

INVESTMENTS AND THE MARKET

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

Hollinger Consolidated Gold Mines, Limited.—The company's plant is operating at only half capacity, owing to shortage of men, but when the mill is operated at its capacity of about 3,000 tons a day it is believed that the old dividend rate of one per cent. every four weeks can be restored. The last annual report showed upwards of \$40,000,000 in gold ore reserves, and a prominent member of the company is quoted as saying that more than forty known veins remain to be developed on the property, with a strong probability of encountering others.

North American Pulp and Paper Company.—The company is reported to be planning an increase in its capacity that should result in a very large gain in its earning ability. It is said to be the plan to increase the capacity to 300,000 tons of pulp and 120,000 tons of newsprint paper annually, as against 115,000 tons of pulp at present.

New and powerful interests recently have become prominent in the company's affairs. Their entry into control was said to mean the inauguration of a more progressive policy in the conduct of the affairs of the company, which has large holdings and apparently excellent facilities for turning out large quantities of pulp and paper.

Dominion Steel Corporation.—As the date draws near for the board meeting of the Dominion Steel Corporation for action on the quarterly dividend on the common, interest and discussion has been revived in the "street" regarding the probabilities of an increase in the rate from 5 to 6 per cent.

Recent reaction in the price of the shares in the course of a couple of weeks from 64½ to 60, coupled with the uncertainties in the minds of many respecting the future of the industry under peace conditions, suggested to some the possibility of a continuance of the extreme conservation which has marked the action of the board in the past.

On the other hand the assurance that the plant will be kept busy on rail orders seems to others reasons why the board may go ahead with what was believed to be a determination to increase the distribution.

It is believed that the government will fix the price of the rails on a basis sufficiently profitable to enable the company to continue the present rate of pay to the workmen until such time as the cost of living shows signs of moderating and also to prevent any disruption in the labor situation at the present time.

Brazilian Traction, Light and Power Company.—The net increase in the earnings of the company in September, amounted to 965,000 milreis and is only exceeded by the net in July and August last, which, in each instance, ran well beyond the million mark. The operating expenses continue high, showing an increase over the similar month a year ago of 191,000 milreis.

The gross earnings for the month amounted to 9,081,000 milreis compared with 9,491,000 in August—a figure that constituted a record in the company's history—and 9,465,000 in July, but being larger than any other month in the current year.

The figures for September approximated as nearly as possible, but subject to final adjustments in the annual accounts of the subsidiary companies—compare as follows:—

	1918, Milreis.	1917, Milreis.	Increase, Milreis.
Total gross earnings	\$9,081,000	\$7,925,000	\$1,156,000
Operating expenses	4,216,000	4,025,000	191,000
Net earnings	4,865,000	3,900,000	965,000
Aggregate gross earnings			
from January 1st	77,730,000	68,430,000	9,300,000
Aggregate net earnings			
from January 1st	39,840,000	36,168,000	3,672,000

International Nickel Company.—The total income of the company for six months ending September 30th last amounted to \$7,800,342.45, composed of \$7,744,128.68 from earnings and \$65,213.77 from other sources. Administration and gen-

eral expenses involved \$381,843.27, and there was reserved for United States and other taxes the sum of \$2,749,125.53, leaving a net income of \$4,678,373.65. After \$995,090.42 had been set aside for depreciation and mineral exhaustion, there were profits for the half year of \$3,683,283.23. Dividends on the preferred and common stock involved \$1,940,762, making a balance for the period of \$1,742,521.23. The following is the consolidated balance sheet as at September 30th:—

Assets.	
Property	\$48,544,990.60
Investments—	
United States government securities	\$1,318,500.00
Other securities	537,317.44
	1,855,817.44
Inventories	8,017,627.65
Accounts receivable	3,238,371.52
Loans	15,000.00
Certificates of deposit	830,000.00
Cash	3,449,124.40
	\$65,950,931.61
Liabilities.	
Preferred stock	\$ 8,912,600.00
Common stock	41,834,600.00
Accounts payable and tax reserves (as provided)	5,130,683.81
Preferred dividend No. 52, payable November 1st, 1918	133,689.00
Accident and insurance funds	273,074.97
Surplus April 1st, 1918	7,923,762.60
Profit and loss (balance as per statement)	1,742,521.23
	\$65,950,931.61

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental railways for the first two weeks in November:—

Canadian Pacific Railway.			
	1917.	1918.	Inc. or dec.
Nov. 7	\$3,204,000	\$3,437,000	+ \$233,000
Nov. 14	3,575,000	3,247,000	— 328,000
Grand Trunk Railway.			
Nov. 7	\$ 944,110	\$1,342,941	+ \$398,831
Nov. 14	959,136	1,471,654	+ 512,518
Canadian Northern Railway.			
Nov. 7	\$ 895,400	\$1,049,300	+ \$153,900
Nov. 14	1,039,800	1,065,900	+ 26,100

Negotiations are under way whereby Canadian Northern Railway trains will run over the lines of the Grand Trunk Pacific Railway between Regina and Moose Jaw. In exchange for this concession the Grand Trunk Pacific will have the use of Canadian Northern Railway terminals at Moose Jaw.

The government will soon be complete owner of the Canadian Northern Railway stock. The minority stock is being purchased, and all but seven thousand shares held in England has been turned over to the government at the same price as was paid to Mackenzie and Mann for their shares. This stock is on the way to Canada. The Dominion will then own all but five shares. The one minority holder is a San Francisco man, who owned five shares of income convertible stock and insisted on his rights to transfer to common stock. He refuses to sell out, so that the Canadian Northern Railway will be owned by the Dominion of Canada and a San Francisco citizen.