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FINANCE OF THE WEEK.

There is undoubtedly a feeling of growing confidence in business circles and a disposition to take a considerably more cheerful view of the outlook than was the case even a few weeks ago. Several factors have contributed to the building-up of this intangible, though important asset. There is, in the first place, a certain feeling of confidence in regard to the military situation. While it is recognised that there is much stern work before the Allies, and possibly even from time to time considerable set-backs, yet it is understood that the military chiefs, who are implicitly trusted, view the situation with confidence as to eventual results, and the recent fears, which though they may not have been publicly expressed, must have been felt privately by many, that a German conquest of Europe was within the range of possibility have subsided. Coupled with this increased confidence is the feeling, which events at the close of last week have undoubtedly increased in Canada, of determination of utmost endeavor to "see the thing through, cost what it may." This feeling of determination is indirectly a factor towards business improvement through the impetus it gives to a maximum of effort along the lines of useful and telling production.

OTHER FACTORS.

Then again, western advices show that the business of preparation for this year's crops has been taken in hand with great energy, and probably under any circumstances a very fair margin of profit will be available to producers. Through this, those interested in transportation and industries are encouraged in regard to prospective earnings. A certain amount of profit will accrue also as a result of the large and rapidly increasing supplies of war munitions and equipment which are being sent to Europe. Profits in this connection are likely to be exaggerated in the popular imagination, as those who have rushed in to buy "war specialty" stocks at high levels may easily find to their cost. Viewed in perspective and in the light of information which is now available regarding some of the contracts, the recent gamble in several of these stocks, which gamble shows some

signs now of subsiding, it is clear, was not justified by the prospects. The business is a new one to many of the companies undertaking it, and in a sense accordingly, considerably more speculative as to profits than their ordinary business. However, a certain proportion of profits will undoubtedly be realised from this business—though it is not very likely to come up to the expectations of those who have rushed in to buy stocks, and this is a factor which has contributed its quota towards the creation of the greater feeling of confidence now prevailing.

MONTREAL'S NEW LOAN.

A further important borrowing in the American market by the City of Montreal is announced. Tenders will be received up till noon to-day by the Bank of Montreal for the purchase of \$6,100,000 5 per cent. three year gold bonds, dated May 1st and maturing May 1st, 1918. The purpose of the loan is to retire \$3,650,000 maturing treasury bills and to provide for construction of public works. Delivery and payments with interest accrued are to be made in New York on May 14th.

C. P. R.'S NET EARNINGS.

C. P. R.'s net earnings to which so great an interest attaches by reason of their importance as an indication of the trend of Canadian business did not quite realise in March the expectations which had been formed as a result of their performance in both January and February. The gains in net earnings in those two months have been succeeded by a decline in March. However, the decrease in the latter month is quite a small one. Gross earnings for the month were \$7,852,989, a decrease of \$1,594,472, or 16.9 per cent. Expenses were again reduced sharply—about 23 per cent.—but this considerable curtailment did not wholly offset the shrinkage in gross revenue. Net earnings of \$2,973,014 were \$126,224 or 4.1 per cent. lower than in the same month a year ago.

The March statement completes nine months of the company's fiscal year. For that period gross earnings at \$76,635,820 stand about 23.5 per cent. lower and net earnings at \$25,765,838 about 21.4 per cent. lower than in the corresponding period of 1913-14.

Mr. E. Willans, general manager of the Imperial Guarantee and Accident of Toronto, was a visitor to Montreal this week.

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The building in Winnipeg of the defunct Dominion Trust Company has been purchased from the liquidator by the Molsons Bank for \$203,000. The building was purchased in December, 1912 by the Dominion Trust for \$300,000.

Mr. G. V. Holt, who for the last thirteen years has been manager of the Canadian Bank of Commerce at Seattle, has been appointed manager at Vancouver in succession to the late Mr. William Murray. The new Seattle manager is Mr. E. B. Ireland, formerly manager at Sydney, N.S.