

## How a Small Advertisement Led to a Valuable Connection

Some time ago the firm of MacDonald, Bullock & Co., Toronto, ran a small advertisement in The Monetary Times. The advertisement referred to Anglo-French War Loan Bonds. A week or two after the advertisement appeared an Ontario bank manager who was prepared to take a considerable block of this particular issue, and who remembered seeing the advertisement referred to but could not recall the name of the bond firm that had advertised, wrote to The Monetary Times asking that his letter be forwarded to the firm in question.

This was done, and in reply we are in receipt of the following letter which speaks for itself.

Toronto, Canada,  
April 2, 1917.

Dear Sir,

We have pleasure in returning to you a letter which you kindly forwarded to us some time ago from one of your subscribers, asking for particulars of the Anglo-French War Loan Bonds.

We might state that we have had the pleasure of several transactions with this party since you handed us his name. This is greatly appreciated by us, and we have pleasure in stating that our advertising in your journal has paid us many times over.

Yours very truly,

MacDONALD, BULLOCK & CO.

### WAR LOAN SUBSCRIPTIONS FROM CALGARY

The people of Calgary have subscribed a total of \$2,500,000 to the three war loans, as follows:

| Loan.                 | No. of subscribers. | Amount.     |
|-----------------------|---------------------|-------------|
| November, 1915 .....  | 240                 | \$ 637,300  |
| September, 1916 ..... | 335                 | 1,008,800   |
| March, 1917 .....     | 325                 | 917,200     |
| Total .....           | 900                 | \$2,463,200 |

### BANK OF ENGLAND RATE REDUCED

The Bank of England reduced its rate to 5 per cent. last week. The bank rate had been  $5\frac{1}{2}$  per cent. since January 18th last, when it was reduced from 6 per cent. The 6 per cent. rate went into effect July 13th, 1916, when it was raised from 5 per cent. on account of a flurry in the New York money market. The previous 5 per cent. rate had been continuously in force since August, 1914.

In the present reduction of the bank rate to 5 per cent. may also be found a reflection of the changed attitude of the United States in regard to the war. Ever since last July the high English bank rate had been used as part of the plans of the British treasury to stabilize the sterling rate in this market. With the entrance of the United States into the war on the side of the Allies, purposing to extend every facility for the raising of considerable credits on this side, the British authorities no doubt considered that sterling exchange was no longer threatened. On the contrary, much will happen to strengthen the rate. Hence the opportunity is readily availed of to benefit British trade conditions by a more normal bank rate.

### SALE OF MANITOBA'S SECURITIES

Hon. Edward Brown, provincial treasurer of Manitoba, has issued a statement in reply to criticisms made against the province's methods of marketing its war bonds and other securities. The principal criticism was that there had been no free competition for the purchase of these securities, and that Wood, Gundy and Company, Toronto, had been allowed a monopoly of the province's business.

The statement says in part: "Answering the criticism that there has been a lack of competition, I have to say that the following houses were consulted in the course of our negotiations: First—Group 1. Messrs. J. P. Morgan and Company, Harris, Forbes and Company, and Brown Brothers, all of New York. Second—Group 2. Messrs. Kissel Kinnicutt and Company, Dominion Securities Corporation, and A. E. Ames and Company. Third—Group 3. Messrs. The National City Company, New York; Wood, Gundy and Company, Toronto, and in addition the Harris Trust Company, and the Continental Commercial Bank, both of Chicago.

"The issue was offered to the first mentioned group at the price at which it has been disposed of finally, in advance of its being offered to Messrs. Wood, Gundy and the National City Company, and the first mentioned group declined the business. In addition, I imposed a condition on the purchasers with respect to delivery that was not suggested to either of the first two mentioned groups.

"With respect to the point raised that the Winnipeg dealers should have the benefit of the province's subscription to the Dominion war loans, I have this to say, that, in the case of the first loan, while it was well known in the city at least ten days before the list was closed that the province proposed making a subscription, with one exception, I received no suggestion from any of the dealers in Winnipeg that they should share in this business. The subscription was given to Wood, Gundy and Company for the reason that they pressed for it and for the claim that they submitted that they should have the business on account of the large interest they were taking in the war loan, and I am of the opinion that any firm which was able to secure \$21,000,000 of subscriptions in the first and \$35,000,000 in the second loan, were reasonably entitled to some recognition, and I have no apologies whatever to offer for giving them the business. Of course, the interests of the province were not affected in any way on account of the transaction."