

WEATHER: FAIR

The Journal of Commerce

THE BUSINESS MAN'S DAILY

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MONTREAL, WEDNESDAY, JULY 29, 1914.

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MONTREAL EXCHANGE TEMPORARILY CLOSED

At the Moment Not Much Chance That a Session Will be Held Tomorrow

TENSE INTEREST MANIFESTED

Bankers Are Co-operating With the Brokerage Fraternity so as to Avoid the Needless Slaughtering of Canadian Securities at This Critical Time.

While there was no business transacted on the Montreal Stock Exchange to-day there was an atmosphere of tense interest evident in all the brokerage offices over the successive European developments.

Particular attention was devoted to the periodical bulletin service issued to all the leading brokers and financial institutions by The Journal of Commerce, and these, as they came to hand, were eagerly scanned for any new information on the outlook.

Shortly after ten o'clock a meeting of the governing committee of the Stock Exchange was held, at which the tentative arrangement reached yesterday afternoon, under which the Exchange was to remain closed for the morning, was extended so as to embrace the entire day.

As most of the principal markets of the world were closed to-day, including all of the European Bourses, this action of the governing committee met with very general commendation.

Safeguarding the Public.

In this way any attempt to needlessly sacrifice Canadian securities—as would eventually have been the case had the market remained open yesterday afternoon—will be permanently frustrated and the public will be afforded an opportunity to gain a clearer perspective on a situation which, at the moment, cannot be said to be any too encouraging.

Some idea of the demoralization that would have occurred in Montreal had the market remained open yesterday afternoon may be had from the experience gleaned by the Toronto Stock Exchange in the fourteen minutes that that body was in session. When word was received that the Montreal Exchange was closed the president of the Toronto Exchange, Mr. E. B. Freeland, called a hurried consultation and the board was immediately suspended.

Scene of Wild Disorder.

But during the fourteen minutes mentioned a scene of disorder was witnessed that has never, perhaps, been witnessed on a Canadian Stock Exchange. Brokers ran about in a circle and it was possible at the same instant to buy Brazilian at 55, at 54 and at 53, and over two thousand shares changed hands within a few minutes.

Those who have the interest of the Montreal Stock Exchange at heart are not anxious that any such scenes should be precipitated here and so it is likely that the local body will be adjourned from day to day until the foreign situation is very much clearer.

Course Not at All Certain.

Mr. Hartland E. MacDougall, the chairman, when seen this afternoon, said that the committee had not determined just how long the Exchange would remain closed. At such a time, with the situation changing so rapidly, it was impossible to say what action would be taken. The committee might be called together at any moment to adopt another course, but for the time being at least the Exchange would remain closed.

Banks Commend Action.

The banks, with practical unanimity, are behind the brokerage fraternity in the action that has been taken, and the latter have received the assurance of the former that everything possible will be done to

(Continued on Page 5.)

SLIGHT RIFT IN WAR CLOUD OVER EUROPE

Suggestion in Berlin That Austria Might Yet be Persuaded to Stay Her Hand

WATCH RUSSIAN CAPITAL

Believed That on the Attitude of Russia Will Depend the Localization of Trouble or the Submerging of Whole of Europe.

(Special to Journal of Commerce.)

London, July 29.—Hope that a great European war would be obviated, sprung to-day from a suggestion made in Berlin diplomatic circles to the effect that Austria might be persuaded to consider proposals by England, France, Italy and Germany to formulate plans for the punishment of Serbia in a manner that would satisfy the demands of Austria's prestige. Other developments of the day were of a less encouraging character, and the general situation remained critical.

The eyes of the world were turned on St. Petersburg to-day in the belief that the attitude to be assumed by Russia would either precipitate a great war or open the way for an understanding among the powers that would permit of an early termination of the Austro-Serbian war. Whatever preparations Russia is making in order to take a part in the struggle between Austria and Serbia are being quietly carried out.

GERMANY'S THREAT.

Berlin, July 29.—Following its "hands off" warning given to Russia on Tuesday, the German Government to-day presented, through its Ambassador at St. Petersburg, a diplomatic notice that was in effect an ultimatum. This notified Russia that if she should only partly mobilize, the entire German army would be put on a war basis. It is understood here that this second warning was Emperor William's final word to curb the war spirit that is sweeping over Russia.

Germany believes that this notice will have the desired effect. It may be several days, however, before assurances are given to the German Ambassador at St. Petersburg that Russia will observe neutrality in conflict between Serbia and Austria.

EMPEROR SECURES PLEDGE.

Berlin, July 29.—Many are inclined to believe that Kaiser Wilhelm ordered the Austria-Hungarian Government to slow up in its plans pending the outcome of the negotiations with Russia. It is thought Emperor Wilhelm was instrumental in securing the pledge to Russia that Austria will not attempt any territorial seizure in Serbia.

It is stated the Kaiser and the Czar have been in constant communication to-day.

GERMAN TROOPS MOVE.

Berlin, July 29.—Press despatches say that a large movement of German troops in the direction of the Russian frontier has been ordered. The troops completely equipped for field service had moved at once. The newspapers, however, were not permitted to print the news.

ENGLAND WORRIED.

London, July 29.—Premier Asquith admitted in the House of Commons that "the European situation is one of most extreme gravity." He stated that the British government was not relaxing its efforts to localize Austro-Serbian conflict.

Following the Premier's statement the Chancellor of the Exchequer announced that the Governors of the Bank of England considered it unnecessary at present to call a meeting of bankers regarding the financial situation.

FRENCH CONCENTRATE ALONG FRONTIER.

London, July 29.—A despatch from Luxembourg, Germany, says that reports received there indicate that heavy detachments of French soldiers are being concentrated along the frontier.

PARTIAL MOBILIZATION.

London, July 29.—A Reuter despatch says: "It is understood that a partial mobilization of Russian troops in southwest Russia was ordered yesterday, but nevertheless it is consistently hoped that European powers will succeed in arranging an understanding between Russia and Austria-Hungary."

FRENCH HOLD CONFERENCE.

Paris, July 29.—A great explosion of patriotism marked the return of President Poincaré to Paris. He was cheered by thousands of men and women along the streets through which he went from the station to the Elysee Palace. Premier Viviani left the President at the station and went direct to his office where there soon gathered the Ministers of War and Marine and general officers of the army. The people of Paris are mad for war with Germany.

COUNCIL ADVISE CZAR TO PREPARE.

St. Petersburg, July 29.—Russian officials believe that their country will be at war within a short time. Prince Trubetzkoi, chief of near eastern division of the Foreign Office, said to-day: "The situation has reached the most intricate point." It is known that all members of the Crown Council have advised the Czar to prepare for war.

AUSTRIA EXPECT ATTACK FROM NORTH.

Rome, July 29.—Official despatches received by the Government from Vienna state Austria-Hungary has concentrated more than 300,000 men on Serbian border. Remainder of her vast army will be kept on northeastern frontier to prevent an attack by Russian or Roumanian troops. Forces confronting Serbia have been divided into three armies.

BELGIAN ARMY MOBILIZE.

Brussels, July 29.—Three classes of the Belgian military were ordered to mobilize to-day.

WAR SITUATION IN BRIEF.

Berlin Report Says that Austria Might Even Now Let Other Nations Pass Sentence on Serbia.

Russia Notifies Germany that the moment Austrian Army crosses the Serbian Frontier the whole Russian Army will be mobilized on war footing.

The British fleet sailed from Portsmouth early this morning under sealed orders.

Several great power magazines in Russian Poland, including that at Warsaw, have been blown up—Official statement blames lightning.

Belgrade cleared of all troops but small garrison, but immense munition factory is running at forced speed.

Austrian Reserves throughout the world received orders to report to their Consuls—Canada included in orders.

Official in Federal Department of Finance Says This Country Will Not Have to Borrow Any More Just Now.

(Special Correspondence.)

Ottawa, July 29.—Interviewed this morning in regard to the effect of the war on Canadian finances, a high official of the Department of Finance said to a Journal of Commerce correspondent:

"So far as Canada is concerned, the only way she can be affected financially by a big European war, would be in her borrowings abroad. The money market, in the event of a big struggle of any duration, could hardly be touched by borrowers. So far as the Dominion is concerned, everything is on a solid basis, and it may be a long time before we will again have to face the money lenders. Corporations and private enterprises would undoubtedly find the going hard, although matters do not look so serious when it is remembered that Canadians have done the heaviest part of their borrowings for the year already. The blow of war cannot fall with crushing force upon an economic situation such as ours.

Moreover, it must be remembered that much of the world's decline in business and values in recent years was, instinctively or otherwise, by way of making ready for such an emergency as confronts Europe to-day. To some degree at least the cost of a big conflict has already been borne in the years when money was being forced out of the channels of peaceful activity to augment European central reserves that would be required to stand the strain of war.

Inherently stronger and sounder from an economic point of view than those of other countries, business interests in this country will withstand the effects of war just as they withstood the recent worldwide depression better than business in most other countries in the world."

NATIONS' AIR FORCES

According to Authorities in Case of European War Aeroplanes Would Play Effective Part.

London, July 29.—Flying machines will be given their first real test as instruments of war if a general conflict is precipitated in Europe by the present breach between Austria and Serbia. British experts to-day predicted that the part of aerial corps would play in the fighting would be of greatest importance, and the relative aviation strength, from a military viewpoint, of the different nations apt to be drawn into the threatened war has become a topic of lively discussion.

France is known to have a large fleet of airships, manned by skilled aviators with military training, ready to go into action at a moment's notice. The army and navy together have about 750 machines.

Germany has an aerial corps operating over five hundred aeroplanes and dirigibles. The Russian army has about 380 airships at its command.

Austria has only about 150 flying machines of various types. Italy has at least 200 well equipped airships, many of the aviators in the Italian army have the benefit of training received in the war between that country and Turkey.

The British army, in the event of war, it is said would have less fighting strength in the air than any of the leading European nations, as it has only 130 airships equipped and ready for service at the present time.

Major-General MacDonald, Quartermaster-General, will leave on Saturday for a tour of inspection through the West to the Pacific Coast.

WOMEN LISTING.

Selim, Hungary, July 29.—Serbian and Montenegrin women are enlisting in large numbers to fight Austria, according to reports received here. The female recruits have been detailed to construct earthworks at strategic points.

FINAL CONFERENCE ON RATE DECISION.

Washington, July 29.—What is believed to be the final conference of Inter-State Commerce Commissioners on the eastern rate advance case begun yesterday, was continued to-day. The consideration and the compilation of the answers of the railroads to the 78 questions propounded by Louis D. Brandeis regarding their physical and financial condition is understood to be the occasion of the delay.

EMPEROR FRANCIS JOSEPH'S STATEMENT.

Vienna, July 29.—Emperor Francis Joseph issued a manifesto to the people in which he assumed full responsibility in the war with Serbia.

LAND 4,000 RIFLES FOR NATIONALISTS

Arms Smuggled Ashore at Newcastle While Gun Boats Were Flashing Searchlights

TRUCE FOR HOME RULE

English Press Urges Temporary Cessation of Argument While Conditions in Europe are in Such a Restless Condition—Work Out Problem Together.

(Special to The Journal of Commerce.)

Dublin, July 29.—Four thousand rifles consigned to the Irish Nationalists volunteers were landed last night at New Castle on the coast of County Wick-Jow. The weapons were conveyed to Dublin by gun-runners who evaded the police and the coast guards.

There were two gunboats flashing their lights about the harbor at the time the cargo of arms was landed. Another batch of 1,000 rifles was landed near Killead also in Wicklow. The coroner's inquest on the victims of Sunday's fighting in Dublin between the King's Own Scottish Borderers and the crowd has been adjourned until to-morrow upon the request of the lawyers representing the soldiers.

Absolute silence marked the funeral procession of the persons killed in the riot as the bodies were being moved from the morgue to the Marlborough Street Cathedral. Thousands lined the streets and a great crowd followed the hearse. Not a policeman nor a soldier was seen, as all had been ordered to remain away from the funeral ceremonies in order not to excite the populace.

SEEK A TRUCE.

London, July 29.—The critical European situation has inspired the press here to move for a truce on the Home Rule question until the situation clears up. The possibility of a general European war makes an election practically impossible, and it is preferred that Sir Edward Grey remain at the head of the Foreign Office because of his intimate knowledge of European politics.

The Times suggests that a temporary arrangement be made, leaving Ulster out of the Home Rule Bill. The article says, in part: "The Unionists and Liberals alike should frankly pledge themselves to do their best hereafter to devise a better system of government for an undivided Ireland. No one really wants to see Ireland doomed to permanent division, but the Unionists might accept the exclusion of six Ulster counties on an understanding that at some convenient season all parties should get together and work out some more practical scheme for the restoration of the unity of Ireland, which is the true ideal of every Irish patriot."

FIRST OFFICIAL BULLETIN.

Vienna, July 29.—The first official war bulletin was issued to-day by the Austro-Hungarian War Office. It contains confirmation of the reports that the Serbians had blown up the railroad bridge over the Sava between Semlin and Belgrade.

GERMANY WAITING ON RUSSIA.

Berlin, July 29.—It is stated orders for mobilizing of the German army were signed and will be put into effect as soon as official notification has been received that Russia has taken action in support of Serbia against Austria-Hungary.

A SUGGESTION FOR SETTLEMENT.

Berlin, July 29.—A suggestion for settling Austro-Serbian dispute that would eliminate possibility of a struggle between those nations and thus avert all danger of a general European war was made in diplomatic quarters to-day. It was to the effect that Austria might be prepared to consider proposals by England, France and Italy and Germany to formulate plans for the punishment of Serbia in a manner that would satisfy the demands of Austria's prestige.

RUMOR RUSSIA WILL MOBILIZE.

London, July 29.—An unconfirmed despatch received from St. Petersburg says that the German Ambassador there was notified by Foreign Minister Sazonoff that Russia would mobilize her army immediately upon receipt of news that Austria had invaded Serbia. The despatches said this information had been secured "from the highest sources."

AUSTRIA STATEMENT.

St. Petersburg, July 29.—Russian Government was officially informed that Austria-Hungary would respect Serbian territorial integrity and was even de-

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Head Office—TORONTO

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BANK RATE WILL PROBABLY ADVANCE.

London, July 29.—Money loaned at 2 1/2 to 2 3/4 per cent. on call. Bills sold at 4 1/2 to 5 per cent. It is expected that the bank will advance its rate of discount Thursday. Owing to difficulty of securing drafts on foreign banks, sovereigns are being withdrawn from the bank. Insurance rates against war risks are quoted at 15 per cent. by Lloyd's.

Stock market was steadier on well-founded rumors that Germany and Russia were negotiating with a view to localize war. Market was lower all around and prices were nominal though above the day's lowest. American shares were better on the curb.

New York, July 29.—Private advices to international bankers intimate that Bank of England discount rate will be increased to-morrow from 3 to 4 per cent. or even 5 per cent.

Gilmour's famous 22nd regiment band of New York will play at the picnic of the Montreal Tramways Employees at Dominion Park, commencing next Monday, August 3rd, and continuing until Sunday, August 9th.

THE JOURNAL OF COMMERCE New News Service

The JOURNAL OF COMMERCE is now operating an Exclusive Leased Wire to New York furnishing its readers with all the news appearing the same day in THE WALL STREET JOURNAL, BOSTON NEWS BUREAU, and PHILADELPHIA NEWS BUREAU as supplied by the BARRON FINANCIAL NEWS SERVICE

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