

not only to French but to all investors, Senator Dandurand summed up in the striking phrase, "We cannot gold-brick them with impunity."

Big Business.

WITH the passing of the holiday season and the consequent revival of interest in the market, the financial world of Canada has its eye on the home stretch for 1912. Three months from these days of yellowing leaves and it will be time to balance our accounts.

At this distance men on the exchange are saying that this is to be a record year in Canadian finance. Spectacular market transactions, and generous distribution of profits are the usual earmarks of an exceptional year. But when the story of 1912 is written, it will be shown that while these features are present, others are particularly noticeable.

The tendency of Canadian finance is more clearly defined this year than ever before. That tendency is the remarkable growth of domestic securities and the increasing approval of them abroad. Three times these last few weeks—on the occasions of the Brazilian merger, the Forget episodes and the movement in C. P. R.—London, New York, Paris and Berlin hung on to Toronto, Montreal and Quebec for advice on the situations which arose.

Perhaps in no previous year has there been such a general advance in the mere "mathematical" prestige of Canadian stocks. On the phenomenal rise in the prices of our securities since January the Montreal *Star* published some interesting figures the other day. It referred to C. P. R. and remarked that its advance from 227 to 283, a gain of 56 points, meant, on outstanding common stock of 198 millions, an appreciation of values from \$449,460,000 to \$560,340,000. Montreal Power, not so much an international stock, has advanced from 187 to 242 or 55 points. The common stock is 17 millions. The value of it has been increased from \$31,790,000 to \$41,140,000, putting nearly ten extra millions in the shareholders' pockets. So all the way down the line. The *Star* might have spoken of the performances of Rio and Sao Paulo before the merger, and of other securities less sensational in their ascents. But the above serve as outstanding examples of the upward movement. The great changes in the afore mentioned gilt edged securities are not ephemeral fluctuations. With the alteration of but a few points, these stocks have kept a constant high level; they reflect Canada's prosperous condition.

On and Off the Exchange.

The Discount Rate.

ON October 17th the Bank of England advanced its discount rate to 5 per cent., which is very high for that market. This shows that money is in great demand in Europe due to the Balkan war and the gold export. Curiously enough the Bank of France rate is much lower. On the same day it was raised from 3 to 3½ per cent. In Canada the call money rate has been averaging about 6 per cent.

Earnings of Dominion Cannery.

THOSE on the inside say that Dominion Cannery is earning its bond interest and dividend on the preferred stock, and has been actually earning a higher percentage on the Common than some companies which are paying dividends. The policy of the company has been to build up a strong reserve so that when the payments of dividends on the Common has been begun a poor season would not affect the payments. Some time ago the stock went up to 74, but the movement was decidedly premature. On account of the poor vegetable and fruit season there will be no dividend on the Common this year. The surplus in 1910 was \$167,436, and in 1911 \$166,020. Therefore the Company must now have on hand enough surplus to pay a 5 per cent. dividend for a couple of years.

Stock Market Prices for C.P.R.

THE highest price touched by C. P. R. in 1902 was 145 3-8; in 1903, 138 1-2; in 1904, 135 1-8 (dividend raised from 5 1-2 to 6); in 1905, 176 3-8; in 1906, 199 1-4; in 1907, 193 (bonus of 1 per cent.); in 1908, 180; in 1909, 188 3-8; in 1910, 199 1-4; in 1911, 245 1-2. In 1911 the dividend was 7 per cent. with a 3 per cent. bonus. During the present year the highest price in January was 236 1-4; in February, 231; in March, 239 1-4; in April, 254 1-2; in May, 270 1-2; in June, 267; in July, 264 3-4; in August, 281 3-4; in September, 281 1-2; in October, 279 1-2.

All this is interesting in view of the rumour that a pool of shareholders in London, Paris, and Berlin intends to boost the price to 300 on the strength of the new stock issue. In view of the presidential election in the United States and the war in the Balkans it is hardly likely that the pool would get to work at an early date. However, the stock seems to have quite got over the slump which occurred a fortnight ago.

The B.C. Packers' Episode.

A RECENT feature of the stock market was the sudden advance in B. C. Packers. Early in the week this stock reached the high level of 161, a gain of eight points. Trading was very brisk. Towards the end of the week excitement subsided, the British Columbia Security being probably affected by the general depression which set in over the Balkan troubles.

However, B. C. Packers held its new price pretty well at the close, though trading was not very aggressive. The stir in B. C. Packers was the outcome of "Bull talk" which was thoroughly responsible. Salmon are said to be running well this year. Every fourth year the market looks to the fish to perform up to traditional expectations, and this being the fourth year, there is exceptional interest in the great B. C. industry. If prospects are not discounted when the season closes, the earnings of B. C. Packers should show considerable increase. In 1911 there was a balance of \$449,599; in the year ending June 30, 1912, the balance was \$645,530. Further market improvement may mean a higher dividend being declared than the present 6 per cent.

Besides the optimistic outlook of the market upon the season's prospects of the company, another factor in the upward price movement last week was the growing definiteness in the mind of the Street as to the financial intentions of B. C. Packers. It is now thought certain that Series B will be redeemed in a short time, and Series A converted into common. This would give opportunity for the issue of new Common stock up to the authorized amount of \$250,000.

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