Financial Features

OSHAWA BONDS ON 6.95 BASIS.

An issue of $78,743 Town of Oshawa bonds has been bought by A. E. Ames & Co., at a price which makes the money cost the town 6.95 per cent. The bonds bear 6 per cent., and are repayable in 15 installments. The following tenders were received: A. E. Ames & Co., 94.199; Wood, Gundy & Co., 93.90; Dominion Securities Corporation, 93.58; United Financial Corporation, 93.56; A. Jarvis & Co., 93.53; N. A. MacDonald & Co., 92.70.

GERMANY DELIVERS BONDS.

Germany has delivered to the Reparations Commission, bonds to the amount of 60,000,000,000 gold marks, the value of which is approximately £3,000,000,000 at the present rate of exchange. This announcement was made in the British House of Commons last week by Austen Chamberlain, Chancellor of the Exchequer. The delivery of the bonds is in accordance with the requirements of the Peace Treaty, and the commission proposes to hold them as security for and in acknowledgment of Germany's debt.

SARNIA SELLS BONDS.

It has been officially announced that a Sarnia, (Ont.) debenture issue comprising soldiers civic gratuity allotment and other local improvement bonds had been taken up by the Dominion Securities Corporation, Toronto. The net amount of the issue sold is approximately $164,981.87. Following this announcement Ald. Carson stated that the committee investigating the replies to the questionnaires sent in by Sarnia officers and men who served overseas, and who claimed to be eligible for the grant, had practically completed its work, indicating that the long-delayed payment of the gratuity to officers and men of Sarnia who served overseas, resided here six months prior to enlistment, and returned to Sarnia will be made in the near future. The proceeds of the $70,000 issue will, it is expected, be divided pro rata among the applicants found eligible.

WIDE SPREAD IN OFFERS FOR TORONTO BONDS.

Bids for the City of Toronto bond issue, amounting to $2,853,000 sold last week, were so wide in their spread as to indicate much difference of opinion as to the condition of the bond market. Almost four points existed between the high and the low, but the city was able to borrow on a basis of 6.57 per cent., or a small fraction above the highest yield from a Victory bond at present prices. The bonds will be offered for sale in Canada. They all bear six per cent. and are of varying maturities from one to thirty years, with an average of 15½ years. A difference of about $28,000 existed between the first and the second bids. The following tenders were received:

Dominion Securities Corporation, National City Co., Harris Forbes & Co., W. A. Mackenzie & Co., R. A. Daly Co., 94.317 (accepted); Wood Gundy & Co., A. E. Ames & Co., 93.239; A. Jarvis & Co., 93.21; R. C. Matthews & Co., United Financial Corporation, 90.60.

ROYAL TRUST ANNUAL.

A year of satisfactory progress and continued growth in the business of the Royal Trust Company was reported at the annual meeting of the shareholders of the institution, presided over by Sir Vincent Meredith, Bart., last week.

The old board of directors and executives of the company were re-elected at the meeting, with Sir Vincent Meredith, Bart., president, and Huntly R. Drummond, vice-president.

OTHER PEOPLE'S MILLIONS.

The federal income tax has not been long enough in force in Canada to make available detailed facts as to the distribution of large incomes. The United States returns for 1917 have recently been compiled, and present some interesting figures. For that year 335 persons reported an income of over a million a year, one single man returning an income of $34,936,604 and one single woman $5,794,559. The millionaires reporting grew from 2,348 in 1914 to 6,664 in 1917. In the latter were 27 doctors, 15 authors, 9 actors, 4 clergymen and one teacher returning personal incomes of over $100,000.

TIME TO BUY SECURITIES.

In the current issue of "The Magazine of Wall Street," Richard D. Wyckoff, editor and publisher, says in part:

"Buy Rentes", said Rothschild.

"What? Buy Rentes when the streets of Paris are running with blood?" he was asked.

"Yes, buy now, because if the streets of Paris were not running with blood you would not be able to buy at these prices."

When tight money forces liquidation of bank loans; when automobile manufacturers are unable to have their sight drafts discounted at the banks; when profiteers are obliged to sell stored up commodities at ruinous prices; when business men cannot expand business because the banks won't let them have the money, when railroad credit is bad and building operations are curtailed because there are not funds enough to go around then it is time to buy sound investment stocks and bonds.

The market started to discount this situation a year ago, and although we have not experienced a panic, many people have been in a panicky state from time to time. If they had reached this condition all at once there would have been a panic, for a panic is merely a mental condition in which everybody loses his head.

The crisis has been reached and passed. When a person is recovering from typhoid or pneumonia he does not get up and run a mile the day after his fever breaks. It takes time to recover strength, physical or financial.

NIAGARA FALLS ISSUE.

The City Council of Niagara Falls, Ont., have accepted the bid of W. A. Mackenzie & Co., Toronto, for debentures to the amount of $153,955. The money will be used for paving work. The debentures are five per cent and the successful bid was 90.03.

AUTHORIZE ST. JOHN BONDS.

Bond issues amounting to $623,419 of the city of St. John, N.B., have been authorized. Most of the issue is to cover expenditures already made. The bonds are to bear interest at six per cent and cover periods from five to thirty years.

IMPORTATION OF SECURITIES.

That Canadian banks, at the request of Sir Henry Drayton, minister of finance, have undertaken to discontinue the account of any individual or firm persisting in the importation and sale in the Dominion of overseas-held Canadian securities is announced in a circular just sent out by the Montreal committee appointed by the Minister.

The circular, which was mailed to Stock Exchange firms, bond houses, financial institutions and individual dealers, reads as follows:

"Following the recent meetings at the Stock Exchanges here and in Toronto, the Minister of Finance has been in further conference with the banks on the subject of his request last February that in the national interest all concerned should unite in a policy involving certain restrictions on the importation of securities.

"The Minister appreciates the support he has received in this matter from the great majority of those addressed, especially as a few houses have continued to import securities through various channels, thereby not only obstructing the purpose in view, but also securing for themselves an advantage at the expense of their neighbors.

"As the measures hitherto employed have not served to check the operations of this small minority, the Minister, in order that his plan may become fully effective and in fairness to the dealers who are giving him their support, has now asked the banks to discontinue the account of any individual or house persisting in the importation of securities, and the banks, recognizing the exigencies of the case as pointed out by him, have agreed to do so.

"Those who have been loyally co-operating with the Minister will therefore receive a further measure of protection since the banks will now not only continue their refusal to facilitate such importations, but will in future decline to do further business with any individual or house known to be persisting in them.

TIME LIMIT ON DRAWBACKS.

A new time limit has been fixed within which claims for customs drawbacks on exports must be submitted, according to a statement from the Department of Customs and Inland Revenue. The text of the clause in the order-in-council covering this subject reads:

"Claims for drawbacks submitted after the 31st day of December, 1920, shall not cover goods exported for more than one year and must be presented to the customs with complete evidence attached within a period of six months from the date of last export entry covered by the claim."

Officials of the Department emphasize the fact that claims for drawbacks cannot be allowed when not filled in accordance with the regulations.

Canada for Investors

Canada's position as a field for investment attracts increasing notice among United States investors. In a review of the industrial and securities position of the Dominion, Moody's Investors' Service recently pointed out the strong position of Canada among the countries seeking capital in the United States. "The six essentials of success in foreign investing," says the letter, "or the six characteristics which the country selected should possess may be enumerated as follows:

(1) Governmental stability to secure law and order.
(2) Personal energy, initiative and thrift among the people.
(3) High credit, both public and private.
(4) Rich and varied natural resources.
(5) Rapid rates of growth in production and population.
(6) Prompt and reliable transportation and banking facilities.

"Billions have been lost in unwise foreign investments, but never has any substantial general loss been made in a field showing these six characteristics. Canada possesses all six in a marked degree. Her Government is such that there is no country in the world where property rights are more secure; the energy, business ability and thrift of her people insures success to almost any sound undertaking; the credit of her Governments, whether Federal, Provincial or municipal, is high, and so is that of her corporations and banks; she is rich in natural resources, agricultural, mineral and sylvan; her population and her production are showing high rates of growth as compared with almost any other company in the world, and her transportation and banking facilities are such as to insure easy and prompt movements of capital to any part of her territory, and equally prompt movements of goods from her fields, forests and mines to any part of the world. Here, therefore, right next door to us is a field for investment which, as a whole, is unexcelled anywhere in the world."