

BONDS and MUNICIPAL CREDIT

IN WESTERN CANADA.

Bond Market is Brisk, but a Change Favoring the Investor Seems to be Near.

The financial situation in the West shows little change as compared with that of a month ago. The banks do not appear to feel the demands made upon them for the purpose of moving the crop. On the contrary, the head office officials of the various institutions state that a good supply of money is available for the movement of the grain. Many new branches are being established by most of the banks. There is a slight scarcity of labor in the West, which will mean some little delay in delivering the grain to the cars. This will be the big "clean up" year in Western Canada. More than that, for with the high prices received, the farmers will have a few dollars surplus after paying their obligations.

Municipalities Sought High Prices.

The market for bonds continues to be fairly brisk. It is noticeable that institutions are anxious for issues yielding a good rate of interest and it looks as if any change in the near future would be in the direction of a higher yield to the investor. Municipalities were, in a sense, spoilt during the past year, especially in the early months of the year, by the somewhat reckless bidding of some dealers. Municipal officers and school officials apparently gathered the impression that with so many urgent enquiries for bonds, it would be possible to sell at practically their own prices. The past three months, with a slight falling off in demand, has brought about a partial re-adjustment of values. There are few Western issues to be sold. Some cities and towns are holding bonds for higher than the prevailing prices—that is to say after calling for tenders, every offer has been refused, the financing being done through the local banks until such time as it is considered well to make a sale.

Hardening of Money Rates.

There is a general air of hope and prosperity throughout the West. A large crop has been produced on the Western prairies and when one considers the high prices being received and the careful economical policy of the people during the past two years, it seems but reasonable to look for what one finds in the West to-day—a feeling of conservative optimism and prosperity and plenty on every side. Many people look for a hardening in money rates in the West during the next two months, not owing to any local conditions but rather to the natural industrial expansion that now appears to be about due.

COMING BONDS.

South Vancouver, B. C.—The ratepayers have approved a by-law to raise \$225,000 for a waterworks system.

Richmond, B. C.—The ratepayers have voted on by-laws to borrow \$275,000 for waterworks purposes and \$75,000 for road improvements.

Nanaimo, B. C.—The ratepayers carried by-laws to authorize the borrowing of \$30,000 for waterworks; \$6,000 for a bridge. The \$60,000 sewerage by-law was defeated.

Portage la Prairie, Man.—The ratepayers will vote on by-law to authorize the borrowing of \$18,500 to extend the waterworks system and to warrant fixed assessment for radiator factory.

Winnipeg, Man.—The ratepayers carried the by-law to authorize the borrowing of \$600,000 for school buildings.

NOTES OF BIDDING:

Four bids were received for the Melville, Sask., \$6,000 5 per cent. drainage debentures, awarded to J. Addison Reid & Company, as previously noted.
For the Peachland, B. C., \$20,800 5 per cent. 20-year

debenture issue seven bids were received. As previously noted, Messrs. Wood, Gundy & Company, were the successful bidders.

Messrs. H. J. Naughton and Co., who were awarded the \$55,000 issue of St. Romuald d'Etchemin, Que., 5 per cent. 30-year waterworks debentures, are a Boston firm and not a Toronto house as previously reported.

There was only a difference of one dollar between the two bids received for the \$1,593,023 per cent. local improvement issue of Blenheim, Ontario. As previously noted the bonds were sold to Brent, Noxon & Company.

BOND NOTES.

Mr. A. P. Christmas, formerly secretary of the Investment Trust Company of Montreal, has resigned from that company in order to open offices in the London and Lancashire Building, Montreal, for the maintenance of an independent bond business. The firms name will be A. P. Christmas & Company. Corporation, railroad, government, municipal, and public-service bonds will be handled.

An issue of \$3,500,000 first mortgage 5 per cent. serial gold bonds, issued by the J. I. Case Threshing Machine Company, a firm well known in Canada, is being made by Messrs. Peabody, Houghteling & Company, Chicago. The J. I. Case Threshing Machine Company, upon whose property these bonds are a closed first mortgage, has total assets of nearly \$12,000,000. The company has pledged to the trustee as additional collateral security for these bonds, good secured notes and bills receivable, equal to one-half times the amount of the total bonded debt. This additional collateral security will produce in actual cash over \$5,000,000.

The town of Pembroke, Ont., is offering for sale \$40,000 4½ per cent. 20-year debentures. The town's assessed value for taxation is \$2,525,315, while the estimated true value is \$3,030,380 and the estimated value of exempted property \$411,800. The floating debt is \$3,000, and the debenture debt, including this issue \$229,228. The sinking fund invested is \$8,992, the waterworks debentures \$33,534, and the local improvement debentures \$17,236, making altogether \$59,763 or a net debenture debt of \$169,465. The estimated value of assets is \$250,000, while the revenue from waterworks, less running expenses, amounts to \$3,000. The rate of taxation is general 11 mills, school 7 mills. The debenture debt is reduced \$10,000 annually. The population of Pembroke is 6,000, and it is the county seat of Renfrew, located on Ottawa River, main line C.P.R. connected with G.T.R. by branch line with terminus here, on proposed line Georgian Bay Canal. The town is the market for a large section of good farming country and distributing point for lumber supplies and three banks and three newspapers, a large manufactory of refrigerators, incubators and brooders with three foundries, three large sawmills, two door and sash factories, grist mill, machine shop and lumbering tools and a number of other industries. The Pembroke Power Company can supply unlimited electrical power to manufacture at low rates.

DEBENTURES AWARDED.

City of Enderby, B. C.—\$5,000, 5 per cent., 20 instalment debentures, to Charles Burgess & Co., Toronto.

Hamilton, Ont.—\$80,000 school bonds to Dominion Securities Corporation.

Chatham, Ont.—\$35,388, 5 per cent., 15 instalment, local improvement debentures, to Charles Burgess & Co., Toronto.

Osgoode, Ont.—\$4,429, 5 per cent., 10 instalment drainage debentures, to Messrs. Aemilius Jarvis & Co., Toronto.

Niagara Falls, Ont.—\$5,094, 5 per cent., 30 instalments, and \$1,332 10 instalment, sewer debentures, to Charles Burgess & Co., Toronto.

Yorkton, Sask.—\$50,000, 5 per cent., 30 instalment, and \$20,000 5 per cent., 20 instalment debentures, to Messrs. Hanson Bros., Montreal, Que.

North Gosfield, Ont.—\$5,151, 5 per cent., 5 and 10 instalment telephone and drainage debentures, to Mr. Charles Burgess & Co., Toronto.

London, Ont.—\$35,000, 4 per cent., 30-year school debentures, and \$5,000, 4½ per cent., 30-year hospital debentures to the Bank of Toronto.

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