
Royal Securities Corporation, Limited

(1 and 2) Sufficient proof can be adduced to show that carefully-selected bonds, especially industrial bonds, are to-day quite as secure, with respect to principal and income, as any other form of investment. The enormous development in Canada during recent years has resulted in an increasing demand for the products of Canadian industries. This development has only commenced—it will surely grow for many years to come. In order to meet the demand, new companies are being formed, and existing companies reorganized or expanded. To accomplish this, additional capital is required, and is usually secured through a bond issue. These bonds are almost invariably secured by a mortgage on real estate and assets, largely in excess of the sum borrowed. Many of these reorganized companies are safeguarded against dangerous competition by the cost of establishing the business itself, and by the impossibility of duplicating the strategic position occupied by the company.