Corporation Securities Market

Canadian Stock Prices Continue to Move Irregularly—Paper Issues Bearish—Howard Smith to Issue New Common to Shareholders on Basis of One to Three—Offering of London Hotel Bonds Being Made

WHILE there was slightly more activity on the New York stock market during the week ended October 20, and prices tended to become a little stronger, the irregularity of the past few weeks was still in evidence. Deflation in the United States still continues in an orderly manner, and while this movement is in progress it is only natural that the stock market should remain unsettled. It is pointed out by a prominent New York stock broker that the credit situation is far from being in a position to stand speculative activities in the stock. While call money is comparatively easy, ruling around 6 and 7 per cent., this must not be taken to indicate that the tight money period is over, as it is a surface condition only and one which could be upset by any substantial expansion in stock trading.

Canadian stocks also moved irregularly, with prices chiefly downward, and at the close, on October 20, very few issues were above the level set at the beginning of the week. Closing prices, however, in a large number of cases, were not the lowest for the week. Interest was centred chiefly on Atlantic Sugar, in view of the prevailing conditions in the sugar industry, and the weakness of that issue had an unsettling influence on the market. The bullish sentiment in regard to papers seems to have disappeared, and the movement of those issues was very much in line with the general trend of the market. A report from New York that pulp and paper prices there had declined, was reflected in the prices of securities here. Importations of newsprint from Sweden and Germany to the United States are said to be arriving in substantial volume, with the prices of the European market under those for domestic or Canadian grades. The probability of paper exports from Sweden or Germany assuming considerable proportions for a long time to come, however, is regarded in Montreal as decidedly remote. With the shortage of coal so acute in both countries, and with present disturbances in that line likely to further enhance the already greatly increased price, European competition is not taken as a serious factor in the situation.

Ford Motor stock, which was recently listed on the Toronto exchange, gave a remarkable exhibition of strength, rising as high as 380.

London Hotel Bonds

Brent, Noxon and Co., Toronto, are offering \$600,000 first mortgage 7 per cent., sinking fund gold bonds, of the Benson-Hines London Hotel Co., Ltd., London, Ont., at par and accrued interest. These bonds are dated October 1, 1920, and are redeemable \$420,000 at the rate of \$30,000 a year, from October 1, 1926, to October 1, 1939, inclusive, and the balance of \$180,000 on October 1, 1940. They are callable at the company's option upon nine weeks' notice, at any time on or after October 1, 1925, at par and accrued interest, are in denominations of \$250, \$500 and \$1,000, and may be registered as to principal. Interest is payable half-yearly at the Bank of Montreal, London, Ont.

The capitalization of the Benson-Hines London Hotel Co., Ltd., is as follows: Common stock, \$500,000; first mortgage 7 per cent., sinking fund gold bonds, due 1940 (present issue), \$600,000; second mortgage 7 per cent., gold bonds, due 1940, \$400,000. The issue of first mortgage bonds is secured by a deed of trust and mortgage, constituting a first closed mortgage on the lands and buildings, which, it is estimated, will cost one million dollars.

Howard Smith New Common

Directors of the Howard Smith Paper Mills, Ltd., at a meeting held in Montreal, on October 19, approved of the issue of \$1,000,000 new common stock. It is planned to issue shares to shareholders at par, carrying rights on the basis of one to three.

The present capitalization of the company is \$2,500,000 of paid-up common and \$1,500,000 of paid-up preferred. The preferred is an 8 per cent., cumulative issue, ranking up to 10 per cent., equally with the common stock, after 8 per cent., on the common stock is paid. In addition there are \$800,000 6 per cent., 15-year first mortgage sinking fund gold bonds outstanding.

Directors have also approved statements which will be issued to shareholders outlining the progress of the business. A nine months' balance sheet and profit and loss account is being prepared and will show earnings in the nine months to September 30 at around \$1,200,000, as compared with \$430,000 in the full twelve months last year, when earnings of the common stock then outstanding were about 35 per cent.

The following companies, operating under Dominion charters, have been authorized to increase their capitalization:---

London Hosiery Mills, Ltd., London, Ont., from \$60,000 to \$160,000, by the issue of 2,000 shares of \$100 each.

Becker Co. of America, Ltd., Halifax, N.S., manufacturers of wood pulp, from \$100,000 to \$650,000, by the issue of 5,500 shares of \$100 each.

Montreal Lumber Co., Ltd., from \$100,000 to \$250,000, by the issue of 1,500 shares of \$100 each.

Dominion Flax, Ltd., from \$50,000 to \$100,000, by the issue of 500 shares of \$100 each.

Frontier Lumber Co., Ltd., from \$50,000 to \$100,000, by the issue of 500 shares of \$100 each.

Ditchburn Pleasure Boats, Ltd., incorporated under the laws of Ontario, with head office at Gravenhurst, has been authorized to change its name to the Ditchburn Boats, Ltd., and to increase its capital stock from \$100,000 to \$150,000, by the creation of 500 new preference shares of \$100 each.

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison, Jr., & Co., Toronto (Week ended Oct. 20th, 1920.)

UTILICIE						Theen ended open					
	Bid	Ask		Bid	Ask	A State of the Sta	Bid	Ask	Provide Assessment States and States	Bid	Ask
Alta. Pac. Grain com.	163		Davies, William6's	96	100	King Edward Hotel.com.		58	Riordoncom. (new stk.)	49	53
Alta. Pac. Grannen pref.	81	86.50	Dom. Foun. & St com.	60	63	"	74	80	pref.	82	84.50
Ames Holden Felt7's	1	85	" " 8% pref.	90	94	Manufacturers Life	175	205	R, Simpson. 6% pref. xd.	70	75
Ames Holden FereCom.		40	Dom. Iron & Steel 5's 1939	65	72	Marconi Wireless	2	3	Sterling Bank	105	112.50
Black Lake		14	Dom. Power		47	Massev-Harrie	95	102	Sterling Coalcom.		
Black Lakepref.		19.50	" pref.	88	92	Mattagami P.& P com		56	Toronto Paper6's		89.50
British Amer. Assurance	10	15	Dryden Pulp	33	36.50	Mercantile Trust	95		Toronto Power.5's (1924)		87
Can. Machinery com.		32	Dunlop Tire 7% .pref.	89	93.75	Mexican Nor. Power 5'el	9		Trust & Guar		72.50
Can. Machinery pref.	52	59	" "	95		Murray-Kay 7% pref.	62	69.50	United Cigar Stores pref.	1.70	2
Can. Oilcom.	65		Famous Players.8% pfd.		88.50	National Life	160		Western Assurance	10	12.50
Can. Westinghouse	106	1.112	Galt Brass	40	45	North-Amer. Pulp	6	6.50	Western Grocerspref.		72
Can. Woollenscom.	49	53	Coodyear Tire., pref.xd.	87	91	North Star Oilcom.	4		Whalen Pulpcom.		32.50
		85	Gunns, Ltd pref.		89.50	pref.	3.70	3.90			68
to the Blow 7% pref.	60	65.50	Harris Abattoir 6's	90	95	Nova Scotia Steel 6% deb	70	78			
			Home Bank	98.25	102	Ont. Pulp	95	98.50			
			Imperial Oil	115		Page Herseypref.	88				
Crown Life Insuran. com. Cuban Can. Sugar. com.		38.50	Inter. Millingpref.	1	92	Pantages Theatres.com.		20			· ····
Cuban Can. Sugar pref.	65	1 70	Treesesses and the second	Sec. april 1	in sec.			A CONTRACTOR			A CONTRACTOR