

has run for over three years and money market conditions have changed materially since the date on which it was arranged for.

Some increase of activity has been seen on the Canadian stock markets. The continued rise in C.P.R. stock with the large profits accruing to those who bought it early and held right on, naturally has some effect in inducing speculation by the general public. The sentiment in Wall Street is also becoming more confident and there are signs that the market manipulators intend to try a bull movement there. So far as Canada is concerned it would seem that speculation is already very much in evidence in nearly every direction. It is well known that the prevalence of the speculative spirit has had something to do in bringing to pass the monetary stringency. Fortunately the banks are doing their duty in endeavoring to check the craze for speculative enterprises. It is said that the head offices of the important banks are energetic in restraining the branch managers from taking up new enterprises of a speculative nature. There are two good reasons for this policy. One is the condition of the banking reserves, which have been drawn upon to a considerable extent to finance our industrial and commercial re-awakening. The other is the danger involved in allowing the speculative sentiment to have free play.

THE GRAND TRUNK REPORT.

A Hum-Drum Statement—Working Expenses Kept in Check—Engine and Car Renewal Suspense Account Disappears.

The Grand Trunk within the last year or two has happily come to a period of comparative calm. Half-yearly meetings, in contrast with the happenings of quite a short time ago, are hum-drum affairs; and shareholders who were famed for their vigorous semi-annual denunciation of the management, now remain in meditative silence or join in a judicious praise of present developments. At the recent meeting in London, attention was drawn by the Chairman (Mr. A. W. Smithers), in his speech, to the new \$30,000,000 mortgage on the Grand Trunk Western. Bonds to this amount will be guaranteed by the parent company, one half remaining in the treasury while the other half will be issued as required. As the western section has paid all charges for the last ten years, it is not anticipated that the Grand Trunk will be called upon to assume any liability in giving the guarantee of interest. This financing has been arranged for the purpose of extending and improving the service and to permit the western division to purchase the Pontiac, Oxford and Northern line. Part of the bond issue is for the purpose of installing block signalling. Mr.

Smithers said that all the land they had obtained for town sites was purchased through the agency of the Grand Trunk Pacific Development Company. He impressed upon the shareholders how the future of the Grand Trunk Company was bound up with the Development Company and with the Grand Trunk Pacific Railway.

The gross receipts and working expenses of the company for the half year and for the corresponding December half-year of 1909 are shown in the following tables:—

GROSS RECEIPTS.			
	1910.	1909.	Increase.
Passengers	£1,127,908	£1,091,426	£36,482
Mails and Express	197,414	182,855	14,559
Freight and Live Stock	2,254,619	2,252,106	2,513
Other Receipts	119,958	106,516	13,442
	£3,699,899	3,632,903	66,996
WORKING EXPENSES.			
	1910.	1909.	Increase.
Maintenance of Way and Structures	£592,719	£628,698	*£35,979
Maintenance of Equipment	647,680	669,889	*22,209
Traffic Expenses	116,768	97,935	18,833
Conducting Transportation	1,256,911	1,198,611	58,300
General Expenses	90,014	80,529	9,485
Taxes	86,594	77,481	9,113
Total	£2,790,686	£2,753,143	£37,543
Percentage of Gross Receipts	75.43	75.78	*0.35
	* Decrease.		

REVENUE STATEMENT.

The following is a statement of the revenue for the same two half-years:—

	1910.	1909.
Gross Receipts	£3,699,899	£3,632,903
Working Expenses	2,790,686	2,753,143
Net Traffic Receipts	909,213	879,760
Rentals and interest, etc.	172,013	158,847
Net Revenue Receipts	£1,081,256	£1,038,607
Net Revenue Charges	695,291	628,065
Surplus	£385,965	£410,542

A new item appears in the revenue charges in the current accounts, viz., Toledo, Saginaw and Muskegon Railway deficit 1908-9-10, £23,300. The total amount available for dividend is £398,517. The payments on the guaranteed stocks, and on the first and second preference stocks for the half-year, and of one-half of 1 p.c. on the third preference absorbs £389,412, leaving a balance of £9,105 to be carried forward. The payment on the third preference is the first since the second half of 1907.

Of the moderate increase of £66,996 in traffic receipts, more than one-half came from passengers. This increase appears to have been due to the fact that passengers took longer journeys than before, since the number of passengers, in comparison with the corresponding half-year of 1909 fell off by 114,000, while the average fare per passenger rose