

separate ledger account is kept for the investing company, so that their particular loans can always be identified. The yield rate is not quite so high in this case, but will average as high a rate, if not a little higher, than the returns on municipal debentures. The manager of one of the largest and most responsible trust companies having a good loaning organization in Western Canada drew attention to the fact that there was now a good opening in the western field for United States capital, owing to the fact that since the declaration of war, a large number of English, French, Belgium and Holland companies have discontinued, for the present, sending funds to our trust companies for investment in mortgage loans.

Since European capital, especially English, has ceased to seek investment in Canada, owing to the war, United States investors have been more liberal in their purchases of Canadian securities, as is evidenced by the following figures, representing the sales of Canadian bonds from the 1st of January, 1915, to the 26th of November, 1915, as compared with sales for 1913 and 1914:—

Bonds sold in Canada in 1913, \$45,603,753; in 1914, \$32,999,860; from the 1st of January, 1915, to the 26th of November, a total of \$144,289,815.

Bonds sold in Great Britain in 1913, \$255,084,114; in 1914, \$185,990,659; from the 1st of January, 1915, to the 26th of November, 1915, \$40,236,999.

Bonds sold in the United States in 1913, \$50,720,762; in 1914, \$53,944,548; from the 1st of January, 1915, to the 26th of November, 1915, \$137,046,696.

A total in 1913 of \$351,408,629; in 1914, \$272,935,667. A total from the 1st of January, 1915, to the 26th of November, 1915, of \$321,572,410.

These figures indicate that for the eleven months ended in November of this year the United States was a purchaser of about 43 per cent. of our total bonds sold, and exceeded their total purchases for the two previous years by \$32,000,000.

This is the best evidence of the faith United States investors have in Canadian securities. The making of these larger investments will tend to strengthen the bond of friendship that exists between the United States and Canada. The purchase of these bonds by investment houses, a large proportion of which are western issues, should also serve to dispel from the minds of some United States citizens a false impression they seem to have received that western Canada is suffering from a general depression, caused by over-speculation. While there has been some extravagance in the past on the part of individuals and municipalities in some of their undertakings,

which usually occur in the development of new districts, these extravagances have not been carried to the extreme of injuring the general credit of the country. The experience of the loaning companies in this western field goes to prove that the credit of this part of Canada is still in good standing. The western provincial governments are now taking extra precautions to prevent any extravagance on the part of municipalities, having appointed commissions which supervise all municipal money by-laws, and will not pass them until they are satisfied that the expenditures are warranted, and that the municipality issuing the debentures will be able to retire them at maturity.

While the United States has supplied us with a large amount of capital during the past three years by purchasing our securities, on the other hand the United States, during the same period, has drawn a much larger amount of capital from Canada, as is evidenced by the following trade and commerce figures for 1912, 1913 and 1914:—

Imports from United States in 1912, \$330,428,502; in 1913, \$435,769,050; in 1914, \$395,565,328.

Exports to United States in 1912, \$102,041,222; in 1913, \$139,725,953; in 1914, \$163,372,825.

Totals, in 1912, \$228,387,300; in 1913, \$296,043,097; in 1914, \$232,192,503.

The enactment of rural credit legislation has received very little attention in Canada, owing to the fact that Canadian farmers and provincial legislators seem satisfied that the financial corporations are meeting the legitimate demands of the farmers for funds to assist them in carrying on their farming operations, and for the same reason there should be no need for such legislation in the United States.

A comparison of investments by life insurance companies in mortgage loans in Canada as on the 31st of December, 1904, and 1914, would indicate that these securities are now regarded more favorably than they were ten years ago.

Total assets in Canada of Canadian and foreign life insurance companies: December 31, 1914, \$397,837,322; December 31, 1904, \$166,348,109; increase in ten years, \$231,489,213.

Total mortgage loans of Canadian and foreign life insurance companies in Canada: December 31, 1914, \$127,488,549; December 31, 1904, \$35,200,235; increase in ten years, \$92,288,314.

Per cent. mortgage loans to total assets: December 31, 1914, 32; December 31, 1904, 21; increase in ten years, 11.

There are some 18 United States companies doing business in Canada in connection with mortgage loans.

#### ANGLO-FRENCH LOAN

The third instalment of the Anglo-French loan of \$500,000,000 in the United States was due on Monday, and the final instalment on Tuesday. The syndicate handling this loan expired by limitation on Wednesday. On Tuesday sales in the bonds were brisk on the New York stock exchange, but the price was down to 94½ and 95. The sale of bonds was said to be heavier than on any day since they were placed on the market. The managers of the syndicate which underwrote the Anglo-French \$500,000,000 5 per cent. external war loan announced that \$280,000,000 of the issue had been withdrawn for investment at the syndicate price of 96½, and that \$40,000,000 had been sold at public subscription for 98. The unsold balance of \$180,000,000 has been distributed this week among members of the syndicate.

The syndicate also announced that the managers are distributing to those who did not withdraw their bonds for investment cash amounting to between 10 per cent. and 11 per cent. of the amount of their participations.

#### CANADA'S DOMESTIC LOAN

The total number of subscribers to Canada's domestic loan, including banks, insurance companies, etc., was 24,803, and the total amount subscribed slightly less than \$104,000,000. This makes the average subscription a little in excess of \$6,000. Subscriptions for small amounts running from \$100 to a couple of thousand were numerous.

Major A. H. Gault, who organized the Princess Pats, and is now fighting with the Canadian forces in France, and his sister, Mrs. P. George Reginald Benson, of Lydeard House, Taunton, England, receive equal shares in the estate of their late father, Andrew Frederick Gault, of Montreal, \$1,307,888 each. This award has been made by Mr. Justice Guerin in the superior court in a friendly action taken by Major Gault last year to have the trustees of his father's estate make a division.