

TORONTO IS MAKING AN ISSUE IN LONDON

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LATEST WORD FROM LONDON

RUSH OF NEW ISSUES ON THE MARKET.

(Central News cable to *The Monetary Times*.)

London, November 28.—On the whole the stock markets have exhibited a fair amount of strength during the past week, the tone has been satisfactory and operators in the financial district are making their preparations for the month end in distinctly good spirits. Money has been temporarily scarcer and the Bank of England has lent money freely at heavy discounts.

There has been an appreciable reduction in discount quotations; in fact, the rates for bills have been easier than for weeks past owing to expectations of a reduction in the continental bank rates. The end of the week finds the stock market resting after buoyancy based on increasing investment from centres where there has been a slacking in industrial activity. The expectations are that the Bank of England receipts of South African bar gold this week will not exceed \$4,500,000. The outlook in the labor world is distinctly brighter.

Canadian securities may be said to reflect the success of the Montreal loan, but brokers assert that the recovery of this group must begin from the top and that it will not include utilities just yet. The rush of new issues continued, amongst those successfully underwritten this week being the Toronto £1,200,000 4½ per cent. loan.

DEMAND FOR MONTREAL ISSUE

*London, November 25.—The city of Montreal new four and a halves continue in good investment demand. They yield four pounds eleven shillings per cent. at the present price, one premium for cash and 1½ for special settlement.

LONDON MARKET IMPROVEMENT

*London, November 25.—It is regarded as a good sign of improvement in the market that the British Government is finding borrowing much easier. The average rate for £1,500,000 six months treasury bills, for which tenders were received by the Bank of England yesterday, is four pounds one shilling per cent.; the finest current discount rate for six months bills is 4½ per cent.

SPANISH RIVER PAYS HIGH

*London, November 21.—The high, almost unprecedented, price paid for Spanish River Company's fresh loan excites much comment. The new £300,000 second mortgage, two and three-year sixes, issued at 96, gives purchasers the enormous yield of eight pounds seven shillings and ten pence, allowing for forfeit on redemption.

COMMENT ON MONTREAL LOAN

*London, November 21.—The Daily Mail notes the prospectus published to-day which gives no indication of the circumstances under which such expensive borrowings are necessary.

While congratulating Montreal city on the success of her latest loan, financial writers express fear that such a result will cause another flooding of the market by corporations anxious to borrow money.

It is pointed out that the terms to the investor for the Montreal issue were exceptionally favorable, and its success was almost a matter of course. There is no doubt, though, that much scrip floating about the market has recently been absorbed by genuine investors.

*Montreal Star cable.

+Canadian Associated Press cable.

HUDSON'S BAY INCREASES CAPITAL

Adds One Million Sterling—Shareholders Ask Some Questions

+London, November 24.—The Hudson's Bay Company shareholders to-day resolved to increase the capital by one million sterling by the creation of two hundred thousand five pound five per cent. shares. Preference is offered to existing shareholders.

Lord Strathcona, who attended the meeting, but whose speech was read for him, said that the million sterling capital subscribed in July, 1912, had, with three hundred thousand pounds of land sale proceeds, been expended in strengthening the fur trade and reorganizing the store business. It had been advisable to erect a depot at Edmonton to be in a better position to supply customers throughout the district. Sites purchased for the erection of new stores or the extension of existing ones had involved an expenditure of £341,900. While much of this outlay had necessarily been so far unproductive, it was a source of gratification to be able to state that the estimated present worth of these sites shows a considerable increase over the prices they were purchased at.

In the Land Department.

In the land department, considerable expenditure on drainage and road-making had been guaranteed. In connection with the subdivision of Edmonton the undertaking given by the company to execute work was in a great measure the means of securing satisfactory prices at which sales were effected in the subdivision, and which, when completed, will have the effect of still further enhancing the values of property remaining within the subdivision area. The expenditure so far incurred in recent undertakings was £815,382. It was estimated that the completion of the programme will involve a further sum of £750,000 in addition. During the same period, the capital engaged in extending the fur trade and sale shop business had been increased £1,010,000.

Not Entering New Places.

Robert Ward, for the shareholders, expressed fear that the company was erecting buildings which would not prove to be in business centres of growing cities. Sir Thomas Skinner, replying, denied any fear of this. The company's knowledge was up-to-date, and Mr. Ward's was evidently antique. How many years was it since Mr. Ward was in Victoria?

Mr. Ward:—"Three."

"Oh, you would scarcely know the place now," said Sir Thomas, who added that the company had no idea of going into districts they had not already occupied.

Another shareholder asked if the board could give any reason for the present depression in Canada.

"They have been doing in Canada what we have been doing: they have been going too fast," was the reply.

The increase of capital was unanimously approved.

COMPLIMENT FOR VANCOUVER

*London, November 21.—The Times' Finance Editor commends what he calls the city of Vancouver's good resolution, as explained by Mayor Baxter, and hopes the condition of the London market will induce other municipalities to follow Vancouver's excellent example in submitting a no money by-law at their January elections unless absolutely necessary.

MAY CAUSE MARKET FLOOD

+London, November 21.—While congratulating Montreal city on the success of the latest loan, financial writers express the fear that such a result will cause another flooding of the market by corporations anxious to borrow money. It is pointed out that the terms to the investor for the Montreal issue were exceptionally favorable, and success was almost a matter of course. There is no doubt, though, that much scrip which had been floating about the market has recently been absorbed by the genuine investor.