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## The Confidence of the British Investor.

**I**F Canada is to be developed—as she desires to be developed—by British capital, her financiers must try to provide investors with sound security. The foregoing plain words from a leading financial journal in the old land are undoubtedly indicative of the general attitude of British investors. Fortunately for the Dominion, the efficiency of its banking system, and the comparative stability of its leading securities have greatly strengthened, of late, British confidence in Canadian financial methods and conditions. This is the more encouraging because certain Cobalt flotations had done not a little to create prejudice in some quarters for a time. But attention is now being diverted from unfortunate exceptions to a more essential and normal state of affairs. A fortnight or so ago the London Times said in effect: Our Canadian brothers are not much behind their neighbours in their activity in the sphere of industry and commerce, but they have been under the wholesome restraint of a sound banking system. Similar recognition has come of late from varied British sources as to the satisfactory financial condition of Canada as compared with that of the United States.

Canadians should be grateful to any institution which tends to increase the confidence of the British investor in this country. Especially desirable is such confidence at the present time—for it is not likely that American capital can be looked to in the near future for the development of our resources. The Trust & Loan Company of Canada has played an important part during the past half-century or more in interesting British capital and bringing it to bear upon this country's natural resources. Happily, the rendering of this service has been accompanied by highly satisfactory results to the shareholders in the Motherland. The statement of the company for the six months ending September 30, shows that there has been

no break in what the President, Sir Vincent Caillard, referred to at the last annual meeting as "a somewhat monotonous record of comfortable prosperity." The company's commissioner, Colonel Edye, of Montreal, is to be congratulated upon the continued progress of the past half-year. The net profits for the period amounted to £19,732; and after carrying to the reserve fund the moiety of profits over the 6 p.c. dividend (viz. £4,616) the balance at credit of revenue, including £23,854 brought forward from March last, was £38,971. The directors have decided to distribute out of this balance of £38,971 an interim dividend at the rate of 6 p.c. per annum, and a bonus of 1 p.c. for the six months (equal 8 p.c. per annum) on the paid-up capital of the company; leaving the balance of £24,971, to be carried forward. The reserve fund now stands at £205,206 as compared with £198,754 on the 31st of March last. Elsewhere in this issue are given the balance sheet and directors' report for the half-year ending 30th September, 1907.

It is the successful conservatism of just such institutions as the Trust & Loan Company of Canada which goes to establish general confidence in the desirability of the Dominion as a field for British investors.



## Investing in Bonds.

**D**URING the past year or two, the world's bond markets have been subjected to unusual competition through the issuing of millions of dollars of United States railroad and other short-time notes. The future funding of these into long-time securities may in some instances present problems of no little difficulty, as such new issues must compete with issues now outstanding. That the effect will not, however, be detrimental to the value of existing first mortgage bonds of high class is the conviction of W. R. Britton, writing in Moody's Magazine. Considering the supply of such first