Canadian Banks Selling Ninety-Day Bills.

A dispatch from New York states that the Canadian bank agencies have been heavy sellers of ninety-day sterling bills, and intimates that the recent shipment of gold coin from New York to Montreal represented proceeds of sales of these bills. It is noteworthy that our banks often take this position when New York is exporting gold to Europe. When the precious metal is moving from America to Europe sterling exchange is usually selling at or near the gold point. Those parties who have exchange to sell may secure high prices. In drawing their ninety day bills on London and selling them in New York the Canadian banks may have been transferring to this side of the Atlantic proceeds of bond or debenture issues recently made in London by Canadian municipalities, governments and corporations, or they may have been making "short sales" of exchange or drawing finance bills as it is sometimes called. This last mentioned process consists in drawing on London bankers at say 90 days in anticipation of exports of cotton, corn, wheat, etc., in the fall. Such bills drawn 1st July would mature about 1st October, at which date shipments of cotton and other produce would be very heavy; and under normal circumstances the offering of exchange by shippers of produce would be heavy enough to cause the quotations to fall and thus give the short sellers the opportunity to cover at good profits. Sometimes, however, special happenings such as repayment by New York of large blocks of bonds held in Europe, or an extraordinary movement of European capital homewards in the fall, serves to keep sterling exchange high in New York in spite of the heavy produce exports. When that happens the parties having finance bills to meet may have to cover at a loss. On past occasions the Canadian banks have made some good profits through operating in exchange when conditions were favorable; and circumstances at present seem to favor them in the operation they are now said to have undertaken.

C. P. R. Stockholders and the Next Melon.

In Europe and in Canada there is much discussion as to the form which Canadian Pacific's next bonus to the stockholders will take. Some parties claim that the dividend will be increased to 12 p.c.; others say the vast extraneous assets of the company will be separated from the railway assets proper and distinct new securities created to represent them; finally other expectants are looking for an issue of common stock at 150 or possibly at 175. The two important circumstances which serve to create this air of expectancy are the extraordinary increases in earnings and the rising value of the land. If it were not for the very heavy expenditures lying immediately ahead, the directors could put up the dividend 2 points with the lightest of hearts. But in the course of a comparatively short time $100,000,000 or $125,000,000 of new cash capital must be provided. Some of this will be secured through issuing 4 p.c. preference or debenture stock; but it is practically certain that it will be deemed advisable to largely increase the common stock. Perhaps in three or four years' time the common stock will be nearing $300,000,000. And in view of such a large prospective increase in the stock eligible for dividends it is not at all likely that the board will increase the regular rate. However, the earnings would apparently support with ease a considerable issue of new stock at 150. While the present dividend endures new capital procured by the company through putting out stock at 150, costs it 6 p.c. per annum. An issue of $40,000,000 at 150 would bring in $60,000,000 and would absorb $4,000,000 more of the profits. The last issue of $18,000,000 will be paid up in about three months. Possibly when Parliament meets at Ottawa the C. P. R. will be there asking for authority to increase the common stock issue.

Personals.

Mr. Alfred Shortt, of Halifax, N.S., who represents the Standard Life in that City, spent a few days in Montreal during the past week.

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H. R. Holland, manager of the Edmonton office of the Standard Trusts Company, has returned from Winnipeg, where he was recuperating after an attack of appendicitis.

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Richard P. Blakey, provincial architect, is preparing plans for a land titles office building to be erected in Edmonton by the public works department of Alberta. The structure, built of native stone, will have a frontage of 113 feet in Howard street and 63 feet in May street. It will consist of two storeys, with a full basement, and is to be completed in 12 months.

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Mr. R. MacDonald, Secretary of the Canadian branch, North British & Mercantile Insurance Company is retiring on a pension allowance this month. He has served the company for forty-three years most faithfully.

Mr. Randall Davidson, manager for Canada, on behalf of the office staff and agents, presented Mr. MacDonald with a handsome silver salver and tea service, this week, as a token of their esteem. In making the presentation, Mr. Davidson referred to the kindly feelings which have been entertained for Mr. MacDonald by every one connected with him in business, during his long and honorable career with the North British and Mercantile.

ON AN EVEN KEEL.

The sailing vessels built in the United States during the last three years, just about equal in tonnage the sailing craft lost at sea. A statement of the past year's shipbuilding, issued by the Commerce and Labor Department's Bureau of Navigation shows that American builders completed 1,702 merchant ships of all descriptions of 243,792 gross tons, compared with 1,208 of 302,158 gross tons for the preceding year.

Thirty-five steel vessels were built on the Great Lakes, including the Col. James M. Schoonmaker and William P. Snyder, jr., each of 8,603 gross tons, the largest vessels on the lakes. Fourteen steel vessels of 30,029 gross tons were built for the Atlantic service.

As usual, a majority of all the vessels constructed were small wooden steamers. During the year 1,157 boats of this type were turned out.