

THURSDAY MORNING THE TORONTO WORLD JANUARY 16 1913

European News More Favorable---Recovery in Stock Markets

RESTRICTED RECOVERY IN TORONTO MARKET

Canadian Securities Adopted a Buoyant Tone, But Relapsed Into Dulness on the Rise.

SPECIALTIES WERE LOWER

Liquidation Was Still Under Way in Certain Issues—Investment Buying More Pronounced.

With Wall street in a much more favorable frame of mind and London less pessimistic regarding the outlook for peace in the Balkans, it was only natural yesterday to look for a recovery from the recent setback in the Toronto stock market. Co-incidental with the improved trend, however, the list relapsed into comparative dulness, so that the trading movement showed none of the initiative in evidence during the preceding few sessions. Even Brazilian moved along pretty much in a rut, and the transactions in this issue involved less than 500 shares, compared with nearly two thousand on Tuesday.

While the general disposition was toward higher levels, and the majority of the generally active stocks made up a portion of their losses earlier in the week, it was still apparent that the market had by no means gotten away from the liquidation movement, also, evidenced on some of the specialties indicated. General Electric, for instance, moved down to a lower price, the shares being quoted at 113-1/2, a loss of over a point, and a new record for the year to date. Toronto Paper, Interlake preferred and Dominion Canners all recorded declines, the latter ex-hibiting at 77, being equivalent to 83. Mackay lost nearly a point at 85, but was fractionally better than that at the close.

Brazilian in Lead. Under the lead of Brazilian a substantial upward swing developed in the general list. Toronto Rails gained half a point, and several of the preferred stocks also bettered their position on the incoming of investment buying. Brazilian sold up 1-3/8 to 96-3/4, and at the close showed a recovery of 1-1/4 points over Tuesday's final quotation.

A medium of investment purchases were made during the day, and the demand of this nature was reflected by rising prices. Canada Permanent rose 1-1/2 to a new record since last October, and some of the banks were a shade improved. Standard, in particular, showed a strong undertone, with sales up to 225.

UPS AND DOWNS IN THE SILVER MARKET

The remarkable improvement in the silver metal market during the last few years is plainly evident from the record of prices in London shown in the following table:

	High.	Low.	Range.	Average.
1912	29 11-16	25 4-16	4 9-16	25 1-32
1911	26 1/2	22 11-16	3 7-16	24 19-32
1910	25 1/2	22 1-16	3 1-16	23 11-16
1909	24 1/2	21 1-16	3 1-16	23 11-16
1908	27 1/2	24 1-16	3 1-16	25 1-16
1907	28 7-16	24 1-16	4 3-16	26 1-16

THREE POINT RISE IN CANADIAN PACIFIC

C.P.R. scored a sharp advance in all markets yesterday, reports that Europe was buying the shares inspiring a much improved tone. In New York the stock was quoted ex-rights up to 243-1/8, equivalent to 261-1/8, evidencing a net gain of 3 points for the day.

BANKERS MAY MAKE FAVORABLE REPORT

Ericksen Perkins & Co. (J. G. Beatty) wired: The late recovery was accompanied by a report that International Bankers tomorrow would make an announcement regarding the Balkan situation of a more or less favorable character. No details were obtainable. Wall street suspected the authenticity of the report, because the foreign bourses appeared to have no intimation of anything occurring.

MACDONALD SHARES TO BE LISTED SOON

Macdonald shares scored a sharp rally on the curb yesterday, rising to \$1. a gain of about a point under a sustained buying demand inspired by the report that the stock would be listed later in the month. Officials connected with the company stated that they could not set a specific date, but that application would be made to list the security both on the Toronto and Montreal exchanges very shortly.

NEW YORK EXPORTS GOLD.

NEW YORK, Jan. 15.—Two million dollars in gold was shipped here for shipment to Europe today.

BOND MARKET SHOWS IMPROVED TREND

Substantial Gains Over Recent Decline Manifested in New York—Investment Buying.

Leading low-priced bond issues on the New York board have substantially recovered from the depression sympathetic with the stock market decline last month. In mid-December these low-priced bonds made their bottom quotations for the year, and the high returns which they yield at such a depressed level naturally attracted considerable investment buying. The result has been a two to three per cent. rally all around.

COST OF LIVING WAS LOWER LAST MONTH

Uncle Sam Had Some Relief From Recent Soaring Commodity Prices—Turn For Better.

Uncle Sam obtained a slight relief from the rising cost of his living last month, the continuous advance in the index number of the cost of living was checked in June, 1912, without a single break, giving way to a small decline.

CAN. PACIFIC WAS STRONGER IN LONDON

Capel Court Less Pessimistic Over the Balkan Crisis—Marconi Shares Were Weak Again.

LONDON, Jan. 15.—Money was in good demand today and discount rates were firm on the gold exports. Dealers on the stock exchange were less pessimistic over the continental political situation and bid stocks generally higher. Continental purchases assisting in making the firmer undertone. Berlin was a good buyer of Canadian Pacific, but consols only hardened a sixteenth, while Marconi shares were weak.

AUTO COMPANY CUTS A BIG "MELON"

NEW YORK, Jan. 15.—The H. H. Franklin Manufacturing Co. of Syracuse, makers of the Franklin automobile, has increased its capitalization from \$200,000 to \$1,000,000, and has declared a stock dividend at the rate of 200 per cent. On the new stock issue \$600,000 is 7 per cent. cumulative preferred, and the balance common.

PLANS TO PROHIBIT ALL SPECULATION

WASHINGTON, Jan. 15.—Senator Cummins today introduced a bill imposing a tax of 10 per cent. on all stock exchange and board of trade transactions wherein a seller disposes of products not owned by him. The measure is intended to make trading in futures on agricultural products prohibitive.

DOMINION BANK HAD RECORD YEAR

Unexampled Prosperity of Canada Clearly Shown by Expansion of Financial Institutions.

That Canada enjoyed unexampled prosperity last year is being clearly evidenced by the remarkable expansion made by the banking institutions. Several of the largest of these have issued their annual reports in the last month or so, and the substantial increases in earnings which they have shown have demonstrated, as possibly nothing else could, the progress of the Dominion.

The annual report of the Dominion Bank, issued yesterday, showed that the institution, in 1912, had quite the most successful year in its history. The net profits amounted to \$90,529, or at the rate of 18.23 per cent. and evidenced a gain of \$108,000 over the previous year. The highest previous percentage of net profit was in 1906, when 17.97 per cent. was earned.

DECLINE IN STOCKS IS CHECKED AT NEW YORK

Market Was Unsteady, However, Until Late in Afternoon, When Fair Strength Developed.

EUROPE WAS A GOLD BUYER

Determined Support Given During Periods of Weakness—Politics Are Still Big Factor.

NEW YORK, Jan. 15.—By comparison with the two previous days of pronounced weakness, the stock market gave a better account of itself today, but it nevertheless continued to reflect the disordered state of speculative sentiment. The market was nervous and irregular with contradictory movements among various issues.

Various forces operated to check the decline. There were evidences of determined support during periods of weakness which restricted operations on the short side. The position of the European markets was another favorable influence, and purchases of stocks are the heaviest in some time. It was estimated that Europe bought 4000 to 5000 shares, London taking chiefly Steel and Union Pacific and Amalgamated. Traders with heavy commitments on the short side showed some uneasiness and covering operations were carried on extensively, particularly in the afternoon.

STOCKS SHOW FIRMNESS IN MONTREAL DEALINGS

Steadiness of C. P. R. Encouraged List and Small Gains Were General—Rise in Lake of Woods.

MONTREAL, Jan. 15.—There was a more cheerful feeling today and local stocks displayed a firmer tone. Apart from Montreal Power, however, the changes were a lessening of the pressure on the greater part of the day remained in a waiting attitude. In the afternoon business ruled slightly more active and a special feature developed in a sudden demand for Lake of the Woods common, which sent the price above 20 points up to 141-3/4, with the close at 141-1/2. The stock was generally closed at or near their best.

Power, which led the market in the afternoon, was practically inactive. A broken lot sold in the afternoon at 243. Closing quotations were 243-1/4 asked, 243 bid, representing a gain of about 1-1/2 points over the new issue sold between 1-3/8 and 1-1/2, and closed 18 bid.

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During the year the bank's deposits increased by \$5,500,000, its circulation by \$600,000, and its total assets by \$9,000,000. The latter stood at \$79,224,680 on Dec. 31 last. The cash assets amounted to approximately \$1,600,000, or 25.33 per cent. of the liabilities to the public, and the assets immediately available were \$29,341,840, or 43.88 per cent. of the liabilities.

Cobalt Has Come Back

One of the signs of the times just now is the remarkable expansion of public interest in the mining markets, particularly with reference to the Cobalt mining stocks. It is doubtful if there has been at any time in the last two years a public participation in the day-to-day dealings which will rival that at present in effect, and this is due to a number of factors. The truth of the matter is that a good deal of investment buying has come into play. A few years ago the public lost faith in Cobalt, and when the Porcupine gold camp loomed up on the horizon all attention was diverted from the silver to the gold issues. Now Cobalt is coming back with a vengeance, and the public is buying and selling its securities one and two years ago are buying them back again. Meanwhile the mines are being made, in the camp, and thus the movement in the market is being amply justified.

UPWARD MOVEMENT IS CARRIED FURTHER

New High Records Reached in the Mining Market—Traders Bidding Actively For Stocks.

PUBLIC INTEREST GROWING

Trading Broadens Considerably and Values Are Raised Easily—Hollinger and Vipond Low.

New high records were recorded on several of the Cobalt issues in the mining markets yesterday, a continuation of the recent upbidding of prices being under way through the session. The speculative movement was more active, over a hundred thousand shares of stock being traded in on the Standard Exchange alone, thus evidencing the improved tendency.

It has become quite evident of late that the public are taking a more active interest in the actions of the mining list, and the remarkable expansion in the day-to-day trading must be set down as due to that factor. Many of the Cobalt securities, which a year ago were ruling in the five-and-ten-cent class, have been given a new lease of life and with a sustained demand in evidence on every rise, it would seem that the market is rapidly coming into its own again. The upward movement of the last two months has been the most outstanding swing in years, and since there appears to be no diminution in the buying demand, it seems highly probable that the improvement will prove a lasting one.

The upward turn yesterday embraced several issues. Peterson Lake rose to 24-3/4, a new high record in years. Chambers-Perland was up 1-3/4 to 23, its highest price since 1910. City of Cobalt moved up to 39-1/2 again, making a gain of nearly two points, and lesser advances were shown by various of the cheaper issues. Great Northern, Gould and Silver Leaf all improved their position. Rochester was lower at 3 and Wetliufer was also weaker, with sales down to 15, a new low record.

JUPITER STAMP MILL READY IN APRIL

PORCUPINE, Jan. 15.—The installation of the mill at the Jupiter property has been completed, and it is definitely decided that the cyanide treatment will be adopted for the ore, but other details of the mill are yet undetermined. It is stated that in some respects the crushing system will be similar to that at the Vipond. These details will be worked out and the plans perfected within a short time.

WHAT'S DEFINITION OF MONEY TRUST?

George W. Perkins Airlily Likens Question to a Particularly Puzzling Little Conundrum.

WASHINGTON, Jan. 15.—(Can. Press.)—In a hypothetical question put to George W. Perkins, Samuel Untermyer, counsel for the money trust, determined to outline the meaning of "money and credit" and asked whether Mr. Perkins considered it "a menace and peril to the prosperity of the country."

The question was generally accepted as Mr. Untermyer's conception of the elusive so-called money trust, of which the committee is in search. Mr. Perkins, after declaring that the query reminded him of the conundrum, "Why is a mouse when it spins?" asserted that he could not say whether, at the point outlined in the question, concentration was a peril. In a lengthy dissertation on economics, Mr. Perkins took the position that, after concentration was in evidence, demand and covering was in evidence, government regulation. But he would not answer the hypothetical question categorically.

MAHOMET GOES TO MOUNTAIN.

After today's hearing, the committee, in a rather heated executive session, determined to determine the views of Mr. Pujo and Counsel Untermyer visit William Rockefeller and take his testimony. Chairman Pujo opposed the scheme without a resolution instructing Mr. Pujo and Mr. Untermyer to make arrangements for the examination passed with but a single vote in opposition. Dr. C. W. Richardson, who examined Mr. Rockefeller, told the committee today that the oil magnate broke down under the examination without immediate serious results. No plans were made today for the manner or place of examining Mr. Rockefeller.

COTTON MARKET HAD A SMALL ADVANCE

Ericksen Perkins & Co. (J. G. Beatty) wired at the close: Continental buying in this market absorbed heavy liquidative sales during the first hour and prices showed a slight net advance. Barish sentiment moderated, owing to the reports of a better short demand, and covering was in evidence. We continue to advise covering short with the idea of re-selling on a strong market.

Liverpool Cotton. Futures closed steady, Jan. 15, 6 5/16; Jan. 16, 6 3/4; Feb.-March, 6 1/2; March-April, 6 1/4; April-May, 6 1/4; May-June, 6 1/4; June-July, 6 1/4; July-Aug., 6 1/4; Aug.-Sept., 6 1/4; Sept.-Oct., 6 1/4; Oct.-Nov., 6 1/4; Nov.-Dec., 6 1/4; Dec.-Jan., 6 1/4; Jan.-Feb., 6 1/4.

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In the Porcupine list a less satisfactory undertone was shown, and several declines bore witness to the demand for the demand to take care of the scattered liquidation under way. Hollinger sold off to \$15.50 and Vipond broke to 18, a loss of about 2 points.

TWO MILLIONS IN BIG SENECA VEIN

It was reported in mining circles last night that the Seneca Superior, which holds a lease of 40 acres of the Peterson Lake territory, has two million dollars' worth of silver in the big vein uncovered last fall. As the mine is a leasehold, a royalty of 25 per cent. of the gross production, this would mean \$500,000 for the Peterson Lake, which would work out at about 20 cents a ton. The size of the estimated capital of 2,500,000 shares. The Seneca Superior is capitalized at \$500,000 in one-dollar shares, of which approximately all have been issued.

RAISED THE BIDS AFTER THE CLOSE

After the close of the mining market yesterday a sharp upward movement occurred in Chambers-Perland, and at 5 o'clock bids of 23-1/2 were being made on the street. This was a reversal of the 1-1/2 points over the high level of the day, and was over three points above Tuesday's closing quotation.

NEW HIGH RECORD ON CONIAGAS STOCK

One of the features of the mining market has been the investment buying of the big dividend-paying and the consequent high prices which have been reached. Coniagas was most conspicuous in this respect yesterday, with an advance to \$5.60, a new high record. The range on the shares is as follows:

	High.	Low.
1912	5 1/2	4 1/2
1911	4 1/2	3 1/2
1910	4 1/2	3 1/2
1909	4 1/2	3 1/2
1908	4 1/2	3 1/2
1907	4 1/2	3 1/2

HOLLINGER DECLARES ANOTHER DIVIDEND

Hollinger directors have declared another three per cent. dividend, payable Jan. 25, to holders of record Jan. 20. The payments to date follow:

	Pct.	Amount.
1912-Nov. 20	3	\$80,000
Nov. 30	3	80,000
Dec. 30	3	80,000
1912-Jan. 28	3	80,000
Totals	12	\$320,000

REGULAR DIVIDEND ON CROWN RESERVE

The Crown Reserve Mining Co. has declared the regular monthly dividend of 2 per cent. and bonus of 3 per cent., payable Feb. 15 to shareholders of record of Jan. 31. Transfer books will not close. With this disbursement the company will have paid in dividends 275 per cent. of its paid-up capital, or an amount of \$4,825,781.

LUCKY CROSS MILL IS BEING RUSHED

SWASTIKA, Jan. 15.—The first consignment of machinery for the Lucky Cross mill has arrived in Swastika.

EIGHTY-FIRST ANNUAL REPORT OF The Bank of Nova Scotia

Capital Authorized \$5,000,000
Capital Subscribed, \$4,864,600 Capital Paid Up, \$4,734,380
Reserve Fund, \$8,728,148

HEAD OFFICE, HALIFAX GENERAL MANAGER'S OFFICE, TORONTO

BOARD OF DIRECTORS
John Y. Payzant, President Charles Archibald, Vice-President
G. S. Campbell, J. Walter Allison, Hector McInnes,
Hon. N. Curry, J. H. Plummer, Robert E. Harris

PROFIT AND LOSS
1911. Dec. 31. By Balance 57,847 83
1912. Dec. 31. "Net profits for current year; losses by bad debts estimated & provided for 970,544 38
\$1,028,392 21

Dec. 31. To Dividends for year at 14% 583,537 73
"Contribution to Officers' Pension Fund 40,000 00
"Written off Bank Premises Account 150,000 00
"Transferred to Reserve Fund 200,000 00
"Balance carried forward 54,854 48
\$1,028,392 21

RESERVE FUND
1911. Dec. 31. By Balance \$7,474,447 20
1912. Dec. 31. "Premiums on new stock 1,053,538 80
Dec. 31. "Transferred from Profit and Loss 200,000 00
\$8,728,148 00

GENERAL STATEMENT AS AT DECEMBER 31st, 1912

LIABILITIES
Deposits not bearing interest \$12,786,398 59
Deposits bearing interest 38,159,359 95
Interest accrued on Deposits 93,759 73
\$51,039,518 27

Deposits by other Banks in Canada 394,616 52
Deposits by other Banks in the United Kingdom 58,070 50
Deposits by other Banks in Foreign Countries 443,370 98
\$848,058 00

Notes in Circulation 4,256,738 94
Drafts drawn between Branches outstanding 1,218,340 64
\$5,475,079 58

Capital paid up 4,734,380 00
Reserve Fund 8,728,148 00
Profit and Loss 51,039,518 27
Rebate of Interest @ 6% on Time Loans 190,908 43
Dividend Warrants outstanding 689 99
Dividend No. 172, payable 2nd January, 1913. 159,704 18
\$71,279,698 98

ASSETS
Specie \$3,491,558 27
Dominion Notes—Legal Tenders 5,140,972 50
Notes and Cheques on other Banks 5,211,033 30
Due from other Banks in Canada 212,300 30
Due from other Banks in Foreign Countries 1,279,411 50
Sterling Exchange 1,861,845 72
\$16,997,927 29

Investments (Provincial, Municipal and other Bonds) 4,947,240 47
Call and Demand Loans, secured by Bonds, Debentures and Stocks 5,957,024 77
Demand Loans, secured by Grain and other Staple Commodities 5,135,474 73
\$33,097,693 98

Deposits with Dominion Government for security of Note Circulation 190,530 78
Loans to Governments and Municipalities 1,932,887 00
Current Loans, secured by Bonds, Debentures and Stocks 947,995 35
Current Loans, secured by Grain and other Staple Commodities 2,226,203 66
Overdrafts, secured 376,518 53
Overdrafts, authorized but not specially secured 538,867 22
Notes and Bills discounted and current 30,580,977 17
Notes and Bills overdue, estimated loss provided for 65,555 65
Bank Premises 1,377,020 23
Stationery Department 15,970 80
\$84,271,693 29

Contingent Liability—Sterling Letters of Credit Current 2,130,181 719
Normal: When the unmatured calls on subordinated capital are paid, the Paid Up Capital will be \$5,000,000 and the Reserve Fund \$8,728,148.
Paid Up Capital for 1913 is \$4,864,600.

H. A. RICHARDSON, General Manager

AUDITOR'S REPORT

We hereby certify that we have verified by actual count the cash on hand at Halifax, St. John's, Prince William Street, Montreal, Toronto (King Street), Winnipeg, Vancouver (Hastings Street), Chicago and Boston branches and New York Agency, as at close of business on December 31st, 1912. We have also verified the investments, loans, and other assets of the Bank as at that date. Having examined the above General Balance Sheet as at December 31st, 1912, and compared it with the books kept at the General Manager's Office, Toronto, and the certified returns from the various branches, we hereby further certify that in our opinion it presents a fair and conservative statement of the Condition of the Affairs of the Bank as at that date.

MARWICK, MITCHELL, PEAT & CO.,
Chartered Accountants

GEO. O. MERSON & CO.
Chartered Accountant,
16 King St. West, Toronto
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310 LUMSDEN BUILDING
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Correspondence Invited
21 MELINDA ST. PHONE 7999-9

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COOK & MITCHELL, Barristers, Solicitors, Notaries, etc., Temple Building, Toronto; Kennedy's Block, South Perth, Glasgow.