WEATHER: FAIR

The Journal of Commerce

THE BUSINESS MAN'S DAILY

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MONTREAL, FRIDAY, JULY 31, 1914.

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5 1-2% Debentures Due 1954
PRICE TO YIELD 5 3-8%
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TORONTO LONDON MONTREAL NEW YORK BOSTON

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COME TO AGREEMENT OVER HOME RULE BILL

Second Reading of Amending Bill Postponed and May Be Dropped Altogether, Says London Despatch.

(Special to The Journal of Commerce.)

London, July 31.—That an agreement has been reached in the Home Rule situation satisfactory to the Ulster Unionists was reported to-day in a despatch from Belfast.

Owing to the serious nature of the impending European war the second reading of the amending bill to the Home Rule measure has been postponed until the situation clears, but it is probable that it may be dropped altogether and that the Home Rule Bill will go on the statute book when Parliament is prorogued about August 15.

Bonar Law, leader of the Opposition, and Sir Edward Carson, the Ulster leader, held a conference privately with Premier Asquith yesterday with a request to postpone the amending Home Rule Bill so that the Unionists might consider their position.

NOT A STOCK EXCHANGE IN WORLD OPEN TODAY

Condition of Affairs That Is Without Precedent in the History of Finance.

FAILURES IN NEW YORK

Street Not Surprised that Failures Occurred but Were Surprised at the Firms that Went Under—Thousands on Wall Street.

(Exclusive Leased Wire to The Journal of Commerce.)

New York, July 31.—Not a stock exchange in the world remained open to-day; a condition that must go down in history as being without a precedent. There was but one commodity market open, that being the pit in Chicago, where grain trading was continued at an enormous pace.

The Stock Exchange here announced shortly before opening time that it had been decided to suspend sessions indefinitely as a result of the general world-wide financial unrest. Stock Exchanges in other cities quickly followed this lead, as Boston, Philadelphia, Baltimore, Washington, Pittsburg and other cities in the country wired that they had also decided to close their doors temporarily. Even the curb market here suspended business, although it had been thought that there might be carried on some outside trading. Such a step was precluded, however, in the Stock Exchange announcement that no deliveries could be made by its members while the institution remained closed.

London Closes, Too.

The London Stock Exchange, which had been nominally open, also closed its doors to-day. There had been no buyers in that market, which forced the adoption of plan to make no quotations except where stocks were actually wanted. The continental and other British exchanges that had not heretofore done so, also closed.

The Cotton Exchange here attempted to maintain a market, but a heavy slump and the failure of three cotton firms shortly after ten o'clock caused this body to suspend temporarily.

Conferences at the office of J. P. Morgan and Company which started last night were resumed this morning. There was also a hurried meeting of the governors of the Stock Exchange. Mr. Morgan later issued a statement (see page 5) which was regarded as most conservative. The failure of two Stock Exchange houses during the morning hours did not come as a surpise except as to identity. It was a foregone conclusion that the drastic declines of the past week were sufficient to materially weaken working capital, especially when the calls for margins were not promptly met.

The Two Failures.

S. H. P. Pell & Company, it was thought failed because of heavy cotton commitments. At the same time it was regarded as unusual for a house with such strong financial backing to go to the wall. Col. R. M. Thompson, a special partner in the firm, has always been regarded as a very rich man, his wealth being estimated in excess of $20,000,000. Eugene Scales, a heavy cotton trader, has for some time had an account in the Pell office.

Flower and Company had not been active of late years. In the days of the late Governor Roswell P. Flower, however, it was one of the most prominent in the Street, especially in its dealings in Brooklyn Rapid Transit. When Amalgamated Copper was brought out this firm was also active. There is no money panic, the Wall Street bankers declare, and with this assurance coupled with the treasury announcement of half a billion dollars ready for aid, there exists some reason for breathing a little freer, according to prominent bankers.

The financial district was crowded at the noon hour by persons attracted by the news that the Stock Exchange was closed. Thousands filled upper Wall Street and Broad Street. Despite the fact that no session was held in the curb market, the space alloted for the outside brokers presented a busy scene for there were several hundred clerks occupying the enclosure.

The 'put and call crowd," on New Street, just outside Stock Exchange court room, got busy after noon, although not much business was accomplished.

ALLEGE CONTEMPT OF COURT IN DUGAL CASE

F. B. Carvell Urges That St. John & Quebec Officials be Ordered to Produce Books or Suffer Consequences.

(Special Correspondence.)

St. John, N.B., July 31.—A. R. Gould, the chief figure in the Valley Railroad building, was on the stand in the Dugal charges inquiry this morning. Mr. Gould is president of the St. John and Quebec Railway Company, with head office in New-Brunswick, and an office in New York. The books were kept in the latter office. He did not have them with him. He denied issuing instructions not to have them sent here and said he had written for them when he had been subpoened to attend and bring the books.

Mr. Carvell, to the commission, said it looked as if it was time for the court to take some steps. This appeared to him a clear case of contempt of court. He asked the court to instruct Gould to produce the books at a certain date and if they were not produced then to proceed against Gould and all the other directors for contempt. Messrs. Teed and Fowler, counsel for Premier Flemming, said if they were witnesses in Mr. Gould's place they would not produce the books. Fowler asked what was behind it all, a suspicion of wrong doing?

Chairman McKeown --"And if there is no wrong doing, the simplest way is to bring the books and prove it."

RUN ON THE BANK OF ENGLAND.

London, July 31.—A run on the Bank of England has been started by note holders.

THIRTY-FIVE REPRESENTATIVE STOCKS DECLINE $185,000,000 IN 12 MONTHS

A Comparison Made Between Selling Prices of July 28, 1913, and July 28, 1914, Shows Tremendous Shrinkage in Market Value of Securities ---Chief Loss Shown By C.P.R.

Thirty-five representative stocks listed on the Montreal Exchange have declined over $185,000,000 during the past twelve months. A comparison made between the selling prices of July 28th, 1913 and of July 28th, 1914 shows this tremendous shrinkage in the market value of securities. It must be pointed out however that on Tuesday of this week, the local stock market was thrown into a panic as the result of the declaration of war by Austria-Hungary and stocks literally tumbled to new low levels. Since that time there has been a rally in such international stocks as C.P.R., while it is expected that on the reopening of the exchange next Tuesday, there will be a better tone all round.

The chief loss was sustained by Canadian Pacific which shows a shrinkage of $46 per share or a total loss of almost $120,000,000; Brazilian comes second in volume of loss with a decrease of over $26,000,000; then comes Dominion Steel Corporation with $9,900,000; Crown Reserve with slightly over $4,000,000; "Soo" with $3,000,000; Spanish River common with $2,000,000; Spanish River preferred $2,800,000; Toronto Street Railway, $2,700,000; Dominion Steel preferred with $1,500,000; Nova Scotia Steel $1,600,000; Ottawa Light Heat and Power, $1,100,000; Shawinigan $990,000, and so on down through the list to some of the smaller companies which show losses of but a few thousand dollars.

In contrast to this wholesale depression a few stocks are now selling at a higher level than they sold at a year ago. Among the bright spots are Canadian Consolidated Rubber Common and Preferred, Laurentide, Montreal Light Heat and Power, Montreal Tramways and Debentures, and Sherwin-Williams. The comparatively small gain made by these stocks does not begin to offset the tremendous shrinkage indicated by the following table amounting to $185,583,135. Although this shows a tremendous shrinkage, it is confidently expected that there will be a marked improvement as soon as conditions in Europe improve.

In taking the quotations, fractions are omitted.

STOCKS	Capital Issued	Clos'g Price July 28,'13	Clos'g Price July 28,'14	Number of Shares	Decrease per Share	Total Decrease
	$	$	$		$	$
Bell Telephone Co.	15,000,000	142.00	140.00	180,000	2.00	360,000
British Col. Packers Association	1,511,400	125.00	100.00	15,114	25.00	377,850
Brazilian T. L. & Power	104,500,000	84.00	59.00	1,045,000	25.00	26,125,000
Canadian Pacific Railway	260,000,000	217.00	171.00	2,600,000	46.00	119,600,000
Canada Car Foundry	3,975,000	63.00	48.00	39,750	15.00	596,250
Canada Car Foundry, Pfd.	7,000,000	108.00	98.00	70,000	....	700,000
Canadian Converters	1,733,500	40.00	34.00	17,335	6.00	104,010
Canadian Cottons Limited	2,715,000	35.00	25.00	27,155	10.00	271,550
Canada General Electric	8,000,000	104.50	92.00	80,000	12.00	960,000
Crown Reserve Mining Co.	1,999,957	3.15	1.10	1,999,957	2.05	4,099,878
Dominion Canners	2,157,004	65.50	31.00	21,570	34.00	733,380
Detroit United Railway	12,500,000	66.00	62.00	125,000	6.00	750,000
Dominion Bridge Co.	6,500,000	114.00	107.00	65,000	7.00	455,000
Dominion Iron & Steel, pfd.	7,000,000	94.00	72.00	70,000	22.00	1,540,000
Dominion Steel Corporation	38,000,000	45.50	20.00	380,000	25.00	9,500,000
Dominion Textile	5,000,000	78.00	64.00	50,000	14.00	700,000
Goodwins Limited	1,750,000	34.00	26.00	17,500	8.00	140,000
Hillcrest Collieries	1,000,000	35.00	24.00	10,000	11.00	110,000
Hillcrest Collieries, pfd.	705,700	80.00	72.00	7,057	8.00	56,450
MacDonald Co.	3,000,000	38.00	10.00	30,000	28.00	840,000
Mexican Light & Power Co.	13,585,000	55.00	46.00	135,850	9.00	1,221,050
Min. St. Paul & S. S. M.	25,200,300	126.00	114.00	252,003	12.00	3,024,030
Nova Scotia Steel & Coal	6,000,000	74.00	46.00	60,000	28.00	1,680,000
Nipissing Mines Co.	6,000,000	8.75	2.50	12,000	3.25	39,000
Ottawa L. H. & Power	2,784,400	152.00	120.00	34,844	32.00	1,115,000
Penmans, Limited	2,150,600	50.00	40.00	21,506	10.00	215,060
Porto Rico Railway L. & P. Co.	3,000,000	54.00	46.00	30,000	8.00	240,000
Quebec Ry L. H. & Power Co.	9,999,500	11.00	10.00	99,995	....	99,995
Rich. & Ont. Nav. Co.	10,000,000	103.00	77.00	10,025	26.00	260,650
Shawinigan Water & Power	11,000,000	119.50	111.00	123,750	8.00	990,000
Spanish River Co.	3,000,000	35.00	9.00	80,000	26.00	2,080,000
Spanish River Co., pfd.	3,000,000	85.00	35.00	57,000	50.00	2,850,000
Toronto Railway	10,974,600	137.50	111.00	120,000	26.00	2,720,000
Twin City Electric Railway	20,100,000	103.00	100.00	201,000	3.00	603,000
Winnipeg Electric Railway	9,000,000	185.00	180.00	90,000	5.00	450,000
						$185,583,135

5,200,000 MEN CALLED TO ARMS IN GERMANY

Yet German Officials Deny That This Action Means War With Russia

POPULACE EXCITED

Streets of Berlin Packed with Crowds Cheering the Kaiser and Emperor Francis Joseph—Socialists Still Maintain Opposition to War.

(Special to Journal of Commerce.)

London, July 31—To-day's events in the great European crisis left no hope that a great war involving all the nations of Europe can be averted. On the failure of the Russian government to make satisfactory reply to the ultimatum of the German Emperor that ruler decreed a state of war. Immediately this was promulgated the mobilization of Germany's army of 5,200,000 men and movements to the front was begun. The decree automatically established state of martial law throughout the Empire.

The railroads of the entire country were taken over by the military forces. Troops were rushed to the Russian and French borders Though denying that the Kaiser's decree meant war with Russia, government officials admitted that the situation was most grave. When asked if it indicated that a declaration of war against Russia might be expected, one attache of the foreign ocice said: "War is conceivable. Russia's partial mobilization meant that similar steps should be taken by Germany for defence. Something may be done to avert the worst, but the danger is acute."

Great crowds are parading the streets, cheering the Kaiser and Emperor Francis Joseph of Austria. The entire populace has been aroused to a high pitch of enthusiastic patriotism. The Socialists still maintain their protests against war.

EMPEROR DECREES STATE OF WAR.

Berlin, July 31.—Emperor William of Germany today decreed a state of war. Following official announcement was issued: "In conformity with paragraph 68 of the Constitution of the German Empire, Bavaria being excluded, the German Emperor has decreed a state of war. A similar decree for Bavaria will be issued."

GERMANY'S PREPARATIONS ACTIVE.

Berlin, July 31.—Article 78, under which the decree was issued provides: "When public safety in federal territory is menaced, the Emperor may decree any part of it to be in a state of war."

The decree also means that a state of martial law prevails throughout the Empire.

Railroads of the entire country have been taken over by the military forces.

Troops are being sent in force to Russian and French borders. Germany expects her mobilization to be followed with similar actions by both these countries.

With the forces of all the nations on a war footing, a general European conflict is pending.

Russian Ukase has called out more than 1,000,000 reserves.

DIPLOMATIC RELATIONS SEVERED.

Berlin, July 31.—Diplomatic relations between Russia and Austria Hungary have been severed, according to the Deutsche Tages Zeitung. This newspaper is generally well informed.

KAISER SIGNS DECREE.

Berlin July 31.—Before the decree was issued, the "Red" cards that tell all those subject to military call that a state of war prevails and calls upon the Kaiser's subjects to rally to the colors had been sent to every town in the Empire.

All preparations for mobilizing had been made before the meeting of the Imperial Council at Potsdam last night. Then the Imperial decree was drawn up and signed by the Kaiser to-day. The mobilization orders sent to each district in Germany provide that all those subject to military service should report.

PRESIDENT PESSIMISTIC.

Paris, July 31.—President Poincaire and his full cabinet held an extended session this afternoon. The War Minister made a complete report on the nation's readiness for war. The belief prevails here that Prince Henry's visit to St. Petersburg will fail and that war between Germany and Russia is certain.

ENGLISH ACTIVE.

London, July 31.—Comprehensive measures for defence were completed by the government this afternoon. Troops are now patrolling all exposed portions of British coast. Grain is rising rapidly in price. Chartering of vessels has practically ceased. Freight markets are paralyzed.

PREMIER ASQUITH'S STATEMENT.

London, July 31.—In the House of Commons to-day, Premier Asquith said that Russia had now proclaimed a general mobilization of both the army and navy, and that Germany had established martial law throughout the Empire in consequence.

GREAT BRITAIN COMPELLED TO ENTER.

London, July 31.—If efforts to restore peace fail, Great Britain will be compelled to enter European conflict with her full strength, according to a historical analysis of the country's present position, published in the Times to-day. Self preservation, it is urged, will make such action imperative.

GERMAN BANK IN TROUBLE.

London, July 31.—French Minister of Interior states: "We have received from Germany news for which we did not dare to hope.

"Financial position in Germany is very grave. Several banks are in difficulty, but the only serious failure is that of Norddeutsche Handels Bank. The German Imperial Bank Commission has ordered all branches to discontinue payment in gold, beyond 10 per cent. of drawings, and in no case more than £50 sterling.

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Collections Effected Promptly and at Reasonable Rates

EMPRESS OF ASIA CHARTERED

C. P. R. Steamer Empress of Asia in Hong Kong Chartered by British Admiralty.

The steamer Empress of Asia now in Hong Kong, has been chartered by the British Admiralty, according to a statement given out by a high official of the C. P. R. to-day.

HOLD "LA PROVENCE."

New York, July 31.—It is reported that the French liner Provence has been ordered held by the French Government for conversion into an auxiliary cruiser.

NO REPLY TO KAISER YET.

Austria's declaration of war against Russia expected to-day. Official notification of mobilization of Russian army sent to Germany and Austria, with comment that it was too late to stop. Specific reply to Kaisers' ultimatum not yet received.

MOBILIZATION EXPECTED.

Berlin, July 31.—Announcement of mobilization of the German Army of 5,200,000 men is momentarily expected as a result of Russia's action of the "partial mobilization" of her forces.

MUST STAY IN LONDON.

London, July 31.—All members of the Cabinet have been notified not to leave London. Another extraordinary meeting of the Cabinet will be held shortly. King George has cancelled his visit to Cowes.

REPORT FIERCE BATTLE.

Vienna, July 31.—A Semiln despatch reports fierce battle in darkness early to-day at the bridge over the Save river. An Austrian aeroplane flew over Servian position, lighting it up with a searchlight, and Austrian machine guns made creadful havoc in the ranks of the Servians, who fled in disorder.