

FOREIGN SELLING UNDERGOING CHANGE

Liquidation in New York Market Appears no Longer to be Urgent

WALL STREET'S IDEAS

Censorship on Cabled Orders Early in the War Proved Profitable to Germans, Some of Whose Pocketbooks were Fattened.

New York, May 4.—Time after time this year Wall Street men have told one another that foreign selling of American securities was at an end; that liquidation forced by circumstances upon hapless investors in the war-ridden countries of Europe had gone to such an extreme it could go no further. It was always easy for bullishly inclined speculators to believe in the truth of what they said, especially when the stock market was rising, but, unfortunately, as often as they said that European selling was ended, fresh liquidation developed to demonstrate the futility of their remarks and their belief.

Saturday closed the twentieth week of Stock Exchange trading since the resumption of business after Wall Street's long holiday; so, also, it closed the twentieth week of direct selling from Europe. Certainly at some time, soon or late, this foreign selling will come to an end—it cannot indefinitely be likened to a steam-pump at work, lifting stock out of one market and cascading it into another. But prophecies of the end of selling having so often been wrong heretofore, Wall Street has come to accept prophecies made at the present time with some skepticism, and just when it appears that a change is about to occur, one hears the remark, "Heaven help us if Europe keeps on selling through the course of a whole year!"

However, the statement has been now ventured with the full assurance of expert authority that all of last autumn's floating supply of American securities in the European markets has at last found its way to this market, and that henceforward sales must be checked by the reason that such sales would represent securities held abroad as investments, for the income they returned. Sales of that nature, it was observed, would not occur until Europe began trenching on its saved capital—and Europe might be expected to hesitate long before doing that.

Character of Foreign Selling.

How substantial may be Wall Street's opinion on this point, it is true that the character of foreign selling in this market is undergoing a change. Liquidation appears no longer to be urgent. Where previously cable instructions had been for immediate offering of a large supply of securities at the opening of a day's market, now they are for offering of a smaller supply, at advanced prices. Sales are designed seemingly, to take advantage of the high prices being quoted, rather than regardless of them. To what degree this change will be welcomed on the market, if continued, can best be judged by the record of what has gone before.

Efforts to calculate the amount of stock sold by Europe in the period of resumed Stock Exchange trading at New York have been made on frequent occasions, but, owing to the impossibility of collecting statistics efficiently, results have never been arrived at with definite assurance. Frequently the selling orders from England and the Continent have aggregated 50,000 shares a day. On occasions they have been less than 10,000 shares a day; on other occasions they have reached 100,000. Sales of bonds have at times been \$2,000,000 or more daily.

Adding together the approximate daily and weekly sales since the first of the year, those concerned in international security dealings have arrived at a rough estimate of more than 2,000,000 shares. Allowing an average value of \$75, this would mean that shares worth \$150,000,000 have been sold here for European account, since the resumption of Stock Exchange activity in December. Adding \$1,000,000,000 as an approximation of the value of bonds sold, there is given a full total of \$250,000,000 as representative of stocks and bonds, owned in Europe when war began, since transferred to American ownership.

Securities from Europe.

The Lusitania has come to be looked upon as the ship whose periodical arrival exerts most influence on the New York stock market, yet, as a matter of fact, the largest consignment of securities received this year came on an Italian vessel. These securities had crigin in all parts of Europe, some of them even coming from England because of the fear of loss by submarine attack if shipped on a liner leaving for New York.

There is one feature of the foreign selling of American securities in which British censorship lately played an important part—to the benefit, in some instances, of Germans. The British censors have borne down hard on the interchange of cable messages between Europe and the United States in all cases where there was the least suspicion of a sinister interpretation of those messages. Frequently, on investigation, they have lost their suspicions; frequently they have not.

Where they have not lost them is in the case of cables filed by or for people with German names. Woe is the New Yorker called, say, Von Mueller, to whom a cable message is addressed by a Ziemmer in Copenhagen or Amsterdam. If the message in its flight takes a course by way of England, chances are against it carrying through. The perfidious censors get it.

Germans Fond of Censorship.

One may thus judge for himself whether in the conduct of an international business, it has been an asset or liability to be a Baumgarten, Kleinschmidt, Vogel or Kucherman. German names, it would seem, put one at a disadvantage. But it seems that this very disadvantage has worked to benefit those whom the censors thought to check. Early in the recent stock market movement numerous cables were sent from Europe addressed to New York houses bearing German names. These cables instructed the sale of stock at prevailing prices; they were followed by mail letters, sent out on vessels which never came, the New York agents executed the orders, in some cases at advances of 6 to 10 points over those named in the cables intercepted by the censors. Some Germans now are very fond of censorship.

COL. MORRISON IS SAFE.

Mrs. Morrison, of Ottawa, wife of Col. E. W. B. Morrison, D.S.O., commander of one of the artillery brigades, has received word that her husband is safe.

ESTIMATES WAR WILL COST FORTY-SIX BILLION DOLLARS

San Francisco, Cal., May 4.—David Starr Jordan, president of the University of California, writes as follows in the San Francisco Chronicle: Edgar Crammond, of London, a high authority, estimates the cash cost of a year of the European war, to August 1, 1915, at \$17,000,000,000, while other losses will mount up to make a grand total of \$46,000,000,000. No one can have any conception of what \$46,000,000,000 may be. It is four times all the coin in the world. If this sum were measured out in \$20 gold pieces and they were placed side by side on the railway track, on each rail, they would line with gold every line from New York to the Pacific Ocean, the two Canadian lines included. There would be enough left to cover each rail of the Siberian Railway from Vladivostok to Petrograd. There would still remain sufficient to rehabilitate Belgium and to buy the whole of Turkey, at her own valuation, wiping her finally from the map.

"Or we may figure in some other fashion. The average workman in America earns \$18 per year. It would take ninety millions years of work to pay the cost of the war; or ninety million American laborers might pay it off in one year, if all their living expenses were paid.

"The cost of a year of the great war is a little more than the estimated value of all the property of the United States west of the Mississippi River. It is nearly equal to the total value of all the property in Germany (\$18,000,000,000), as estimated in 1906. The whole Russian Empire (\$25,000,000,000) could have been bought for a less sum before the war began. It could be had, on a cash sale, more cheaply now. This sum would have paid for all the property in Italy (\$13,000,000,000), Japan (\$10,000,000,000), Holland (\$5,000,000,000), Belgium (\$7,000,000,000), Spain (\$6,000,000,000), and Portugal (\$2,500,000,000). It is three times the entire yearly earnings in wages and salaries of the people of the United States (\$15,000,000,000).

"The cost of this war would pay the national debts of all the nations in the world at the time the war broke out. If all the farms, farming lands and factories of the United States were wiped out of existence, the cost of this war would more than replace them. If all the personal and real property of half our nation were destroyed, or if an earthquake of incredible dimensions should shake down every house from the Atlantic to the Pacific, the waste would be less than that involved in this war. And an element of catastrophe leaves behind it no costly legacy of hate.

ST. JOHN CUSTOMS RECEIPTS

FOR APRIL INCREASE \$48,018

St. John, N.B., May 4.—The Customs receipts for the month of April were the largest for many years, and reached a total of \$229,813.33, against a total for the same period last year of \$181,795.25. These figures show a gain over April, 1914, of \$48,018.08. The statement is as follows:

	1915.	1914.
Custom duties	\$228,625.10	\$180,273.99
S. M. dues	1,187.23	1,521.26
Totals	\$229,813.33	\$181,795.25

BANKING CONDITIONS IN EAST.

Sir Montagu Cornish Turner presided at the meeting of the Chartered Bank of India, Australia and China. After a review of the conditions following upon the declaration of war, he said it was impossible to forecast how future developments might affect the prosperity of the bank. They knew that the rice crop in Burma was good, the wheat crop in India excellent, the tea industry in India and Ceylon most prosperous, that the jute mills in Bengal were likely to show good results in the present year, and that rubber industry was in quite a healthy condition. Against this there was a set-back in the great scarcity of tonnage. When and to what extent this scarcity would be removed it was impossible to foresee.

LONDON AND BRAZILIAN BANK EXPERIENCED SMALLER BUSINESS

The London and Brazilian Bank is the foremost English bank working in Brazil. It also has an important business in the Argentine, besides offices in Montevideo, Portugal, France and the United States.

The events of the past year have naturally made their influence felt on its revenue, and the profit for the twelve months ended January 31 last only amounted to \$2,620,275, as compared with \$3,395,845 in the preceding twelve months. Adding \$1,450,775 brought forward, there is an available balance, after meeting all expenses, of \$2,149,700, out of which the directors declare dividends, and a bonus amounting, in all to 15 per cent. per annum, free of income tax, and then carried forward \$1,482,200.

The report mentions that the unfavorable effects of the severe commercial crisis that occurred in Brazil and the Argentine in 1913 continued to develop in last year, with the result that large additional provisions had to be made on account of failures in which the bank was interested, whilst there was a considerable reduction in its business.

We believe this reduction was more a matter of the past, and that of late there has been a distinct improvement, as this bank, with its strong position, is able to take a very prominent part in financing commercial interests in Brazil under present conditions. Still, considering the times, the distribution that the shareholders will receive must be considered very satisfactory.

CHINO COPPER CO. STATEMENT.

New York, May 4.—Chino Copper Co. has issued its report for the quarter ended March 31, 1915, it compares with the quarter ended December 31, 1914, as follows:

	March 31, 1915.	December 31, 1914.
Milling profit	\$25,193	\$22,201
Misc. income	55,445	56,731
Total income	\$80,637	\$28,932
Dividends	434,970	434,970
Surplus	455,668	\$149,027

* Deficit.

The above earnings are based on 14.27 cents per pound for copper against 11.08c. per pound in December 31 quarter.

Copper production for the quarter ended March 31, totaled 11,732,508 pounds against 9,925,585 in Dec. 31 quarter.

T. H. & B. ANNUAL MEETING.

The annual meeting of the Toronto, Hamilton and Buffalo Railway will be held at the offices of the company in the City of Hamilton on June 1st at 11 a.m.

CONSCRIPTION IN BRITAIN.

Lord Derby says that nine-tenths of the people of Great Britain would accept conscription willingly.



MAJOR-GENERAL SAM HUGHES.
Who addresses a Memorial Service at St. James Methodist Church to-night.

HAS MADE STUDY OF DYESTUFFS SITUATION

Can be Bought in Germany but how to Ship is the Paramount Question

INSANE FURY OF GERMANS

Received its Crowning Manifestation in Adoption of Stamp for Cancelling Letters Inscribed "God Punish England."

Boston, Mass., May 4.—F. E. Atteaux, of F. E. Atteaux & Co., dyestuffs importers, has returned from Germany, where he went to study the dyestuffs situation.

Mr. Atteaux says to the Boston News Bureau: "Plenty of dyes can be bought in Germany, but getting them over here is another question. Within three months, unless the situation is earlier relieved, the New England textile industry will be in a serious plight for want of dyes. I would not ship through Italy because the congestion of freight at Italian ports, particularly Genoa, is tremendous.

"The capacity of German dye factories has been to some considerable extent commandeered by the government. All companies which produce any basic ingredients of explosives are working under a government mandate, which allows a certain percentage of the output to the army. Government agents are stationed in all such plants to see that the regulations are observed, although it is an unnecessary precaution. Of course, from lack of cotton Germany's own textile industry is in the doldrums, a fact which makes for a lessened consumption of dyes. The busy spot in textiles is in work for the army and navy.

"As an American I was somewhat shocked to learn that the Germans cherish an aversion to America which is second only to their frenzied hatred of the English. The real trouble lies in the German inability to differentiate between the citizens and the Government of the United States. They believe that the arms and ammunition factories in this country are controlled by the Government, and that it is really the United States Government which is shipping munitions to the allies. Said a member of the Reichstag to me: 'Where is the gratitude of the American people? Have you forgotten what Germany did for your country in your civil war?' My explanation that the United States would sell arms and ammunition to Germans upon the same terms as to the allies, viz.: cash and delivery at any seaport, failed to convince this German of our neutrality.

"Much has been written about Germany's implacable hatred of the English, but what I considered the crowning manifestation of this insane fury was the action of the post office department in adopting a stamp with the words 'Gott strafe England' (God punish England) for cancelling letter postage.

"My intercourse in Germany was largely with chemists of course. They say that this war will be won by chemistry by new triumphs of the chemist's art in the line of explosives and gases. I heard only praise also for the personnel of German railways, which have been of invaluable aid in the rapid disposition of troops. Engineers have clung to the throttle for 36 hours when there was work to be done.

"Germany's economic position is very strong. The precautions which the government has taken to insure the food supply are typical of the German policy of being prepared against all eventualities. Women will gather the crops. In fact, work in the fields is no new experience for German women, while only a small proportion of the men in the military service are farm laborers."

GERMAN SAYS HE DOES NOT

HOPE FOR MONEY INDEMNITY.

When one reads some of the matter emanating from German sources—so full of arrogance and self-complacency—one can readily perceive why the present war has occurred. "It is naturally impossible," one of the directors of the Dresdner Bank remarks, as quoted by the Neues Wiener Journal, of Vienna, "to know when the war will end. I hope it will be terminated before this year is over, perhaps even before autumn. I do not believe that Germany will get a money indemnity; but we might receive from our antagonists securities which we could use in paying off a part of our war expenditure."

PROSPERITY IS RETURNING.

Washington, D.C., May 4.—Prosperity is returning to the west, according to Charles S. Hamlin, of the Federal Reserve Board, who has returned from the west. The recent depression in lumber business is passing, retail mercantile business has improved and confidence and credit are increasing in all lines, Mr. Hamlin stated.

Bankers throughout the country are pleased with the Federal Reserve System and progress at federal reserve cities which Mr. Hamlin visited, points toward the ultimate success of the new banking plan.

LORD CUNLIFFE RE-APPOINTED.

Lord Cunliffe has been re-appointed Governor of the Bank of England for the year 1915. Mr. Brian Cokayne was elected Deputy Governor, in succession to Mr. Robert Lydston Newman.

HAD TWELVE MILE ROUTE MARCH.

Lieut.-Col. J. A. Gunn's regiment, the 24th Battalion, held a route march around the two mountains yesterday, covering in all twelve miles.

COMPARATIVE STATISTICS OF GROWTH OF PUBLIC UTILITIES

The leading article appearing in the Financial World's sixth annual public service corporation review, contains some interesting comparative statistics of the progress and development of public utilities. The article is quoted in part:

"The gross earnings of 275 companies in 1914, as compiled for the Financial World by its statistical department, amounted to \$896,161,591. This is \$41,438,439, or 4.88 per cent. over 1913, and an increase over 1912 of \$96,103,631, or 12.01 per cent. Out of the gross earnings of 1914 there was saved for the net \$375,035,910, an increase of \$10,454,268, or 2.86 per cent. over 1913, and \$30,109,929, or 8.72 per cent. better than 1912. Slight as is the gain, it is on the constructive side of the investment ledger.

"Generally capital has fared well from its investment in public service corporation securities, for in 1913 these 275 companies disbursed in fixed interest charges \$152,929,180, or 4.91 per cent. over 1912, and \$17,652,421, or 13.04 per cent. greater than 1912; they paid dividends to the extent of \$139,194,564, or \$8,963,974, or 6.88 per cent. in excess of 1913, and \$14,817,462, or 11.91 per cent. over 1912. Surplus reported however, for 1914 of \$73,122,470, decreased from that shown in 1913 by \$6,064,478, or 7.65 per cent., and from 1912 by \$3,667,878, or 4.77 per cent.

"Altogether these 275 corporations have outstanding bonds aggregating \$2,200,554,734, an increase of \$101,421,913, or 4.35 per cent. over 1913, and \$189,735,910, or 9.41 per cent. over 1912; preferred stock of \$574,885,353, an increase of \$4,087,953, or 7.0 per cent. over 1913, and \$51,848,149, or 4.17 per cent. over 1912, and common stock of \$2,228,812,706, an increase over 1913 of \$4,088,888, or 1.87 per cent., and \$179,328,841, or 8.74 per cent. over 1912. The sharp drop recorded in the increase in common stock is traceable to restrained development of these enterprises. Speculation here as elsewhere was considerably curbed last year.

"Measured by their par value, securities issued by these 275 companies now in the hands of the public have now crossed the five billion dollar mark. These figures are as follows: \$2,200,554,735 bonds, \$574,815,333 preferred stock and \$2,228,812,706 common stock. The combined total is \$5,004,222,733."

CHICAGO PNEUMATIC TOOL CO.

TO OPERATE NIGHT AND DAY.

Franklin, Pa., May 4.—It is expected that the plants of Chicago Pneumatic Tool Co., located here, will within six weeks be in operation night and day, employing upward of 50 men. The company has large orders for shells from the Allies estimated up to \$300,000. Order was obtained from Bethlehem Steel Co. and deliveries must be made before summer of 1915.

The necessary machinery for the construction of these shells is now being contracted for and preparations for an instalment is under way. This company has been furnishing air compressors and oil engines for both Russia and England.

NATION'S HEALTH BENEFITED BY

EXTRA HOUR FOR RECREATION

A prominent bank official of Western Canada who is taking a keen interest in the utilization of vacant lots for the growing of garden crops, says: "It seems to me that the 'daylight saving scheme' would be one of the greatest factors in helping on the kitchen garden movement. It would give everyone from Halifax to Vancouver an hour's more time to work in the garden in daylight than they would otherwise have and it would be a great thing for the health of the nation to have an extra hour for outdoor recreation, and last, but by no means least, there would be a wonderful saving of light, electricity, gas and oil. The one hour extra daylight would mean that by the time darkness came it would be pretty nearly bedtime, going by ordinary rules."

GOLD HOLDINGS OF THE BANK OF ENGLAND OVER SERIES OF WEEKS

London, May 4.—The gold holdings of the Bank of England for a series of weeks follows:

	1915.	1914.	1913.
April 29	\$55,314,389	\$36,765,422	\$37,767,218
April 22	55,640,385	36,893,898	38,203,292
April 15	55,311,986	36,237,767	37,922,106
April 7	53,751,928	36,028,143	37,094,439
April 1	53,867,251	39,014,628	36,303,979
March 25	57,238,528	40,855,324	36,541,315
March 18	59,455,251	41,170,928	36,862,105
March 11	59,876,555	41,642,084	37,417,499
March 4	59,992,087	41,786,783	37,480,773
Feb. 25	63,871,540	42,765,040	37,715,907
Feb. 18	65,545,972	42,627,458	37,712,353
Feb. 11	67,154,485	43,154,292	36,991,174
Feb. 4	67,598,582	43,355,136	36,191,667
Jan. 28	69,166,117	43,634,723	36,401,864
Jan. 21	69,320,429	41,923,672	35,775,875
Jan. 14	69,260,394	39,890,867	35,273,610
Jan. 7	68,848,493	37,110,409	33,415,854

1914. 1913.
Dec. 31 \$69,193,619 | \$32,983,149 | \$31,200,487 || Dec. 24 | 70,378,414 | 33,098,465 | 30,328,567 |
| Dec. 17 | 72,414,101 | 35,420,649 | 32,473,897 |

Gold holdings during the war period were at the highest on November 19, when total was \$72,570,142, the smallest since August 1 was \$27,622,069 on August 7.

SURRENDERS PROXY RIGHT.

New York, May 4.—The Sheldon proxy committee has notified stockholders of Chicago, Rock Island & Pacific Railway Company by circular that it surrenders the right to vote proxies received at the regular annual meeting to be held next October and at any adjournment thereof.

The circular says in part: "After a meeting of stockholders in Chicago on April 12th, the proxy committee deemed it proper to report to stockholders what action had been taken under their proxies. 'The committee, accordingly drafted and had set in type the circular dated April 15.—Just as this statement was about to be mailed to stockholders the committee learned from the newspapers that receivers for property of the railway company had been appointed by the Federal Court in Chicago.

"It had not, therefore, been informed that any such action was contemplated and while the serious condition of the company was sufficient to bring to mind the possibility of a receivership the committee had not expected that such action would take place."

SIR THOMAS IS OPTIMISTIC.

Sir Thomas Shaughnessy, president of the Canadian Pacific Railway Company, who is in Winnipeg on his way East after a visit to San Francisco, expresses the opinion that Canada will rapidly recuperate from the present depression; in fact, he states that he sees already signs of better conditions.

MILLION-SHARE DAYS ARE MORE PREVALENT

Past Month in New York Aggregated as Many as in Past Three Years Combined

STRUGGLE FOR CAPITAL

United States Should be Able to Meet it With Relatively More Composure Than in Any World-Wide Crisis Before.

New York, May 4.—Great activity and at times violent fluctuations have been the outstanding characteristic of the security markets during the month now drawing to a close, says Messrs. Spencer, Trask and Company, in their review. The turn-over in stocks has been greater than for any month since January, 1910, and shows a daily average not far from three times as great as March, which itself represented an increase of 50 per cent. over February. The present month also has the distinction of recording seven million-share days, an aggregate of as many million-share days as the last three years combined.

This activity, which was originally predicted largely by our growing exports and increasing financial ease, became more pronounced as the hope gained ground that the war would be over sooner than expected, and the work of the world thus resumed without too long a break permanently to affect its flow. As the movement grew in intensity however, the expectations of peace gradually lost their importance, and in their stead there arose talk on all sides of enormous war orders, until the shares of any company, no matter how remotely the production of war materials might affect its earnings, were pushed into the foreground and rose at times so fast that prices jumped whole points between sales.

Affects Industrial Activities.

Even making allowances for exaggeration, it is true beyond question that a sufficient volume of orders, covering every conceivable necessity of the warring nations, has been received as to affect the industrial activities of this country to a very material degree. What the ethical result of this will be for as a nation may be left to the future to decide. One result, however, it has at least had, which in its broader aspect is of national importance; it has shown what our manufacturers would be capable of in the event that we should at any time be drawn into a struggle of the first magnitude, for which we are never prepared; it has demonstrated, too, in a most striking manner, the ingenuity and adaptability of the American character to meet the unexpected, and meet it successfully.

The very manner, however, in which our factories have been able to adapt themselves to unusual orders indicates very clearly how slack has been our internal trade. The building trade, for instance, which reflects pretty accurately the general trend of activity over the country, is still making an unsatisfactory showing even when compared with the low ebb of conditions during the same period of 1914. Fortunately, a small improvement is beginning to manifest itself in this respect, and it is hoped that the tendency to increase will gradually assume more definite shape and larger proportions.

Showing Modest Increases.

In other lines, too, a certain improvement is noticeable. Bank clearings, both in New York and throughout the country, are showing modest though steady increases; there is a freer domestic and an increasing foreign demand for finished cotton goods; steel mills are operating a materially higher percentage of their plants, reports being common of new furnaces put in blast here and there; equipment orders are growing in number, and the recent important carpet sales in this city are a very good index of the belief that people are relaxing in their hitherto formed habit of economy. Further, our export trade continues at a truly enormous rate, even if the exports of April have fallen short of the record established in recent months. So far as can be humanly foreseen, our export trade is certain to remain heavy for an indefinite time to come, as the industries of Great Britain are crippled because of the amount of skilled labor at the front, while a great part of the French, and practically all of the Belgian manufacturing districts, are working only under the greatest handicap, where they are operating at all. Consequently our industries should face a period of extreme activity, although the probable duration of that period is necessarily veiled in the greatest uncertainty.

Meet Inevitable Struggle.

Our financial position is meanwhile being so firmly entrenched that when the inevitable struggle for capital begins, we should be able to meet it with less strain and with relatively more composure than we have ever faced a world-wide crisis before. It is quite possible because of a growing appreciation of that the bond market is showing so much animation coupled with underlying strength. The average price of 10 representative bonds has risen approximately 1 1/2 points over March, and this does not show the entire change, for this average does not include several new issues which have been absorbed with signal success, notably the \$100,000,000 New York Central Convertible bonds.

The total transactions for the month were easily 50 per cent. larger than in March, and appreciably more than the combined turn-over of January and February; in fact, they were larger than for any month since December, 1909, with only one exception. This is a factor of prime importance, as bonds are after all a better index than stocks of a fundamental improvement in conditions. On the whole, therefore, there is plenty of reason why American investors should congratulate themselves on the outlook.

RISE IN SECURITY VALUES.

Total value of 387