

On the other hand the holdings of
 (b) £3048.14.1 Conversion 4½% 1940/44 and
 £1000.0.0 Conversion 5% 1944/64
 the joint cost of which amounted to £4084.12.7 would if realised
 at current prices realise £4544.1.2 This holding gives a return
 of £137.3.10.

If these stocks were sold and reinvested in Conversion 3%
 the Capital holding would be increased to £4532.14.4 but there
 would be a loss on Income of £51.4.2. On the other hand there
 is a Capital gain of £459.8.7 on the sales and £484.0.3 on
 redemption and it must be pointed out that if these Stocks were
 held to maturity the premium of 111/8 on Conversion 4½% and 116/8
 on Conversion 5% would be sacrificed.

These explanatory remarks refer respectively to all the Funds where
 Consols 2½% and Conversion Loans are held.

General Property

	Cost	Present price	Value	Income
Sell £6,825.14.2 Consols 2½%	£4023.0.11	80¼	£5460.11.4	£170.12.10
Reinvest in £5,740.8.5 Conversion 2½% 1944-9		95	£5460.11.4	£143.10.2

Capital gain on sale £1437.10.5

Capital gain on redemption £279.17.1

of Conversion 2½% compared

with present value

Loss of income

£27.2.8 per annum