

NEW YORK MARKET HAS MONEY PINCH

Losses Run From Two to Ten Points, Bears Showing Aggressiveness.

CALL RATES SOARING

New York, Feb. 25.—Cumulative signs that the deflation of credits is assuming wide dimensions and that industrial conditions are being readjusted to meet this situation provoked another outburst of liquidation on the stock exchange today.

Shares of all descriptions and several of the bond issues floated by this government during the war added materially to their recent depreciation. Among stocks losses extended from 2 to 10 points, the decline being substantially assisted by bearish aggressiveness.

The brunt of the movement was again borne by mercantile issues, embracing the steel, equipment, motor, oil and shipping divisions, but dormant or obscure issues also suffered severe shrinkage.

Dealings presented a greater diversity of offerings than usual, suggesting an enforced selling from various quarters. Scarcely a stock was without a sharp operation in price, but that group offered more resistance than any other issues. Final quotations were slightly above lowest levels, but the tone at the close was weak. Sales amounted to 1,200,000 shares.

The local money market reflected in its incipient stage the change in the monetary situation. Call loans opened at seven per cent, rising steadily to 10 per cent just before the close. This compares with the six per cent. quotation which ruled during the past fortnight.

Directors of the local federal reserve bank announced an advance in the rate of loans and discounts on treasury certificates from 4 1/2 to 5 per cent. Such action had been foreshadowed by the Central Bank in Philadelphia. Other rates were not altered, contrary to expectations.

In the bond market, which was heavy throughout, the feature was Liberty 3 1/2's, which fell to 94.30, a new low record, and an extreme decline of 1 1/2 per cent. from yesterday's minimum. Total sales (per value) were \$14,250,000.

Old U. S. bonds were unchanged on call.

INT. PETROL ERRATIC ON NEW YORK CURB

New York, Feb. 25.—Selling developed on a moderate scale during the last two hours on the curb this afternoon, and the close was irregular and weak. Shorts were bold in putting out lines of stock, and there were small bullish news factors. Asphalt was off two points, at 78 1/2, while Safety Razor declined to 20 1/2. The most checked movement of any stock was that in International Petroleum, which dropped from 60 to 55, and rallied to 62, only to react to 55. Simmer Petroleum was off a full point, while Salt Creek Producers was steady on the news of the signing by President Wilson of the oil lands leasing bill. Midwest Refining, on the other hand, reacted five points, to 148.

The mines were quiet, but firm.

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McKinnon Building, Toronto

BOARD OF TRADE

Manitoba Wheat (in Store Fort William).
No. 1 northern, \$2.80.
No. 2 northern, \$2.77.
No. 3 northern, \$2.75.
Manitoba Oats (in Store Fort William).
No. 2 C.W., 97 1/2c.
No. 3 C.W., 95 1/2c.
Extra No. 1 feed, 93 1/2c.
No. 1 feed, 92c.
No. 2 feed, 91 1/2c.
Manitoba Barley (in Store Fort William).
No. 2 C.W., \$1.71 1/2.
No. 4 C.W., \$1.40 1/2.
Rejected, \$1.31 1/2.
Feed, \$1.31 1/2.
American Corn (Track Toronto, Prompt Shipment).
No. 3 yellow, \$1.39 nominal.
No. 4 yellow, \$1.38 nominal.
Ontario Oats (According to Freight Outside).
No. 3 white, \$1 to \$1.02.
Ontario Wheat (F.O.B. Shipping Points, According to Freight).
No. 1 winter, per car lot, \$2 to \$2.01.
No. 2 winter, per car lot, \$1.98 to \$2.01.
No. 3 winter, per car lot, \$1.92 to \$1.93.
No. 1 spring, per car lot, \$2.02 to \$2.03.
No. 2 spring, per car lot, \$1.98 to \$2.01.
No. 3 spring, per car lot, \$1.95 to \$2.01.
Peas (According to Freight Outside).
No. 2, \$3.
Barley (According to Freight Outside).
Malting, \$1.75 to \$1.77.
Buckwheat (According to Freight Outside).
No. 2, \$1.55 to \$1.60.
Rye (According to Freight Outside).
No. 3, \$1.77 to \$1.80.
Manitoba Flour (Toronto).
Government standard, \$13.25.
Ontario Flour (in Bags, Prompt Shipment).
Government standard, \$10.50 to \$11 Montreal, \$11 in Toronto.
Freights, Bags Included).
Bran, per ton, \$45.
Shorts, per ton, \$52.
Good feed flour, per bag, \$3.60 to \$3.75.
Hay (Track, Toronto).
No. 1, per ton, \$27 to \$28.
Mixed, per ton, \$25.
Car lots, per ton, \$16 to \$17.
Farmers' Market.
Fall wheat—No. 2, nominal.
Spring wheat—No. 2, nominal.
Goose wheat—No. 3, nominal.
Barley—Feed, \$1.25.
Oats—\$1 to \$1.02 per bushel.
Hay—Timothy, \$26 to \$30 per ton.
Rye—According to sample, nominal.
Buckwheat—\$1.45 per bushel.

ON CHICAGO MARKET.

Hughes, Harcourt & Co., 307 Royal Bank Building, received the following wire at the close of the Chicago market yesterday:

Corn.—The removal of the 200,000-bushel limit on individual corn trade resulted in a substantial broadening of the market. Sentiment was somewhat mixed, and shorts were free buyers. The movement of corn is not regulated by the same, and the impression is quite general that receipts will not increase until transportation facilities assume more normal proportions. Uneven distribution of the crop is one of the features that the trade has to contend with. The east wants the corn, and cannot get it. General economic conditions are not in favor of the holder, and

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As executor appointed by will, the Company assumes its duties immediately upon the death of the testator. These duties comprise skilled attention to the formalities connected with the issue of Letters Probate, and with the payment of Succession Duty; and, where necessary, the prompt realization of assets by an organization of long training in the management of property. Finally the protection the Company gives as Executor consists in the distribution of the estate to the heirs impartially, in precise accord with the terms of the will.

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Capital Paid-up, \$1,500,000 Reserve, \$1,600,000
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JANUARY BANK STATEMENT

Ottawa, Ont., Feb. 25.—The bank statement for January, issued today, shows an increase in savings deposits and a decline in demand deposits. Current loans, both in and outside Canada, are higher. The principal figures are:

	Jan. 1920	Dec. 1919	Jan. 1919
Reserve fund	\$124,724,985	\$124,712,870	\$116,429,125
Note circulation	218,691,916	232,486,738	203,424,472
Demand deposit	621,408,024	703,332,204	633,919,410
Notice deposit	1,167,297,037	1,135,086,691	990,000,085
Deposit out Canada	285,202,839	275,342,845	263,115,737
Current coin	80,895,052	80,088,108	80,663,677
Dominion notes	181,018,056	172,964,172	196,323,477
Deposit C. G. R.	103,300,000	125,500,000	106,550,000
Call loans, Canada	132,045,334	125,888,760	87,568,427
Call loans, out	170,206,855	172,232,151	140,819,656
Current loans, Canada	1,236,362,063	1,207,109,046	1,080,440,861
Current loans, out	182,533,124	168,955,696	126,812,333
Total liabilities	2,644,392,538	2,706,715,918	2,356,774,539
Total assets	2,911,853,543	2,965,575,575	2,606,275,584

while there may eventually prove a dominating feature in the market, the current relative position of supply and demand, as presented in the domestic situation, is shaping the immediate course of values.

NEW YORK FUNDS EASIER.

The premium on New York funds in the Toronto market was lower yesterday, being quoted about 16 per cent, as compared with about 16 1/2 per cent. on Tuesday.

LIVERPOOL COTTON.

Liverpool, Feb. 25.—Cotton futures closed steady. February, 27.84; March, 27.89; April, 27.09; May, 26.46; June 25.99; July, 25.25; August, 24.65; Sept., 24.13; Oct., 23.46; Nov., 23.01; Dec., 22.51; Jan., 22.59.

INTERNATIONAL PETROL MAKING STOCK ISSUE

The International Petroleum directors announce the issue of 1,353,401 shares of \$5 each per value of common stock at the price of \$5 per share, payable in New York funds. The new issue is being made on the basis of share for share of the preferred and common stock now outstanding, and will be issued to shareholders of record March 5. At the present price of Petroleum common shares, this gives substantial rights to shareholders.

REPUBLIC IRON'S EARNINGS.

New York, Feb. 25.—The report of the Republic Iron & Steel Co. for 1919 shows earnings at the rate of \$1.43 a share on the common stock, as compared with \$2.22 earned in 1918.

STANDARD BANK TO INCREASE DIVIDEND

Largest Earnings in History Shown in Statement Presented at Annual Meeting.

SURVEY OF BUSINESS

The forty-fifth annual meeting of shareholders of the Standard Bank of Canada yesterday was well attended, and general satisfaction was expressed with the result of the past year's operations.

The president, Wellington Francis, K.C., who was in the chair, referred to the extremely favorable showing made by the bank, and intimated that, in his opinion, the increased earnings would warrant the directors considering an increase in the dividend paid from 13 to 14 per cent. per annum.

C. H. Easson, the general manager, reviewed the financial statement, which showed record business for the past twelve months, and an increase of nearly \$10,000,000 in total assets.

Uncertainty Ahead.

Dealing with the outlook in Canada, Mr. Easson said: "In so far as the future is concerned, there are certain factors in the situation which makes us somewhat apprehensive. The decline in the value of the pound sterling to approximately \$5.40, the Canadian market, and the ever-rising discount on Canadian funds in New York, create in the minds of all a distinct feeling of uneasiness. It would appear that the fall in value of the pound sterling must result in a very serious falling off in the exports of Canada and the United States to Great Britain and other foreign countries. With the decline in exports there must necessarily ensue a general let-up in business activity, followed possibly by a period of unemployment and general readjustment of business conditions.

"We do not look for any sudden reversal in conditions as the result of the exchange situation, owing to the fact that at this time in both the United States and Canada there are practically no surplus stocks of manufactured products, and until surplus stocks do accumulate, the effect of the exchange situation should not seriously be felt. In view of these facts, it appears to us that the part of wisdom for both the business man and the banker to prepare for less prosperous conditions. While we have great confidence in the future, so far as Canada is concerned, we believe that the practice of economy and thrift, together with steady and persistent effort to increase production, is more necessary than ever."

The following directors were elected: Wellington Francis, K.C., Herbert Langlois, W. F. Allen, F. W. Cowan, Thos. H. Wood, Jas. Hardy, T. B. Greening. At a subsequent meeting of the directors, Wellington Francis, K.C., was elected president and Herbert Langlois vice-president.

Great Expansion. Altho reference appeared in these columns a few days ago to the splendid showing the bank had made during its past fiscal year, the following summary of the statement will be of interest. The net profits were \$776,310, or 57.8 per cent in excess of last year. Total assets stand at \$39,405,405, quick assets at \$37,412,187, or over 46 per cent. of the liabilities to the public. Current loans have reached \$52,463,273, an increase over the previous year of \$5,889,400. Deposits from the public are \$74,019,025, an increase of 10 per cent, compared with a year ago.

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LARGER PROFITS are made possible for those who invest in gold mining properties of merit when they are in the early stages of development.

This is the case because at that time shares can usually be bought at a much lower figure than when the mine becomes an important producer. There is, of course, the element of risk in the initial proving-up of a property. On the other hand, when a property makes good the reward is usually large. Those who bought shares in the leading gold mines of Porcupine and Kirkland Lake in the early days made handsome profits. These properties were not looked upon with favor in some quarters. They had their critics. A noted engineer at one time condemned the Hollinger Consolidated, now the world's premier gold mine.

The geology of the gold areas of Northern Ontario seems to have been very much misunderstood in those days. Evidently it did not occur to the critics that the deposits showing on the surface originated probably many miles below the present surface of the earth, and that the veins went to great depth. In Porcupine development has been carried to a depth of 1,500 feet. These developments have demonstrated that ore bodies are wider and carry higher values in gold as depth is attained.

In the majority of mines in this district, a great deal of faulting has occurred. Veins exposed on the surface did not

continue in an uninterrupted course to depth. They were found to be broken off and thrown in one direction or another. Where this condition existed, it meant extensive exploration to pick up the veins again.

In the case of the Herrick property it is different. The vein exposed on the surface lay in practically a straight line. This indicated that it would in all probability be found to continue in its downward course without deviation. When preliminary development work was begun, a shaft was sunk 60 feet on this vein. It continued to widen as sinking progressed, and assays indicated that it carried ore of excellent commercial grade.

The next step was to test the ore at depth over its lateral extension of 1,000 feet to ascertain if it would be continuous to depth without faulting. The diamond drills were pointed to cut the vein at various depths down to 800 feet, having regard to the dip of the vein, as shown on the surface. The holes were put down according to these calculations and in every instance the ore was cut close to the desired point. This work seems to prove conclusively the existence of an ore shoot 1,000 feet long, 800 feet deep, averaging at the very least 10 feet in width. An ore shoot like this would contain about 600,000 tons of ore. At \$15 to the ton it would have a gold content of \$9,000,000. While it is not claimed that \$9,000,000 in gold exists in this ore shoot, it may be pointed

out that diamond drilling results strongly indicate this possibility. At all events the development is most significant and we feel justified in regarding the Herrick as a property of most exceptional promise.

It appears to us to be clearly proven that it is not a question of exploring for ore, but merely a matter of opening up a large vein at least 1,000 feet in length and known to exist to a depth of 800 feet. That it can be quickly developed appears quite evident.

Shaft-sinking, cross-cutting, drifting and general mining operations can be vigorously prosecuted as soon as the mining plant now being installed is ready for operation. This should be within a few weeks.

Within six months the Herrick should have a large tonnage of ore available to feed a good sized mill. The present offering of Herrick Shares, is at 40c a share. We regard this as a low price, when it is considered that the property has such excellent possibilities of becoming an important gold producer in a short time. This is a good time to secure some shares in this fine property. Only 100,000 shares are available at 40 cents. Orders should be forwarded to us promptly.

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