

# MAKING SAFE INVESTMENTS

## WHAT THE SAO PAULO AND RIO SHAREHOLDERS WILL GET

Details of the Generous Plum—Danger of Being Carried Away by Good Fortune of Others—How to Speculate if You are Bound to Take a Chance—Avoid Marginal Speculations and Buy Outright.

The articles contributed by "Investor" are for the sole purpose of guiding prospective investors, and, if possible, of saving them from losing money through placing it in "wild-cat" enterprises. The information may be rolled upon. The writer of these articles and the publisher of this paper have no interest in connection with this matter other than those of the reader.

(By "Investor.")

The one topic of conversation in the market during the past few weeks has been, "What will happen to Rio and Sao Paulo." Now that this question has been answered and the excitement incidental thereto somewhat lessened, investors and speculators are asking themselves and everybody they meet just what the new order of things will bring about.

A new company with a modest capital of \$100,000,000 has been formed to be known as the Brazilian Tramways Company, or some similar name. This company is to take over the shares of the Rio de Janeiro Tramway Light and Power Company, giving in exchange its stock in the ratio of four shares of Brazilian preference shares and four shares of common for each five Rio shares. The preferred shares will bear dividends at the rate of six per cent., and the directors state that probably six per cent. will be paid on the common stock. That will mean that Rio shareholders will come out with a nice substantial profit. For example, the new preference shares should sell at around 105 or 104. The common shares should also sell around par, for although not so high class as security as the preference, the common stock has a great chance to take advantage of the future earnings of the company, which cannot fail to be great. So the holder of ten shares of Rio will get stock worth at least \$1,625—that is eight shares of preferred worth 105, or \$840, and eight shares of common worth 100, or \$800. In point of dividends the present holder of ten shares gets \$50 a year. In future he will get \$96, and of course more when the dividends are increased.

In the case of Sao Paulo the shareholders, of course, get a larger proportionate slice of the new company. For each share of Sao Paulo a share and a half of the new preferred and an equal amount of common are to be given. Thus the holder of ten shares of Sao Paulo will come out as follows, figuring on the probable market prices cited above:

15 Shares, preferred, \$1,545  
15 Shares, common, 1,500  
\$3,045

Or an equivalent of 304 for his stock in the present company, while his dividends will be \$150 a year instead of \$100, as they are at present.

### DUBIOUS

About What Her Husband Would Say.

A Mich. woman tried Postum because coffee disagreed with her and her husband. Tea is just as harmful as coffee because it contains caffeine—the same drug found in coffee. She writes:

"My husband was sick for three years with catarrh of the bladder, and palpitation of the heart, caused by coffee. Was unable to work at all and in bed part of the time.

"I had stomach trouble, was weak and fretful so I could not attend to my housework—both of us using coffee all the time and not realizing it was harmful.

"One morning the grocer's wife said she believed coffee was the cause of our trouble and advised Postum. I took it home rather dubious what my husband would say—he was fond of coffee.

"But I took coffee right off the table and we haven't used a cup of it since. You should have seen the change in us, and now my husband never complains of heart palpitation any more. My stomach trouble went away in two weeks after I began Postum. My children love it and it does them good, which can't be said of coffee.

"A lady visited us who was usually half sick. I told her I'd make her a cup of Postum. She said it was tasteless stuff, but she watched me make it, boiling it thoroughly for 15 minutes, and when done she said it was splendid. Long boiling brings out the flavor and food quality." Name given by Canadian Postum Co., Windsor, Ont.

Look in pkgs. for the famous little book, "The Road to Wellville." Ever read the above letter? A new one appears from time to time. They are genuine, true, and full of human interest.

The maximum depth of the Atlantic is over five miles, and of the Pacific just under six miles. The greatest abysses are all found to be not far from the land.

Manitoba's area under wheat is reported at 3,400,000 acres, while Saskatchewan's has increased from 6,250,000 to 7,813,500 acres, and Alberta's from 750,000 to 937,500 acres.

That, in brief, is the situation, and there is no question of the very good fortune of the shareholders. Unfortunately, there is one great drawback. Many people who know little or nothing about local and general financial conditions will jump into the stock market in the vain hope of making a similar "killing." And in 90 per cent. of the cases they won't.

Now, I have no quarrel with people who invest in stocks. Investing in shares may be done wisely, so as to make a tidy profit, and at the same time take no more than an ordinary business risk, but those who do invest in this fashion invest. They do not speculate. No man who buys on margin can be said to invest; he speculates, and too often speculation is just another term for gambling.

A man may look around the market at the present time, and after carefully looking at all sides of the question, decide that a certain company is in good shape, its earnings showing regular increases over a series of years and a good and growing market for its product—it may be gas, electric light, or ploughs. All companies, industrial, public service or financial, should be considered along almost identical lines, with the few variations pointed out at various times in this column. After deciding that the company's future is bright the next step is to decide whether or not the company's shares have not already discounted this future as far as the market is concerned. If the stock is returning about 6 1/2 or 7 per cent. on the market value, and earnings appear to justify an increase in dividends before long, it is a good buy. Pay for it outright and put it away until your judgment has been justified. Then, if you want to take a profit sell. At all events your income will show a very handsome rate of interest on your investment.

On the other hand, a few years ago a man decided just these points about Sao Paulo. He bought it at 156 and put up a 20 point margin. Then the hard times of 1907 came and Sao Paulo went down to 140. He had only four points of margin left, so his brokers called him for more. He put up another 20 points. Still the stock declined, and at 120 in desperation he sold out. Later the stock sold at 98. At that price another man who had studied conditions, bought it and paid for it in full. This year, only four years afterwards, he sold his stock at 254, and would have made more if he had had patience.

These two men had exactly the same idea. They were both right, but one took the wrong way of obtaining his end. He took a chance and the market went against him. If he had bought outright he wouldn't have made as much as number 2, but he would have made 100 points and got 10 per cent. dividends—6.66 per cent. on his investment—during the four years. But he was a speculator and lost. There is a very obvious moral.

### THIRTY YEARS OF WONDER.

What Change in Comforts Electricity Has Wrought.

Few, indeed, are left to recall those distant days preceding the application of steam engines to railroad and steamboat work. But there are plenty who well remember when electricity was considered but a natural phenomenon and a plaything of nature during terrestrial storms. It seems almost incredible, yet it is true, that but thirty years ago electricity was unheard of outside of scientific laboratories.

We had no telephones, no electric railways, no electric fans, no electric elevators, no vacuum cleaners, no electric lights, no trolley cars, no electric ranges, few electric motors.

We could not call up anyone on the telephone. The mails and messenger boys did the work. The telegraph was in use, but the lines were few.

All the housework was done by hand, without the handy electric stoves, the motor-driven appliances now in use.

In hot days we sweltered, for the electric fan was undreamed of.

We read by flickering candles or oil lamps, and there were no arc lamps to illuminate the streets after dark.

There were no electric door bells, no buzzer communication from office to office, no electric flatirons, no electric chafing dishes, toasters, grills, etc.

Factories ran by steam or water power. Cities were covered with a pall of black smoke. Railroads could not run through tunnels without the gravest danger. Electric ventilating systems for large buildings were unheard of. Electric signal systems for railroads were not used and the trains ran a good deal on luck.

Such were the good old days we hear so much about. The folk who lived and worked then did not miss these things inasmuch as they had never enjoyed them, but one of the greatest hardships which might be inflicted upon us to-day would be to deprive us of electricity. Without it we would be put to the greatest inconvenience.

It is an excellent thing that a man's actions should often be so much better than his principles.

# HEALTH

## PROFUSE PERSPIRATION.

Profuse perspiration, or hyperidrosis, often causes great annoyance, and when offensive, even suffering. Offensiveness is most likely to occur when the regions affected are those that come into close and continual contact with the clothing, as, for example, the feet and the armpits; and moreover, the long-continued dampness due to lack of evaporation may cause a troublesome eczema.

Many people, especially those in whom the excessive sweating is caused by nervous conditions, are annoyed, even in cold weather and although they discard gloves, by profuse and continual perspiring of the hands.

In dealing with this ailment, it is necessary to seek the underlying cause, and if possible to remove it. Sometimes the perspiring is only one among many symptoms of a serious physical condition—general paralysis, for example; at other times, what it may be a symptom of remains obscure in spite of much searching. Very often it appears to be simply one symptom of a lack of general tone, in which case it is often accompanied by poor circulation.

Hyperidrosis is most trying when it occurs in the feet, for since people are obliged to go shod, sufficient ventilation and absolute cleanliness are hard to attain. Sometimes the trouble proves to be due to flatfoot, and then shoes that give proper support to the weakened arch will correct the excessive sweating. In general, sufferers from hyperidrosis of the feet must observe the most fastidious cleanliness. If possible, they should take a foot-bath several times a day, and always follow it with a complete change of foot-wear. They should wear white socks or stockings, and as far as possible, canvas shoes.

Much can be done by local treatment either with powders, which are prescribed for their drying and absorbing effect, or with astringent and antiseptic lotions. It is well to bathe the feet at night with water containing an astringent lotion, and to use a powder in the morning on putting on the shoes and stockings. If any one objects to the use of powder, he may obtain the same result by wearing white stockings that have been soaked in a saturated solution of boric acid.—Youth's Companion.

### GET ACQUAINTED WITH YOUR NEIGHBORS.

If you are genteel in appearance and courteous in your manner, you will be welcomed in every home in your locality, when you are showing samples of our superior toilet goods, household necessities, and reliable remedies. The satisfaction which our goods give, places the users under an obligation to you, which wins for you the same respect, esteem, and intimate friendship given the priest, physician, or pastor, and you will make more money from your spare time than you dream of, besides a host of friends.

This is your opportunity for a pleasant, profitable and permanent business. Address, The Home Supply Co., Dept. 20, Merrill Building, Toronto, Ont.

### WOMAN TO HARPOON WHALES

Whaler's Daughter Will Accompany Him on Expedition.

When the pioneers of women's freedom started out to win sex equality they did not reckon whale hunting among the pursuits suitable for feminine aspirants to independence. That is why Miss Hjordis Jugebrigtsen, of Christiania, Norway, is ahead of the feminist game.

She was born by the sea and her father has been a whale hunter since 1866. His record of capture runs close on 15,000 whales and his name is known among hunting men from the North Cape to Portuguese South Africa.

In the latter section of the earth his son has been domiciled for three years. Now Miss Jugebrigtsen is going with her father on a whaling expedition in that region as a regular member of the hunting party.

She has passed her apprenticeship, for several times she has accompanied the boats and has become an expert shot. Up to now she has merely assisted the men, but her skill has now matured so that she herself will fire the deadly harpoon against the monsters of the deep. She is only 20 years old, and despite her daring pursuits, she remains a tender-hearted and gentle girl.

Most of the world's peppermint is grown on peppermint farms in Michigan. Over 300,000 pounds of peppermint oil, worth \$5 a pound, is produced annually from the moist and black soil of south-western Michigan.



# TORONTO CORRESPONDENCE

## Chairman Dominion Railway Board—Poverty in the City—Housing the Poor—Echoes of Bygone Days.

Hon. W. J. Hanna, Provincial Secretary, is again in the lime light in connection with the Chairmanship of the Dominion Railway Board. It is curious to note how many positions Mr. Hanna's name has been associated with during the past five years. For a long time there was a rumor recurring about once a month that he was going into Dominion politics. Then September, 1911, came and passed, and it was Mr. Cochrane who went. In connection with this incident there is an interesting story, that Mr. Hanna could have been the campaign organizer for Ontario just as he was in 1908, and probably subsequently a Dominion Cabinet Minister, but that he guessed wrong as to the probable result. But that may be just a yarn. Then, there have been persistent rumors that Mr. Foy would resign and that Mr. Hanna would be the next Attorney-General. And it has been generally understood that as matters stood he was the logical successor of Sir James Whitney. At one time he was offered the position of Corporation Counsel of Toronto at a fat salary, a position which afterwards went to Mr. Drayton, and in this connection it was interesting to see the other day an interview with Mr. Drayton, in which he told of having declined the Railway Board Chairmanship. But meantime, Mr. Hanna has stayed on year after year as Provincial Secretary.

### PLAYED WITH THE WAIFS.

Mr. Hanna's heartiness and good humor are infectious. He loves children. One day a group of little waifs were waiting at the Parliament buildings to see some official. Mr. Hanna recalled them, took them into his luxurious private office, to which millionaires sometimes impatiently good play with them.

As to his mental capacity, it is doubtful if his present position has revealed his real worth to the public. The continuous linking up of his name with some new position has no doubt reflected a popular notion that he was too big a man for the position of Provincial Secretary.

### POVERTY IN TORONTO.

In the midst of bounding prosperity, and of increasing luxury for the masses there is probably more acute poverty in Toronto than ever before. This is merely the history of large cities everywhere, but it is discouraging to those who hoped that the "Parliament" might avoid some of the evils which have grown up in the old world.

A "Fresh Air Fund," collecting money to give picnics to children "who would not otherwise be able to have a single half-day's outing on the beach or in the country during the summer," announces that last summer it was necessary to accommodate not less than 5,000 Toronto children. The testimony of other funds and charities is to the same effect. From which it may be deduced that there are upwards of 2,000 families in the city whose condition is one approaching, if not already reaching, that of acute poverty.

There is no lack of work for both men and women who will work. The trouble in most cases is a result of sheer shiftlessness and vice, chiefly drunkenness. We are not, however, able to do much for the "lovable," the same as old-world cities. Despite immigration laws, which are supposed to exclude all such, they sometimes get in. But the saddest fact is that many of them are Canadian born and bred. The lure of the city attracts the dross as well as the gold.

### NEW FAD FOR "HOUSING."

In connection with charitable work, the latest fad is schemes for housing the poor. The "housing problem" it is called. Perhaps "fad" is a too derogatory word to apply to an enterprise of this altogether commendable. In England housing schemes are no new scheme, and while they have no doubt done good in their way, it is doubtful if they have accomplished the end they have been aimed at. Instead of abolishing slums they have simply shifted their location.

Now a company of public-spirited citizens has been organized to lay out a few acres of moderate-priced Toronto land in small homes of model design and construction for poor people. It is to be hoped they will achieve their purpose.

Certainly there is need of some relief for overcrowding. Within the last few days almost indescribable conditions have been discovered in several sections of the city. In one house of ten rooms ten families were found to be living. In another house of moderate size 77 lodgers were found. And, of course, overcrowding is

nearly always accompanied by social vices; for example, in one small house one woman was found living with twenty men. In nearly all these and similar cases the men are foreigners, who left conditions in Europe probably worse than those in which they are now.

### PASSING OF GOVERNMENT HOUSE.

The beautiful old grounds of Government House at the corner of Simcoe and King streets are no more, and the last vestige of the house itself will soon have disappeared. A building-wrecker paid \$2,600 for the privilege of tearing the place down. The grounds have been ploughed up and levelled; a beautiful ravine, where a creek rippled in the old days before all Toronto's creeks were turned into sewers, has disappeared. The beautiful old elms have been turned into cordwood, and the whole scene varies not at all from that which may be seen anywhere where that a railway is putting in new sidings. The building dated only from 1874; before that its site was a favorite picnicking ground "out in the country," for the city of that date lay to the east. When it was constructed the adjoining streets, Bay, Simcoe and Wellington, became the fashionable district, just as Chislehurst Park, five miles away, is now having its boom.

### MORE ECHOES OF BYGONE DAYS.

Nearby was the residence of Sir Mortimer Clark, one of the finest of its day, which now also makes way for the G. P. R. freight yards. For the last twenty years Sir Mortimer refused to follow the procession to the outskirts, but braved the smoke and noise of shunting trains and factories. The residence of William Cavendish, landed proprietor, the richest Torontonian of his day, and founder of the Cavendish estate, who during the Crimean war used to take his deposits in silver to the bank in a wheelbarrow, has been turned into a bank. It stands at the north-east corner of Bay and King. The late Goldwin Smith's "Grange" has been turned into an Art Gallery. The house built in 1822 by Sir William Campbell, then Chief Justice, at the corner of Frederick and Duke, survives as part of a horse-nail factory.

### TOUCHING THE THIMBLE.

There was a time when that useful protective covering for industrious fingers, the thimble—which dates from 1684—was very costly. Indeed, only well-to-do women could afford to wear one. Afterwards, however, they were made of lead and other common metals, and to-day you can get quite a serviceable article for one cent. The Dutch finger-hat (finger-hood) became in England the "thumb bell," from its bell-like shape. It was originally worn on the thumb to parry the thrust of the needle pointing through the stuff, and not, as at present, to impel it. All the world over the thimble is a symbol of industry. The gift of one to a little girl is taken as a hint that she should learn to sew, or that her clothing needs mending. Fashion in thimbles is very luxurious in the East. Wealthy Chinese ladies have thimbles carved out of mother-of-pearl, and sometimes the top is a single precious stone.

Paris, as all the world knows, leads in fashions, and it is estimated that in France 940,000 women and 75,000 men earn their living by supplying the latest modes.

The largest railway station in the world, so far as acreage goes, is the Southern Railway Station, Vienna, which covers close upon 100 acres.

## BONDS PAYING 6% INTEREST

The First Mortgage Bonds of Price Bros. & Company at their present price pay 6 per cent interest. The security they offer is first mortgage on 6,000 square miles of pulp and timber lands scattered throughout the Province of Quebec. The timber is insured with Lloyds of England against loss from fire. The earnings at present are sufficient to pay bond interest twice over, and when the mill now in course of construction is in operation, earnings will be enormously increased. These bonds can be quickly converted into cash, as there is a ready market for them.

From standpoints of interest return and security, these bonds constitute an investment of exceptionally high order. There is every reason to believe these bonds will considerably increase in value.

We will be glad to send you literature further describing these bonds.

**ROYAL SECURITIES**  
BANK OF MONTREAL BUILDING . . . YONGE AND QUEEN STREETS  
TORONTO  
R. M. WHITE  
Manager  
MONTREAL-QUEBEC-HALIFAX-OTTAWA  
LONDON (ENG.)