MUNICIPAL BOND OFFERINGS

The bond houses report an increased activity for the securities they have to sell. This is especially true of municipal bonds, which suffered somewhat a few months ago owing to tight money and the low rate of interest paid. Within the past few weeks, however, a number of outstanding issues have been cleaned up. With somewhat easier money and a willingness on the part of municipalities to pay a higher rate of interest, there is an all-round improvement.

It is evident from recent developments that the market for Canadian municipal bonds is steadily broadening. Up to a few months ago, Great Britain was the only place where an issue of municipal bonds could be disposed of. Lately, the United States has been coming into the market and acquiring issues of some of our larger municipalities. The Americans have recently purchased over $2,000,000 worth of bonds, and the probabilities are that this is just the beginning of a regular demand from the American side of the line. In additon, Canadians themselves are showing a partiality for municipal issues. Many corporations, which at one time were heavy buyers of bonds, returned a few years ago to mortgages, but are now coming back to the purchase of bonds. During April, municipal offerings to the amount of $3,693,857 were disposed of, as compared with March sales of $1,-083,826, or an increase of over three times as much. For the year 1913, the municipal issues were as follows:—

January	$1,337,500
February	1.038,806
March	1,083,826
April	3,693,857

As compared with April of 1912, which had sales amounting to $1,929,160, the present month shows a remarkable advance, and is in fact, the best month since June, 1911. Municipal bond sales for the month of April total $15,488,936, as folows:—

In London	$10,688.000
In Canada	3,693,857
In United States	1,007,079
Treasury Bills	100.000
	$15,488.936

Owing to the wider interest taken in municipal issues both at home and abroad, and the higher rate of interest which the investor is now able to secure from a municipal bond, there is likely to be a widening of the field and a much greater demand for the bonds of municipalities. Another feature which is worthy of comment is the fact that many municipalities are making their bonds in small denominations. In some cases they are made as low as $100.00, which has a tendency to attract the small investor. In this respect, the municipalities are copying the ordinary bond houses, which have reduced the denomination of the bonds they are issuing from the old-time $5,000 and $1,000 to $500 and $100. Altogether, the outlook for the municipal bond house seems particularly bright, and with the gradual loosening of meney, it would not be at all surprising to see them do a record business during the next few months.

REAL ESTATE TRANSACTIONS

In spite of tight money and the re-action from an over-plus real estate speculation, there are more real estate transactions taking place at the present time than took place a year ago. For the first four months of the present year there were 6,100 transfers registered, valued at $55,204,902, as compared with 5,490 for the corresponding four months of last year, with a valuation of $52,842,250.

During the month of April there were 450 building permits issued at an aggregate cost of $2,322,406. The real estate transfers and the amounts for the first four months of the present year and for those of the past year, compare as follows:—

1912.	Sales.	Amount.
January	905	$ 9,595,410
February	1572	15,863,238
March	1488	13,849,997
April	1525	13,533,605
	5490	$52,842,250

1913.	Sales.	Amount.
January	1320	$14,685,742
February	1578	12,858,904
March	1480	13,221,810
April	1722	14,438,446
	6100	$55,204,902

Montreal suffered a good deal through the putting on of far distant sub-divisions, many of which had absolutely no justification for existing. This insane speculaton did much to injure the legitimate investment business, but is is encouraging to note that the fever for outside speculative propositions have died down. and the transactions taking place at the present time are legitimate investments.

UNDIGESTED SECURITIES

The phrase "Undigested Securities," coined by the late J. Pierpont Morgan, is applicable at the present time to the money markets of the world. Despite wars and rumours of war in Europe, more or less labour unrest, tariff agitations, tight money and other troubles, there has been a tremendous demand in London for capital from all parts of the world.

For the past four months of the present year, capital applications in London amounted to $544.237,140, as compared with $376,339,565 for the same period last year. The significant fact, in connection with this wholesale borrowing is that only 6 1-2 per cent, or $22,224,250, was taken by the public. Of the borrowings so far in 1913, over 83 per cent went to the British Colonies and to foreign lands against 71 per cent a year ago. Governmental and municipal loans totalled 33 per cent against 22 per cent last year, while railroad borrowings in 1913 amounted to 40 per cent, as compared with 25 per cent last year.

The following tabulation of the more important