INVESTMENTS AND THE MARKET

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

Crown Trust Company.—The Crown Trust Company, Montreal, is increasing its capital from $100,000 to $500,000. Mr. Robert Reford, of Montreal, is president of the company.

Twin City Rapid Transit Company.—For the second week of January the earnings of the Twin City Rapid Transit Company were $152,049, an increase over the corresponding period last year of $10,590, or 7.49 per cent.

Nipissing Mines Company.—The Nipissing Mines Company reports as of January 1: Cash in bank, $970,033; ore and bullion in transit, $150,749; ore on hand and in process and bullion ready to ship, $350,136. Total, $1,470,918.

Quebec Bank.—The Quebec Bank has decided to issue 5,000 shares of new stock at a premium of 25 per cent., in the proportion of one share of new to every five shares now held. This will bring the paid-up capital to $3,000,000.

Canadian Cottons, Limited.—Canadian Cottons, Limited, has made an issue of 865 shares of preferred stock to be used in part payment for the acquisition of the Cornwall and York mills. The amount of outstanding preferred stock is brought up by the new issue from $3,575,000 to $3,661,500.

Farrer Transportation Company.—The directors of the Farrer Transportation Company, which operates the bulk freight steamers 'Collingwood' and 'Meaford,' have declared a dividend of 10 per cent. and a bonus of 5 per cent. on the business of 1912. The financial statement shows gross earnings of $173,181 and net profits of $73,338. The company has a paid-up capital of $250,000.

Bell Telephone Company.—The right of shareholders to subscribe to the new issue of $3,000,000 stock of the Bell Telephone Company at par expires February 28. Payments are to be made in four instalments of $25 each on March 31, June 30, September 30 and December 31. Interest will be allowed on instalments at 8 per cent. The right to fully pay for the new stock with the first instalment is not accorded to shareholders.

Timiskaming Mining Company.—Net profits for 1912 of $413,615 are shown in the annual statement of the Timiskaming Mining Company, as compared with profits of $271,423 in 1911. Receipts from ore sales and shipments were $762,653 and total receipts $776,075. Profit and loss account shows $477,441 balance from 1911, $413,615 net profits in 1912. Dividends paid in 1912 were $300,000, and a balance of $590,591 is carried forward to next year.

TORONTO BANKER RETIRING

Mr. Robert Inglis, for the past twelve years manager of the Toronto branch of the Bank of British North America, is retiring on pension, after a service in the bank of over 36 years. Before taking charge at Toronto, Mr. Inglis had been manager for some years at London, Ont., and before that at Fredericton, N.B. His many friends will hope that with relief from work, his health, which has not been good of late, will improve, and that he may enjoy many years of well-earned leisure. He will be succeeded as manager of the Toronto branch by Mr. G. F. Laing, son of the late Mr. J. B. Laing, provincial auditor. Mr. Laing joined the service of the bank at Toronto in 1889, and subsequently served at London, Ottawa, Kaslo, Vancouver, Victoria, Brandon and Winnipeg. In 1903 he was appointed manager at Yorkton, and since 1907 has been manager at Calgary. Mr. Laing will take up his new duties in Toronto about March 1st.

WHERE CANADA'S BONDS WERE SOLD

Over Seventy-five Per Cent. Were Taken in Great Britain

So far, says Mr. E. R. Wood, of the Dominion Securities Corporation, in his latest review of the bond situation, no country shows any marked indications of attempting to wrest from Great Britain the honor—sometimes doubtful—of being chief banker to Canada. The record of 1912 repeats the experience of several years that Great Britain supplies over 70% of our capital requirements. During the present year British investors absorbed securities aggregating $209,086,394 or 76.62% of the total output.

As mentioned in last year's review, many undigested Canadian securities lay heavily on the London market at the end of 1911. Unfortunately, large public and private works already undertaken and partly finished cannot be left to lie fallow for a season while financial troubles blow over, and this is particularly so when our innate optimism has prompted construction, the funds for which have been borrowed from friendly bankers pending permanent financing. Canada was forced therefore to offer securities on an already overloaded market with the natural result of a sharp recession of prices and a further increase in the glut.

Just at a time when it was felt that an extended period of normal business conditions would clear up the situation, the Balkan war broke out with consequent hoarding by the large banks and the inevitable rise in the price of money, followed later by almost distressing scarcity. Taking this situation into consideration, it is at once apparent that during 1912 the British market responded generously to our demand for fresh capital. It was only natural that the return from Canadian investments should during 1912 come into line with the world-wide increase in the price of money.

Canada Not Over-borrowing.

Without indulging in any academic discussion of this subject, it is quite obvious to any careful student of the whole situation that this is not true in any general way. The phenomenal development of Canada has meant commensurate capital outlays. Our wonderful natural resources, made productive by our borrowed capital, will enable us without difficulty to meet our just obligations without by any means exhausting the Treasury. Possibly instances have arisen in which our present development did not seem to justify certain expenditures. Expensive and difficult financing will soon cause such instances to disappear. It cannot be gainsaid that the future of Canada is assured, that our investments are fundamentally sound and will continue to appeal to investors who are generally rated as the shrewdest in the world.

Continental investors took about the same amount of Canadian securities as in 1911. This field in course of time will slowly but surely become important for the distribution of our securities.

Bond Issues to United States.

The United States during this year has taken 9.56% of Canadian bond issues as against 6.58% in 1911. This constitutes a new high record for the distribution of our securities in the United States. Under the influence of the present season of political unrest many private investors in the United States are seeking Canadian investments. The tide of immigration is also having its effect, in that a community of interest is created between Canada and the United States—each coming into a better knowledge of the other. Large institutions in the United States are yearly sending representatives to study Canada as a field of investment. In these ways the United States as a source of capital supply is annually becoming more important to Canada.

Canada's confidence in local securities is indicated by the fact that $37,735,182, or 13.82% of the total output was absorbed at home during 1912. It is noticeable that those investments returning a maximum of interest found most favor among Canadian investors. In a new and rapidly expanding country the need of a large interest return from investments requires no explanation. Canadians are ready and willing to supply capital as far as possible to develop the industries of the country and do not seek funds abroad for enterprises unworthy of home support.

The following table, contained in Mr. Wood's review, shows where Canadian bonds were sold during 1912:—

Issue	Amount	Canada	Un'd States	Gt. Britain
Government	$35,639,700	$ 1,339,700	$ 100,000	$34,200,000
Municipal	48,414,962	13,761,482	3,876,406	30,777,074
Railway	69,972,320	150,000	8,440,000	61,382,320
Public Service Corporations	21,555,000	3,060,000	7,325,000	11,180,000
Miscellaneous Corporations	55,191,000	18,524,000	2,875,000	33,792,000
	$230,782,982	$36,835,182	$22,616,406	$171,331,394
		15.96%	9.79%	74.25%
Canadian Corporations operating in Foreign Countries	42,155,000	900,000	3,500,000	37,755,000
	$272,937,982	$37,735,182	$26,116,406	$209,086,394
		13.82%	9.56%	76.62%