

30th January, 1933.

The Investment Committee,  
Royal Institution for the Advancement of Learning.

Re: Montreal Light, Heat and Power Consolidated 3% Debentures of 1939.

In Mr. E.D. Glassco's letter of 20th instant, he advised that the Committee had agreed to invest \$61,000., (the uninvested balance of the sale of Canadian Pacific Railway Common stock,) in Montreal Light, Heat and Power 3% Convertible Débentures due 1939, at or near the price of 40 1/8 mentioned in the recommendation of the Advisory Committee, but that the market for the debentures had been too high to permit of any purchase being effected.

We observe that the debentures were selling on Saturday at 42, (or less,) at which price the yield to maturity is 6%, and the yield to the call date is about 7.14%.

We should like to suggest that 42 does not appear unduly in excess of the figure at which purchase was previously recommended, and, assuming that orders to purchase the débentures will be executed gradually so as not to cause any unnecessary rise in price, we would be inclined to suggest that the debentures should be accumulated in the neighbourhood of the present price.

B. Outerbridge

G.W. Spinney

H.A. Craig

A.J.L. Haskell

E.D. Glassco