

FINANCIAL FACTS

THESE NOTES ARE SUPPLIED BY THE SAINT JOHN OFFICE OF JOHNSTON AND WARD, STOCK BROKERS

Two of last week's most significant domestic business news items were encouraging—a 50% increase in May construction contract awards, signifying continuance of the moderate but definite revival of privately financed building activity, and a new recovery trend of public purchasing power. Both of these items, together with the sustained high level of general activity in the United States, suggest a basis for hope that the vigor of natural recovery forces may continue to prevail over impeding obstacles such as last week's announcement by Alberta of a 50% arbitrary cut in bond interest. A more disquieting thought was injected into the situation by hot, dry weather on the Prairies, threatening damage to the coming grain crop which as usual will determine the buying power of the western farmer for another year. Timely rains can still, of course, prevent the threat from becoming actual fact.

May construction contracts awarded in Canada amounted to \$14,962,800 showing a gain of 52.5% over April \$9,815,100, according to MacLean Building Reports. This was below the May, 1935, figure of \$16,302,400, but last year an extensive program of public works was being carried on by the Federal Government which is lacking so far in the present season. In spite of this handicap, total contracts awarded for five months to date aggregated \$56,905,100 against \$57,073,100 for 1935—unmistakable evidence that privately financed building construction is at least making some progress toward more normal rate of activity which must be attained to assure enduring general recovery.

Sales of 20,658 cars and trucks in April, establishing a new recovery peak and showing a gain of 2,491 units over April, 1935, and 9,058 over March, was additional evidence of the general forward surge of Canadian business during that month. Automobile sales have now decisively overcome the disadvantage in comparison with last year caused by the introduction of 1936 models in October, 1935, with resultant "borrowing" of what would otherwise have been 1936 business in the final quarter of last year. Sales for the first four months were 43,214 vehicles against 39,831 a year ago. The bringing out of new models in the fall has proven a successful experiment in levelling out production and the policy will be followed again this year.

Reduction of interest rates on call loans from 5% to 4½% and on commercial loans from 5½% to 5% was a natural corollary to the cut in interest on savings deposits from 2% to 1½% announced by the chartered banks effective June 1st. The April 30th condition statement of the banks showed a further, yet more moderate rise in savings deposits, a more pronounced jump in demand deposits and a continued shrinkage in current loans to a new low level for the depression. Holdings of securities were down very slightly from the March all-time peak.

Alberta's announced decision to reduce interest on outstanding bonds bearing from 4 to 6%, to 2½% on June 1st, raises a thorny problem in western provincial finances. For the time being apparently bondholders can do little but protest as there seems no effective means of enforcing their claims and the only satisfactory basis of negotiations would be through refunding under Dominion guarantee, which basis is not acceptable to Premier Aberhart since it involves establishment of a loan council. Evidently the best hope of bondholders is in the downfall of the Aberhart government which might conceivably result from circulation of his "certificates" in place of real money in payment of public works.

ABITIBI

After charges, net available for bond interest and depreciation was \$1,205,186 in 1935, up \$251,258 in the year.

ACADIA SUGAR

Preferred dividend, which would have been payable June 1 next, will not be paid until July 1.

ASSOCIATED TEL. & TEL.

Net income of \$143,206 reported for 1935 vs. \$9,016 in 1934.

BRAZILIAN TRACTION

April net up \$73,384 to \$1,-

381,331; four months net up \$9,414 to \$5,349,860.

BATHURST

H. J. Webb appointed vice-president and treasurer.

B. A. OIL

Two new wells brought into production in Oklahoma City field, making total of 17 producers.

CAN. CELANESE

Company understood to be planning further expansion of plant.

CONSOLIDATED PAPER

Net operating income before

\$2,269,449, in year ended March 31 vs. \$1,044,320 one year before; bank loans reduced from \$4,557,000 to \$2,741,000.

C. N. R.

Increase in gross revenues second week May \$308,470, or 9.3 per cent. to \$3,615,386.

C. P. R.

Traffic receipts second week May up \$430,000, or 19 per cent., to \$2,693,000.

CANADA VINEGARS

Sales in first six months of current fiscal year holding up to last year.

DOMINION ENGINEERING

Received \$2,000,000 contract for design and construction of two newsprint machines for Ontario Paper Co.

DOMINION STORES

Sales for fifth period ended May 16 up 11 per cent. from \$1,360,939 to \$1,517,152 compared with one year ago.

GODERICH ELEVATOR

Extra of 15c., together with semi-annual 25c. payable July 2 next.

INTERNATIONAL PAPER & POWER

First quarter net loss \$402,674 vs. \$1,058,966 in like period of 1935.

INTERNATIONAL PETE

Crude output Peru and Columbia in April up 107,050 barrels, or 4.2 per cent., to 2,645,291; four months to April 30, output up 487,702 barrels, or 4.7 per cent.

LOBLAW

Sales four weeks ended May 2, \$1,331,877 vs. \$1,240,404 in same period last year; first 48 weeks, sales \$14,988,115 against \$14,302,632. Net profits four weeks ended May 2, \$62,703 vs. \$61,678; first 48 weeks, \$751,860 vs. \$730,257.

TUCKETT TOBACCO

Net per share 7 per cent. preferred year ended March 31, 1936, equal to \$22.46 vs. \$32.65.

Cut Price Spread Between The Producer and Consumer

(Continued from Page 3) prices the producer is not benefited at all.

If Hon. Mr. Michaud sincerely wishes to help the fishermen and help the business generally he will do something about the wide spread between producer and consumer. If the retail price of fish can be brought closer to what the

INVESTMENT YIELDS

Compiled by PITFIELD & COMPANY

COMMON	Rate Div.	Price (Approx.)	Yield %
Anglo Canadian "A"	.55	10¼	5.37
Bell Telephone	6.00	145	4.14
B. A. Oil	.80	23	3.48
B. C. Power A	1.60	29¾	5.38
Building Prod. A	1.00	34	2.94
Can. Maltng	1.50	31½	4.76
Can. Nor. Power	.60	24	2.50
Can. Bronze	2.00	38	1.58
Can. Converters	4.00	25	8.00
Can. Cottons	1.60	49	8.16
Can. For. Invest	1.20	29	5.52
Dominion Bridge	5.00	36¾	3.27
Dominion Textile	.50	69¼	7.22
Imperial Oil	.52½	21	2.38
Imperial Tobacco	1.20	14	3.75
International Nickel	1.20	47½	2.53
Inter. Pete	*1.50	36¾	4.08
McCull Frontenac	.80	31	5.33
Montreal Power	1.50	15	4.84
Montreal Tramways	9.00	92½	9.73
National Breweries	2.00	43	4.65
Ogilvie	6.00	210	3.81
Ottawa Power	3.00	92	6.52
Page-Hersey	3.00	89	3.37
Penmans	3.00	51	5.88
Quebec Power	1.00	16	6.25
Shawinigan	.60	20	3.00
Steel of Canada	1.75	62¾	2.79
BANKS			
Montreal	8.00	192½	4.16
Nova Scotia	12.00	283	4.24
Canadien-Nationale	8.00	135	5.93
Commerce	8.00	153	5.23
Royal	8.00	170	4.71
PREFERRED			
Anglo Canadian Pfd	3.50	54½	6.42
Can. Nor. Power	7.00	109	6.42
Can. Bronze	7.00	104½	6.70
Can. Celanese	7.00	116	6.03
Can. Cottons	6.00	100	6.00
Can. For. Inv.	8.00	107	7.48
Dominion Textile	7.00	146	4.79
Goodyear	2.50	55	4.55
Jamaica Pub. Ser	7.00	125	5.60
Mont. Cottons	1.75	90	7.78
National Breweries	1.75	42	4.17
Ogilvie	7.00	158½	4.42
Ottawa Power	6.50	107	6.07
Penmans	6.00	122	4.92
Power Corporation	6.00	98	6.12
So. Can. Power	6.00	98½	6.08
Steel of Canada	1.75	56½	3.10
Tuckett Tobacco	7.00	150	4.67
Walker-Goderham	1.00	18½	5.41

* Does not include extras.

fisherman is paid, there will be a greater consumption of fish and the producer and consumer will both benefit. The primary producers must be given consideration and the consumer must be protected, and both must be saved from the manipulations of the few intermediates who are reaping all the benefits at the expense of the others. What is needed is a cut in the spread between producer and consumer so that the producer will get more and the consumer will pay less. It can be done.

GOVERNMENT, MUNICIPAL and CORPORATION BONDS

BOUGHT—SOLD—QUOTED

EASTERN SECURITIES COMPANY, Ltd.

HALIFAX MONCTON SAINT JOHN
CHARLOTTETOWN SUMMERSIDE

TORONTO TICKER SERVICE

PITFIELD & COMPANY

STOCK BROKERS
20 King Street, Saint John, N. B.
MONTREAL OTTAWA HALIFAX CAMPBELLTON
CONNECTED BY PRIVATE WIRES

GOOD SECURITIES

John M. Robinson & Co., Limited

SAINT JOHN, N. B.

GOVERNMENT MUNICIPAL & CORPORATION SECURITIES

INQUIRIES INVITED

T. M. Bell & Company, Limited

MONCTON HALIFAX SAINT JOHN FREDERICTON

YOU KNOW

what your wishes are in regard to your loved ones after you are gone.

WE KNOW

from experience gained in handling estates, many things which will be invaluable to you in planning your estate to their best advantage.

YOUR LAWYER KNOWS

how to draw your will in a proper manner to meet your wishes.

LET US ALL

confer and thus assure workable features in your will.

THE CANADA PERMANENT TRUST COMPANY

MARKET SQUARE, SAINT JOHN, N. B.