THE

STOCK EXCHANGE

YEAR-BOOK

FOR

1891.

A CAREFUL DIGEST OF INFORMATION RELATING TO THE ORIGIN, HISTORY, AND PRESENT POSITION OF EACH OF THE

PUBLIC SECURITIES AND JOINT STOCK COMPANIES

KNOWN TO THE MARKETS OF THE UNITED KINGDOM.

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LONDON: 1, *ROYAL EXCHANGE BUILDINGS, E.C.*

Canada Southern Railway Company.—*Office:* St. Thomas, Ontario, Canada.—This company's lines are worked by the Michigan Central Railroad Company under agreement for 21 years from January 1, 1883, the earnings of the combined systems being applied (1) in payment of the operating expenses of both roads; and (2) of bond interest of both, any surplus then remaining being apportioned—(at present) two-thirds to the Michigan Company, and one-third to the Canada Southern. The capital consists of $15,000,000 shares, and the bonds as below. Total mileage, 436. The accounts are made up annually to December 31, and submitted in June. Dividends of 2 per cent. each were paid on the shares in August, 1883, and February, 1884, but there was then no distribution until in February, 1887, 1¼ per cent. was paid, and in August, 1887, February and August, 1888, and February and August, 1889, dividends of 1¼ per cent. each were again paid; in February, 1890, 1¼ per cent. was paid, with an extra dividend of 1 per cent. out of the accumulated surplus, which was thereby reduced to $229,045, having been at the end of 1888, $319,401; and in August, 1890, 1¼ per cent. was paid. The particulars of the bonds are as follow; both classes are known here, but only the first mortgage is quoted in the official list:—

$13,923,600 First mortgage 5 per cent. coupon bonds of $1,000 each. Coupons are payable in New York January 1 and July 1, and the principal falls due January 1, 1908. Interest (only) is guaranteed by the New York Central Railroad Company until January 1, 1898. Latest price, 107½.

$5,100,000 Second mortgage 5 per cent. coupon and registered bonds of $1,000 each, some of which were offered here in October, 1885, by Messrs. Borthwick, Wark, and Co., 11, Copthall Court, E.C., at £176 per bond. Interest is payable in New York March 1 and September 1, and the bonds mature March 1, 1913. Coupons bonds may be exchanged into registered certificates of $1,000, $5,000, and $10,000 each.

Canadian Pacific Railway Company.—*Directors:* W. C. Van Horne (President), Sir G. Stephen, Bart., Sir D. A. Smith, K.C.M.G., R. B. Angus, E. B. Osler, S. Fleming, C.M.G., J. W. Mackay, G. R. Harris, Hon. J. J. C. Abbott, Q.C., Hon. G. A. Kirkpatrick, R. J. Cross, W. D. Matthews, Hon. D. MacInnes, T. Skinner, and Genl. S. Thomas. *Secretary:* C. Drinkwater. *Office:* Montreal.—The company was incorporated in February, 1881, for the purpose of constructing a line of railway to connect the seaboard of British Columbia on the Pacific Ocean with the railway system of Canada, and of operating the same for ever. The Dominion government gave a subsidy of $25,000,000 in cash, 25,000,000 acres of land, and sections of railways, some built and others to be built, to the extent of 713 miles. To compensate the company for the extra expense incurred in anticipating by as much as five years the contract time for the completion of the road, further material assistance was subsequently given by the government, the most important being the purchase back of a large portion of the land grant at $1½ per acre; and in 1888, as compensation for the surrender of the "Monopoly clause" in their charter, which protected the company for twenty years from competition in the North-West, the government guaranteed the interest on $15,000,000 3½ per cent. land-grant bonds. The company's accounts are made up annually to December 31, and, in compliance with the statute, are submitted in Montreal the second Wednesday in May. The net revenue in 1884 was $1,191,890, in 1885 it was $3,225,216, in 1886 it was $3,703,486, in 1887 it was $3,504,118 (the fixed charges being $3,250,263), in 1888 it was $3,870,774 (the fixed charges being $3,544,351), in 1889 it was $6,006,059 (the fixed charges being $3,779,132), and this year to September 30 the net earnings were $4,103,000, as compared with $4,005,000 to the same date in 1889. The company bought of the government of Canada an annuity of 3 per cent. per annum for the 10 years 1884-93, which annuity is in trust for the shareholders, and is quite out of reach of any contingency to the company, and it is duly paid to the shareholders; but in August, 1889, and February and August, 1890, the dividends were made up to 5 per cent. per annum out of the company's current revenue. To the end of 1889 there was an undivided surplus of $1,903,350. The capital account is now as follows, and all but the 5 per cent. land-grant bonds and the North Shore bonds are quoted in the official list:—

$65,000,000 Shares of $100, in certificates of various amounts. The dividend is paid February 17 and August 17, holders of shares on the London register (as below) receiving cheques on London for the dividend at the rate of 4s. 1½d. per dollar. Share registers are kept in London and New York, that in New York being in charge of the branch there of the Bank of Montreal. Shares on the New York register may be transferred to the London register free of expense; and shares are also discharged from the London register without fee. But if asked to obtain fresh certificates from New York in exchange for such discharge warrants, or to execute transfers on the New York register, the London office makes a charge of 2d. per share, with a minimum of

2s. 6d. Shares on the London register are transferred by the ordinary form, which requires the ½ per cent. stamp on the consideration paid; fee, 2s. 6d. per deed. Shares on the New York register commonly pass from hand to hand as if unregistered, and any person holding shares not registered in his name must claim the dividend from the person in whose name the shares stand. Latest price, 76.

£2,203,375 Four per cent. debenture stock, part of which was issued in October, 1889, at 90 per cent., and part in July, 1890, at 97½. Interest is payable January 1 and July 1, at the company's London office, 1, Queen Victoria Street, E.C. Stock is transferable in multiples of £1; transfer form, common; fee, 2s. 6d. per deed. Latest price, 100.

$35,000,000 Five per cent. first mortgage bonds, issued by Messrs. Baring Brothers and Co., 8, Bishopsgate Street Within, E.C.—£3,000,000 in July, 1885, at 95, and £4,191,500 in April, 1886, at 104. The bonds are of £1,000, £500, and £100, with coupons payable January 1 and July 1, and the principal is due July 1, 1915, all payments being made by the issuing firm. The bonds may be deposited with Messrs. Baring Brothers and Co., who give a receipt therefor and remit the half-yearly interest by cheque, a charge of ⅛ per cent. being made on depositing the bonds. Such deposited bonds are given up on the surrender of the receipt properly discharged. Latest price, 113.

£750,000 Algoma Branch 5 per cent. first mortgage bonds of £1,000, £500, and £100, issued by Messrs. Baring Brothers and Co., 8, Bishopsgate Street Within, E.C., in January, 1888, at 98½ per cent. Coupons are payable January 1 and July 1, and the bonds mature July 1, 1937, all payments being made by the issuing firm. There are similar arrangements for depositing the bonds for registration as for the foregoing. Latest price, 111.

$484,719 North Shore Railway first mortgage 5 per cent. bonds.

$3,438,500 Land-grant bonds. These bonds bear interest at the rate of 5 per cent. per annum, payable by coupon April 1 and October 1, in gold coin in Montreal or New York, and in London at 4s. 1½d. per dollar, by Messrs. Morton, Rose, and Co., Bartholomew House, E.C. The principal of the bonds, payable in Montreal only, is due October 1 1931, unless the bonds are previously tendered in payment for lands, and thereby cancelled, or redeemed by the trustees out of the proceeds of sales of land, either by purchase at the current market rate, or by drawings at 10 per cent. premium. To the end of 1889 there were outstanding $1,573,675 interest-bearing obligations on land-sale contracts, and 14,674,916 acres were unsold. Latest price, 110.

£3,093,700 Three-and-a-half per cent. land-grant bonds or inscribed stock, issued by Messrs. Baring Brothers and Co., 8, Bishopsgate Street Within, E.C., in June, 1888, at 95 per cent. The bonds are of £100, £500, and £1,000. Inscribed stock may be transferred in any amount divisible by £10. Bonds may be converted into inscribed stock, but inscribed stock cannot be re-converted into bonds. Interest is due January 1 and July 1, and it is unconditionally guaranteed for 50 years from July 1, 1888, by the Dominion government, at the expiration of which period the company undertake to pay off the bonds. The issue is further secured by a mortgage upon the lands of the company, subject to the foregoing 5 per cent. land-grant bonds. As between the company and the government, it is arranged that all the money received from the sale of lands is to be handed over to the Dominion Treasury, 3½ per cent. per annum interest to be paid the company therefor, and when the sums so paid over equal the amount of the bonds outstanding the government will undertake to pay the principal of the bonds as well as the interest, and will discharge the mortgage on the remaining lands. Latest price, 96.

Further Capital Powers.—In 1889 the Company obtained an Act of the Dominion Parliament, authorising the issue of 4 per cent. debenture stock, subject to the following limitations:—Such an amount of stock as would in interest represent the amount of the then interest charges, namely, $4,365,029 a-year, the stock only to be issued as the bonds and other forms of the company's indebtedness are cancelled; further, such an amount as will be equivalent in annual charge to the $330,000 which the company then had power to create in 5 per cent. bonds for the construction of the Mission branch; and, further, an amount not exceeding £500 per mile for future betterments, the company's system being taken to be 5,097½ miles at the passing of the Act. In 1890 these powers were extended to provide for the Pacific Steamship contract with the Dominion Parliament, the stock so varied not to involve a greater annual charge for interest than £60,000.

The Land Grant.—The original grant, with the exception of the Town Sites, which are entirely free from any lien, is mortgaged to the Land Grant bonds; but the company has also, under the Manitoba South-Western charter, 1,309,424 acres not subject to that mortgage, the proceeds of which are being applied to repay advances made, under the Railway Aid Act, by the Manitoba Government, and which latter amounted at the end of 1888 to \$884,873. The result of sales in 1889 were as follows—of the Land Grant, 142,661 acres for \$494,402; of the South-Western lands, 52,499 acres for \$236,792; and from the Town Sites, \$303,370. The proceeds of the sales of Town Sites, in which the directors state that only a small proportion of the company's interest has so far been disposed of, have hitherto been expended on hotels and similar useful adjuncts to the railways; but hereafter they, as well as the proceeds of the South-Western lands (subject to the small above-mentioned lien), are to be applied to the interest on the Land Grant bonds. See also the details as to the conditions of issue of the 5 per cent. and the $3\frac{1}{2}$ per cent. Land Grant bonds.

Companies forming part of the Canadian Pacific System, but retaining their original titles in the Stock Exchange.—Atlantic and North-West, Canada Central, Manitoba, South-Western, Ontario and Quebec, St. Lawrence and Ottawa, and Toronto, Grey, and Bruce.

London Office: 1, Queen Victoria Street, E.C. *Deputy-Secretary and Registrar:* Harry Moody.

European Freight Agencies: 67-8, King William Street, London, E.C.; 7, James Street, Liverpool; and 135, Buchanan Street, Glasgow. *Traffic Manager:* Archer Baker.

Cannock Chase and Wolverhampton Railway Company.—*Secretary:* W. J. Stride. *Office:* 3, Queen Street, E.C.—The authorised capital, including loans, is £106,600, of which £70,500 has been issued in ordinary capital and £26,600 in loans at 6 per cent. The line is owned and worked by the Cannock Chase Colliery Company, "not as a source of profit." Reports are not obtainable, but this information is official.

Caraquet Railway Company.—*London Agents:* Mee, Billing, and Co., 9, Great St. Helen's, E.C.—In June, 1885, and June, 1886, applications were invited, at 98 per cent., for 6 per cent. first mortgage bonds of £100 of this (New Brunswick, Canada) railway—in 1885 by the London agents as above, and in 1886 by the Imperial Bank, Limited, Lothbury, E.C. The authorised issue is £100,000, and the whole amount has been issued. Coupons are payable January 1 and July 1, at the Imperial Bank, and the bonds are redeemable at par in 1904. The bonds are to bearer, but may be registered at the office of the London agents, and registered bonds may be again made payable to bearer, interest in all cases being payable by coupon. The company received cash subsidies from the governments of the Dominion of Canada and the province of New Brunswick, amounting in all to \$404,000, and of this sum a sufficient amount was deposited in the Imperial Bank in the names of trustees as security for the payment of the interest on the bonds up to and inclusive of that due July 1, 1889, and these payments were duly met; coupons due January, 1890, and since, are in arrear. The subscribed share capital is \$950,000, paid up. About 50 miles of the line have been open since September, 1886, and the entire line of 70 miles since December, 1887. The gross earnings, according to the government returns, in the year to June 30, 1888, were \$11,631, and the working expenses \$11,311, and in 1888-9 the gross earnings were \$18,210, and the expenses \$27,409. The bonds are quoted in the official list.

In April, 1889, a committee of bondholders was formed under the auspices of the English Association of American Bond and Share Holders, Limited, 5, Great Winchester Street, E.C. Steps are being taken to decide the liability of the issuers in regard to the prospectuses of the bonds.

Carenero Railway and Navigation Company, Limited.—*Directors:* Sir G. B. Bruce, Kt. (Chairman), H. G. Hemmerde, and W. B. Wright. *Secretary:* A. J. Secretan. *Office:* 6, Great Winchester Street, E.C.—The company was registered April 28, 1889, to acquire a concession granted by the Venezuelan government for a railway (about 50 miles in length) from the port of Carenero to Altagracia de Orituco, and also a line of steamers between the port of Carenero and La Guaira, including all intermediate ports. As regards the railway, the line from Carenero to San Jose had been constructed by a local company, and this was taken over by the Carenero company, together with steamers provided under the concession. The government gave a guarantee for 99 years from 1888 of interest at 7 per cent. per annum on a sum of £675,000, the guarantee on such part of the above mentioned sum as shall represent the purchase price of the railway from Carenero to San Jose becoming payable when the Carenero company commence working the line, and upon the balance of the £675,000 from the time when the railway to Altagracia de Orituco shall be opened for public traffic. The line is to be the property of the company in perpetuity, and there is no option of government purchase, while the concession gives—the right to construct certain branch lines; a land grant; rights as to mines discovered by the company on the route of the line; immunity from payment of import duties during the 99 years upon all the materials required for the construction and maintenance of the railway; exemption from all taxes; &c. The