

INVESTMENTS AND THE MARKET

Activity in Stock Market is Accompanied by Several Advances—Considerable Trading in Speculative Stocks

THE past week has been one of the most active in the history of the Toronto and Montreal Stock Exchanges. On Thursday, July 3rd, the leader on the Toronto exchange was Dominion Steel, followed by Atlantic Sugar and Spanish River. Steel of Canada also made a new high record. On the Montreal exchange the stocks featured were Spanish River, Atlantic Sugar, National Breweries and the steel issues. The upward movement was continued on Friday, when 31,928 shares exchanged hands on the Montreal exchange, a record for the current year. Interest centred chiefly in the steel and paper stocks. Advances were also made in Toronto. On Monday seven thousand listed shares changed hands on the Toronto exchange, making the highest record since May 14th. The number of listed shares involved in transactions on the Montreal exchange on Monday was 32,000. Maple Leaf Commission made a substantial advance both on Monday and Tuesday.

These advances in stocks, chiefly industrial stocks, were accompanied by a decline in trading in bonds. The prices of the war bonds have fallen off, which is largely attributed to the high rate of interest being paid for the new Canadian loan floated in New York.

Dominion Steel Corporation.—President Mark Workman, William McMaster, vice-president of the corporation, J. H. Plummer, E. R. Wood and Hector McInnes, K.C., represented the steel company at a conference this week with the Hon. C. C. Ballantyne, Minister of Marine, regarding the contract which the Sydney enterprise has from the Dominion government for ship-plates. Early last spring the Minister of Marine intimated that, following changed conditions in the steel industry, it would be necessary to consider some alterations in price, and requested that work on the mill be suspended, pending an adjustment of the matter. It was regarded in local steel and financial circles that this action on the part of the government presaged the cancellation of the contract, but subsequent negotiations were entered into, with the result that a modification of the original price of \$4.15 per hundred pounds is likely to be agreed upon and the contract proceeded with. Although nothing definite resulted from the conference, there is every prospect of an immediate settlement.

Ames-Holden-McCready, Ltd.—As previously noted in these columns the net profits for the year ended April 30th, 1919, were approximately the same as those for the preceding year. In view of the fact that the volume of business increased over 27 per cent., this indicates that the increased expenses absorbed the additional profits. The company is in a good financial position, however, as the following comparisons taken from the balance sheets for this and the preceding years would indicate:—

Assets.			
	1918.		1919.
Cash	\$ 52,922	\$	57,126
Accounts receivable	481,223		445,206
Notes and drafts receivable			
less bank loans	51,430		65,124
Inventory, investments, etc. ..	2,733,670		2,331,411
Fixed and other assets	6,165,332		6,064,055

Liabilities.			
	1918.		1919.
Current	\$1,576,310	\$	568,527
Bonds outstanding	1,136,926		1,083,606
Debentures outstanding	500,000		390,000
Capital	6,000,000		6,000,000
Reserve	65,000		100,000
Surplus	206,342		830,729

Following upon the previous announcement of this report the preferred shares advanced from around 87 to 95 and the common from below 45 to about 50.

Canadian Pacific Railway.—The May earnings statement, compared with last year, is as follows:—

	1919.	1918.	Increase.
Gross	\$13,569,411	\$13,314,116	\$255,294
Expenses	10,535,650	9,626,341	909,309
Net	\$ 3,033,760	\$ 3,687,775	*\$654,014

*Decrease.

May gross and net earnings over a series of years follow:—

May.	Gross.	Net.
1919	\$13,569,411	\$3,033,760
1918	13,314,116	3,687,775
1917	14,355,149	4,551,719
1916	12,472,167	4,372,282
1915	7,261,496	2,443,002
1914	9,795,892	2,963,011
1913	11,904,379	3,504,030
1912	11,360,421	3,680,515

Five months earnings show net earning of \$9,196,056, against \$11,894,837, a decrease of \$2,698,780. Gross return was the largest in history.

The 45th annual convention of the American Bankers' Association will be held at St. Louis, during the week commencing September 29th.

DIVIDENDS AND NOTICES

THE MERCHANTS BANK OF CANADA

QUARTERLY DIVIDEND

Notice is hereby given that a dividend of Three per cent. for the current quarter, being at the rate of Twelve per cent. per annum, upon the Paid-up Capital Stock of this Institution, has been declared, and will be payable at its Banking House in this city and its Branches on and after the 1st day of August next to Shareholders of record at the close of business on the 15th day of July.

As regards new stock paid up subsequent to 15th May, in full or in part, the rate of Three per cent. for the current quarter (or twelve per cent. per annum) will apply proportionally from the dates upon which payments were made.

By order of the Board.

D. C. MACAROW,
General Manager.

Montreal, 26th June, 1919.

THE CANADIAN FAIRBANKS-MORSE COMPANY, LIMITED

Preferred Dividend No. 28

Notice is hereby given that a semi-annual dividend of 3 per cent. (3%) on the preferred stock of this Company has been declared due and payable on the fifteenth day of July, 1919, to stockholders of record at the close of business, Saturday, July 5th, 1919.

By order of the Board.

T. M. CULLEN,
Assistant Secretary.

Montreal, June 28th, 1919.