THE

STOCK EXCHANGE

YEAR-BOOK

FOR

1896.

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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Compiler and Editor of "The Directory of Directors" and "The London Banks."

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per cent. They are of £100 each, have coupons payable January 1 and July 1, and are redeemable within 24 years by drawings in April each year, commencing 1882. Both interest and principal are payable by the issuing firm free of all Brazilian taxes. The Brazilian government guarantees 7 per cent. per annum interest upon a capital of £675,000 for a period of thirty years, terminating March 20, 1905, and this issue of bonds ranks first upon the revenue of the line. Engagements have been regularly met, and the amount outstanding is £274,000. The bonds are quoted in the official list. Latest price, 92½.

After passing through various stages, the railway is now owned by the Leopoldina Company, to which company the concessions and government guarantees have been transferred. The Leopoldina Company assumed entire responsibility for the service of the Campos and Carangola debt, and confirmed the undertaking, under a provisional agreement, the bases of which were accepted at a meeting of the bondholders held October 20, 1892. The bonds have been stamped with the Leopoldina Railway guarantee.

Canada Central Railway.—The company of this name is now extinct, its property having been acquired by the Canadian Pacific Railway Company. The bonds issued in November, 1879, through Messrs. Speyer Brothers, 7, Lothbury, E.C., are now a charge on that company. The issue consisted of £500,000 first mortgage bonds of £500 and £100, with coupons, representing 5 per cent. per annum interest, payable April 1 and October 1. The price of issue was 98½ per cent. The bonds are to be repaid October 1, 1899, unless sooner redeemed by the operation of an accumulative sinking fund of 2 per cent. per annum. The Dominion government undertakes to pay the interest on the bonds unredeemed for the 20 years of their currency, and the company has to provide only the $50,000 a year for the sinking fund, and it appears that the Canadian Pacific Company has deposited $1,500,000 with the government on this account. When the bonds can be bought at or under 105 per cent. the sinking fund is to be so applied, and otherwise drawings are to be made for repayment at 105. Drawings take place early in September. Amount outstanding, £262,000. The bonds are quoted in the official list. Latest price, 105.

There are also 6 per cent. second mortgage bonds to the amount of £200,000, the interest and principal of which rank on the Canadian Pacific revenues. These bonds mature November 1, 1910, and the interest is due May 1 and November 1.

Canada Southern Railway Company.—*Directors:* C. Vanderbilt (President), S. F. Barger, J. E. Brown, C. F. Cox, C. M. Depew, N. Kingsmill, J. Tillinghast, W. K. Vanderbilt, and E. A. Wickes. *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, according to a rearrangement effected in December, 1892 (to the benefit of the Canada Southern)—as regards the first $1,000,000, 40 per cent. to the Canada Southern and 60 per cent. to the Michigan Central, and, as regards any further amount, one-third to the Canada Southern and two-thirds to the Michigan Central. The capital of the Canada Southern consists of $15,000,000 shares, and the bonds as below. Total mileage, 456. 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, when 1¼ per cent. was paid, and similar payments were then made regularly in February and August to August, 1895, with, in February, 1890, an extra dividend of 1 per cent. out of the accumulated surplus; in February, 1892, an extra dividend of ½ per cent.; in February, 1893, ½ per cent.; and in February, 1894, ½. For 1894 net earnings were $79,777 short of the dividends paid, amounting to 2½ per cent. The particulars of the bonds are as follow; both classes are known here, but only the first mortgage is quoted in the official list amongst United States railways:—

$13,923,707 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, 107.

$5,650,000 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. Coupon bonds may be exchanged into registered certificates of $1,000 and $10,000 each.

Canadian Pacific Railway Company.—*Directors:* Sir W. C. Van Horne, K.C.M.G. (President), T. G. Shaugnessy (Vice-President), Sir D. A. Smith, K.C.M.G., R. B. Angus, E. B. Osler, S. Fleming, C.M.G., G. R. Harris (Boston), W. D. Matthews, Hon. D. MacInnes, G. A. Kirkpatrick, T. Skinner (London), Genl. S. Thomas (New York), and J. W. Mackay (New York). *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, 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 its 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 first Wednesday in April. The net revenue in 1884 was $1,191,890; in 1885, $3,225,216; in 1886, $3,703,486; in 1887, $3,504,118; in 1888, $3,870,774; in 1889, $6,127,836; in 1890, $6,299,700; in 1891, $8,009,659; in 1892, $8,623,950; in 1893, $7,951,278; in 1894, $6,757,134; and in 1895, to November 30, the net earnings were $6,606,000 as compared with $5,835,000 to the same date in 1894. The company bought of the government of Canada an annuity of 3 per cent. per annum for the ten years 1884-93, the last payment in respect of this having been made in August, 1893. In February and August, 1890, 1891, 1892, and 1893, the dividends were made up to 5 per cent. per annum out of the company's current revenue, and 5 per cent. per annum was also paid in February and August, 1894. For 1894 interest on the entire bond and debenture capital and advances under guarantees exceeded the income by $526,731; this sum, the ordinary and preference dividends paid in respect of 1894 (amounting to $1,881,960), and $2,112,729 interest (less income from the land department) on land-grant bonds to the end of 1893, were charged to surplus earnings account, reducing that account to $2,739,792. Dividends due on the preference stock in 1895 were duly paid. The company owns 6,343 miles of line, but controls in all 8,870 miles. The capital account is now as under, and all but the 5 per cent. land-grant bonds and the North Shore bonds are quoted in the official list. In 1893 an Act was obtained of the Dominion Parliament, by which sterling preference stock may, with the consent of the shareholders, be issued up to an amount not exceeding one-half the amount of the ordinary stock outstanding, such stock to rank for dividends up to 4 per cent. on the earnings of the year, and to have the same voting power as the ordinary shares, namely, one vote for each £20. Further, the Act gave the shareholders power to convert the ordinary shares into sterling ordinary stock. The shareholders have authorised the issue of preference stock up to $8,000,000, and have given the board authority to invite ordinary shareholders to convert into sterling stock. As will be seen below, preference stock has been issued to the amount of £1,320,000. Capital particulars are as under:—

$65,000,000 Shares of $100, in certificates of various amounts. 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 on 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. Holders of shares on the London register receive cheques on London for dividends at the rate of 4s. 1½d. per dollar. Latest price, 51.

£1,320,000 Preference stock 4 per cent., issued in October, 1893, at 90 per cent. The dividend is payable April 1 and October 1 in respect of the periods to December 31 and June 30 by warrant from the company's London office, where stock is transferable in multiples of £1; transfer form, common; fee, 2s. 6d. per deed. Latest price, 75.

£7,191,500 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 Baring Brothers and Co., Limited, at the above address. The bonds may be deposited with Baring Brothers, 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, The receipts are not transferable, so it is necessary on sale of bonds deposited to surrender the receipt and take up the bonds. Latest price, 112½.

£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 Baring Brothers and Co., Limited, at the above address. There are similar arrangements for depositing the bonds for registration as for the foregoing. Latest price, 109.

$616,119 North Shore Railway first mortgage 5 per cent. bonds.

$3,426,000 Land-grant bonds of $500, &c. 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. Latest price in Montreal, 108.

£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. 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 undertakes to pay off the bonds. The principal is 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 net proceeds of sales 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. Bonds may be converted into inscribed stock, but inscribed stock cannot be re-converted into bonds. The exchange of bonds into inscribed stock is effected at the office of Baring Brothers and Co., Limited, at the above address, where the books of the stock are kept; transfers may be made in any amount divisible by £10; transfer form, common; fee, 2s. 6d. per deed. Latest price, 100.

£8,702,675 Perpetual 4 per cent. consolidated debenture stock. Interest is payable January 1 and July 1 by warrant from the company's London office, where stock is transferable in multiples of £1; transfer form, common; fee, 2s. 6d. per deed. By the Act of the Dominion parliament, passed in 1889, authorising the issue of debenture stock, it is provided that the stock shall rank for interest after all the other Canadian Pacific indebtedness (except the land grant issues), as well as Canada Central Railway first and second mortgage bonds, St. Lawrence and Ottawa 4 per cent. bonds, Manitoba South-Western bonds, Atlantic and North-West first mortgage bonds and guaranteed stock, Toronto, Grey, and Bruce bonds, and Ontario and Quebec ordinary shares and debenture stock; but of these the Atlantic and North-West Railway guaranteed stock for $3,240,000 has been acquired, and is held as security for the debenture stock, together with the following securities: Columbia and Kootenay Railway first mortgage bonds, $693,500; Manitoba South-Western Railway first mortgage bonds, $72,000; North Shore Railway 5 per cent. first mortgage bonds, $131,400; Duluth, South Shore and Atlantic Railway 4 per cent. consolidated mortgage, $14,600,000; ditto income certificates, $3,000,000; ditto preferred stock, $5,100,000; ditto ordinary stock, $6,100,000; Minneapolis, St. Paul and Sault Ste Marie Railway preferred stock, $3,533,400; ditto ordinary stock, $7,066,600; Souris Branch first mortgage bonds (£400,000), $1,946,666; and Pacific Steamship first mortgage bonds (£720,000), $3,504,000. Latest price, 101.

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; at the close of 1893

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there were 15,983,226 acres of land unsold, and $2,391,201 interest-bearing obligations outstanding, exclusive of $244,636 owing in respect of town-site sales. The company has also, under the Manitoba South-Western charter, 1,289,813 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. The results of sales in 1894 were as follows—of the original land-grant, 43,155 acres for $131,628; and of the South-Western lands, 6,312 acres for $28,003. 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, were, up to the end of 1888, expended on hotels and similar useful adjuncts to the railways; but for the future they, as well as the proceeds of the South-Western lands (subject to the small above-mentioned lien, which it is expected will be extinguished very shortly), are to be applied towards the interest on the land-grant bonds, and at the close of 1894 the excess of interest paid on land-grant bonds over net income in the land department was written off surplus earnings accounts.

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, New Brunswick, 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 £20,100 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.—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 Messrs. Mee, Billing, and Co., 23, Leadenhall Street, E.C., and in 1886 by the Imperial Bank, Limited (now the London Joint Stock Bank, Limited), Lothbury, E.C. The authorised issue is £100,000, and the whole amount has been placed. Coupons are payable January 1 and July 1 at the Imperial Bank, and the bonds are redeemable at par in 1904. 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 68 miles since December, 1887. The gross earnings, according to the government returns, in the year to June 30, 1889, were $17,819, and the expenses $19,514; in 1891-2 the gross earnings were $18,899, and the expenses $21,080; in 1892-3 the gross earnings were $20,069, and the expenses $22,095; and in 1893-4 the gross earnings were $18,083, and the expenses $18,289. Latest price. 10.

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 were taken to decide the liability of the issuers in regard to the prospectuses of the bonds, and a compromise was arranged with the Imperial Bank, and a distribution of £6 10s. (net) per bond was made to the holders of bonds issued by the bank; these bonds represent about £70,000 of the total. Other proceedings are still in progress.

Carenero Railway and Navigation Company, Limited. — *Liquidator:* Archer J. Secretan. *Office:* 54, Old Broad Street, E.C.—The company was registered April 28, 1888, to acquire three concessions granted by the Venezuelan government for a railway (about 70 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 should represent the purchase price of the railway from Carenero to San Jose (about £300,000) becoming payable when the Carenero company commenced working the line, after completion of certain repairs (effected by August, 1891), and upon the balance of the £675,000 from the time when the railway to Altagracia de Orituco shall be opened for public traffic,