

BONDS and MUNICIPAL CREDIT

BOND MARKET THIS WEEK.

Ontario Government Bonds—Montreal Loan Discussion—Grand Trunk Issue.

For the time of year, the activity in the corporation and municipal bond market is noticeable. The former securities have claimed much attention, investors having purchased freely. Municipalities continue to provide for their financial requirements, and their debenture issues are making a busy market.

During the past seven weeks about \$1,400,000 Ontario Government bonds have been taken up. The amount authorized to be issued is \$3,500,000. Small investors have become interested in these securities to a considerable extent, and a large number of applications have come from the United States. Probably the demand during the next few weeks will not be great, as summer time and finance do not run easily together.

Local Investors' Low Bid.

An offer has been made by J. M. Robinson & Co., of St. John, to take the \$7,000 issue of 5 per cent. Centreville, N.B., school debentures at par. This will likely be accepted, as local people have offered only 92.

While the discussion anent the Montreal loan of £650,000 4 per cent. debenture stock has somewhat subsided here, the city of London continues to ask for an explanation. A London banker in a recent interview stated that the municipal council's recent proceedings have neither enhanced its financial reputation or improved the city's credit.

To Authorize Bonds.

A special general meeting of the shareholders of the Central Counties Railway Company will be held in Ottawa on August 25th for the purpose of considering, and, if deemed advisable, passing resolutions authorizing the directors to issue first mortgage bonds called "A" Bonds upon sections 1 and 3 of the said railway to the extent of \$475,000, being an amount not exceeding \$12,500 per mile.

Mr. Charles M. Hays has given an optimistic interview regarding the recent \$10,000,000 Grand Trunk Pacific flotation in London of guaranteed 3 per cent. bonds. The issue, he says, was oversubscribed twice by English investors. A prominent London paper doubts the accuracy of that statement. Such a corporation is not likely to meet closed doors in the London money market.

In the London Way.

Those who sell their bonds in London must proceed through certain channels or go without the money. While numerous successful Canadian flotations may be noted, we have learned of several unsuccessful missions to the metropolis for capital. Canada must recognize that London is not to be hoodwinked in any possible way. It likes straightforward proceedings; it desires applicants to come along the proper footpaths.

NOTES OF BIDDING.

Twelve bids were received for the \$313,600 4½ per cent. debentures of the city of Regina. This issue was awarded to the Northern Crown Bank, who purchased, it is under-

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stood, for one of its clients. The price paid was \$316,130.77 and accrued interest, which is probably the best ever received by the city for its securities. While the debentures were advertised in London papers, all the offers made were by Canadian houses, of which eight came from Eastern Canada and four from the West.

Six bids were received for the Elmira, Ont., \$8,000, 5 per cent., 12-year debentures, awarded Messrs. Brent, Noyes & Company.

For the Carleton County, N.B., \$26,000, 4 per cent., court house debentures, three bids were received. Messrs. J. M. Robinson & Sons were the successful bidders.

When the bids were opened recently for the 4½ per cent. ten instalment bonds issued by York Township, it was discovered that there was a difference of but one cent in the total amount bid for the issue by Messrs. G. A. Stimson & Company, and the Ontario Securities Company. The bonds were awarded to the latter, whose bid was the highest received. The amount of the issue was \$2,370.

There were seven bids for the Port Arthur \$161,628 debentures. All the offers were from Toronto. The issue was awarded to Wood, Gundy & Company. Five per cent. debentures represent \$121,628 of the amount, while \$40,000 were 4½ per cent. The purpose of the issue is for the building of the collegiate institute and for local improvements. Had the amount been consolidated into one sum at a level rate of interest, instead of being divided into two, the tenders would probably have been higher.

CANADIAN MUNICIPALS IN LONDON.

A fair number of Canadian municipal securities have been introduced to London this year. The city of Winnipeg disposed of \$2,500,000 4 per cent. consolidated registered stock in March, while Calgary city sold £124,800 4½ per cent. debentures. This was fully subscribed at the issue price of 105½. The city of Toronto got rid of £394,100 4 per cent. general consolidated loan debentures at 102½ per cent., and the city of Vancouver marketed £286,400 4 per cent. bearer debentures at 101. Another Western city, which sold its bonds in London, was Edmonton to the extent of £187,300 4½ per cent. Sterling debentures. These were issued at 102½. The city of Ottawa floated £156,900 sterling 4 per cent. debentures.

The Dominion Government and several of the Provincial Governments have also sought capital in London.

COMING BOND ISSUES.

Preston, Ont.—The ratepayers on Monday will vote on a by-law to raise \$32,000, by 4½ per cent., 20-year waterworks debentures.

Brockville, Ont.—The ratepayers on August 5th, will vote on a by-law authorizing the issuance of \$16,000, 4½ per cent. bridge debentures.

Parry Sound, Ont.—On August 9th, the ratepayers will vote on by-law authorizing the issuance of \$30,000, 5 per cent., 20-year loan debentures.

Strathcona, Alta.—The ratepayers will vote on a by-law to raise \$15,000 for fire hall purposes. Voting day, August 9th.

Port Arthur, Ont.—The ratepayers on August 10th, will vote on by-law authorizing the issuance of \$8,615, 4½ per cent., 20-year, fair site debentures.

Latchford, Ont.—On August 15th, the ratepayers will vote on a by-law authorizing the raising of \$4,000 for fire protection purposes.

Dunnville, Ont.—The ratepayers on August 19th, will vote on a by-law authorizing the issuance of \$7,000, 4½ per cent., 30-year, waterworks debentures.