EFFECTS OF WAR ON U.S. MARKED

Hayden Stone and Co. Analyse Problem Which Faces Country At This Juncture

MORE JOBS, HIGHER WAGES

Increased Demand From Belligerents and Countries Heretofore Customers of Belligerents as Well as Domestic Requirements Will Have This Result.

(Special to Journal of Commerce.)

Boston, September 8.—Hayden Stone & Company thus analyze the probable effect of the European war upon the United States:

Quite evidently, the first effect will be a demand far in excess of anything previously known from the countries at war for the elements that go to make up the necessaries of life; for food and the raw materials that will have to be imported by Europe for the feeding and clothing of the nations.

Secondly, a demand, perhaps somewhat less, but still very great, for materials entering into manufacture, coal, oil, equipment steel, and the like.

Thirdly, we shall be called on to make good to the new countries the deficiency caused by the shutting off of European manufacture.

In one form or another, our ingenuity will be so taxed to supply ourselves with the materials for which, hitherto we have been dependent upon Europe.

The effect on labor will be marked. At present this is undergoing the first real liquidation it has had to suffer in years. The final upshot will be "more jobs" and less men to fill them—in a word higher prices for labor.

Financially, the same trend is in evidence. The acts of the administration have been in the direction of inflation and this tendency has, necessary been heightened by the present contingency and the very proper issue, at such a time of emergency currency.

It must also be remembered that during such a period personal economy, both voluntary and involuntary, becomes most marked. Capital accumulates, not during periods of what we call "good times," but during exactly such a period of re-adjustment as we are now passing through.

With international financial relations again normal as they should be toward the close of the year, all signs point to steadily rising prices; to a great awakening of manufacture in nearly all lines, to increased railroad earnings, in short, to general expansion and inflation.

We may count for at least a year, and perhaps longer, on a period of almost hectic activity. Under these conditions there will be a certain amount of suffering by persons receiving fixed incomes, but companies owning and manufacturing the goods in demand will pile up earnings rapidly, dividends on such stocks will increase and the prices of most shares will rise.

The present interregnum in market transactions would seem to be a period of unusual opportunity, but one demanding unusual discrimination.

SIR RODOLPHE FORGET,
President of the Quebec Railway Light, Heat and Power Company, whose annual meeting was held today.

TO INCREASE BRITISH NAVY.

Should the war last for another year there seems to be no doubt that the present disparity between the naval forces of Great Britain and Germany will be increased greatly in favor of the former. That the British Admiralty will acquire possession of the two enormous Chilian battleships (each carrying ten 14-inch guns), now nearly completed on the Tyne, is generally admitted. Four new battleships of the Queen Elizabeth type, armed with the new 15-inch guns, will be ready in three or four months. Work is going on by night and day on a number of new light cruisers and twenty-nine-knot destroyers. When the last of her Konig class is commissioned, probably within a few weeks, Germany will have seventeen Dreadnoughts for service. Two more may be completed within six months, but within that period Breat Britain will add six capital ships to her first fighting line.

A SESSION OF THE COURT OF KING'S BENCH (Crown Side), holding criminal jurisdiction in and for the DISTRICT OF MONTREAL, will be held in the COURT HOUSE, in the CITY OF MONTREAL, on THURSDAY, the TENTH DAY OF SEPTEMBER NEXT, at TEN o'clock in the forenoon.

In consequence I give PUBLIC NOTICE to all who intend to proceed against any prisoners now in the Common Gaol of the said District, and others that they must be present then and there; and I also give notice to all Justices of the Peace, Coroners and Peace Officers, in and for the said District, that they must be present then and there, with their Records, Rolls, Indictments and other Documents, in order to do those things which belong to them in their respective capacities.

P. M. DURAND,
Deputy Sheriff.

Sheriff's Office,
Montreal, 24th August, 1914.

PITHY PERSONALTIES WALL STREET GOSSIP

Many Big Financiers Express Opinion that the War Will End by July, 1915

CAPITAL SENSITIVE

Hopes Held That It Will Soon Shake Off Its Timidity and Seek Employment—To Enter New Fields—The U.S. Harvest.

(Adam's Letter.)

New York, September 8.—The world war is still the big factor in the financial outlook. Is it to last months or years? The latter belief, having been endorsed by Lord Kitchener, has been general. But there is a change of view, I find, in some high banking circles which have held this opinion, but which now believes that exhaustion, physically and financially, will end the terrific struggle before 1915 is half over.

Capital.

Capital has not been so sensitive in a generation as it is to -day. Europe's convulsion, coming on top of a long series of legislative attacks on business and industry, proved almost the last straw. But capital's back is not broken. Presently it will shake off its scarce and seek employment. Meanwhile it is worth noting, I think, that the men who control millions and who have led in the upbuilding of the countries greatest industrial enterprises are not resting on a bed of roses. Side lights are sometimes as illuminating as events themselves. Thep ublic knows no more about what took place at the Rhode Island conference between John D. Rockefeller, Jr., and ex-Senator Aldrich, perhaps the greatest all-round authority on business, than it does of the details of that momentous July 31 meeting in the Berlin Imperial Palace, which set the whole of Europe aflame. Yet the young emissary from Standard Oil and the former arbiter of the United States Senate exchanged views which would have never passed, but for last month's cataclysm.

Heavyweight capitalists and leaders of business, as I have said, are not exhilerated by recent events. The Standard Oil, for example, finds that its great business is up against a collapse in exports on the one hand, and a government inslaught on the pipe lines on the other. The combination, of course, is not conductive to cheerfulness. Then the Morgan and Baker interests are confronted by the question of Steel dividends—which might not have obtruded itself so soon but for the mailed fist—and the menace to the anthracite industry from the government's intention to beakr up the so-called coal trast. But at that the kepnote of comment among men of large affairs is hopeful. Not excepting J. P. Morgan and the Rockefellers, most financiers feel that the worst of Wall Street's troubles are behind it, and that recuperation is under way.

A Reminder.

Bernard M. Baruch's gift of ten thousand dollars to the Red Cross for the European Relief Fund is a reminder that the Street's rich men are more than willing, even in hard times, to offer the helping hand.

Convalescence.

American industry is planning to enter new fields in foreign countries. It is also recovering from the effects of the European debacle, and the resultant dislocation of finance and commerce all over the globe. The week-end meetings of the Federal Reserve Board and leading bankers in Washington should result in early relief for the international credit situation. Emergency measures are lessing the temporary tension in our money markets, and the problem of financing the new cotton crop is certain to be solved within a short time. These encouraging features are the basis of a more sanguine feeling respecting the general outlook. The big banking interests are hardly optimistic but they do believe that business is on the mend. The 1914 harvest, of course, tends to confirm that diagnosis. It is now near enough to completion to justify calculations as to its bulk and its value. Barring corn, which drought has cut down, but which is near an average yield, crops are big. There are, in fact, some good authorities who figure that in spite of the abnormal depression in cotton when final computation is made the season's contribution from the soil, directly and indirectly, will reach a value of not less than $10,000,000,000. Notwithstanding the handicap of war, this enormous addition to the nation's wealth should give its industries new life. As a western banker points out, growers in the grain belts have not received such high prices in years as they have since the war began. Furthermore, from the very nature of conditions abroad their products are likely to command high prices for a long time to come, though their existing level will not be permanently maintained. In America agriculture makes or mars, at least to a large extent, comercial prosperity. This year it has undoubtedly laid the foundations for uplift even though the latter are temporarily offset by the conflagration raging across the sea.

Stock Exchange Affairs.

The senior partner in a house whose yearly expenses ordinarily total in the neighborhood of $100,000 has curtailed fixed charges some 60 per cent. But it still retains essential facilities. Its main office and some of its branches are open as usual. Expensive managers have been for the time dispensed with, but the news service is retained, and will continue to be, for the information of clients who may drop in or call up on the phone. And to this house, as to many others, a surprising number of persons pay a visit every day in spite of the shut-down. Some bring certificates they wish to sell, while others want to know if it is time to buy, and if trading is likely to be resumed before long. In suspending clerical forces the course of the firm I am speaking of is typical. Unmarired clerks were given a month's salary while married men were put on half-pay and given vacations which will last till business starts up. The latter event, as I stated last week, is probably nearer than many believe who are obsessed by discouragement and pessimism. The blockade in the international money market is one of the most formidable obstacles in the way of resumption. Unless all signs mislead it will soon be lifted. The question of Europe's attitude, of course, is still unsettled, and is one that can not be decided outside of the floor of the Exchange. That the foreigners will be sellers of securities when the Exchange re-opens is highly probable. But many level-headed observers doubt that there will be a repetition, under any circumstances that may be reasonably conceived, of the heavy European liquidation which necessitated the suspension of trading on July 31. They think fears on this point are unwarrantably magnified.

Gold.

Although Europe's present investment in American securities is estimated at over $5,000,000,000, and although our current indebtedness to Europe is said to exceed $100,000,000, I understand there is little likelihood of balances being paid in anything but gold. The supply of gold in this country is figured, conservatively no doubt, at $1,800,000,000. In view of this it would be extremely unfortunate, as Jacob H. Schiff pointed out in a recent speech before the Chamber of Commerce, should our foreign balances be paid in other than the yellow coin.

Exports.

But the prospect for larger exports is so good the chances are that it will be possible shortly to settle our foreign debts almost entirely if not wholly in foodstuffs and other products.

The Trust Mills.

It looks as if the Clayton law, designed by Congress to curb the trusts, would only succeed in curbing business. This bill, which has passed the Senate, winds up the legislative programme for the regulation of industrial combinations. Though some of its original teeth have been pulled, it still is a rather disturbing proposition. Nor is there much probability that it will be greatly changed in conference committee. I find that wide regret is felt that it retains the clause exempting labor and farm organizations from prosecution under the Sherman Law. In business circles the belief is strong that President Wilson would have made a big hit with the employers of the country, had he insisted upon the cutting out of this provision. Mr. Wilson, it is said, was by no means at heart in its favor. Mr. Bryan was—and is. The president, lukewarm in the matter, has paid little attention to the protests of business men. In fact there are cynics who assert that he does not underestimate the value of the exemption clause as a vote getter among the working men.

1916.

The labor unions have a big membership, and the president is to be the Democratic candidate two years hence, if he keeps his health. But I hear that the White House is not enthusiastic over the reports it is receiving in regard to congressional politics, and the outlook for next fall's democratic campaign. These advices are such, there is no reason to change the view that industrial conditions in the country furnish the republicans with capital, of which they will make effective use.

Dividends.

While the world war is blamed for the passing of dividends, some companies would have reduced or omitted such payments by this time, even had peace not been broken. The war, it seems, has merely aggravated and intensified influences operative before it started. Such at least are the views of men in close touch with those conditions.

Bonds.

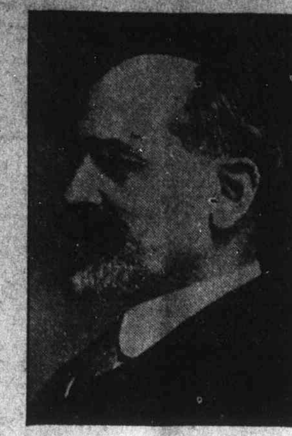
The decline in bonds since the closing down of the exchange has been greater than in stocks. The big bond houses, however, are by no means dejected, but take the position that the worst of the war's effects, so far as their department is concerned, have been seen.

Coppers.

Despite the stagnation in the copper industry one of the most discerning operators in the street thinks that the standard copper stocks in the event of any break on dividend cuts will be a big purchase when the exchange re-opens—especially Utah.

Rents.

A movement is on, I hear, for a reduction in Wall Street rents during the suspension of stock exchange business. Brokers behind it argue that as they are the big patrons of the landlords, the latter should make a concession of say 25 per cent to them for the period in question.



SIR WILLIAM MACKENZIE,
of the Canadian Northern, who announces that the roads finances have all been arranged.

ENGLISH WOOLLEN EXPORTS.

London, September 8.—The Board of Trade has issued a statement showing the exports to the United States during August were in worsted yearns 15,100,000 pounds as compared with 8,300,000 pounds in the same month last year; woollen 685,000 yards; worsteds 2,808,000 yards, against a total in the same month last year of 284,509,000 yards.

The total exported in cotton goods to foreign lands during the month was 313,074,000 yards in the aggregate of which United States took 3,356,000 yards, India 159,716,000 yards, China 28,027,000 yards, Germany 1,884,000 yards, Netherlands 1,420,000 yards, Turkey 10,082,000 yards Egypt 9,813,000 yards, and Central South America 11,920,000 yards.

The total exported in August last year aggregated 579,547,000 yards, of which the United States took 2,930,000 yards, India 274,200,000 yards, China 62,112,000 yards, Germany 4,801,000 yards, Netherlands 5,580,000 yards, Turkey 28083,000 yards, and Central South America 43,525,00 yards.

Caledonian Realties Limited

BONDHOLDERS' MEETING.

Notice is hereby given that a Special General Meeting of the holders of the First Mortgage Six Per Cent. Twenty Year Gold Bonds of Caledonian Realties, Limited, will be held at the office of the Company, No. 211-213 Notre Dame Street West, in the City of Montreal, on Wednesday, the 23rd day of September instant (1914) at the hour of twelve o'clock noon, for the purpose of considering and if deemed advisable, approving a resolution assenting to a modification of the provisions of the Trust Deed securing the said bonds restricting the hypothec upon the subdivision lots to a fixed rate per foot, according to a Schedule to be submitted, as well as for the purpose of modifying the provisions of the Trust Deed in respect to the sinking fund.

Bondholders in order to be entitled to vote at this meeting must produce and exhibit their bonds either at the meeting or by lodging them with a Chartered Bank or the Eastern Trust Company, and producing and exhibiting at the meeting a certificate from such Bank or Trust Company stating that the bonds have been produced and lodged with it, and will continue to be held by such Bank or Trust Company for the account of the bondholders until after the date of the meeting.

Montreal, 5th September, 1914.

EASTERN TRUST COMPANY,
H. B. STAIRS,
Manager.

Real Estate and Trust Companies

Quotations for to-day on the Montreal Real Estate Exchange, Inc., were as follows:—

	Bid.	Asked.
Aberdeen Estates	120	124½
Beaudin, Ltd.	...	200
Bellevue Land Co.	...	79½
Bleury Inv. Co.	97	104½
Caledonia Realty, Com.	15	19
Can. Cons. Lands, Ltd.	3	5
Cartier Realty	...	80
Central Park, Lachine	100	107½
Corporation Estates	55	69½
Charing Cross Co., 6 p.c.	10	25
City Central Real Estates, com.	15¾	16½
City Estates	63	87½
Cote St. Luc R. & Inc. Co.	50	54
C. C. Cottrell, Ltd., 7 p.c., Pfd.	14	18
Credit National	120	123
Crystal Spring Land Co.	60	61
Daoust Realty Co., Ltd.	...	50
Denis Land Co.	75	95
Dorval Land, Ltd.	...	20¼
Drummond Realties, Ltd.	100	101
Eastmount Land Co.	105	109
Fairview Land Co.	100	125
Fort Realty	25	32½
Greater Montreal Land, com.	175	200
Do., Pfd.	100	118
Highland Factory Sites, Ltd.	...	43½
Improved Realties, Ltd., Pfd.	60	63
Do., Com.	15	18
K. & R. Realty Co.	59	75
Kenmore Realty Co.	70	79
Les Teresa Ciment, Ltee.	55	68
Lachine Land Co.	121¾	138
Land of Montreal	40	65
Landholders Co., Ltd.	..	98
Lauzon Dry Dock Land, Ltd.	80	98½
La Societe Blvd., Pie IX.	...	64
La Compagnie des Terres de Ciment.	40	65
La Compagnie National de L'Est	80	99½
La Compagnie Montreal Est	90	92½
La Salle Realty	97	98½
La Compagnie d'Immeuble Union, Lte.	55	68
La Compagnie Immobiliere du Canada Ltee.	40	73
La Compagnie Industriel et d'Immeubles, Ltee.	..	93
La Compagnie Montreal Ouest de N. D. de G.	91	96½
Longueuil Realty Co.	95	100
L'Union de l'Est	...	101
Mountain Sites, Ltd.	85	89
Model City Annex	..	49
Montmartre Realty Co.	10	10¼
Mont. Deb. Corp. pfd.	...	70
Mont. Deb. Corp. Com.	35	45
Montreal-Edmonton Western Land & Inv. Co. of Canada	...	90
Montreal Land & Improvement Co.	95	98¾
Montreal Extension Land Co.	...	94
Montreal Factory Land	55	67½
Mont. Lachine Land Syn., Ltd.	95	109½

	Bid.	Asked.
Mont. Westering Land	...	85
Montreal South Land Co., Pfd.	40	59
Do., Com.	10	19
Montreal Welland Land Co. Pfd.	..	79
Do., Com	10	20
Montreal Western Land	75	80
Mutual Bond & Realties Corp of Can.	76	95
National Real Est. & Inv. Co., Ltd. Common	10	12½
Nesbit Heights	50	84¾
North Montreal Land, Ltd.	150	156
North Montreal Centre	125	133
Notre Dame de Grace Realty Co.	102	108½
Ottawa South Property Co., Ltd.	170	180
Orchard Land Co.	..	125
Pointe Claire Land Co.	125	144½
Quebec Land Co.	175½	179
Rivermere Land	65	70
Riverview Land Co.	100	114
Rivera Estates Co.	...	83½
Rockland Land Co.	25	27
Rosehill Park Realties, Ltd.	..	15
Security Land Co., Reg.	75	80
Summit Realties Co.	43	49
St. Andrews Land Co.	7½	9½
St. Catherine Rd. Co.	...	50
South Shore Realty Co.	35	41¾
St. Paul Land Co.	650	693
St. Denis Realty Co.	75	98
St. Lawrence Blvd. Land of Canada	100	135
St. Lawrence Inv. & Trust Co.	...	85
St. Lawrence Heights Ltd.	...	55
St. Regis Park	95	103
Transportation, Pfd.	65	68
Union Land Co.	80	88
Viewbank Realties, Ltd.	...	143
Wentworth Realty	140	149
West End Land Co., Ltd.	65	89
Westbourne Realty Co.	75	77
Windsor Arcade, Ltd., 7 per cent. with 100 per cent bonus	80	84¾
Bonds:—		
Alex. Bldg. 7 pe rcent. sec. mtg. bonds, with 50 per cent. bonds co. bonds	75	76
Arena Gardens, Toronto, 6 p.c. bonds	...	80½
Caledonia Realties Co., Ltd., 6 p.c.	75	83½
City R. and Inv. Co. bond	80¾	82
City Central Real Estate	..	67½
Marcil Trust Gold Bond	95	101
Montreal Deb. Corp. 6 p.c. deb.	...	42½
Transportation Bldg., pfd.	...	70
Trust Companies:—		
Crown	110	112¼
Eastern	160	161¾
Financial	100	125
Marcil Trust Co.	250	299¾
Montreal	181	200
National	221	222¼
Prudential, common	490	505
Do., 7 p.c. pfd., 50 p.c. paid up	95	116¼
Eastern Securities Co.	80	90