

OVER SIXTY THOUSAND GRAND TRUNK HOLDERS

**This is Eight Thousand More Than Two Years Ago—
Effort to Secure Control**

According to a statement given to *The Monetary Times* by Mr. E. J. Chamberlin, president of the Grand Trunk Railway, the number of Grand Trunk shareholders on the company's register is 62,740. The number of stockholders naturally varies from day to day, and the figures mentioned are the number on the occasion of the issue of the last half-yearly report of the company. This number includes the holders of the Grand Trunk 5 per cent. debenture stock and of the 4 per cent. consolidated debenture stock but not the registered holders of the Great Western and Northern debenture stocks, who have no voting power and consequently do not receive the report. The holders of the last-mentioned stocks may be taken at approximately 3,000.

Holdings Two Years Ago.

In 1911, Grand Trunk shares were held by 54,200 persons, against 52,900 in 1910. The shares of this road are held almost exclusively in the British Isles. The late Mr. Charles M. Hays told *The Monetary Times* in 1911 that from 75 to 90 per cent. of Grand Trunk shareholders were resident in Great Britain.

It will be recollected that Sir Thomas Shaughnessy informed *The Monetary Times* recently that the total number of Canadian Pacific common stockholders at present is about 27,000. The number of Grand Trunk shareholders probably comes second only to the Pennsylvania Railroad in America, which recently reported 64,689 shareholders.

Effort to Secure Control.

While discussing Grand Trunk holdings a cable message from London this week, stating that the latest effort to secure control of the Grand Trunk and to transfer its headquarters to this side of the Atlantic has failed, is of interest. A speculative group which was working some time ago got rather out of its depth, says "Windermere's" message, and became known to many. Their options are not to be exercised, and stock bought speculatively had to be further liquidated. More options mature in October, but for the time being the group has shot its last bolt. The fiasco is said to explain partially the recent weakness in Grand Trunk issues.

STRIKE OF THE LONDON UNDERWRITERS

Perhaps the most interesting point in this week's finance has been the breakdown, or the temporary suppression, of the agreement made a month ago by financial underwriting groups when they decided not to help the issuing houses with any more loans, says an *Annalist* letter from London. It was a very remarkable move and it has been remarkably successful, but to understand it one must remember that the old theory of underwriting has been completely discarded. Theoretically the man who has a new issue in hand takes the prospectus, goes around to a few friends and offers them a commission if they will undertake to come in for what the public does not want. The underwriter by the same theory looks at the prospectus, weighs its advantages and accepts or declines the commission. In practice the big financier has a regular list of underwriting syndicates, all more or less closely connected with the Stock Exchange, which agree to take up to a certain amount of any issue that the financier may be bringing out. He gives what in insurance circles would be known as a "cover"; he does not see the prospectus; he does not pick and choose; he is merely told that the loan is coming out and his share is so much.

Many Stock Exchange firms reckon to make quite a large amount every year by this means, and brokers with a moderate sized business may perhaps make \$3,000 or \$4,000 a year out of one man's underwriting. But it is a dangerous practice for the broker because his judgment is put out of action and good, bad and indifferent all have to be swallowed. Consequently when times are difficult and his clients little disposed to invest he may get enormous quantities of stock on hand, much larger than he can with safety hold.

Hence the resolute attitude of underwriters in the past month. Under their standing agreements they had been loaded with masses of securities and their capital was extended to its fullest capacity. As a matter of course they had to take their share because they had really not been underwriting at all; they had been buying under agreement bigger quantities than they wanted at a price not below the market quotation. They are not running risks, but financing certain failures. That is where the new underwriting differs from the old.

NINE MILLION ACRES UNDER SPRING WHEAT

**Last Month, Canada's Crops Maintained Favorable
Average of Previous Month**

Reports received from correspondents at the end of June enable the Census and Statistics Office to issue finally revised estimates of the areas sown to spring crops this year and also estimates of the areas devoted to the later sown cereals and hoed crops. With regard to wheat the reports are entirely confirmatory of those issued a month ago, and the area under wheat in Canada is therefore finally placed at 9,816,300 acres or 57,900 acres more than in 1912. The area in spring wheat is 8,990,500 acres or 13,100 acres more than in 1912 and the area to be harvested of fall wheat remains at 825,800 acres. Oats are estimated to occupy 9,646,400 acres, an increase of 429,500 acres, barley 1,430,800 acres, an increase of 15,600 acres, rye 127,200 acres, a decrease of 8,910 acres, and hay and clover 7,621,600 acres, a decrease of 12,000 acres.

The acreages under the later sown cereals and hoed crops are estimated to be as follows:—Buckwheat 363,600, flaxseed 1,288,600, corn for husking 290,800, beans 58,850, potatoes 467,800, turnips, etc., 215,900, sugar beets 19,250, and corn for fodder 277,990. These are increases in the case of potatoes, turnips, etc., sugar beets and corn for fodder, but decreases in the case of the other crops.

In the Western Provinces.

For the three north-west provinces of Manitoba, Saskatchewan and Alberta the total wheat area is finally estimated at 9,013,800 acres, as compared with 8,961,800 acres last year; that of oats at 5,305,800 acres compared with 4,913,900 acres and that of barley at 857,700 acres compared with 809,900 acres—these differences representing increases of 52,000 acres for wheat, 391,900 acres for oats and 47,800 acres for barley, or 491,700 acres for the three crops.

During June the crops throughout Canada maintained generally the favorable average of a month ago. On June 30 the condition, expressed in percentage of the usual standard of 100, taken as representing the promise of a full crop, was as follows:—Fall wheat 81.46, spring wheat 87.80, oats 87.71, barley 88.39, rye 85.95, peas 87.43, mixed grains 87.12, hay and clover 71.52, alfalfa 77.23, and pasture 82.31. By provinces the condition is between 80 and 90 for the Maritime provinces, Quebec, Ontario and Manitoba. In Saskatchewan and Alberta the outlook at the end of June appeared to be especially promising, as the condition was above 90 in all cases excepting fall wheat, the condition of which in Alberta was 76.27.

Farm Live Stock.

Estimates of the numbers of farm live stock in Canada at June 30 are given as follows:—Horses 2,535,000, milch cows 3,064,900, other cattle 3,380,400, sheep 2,418,400, swine 3,254,400. These represent increases over the estimates published last year for all descriptions except "other cattle." The estimates are based upon the final figures of the census of 1911 for all the provinces except Saskatchewan, Alberta and British Columbia; so that the totals are still subject to final revision upon completion of the census results. The condition of all classes of live stock was reported as especially favorable on June 30, being 100 or above for horses, milch cows, sheep and swine and 97 for cattle other than milch cows.

FINANCING WITH TREASURY BILLS

A cable message from London says that market conditions there are illustrated by two treasury bill renewals just completed, namely, \$5,000,000 for the province of Saskatchewan at 6¼, and due in January, 1914, and city of Toronto \$6,000,000 at 5¾ per cent. due in August, 1914. Those may be compared with \$10,000,000 of Belgian Government bills renewed at 5¼ and due in July, 1914.

At the city treasurer's department, Toronto, this despatch was declared to be premature, as, while about £1,000,000 of treasury bills fall due in August next, there is money to meet these, and nothing has been mentioned in reference to a renewal. The only object in renewing the bills, it was stated, would be in case of getting a specially low rate, as funds are now available to meet the obligation. The city has just sold \$1,000,000 in debentures privately to a New York brokerage house for 4½ per cent.

The Montreal city council decided this week to renew treasury bills for £750,000 due on August 12th.

Saskatoon's issue of treasury bills fell due a few weeks ago.