

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Dominion Power and Transmission Company.—This company is considering the erection of a million-dollar auxiliary steam plant.

Guarantee Company of North America.—The usual quarterly dividend of 2½ per cent., payable July 15th, was declared by the directors of the Guarantee Company of North America, at their meeting.

Dominion Steel Corporation.—The Dominion Steel Corporation's May returns were as follows: Coke, 57,405; pig iron, 33,745; steel ingots, 31,020; blooms, 27,510; steel rails, 18,145; rods, 3,925. Total shipments, 24,835 tons.

Nova Scotia Steel and Coal Company.—The Nova Scotia Steel and Coal Company made a record for May with the production of 73,450 tons of coal, 79,540 tons of pig iron, 5,855 tons of steel ingots and 37,804 tons of ore, product of finishing mills, 6,665 tons.

Northern Ohio Traction and Light Company.—For April Northern Ohio Traction and Light Company shows net earnings of \$83,925, a decrease of \$9,690 over a year ago. For the first four months of 1913 net earnings total \$347,321, or a decrease of \$6,412 over 1912.

Cape Breton Electric Railway Company.—The total railway earnings of Cape Breton Electric Company, Limited, for the seven days ending June 7th, 1913, and for the corresponding days of preceding year, were:—1913, \$5,354.40; 1912, \$5,168.52; increase, \$185.88.

Spanish River Pulp and Paper Company.—Speaking of the decline in Spanish River to 44, Vice-President Watson said that the drop in the stock in no way reflected the company's condition, since the plants were operating fully and profitably, and the annual statement, based on the year ending June 30, would be very satisfactory.

A. Macdonald Company.—The sales of the A. Macdonald Company for May, 1913, show an increase of 16 per cent. over May, 1912. This is in spite of the fact that May is the duller month of the year in the wholesale grocery business. The monthly increases in sales since the reorganization of the company indicate that the estimate of total sales for the year ending with March, 1914, of \$8,000,000 was conservative.

Kaministiquia Power Company.—According to the statement of Kaministiquia Power Company for the half-year to April 30, the company is earning at the rate of about 8 per cent., or 3 per cent. better than dividend requirements. Gross earnings are \$146,249, compared with \$120,928 in 1912. Net earnings show: 1913, \$125,619; 1912, \$102,862. Surplus, 1913, \$84,164; 1912, \$60,788.

Mexico Tramways Company.—The Mexico Tramways Company statement of earnings and expenses from traffic only, as advised by cable, for the month of May, 1913, shows in Mexican currency the following results:—

	1912.	1913.	Increase.
Total gross earnings ..	\$559,832	\$595,795	\$35,963
Operating expenses ..	268,725	276,330	7,605
Net earnings	\$291,107	\$319,465	\$28,358

Riordon Pulp and Paper Company.—The Riordon Pulp and Paper Company have decided to build a new and up-to-date sulphite plant in Northern Ontario, with a capacity of 30,000 tons per annum. The plans are now being prepared and the ground will be broken in April next, and the company will be manufacturing early in 1915. This company have at the present time a capacity of some 50,000 tons of sulphite pulp in their Hawkesbury and Merritton mills and when their new Northern Ontario mill is completed they will be the largest capital fibre company in the world.

Nipissing Mines, Limited.—During May the Nipissing Mining Company mined ore of an estimated net value of \$284,625, and shipped ore of an estimated net value of \$280,244. Prospecting by hydraulic continues to be done in the area between the high and low grade mills. Two veins were encountered during the month. One of these may be the extension of vein 43, and although assaying low in silver—about 68 ounces—the vein is strong, and shows as high as 2 inches of cobalt. The other vein also shows cobalt, but not so strong. Both of these will be tested in several places. The hydraulic is now being operated twenty-four hours daily.

The high-grade mill treated 129 tons of ore and shipped 460,353 fine ounces of bullion, having a net value of \$276,748. Of this amount 162,381 ounces were produced from low-grade mill precipitates. The low-grade mill treated during the month 6,544 tons.

La Rose Consolidated Mines.—La Rose Consolidated Mine statement for May shows profits of \$84,407, compared with \$75,044 in April. The total for the five months of the year is thus brought up to \$388,628.

The surplus is shown to be \$1,752,150, of which \$1,439,447 is cash and \$239,682 in outstanding shipments. Ore on hand at mine ready for shipment is worth \$73,021.

The production for the month was \$209,758 ounces of silver, of a value of \$115,855, giving, with a sundry income of \$11,709, an income for the month of \$137,564. With a deduction of \$53,157 for marketing expenses, concentration, etc., the net profit was \$84,407.

The directors declared the usual quarterly dividend of 2½ per cent., payable July 20, of record June 30.

Duluth-Superior.—Messrs. A. E. Ames & Company have issued the following explanation of the dividend cut of one per cent. on Duluth-Superior stock. Mr. Ames is vice-president of the company.

"The reduction was felt to be wise in view of the company's cash position having suffered because of the strike last year, which continued for about two months. The directors considered that it was in the interests of the shareholders to maintain the company's financial strength.

"The reserve funds and undivided surplus at the end of last year totalled \$767,000, of which \$273,000 was invested in outside securities; this fund, however, being available only for new construction. General conditions in the cities of Duluth and Superior are good, and the United States Steel Corporation have a force of 1,000 men employed in constructing their immense plant, which force is likely to be increased to 1,500 during the present year, after which the different manufacturing of the plant should soon come into operation one by one."

Canadian Fairbanks-Morse Company.—Net profits of \$390,303 is shown in the annual report of the Canadian Fairbanks-Morse, to which is added that brought forward from 1911, \$307,615, which gives a total of \$697,919. From this was paid dividends of \$177,114, leaving \$520,805.

On December 31st, 1911, the company had outstanding \$323,400 of 7 per cent. preferred stock and \$1,571,700 common. During the year the 7 per cent. preferred stock was converted into 6 per cent stock, and an additional amount sold, bringing the outstanding issue up to \$1,000,000 and a further small amount of common stock was also disposed of, the amount authorized and outstanding now being \$1,600,000. The above figures showing earnings of over four times the amount required to meet the sum of \$90,000 required for a full year's dividend on the preferred stock, was satisfactory, as the additional money obtained from the above-mentioned issues of further stock was available for only part of the year, and has not yet in fact become fully productive.

The general balance sheet shows the company to be in a good financial position. Surplus and reserve funds now amount to \$677,487 and total assets, after deducting current liabilities, amount to \$3,767,487, of which \$2,918,583 was represented by liquid assets.

Montreal Water and Power Company.—Montreal Water and Power Company's annual report shows an increase of \$165,180 in gross revenue for the year ending April 30th. Gross earnings are nearly five times what the company showed ten years ago, being \$671,684.

In spite of a rise in operating expenditures, \$70,546, part of which is due to the new filtration plant, gross profit for the year is \$372,237, and with the net balance of \$4,311 carried over from the previous year, gave the directors a total of \$376,549, leaving a balance of \$135,710 surplus profits.

The sum of \$28,828 was set to reserve, in connection with various provisions of the company's bond debt; \$8,000 for bad and doubtful debts, and \$1,000 to reserve account for tolls, etc., leaving a balance of \$96,881.

Deeds of trust securing the bonds of the company, declare that before the company can pay a dividend on either the common or preferred stock, the company shall provide a sinking fund of 1 per cent. on its outstanding bonds. The present balance, \$96,881, is sufficient to pay sinking fund, and a dividend of 6 per cent. on outstanding preferred stock.