LONDON IS OVERDONE WITH NEW ISSUES.

Overseas Market is Bombarded With Prospectuses—Canada is Leading in the Line of Applicants.

There is no end to the new capital underwritings in London, and Canada has contributed its share if not more. The past month was a heavy one for Canadian issues. Here is a table showing how much the Dominion obtained in the London market during the first five months of the year:—

Purpose of Loans	First 4 Months, 1911.	May, 1911.
Railroads	£3,948,097	....
Municipal	2,606,000	£1,314,700
Industrial	2,516,900	1,012,600
Land and Lumber	1,625,000	950,000
Government	1,400,000	....
Financial	1,250,000	1,400,000
Mining	600,000	....
	£13,945,997	£4,677,300

Eighteen Millions Sterling in May.

To the end of May, therefore, Canada obtained overseas by public flotations £18,623,297. The new issues in London in May were on a larger scale than those of last year, the total reaching £23,623,000, in comparison with £21,713,000 in May, 1910. Commercial and industrial companies were the largest borrowers, having come for over £7,000,000 of capital against less than £1,000,000 last year. The amount of capital provided for financial, land and investment companies was over £4,000,000, mainly for acquiring interests in Canada, Russia, and the United States. Few new issues of oil and rubber shares have been made, whereas last year in May these were considerable. For the five months to the end of May the new capital subscribed for public issues has been about £109,000,000, against £132,000,000 in the corresponding period of last year.

Last year capital was subscribed very freely in the earlier months owing to the delay in collecting the income tax, and the new subscriptions fell off in a marked degree after the taxes were gathered in. It seems probable that in the current year the new issues of capital will be much larger in the last six or seven months than they were last year, as the money market conditions are expected to be easy and favorable to new issues right through the autumn.

Will There be a Check?

Some fears have been expressed that Canada may again receive a setback in its borrowers' pilgrimage to London. During the summer of 1909, it will be remembered, Canada's demands for British capital became so numerous that the leading underwriters interested in Canadian enterprises agreed not to undertake any new flotations of the Dominion for several months. This stopped the flow of British capital to Canada through its principal channel.

"Although," says a Stock Exchange correspondent to The Economist, "it may be an exaggeration to say, as some, that every other broker in the Stock Exchange walks about at the present time with his pocket bulging with a prospectus or prospectuses of some new issue which he is trying to get underwritten, it is quite true, that the Stock Exchange is suffering from an overdose of these emissions. Precisely why they should have come along so thick and fast within the last ten days it is not easy to say, but the fact remains; it is also common knowledge that many further issues are waiting to be made directly after the Whitsun holidays.

Success of Brazil Loan.

"It has to be frankly admitted by all interested in promotions that the public are showing no keen appetite just at the moment. When the new Brazil loan came out, its remarkable success gave an impetus to stagging for a short time, and until the stags began to get landed with more stock than they wanted the game went on in snowball fashion.

"It has culminated now in a regular flood of new issues. Thanks to this, day-to-day money has become stiffer; consols are, therefore, easier. Home railways owe part of their depression to the same influence—the overdose, in fact, is giving markets all the way around an attack of financial indigestion. Underwriters within the past few days have been left with a good proportion of issues whose success seemed to be well nigh certain, and even for the high class issues which are yet to come it is not easy to procure underwriting after the experience of the last week or so. A good sign, however, of the strength and solidity of markets, as a whole, lies in the comparatively easy way in which prices have been maintained in spite of the underwriters getting left with stock. Quotations have fallen to a discount in certain cases, but, even so, there have been, as a rule, a fair number of buyers ready to take the stock, where it was at all tempting, at a trifle below the price of issue.

Burden With the Underwriters.

"This can be reasonably taken as a sign of public confidence in the stock markets and in the general outlook of business. So long as big blocks remain in the hands of underwriters who may be obliged to finance their commitments with borrowed money the dead weight of this knowledge acts unfavorably upon prices as a whole, and so long as the flood of these issues continues its depressing influence will become more and more acute.

"No doubt the promoters' object is to get out as much stuff as they can before the coronation heralds the approach of the summer holiday season in real earnest. For another three or four weeks, therefore, it may be vain to look for any material check to the lavish outpouring of appeals for capital. When once, however, the check is applied—and this may be before the coronation if the public show a decided disposition to leave the underwriters to shoulder nearly the whole burden—markets will gradually settle down into more normal conditions, and the investment demand should be sufficient to enable the placing of underwriters' stock in more permanent hands, provided nothing happens to unsettle confidence in other directions."

BUILDING UP THE COUNTRY.

Every few days there runs into Cochrane along the Grand Trunk Pacific track a train possessing an unusually businesslike appearance. This is the construction train which is rapidly helping to build a section of the National Transcontinental, 150 miles long. Every day is is throwing down new lengths of steel which will soon carry trains through Cochrane from the Atlantic to the Pacific Coast. The track is an excellent piece of work. Its quality is due largely to the care which Mr. O. W. Swenson is superintending the construction work for Messrs. Foley, Welch & Stewart, the railroad contractors for that section.

O. W. Swenson.

Who is building the National Transcontinental East of Cochrane, Northern Ontario.

Mr. Swenson has been in the employ of this firm and their various associates for twenty-two years. He has spent nearly all the past twelve years in the Dominion changing railroad mileage statistics in various parts of Ontario, British Columbia and Manitoba.

Best of all he has considerable faith in Northern Ontario and its great clay belt. "It is going to be a very prosperous locality," he says, "and as good as any part of old Ontario. The soil is very productive and fertile." Mr. Swenson is one of many of our railroad pioneers, but is now engaged on an undertaking which will mean much to the future development of the Dominion.

HOUSTON'S ANNUAL FINANCIAL REVIEW.

An evidence of the increase in Canadian industries is noted by the report of 67 companies appearing in the annual financial review just published by Mr. W. R. Houston, as against 50 in the previous volume. The review is a valuable volume in handy form and is assuming greater proportions and value every year.

The work is a well-known standard one of reference for all interested in Canadian companies and is issued to subscribers only.

Vancouver and New Westminster people have in contemplation the reclamation of 13,000 acres near the mouths of the Serpentine and Nickomekl Rivers, which lie between the mouth of the Fraser River and the boundary. It will be necessary to construct a dam, the cost of which is estimated at nearly $200,000, which will prevent the lands being flooded at high tide. Engineers have reported favorably.