

YEAR'S TRADE

Merchandise Amount-While Exports 1,303,822

U. S.

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COTTON SITUATION MORE ENCOURAGING

The Market has Been Steadier and Prices Have Rallied Some 70 to 75 Points

CENSUS STATISTICS

These Figures Show That the Consumption of All Grades of Cotton Has Increased, Particularly Linters, Which is Being Used By Powder Manufacturers.

New York, July 22.—The weekly letter on the cotton situation issued by Messrs. E. & C. Randolph, brokers, of New York and Montreal, contains the following: The market has been steadier since the break to 1.75 for October contracts and prices have rallied some 70 to 75 points from the lowest during the past week. The Giles report indicating a deterioration of about 1.7 per cent. in the condition of the crop between June 25th and July 16th, no doubt contributed to this recovery which was also promoted by the dry weather in South Texas, the continued heavy spinners takings, and the relatively steady ruling of the spot markets. It is probable, however, that the strengthened technical position was the chief source of the rally, and such bullish sentiment as we have expressed in a market, where the majority of traders are still bearish, appears to be based more upon the price than upon anything in the immediate trade or crop situation.

The Census figures published on last Wednesday showed a continuance of great activity on the part of domestic manufacturers. The consumption of lint cotton for the month of June was 514,800 bales, compared with 446,145 last year, while the consumption of linters amounted to 54,683 bales, against 26,993 last year, making a total for the month of 569,483 bales, against 473,138 last year, and an aggregate of linters and linters for the eleven months of 5,450,347 bales and linters for the same period last year. A comparison this month equal to that reported for consumption this month equal to that reported for June would make a total for the season of about 6,000,000 bales, and at the present rate, domestic manufacturers would consume in the neighborhood of 6,750,000 bales per year.

The large consumption of linters doubtless represents the increased, and still increasing, activity of the powder manufacturers who are also supposed to be buying mill wasters on a very considerable scale, and both these materials are scarce with prices relatively high. It is reported that regular users of waste are finding it difficult to secure their supplies and the extraordinary demand promises to become still heavier if the war continues. It is considered probable, in fact, that users of such cotton may be forced into the market for spinning grades next season. Meanwhile, a great agitation is developing in the South for some modification of the Allied embargo on cotton shipments, which should be understood as intended only to prevent cotton from reaching Germany and Austria.

It is doubtful whether popular sentiment in either England or France would submit to any lifting of the blockade on shipments to these countries, but Great Britain shows a disposition to make a liberal allowance to shipments to make a liberal allowance for the increase in the trade of neutral mills, and it is probable that no obstacles will be interposed to shipments considerably in excess of normal requirements to neutral countries.

Indeed, there has already been some modification of the extremely pessimistic view which prevailed here earlier in the month with reference to the export outlet, and at no time has sentiment been more gloomy in this respect than it was last autumn, when many authorities were of the opinion that we would do well should we find a foreign market for more than 6,000,000 bales, whereas our actual exports for the season are now seen to be approximately 8,200,000 bales. This, of course, is another illustration of how trade in a necessity will persist in spite of obstacles and discouragements, and we think it highly probable that the amount of cotton actually destroyed or utilized beyond all further use this year, will equal or exceed any previous year in the history of the trade. There have doubtless been economies and fewer purchases to replace household or personal supplies, but there must have been tremendous wastes in the shape of army equipment or munitions.

According to a statement published within the past few days by the Department of Agriculture purchases of commercial fertilizers for the cotton crop of 1915 have been only 59 per cent. of last year's, the amount being estimated at 2,626,000 tons, against 4,331,000 last year. The reduction in the quantity of commercial fertilizers used does not measure the full extent of the loss and productive power as it has been much inferior in quality owing to the scarcity of potash. On the other hand, Southern farmers are reported to be using home produced fertilizers to an extent hitherto unknown, and it is still a matter of argument in trade circles as to whether the reduction in fertilizer this season will be as much a factor in this crop as it may be in the production of next year.

Weather conditions for the past two weeks have attracted little criticism except for the continued absence of rain in South Texas and notwithstanding the reports of deterioration for the first half of the present crop reporting period, the tendency has been to discount a favorable August Bureau. Nervousness over political conditions restrict speculative interest and while New England mills were better buyers for new crop shipment last week, the volume of forward business is still suggestive of a very general disposition to await developments. The carry-over from the last crop is proving much less burdensome than anticipated early in the season, but available supplies are so large that few seem inclined to anticipate their requirements while the weather news remains favorable. At the same time, cotton looks very cheap compared either with normal cost of production or with prevailing prices for other raw materials, and buyers on a scale down have not only the price, but the possibility of crop scares, or of favorable political developments, in their favor.

COTTON OPENED QUIET.

Liverpool Cotton, July 22.—Future opened quiet 2 1/2 to 3 points advance. At 2.30 market quiet. At 12.30 p.m. there was good business done in spots. Prices steady; middlings at 5.19d. Sales 12,000 bales; receipts, 2,000, including 600 American. Liverpool, July 22.—Futures dull, unchanged to 1/2 point advance. Sales 12,000 bales, including 1,100 American. July-Aug. 5.07 1/2; Oct.-Nov., 5.25 1/2; Jan.-Feb., 5.40 1/2; March-April, 5.50.



MR. CLARENCE I. DE SOLA, Belgian Consul at Montreal, who has been taking a prominent part in the celebration of the 85th anniversary of Belgian independence.

INTERESTING FIGURES ON CONSUMPTION OF COTTON

New York, July 22.—Rensselaer, Lyon & Co. give the following interesting figures on consumption of cotton:

Table with columns: Country, Normal mfg. without war, Probable mfg. with war. Lists countries like Great Britain, United States, Canada, Germany, etc.

LUMBER TRADE DEMORALIZED.

Chicago, Ill., July 22.—Lumbermen in the United States say that Government regulation of competition in their line is a necessity. R. H. Downman, of New Orleans, president of the National Lumber Manufacturers' Association, speaking before the Federal Trade Commission, described the situation as being one of demoralization for the last eight years, including at this time a condition of actual loss and a shameful waste of forest resources in the face of the necessity of providing employment for 695,000 men, upon whom are dependent 3,475,000 persons. These figures, he added, showed the lumber industry to be the third largest in the United States in the number employed.

BOSTON OPENED DULL.

Boston, Mass., July 22.—Market opened dull. American Zinc, 57; Lake Copper, 17 1/2; Cal. and Ariz. 4 1/2.

THE HIDE MARKET

New York, July 22.—There were no new developments in the hide situation yesterday. The inquiry from tanners regarding common dry hides was rather light, and no further sales are reported. Tanners do not seem inclined to meet the views of holders as to values. The market, however, apparently remains firm. Previous quotations were repeated.

Table with columns: Bid, Asked. Lists items like Orinoco, Laguaira, Puerto Cabello, Caracas, Maracaibo, etc.

MOND NICKEL HAD PROFITABLE YEAR

The Reconstruction of the Company Entailed new Financing Which was Successful

ASSETS IN CANADA

The Total Amount of the Company's Property in Canada Including Mines, Freehold Land, and Smelting Works Now Stands at \$1,827,000.

London, July 9.—(By mail.)—The first ordinary general meeting of the Mond Nickel Company, Limited, was held yesterday at the Hotel Windsor, Victoria Street, S.W., the Right Hon. Sir Alfred Mond, Bart. (chairman of the company) presiding.

The chairman, in moving the adoption of the report and accounts and the declaration of the dividends, said this was the first ordinary meeting of the new company. If they had not reconstructed the company last year he would be presenting the 10th annual balance-sheet of the original company. The fact that they had reconstructed the capital of the company, and necessarily also had to reconstruct the assets side, made it more difficult than usual to compare the figures with the previous year. With regard to the capital, the bulk of it was in accordance with the reconstruction sanctioned last year, but, like most companies of an industrial and progressive character, when the war broke out they found themselves in need of additional capital. It was, of course, a difficult matter for the directors to continue to finance their various concerns, and this was more, the case with this company, as they had informed the shareholders of their intention to issue fresh capital, which, for various technical reasons, they left over to a more convenient time in the autumn. The war came in between. He wanted to say how much they owed to their bankers in London, Parr's Bank, and their bankers in Canada, the Canadian Bank of Commerce, of which Sir Edmund Walker, one of his colleagues, was chairman, for assisting them with the greatest liberality during that difficult time. The board decided to endeavor to raise fresh capital immediately, and the first step they took was to issue some of the new Non-Cumulative Preference Shares which they had unissued. In doing this they made an appeal to the shareholders to help. As a matter of fact, experienced financiers informed him that they were amazed at the temerity of the board. No doubt they were still more surprised at the response which was obtained. He had to thank the shareholders, who at a time of great national crisis came forward and assisted them by subscribing £180,000 Non-Cumulative Preference Shares. Those shareholders had never since stood at a substantial premium. Of course, this money was used to issue the £500,000 six per cent redeemable debenture stock. The rate of interest might have struck people as being high, but he felt, as subsequent events had proved, that the rate of interest was bound to go up, and when they had the British Government appealing to the public on a basis of 4 1/2 per cent, he did not think they were extravagant in asking for money at 6 per cent. In fact, it was over-subscribed, and these two financial transactions put the company financially in a very much stronger position than it had been in for a long time.

The Company's Assets.

It might interest shareholders to know how much of the capital was invested in Canada and how much in this country. The total amount of property they had in Canada, including their mines, freehold land and smelting works now stood at £1,427,000, a very large increase over the previous year. In spite of this large increase he had no hesitation in saying that it was an extremely moderate capitalization of the extremely valuable properties they possessed. In this country the refining works stood at £567,000, as compared with £522,000 in the previous accounts. Their shares in associated companies stood at £161,000, against £89,000, showing a very considerable increase. The vast bulk of that sum was represented by a subsidiary company formed in Canada, to comply with the laws of Ontario, to obtain charters to develop water-power for the purposes of the mine and smelter. It was as much part of their ordinary business as any other, and it was merely to comply with the local conditions that the company was registered. A large amount of the increase in the item of shares in associated companies was in connection with the development of the water-power. The water-power was extremely valuable, producing electricity at a low rate. It had been a source of very great economy indeed to the company. In fact, unless they had developed the water-power, their profits would have been very seriously diminished. It worked smoothly, gave very little trouble, took very little labor and was very economical in upkeep. Their investments were practically of the nature of treasury bills and securities of that character. Stocks on hand were down by £12,000 but the stocks of raw material and unfinished products were very considerably up. As the business increased—and it had been increasing very considerably—the amount of stocks of all kinds was bound to increase with it. The sundry debtors were some £90,000 higher, and the cash in hand and in the bank was £134,000, as against £44,000 last year, showing that they were financially in a stronger position.

Result of the Year.

As far as the profit and loss account was concerned, they had brought forward £91,917 from last year. They had made a profit of £200,296, making a total of £392,000, an increase of £39,000 over last year. Some people had an idea that war time was particularly remunerative to manufacturers and that everybody who delivered goods to the Government was making very much enhanced profits. The board, however, had not thought it their duty to take advantage of the necessities of the nation to make extravagant profits out of what they served the country with. They had deliberately refrained from putting up the price of nickel supplied to the Government to anything like the price that other makers—not in this country—had done. At the same time, he wished to point out that the cost of production, of freight and of insurance and many other matters had risen very considerably and tended to diminish the profits. He wished to say in this connection that they had to be grateful to their staff, both in Canada and this country, for the way in which they had handled the various difficulties that had arisen. Their workmen had also very loyally stood by them. A large number of their men employed in Canada joined the Canadian contingent, and, as far as the English workspeople were concerned, out of 850 men they employed 248 were serving with the forces. That was a very high percentage, and he was sorry to say that six of these



HON. WALTER RUNCIMAN, President of the British Board of Trade. He assisted Lloyd George in the settlement of the Welsh coal strike.

LULL OCCURS IN CANADA'S HORSE TRADE FOR THE ARMY

Toronto, Ont., July 22.—Horses for the army continue to pour into Toronto from the southwestern United States. There is a pause in the operations of the Dominion Government, and the Imperial Government is not buying at all at the present time.

Practically all the allied Governments have made application to purchase army horses here in Canada, but so far this privilege has not been granted. The day may come when all Canada's available horses will be needed for Britain, but it would seem that where the cause is one it would make little difference which of the allied Governments secured those from Canada.

ELECTRIC BOAT COMMON.

New York, July 22.—The rise in Electric Boat Company to 230 was accompanied by reports that the company has received additional orders for fast motor boats.

It is said that the original order from the British Government for 500 boats has been superseded. The value of that order was placed at \$10,000,000, or a total of \$20,000,000 for the two orders.

gallant men had been killed, two of them going down in the "Good Hope." They had decided to invest their reserve in the new War Loan and had reduced the balance forward to a more useful but ample figure. As far as the business generally was concerned, it was in an extremely sound position. The reports of the general manager in Canada as to the development of the mining properties, as well as other operations, were of a highly satisfactory character. They were straining every nerve in this country in order to complete the increase of the refining works. Amongst the difficulties they had met with was that sulphate of copper was put on the prohibited list and licences had to be applied for to supply it to their French allies. Still, they had got over their difficulties and all their product was sold at a remunerative price. They had helped to keep the French wine industry alive, which was a very valuable thing as far as that country was concerned.

THE WEATHER MAP.

Washington, D.C., July 22.—Cotton Heavy showers in the Carolinas. Temp. 64 to 80; Precipitation 0.1 to 0.2. Winter Wheat—Clear; no precipitation. Temp. 69 to 78. American Northwest—Clear, light to moderate showers. Temp. 52 to 64; precipitation 0 to 0.18. Canadian Northwest—Scattered showers. Temp. 52 to 64. Precipitation 0 to 0.16.

WHEAT ACREAGE NOT DECREASED BY WAR

Ravages of Hostilities Have not had the Effect That was Generally Expected

SOME FIGURES LACKING

No Information Regarding Russia and Germany, but in Both Instances the Crops Under Cultivation Are Likely to Prove Larger.

Washington, D.C., July 22.—War's ravages apparently have not turned the European wheat fields to battlefields as extensively as generally was supposed, according to figures announced by the Department of Agriculture. No figures are available from Germany or Russia, but in Germany the acreage probably has been increased, and Russia's acreage probably is still the world's largest.

But in the countries of the Northern Hemisphere, where wheat ordinarily approximates 240,000,000 acres, eight show estimated plantings of 153,825,000 acres, against 143,652,000 acres last year. The conclusion is that despite the apparent billion-bushel crop in the United States, the farmers of other countries have been spurred into efforts to increase their own production.

Russia's area during the last few years has averaged 50,000,000 acres. The United States now comes second, with 59,417,000 acres, an increase of 11 per cent. over last year. British India has 32,148,000 acres, against 28,464,000 last year. France, 14,142,000 acres, not including wheat area in the region occupied by Germany, which in 1914 amounted to 860,170 acres, against 16,049,000 last year. Canada's acreage increased from 10,293,000 acres to 12,896,000; Italy has 12,528,000, an increase of 6.3 per cent.; Spain, 9,784,000, an increase of 1.1 per cent.; Hungary (proper) has 8,165,000, against 8,623,000 last year; Rumania, 4,805,000, against 5,218,000 last year. Denmark shows a slight decrease; Great Britain, 10 per cent. increase; Luxembourg, 7 per cent. increase; Switzerland, 10.1 per cent. increase; Japan, 1 per cent. decrease.

TEA MARKET FIRM.

New York, July 22.—The tea market continues firm and there is no inclination on the part of the holders to make concessions. The demand from the country is good, covering actual requirements the distributors being compelled to replenish stocks.

Black teas are especially strong, congenial being scarce and especially well held for the small available supply. India Ceylons are hard to obtain, there being no direct shipments, with the tea via London in small volume and sold before arrival. Spot holders are able to secure full prices for the same. Cables from Shanghai tell of the difficulty in getting steamer room, which checks the shipments of tea to the United States.

The Japanese lines are confining activities to their own cargo, and the withdrawal of steamers by the British Government, for transport curtail the tonnage available from English sources.

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