

OLD LOAN CONVERSIONS

About \$9,000,000 May Have Been Converted, Plus the New \$100,000,000

Information as to the amount of the old war loan which has been converted into the new loan, is not easily ascertained. In the case of 55 of the many subscriptions to the current loan reported to *The Monetary Times*, the actual new cash subscribed was \$22,267,000 plus \$1,735,000 of old bonds converted. Roughly, that is equal to \$2,000,000 of converted bonds for every \$22,000,000 of new money, if these 55 subscriptions are a fair reflection of the general results. In that event, the full subscription of \$100,000,000 of the new loan would have brought with it approximately \$8,500,000 of converted bonds in addition. The conversion privilege in the old loan has not been freely exercised. The finance department at Ottawa knows exactly the amount so converted and will probably announce the figures later.

The following table, compiled by *The Monetary Times*, gives details of certain subscriptions to the present loan with a note as to how much of the old loan was converted in addition:—

Purchaser.	New subscription to pre-sent loan.	In addition, the amount noted below, was converted.
Canadian Home Circles	\$ 40,000	None
Canadian Order of Foresters	300,000	\$ 300,000
North American Life	500,000	None
Ottawa City	750,000	500,000
Northern Life	50,000	None
Crow's Nest Pass Coal Company	100,000	None
Manufacturers Life	700,000	800,000
Sir Hugh Graham	100,000	None
Excelsior Life	100,000	None
Massey-Harris Company, Limited	1,200,000	None
Imperial Life Assurance Company	750,000	None
Central Canada Loan and Savings Company	100,000	None
E. R. Wood, Toronto	100,000	None
National Trust Company, Limited	600,000	None
Canada Life Assurance Company	1,000,000	None
British-America Assurance Company	75,000	None
Western Assurance Company	100,000	None
Mutual Life	1,500,000	None
Liverpool and London and Globe	100,000	None
Continental Life	100,000	None
Guelph and Ontario Investment and Savings	100,000	None
Montreal City	192,000	None
Westmount City	100,000	60,000
Burlington Steel Company	100,000	None
Travellers Life, Montreal	25,000	None
Nichols Chemical Company	100,000	None
Canada Life	1,000,000	None
Confederation Life	600,000	None
Guarantee Co. of North America	50,000	None
Royal Insurance Company	100,000	None
Imperial Life	750,000	None
Dominion Life	115,000	None
Standard Life	650,000	None
Canada Bread	100,000	None
Canadian General Electric	250,000	None
Imperial Oil Company (directors' and officials' subscriptions)	465,000	None
Toronto General Trusts	500,000	None
Wm. Davies Company, Limited	100,000	None
J. W. Flavelle, Toronto	50,000	None
London and Lancashire Life	100,000	None
Imperial Oil Company	1,000,000	None
Ancient Order of Foresters	15,000	None
London Life	300,000	None
Huron and Erie Loan	350,000	Not exceeding \$ 75,000
Dominion Steel Foundry	100,000	None
Crown Life	150,000	None
Police Pension Society, Montreal	25,000	None
Canadian Cartridge Company	100,000	None
General Fire	15,000	None
Ontario Loan and Debenture	250,000	None
Globe and Rutgers Insurance Company	50,000	None

Purchaser.	New subscription to pre-sent loan.	In addition, the amount noted below, was converted.
Prudential Insurance Company, Newark	\$ 700,000	None
Ogilvie Flour Mills Company	250,000	None
Sun Life Insurance Company	5,000,000	None
Canada Permanent	250,000	None
Totals	\$22,267,000	\$1,735,000

While there is no conversion privilege in the present war loan, it will be recalled that in the case of the issue of November, 1915, the following privilege was given:—

"In the event of future issues (other than issues made abroad) being made by the government, for the purpose of carrying on the war, bonds of this issue will be accepted at the issue price, 97½ plus accrued interest, as the equivalent of cash for the purpose of subscriptions to such issues."

As stated in *The Monetary Times* last week, the conversion privilege was probably attached to the first war loan to help place beyond doubt the success of the issue. Had the Dominion government foreseen the possibility of the remarkable over-subscription of the first loan—something which no one could foresee—the conversion privilege would not likely have been attached to the loan.

The total allotments of bonds of the present issue will be limited to \$100,000,000, exclusive of the amount, if any, paid for by the surrender of bonds as the equivalent of cash under the terms of the war loan prospectus of November 22nd, 1915. The Dominion government, therefore, will obtain \$100,000,000 of new money by the full subscription of the present loan.

Thought Former Loan Better.

In many cases, holders were not desirous of converting the previous loan because the first loan was deemed the more desirable of the two, as it is convertible, not only into the present loan, but also into any future loan and there is a possibility (opinions differ as to how remote) of future loans being issued to yield a higher rate. This view apparently caused many to retain intact on their books their subscriptions to the first loan.

No commission to bankers or brokers is being allowed in respect of the amount of any allotment of the new bonds paid for by the surrender of the old bonds. The bonds of the first war loan are accepted by the government at 97½ as equivalent of cash for future war loan issues.

CANADA'S WEEKLY BANK CLEARINGS

The following are the returns of Canada's bank clearing houses for the weeks ended September 14th, 1916, and September 16th, 1915, with changes:—

	Week ended Sept. 14, '16.	Week ended Sept. 16, '15.	Changes.
Montreal	\$ 70,456,266	\$ 48,853,942	+ \$21,602,324
Toronto	44,960,058	32,372,448	+ 12,587,610
Winnipeg	35,151,398	22,814,374	+ 12,337,024
Vancouver	6,451,434	6,172,589	+ 278,845
Ottawa	5,458,321	3,633,388	+ 1,824,933
Calgary	4,093,484	2,507,371	+ 1,586,113
Hamilton	3,675,987	3,003,687	+ 672,300
Quebec	3,421,273	3,652,451	— 231,178
Edmonton	2,031,099	1,573,929	+ 457,170
Halifax	2,390,163	2,081,882	+ 308,281
London	1,668,298	1,607,388	+ 60,910
Regina	2,623,296	1,488,206	+ 1,135,090
St. John	1,523,822	1,574,301	— 50,479
Victoria	1,463,303	1,379,514	+ 83,789
Saskatoon	1,195,808	830,025	+ 365,783
Moose Jaw	947,085	580,917	+ 366,168
Brandon	534,612	411,026	+ 123,586
Brantford	651,664	411,872	+ 239,792
Fort William	507,691	311,456	+ 196,235
Lethbridge	556,204	311,618	+ 244,586
Medicine Hat	313,281	185,232	+ 128,049
New Westminster	295,733	269,038	+ 26,695
Peterboro	483,844	377,387	+ 106,457
Totals	\$190,854,124	\$136,404,041	+ \$54,450,083
Sherbrooke	467,909		
Kitchener	491,328		