

FINANCIAL FACTS

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

WEAKNESS OF THE UNITED STATES DOLLAR which carried Sterling in New York above \$5.00 for the first time since September, 1934, and the Canadian dollar to the largest premium since January, 1935, was the week's major development. From the Canadian angle, the principal visible reflection was seen in the speculation excited in our gold and base metal stocks and in the strength in high-grade bonds stimulated by American efforts to provide a safeguard against further currency weakness. Taking the longer view, however, the elements tied up with the dollar fluctuations have a fundamental bearing as powerful conditioning factors upon the trend of Canadian business activity.

DOLLAR DEVALUATION TALK was the most common explanation for the currency's drop but Washington sources of information could find no evidence that this was planned by the Administration. A number of other factors combined, however, to produce selling of dollars. Among the most important were the inflationary implications contained in the overwhelming House vote over-riding the President's veto of the Solder Bonus Bill. Contributing forces were the better sentiment toward Sterling with settlement of the coal labor dispute and toward the franc with the passing of another political "crisis."

ENCOURAGEMENT TO CONSERVATIVE OBSERVERS, however, was seen in the indicated willingness of the Treasury to ship gold freely on demand if the dollar should remain below the gold export point long enough to make this profitable. Still more reassuring was the news toward the week-end that the Treasury was making a definite drive to restore budgetary order, limiting to work relief the call for new borrowing and insisting upon new taxes for extra-budgetary expenses. President Roosevelt did not give an emphatic denial to the talk of an impending currency change, the Administration attitude being to disregard devaluation rumors.

FIRST POSITIVE STEP TO CONTROL INCIPIENT CREDIT INFLATION was the action of the Federal Reserve Board in raising margin requirements for stock trading. There was a general disposition to regard the move as a constructive one since the poor quality of buying in many low-priced issues had been causing some concern in view of the enormous base that exists for expansion of credit.

DECEMBER STEEL OUTPUT IN CANADA at a new high level for the recovery emphasized the rising activity in the heavy industries with mounting business confidence in the past six months. Earlier introduction of 1936 auto models contributed to the advance in steel operations as it has during the greater part of the last half.

AUTOMOBILE PRODUCTION in December rose to 13,775 cars from 13,496 in November. The gain was confined, however, to production for export which increased from 6,820 to 7,220 units. Output for sale in Canada dropped from 6,676 to 6,555 units.

AGNEW-SURPASS

Sales first 6 months of current fiscal year up around 10 cent over same period last year; profits holding about same level as year ago.

BANK OF NOVA SCOTIA

Earned \$15.28 share in 1935 vs. \$15.42 in 1934 and \$12 dividends.

BREWING CORP.

Sales and earnings running ahead of year ago.

B. A. OIL

Third well brought into production in Oklahoma field.

CANADA LIFE

New assurances in 1935 \$52,602,927; insurance in force \$815,848,853 vs. \$829,892,000 in 1934.

CANADA PERMANENT

Net in 1935 equal to \$9.64 vs. \$9.72 in 1934 and \$8 dividends.

CANADA VINEGARS

Earned \$1.22 per share year ended November 30, 1935, vs. \$1.62 in 1933-34 and \$1.60 dividends.

CAN. GEN. INVESTMENTS

Earned 46.41c. per share in 1935 vs. 40.23c. in 1934 and 40c. dividends; net liquidating value \$10.55 per share vs. \$8.96 in 1934.

CAN. INDUSTRIAL ALCOHOL

Net profits year ended September 30, 1935, \$227,938, equal to 20c. a share, vs. loss of \$558,529 one year before; special meeting called to approve writing off goodwill and P. & L. deficit.

C. N. R.

Gross revenues week ended January 14 up \$299,017 to \$3,032,701.

C. P. R.

Traffic receipts week ended January 14, up \$103,000 or 5.3 per cent. to \$2,037,000.

CENTRAL CANADA LOAN

Net per share \$8.19 in 1935 vs. \$8.08 in 1934 and \$8 dividends.

CONS. SMELTERS

Ore receipts at Trail smelter first week January 9,438 tons vs. 10,240 last year.

Savings Deposits Show An Increase In The Dominion

Gain of \$75,000,000 Is Recorded in One Year.

Savings deposits in Canada jumped \$75 millions in the year ended September 30, 1935, according to an estimate of The Financial Post Business Year Book.

The gain may be attributed chiefly to an increase of about \$68 millions in saving deposits in chartered banks, although those with the Ontario Savings Offices rose substantially in the last few months of the period, and those with trust and loan companies also showed an increase.

Quebec banks and the post office savings bank reported slightly lower totals than in the previous year.

Savings Deposits in Canada

	1935	1934
Chartered Banks	\$1,444,331	\$1,376,960
Trust and Loan	78,000	75,000
Quebec Banks	71,445	72,934
Ont., Alta. Depts.	37,000	20,000
Post Office Savings	21,920	22,381
Total Savings	\$1,652,595	\$1,577,295
Chartered Banks Demand Deposits	590,015	523,212
Total Deposits	\$2,242,011	\$2,100,507

HERE IS THE RECORD

Below is an estimate of what the mines of each mining province spent in 1935 for electrical power:

Nova Scotia	\$1,500,000
New Brunswick	18,000
Quebec	1,800,000
Ontario	4,500,000
Man. and Sask.	300,000
Alberta	200,000
British Columbia	3,000,000
Total	\$11,318,000

A CORRECTION

In last week's issue appeared an announcement of the appointment of L. R. Naylor as local relieving manager of Pitfield and Company. The announcement should have been signed by W. C. Pitfield and Company, Limited, as Mr. Naylor has no official connection with the Stock Exchange firm of Pitfield and Company.

INTERNATIONAL PAINTS

Capital rearrangement possible to fund preferred dividend arrears.

INTERNATIONAL PETE

December output 2,201,818 bbls. vs. 2,804,419 in December, 1934; production for 1935, 32,354,568 vs. 31,484,683 in 1934, up 869,885 bbls. and highest in company's history.

MONTREAL POWER

Estimated earnings for 1935, \$1.72 a share capital stock vs. \$1.78 in 1934 and \$1.50 dividends.

NATIONAL GROCERS

Sales in 1935 higher than in 1934.

NATIONAL TRUST

Earned \$8.69 per share in 1935 vs. \$10.01 in 1934 and \$8 dividends.

ORANGE CRUSH

Profits year ended October 31, 1935, \$20,017 vs. \$35,080 in preceding 10 months; net working capital up from \$32,893 to \$40,683.

H. SIMON & SONS

Business in 1935 well maintained compared with previous year.

SOUTHERN CANADA POWER

December net down \$2,211 to \$112,681; 3 months down \$2,064 to \$336,457.

TIP TOP TAILORS

1935 earnings ahead of 1934.

INVESTMENT YIELDS

Compiled by PITFIELD & COMPANY

COMMON	Rate Div.	Price (Approx.)	Yield %
Bell Telephone	6.00	148	4.05
B. A. Oil	.80	20 ¹ / ₂	3.90
B. C. Power A.	1.50	30	5.00
Building Prod. A.	1.00	37	2.70
Can. Mating	1.50	34	4.41
Can. Nor. Power	1.20	22 ³ / ₄	5.27
Can. Bronze	.60	36	1.66
Can. Converters	2.00	25	8.00
Can. Cottons	4.00	50	8.00
Can. For. Invest.	1.60	26	6.15
Dominion Bridge	1.20	34 ³ / ₄	3.45
Dominion Textile	5.00	77	6.49
Imperial Oil	.50	22 ¹ / ₂	2.22
Imperial Tobacco	.52 ¹ / ₂	14	3.75
International Nickel	1.00	49	2.04
Inter. Pete	*1.50	37 ³ / ₄	3.97
McCull Frontenac	.80	16	6.75
Montreal Power	1.50	32 ¹ / ₄	4.62
Montreal Tramways	9.00	102	8.82
National Breweries	1.60	39 ³ / ₄	4.03
Ogilvie	8.00	205	3.90
Ottawa Power	6.00	89 ¹ / ₂	6.70
Page-Hersey	3.00	81	3.70
Penmans	3.00	57	5.26
Quebec Power	1.00	14 ¹ / ₂	6.90
Shawinigan	.50	20	5.00
Steel of Canada	1.75	60	2.92

BANKS	Rate	Price	Yield %
Montreal	8.00	205	3.90
Nova Scotia	12.00	286	4.20
Canadien-Nationale	8.00	135	5.93
Commerce	8.00	160	5.00
Royal	8.00	175	4.57

PREFERRED	Rate	Price	Yield %
Can. Nor. Power	7.00	108 ¹ / ₄	6.47
Can. Bronze	7.00	112 ¹ / ₄	6.24
Can. Celanese	7.00	125	5.60
Can. Cottons	6.00	102	5.88
Can. For. Inv.	8.00	105	7.62
Dominion Textile	7.00	145	4.83
Goodyear	2.50	55	4.55
Jamaica Pub. Ser.	7.00	125	5.60
Mont. Cottons	7.00	96	7.29
National Breweries	1.75	40	4.38
Ogilvie	7.00	150	4.67
Ottawa Power	6.50	110	5.90
Penmans	6.00	116	3.61
Power Corporation	6.00	99 ¹ / ₂	6.03
So. Can. Power	6.00	98 ¹ / ₂	6.09
Steel of Canada	1.75	53 ¹ / ₂	3.27
Tuckett Tobacco	7.00	146	4.79
Walker-Gooderham	1.00	18 ¹ / ₄	5.41

* Does not include extras.

HIRAM WALKER

Earned \$1.65 share first quarter new fiscal year vs. \$1.22 in same period last year.

Owning five motor-cars, Pope Pius XI is an enthusiastic motorist and likes to be driven at a speed of about 40 miles an hour.

TAX ON WAISTS

A stout figure is out of place in these times, states a German paper: Only invalids should be permitted to have untaxed stomachs, it maintains, and to obtain exemption they should have certificates signed by an Aryan doctor.

COMMON STOCKS

THERE IS AVAILABLE, WITHOUT OBLIGATION, ON REQUEST AT OUR OFFICE, A REVISED, VITAL AND TIMELY ANALYSIS OF MANY IMPORTANT AND ATTRACTIVE COMMON STOCKS.

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JOHNSTON AND WARD

STOCKS and BONDS

80-82 Prince William Street, Saint John, N. B.

D. W. ARMSTRONG, Manager

HEAD OFFICE—The Royal Bank Building, MONTREAL

Members of Montreal Stock Exchange and Montreal Curb Market

BRANCHES:

Kingston, Ont. Moncton, N.B. Saint John, N.B.
London, Ont. Halifax, N.S. Toronto, Ont.
Sydney, N.S.

GOVERNMENT MUNICIPAL & CORPORATION SECURITIES

INQUIRIES INVITED

T. M. Bell & Company, Limited

MONCTON HALIFAX SAINT JOHN FREDERICTON

GOOD SECURITIES

John M. Robinson & Co., Limited

SAINT JOHN, N. B.