

## Points for Investors

**I**N the Canadian financial situation there has been no movement of moment during the past week. The stock market has been on the dull side. The success of the English War Loan and the acceptance of the Canadian subscriptions therefor, will have the effect of taking more money out of Canada, and will not ease the stringency which has been repressing stock speculations and new ventures.

### RUMORS OF RAIL TROUBLES

Rumors of rate wars and labor troubles have caused railway stocks to be a little weak, but they are only rumors, while, on the other hand, a material advance in freight and passenger rates under new arrangements should strengthen the two Canadian railway stocks.

### THE THIRD AVENUE WARNING.

In New York the event of the week was the absorption of the Third Avenue Railway by the Metropolitan Railway. The stock jumped up very quickly, but the shareholders of this unfortunate company are still badly out of pocket. The transaction will not get rid of \$20,000,000 of unsecured Third Avenue debt, which when funded, will add at least \$8,000,000 to the annual charges of the company. There is also a necessity for a further outlay on the property, and the following facts will be of interest to the many who are holding Canadian street railway stock at high prices.

Making the utmost allowance, there will remain a sum of at least \$5,000,000, which must be raised either by assessing the stock or by further increasing the funded debt. Should the latter plan be followed, the total fixed charges will amount to fully \$1,250,000, which nearly equals the \$1,387,000 net income of the company in the year ending last October. This does not take into account, moreover, the liabilities of the branch lines, which in the receiver's report were figured at \$25,000,000 more than the assets. The conclusion, which, under such circumstance, might naturally be reached, is that the future advantages of saving in operating expense and increase of business, which are to be expected from consolidation with Metropolitan, are overshadowed by the more certain fact that the Third Avenue can barely at present earn its fixed charges. At least, the investor would think twice before putting his money in such a stock around par.

These words of warning may be taken to heart by those who have bought Canadian street railways at inflated prices.

### MONTREAL STREET'S NEW STOCK.

The new issue of \$1,000,000 worth of Montreal Street Railway Stock is a great plum for the present shareholders. The company will, doubtless, be able to pay the additional \$100,000 required for dividends without impairing its present surplus, and the new rolling stock will doubtless bring in largely increased revenues, though net earnings cannot be increased in the same proportion as heretofore.

### MONTREALERS IN TORONTO STOCKS.

I have had another letter from a Toronto citizen, heartily concurring in my remarks about Toronto rails. He very forcibly points out that it is in Montreal that all the big booming in Toronto Railway, War Eagle, and Centre Star Stocks was done, and that it was the unwise Montreal buying that inflated these three stocks to undue values. He adds that in future Montreal speculators and investors would do well to follow the lead of those who are in closer touch with local conditions when dealing with Toronto stocks.

### WAR EAGLE AND CENTRE STAR.

The rumors of amalgamation of the Centre Star and War Eagle properties are now being revived. Both stocks are now held at about the same price, and the present would seem a favorable opportunity for such a transaction. Nothing definite, however, is likely to be done during the absence of Mr. George Gooderham in Europe. It is to be hoped by the shareholders that they will soon hear of both mines resuming operations. Republic has continued to show strength, and the knowing ones say that it is the best mining property on the Canadian market. Virtue would appear to be held unwarrantably high.

### ENGLISH CAPITAL FOR CANADA.

The part that Canada has played in the recent events which have stirred and welded the Empire will draw the attention of the English investor to Canada in greater measure than in the past. Both our B. C. and New Ontario mines have been long waiting for English capital which has never come in any quantity. After the close of the war one may expect to see English capital unlock itself in large quantity. There is bound to be a period of great outlay and Canada should share largely in

the general distribution. This is one comfort that the hard hit Canadian public possess in regard to their mining ventures.

### CANADIAN MINING MISSES.

And in this direction the Canadian public have so far been badly molested. Even the gold bottomed properties have been great disappointments. The shareholders in the original War Eagle and Le Roi mines were sold out at a loss to those who had bought except in the early days. Hundreds of thousands were sunk in the prospects that were floated during the Rossland boom. In the last few months the labor troubles have been a source of much loss and disappointment, and the depreciation of War Eagle and Centre Star came as a final coup de grace.

### A VALUABLE ISSUE.

The Canadian General Electric Company, of Toronto, in its circular notifying the shareholders of the new issue of \$300,000, implies that the dividend rate on common stock will be 10 per cent for the future. This stock at 177, with the rights to the new issue at 125 is ridiculously low, and is the best thing on the stock exchanges to-day.

FAIRFAX.

### MINING SHARES.

**T**HE market continues fairly active and prices have been firm throughout the week. Republic was rushed up to 116 on the report that a large short interest had been discovered, but the persistent selling of large blocks of stock by western shareholders has forced the price back again. Payne is strong on small transactions. Some of the holders of War Eagle have been changing their stock for Centre Star, which caused a decline in the former, and a consequent advance in the latter. Deer Trail is becoming active, and sold freely at 12, but reacted to-day to 11 on offerings of stock from Toronto.

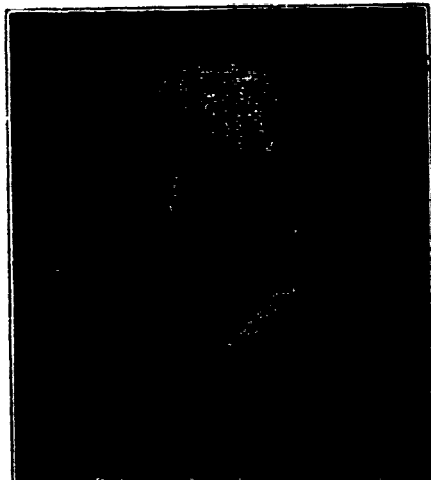
The sensation of the week has been the decline in what are called the Granby stocks. Old Ironsides dropped to 70 and Knob Hill to 50, while Majestic was offered down to 15 without finding any buyers. There is no particular reason for the decline, except that these stocks have been held up at high prices on very limited business, and when any blocks are pressed for sale there is no one to take them. The syndicate controlling these properties is apparently too avaricious, judging from the report published in a morning journal, and even would not accept nearly double what the Centre Star sold for for two of their properties. Had they been willing to let the public have a small share of their properties and have made their stocks popular on the market, a sale of 10,000 shares would not have broken the price nearly 40 per cent., and the public has been so saturated with stories of big sums offered for properties, all over the Dominion, that have never materialized, that it is doubtful if this last one will restore confidence in the stocks.

Some of the financial writers are advising caution in buying the high-priced stocks, and it appears sound. After all, the demand finally resolves itself down to the question of investment, and until the returns are larger, it is only temporary speculation that will carry prices higher. Everything points to a good market this summer, but the greatest advances will be in some of the low-priced stocks.

ROBERT MEREDITH.

Montreal, March 21.

**M**R. BERTRAM, M.P. for Centre Toronto, who died on Tuesday evening, was in many respects one of the most remarkable men in Canadian politics. Though he had sat in Parliament only since November, 1897, he had long been a power in the Liberal party, owing to the fact that he was one of the representative manufacturers who adhered to that side of politics, and also to the fact that he had a great deal of natural force and ability. He is said to have exerted a strong influence on the recent trade policy of his party, having insisted that the new tariff should be such as to take protection out of politics as an issue. A Scotchman by birth, he came to Canada at the age of 18. He amassed large wealth in the manufacture of machinery and in shipbuilding. In religious faith, Mr. Bertram was a Unitarian.



THE LATE GEO. H. BERTRAM, M.P.