

with United Steel Corporation on subject mentioned." Mr. Thomas Cantley, of the Nova Scotia Steel Company, wires: "Have not been approached by United States Steel Corporation."

Senator Curry telegraphs The Monetary Times as follows: "The United States Steel Company have not approached our company, directly or indirectly, with a view to absorbing any of our companies."

Mr. J. H. Plummer has not yet replied to the inquiry of The Monetary Times, but it is generally understood that the plans of the syndicate have been laid before him and before other leaders in the steel industry in Canada.

The scheme has been taken up by a powerful group of United States capitalists, and they are now actively at work on it. The Morgan firm is understood to have named the price at which it would underwrite the bond issue. The projected capitalization of this merger is \$1,100,000,000, divided, it is understood, into \$200,000,000 bonds, \$500,000,000 preferred and \$400,000,000 common stock. Whether or not it will be actually consummated, is another story.

ACTIVITY ON MONTREAL STOCK EXCHANGE

Most of the Stocks are Inclined to Rise—Causes of Some of the Movements

Monetary Times Office,
Montreal, January 8th.

The Montreal stock markets are experiencing somewhat unexpected activity. The movement started with Richelieu and Ontario towards the end of the year, this stock advancing from around 110 or 111 to 117 in a few days, and then to 118 or 119, around which prices it has held. Afterwards, Montreal Power began rising, and from around 225 quickly ran up to 230. Later, the rise being continued, Power made 236 and then ran up a couple of points. Meantime, Shawinigan was playing its part, advancing from 137 to 148. Brazilian did not lag behind and from 88 and 89 ran up to above 90 and then made 95, and is now 98 to 99. Ottawa Power rose from 170 to 180, and during the past few days has made practically 190. Detroit, which not long ago was around 70, is now close to 80, and Laurentide has had an eight-point advance to 230. Tuckett's, Canadian Cottons and Textile have had their turn for a few points, and Tram Power has experienced a rise, while Tramways has gone out of sight, probably on account of scarcity of stock rather than on its merits. McDonald, National Brick and Wayagamack have all advanced, as has practically every stock of any general interest.

Interesting as are these occurrences, they are not more interesting than the stories which are prevalent in brokerage circles regarding the cause of the movements.

Power and Shawinigan.

Take the case of Power, for instance, and Shawinigan, both of which stocks have already advanced more than ten points. No definite statements have been heard in connection with these stocks other than that they are going higher and that this advance will be more than justified by the news which will shortly be announced in connection with the financial reorganization of Cedar Rapids. It may be remembered that this latter power was secured a few years ago by Mr. D. Lorne McGibbon who later sold control to Montreal Light, Heat and Power and the Shawinigan Water and Power Company interests. Last week, a meeting of the company was held at which the shareholders authorized the directors to proceed to increase the authorized bond issue to \$15,000,000 from the previous \$10,000,000. Only about \$1,500,000 of these bonds have been issued so far, the common stock issue being possibly \$8,000,000. A trust company is engaged in preparing an announcement of the rights of shareholders of Montreal Light, Heat and Power and of Shawinigan Water and Power to subscribe to the new issue.

As for Brazilian, it is claimed that an active buying movement has developed in London and that a number of large buying orders have already been filled here. Also, it is said Toronto interests are buying. Ottawa Power has become prominent with an advance of about 20 points. Buying by insiders is still in progress, and it is expected that in a few days, the remaining ten points separating the market from 200 will be crossed. One broker predicts 225. These predictions are given for what they are worth. Something of importance is taking place in Ottawa Power and an official announcement will shortly be made.

Detroit and Laurentide.

The cause of strength in Detroit is that an increased dividend is anticipated. Brazilian is a 6% stock and being a public utility with earnings said to be considerably more than enough to pay the dividend, expectations of higher prices need not be explained.

Laurentide may have a further rise on the strength of the water-power situation as well as on account of the improved position of the company as a result of the removal of the prohibition against the export of pulpwood from its limits. Also, the announcement is made that the Laurentide Company has secured ownership and the power rights of the Canada Iron Corporation in the St. Maurice River, thus placing itself in a position to develop 80,000 horse-power instead of the 50,000 horse-power previously anticipated. It is assumed that when the company gets ready to finance the project, rights of some character will be forthcoming to shareholders.

It is thought that the earnings of Tuckett's amply justify the declaration of a dividend. Or, to put the matter more accurately, should the earnings continue at their present rate, a dividend will be justified during the summer.

Cottons and Textile.

Canadian Cottons is said to be in line for a further increase in price, owing to liberal earnings. Although no dividends are being paid on the common stock of the company, it is said that not less than 8% is being earned, and as the stock is quoted around 35, it is considered that an advance is justified on the outlook.

Dominion Textile has always been a heavy stock to move, so that its slight advance in the recent movement is not at all surprising. Two textile garment manufacturing concerns are also active—Tooke's and Converter's. The latter is paying 4% and is selling under 50, while Tooke's is not on a dividend basis but is selling at a little short of 60. It is claimed that the latter will go on a dividend basis next spring, the earnings being enough to justify this. As for Converters, there is every reason to think that it will shortly receive an increased dividend, the earnings of the company being at least twice the amount required to pay the present 4%. Accordingly, it is expected that the price of both stocks will advance.

A number of other stocks could be mentioned, of which it may be said that the future holds out good prospects and that by the end of the present year, all being well, they will be selling at more than at present.

ROYAL BANK'S REPORT

Previous mention has been made in The Monetary Times of the report of the Royal Bank of Canada for the year ended November 30th, 1912. The report and statement were presented to the shareholders of this institution at the annual meeting at Montreal on Thursday. They indicated substantial growth of the bank in all directions. The net profits for the eleven months ended November were \$1,527,324. The sum of \$7,432,617, which was available for distribution, was appropriated as follows: Dividends, \$943,585.97; transferred to officers' pension fund, \$75,000; written off bank premises account, \$300,000; transferred to reserve fund, \$5,503,812, and balance of profit and loss account carried forward, \$610,219.36. The reserve fund now totals \$12,560,000, being \$1,000,000 greater than paid-up capital.

The directors reported the purchase of the business of the Bank of British Honduras, Belize, B.H., on advantageous terms. This bank had a capital of \$100,000, surplus of \$80,000, and deposits of approximately \$400,000.

The full report of the meeting of the Royal Bank appears on other pages, and is well worthy of perusal. The bank again made excellent progress last year.

PERSONAL NOTES

Mr. C. E. Gault has been elected a member of the governing committee of the Montreal Stock Exchange.

Mr. E. L. Jarvis, of St. John, N.B., has been appointed general agent of the Anglo-American, Montreal-Canada Fire Insurance Companies for the Maritime Provinces.

Mr. H. B. MacDougall has been elected vice-chairman of the Montreal Stock Exchange in place of Mr. C. S. Garland, who has transferred his seat to Mr. Chester W. Root of the firm of Messrs. C. Simpson Garland and Company.

Mr. W. R. Brock has been elected honorary president and chairman of the board of directors of the Canadian General Electric Company, and Mr. F. Nicholls has been elected president to fill the vacancy created by Mr. Brock's election to the honorary presidency.

Mr. Joseph Hopkinson, who for the past three years has been with the firm of Webb, Read and Hegan, Winnipeg, and previous to that for six years with the firm of Murgatroyd, Shuttleworth and Haworth, England, has opened offices at 405 Nanton Building, Winnipeg, where he will practice as a chartered accountant.