

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Laurentide Company, Limited.—A regular quarterly dividend of 2½ per cent. has been declared, payable July 10th, to holders of record June 25th.

P. Lyall & Sons Construction Company.—A regular quarterly dividend of 2 per cent. has been declared, payable July 10th to holders of record June 30th.

West Kootenay Power & Light Company.—Quarterly dividends of 2 per cent. have been declared on the common stock and 1¼ per cent. on the preferred, both payable July 2nd to holders of record June 26th.

Pacific-Burt Company, Limited.—Profits of \$101,551 were earned during the fiscal year ended 31st March, by the Pacific-Burt Company, Limited. This is more than for the year 1916, but less than for the year 1917. Dividends were paid on the preferred stock at the rate of 7 per cent., and on the common stock at the rate of 2 per cent.

North American Pulp Company.—The annual statement of the company and its subsidiaries for 1917, shows the total income to have been \$1,318,740, an increase of \$510,479 over the previous year. The surplus was \$105,164, compared with a deficit of \$309,360 for 1916. The net available for bond interest, etc., was \$1,061,400, an increase of \$531,278.

Atlantic Sugar Refineries, Limited.—Very satisfactory profits for the year ending 30th April, 1918, are shown in the annual reports of the Atlantic Sugar Refineries, Limited. Profits for the year amounted to \$462,676, compared with \$304,423 in 1917. After deducting interest, depreciation, etc., the balance of \$246,782 is equal to almost 10 per cent. on the preferred stock. The surplus carried forward is \$323,439.

Southern Canada Power Company.—Gross earnings of the company for the month of May aggregated \$40,612, an increase of \$4,784, leaving net, after operating expenses and purchased power, of \$18,222, an increase of \$2,311. For the eight months ending with May, the gross earnings of the company amounted to \$313,865, an increase of \$56,798, but an increase of \$37,450 in operating expenses reduced the net increase to \$19,348.

Ticonderoga Paper Company.—The directors of the company declared two quarterly dividends of 10 per cent. each on June 19th, putting the shares on a 40 per cent. basis, and, in addition, declared a bonus of 120 per cent. Both are payable June 29th to stock of record June 27th. The two additional quarterly payments of 10 per cent. will be paid September 30th and December 31st. The Ticonderoga Company is controlled by the Riordon Pulp & Paper Company.

Porto Rico Railways Company, Limited.—The following is a comparative statement of earnings for May, 1918, and for the five months ended May 31st:—

	May, 1917.	1918.	Increase.
Gross	\$ 77,541.62	\$ 86,829.37	\$ 9,287.75
Net	37,043.96	38,776.84	1,732.88
For five months:—			
Gross	\$370,402.98	\$421,954.20	\$51,551.22
Net	162,797.45	190,201.21	27,403.76

Ames-Holden & Company.—The annual statement of the company will be ready for the shareholders next week. It will show earnings of approximately \$300,000 applicable to the preferred shares after charges, depreciation, deductions, etc. This would represent 12 per cent. on the 25,000 preferred shares and leave nearly 4 per cent. on the 35,000 shares of common stock. This is a decided improvement over the previous year, when the surplus applicable to the preferred amounted to \$197,304, or 7.80 per cent. on the preferred and about two-thirds of 1 per cent. on the common.

Kerr Lake Mines.—The output of the company for May totalled 268,000 ounces, which works out at a rate of about 8,645 ounces per day. This is the largest month's output in the history of the company. As the price of the white metal at the present time is 99½ cents per ounce, it will be seen that the earnings of the company are approximately \$270,000 for the month. With the cost of production being maintained around 25 cents per ounce, the company

made a net profit during the past month of around \$200,000, or about \$6,000 per day. The May production compared with that of April shows an increase of about 67,000 ounces.

Montreal Light, Heat and Power Company.—The company's return for May shows an increase of \$19,246 in net surplus after deducting operating expenses, interest charges and the month's proportion of the dividend on the capital stock. Net income for the month, after operating expenses and fixed charges had been allowed for, amounted to \$374,645. The month's proportion of the quarterly dividend of 1 per cent. was \$213,334, leaving a net surplus of \$161,310. On that basis the company would be earning at the rate of about 7 per cent. on its capital stock before reserve appropriations. A monthly average of \$161,310, however, is low on the basis of the company's previous performances.

Mining Corporation of Canada.—Net profits of the company for the year ending December 31st last were \$2,557,091, compared with \$1,895,583 in the preceding year, which result is arrived at after writing off proper amounts for depreciation and special expenditure. There was paid out of these profits \$1,556,296.86 in dividends, ordinary and extra, leaving a surplus for the year of \$1,000,795 to be added to profit and loss surplus, which now stands at \$3,448,377. Silver production during the year was larger than in 1916 and totalled 4,485,541.56 ounces, as against 4,457,440.80 ounces in 1916.

The balance sheet of the company shows cash in banks totalling \$1,032,815 on December 31st last, as against \$846,367 the previous year. War loans and treasury bills total \$1,154,815, and demand loans \$104,940. Ore in transit is placed at 798,869, as against 430,534. Fixed assets (buildings and equipment) are written down from \$329,777 to \$275,021. The total assets are placed at \$11,919,933, as against \$4,803,425. The largest increase is in valuation of mining rights, which are placed at \$7,553,123, as against \$1,327,873 at the end of 1916.

J. G. White Companies.—In submitting the annual report for the year ended 31st December, 1917, the directors referred to the important work being carried on under contract with the government. More contracts of this kind are in view. This work accounts for a considerable increase in both sides of the balance sheet, but the credits will be self-liquidating, as the contracts are completed.

Depreciation of securities has made necessary the writing down of many of the investments, but the underlying situation is felt to be sound. Regarding the prospect for public utility securities the report says:—Electric light and power services, gas and street railway facilities have become such absolute necessities in the daily life of practically all cities and towns throughout the country that it is quite certain that the people who are now enjoying the benefits of these utilities will want to continue their use. To do this it will be necessary in the long run that the companies furnishing the service shall be paid the total actual cost of the service, including adequate depreciation and sufficient profit to permit them to raise the capital necessary to maintain good service. This leads the officers of your companies to hope that the values fixed by special committees of directors, as December 31st, 1917, will within a reasonable time show a substantial excess in market over inventory values of securities held by your companies. As the president, the secretary of the treasury, the comptroller of the currency, and other government and state officials have urged that utility companies should be treated with consideration and increased rates allowed, it is to be expected that the necessity of such increase will gradually be recognized by state and municipal authorities throughout the country, and adequate revenues for the utility companies provided. There is accumulating evidence that public opinion is rapidly appreciating the necessity and justice of this. When this is accomplished higher revenues and a better market and higher prices for utility securities should follow.

GREATER WINNIPEG WATER DISTRICT

One million dollars of Greater Winnipeg Water District 6 per cent. gold bonds are being offered by a syndicate at 96.86 and interest yielding 6¾ per cent. The bonds are dated July 1st, 1918, and are due July 1st, 1923. The district is a municipal corporation, constituted by special act of the Manitoba legislature, and serves the city of Winnipeg and some of its suburbs.