathedral and Brighton's Royal Pavilion. This was not strictly a share, but what Americans would call a "postnote" although in large format. Other English pieces not seen before included the British Gas Light Company 1825 on vellum, of which there were nine examples spread over six lots, which made between £155 and £175 a piece. Another new piece was the Launceston & Victoria Railway Company share of 1836, of which there were five examples. These varied in price from £155 for the first one offered, to £290 for the last! An undated and unissued Stockton and Darlington Railway bond, possibly to be issued in lieu of a dividend payment, went for £155. Some very attractive Cornish mining shares of 1835 were contained in some mixed mining lots. Three Welsh lead mining companies, not previously seen, made £42 each. A very early Power of Attorney of the South Sea Company (1714) went for £260.

Amongst Americans, an excellent example of the North American Land Company share 1795, signed by Robert Morris without cancellation, made £320. A New York Boston & Montreal Railway bond 1873 fetched £150 against estimate £30/40.

In a small number of French lots, Compagnie des Voitures Nouvelles de Paris 1881 made £70 (estimate £30/40) and Mont Cenis Railway Co. 1866 fetched £100 (estimate £50/60), whilst a Banque de Cochinchine 1908 realised £230 (estimate £100/150). Australians too made good prices with £85 for the Londonderry Gold Mine 1895, £55 for the Bendigo Goldfields 1897 and £62 for the Standard Bank of Australia 1894.

Lastly, some English reference books made some pretty amazing prices: Stock Exchange Year Book 1919 at £78 and Bradshaw's Railway Shareholders Guide 1860 at £80. All in all, an enjoyable auction, dominated by English material and conducted at Phillips' usual speed of over 200 lots per hour.

ANTWERP, 24 OCTOBER, 1987

Erik Boone held his 7th auction in the usual location of the Quality Inn, and arrangements were, as always, very efficient. The 729 lots on offer were very varied by country, theme and price range and it would appear that Erik is offered plenty of material for his auctions, and so can pick and choose the pieces to appeal to his bidders. Start-prices varied from BF 400 (£7) to BF 100,000 (£1,650). On this occasion Erik sent out two types of catalogue, his customary one, basically in Dutch, and an English edition, an idea which seems to have been very well received. The catalogue was informative and well illustrated – the only complaints heard related to claims of rarity, which in some cases may well reflect the situation in Belgium, but did not take account of quantities known in other countries.

The omens for the sale were not too good; recent sales in Germany were disappointing and world stock-exchanges had been dropping for a week. However, as it turned out, only one or two sections appeared to have suffered from the stock-market troubles, and altogether 89% of lots were sold, for a total hammer-price of approx. BF 3,100,000 (£50,000), a very substantial increase on the last auction. There were many fine pieces which sold at appropriately high prices (although even here there were bargains) but very many pieces sold for prices well within reach of a modest collector, selling for below BF 1000 (£16), even including the customary premium.

It was noticeable that room bidding was quiet; an unusually high number of lots sold to postal bidders, often at the start-price. However, most of the 50 or so persons present (from 6 countries) took an active part in the proceedings. The auction opened with nearly 100 railway lots, with many previously unknown pieces. Some of the best were Spanish, from the superb collection of a former president of the Madrid bourse, and the finest pieces were strongly competed for. Cars were popular, as always, with a Hispano-Suiza 1st issue selling at BF 85,000 (£1,400). Luxembourg material is not often seen, and desperately wanted by collectors there – as a result, every lot doubled its start-price, and half of them tripled it; not a theme for hard-up non-Luxembourgers!

Circuses and zoos were as popular as ever, with probably the only surviving 19th-century Barnum & Bailey selling at BF 47,500 (£760), and even the 1970 Ringling Bros/Barnum & Bailey going for BF 12,000 (£200). Unfortunately, the estimate for the Lisbon zoo was over-optimistic, and in spite of its beauty, did not find a buyer. Banks were good but not outstanding – the best being the Reval Commercial Bank, of Estonia/Russia, which went at BF 15,600 (£260), but there were many other attractive pieces at figures very realistic for the average collector.

The Boone auctions are always strong on 18th-century material, and the pieces here, while mostly not unique, were of generally very high quality, and fetched prices to match. The latter part of the auction was good but generally less distinguished, although the superbly illustrated German piece of the Bergbau Medio-Rhein sold at its start-price of BF 100,000 (£1,650). A local brewery piece starting at a mere BF 800 (£13) frothed up to BF 9,500 (£155), and tramways were strong, with a pair of Frankfurt certificates, in quite exceptional condition, went for BF 16,000 (£260).

The best we leave until last – the star of the auction was an unissued share of Paris-France S.A., designed by Mucha, and a real work of art. This opened at BF 50,000 (£800) and finally sold for BF 102,000 to a very proud new owner. The bourse after the auction is always too short, hence rushed, but crowded with collectors, who always find bargains. Prices asked by some part-time dealers seem very modest indeed and if you can find what you want, it will probably be an exceptionally good buy.

Erik's next auction will be on 16 April; an English edition of the catalogue will again be available.

Howard Shakespeare.

RUSSIAN BOND REPAYMENTS

Many people who submitted bonds for repayment have received a cheque for 10% of face value, as a first instalment. The final payment, which will be made only after property claims have been evaluated, is anticipated in 1989 (perhaps around May), and a Foreign Office representative stated that it should be for an additional 10% to 20% face value. A very satisfactory result for bondholders.

CHINESE BONDS

Still no announcement since the first mention in June that an offer was to be made.

CANADA — REFERENCE BOOKS

Neil Radke has been kind enough to tell us about two books which are most useful to the collector of Canadian material.

Canadian Mines Register – published by Northern Miner Press Ltd., 7 Labatt Avenue, Toronto, Ontario M5A 3P2.
Approximate price $40 Canadian

Four volume set lists dormant and defunct mining companies from the late 1890's to the present, giving status reports on incorporation dates, authorised capital, where the mine was located, and what eventually happened to the mine. Has listings on quite a few British and American Companies that held mining claims in Canada.

A Statutory History of Railways in Canada – published by Canadian Institute of Guided Ground Transport, St. Lawrence Building, Room 128, Queen's University, Kingston, Ontario, K7L 3N6.
Approximate price $40 Canadian

Book is a listing of every railway from 1836 to 1986 in Canada. The book is intended to look up charters of each railway, and lists each passage of act for every rail line. In this information is incorporated dates, bond issue years, amalgamations with other lines, histories and what happened to the rail lines. The most useful book to Rail collectors of Canada's Rail lines. Originally published in 1938, it is now available and updated to present in the new republication.

REPRINTS

A lot at the recent Philips auction highlighted the increasing numbers of reprints of attractive certifiates. They cannot really be described as forgeries, since they appear to have been printed from the original plates, but nevertheless are not issued by the original company. Those at Philips were of the Vinos Gasificados Blanxart, but we have also seen those of the Coto Doñana, a wildlife reserve, both very attractive Spanish certificates. They have been reprinted recently by a gentleman in Barcelona and are difficult to distinguish other than by the exceptional freshness and general condition for papers printed ostensibly 70 or 80 years ago. Even the dividend stamps on the reverse are convincing, being varied in angle and position.

The October H.P. Magazin warns its readers of fictitous Cunard Steamship Co. Ltd certificates dated 1909, crudely printed on cheap paper, which have been seen in flea-markets. They mention also Ford certificates, with the alleged Ford signature, Montana Phonograph, with a false Edison signature, etc. All these pieces are stamped on the reverse 'DIS-PLAY'. They are, of course, totally worthless; no dealer is likely to stock them, and they will only be found in flea-markets and the like.

It is said that imitation is the sincerest form of flattery, and the existence of these things may suggest that our hobby is getting better-known to the general public, but nevertheless we can do without this sort of nonsense, especially the reprints that can even find their way into the catalogue of a leading auctioneer.

THE BOND & SHARE SOCIETY

ACCOUNTS FOR THE YEAR TO 31 DECEMBER 1986

INCOME AND EXPENDITURE ACCOUNT			1986		1985	
INCOME			£	£	£	£
Subscriptions			2759		3128	
Newsletter/Journal advertising			318		400	
Auction commissions, net of costs			322		193	
Handbook sales			45		0	
Congress fees, net of costs			0		96	
Sundry income			30		5	
Interest on bank deposits			743		848	
Total Income				4217		4670
EXPENDITURE						
Printing & Stationery			1970		1776	
Computer & office expenses			319		289	
Postage			1364		772	
Meetings costs, less fees			195		264	
Exhibitions			168		0	
Expenditure on Handbook		2732			1008	
less advertising	1496				(50)	
less stock in hand	870					
		2366				
			366			
Depreciation: display stands			15		22	
Taxation on interest received			217		255	
Total Expenditure				4614		4336
(DEFICIT)/SURPLUS TRANSFERRED TO ACCUMULATED FUND				(397)		334

BALANCE SHEET AS AT 31 DECEMBER	1986		1985	
	£	£	£	£
ACCUMULATED FUND BROUGHT FORWARD	5915		5581	
(Deficit)/Surplus for the year	(397)		334	
ACCUMULATED FUND CARRIED FORWARD		5518		5915
REPRESENTED BY:				
Fixed assets: display stands at cost	574		574	
less depreciation	544		529	
		30		45
National Savings Investment Account		5258		8515
Bank and Cash balances		1438		844
Sundry debtors		566		185
Handbooks @ cost		870		0
Total assets		8162		9589
Less Liabilities: Unexpired subscriptions	672		744	
Sundry creditors	1500		2676	
Taxation payable	472		255	
Total liabilities		2644		3674
TOTAL NET ASSETS		5518		5915

REPORT OF THE HONORARY AUDITOR TO THE MEMBERS

I have examined the Accounts of the Bond & Share Society set out above. In my opinion the accounts gave a true and fair view of the state of affairs at 31 December 1986 and of the deficit for the year then ended.

London, April 1987

Geoffrey L. Grant FCA

Note – *the anomaly between a higher membership and lower subscription income is explained by two factors – firstly, that the subscriptions of all our ten-year members were included in full in the 1985 accounts, and, secondly, that the subscriptions of our 32 South African members, paid in South Africa, had not been transferred to the UK by the end of 1986.*

CLASSIFIED ADVERTISEMENTS

NOW IT'S BULGARIA

After the Russian & Chinese bond repayment announcements, Bulgaria has joined the list of (partial) repayers, at a surprisingly high figure for Sterling issues, but a miserable one for issues in other currencies.

Arrangements are as follows:-

Sterling issues (1926 & 1928) repayable in Sterling at 40% nominal

U.S. Dollar issues (1926 & 1928) repayable in Dollars at 7% nominal

French franc issues (1892 to 1928) repayable in Francs at 7% nominal

Holders should write, not telephone, for a form of acceptance of the offer to National Westminster Bank PLC, Stock Office Services, National Westminster House, Station Way, Crawley, West Sussex RH10 1JE. The offer is limited to bonds held by U.K. nationals only, and is open until 15 October, 1989.

We await news from the German Democratic Republic about a repayment of the outstanding bonds from their part of pre-war Germany; however, we hold out no great hopes for the bonds of the Confederates States of America!

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