

HELP OF BANKS AND BOND HOUSES

Sir Thomas White Pays a Tribute to Their Splendid Assistance

"I should be less than just if I failed to specially acknowledge the services of brokers and bond dealers, who from the beginning spent lavishly of their money and employed their utmost endeavors to make the issue a success."

This statement was made by Sir Thomas White, finance minister, in regard to the assistance of the investment houses in the marketing of the war loan.

The bond houses particularly were active and spent a considerable sum in advertising the war loan throughout the country. Many subscriptions were doubled and many firms and individuals who had not purposed subscribing, decided to do so as a result of the work of the bond houses. These firms, besides handling large blocks of the loan for clients, were purchasers on their own account of many millions of the bonds which they will sell in the ordinary way during the next few months.

Large Bond House Subscriptions.

Messrs. Wood, Gundy and Company, Toronto, for instance, received subscriptions aggregating \$22,000,000, of which five were for \$1,000,000 and over, 23 for \$100,000 and over, and 154 for \$10,000 and over, the balance being made up of 1,225 smaller subscriptions received from all parts of Canada and the United States.

The Dominion Securities Corporation, Toronto, turned in applications of \$11,500,000, including \$1,500,000 for its own account.

Messrs. R. C. Matthews and Company, Toronto, received a country wide application for the loan, subscriptions coming to them from every province and also from as far east as Boston. The applications from individual investors were also very gratifying. Taking the aggregate results, for every bond of the previous loan sold by this house ten bonds of the present loan were sold.

Messrs. Osler and Hammond, Toronto, had applications of \$7,000,000, including \$950,000 for its own account.

Handled 40 Per Cent. Last Time.

Another Toronto bond house, Messrs. A. E. Ames and Company, turned in subscriptions exceeding \$6,000,000, the number of subscriptions being 936, including amounts from all over Canada and many of the States. There were 773 subscriptions under \$5,000, 132 subscriptions from \$5,000 to \$49,000, and 31 subscriptions of \$50,000 and upwards.

Mr. Ralph Stephenson, resident partner of the firm of Harris, Forbes and Company, incorporated, Montreal, the Canadian firm allied with the prominent United States bond house of Harris, Forbes and Company, states that his firm has subscribed \$1,200,000 on its own account, apart from subscriptions entered in behalf of clients.

A number of other investment houses secured blocks of the loan. Some of these are noted in the list of subscriptions reported to *The Monetary Times* and printed on another page.

Of the November, 1915, war loan, the bond houses handled about 40 per cent. of the subscriptions. The amount will be quite as large, if not larger, in the present instance.

Banks' Useful Services.

As Sir Thomas White said last week, there was no conflict of interest between the brokers and bankers. The latter, at their 3,000 offices throughout the Dominion, received subscriptions from the public and payment therefor. They keep accounts in connection with their transactions, issue provisional receipts and interim certificates, in exchange for which they finally deliver the definitive bonds when prepared. These duties in this connection extend over months, and are of an exceedingly responsible character. In addition, they pay for the government at all their branches in Canada, free of exchange, all coupons maturing during the entire term of the bonds.

Applications for loans under the Ontario settlers' loan legislation of last session, already amount to \$92,790 for the district of Timiskaming alone, and others are still coming in, is the statement of Loan Commissioner Dane.

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Sandwich, Ont.—\$5,507 6 per cent. 10-instalments, to Messrs. G. A. Stimson and Company, Toronto.

Lethbridge, Alta.—The taxpayers vote October 17th on the issuance of \$17,075 bonds for electrical work.

Dunnville, Ont.—The by-laws for the provision of hydro-electric power and to issue \$53,000 bonds have been carried and also that to extend the franchise of the Dominion Natural Gas Company for ten years.

British Columbia.—The following certificate has been issued by the municipal department of the province of British Columbia: Nanaimo, by-law No. 292, local improvements, street regrading, \$8,037.40, 20-years, 5½ per cent., payable half-yearly.

Victoria, B.C.—The city council has decided against purchasing any of the new Dominion war loan issue. Instead, the municipality will invest \$250,000 in debentures and stock offered on the London market at a rate of not less than 5½ per cent. yield. The Dominion Securities Corporation, Limited, will be paid a commission of ¼ of 1 per cent. on this business, and will be authorized to draw on the city through the Bank of British North America for this sum.

Edmonton, Alta.—The city council voted in favor of wiping out utility deficits by using the surpluses from other civic departments as follows: The statement as supplied by the utility commissioners, showed the deficits and surpluses to be used in liquidating them, up to June 30, 1916, as follows: Deficits—The following are the deficits up to June 30th, 1916: Street railway, \$632,312; telephone, \$41,839; waterworks, \$50,566; total deficits, \$724,718. Surpluses—The surpluses up to the same date are as follows: Electric light and power, \$202,564; power house, \$483,035; sale of lands, \$48,497; total surpluses, \$734,097; surplus balance, \$9,379.

BANKS' AUGUST STATEMENT

The August statement of Canadian chartered banks shows that the following changes have occurred since the previous return was issued:—

	August.	Changes since July statement.
Demand deposits	\$ 443,317,275	+ \$11,359,087
Notice deposits	806,774,687	+ 17,410,768
Total deposits in Canada	1,250,091,962	+ 30,769,855
Deposits outside Canada	140,789,100	— 30,378,515
Current coin	65,962,079	+ 267,274
Dominion notes	137,913,307	— 2,661,176
Deposits, gold reserve	20,880,000	+ 1,850,000
Call loans in Canada	86,351,216	— 1,004,432
Call loans outside	171,380,353	— 5,741,380
Current loans in Canada	739,938,513	— 102,228
Current loans outside	66,556,371	+ 4,200,112
Reserve fund	113,022,933
Note circulation	122,606,083	— 924,368
Total liabilities	1,596,526,413	— 2,593,226
Total assets	1,840,895,799	— 369,790

The Monetary Times analysis of the August bank statement will appear in next week's issue.

Touching Canada's loan triumph the Financial News says: "Canada fights as splendidly in the financial area as in the stricken field, and no acknowledgment could be higher than that." The Morning Post says that Canada's ability to assist with the trans-Atlantic credits, although she, before the war, was such a heavy borrower from the United States, is "a tribute of the soundness of Canadian banking, also the adaptability of Canadian people, and a proof that British money lent to Canada has been spent in ways contributing to the strength of the Empire and not to its weakness."