

Central Guardian

SHOP from Holman's Catalogue.

MR. McFADYEN'S GAELIC song brought a storm of applause last year. President McFadyen will favor us again at Burns' Anniversary this year.

A FEW ladies' wash blouses long sleeves. Very special \$1.00. Prowse Bros., Ltd. 7338-21-1M31.

MEETING OF KIRVAN SANGERS. Meeting postponed until further notice. 7332-11.

LADIES' POIRET TWILL, flannel and jersey dresses at half price and 15.00. Prowse Bros., Ltd. 7338-21-1M31.

BALANCE OF OUR Ladies' coats to clear at half price and 3.00. Prowse Bros., Ltd. 7338-21-1M31.

HAMPTON CIRCUIT.—The Rev. Geo. F. Sears will conduct services in the United churches at Bonshaw, 11 a.m.; Hampton, 3 p.m.; Victoria, 7 p.m.

AT HOME.—Mrs. J. F. McLeod will be at home Friday, January 22nd from 4 to 6 o'clock at 83 Upper Prince Street. 7341-21-21.

LADIES' FLANNELETTE Nightgowns, long sleeves. Very special \$1.00. Prowse Bros., Ltd. 7338-21-1M31.

DICTIONARIES.—Any reader of the Guardian wanting a new (and handy) Dictionary will have to hurry as there is only a few more on hand.

SHOULD AULD ACQUAINTANCE BE FORGOTTEN? not with an Auld Lang Syne Calendar in the house. Free with your new or renewal subscription.

THREE CHOICES.—A DeLuxe Housewife Receipt and Calendar, the Farmers Guide and Calendar and the Auld Lang Syne calendar one with each new or renewal.

SINKING FAST.—The Guardian supply of calendars are going very fast, do not leave it until it is too late. Renew today and get your choice of three nice calendars.

THE FARMERS GUIDE AND CALENDAR will be found very useful in the caring of live stock as well as for a diary of events. Free with a new or renewal subscription.

Ordination Service Of Rev. C. C. Rand

Rev. C. C. Rand of Chapeau Ordained Priest in All Saint's Cathedral Halifax.

On the 4th Sunday in Advent the Archbishop of Nova Scotia, held a double ordination at the Cathedral in Halifax, making one deacon and raising two deacons to the priesthood.

The Processional hymn which opened the service was "On Jordan's Banks." The ordination sermon was delivered by the Rev. H. W. Cunningham, rector of St. George's and chairman of the Board of Examiners for the Archbishop. He took as his text "Philippians IV, 3: I entreat thee true to the yoke." He sketched the application of the text as exemplified by St. Paul, and the great Apostle's idea of the ministry as being under the yoke of Christ. Mr. Cunningham also explained the origin of the three orders, and spoke of the necessity of the Church of God today. He claimed that the Church of England had not departed from the Apostolic ministry as founded by Christ, and also said that the people should esteem the ministry and its work. He concluded his remarks with a touching address to the three candidates.

The names of the candidates are Mr. P. R. Holborow, Ship Harbor, deacon; Rev. C. C. Rand, Prince Edward Island, and Rev. R. J. Ross-Evansford of New Waterford.

The choral service was in keeping with the solemn event and it was a particularly impressive and inspiring moment when His Grace completed the ceremony of the laying of the hands in which he was assisted by the clergy present. With His Grace were Very Rev. Dean Loyal, Rev. Canon Morris (chaplain), President Moore, Rev. H. W. Cunningham and Canon Harris. (Church Work)

John Fitzgerald father of Dr. P. Bernard Fitzgerald died at his home at 15 Richmond Street Sunday afternoon January 10th at the age of 69 years. Eating his dinner with the family in apparent good health, he lay down at 2 o'clock, saying that he felt tired. Shortly afterwards it was noticed that his breathing was labored, a doctor was immediately called, but could do nothing. Death came very peacefully at 5:45 P. M., shortly after the last rites of the Church had been administered.

Mr. Fitzgerald was born at Kildare, Co. Dub., Ireland, and came to New Bedford about 35 years ago. For 10 years he was employed as night watchman at the New Bedford Copper works, and for the last twenty years has been Special Public Officer at Nashawena Mill.

He leaves a sorrowing wife nee Isabel McLeod, formerly of Long River, P. E. I., two sons J. Wheeler assistant Sales Manager of The Canadian Export Paper Co., Montreal, and Dr. P. Bernard Fitzgerald of this city, two daughters Sister Hevler of the Sisters of Mercy, Fall River, and Emily A. at home, also a sister Mrs. Christy Walsh of Windsor, Ont. Burial takes place in St. Mary's

Reman Catholic Cemetery on Wednesday January 13th.

IN MEMORIAM JOHN FITZGERALD DIES SUDDENLY OF HEART FAILURE.

(New Bedford Times)

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WILLIAM KENNY

The Christmas joys of many friends and relatives of Mr. William Kenny, Murell, were overcast with gloom when they learned of his death on Christmas Eve. The late Mr. Kenny was born in St. Catharines, Ontario, and was an exceptionally active man until about five years ago when he had

IMMENSE PROFIT POSSIBILITIES IN HAMBURG 4 1/2% BONDS

In the year 1919 the City of Hamburg (Germany), floated a loan. This loan was known as the Hamburg 4 1/2% State Loan of 1919—Series B—the Bonds forming part of this loan are the securities which possess possibilities of earning profits up to 32,000% on the capital amount invested today.

Hamburg 4 1/2% Bonds represent a direct obligation of the City of Hamburg just as City of Montreal Bonds or City of Winnipeg Bonds represent a direct obligation of the City of Montreal or the City of Winnipeg. In Germany, City of Hamburg Bonds are legal investments for trust funds and savings bank; in short: the prime type of security.

Canadian Municipal or City Bonds are payable, that is, they are bought, sold and redeemed with Canadian Money; likewise German Municipal or City Bonds are payable in German Money i.e., marks. The Paper Mark, or what is known as such, having no value, it might be thought that the Bonds which are payable in that money or currency are also without value. It is not so, however. Hamburg 4 1/2% Bonds are not only worth hundreds of dollars in cold cash today, but they will be worth much more in the future.

We can best judge by comparison. Take for example: City of Toronto Bonds, a \$100 City of Toronto Bond today is worth \$100.00, perhaps more, in Canadian Money; Canadian Money consists of Notes issued by the Canadian Government; every \$1.00 Note is theoretically worth \$1.00 in Gold. Supposing, however, the Canadian Government was to print many millions of Dollar Bills without at the same time increasing the Gold Reserve; it is obvious that if there was no real demand for the new Currency Notes or Dollar Bills, there would be no means of securing the necessary Gold Reserve—what would happen? Simply this: those Notes or Bills which were already in circulation would lose some of their value since the newer Notes would share in the theoretical disbursement of what was in Reserve.

Inflation Defined.—The process of issuing Currency Notes without adding to Gold Reserve is known as Inflation, i.e., the Money becomes inflated. To return to our supposition: if this process of inflation were continued for very long, Canadians would soon lose all sense of the actual Gold Value of their Currency and it would be found necessary to measure its value with the value of some Currency that was sound, i.e., worth its Face Value in Gold. During the Great War such a currency was the United States Dollar.

If the inflation process should continue until 1 Canadian Dollar (\$1.00) was worth only 25 Cents (25%) in American Money and conversely 1 American Dollar (\$1.00) would be worth 4 Canadian Dollars (\$4.00), it can thus be seen that a City of Toronto Bond of a Par or Face Value of \$1.00 could be bought for 25 American Dollars (\$25.00).

If we will further suppose that a period of a few years elapses between the date on which it would take 100 American Dollars (\$100.00) as well as 100 Canadian Dollars (\$100.00) to buy a \$100 City of Toronto Bond, and the date on which it required only 25 American Dollars (\$25.00), while it still required 100 Canadian Dollars (\$100.00) to purchase the same Bond we will have a good idea of the situation in German Municipal Bonds today.

When the City of Toronto calls its Bonds for Redemption, which we suppose the City will do at the end of the two-year period, it is obvious that if the bond holders are offered Canadian Dollars that are worth only one-quarter (1/4) of their Face Value in Gold when the Bonds were issued, a great injustice will be done them. Moreover, it is extremely unlikely that the bondholders would accept depreciated Paper Money in payment of their charges on the City of Toronto.

Situation in Germany.—That is just what happened in Germany after the Great War. Wealth invested in Government and Municipal securities was literally wiped almost out of existence by the Inflation of German Money. Our example of a City of Toronto Bond that supposedly loses three-quarters (3/4) of its Face Value is almost farcical in comparison with the losses in Gold Values which took place in German Government and Municipal Bonds.

A classical indication of the extent of the Depreciation in Gold Values resultant upon the Inflation of German Money is furnished by the fact that 1000-Mark Bonds were never traded in alone: Bonds were dealt in that aggregated millions of Marks. A Bond transaction that involved \$238,000.00 would have attracted some attention before the War, yet in 1923, The Investment House of C. M. Cordasco & Company, sold many millions of Marks in German Government Bonds for a few tens of dollars—before the War the same transactions would have involved millions of Dollars.

The greatest example of Currency Inflation that the world has ever known, took

place in Germany during the years that followed the War. In fact, the Gold Value of the German Mark depreciated from January 1st, 1919, to November 29th, 1923, to such an extent that the Mark ceased to function as a Currency and it was necessary to introduce a new Currency.

New German Money.—The new monetary unit is known as the Reichsmark or more commonly the Mark (this sameness of name has led to endless confusion), and it has today a Gold Value of 23.8 cents as had the old Mark prior to the War.

At the beginning of 1919, 1,000,000 Marks in German Currency had an approximate Gold Value of \$122,000.00, just prior to the adoption of the new monetary unit in November, 1923, the Gold Value of 1,000,000 Marks in German Currency was an infinitesimal fraction of a Cent—in fact, the depreciation had been so great that German Marks were traded in trillions, one trillion (1,000,000,000,000) Marks having a Gold Value of about 24 Cents.

In spite of the tremendous decrease in the Gold Value of German Currency, German Government Bonds, State, Federal and Municipal issues retained considerable Gold Value in comparison. True enough, their Gold Value was ridiculous by comparison with normal Gold Values (German Government 5% Bonds worth \$238,000.00 before the Great War, could be bought for \$10.00 or less during the latter months of 1923), but nevertheless, the great faith of the bondholders that ultimately Gold Marks would be paid where Gold Marks had been received, kept prices up.

Prices of German Government Bonds reached their lowest levels at the height of the Inflation period. At that time (in the Fall of 1923), The Investment House of C. M. Cordasco & Company, strongly advised Canadian investors to buy selected German Government and Municipal Bonds.

The outlook at that time, however, was one of extreme gloom. All of Europe was in a chaotic condition. Inflation had been taking place in many countries. Confidence was at a low ebb, The problem of reparations was hanging fire over the heads of the German people. Many lost faith in the ultimate recovery of Europe to anything approaching pre-war conditions.

The Dawes-Young Plan.—Then came the Dawes-Young Plan and the Financial Commissions; uncertainties were removed. The road to future prosperity was laid open. Confidence returned. Hope sprang anew in the breasts of the German people. They agreed to shoulder the Reparations burden. The wheels of industry began to turn once more.

Reflecting the new confidence in the future German Government and Municipal Bonds made spectacular rises. Many issues jumped hundreds of dollars overnight. The table following illustrates graphically the extent of the first great rise, and gives at the same time an indication of the extent of the previous declines:

Table with columns: Bonds, All quotations per 1,000-Mark Unit, Fall of 1921, Fall of 1923, Fall of 1924. Rows include Berlin 4s, Bremen 4s, Coblenz 4s, Cologne 4s, Dresden 4s, Essen 4s, Frankfurt 4s, Leipzig 4 1/2s, Munich 4s, Stuttgart 4s, Govt. War Loans 5s.

At what was believed to be the top of the first rise, The Investment House of C. M. Cordasco & Company advised its clients to sell their holdings of German Bonds and take their profits.

During the months that followed prices of German Government Bonds held steady around their recently reached levels. At that time the pressure of the Bondholders on the Government to have service resumed, i.e., payment of principal and interest (which had been temporarily suspended), on Federal, State and Municipal Bonds, began to be felt.

An election was only a few months off. Both political parties promised a careful consideration of the demands of the bondholders.

Revaluation Explained.—When Germany had accepted the terms of the Dawes Plan, there was no provision made for the redemption of her own Government, State and Municipal obligations—thousands upon thousands had lost their fortunes during the Inflation period; their Bonds had become well-nigh worthless. The recovery of German industry and finance from the date of the acceptance of the Dawes Plan was so rapid, however, that her nationals perceived that there would be a surplus remaining after the Annuity Payments prescribed by the Dawes Plan and the demand for compensation from the Government on account of losses sustained through the depreciation

in the Gold Value of Government securities became incessant.

This compensation was necessarily partial. The Government could not afford to resume service on the full Gold Value of German Bonds. The measure of compensation, accordingly, took the form of Revaluation Government Bonds were to be revalued, that is, an agreed upon Rate of Valuation would be made; this Rate would apply on the normal or original Gold Values of the various Bonds. To illustrate: 10% Revaluation of War Loan Bonds meant 10% of 1,000,000 Marks, each Mark worth 23.8 Cents or 10% of the total \$238,000.00 which would be \$23,800.00—in Germany, of course, the Revaluation was expressed in so many Gold Marks for so many Marks Par Value of Bonds.

The Election took place. The Nationalist Party which had promised 15% Revaluation to bondholders came into power. It must be understood that 15% Revaluation meant that the Government would pay Bondholders 15% of the Gold Value of their holdings. In the case of German Government 5% Bonds aggregating 1,000,000 Marks, mentioned heretofore, which were worth \$238,000.00 in 1914, 15% meant a Gold Value of 150,000 Gold Marks, or \$35,700.00.

The Revaluation Law.—A few months after the election a Revaluation Bill was submitted to the German Reichstag (Parliament). This Bill promised only 5% Revaluation and later the rate was still further reduced to 2 1/2%. On July 15th, the Bill was made a law and the first step in the way of honorable settlement of her national obligations was taken by Germany.

When it became known that only 2 1/2% of the Gold Value of German Government Bonds could be expected for the present, the market which had discounted (i.e., risen to or reflected) a much higher figure, fell sharply. The table below indicates the extent of the reaction:

Table with columns: Bonds, All Quotations per 1,000-Mark Unit, Fall of 1924, Fall of 1925. Rows include Berlin 4s, Bremen 4s, Coblenz 4s, Cologne 4s, Dresden 4s, Essen 4s, Frankfurt 4s, Leipzig 4 1/2s, Munich 4s, Stuttgart 4s, Govt. War Loans 5s.

A secondary reaction followed and prices moved still lower. Just prior to and immediately after the Locarno Conference, however, a vigorous recovery set in and all issues are moving into higher ground.

During the course of the events depicted above Hamburg 4 1/2% Bonds of 1919 followed the course of the market. As the Loan was issued in 1919 when 1,000,000 Marks had a Gold Value of approximately \$122,000.00 City of Hamburg 4 1/2% Bonds aggregating (i.e., denominations making up) a Unit of 1,000,000 Marks had a Gold Value of approximately \$122,000.00. In the Fall of 1923, however, the aforementioned Unit had fallen to \$6.50, and at the time of the first rise, reached \$1,500.00. Today a 1,000,000 Marks Unit in Hamburg 4 1/2% Bonds may be bought for as small a sum as the \$420.00.

The Revaluation Law compensating holders of Hamburg 4 1/2% Bonds to the extent of not less than 2 1/2% of the Gold Value of their holdings places an approximate Gold Value of \$3,050.00 on every 1,000.

TABLE SHOWING PROFIT OPPORTUNITIES in the purchase of City of Hamburg 4 1/2% Bonds of 1919

Table with columns: Par Value of Bonds, Present Price, Revalued at 2 1/2%, Revalued at 5%, Gold Values. Rows include 100,000 Marks, 200,000 Marks, 300,000 Marks, 400,000 Marks, 500,000 Marks, 1,000,000 Marks, 2,000,000 Marks, 5,000,000 Marks.

Don't let today's opportunities be tomorrow's regrets. Send your order in now, and watch the Foreign Exchange Bulletin (sent, without charge, to our clients) for future developments.

THE INVESTMENT HOUSE OF C. M. CORDASCO & COMPANY FOREIGN EXCHANGE

FOREIGN MONEY FOREIGN BONDS MARCIL TRUST BUILDING—280 ST. JAMES STREET MONTREAL, CANADA

Form for ordering bonds: I enclose herewith {cash, accepted cheque, money order} for \$..... in full payment for the purchase from you of..... Marks of City of Hamburg 4 1/2% Bonds (State Loan of 1919 Series B) which you are to forward me by registered mail.

000 Mark Unit, or on every investment of \$420.00, made in Hamburg 4 1/2% Bonds today. Every \$420.00 invested today can, therefore, earn a profit of \$2,630.00, and this is only the first step.

Many Cities in Germany are reported to have made an initial Revaluation of their Bonds at as much as 10%, 15% and even 25%. We believe that the City of Hamburg will increase the rate of Revaluation to 5% before long. The financial condition of the Municipal Government has shown great improvement during the past months.

When the City of Hamburg increases the Revaluation rate applying on the estimated Gold Value of these Bonds—approximately \$122,000.00 per 1,000,000 Mark Unit, every \$420.00 invested today will earn a profit of \$5,680.00 at 5% Revaluation; at 10% the profit will amount to \$11,360.00 for every \$420.00 invested today.

We believe that eventually, City of Hamburg Bonds will be Redeemed at their normal Gold Value or 100%, and the far-sighted investor can accordingly expect that ultimately he will obtain the estimated Gold Value of \$122,000.00 for every 1,000,000 Marks Unit in City of Hamburg 4 1/2% Bonds or for every \$420.00 invested today.

Wealth of Hamburg.—The present population of the City of Hamburg is close to a million and a half and is steadily increasing. The City of Hamburg is the greatest seaport in Germany. The City does not rely solely upon its commerce and shipping for prosperity. It has its own industrial plants such as railroad shops, ship yards, iron and boiler works, refiners, cotton mills, printing and dyeing plants, and many others.

Official figures from English sources state that the shipping and trade of Hamburg has been increasing by leaps and bounds, and that the Government shipbuilding industry in the past year has made great strides towards regaining its former place.

The wealth of Hamburg and its citizens is a common by-word in Germany. It has been created, maintained and increased in centuries.

Immovable assets maintain a high standard of value whether expressed in Marks, Dollars, or any other currency. In fact, the largest portion of its wealth having been created in gold value, the proportionate appraisal of the assets of the free city and free state of Hamburg in paper Marks, must today be infinitely higher than the total Hebt.

The foregoing information concerning the City of Hamburg whose 4 1/2% Bonds we now offer to our clients has been gathered from reliable sources. Reports from our own correspondents abroad inform us that there is practically no unemployment in the city at the present time and it may be called one of the most highly developed industrial municipalities of Germany.

Apart from the foregoing considerations we are of the opinion that Hamburg 4 1/2% Bonds are selling for below their intrinsic market value. Other municipal Bonds issued in 1919 are selling anywhere from \$1,000.00 to \$3,000.00 per million mark unit as compared with \$420.00 for Hamburg 4 1/2% Bonds. They are only beginning to right their position and consequently the coming months will undoubtedly witness sensational advances in the price of Hamburg 4 1/2% Bonds.

The table which is appended below makes clear the profit possibilities in City of Hamburg 4 1/2% Bonds. We cannot stress too greatly the necessity for immediate action. Present prices shown in the table, cover every expense. Bonds are delivered by registered and insured mail.

Advertisement for Rexall Dyspepsia Tablets, including text like 'Promptly relieve the worst forms of indigestion, flatulence and dyspepsia' and 'A Trial Will Convince You of Their Merit'.

Advertisement for MacKinnon Drug Co. with address 'The Rexall, P.O. Box 219, KODAK STORE 332'.