

NEWS AND COMMENT FROM THE FINANCIAL WORLD

MARKET IN VULNERABLE POSITION YESTERDAY

Peace Talk Most Influential Factor on All Stock Exchanges—Some Think Peace Long Way Off.

Special to The Standard.

Montreal, Dec. 12.—The market was in a vulnerable position and it was to be expected that peace talk would affect prices adversely, said a prominent interest in the stock market today, with reference to the announcement of Germany's opening of peace negotiations and the decline in the market.

"Unfortunately, I believe, peace is a long way off," he added, and this opinion may be said to epitomize the feeling of the market.

An exceptionally large bull account has been built up in Canada in the shares of many of the companies which have profited very heavily from war business and this account rested very comfortably in the assurance of yet higher prices. But there was the inevitable "if" to these assumptions and everything practically hung on the presumption very widely prevalent that another year of war was a certainty. But "if" the war came to an end and so would come the end of many dreams of bullish profits, particularly out of the shares of companies more directly connected with the supply of war materials out of which their profit and loss accounts have fattened for a couple of years.

No one was prepared to say how far the first shock would carry the market. Much would depend on the character of the future news and the construction placed upon it by traders.

MONTREAL SALES

(McDOUGALL & COWANS.)

Montreal, Tuesday, Dec. 12th.—Steamships Com—100 @ 43, 50 @ 42½, 75 @ 42, 125 @ 41½. Steamships Pfd—1 @ 94, 100 @ 84½, 125 @ 84½. Brazilian—180 @ 44, 35 @ 43. Can. Loco—110 @ 58½. Can. Cement Pfd—10 @ 94. Steel Canada—75 @ 83½, 20 @ 83½, 10 @ 83½, 50 @ 83½, 35 @ 83, 450 @ 82½, 485 @ 82½, 525 @ 82, 125 @ 81½, 30 @ 81½. Can. Cement Com. P. M.—25 @ 70½, 25 @ 70, 10 @ 69, 50 @ 69½, 115 @ 68½. Dom. Iron Steel—25 @ 78, 200 @ 77½, 20 @ 77½, 25 @ 77, 50 @ 77½, 175 @ 77½, 50 @ 77, 50 @ 76½, 365 @ 76½, 75 @ 76, 50 @ 75½, 600 @ 75½, 135 @ 76, 125 @ 76½. Civil Power—100 @ 81½, 110 @ 81. Dom. War Loan—400 @ 99. New War Loan—6,000 @ 98½, 14,000 @ 98½, 500 @ 98½. Can. Car Pfd—10 @ 83, 10 @ 82, 80 @ 81. Toronto Ry—75 @ 80. Detroit United—121. Smelting—12 @ 38, 5 @ 37½. Lake Woods—10 @ 146, 35 @ 150. Riddison—50 @ 135½. Price Bros.—25 @ 125½, 6 @ 124. McDonalds—25 @ 14. Wayagmack—100 @ 100. Scotia—50 @ 143, 175 @ 141, 25 @ 141. Quebec Ry—120 @ 44½, 500 @ 44, 50 @ 44½, 105 @ 43½, 200 @ 42. Spanish River Com—50 @ 21, 55 @ 20½, 15 @ 20. Spanish River Pfd—100 @ 63. Dom. Bridge—25 @ 192, 100 @ 190. Tram Power—175 @ 40.

Afternoon.

Steamships Com—135 @ 41½. Steamships Pfd—50 @ 93. Can. Loco—110 @ 58½, 10 @ 57. Brazilian—25 @ 44½, 25 @ 44½. Steel Canada A. M.—125 @ 83½, 355 @ 85½, 190 @ 85, 400 @ 84½, 450 @ 84½, 10 @ 84½, 50 @ 84½, 225 @ 83½, 210 @ 83½, 35 @ 83½, 225 @ 83½. Civil Power—25 @ 81. Dom. War Loan—300 @ 99. New War Loan—100 @ 98½, 900 @ 98½, 2,000 @ 98½. Can. Car Pfd—150 @ 81. Detroit United—100 @ 120, 150 @ 120½. Smelting—55 @ 37, 185 @ 36½. Wayagmack—55 @ 100, 100 @ 99½. Scotia—25 @ 140½, 125 @ 140, 75 @ 139½. Quebec Ry—200 @ 42, 50 @ 42½, 10 @ 43, 300 @ 43½. Spanish River Com—110 @ 20. Spanish River Pfd—50 @ 63. Tram Power—110 @ 40, 200 @ 40½, 60 @ 40½. Brompton—25 @ 68, 25 @ 68½.

WINNIPEG WHEAT CLOSE.

(McDOUGALL & COWANS.)

May 177½. Dec. 173½.

OLGIVIE FLOUR MILLS INCREASE DIVIDEND.

Special to The Standard. Montreal, Dec. 12.—The dividend on Olgivie Flour Mills common stock has been placed on 10 per cent basis, instead of 8 per cent, as heretofore, the distribution for the last quarter of the year being 2½ p. c. The old rate has been effective since 1910. This action follows a bonus of 4 per cent declared three months ago.

It has been known for a good while that by successful management and conservative methods aided by extraordinary conditions in the trade the company has worked into a remarkably strong cash position, freedom from debt and with good returns from investments could face the future and a large distribution rate with great confidence.

MUCH DEPENDS ON WAR STOCK PRICES

Foreign Holdings of United States Steel Stocks (Morning) Said to be For Sale.

(McDOUGALL & COWANS.)

New York, Dec. 12.—Attention is being directed in leading circles to the point that the prices of war stocks are based on the expectation of continuance of war orders, and that if Great Britain has perfected its producing facilities in this respect at home and finds credit refused in the United States, as a result of the federal reserve warning, liquidation is in order on all rallies in this department. A very good demand is reported for Southern Railway common stock on reactions. Scale down buying orders are reported to be in the hands of specialists. This stock is earning more than 7 per cent, and is considered by conservative interests to be one of the most attractive of the low priced rails, one which will be benefited substantially by increased cotton traffic on peace. Morgan interests are declared in professional circles as having for sale a large line of foreign holdings of United States Steel common stock, which is declared to have been offered as one of the results of the British treasury credit bills recently. The story is not credited in responsible quarters but the rumor persists.

Shares of shipping companies are being confidently bought on a scale down, including Mariner, A. G. & W. L., Pacific Mail. There is a good market on the exchange and outside for stocks representing good propositions in the matter of transportation for ocean tonnage. New financing is snapped up. The prospect of a more energetic submarine campaign is understood to be responsible for this. More liquidation is reported from specialist sources to be pending in Westinghouse Electric stock. The buying is said to be chiefly for short account. Selling by active investors who do not like the stock increase advances is reported to be enlarging and is likely to be met with recoveries in price.

N. Y. F. B.

N. Y. QUOTATIONS

(McDOUGALL & COWANS.)

Open. High. Low. Close. Am Beet Sulf 103½ 104½ 98½ 98½. Am Car Pfd 75½ 75½ 71½ 71½. Am Loco 89½ 89½ 84½ 84½. Am Steel 112½ 112½ 107 108. Am Steel Pfd 69½ 69½ 65 67. Am Woolen 51½ 51½ 47 47. Am Zinc 55½ 55½ 50 50. Anaconda 93½ 93½ 87 87. A. H. and L. Pfd 74½ 74½ 72½ 72½. Am Can 59 59 55 55. Atchafson 104½ 104½ 102½ 103½. Bait and Ohio 84½ 84½ 81 81. Bald Loco 77½ 77½ 73 73. Beth Steel 600 600 599 599. Brook Rap Tr 83 83 82 82. Butte and Sup 67½ 67½ 64½ 65½. Calif Petrol 23½ 23½ 22 22. C. F. I. 53½ 53½ 49½ 49½. Bait and Ohio 67½ 67½ 64½ 65½. China 65 65 61 61. Cent Leath 111½ 111½ 103 103. Can Pac 166 166 164½ 164½. Cruc Steel 82½ 82½ 75 75. Erie Com 36½ 36½ 35½ 35½. Erie 1st Pfd 51½ 51½ 50½ 50½. Gr Nor Pfd 116½ 116½ 106½ 106½. Gen Rub 68 68 66½ 66½. Gen Elect 175½ 175½ 174 174. Gr Nor Ore 41½ 41½ 39½ 39½. Indus Alcohol 135½ 135½ 124½ 124½. Balt Gas 127½ 127½ 123 123. Inspira Cop 66½ 66½ 61½ 62½. Kans City Sto 26½ 26½ 25½ 25½. Kennecop 54½ 54½ 50½ 50½. Lehigh Val 79½ 79½ 70½ 70½. Mer Mar Pfd 116½ 116½ 110½ 111½. Mex Petrol 106½ 106½ 101 101. Miami Cop 44½ 44½ 41½ 42. Miss Pac 17½ 17½ 17 17. NY NH and H 56½ 56½ 53½ 53½. N. Y. Cent 100½ 100½ 104½ 104½. Nor and West 136½ 136½ 134½ 134½. Nor Pac 110½ 110½ 110 110. Nat Lead 65½ 65½ 62½ 62½. Nevada Cons 30½ 30½ 29 29. Penn 56 56 56½ 56½. Press Stl Car 79 79½ 77½ 78. Reading Iron 108 108½ 105½ 105½. Repub Steel 83½ 83½ 85½ 85½. St Paul 92 92 91 91. Sou Pac 98½ 98½ 97½ 97½. Sou Rail 29½ 29½ 28½ 28½. Studebaker 119½ 119½ 116½ 117½. Union Pac 144 144½ 142½ 142½. U S Stl Com 122½ 122½ 118½ 118½. U S Rub 67½ 67½ 65½ 65½. Utah Cop 119½ 119½ 117½ 117½. United Fruit 158½ 158½ 154½ 154½. Westinghouse 59 59 56½ 56½. West Union 101½ 101½ 100½ 100½. U S Steel Pfd 121½ 121½ 121 121.

MONTREAL MARKETS

(McDOUGALL & COWANS.)

Bid. Ask. Ames Holden Com. 23 24. Brazilian L. H. and P. 44 44½. Canada Car 40 40. Canada Cement 69 69½. Canada Cement Pfd. 94 94. Can. Cotton 60 61. Civil Power 81 81½. Detroit United 120 120½. Dom. Iron Com. 74½ 74½. Dom. Tex. Com. 85 86. Laurentide Paper Co. 200 204. Lake of Woods 149 150. MacDonald Com. 14 14. N. Scotia Steel and C. 139 139½. Quebec Railway 43 43½. Shaw W. and P. Co. 131 130½. Spanish River Com. 20 20½. Steel Co. Can. Com. 81½ 81½. Steel Co. Can. Pfd. 106 106. Toronto Ralls 78 80.

PEACE OFFER CAUSES PANIC ON NEW YORK STOCK MARKET

Total of 2,500,000 Shares Thrown Overboard—Bethlehem Steel ("War Baby") Tumbles 27 Points—U. S. Steel Loses Heavily—Market in State of Demoralization.

(McDOUGALL & COWANS.)

New York, Dec. 12.—The stock market was thrown into a state of confusion today on the news that the Central Powers had instituted peace negotiations. The announcement was followed by an avalanche of selling which more than taxed the market's powers of absorption. Important stocks fell away five to ten points, and in one instance—Bethlehem Steel, foremost of the "war babies"—an extreme loss of 27 points was registered. Bethlehem was the only share to manifest any degree of resistance, although in that quarter losses of two to three points were numerous, with three and a half for Reading. No division of the list was immune from the heavy liquidation, which was at its flood in the last hour. Trading at that time was so enormous that the tickers were twenty minutes behind actual operations.

Final Prices Eased.

Short covering served in some instances to ease final prices, but in no notable cases was the movement more than nominal. Many weak margined accounts were thrown over, and "stop loss" orders, with which the market seemed to be honeycombed, constituted a large part of the day's business. Total sales aggregated 2,500,000 shares, the largest amount, according to authoritative records, since the re-opening of the exchange in December of 1914, and seldom exceeded.

War Group Suffers.

Of this total United States Steel and the so-called war group contributed an unusually large proportion. The decline in stocks was accompanied by further demoralization in rates of exchange to Germany and Austria, with a fall to another minimum in Anglo-French bonds. These operations were partly rectified before the close of the session.

The day was not without its bright side, although developments of that nature were completely overshadowed by the news from abroad. The Western Union Telegraph Company declared an extra dividend of one per cent, and the Allis Chalmers Company ordered the payment of another deferred dividend amounting to 1½ per cent. Domestic bonds and general issues of that class were heavy to weak. Total sales, par value, amounted to \$5,575,000.

CHICAGO PRODUCE.

(McDOUGALL & COWANS.)

K—Chicago Produce thrs, strath, B. Ct Chicago, Dec. 12.—Wheat, No. 2 red, nominal; No. 3 red, 1.65; No. 2 hard, 1.71½ to 1.71½; No. 3, nominal. Corn—No. 2 yellow, 91½ to 92½; No. 4 yellow, 87½ to 90; No. 4 white, 88½ to 89½. Oats—No. 3 white, 51½ to 52½; standard, 52 to 53½. Rye—No. 2, 1.42 to 1.43. Barley—90 to 1.30. Timothy—3.50 to 5.50. Clover—12.00 to 17.00. Pork—28.50. Lard—16.77. Ribs—13.37 to 13.87.

FINANCIAL PRESS

(McDOUGALL & COWANS.)

Journal of Commerce—"The chief source of stock market weakness is undoubtedly the increased fears of deprecuations by German submarines." Wall St. Journal—"The only indication of public interest is in the growing nervousness of holders of stocks."

N. Y. F. B.

City of St. John BONDS

To Yield 5.20 %

J. M. ROBINSON & SONS

A. R. C. CLARK & SON, General Contractors

Water and Sewerage Installations

Wharf Building Concrete Construction

Street Paving

51 Water St. St. John Phone M. 1320

WM. LEWIS & SON

MANUFACTURERS OF

Bolts, Bridge Work and Fire Escapes

Britain Street. Phone M. 736

The Union Foundry and Machine Works, Ltd.

Engineers and Machinists

IRON AND BRASS CASTINGS

West St. John Phone West 15

G. H. WARING, Manager.

QUESTION WHETHER ALLIES ACCEPT PEACE

After Something of a Rally in Early Afternoon, Market Again Turned Weak.

(McDOUGALL & COWANS.)

New York, Dec. 12.—After something of a rally in the early afternoon the market again turned weak, and there was a considerable further decline, with very little recovery before the close. N. S. Steel dropped below 117 and was a good index of the market, although losses in some of the Copper stocks were larger than this. Germany's attitude in connection with peace proposals is expressed by the Kaiser in his message to the troops in which he says they have been victorious. But the terms proposed which include a restoration of Belgium and Northern France and the establishment of independent kingdoms of Poland and Lithuania, offer a basis of negotiation which might come near being acceptable to the Allies. General opinion upon those in touch with the Allied viewpoint, however, is that they will not stop fighting until Germany is whipped. This news of Germany's peace move dominated the entire market and its attention was paid to such developments as the declaration of a 1 per cent extra dividend by Western Union and the announcement that

E. & C. RANDOLPH.

DECEMBER BOND LIST

Government and Municipal Bonds to Yield 4.90 % to 6 %.

If you have funds for investment now, or expect to have within the next month, it will pay you to procure a copy of our list, which we will gladly furnish on request.

Eastern Securities Company, Limited.

"We Go On Forever"

Have You Made a Will?

Do you realize that if you do not dispose of your property by will your estate may be disposed of by law very differently from the way you would wish? When you are making your will why not assure efficient management of your estate by appointing as your Executor and Trustee?

The Eastern Trust Company

C. H. FERGUSON, Manager for N. B.

McDOUGALL & COWANS

Members of the Montreal Stock Exchange

58 Prince Wm. Street, St. John, N. B.

SECURITIES BOUGHT AND SOLD IN ALL MARKETS.

LISTED STOCKS CARRIED ON MARGIN.

Offices—Montreal, Quebec, Vancouver, Ottawa, Winnipeg, Halifax.

Connected By Private Wire.

LONDON GUARANTEE & A CIDENT CO., Ltd.

LONDON, ENGLAND.

ASSETS \$10,886,805

See terms of their new Accident and Sickness Policies, also, Elevator and Employers Liability Policies.

CHARLES A. MACDONALD & SON,

49 Canterbury Street.

Phone Main 1536.

GEORGE E. FAIRWEATHER & SON

INSURANCE AND REAL ESTATE

Representing—Aetna Insurance Co., London and Lancashire Fire Insurance Co., Ltd., and Hartford Fire Insurance Co.

67 Prince William Street, St. John, N. B.

FIRE INSURANCE

Insure With the Home Insurance Company

CASH Assets, \$33,139,915.81. Cash Capital, \$6,000,000.00. Net Surplus, \$10,073,019.89. Surplus as regards Policyholders, \$18,615,440.71.

Knowlton & Gilchrist,

General Agents.

Pugley Building, Cor. Princess and Canterbury Sts., St. John, N. B.

Agents Wanted in Unrepresented Places.

THOMAS BELL & CO., St. John, N. B.

PUGLEY BUILDING, 48 PRINCESS STREET.

Lumber and General Brokers

SPRUCE, HEMLOCK, BIRCH, SOUTHERN PINE, OAK, CYPRESS,

SPRUCE PILING AND CREOSOTED PILING.

GILBERT G. MURDOCH

Established 1870.

A. M. Can. Soc. C. E.

Civil Engineer and Crown Land Surveyor

Surveys, Plans, Estimates, Superintendence, Blue Prints, Black Line Prints. Maps of St. John and Surroundings, 74 Carmarthen St., St. John.

GRAVEL ROOFING

Also Manufacturers of SHEET METAL WORK

of every description.

Copper and Galvanized Iron Work for buildings a specialty

Phone M. 356. J. E. WILSON, Ltd., 17-19 Sydney St.

WANTS CANADIANS TO PURCHASE OWN STOCKS

Sir Thomas White Regrets That so Many Foreign Securities Purchased in Dominion.

Special to The Standard.

Ottawa, Dec. 12.—The frequent foring in Canada of non-Canadian stocks and bonds causes concern to the Minister of Finance. Sir Thomas White earnestly hopes that instead of making such purchases Canadian investors will purchase Dominion debentures stock or conserve their savings for Dominion war loans. He points out that the huge expenditure now made in Canada for the purpose of the war and for the purchase of shells and other munitions should find its way back into Dominion securities for the purpose of financing further orders.

Chicago and Northwestern was going to offer stockholders ten per cent. in new stock at par. Report of the Cuban-American Sugar showed over \$8,000,000 comparing with \$5,000,000 in 1915 and \$2,700,000 in 1914. Another shipment of \$5,000,000 gold was received from Canada. Sales—Stocks, 2,456,500. Bonds, \$5,600,000.

E. & C. RANDOLPH.

FRANCIS S. WALKER Sanitary and Heating Engineer

No. 18 Germain Street

G. ERNEST LAIRWEATHER Architect

84 Germain Street - St. John, N. B.

Phones: Office 1741 Residence 1330

THE VAUGHAN ELECTRIC CO. Ltd.

Electrical Engineers

Germain St. St. John, N. B.

APPLES.

Apples For Sale by

JAMES PATTERSON,

19 and 20 South Market Wharf, St. John, N. B.

EDWARD BATES

Carpenter, Contractor, Appraiser, Etc.

Special attention given to alterations and repairs to houses and stores.

80 Duke St. Phone M 786.

St. John, N. B.

"Hipres" Rubber Boots

These are the boots that have been tested and tried. Users who know will not buy any other.

Wholesale and Retail.

ESTEE & CO.,

49 Dock Street.

EXTENSION LADDERS

All Sizes.

H. L. & J. T. McGowan, Ltd.,

139 Princess St. St. John.

ELEVATORS

We manufacture Electric Freight, Passenger, Hand Power, Dumb Waiters, etc.

E. S. STEPHENSON & CO.

St. John, N. B.

J. FRED WILLIAMSON

MACHINISTS AND ENGINEERS

Steamboat, Mill and General Repair Work.

INDIAN TOWN, ST. JOHN, N. B.

Phones, M-229; Residence M-172-11.

BRIDGES

Building and All Structures of Steel and Concrete

Designs, Estimates and Investigations

T. CUSHING, M. Sc. (M. I. T. Boston)