

capitalization can go. It is quite certain that no such money as \$100,000 per mile was expended on road bed and such equipments in Montreal yet it is on this basis that Street's fixed charges are paid. There is nothing to hinder a company with so great an earning capacity to retire at an early date its bonded indebtedness and then start to pay out dividends that will yield more than $2\frac{1}{2}$ on cash invested. With the exception of Saturday when no business in Street was done, the sessions of the Stock Exchange witnessed considerable activity. In it there was selling on the bulge of last week produced by the prospective issue of new stock. The low price has not been lowered by this profit taking, but the high price has declined 2 points to 308 $\frac{1}{2}$, a small decline which shows that profit takers are, in offerings their holdings, firm for good profits. Purchases comparatively small, in view of the circumstances, corroborate this idea of firmness of holders, on Friday there being purchased 110 shares, on Monday 565, on Tuesday 84, on Wednesday 188 and on Thursday 25. As a specialty which might have been operated on, in the circumstances that Street stock is now placed in, Street has been influenced little either way orders for it, where they exist, being out of line with the market. Not only are orders unworkable as things are at present, which makes it immaterial whether they are numerous or not, but market orders here and everywhere are very scarce. The public will not come in and are evidently finding other outlets for their moneys. Where all security business is dull, the past week for Street must be considered a good one. On offerings at present prices, buyers would perhaps get opportunity to make a profitable turn and at considerable declines they might find it a good investment because the security if high priced, is sound and well managed.

TORONTO STREET RAILWAY

Manager Keating on behalf of this company advises the City Council to hold to its power of originating, regulating and controlling all railway franchises and privileges in Toronto. This power had been threatened, when in 1897 the Metropolitan Railway, a freight as well as passenger line sought by legislation to be empowered to extend their narrow-gauge line and operate within the city. On this Bill being thrown out, and some time afterwards on the withdrawal by the city of the Metropolitan's license to use electricity within the city limits, the Metropolitan Company has been trying to force entrance in various ways. It has another Bill before the Legislature this session which virtually seeks to ignore the municipal jurisdiction of the Council and to confer a portion of that power upon the Governor in Council. The Toronto Railway Company is now finding that the City's Control, often used to discipline the Company in the interests of the public, is no enemy but in reality a good friend and it calls on the city for a further exercise of its power. From the company's standpoint and to all unprejudiced minds, Manager Keating makes a very reasonable claim. The city using the control it has had, has forced several expensive improvements on the Company. If it allows this control to pass out of its hands, to others not bound to the Company as the city is, by the original compact and subsequent applications of it, the terms of that compact are not binding on the Company. The Metropolitan Bill, if allowed to pass, would without doubt violate the conditions upon which the Toronto Company franchise was purchased and the Toronto Company, as they notify the city, might justly refuse to pay the percentages and

mileages covenanted in the franchise. Manager Keating, in name of the Company, denies that he wishes matters to go so far as that, and expresses the utmost willingness to make extensions, to arrange for freight traffic and to serve in all possible ways the public convenience. Toronto Ry. stock's movements on the market this week have shown a little weakness and inactivity. There has been a decline of $\frac{1}{2}$ in the high price which this week is standing at 100 $\frac{1}{4}$. The low price has not declined. The number of shares traded in was far below the number last week, there being on Friday 41, on Saturday 40, on Monday 175, on Tuesday 175, on Wednesday none and on Thursday 28. In noticing the smaller activity and the slight decline of this stock, there might be an impression that something unfavorable had arisen about it. Any such impression would be altogether wrong and it is counteracted by observing the local stocks to be all precisely in the same condition inactive and depressed from general causes. Besides what is the activity in London, in New York and in Boston, but a succession of bull efforts on specialties, which are no indications of genuine vigor. B. & O. common's advance is not living but galvanic action. Toronto's daily earnings again this week are very satisfactory, showing increases on the same days last year of from \$200 to \$545 and they show that the Company is progressing and prospering. Around par its return on cash invested is a clear $\frac{1}{2}$ per cent., and in livelier markets its price will get well beyond this, allowing of realization at considerable profit.

ROYAL ELECTRIC.

The high price, 195 $\frac{1}{4}$, at which some electric stock was sold this week gives an advance of $1\frac{1}{2}$ points on the high price of last week. Occasionally the stock has been active and at some sessions little or nothing was doing. Monday's price was 194 $\frac{1}{2}$, Tuesday's and Wednesday's prices were from 194 to 194 $\frac{1}{2}$, and Thursday's 195 $\frac{1}{4}$. Shares taken on these days were respectively 75, 100, 225 and 75. It would be instructive if industrial companies like Royal Electric would do as Tennessee C. & I. is doing with no damage to its interests, and would make regular public statements of their dividend account. T. C. & I. has set the example of publishing at short intervals the exact amount of its earnings that is available for dividend purposes. This keeps holders posted on actual conditions and is not found to militate against successful business. Wall Street Journal advocates this course as being in the interest of industrial companies themselves because they labor under the disadvantage of having to appeal to the public's confidence instead of to their knowledge of undeniable facts. It is something, however, to know that business during the week has maintained the same profitable character as before, and that those dealing in Electric securities are assured that the stock is good, cheap and profitable. The week's advance guarantees a good buying demand, which must be to some extent from the outside. Holders are not at all disposed to let go, and they thus encourage intending investors. The products of the company find a ready market, and the current year offers to eclipse even the past satisfactorily though it was, at least in point of dividends and stock prices.

MONTREAL GAS.

The fifty-third annual statement of this company shows that the gross income for the year was \$763,760.62. Total expenditure was \$890,613.07. Net income, therefore, was \$873,147.55. From this

amount dividends amounting to \$200,864 were paid, leaving \$73,283.55 for interest on bonds and on temporary loans for legal expenses, for a new contingent and insurance account, etc., these amounting in all to \$61,208.17. The balance of cash account as the result of all disbursements is \$12,075.38 on hand and in bank. Total receipts amount to 25 per cent. of the capital stock, and net receipts to 12 per cent. of the same. This satisfactory statement is further enhanced by noticing that the balance carried forward is greater than last year's by \$18,000, and that as compared with last year there are increases in Gas sales of \$16,500, of tar \$8,000, of ammoniacal liquor \$1,700, while as to assets the decrease, in coke, tar and ammoniacal liquor on hand, amounting to \$15,500, satisfies the management that these are valuable assets and are finding a ready market. On Wednesday, the day of the publication of the statement, there changed hands 100 shares of the stock at 192 $\frac{1}{4}$. This showed advance of $1\frac{1}{2}$ points. On Thursday there were marketed 250 shares at prices ranging from 192 $\frac{1}{4}$ to 192. At present prices, when the 10 per cent. dividend yields a 5 per cent. return on cash invested, Gas stock is worth investing in. There is no open door now for an entrance at anything like par value.

OTHER BUSINESS

On noticeably large buying demand Twin City advanced $\frac{3}{4}$ to 66, the range being just over 1 point. This stock has been for some time growing in public regard and is commanding higher values. Old and new stock of Rich. & Ont. railroads last week, the one $\frac{1}{2}$ and the other $\frac{1}{2}$ on probably a clearer appreciation of the greater earning capacity of the company's new departure. On the January and February statements of Duluth's earnings showing respectively increases of \$15,000 and \$53,000, offerings of preferred stock were taken at $\frac{1}{2}$ advance. Price of Duluth preferred, now quotes at 16 $\frac{1}{2}$. Operating expenses amount to around \$100,000 a month, while gross monthly income is not much below \$200,000, the prospect of further advance, in view of dividends some day, is not unlikely, with livelier markets. A small lot of St. John's Railway stock went at 125.

MONTREAL MINING EXCHANGE.

ETRADE RUNS INTO SPECIALTIES.

DECCA AND DEER TRAIL THE FEATURES OF THE WEEK.

PAYNE, WAR EAGLE AND REPUBLIC NEGLECTED.

DIVIDEND PAYERS LOWER.

VIRTUE QUIET AT FIRM.

LOWER-PRICED STOCKS ACTIVE.

On the whole this week has been rather dull, trading being done mostly in specialties. The present time, however, is especially propitious for investing in all good, reliable mines. If capital is ever to take hold of the mining industry, now is the time to do it. The effect upon the Eastern Canadian investors of the stoppage of production in the War Eagle mine has been very marked, and although the belief that the stoppage was due to industrial causes raised the price of the shares from the lowest, yet at present the price has sagged back to the low level. As a consequence, mines are going begging for capital to-day as never before in the history of the mining industry. All false inflation due to specula-