
Royal Securities Corporation, Limited

value. A similar table might be worked out for each bond we handle, though the one given will serve to illustrate the principle as applied to all sinking fund bonds.

The arguments in favor of the purchase of bonds in general, and industrial bonds in particular, are perhaps best illustrated by a comparison of the relative advantages of industrial bonds and real estate mortgages.

Until recent years, institutions such as banks and insurance companies invested a large part of their surplus in real estate mortgages. Since industrial conditions have improved in Canada and various industries have become firmly established, financial institutions have looked with more favor upon the bonds of such companies. To-day, practically every financial institution in Canada has a considerable block of industrial bonds among its investments.

Under the influence of prosperity, investors witness the constant increase in value of all property, and naturally favor that form of investment which will appreciate in value in sympathy with the increase in value of the