

Stock Markets Show Easy Undertone---C.P.R. Down in N. Y.

TORONTO MARKET ON DOWN GRADE AGAIN

C. P. R. Was Weak in New York Exchange and Brazilian Followed Suit Here.

INVESTMENTS ARE FIRM

Trust Company Stocks Were in Demand--Talk of Further Dividend Increases.

Financial sentiment was further affected yesterday by the war news and the practical certainty that hostilities had not been renewed merely for effect. Cables early in the day characterized as entirely too sanguine the stories that the resumption of the war would mean an early signing of peace, and with another long drawn-out campaign in sight, the stock markets were easily depressed. The most significant development of the day was the fact that values held their own so well. A tightening up of money here was also not without its effect.

In the Toronto market a measure of weakness was shown by practically all of the active issues. C.P.R. was particularly prominent, the early downturn in the London exchange being carried further both here and in New York. In Wall Street the shares were quoted as low as 23 1/2 at one period, a decline of 1 1/2 points for the day, and a full 4 1/2 under the close of last week. This security naturally bears the brunt of any apprehension occasioned by the action of the European markets.

Lowest in Two Weeks.
Brazilian dropped back to 9 3/4 here, a net loss of 3/4 points for the day, and the close was just a shade better than that, leaving a decline of 1 1/2 points in the two days. The shares were at their lowest in over two weeks. Other stocks to show an easier trend were Spanish River, Toke, Duluth Superior, Maple Leaf, Cannery, and B. C. Packers. Of these Packers, common and preferred, Spanish and Duluth Superior lost over a point apiece. The decline in Packers was the most significant, amounting as it did to another 2 points to 22 1/2, its highest since last August. It is expected that the institution will do something for its shareholders soon, a new stock issue or an increased dividend being expected. Dominion falling to 23 1/2, Imperial was lower, reaching 220, Ontario Loan sold at 172, a gain of 5 points on the previous sale, and a new high record in its history. Anticipations of the company following the example of other trust and loan concerns and increasing its dividends were responsible for the movement. Canada Landed sold at 170, a gain of 5 points on the higher dividend rate.

WHY AND WHEREFORE OF DECLINE IN C. P. R.

Sales Against New Stock Issue Carried Price Down Again in New York.

C.P.R. was the weakest spot in the New York market yesterday, the shares dropping nearly two points at 23 1/2, a full 4 1/2 points under the close last week. The decline was due to apprehension over the international situation, owing to the resumption of hostilities in the Balkans, and to liquidation by holders who were not in a position to finance subscriptions for the new stock issue. On account of the stringency in the money market considerable difficulty along this line is expected and anticipations of lower prices for the shares are based on that fact. A New York wire yesterday stated that traders were talking 230 for the stock.

RESIGNS PRESIDENCY.

S. H. Ewing has resigned from the presidency of the Toronto Mortgage Investments Company.

Money Tightens Again

One effect of the resumption of hostilities in the Balkans has been a tightening up in the money situation in Toronto. A week or so ago the banks loosened their purse strings somewhat and brokers hoped the worst of the stringency had passed. During the last few days there has been some calling of loans again, and the situation has become consequently more acute than ever. The present feeling of uneasiness in the stock market may be attributed largely to that account.

"If the Balkan war had been concluded, as seemed likely a fortnight ago, money would have worked considerably easier here," was the information given out by a prominent banking official yesterday. "As it is conditions will likely remain about as they are until the skies clear."

ONLY ROUTINE AT TOR. RY. ANNUAL

Gratifying Increase Shown in Earnings--Better Things to Come, Says Manager.

As anticipated, nothing beyond the routine business transpired at the Toronto Railway annual meeting yesterday afternoon. The financial statement reported the gross earnings for the year as \$5,448,050.36, and the net earnings \$2,581,500.24, compared with \$2,198,179.56 in 1911. Out of the net earnings was deducted the sum of \$2,012,637.57, distributed as follows: Dividends and interest, \$1,070,538.81; percentage of earnings paid to city, \$798,955.66; pavement charges, \$90,053; general taxes, \$52,137.

The percentage of operating cost was 53.4 per cent. of the passenger earnings, a decrease of 1.8 per cent. as compared with 1911. The amount paid to the City of Toronto was 14.6 per cent. or \$119,816 more than in 1911. The company carried 135,785-573 passengers in 1912, or 14,738,729 more than in 1911.

The Toronto and York Radial Railway Company reported gross earnings of \$492,222.85, an increase of 3.75 per cent. over the previous year.

COTTON MARKET IS DEVOTED OF FEATURE

Erickson Perkins & Co., (J. G. Beatty) wired: Today's market was void of feature. A slight improvement occurred, but the volume of trading was the smallest for the year. Sentiment continues bearish, on the small spot demand and favorable new crop prospects, but bear interests do not seem willing to take an aggressive position. We are inclined to follow rallies under present conditions.

EXPECT WAR WILL BE ENDED SOON

Erickson Perkins & Co., wired J. G. Beatty: The various political considerations here and abroad, make for caution. It is doubtful if formal announcement of the Union Southern Pacific plan would have any considerable effect on prices. Sudden surrender by Turkey would help sentiment for a time, but there is no surrender in sight. It may be delayed for many days, but both sides are seriously short of cash and it would appear that they cannot hold out long.

RAISED THE DIVIDEND.

Crown Life Assurance Company directors have increased the dividend on the company's stock from 6 to 7 per cent. as a result of the biggest year in the company's history. New business amounted to \$4,006,020, an increase of \$1,293,920, or 47 per cent.

STOCKS SOLD OFF ON LIGHT TRADING

Unfavorable Reports of Copper Trade Conditions Exercised Depressing Effect.

BEARS STILL CAUTIOUS

Hesitancy Shown in Putting Out Short Leases--Can Dividends Be Deferred.

NEW YORK, Feb. 5.—Quotations of stocks drifted downwards today, in much the same deliberate way as on the previous days of the week. Sentiment was more bearish, and also there were no developments of sufficient moment to bring about a decided change in market conditions. Such new influences as were brought to bear helped to spread pessimistic feeling.

Disappointment at the failure of American Can directors to take action on the back dividend on the preferred stock, legal obstructions in the way of concluding the subway negotiations, and unfavorable reports of conditions in the copper trade were responsible for declines in the stocks directly concerned, and the heaviness in these shares spread to the general list, although the railroad stocks for a time resisted the movement. But bear traders, although professing increased confidence, did not put their faith to the test by venturing upon heavy operations.

The amount of business continued small, and the movement among the shares being sold on the market was narrow. Some of the specialties and a few of the high-grade railroad stocks at times were lowered a point or more, giving the market as a whole a heavy tone.

Break in Coppers.
The copper group was the weak feature, these shares being sold on the break in the metal market in London and reports of unsettled conditions in the home market. Consumers were said to be holding back pending publication this week of the copper producers' monthly statement. It was predicted that the statement would show a further gain in stocks on hand. Pennsylvania was under pressure, and in this connection were revived reports which were denied recently, that a large issue of new stock was contemplated. Declaration of a 5 per cent. quarterly dividend on American Tobacco, with 15 per cent. extra on the stock to recover its loss of over 3 points.

NEW STOCK ISSUE WAS VOTED DOWN

COBALT, Feb. 5.—(Special).—In spite of general expectations the annual meeting of the City of Cobalt this afternoon proved most harmonious. Frank Cody and H. H. Lang, the Toronto directors, who were regarded as rebellious, were movers and seconders of the motions approving the new stock issue. The board is J. H. Black, who takes the place of H. H. Lang.

The bylaw to increase the capital stock of the company was voted down. The bylaw authorizing the directors if they thought fit, to borrow as high as \$100,000 with which to install a concentrator was approved. Another bylaw which authorizes the directors to enter into negotiations for the sale of the mine was passed.

This bylaw allows the directors to open up negotiations for a sale and to give an option if they think fit, but any sale or option has to be ratified by the shareholders before becoming valid.

No New Stock Issue

J. M. Smith of the Brazilian Traction, Light & Power Co. last evening gave an absolute denial to the rumors that the company intended to make a new issue of stock.

ENGLISH CAPITAL IN THE COBALT DISTRICT

Practical confirmation of the report published in The World to the effect that a deal was well under way for the purchase of control of the Peterson Lake Silver Cobalt Mining Company, Limited, was afforded yesterday afternoon, and the shares of the company rose to a new high record at 27 in the stock markets in anticipation of the closing of the transaction. It is known that several parties have been endeavoring to clean up a number of big blocks of the stock of late. In this connection it is hinted that interests closely allied to the control have made offers considerably above the market for blocks of 20,000 and 25,000 shares. If the company passes to English capital, as it is believed it will, the transaction will mark the absolute confidence which has been shown in the company by the market for blocks of 20,000 and 25,000 shares. The range in Peterson Lake shares is as follows:

Up to 1909	Low
Year 1910	29 1/2
Year 1911	17 1/2
Year 1912	32 1/2
Year 1913 to date	27 1/2

SICK MARKET AT MONTREAL

C. P. R.'s Weakness Communicated Itself to General List--Rally in Brazilian.

MONTREAL, Feb. 5.—Local stocks inclined to heaviness today, and most of the issues at the close of the market showed net losses ranging from small fractions to about one point. The general factors in the situation remained unchanged, the market with spasmodic efforts here and there to follow its own spirit of optimism, yielding to outside influence, which continue to hold the financial centres of the world in check.

Of immediate influence here was a lower range of quotations for C.P.R., which was adversely affected in London by continental selling, and later in New York by the generally bearish sentiment of that market. The stock continued dull on the decline here. In the morning it touched a new low of 237 for the movement, and closed in the afternoon only slightly better at 237 1/2 bid, 237 3/4 asked. The rights were weak at 16.

Brazilian gave a fairly good account of itself, after opening 1-2 lower at 97 1/2, the price worked up to 97 3/4 in the morning and 98 in the afternoon, closing finally 1-8 lower on the day.

Montreal Power was affected by general market conditions, and declined about 1 point to 125, while Shawinigan in sympathy closed 1-2 lower at 142 1-2. Detroit opened strong at 80 1-2, but likewise yielded to general conditions, and opening price proved the best of the day. Conspicuously weak was Packers' common, which, after making a point to 151 in the morning, was offered at 152 1-4 at the close.

"WASH SALES" WILL NOT BE TOLERATED

Governors of New York Stock Exchange Prescribe Penalties For Practice.

NEW YORK, Feb. 5.—(Can. Press).—The New York Stock Exchange this afternoon adopted a stringent resolution against "wash sales." The action followed closely the introduction in the state legislature today of bills recommending stock exchange reforms as outlined in the governor's recent message. The board of governors of the exchange adopted the following resolutions:

"No member of the stock exchange or anybody connected with a stock exchange firm shall give or with knowledge execute orders for the purchase or sale of securities which involve no change in ownership."

Punishment for this offence is already set forth in the constitution of the exchange under the head of "fictitious transactions."

Any violation of the rule makes a member liable to suspension for a period not exceeding one year.

The rule as now adopted, is broader in the sense that it applies not only to a member of the exchange, but to anyone connected with a stock exchange or firm.

Financial Statement OF THE MUTUAL LIFE OF CANADA

HEAD OFFICE - WATERLOO, ONT.
For the Year Ended 31st December, 1912

CASH ACCOUNT	
Income.	Disbursements.
Net Ledger Assets, 31st December, 1911.....	Death Claims.....\$440,453 85
Premiums (Net).....2,692,199 27	Matured Endowments.....212,530 67
Interest and Rent.....1,007,311 31	Surplus.....277,831 29
Suspense, Account, etc.....1,054 48	Annuities.....9,403 62
	Expenses, Taxes, etc.....1,275,836 44
	Balance Net Ledger Assets, 31st December, 1912.....19,110,538 71
\$21,002,252 84	\$21,002,252 84

BALANCE SHEET	
Assets.	Liabilities.
Mortgages.....\$11,051,716 34	Reserve, 3 1-2 p. c. and 3 p. c.....\$16,161,753 81
Debentures and Bonds.....5,058,058 98	Reserve on lapsed policies on which surrender values are claimable.....5,294 99
Loans on Policies.....2,516,639 88	Death Claims adjusted.....67,860 07
Premium Obligations.....10,523 08	Matured Endowments unadjusted.....4,586 01
Real Estate.....229,351 59	Present value of amounts not yet due on matured instalment policies.....114,217 31
Cash in Banks.....280,961 83	Dividends due Policyholders.....8,247 48
Cash at Head Office.....2,151 01	Deferred Dividends.....19,670 79
Due and Deferred Premiums (net).....433,711 10	Premiums and Interest paid in advance.....17,043 84
Interest due and accrued.....488,236 01	Taxes due and accrued.....18,605 01
	Due for medical fees and sundry accounts.....15,003 81
	Credit Ledger Balances.....38,884 97
	Surplus, 31st December, 1912.....3,600,755 80
\$20,071,344 80	\$20,071,344 80

Audited and found correct, J. M. SCULLY, F.C.A., Auditor.
Waterloo, January, 28, 1913.

New business (Canadian) written in 1912.....\$11,121,424	Increase over 1911.....\$1,094,400
Assurance in force, December 31, 1912.....77,021,144	Increase over 1911.....6,900,210
Assets, December 31, 1912.....20,071,345	Increase over 1911.....1,809,406
Surplus, Government standard, Dec. 31, 1912.....4,388,361	Increase over 1911.....705,210
Surplus earned in 1912.....888,875	Increase over 1911.....326,818
Surplus earnings for the year amounted to 31.16 per cent. of premiums received.	

MILLS, MILLS & TAYLOR, General Agents, 307 Lumsden Building, Toronto.

LONDON MARKET IS IN NERVOUS MOOD

Uncertainty of Near East Situation Reflected in Capel Court--Consols Shade Lower.

LONDON, Feb. 5.—Except for moderate improvements in home rails and Chinese bonds, the stock market today was dull and drooping, owing to the uncertainty of the Near East situation. The absence of continental support accentuated the dullness in the afternoon, when copper shares became weak. Consols, in which the settlement was concluded, declined a sixteenth.

American securities were quiet and featureless during the forenoon, but later New York selling depressed prices and made the closing easy. Southern Pacific shares were steady. Money and discount rates were steady.

The Canadian Mortgage Investment Company.
The annual statement of the Canadian Mortgage Investment Company for the year 1912, submitted at the annual meeting held yesterday, showed a large increase in profits and a volume of business greatly exceeding that of any former year.

The net profits amounted to \$103,531, exclusive of the unappropriated profit brought forward from the previous year. After distributing \$48,884 in dividends and transferring \$54,647 to reserve fund, the sum of \$103,531 was carried forward to the credit of profit and loss account.

The business of the company is steadily expanding, and it could have employed during the year, the report states, a largely increased capital.

The paid-up capital now stands at \$1,200,000, the reserve fund at \$250,000, and the company has debenture capital to the extent of \$827,000.

The board of the company is one of noticeable strength, and it is constituted as follows: Messrs. S. G. Beatty, L. A. Hamilton, D. B. Hanna, Joseph Henderson, Hon. Wallace Nesbitt, K.C., H. S. Osler, K.C., and F. W. G. Fitzgerald.

Mr. L. A. Hamilton and H. S. Osler were elected president and vice-president respectively, for the year.

Messrs. Price, Waterhouse & Co., chartered accountants, were appointed auditors of the company.

Ah, Yes! Our Happy Home - - - By George McManus

