

NEWS AND COMMENT FROM THE FINANCIAL WORLD

M'KAY CO. LAND LINES
SHOW SLIGHT PROFIT

Only 1-10 of 1 per cent. on Preferred, but for Same Period Last Year there was Deficit.

Special to The Standard.

Boston, Oct. 14.—During the first six months of 1916 the land lines of the Mackay Company's Consolidation operated at a profit against a considerable deficit in the same period of 1915. Net earnings, after all operating expenses during this period, were \$53,282, against an operating loss in 1915 of \$96,140. This was a comparative improvement of \$149,422. Of course, the actual net of \$53,282 is so slight as to be almost pathetic. It amounts to about one-tenth of one per cent. on the \$50,000,000 preferred stock of the present organization. Mackay Company requires \$4,000,000 to pay its deferred and common dividends. On this basis it is clear that practically all but about \$100,000 of the amount must be derived from cable net and from income on securities owned. The principal source of income from securities is the \$12,000,000 received from sale of American Telephone stock some years ago. This money is probably bringing in \$500,000 a year. At the prices paid for the securities purchased with the telephone money the Mackay people undoubtedly have a handsome paper profit. This fund has been kept intact for reasons of strategy. As things have worked out the money has not been needed in the business and in time may be used to cut down the present heavy capitalization.

MONTREAL SALES

(McDOUGALL & COWANS.)

Montreal, Saturday, Oct. 14th.—Steamships Pfd.—35 @ 59.
Brazilian—90 @ 53½, 3 @ 53½, 15 @ 53.
Can. Cement Pfd.—15 @ 94½.
Can. Cement Com.—325 @ 66½, 550 @ 67, 200 @ 67½, 325 @ 67½.
Steel Canada—30 @ 62, 100 @ 61½, 20 @ 61½, 55 @ 61½.
Dom. Iron Pfd.—25 @ 94.
Dom. Iron Com.—350 @ 61½, 5 @ 62, 410 @ 61½.
Civic Power—610 @ 81.
Dom. War Loan—1,000 @ 98½.
New War Loan—5,500 @ 98½.
General Electric—6 @ 117.
Can. Car Com.—100 @ 37.
Toronto Ry.—10 @ 88½, 1 @ 89.
Detroit United—40 @ 116.
Ogilvie Pfd.—10 @ 113½.
B. C. Fish—125 @ 59.
Riordan—30 @ 98, 25 @ 97½.
Laurentide Pulp—10 @ 190.
Smelting—10 @ 40, 145 @ 39½, 175 @ 40½.
Tram Power—165 @ 38, 20 @ 38½.
Waymack—25 @ 72.
Price Bros.—15 @ 105.
Crown Reserve—400 @ 49.
Penmans Ltd.—25 @ 70, 10 @ 71.

CHICAGO PRODUCE.

(McDOUGALL & COWANS.)

Chicago, Oct. 14.—Wheat, No. 2 red, 1.57½ to 1.58 7/8; No. 3 red, 1.49 to 1.52½; No. 2 hard, 1.60 7/8; No. 3 hard, 1.55 to 1.59½.
Corn—No. 2 yellow, 90 to 90½; No. 4 yellow, 89½; No. 4 white, 88½ to 89½.
Oats—No. 3 white, 46½ to 47½; standard, 47½ to 47¾.
Rye—No. 2, 1.27.
Barley—75 to 114.
Timothy—3.50 to 5.00.
Clover—11.00 to 14.00.
Pork—28.50.
Lard—15.22.
Ribs—13.60 to 14.00.

MONTREAL MARKETS

Ames Holden Com. 23 24
Ames Holden Pfd. 64 65
Brazilian L. H. and P. 53 54
Canada Cement 67 68
Canada Cement Pfd. 94 95
Can. Cotton 55 56
Civic Power 80 81
Crown Reserve 119 120
Detroit United 212 214
Dom. Bridge 94 95
Dom. Iron Com. 61½ 61½
Dom. Tex. Com. 84 84½
Laurentide Paper Co. 190 191
Lake of Woods 123 123
MacDonald Com. 14 14
N. Scotia Steel and C. 134 134
Ottawa L. and P. 94 94
Ogilvie 144 146
Penman's Limited 70 71
Quebec Railway 35 35½
Spanish River Com. 61 61½
Steel Co. Can. Com. 61 61½
Toronto Rails 88 89

NEW YORK COTTON

(McDOUGALL & COWANS.)

High. Low. Close.
Jan. 17.65 17.47 17.51
Mar. 17.75 17.56 17.69
May 17.82 17.65 17.69
July 17.96 17.74 17.74
Oct. 17.85 17.65 17.65

WINNIPEG WHEAT CLOSE.

(McDOUGALL & COWANS.)

May 161½
Dec. 158½

TRADERS CAUTIOUS
STOCKS IRREGULAR

Bethlehem Yielded Eight Points—Shipping Stocks Strong—An Easier Trend in Bonds.

New York, Oct. 14.—An undercurrent of caution pervaded today's stock market operations, the two-hour session being attended by considerable irregularity. This was particularly true of the leaders, United States Steel showing decided restraint with allied industrials, Bethlehem Steel yielded eight points, with one to three for Alcohol, New York Air Brake and some of the leading motors.

This was partly counterbalanced by the strength of shipping stocks, especially Atlantic Gulf and West Indies, which made an extreme addition of almost three points to yesterday's more substantial advance. Gas shares were again active and higher, though losing much of their advantage in the later dealings. Rails were strong at the outset, but sagged in the greater activity of the last hour, when profit-taking proved more or less effective. Total sales amounted to 455,000 shares.

The usual weekly budget of weekly

news included the reviews of the mercantile agencies, which reported a continuance of extraordinary activity and a broadening of demand for the coming year. Further advances from steel centres indicated more price advances before the end of the month. Copper failed to respond to reports of additional foreign orders for delivery early in 1917 at not less than 28 cents a pound. Representatives of the big producing companies could not confirm these reports.

An actual cash loss of about \$20,

000,000 was the most noteworthy feature of the weekly bank statement, loans, however, contracting by \$17,000,000, and reserves by \$13,640,000, reducing the excess reserve to about \$69,000,000, the smallest total since the mid-year.

Bonds also developed an easier trend on light demand. Total sales, par value aggregated \$2,260,000.

United States and Panama bonds

advanced ½ to ¾ of 1 per cent. on call during the week.

N. Y. QUOTATIONS

(McDOUGALL & COWANS.)

Am Beet Sug. 95½ 97½ 95½ 97½
Am Car Ry. 63½ 64 63½ 64
Am Loco 74½ 75 74½ 75
Am Sug. 114½
Am Smelt. 105½ 106 105½ 105½
Am Steel Ry. 58½ 58½ 57½ 58
Am Woolen 48½ 49 48½ 49
Am Zinc 45½
Am Zinc 122½
Anaconda 91½ 91½ 90½ 91
A. H. and L. Pfd. 70½ 70½ 69½ 69½
Am Can. 58 58 57½ 57½
Atchafalpa 105½ 105½ 105 105½
Balt. Gas 80 80 78½ 78½
Balt. Loco 87 87 86½ 86½
Brook. Rap. Tr. 84½ 84½ 83½ 83½
Butte and Sup. 62½ 62½ 61½ 61½
C. F. I. 51 51 49½ 49½
Ches. and Ohio 65½ 65½ 65½ 65½
Chino 52½ 52½ 52½ 52½
Cent. Leath. 77 77 76½ 76½
Can. Pac. 175½ 175½ 175½ 175½
Cotton Gas 141
Cruc. Steel 79½ 79½ 78½ 78½
Erie Com. 38½ 38½ 37½ 37½
Erie 1st Pfd. 52½
Gr. Nor. Pfd. 118 118 117½ 118
Good Rub. 72 72 71½ 71½
Gen. Elect. 175 175 174 174
Indus. Alcohol 118½ 118½ 117 117½
Balt. Gas 115½ 115½ 115½ 115½
Inspira. Cop. 61½ 62 61½ 62
Kans. City Sou. 27½ 27½ 27½ 27½
Kenne. Cop. 51½ 51½ 50½ 51½
Lehigh Val. 84 84½ 84 84½
Mer. Mar. Pfd. 107½ 107½ 106½ 107½
Mex. Petrol. 106½ 106½ 105½ 106½
Miami Cop. 37½ 37½ 37 37½
N. Y. N. H. and H. 60½ 60½ 59½ 60½
N. Y. Cent. 108½ 108½ 107½ 107½
Nor. and West. 144½ 144½ 144½ 144½
Nor. Pac. 110½ 110½ 110½ 110½
Nat. Lead 67½
Nevada Cons. 21
Penn. 57½
Pres. Ste. Car. 65½
Reading Com. 105½ 105½ 105½ 105½
Repub. Steel 69 69 68½ 69
St. Paul 94½
Sou. Pac. 99½ 100½ 99½ 100½
Sou. Rail 27½ 28 27½ 27½
Studebaker 120½ 120½ 120½ 120½
Union Pac. 147½ 147½ 146½ 146½
U. S. St. Com. 108½ 108½ 108½ 108½
U. S. Rub. 57½ 58½ 57½ 57½
Utah Cop. 92½ 92½ 92½ 92½
Westinghouse 60½ 61 60½ 60½
West. Union 100½
U. S. Steel Pfd. 120½ 120½ 120 120

MONTREAL PRODUCE.

Montreal, Oct. 14.—Corn—American,

No. 2, yellow, 1.01½.

Oats—Canadian western, No. 2, 62½;

No. 3, 62½; extra, No. 1 feed, 62½;

No. 2 local white, 60½; No. 3 local

white, 60.

Flour—Man. spring wheat patents,

firsts, 9.40; seconds, 8.90; strong bak-

ers, 8.70; winter patents, choice, 9.00;

straight rollers, 8.20 to 8.60; straight

rollers, bags, 2.95 to 4.10.

Rolled oats—Barrels, 6.45 to 6.55;

bags, 90 lbs., 2.10 to 2.20.

Millfeed—Bran, 28; shorts, 20; mid-

dlings, 22; moultie, 25 to 27.

Hay—No. 2, per ton, car lots, 12.00.

Potatoes—Per bag, car lots, 1.30 to

1.45.

THE OGILVIE FLOUR MILLS
COMPANY, LIMITED

REPORTS AND BALANCE SHEET.

For Year Ended August 31st, 1916, Presented to the Shareholders at Fifteenth Annual Meeting, Held at Montreal, Que., October 12th, 1916.

DIRECTORS' REPORT.

A Balance Sheet showing the Assets and Liabilities of the Company, also Profits for the year, is submitted.

The Company's accounts have been audited by Messrs. Creak, Cushing and Hodgson, Chartered Accountants, whose report is presented herewith.

The sum of \$5,500 was added during the year to the Company's Pension Fund, which now amounts to \$115,000.

The Company's system of country elevators in the Northwest has been increased during the year by 21 buildings, making a total of 168 elevators, with a storage capacity of 5,385,000 bushels, and covering a very wide area of territory. With terminal and country elevators combined the Company's total wheat storage capacity now amounts to 10,335,000 bushels.

The Company's flour mills, elevators and other properties are in first class condition. All charges for repairs and renewals have been written off and the plants maintained at the highest standard of efficiency.

The usual dividends were paid during the year on the Preferred and Common Stocks, and a bonus of four per cent. on the Common Stock was provided out of the year's profits, and paid on October 2nd, 1916, making a total distribution of two and a half per cent. on this issue.

All of which is respectfully submitted.

(Signed) C. R. HOSMER, President.

VICE-PRESIDENT AND MANAGING DIRECTOR'S ADDRESS.

Addressing the Shareholders present, Mr. W. A. Black, Vice-President and Managing Director, said:

It is with pleasure we are again able to present you with a very satisfactory statement.

Notwithstanding the fact that since our last meeting the Government war tax was imposed and was retroactive for a year (which will necessitate our paying a very large sum), we have been able to provide for these taxes out of the year's earnings, pay our holders of Common Stock an increased dividend, and carry forward \$334,270.12 to the credit of Profit and Loss Account, which now stands at about 25 p.c. on the Common Stock, it must be remembered that our reserves represented by Contingent Account \$1,250,000, and Profit and Loss balance as on August 31st, 1915, \$512,060.50, are also Capital, and that taking this into consideration it makes the return about 18 p.c.

While we were not so fortunate in having a large amount of wheat to sell at much enhanced prices, as happened last year, we were more fortunate than in average years in our purchases. We also profited largely in the increase in returns which we received from our investments in business other than flour milling. Our interest charges for borrowed money have been much less owing, of course, to the large Capital now invested in our business which has been accumulating for some years past out of surplus earnings.

Our mills are now fully employed, and have orders ahead to keep them running for some time.

While the wheat crop in the Northwest is less than half of last year's, the yield as an average is little short of what it usually is, and the prices are very much higher. At this date last year October wheat was 98½ cents per bushel; today it is 164 cents. The high prices were in effect before the farmers had actually marketed the new crop, so that they will reap the full benefit, and the return to them as a whole will be little, if any, less than the previous year, and with the very high prices prevailing for all farm products, the country should be established on a most substantial basis.

Like many other manufacturers, we have been handicapped by the absence of a large number of our employees who are doing their duty at the front; but are confidently looking forward to the successful conclusion of the war at no distant date.

DIRECTORS AND OFFICERS.

The following gentlemen were elected Directors of the Company for the ensuing year:

Sir Montagu Allan, C.V.O., Mr. W. A. Black, Mr. Charles Chaput, Mr. George E. Drummond, Mr. C. B. Gordon, Sir Herbert Holt, K.B., Mr. C. R. Hosmer, Mr. A. M. Nanton, Mr. Shirley Ogilvie.

And Messrs. Creak, Cushing and Hodgson were appointed Auditors.

At a special meeting of the Directors the following officers were appointed:

Mr. C. R. Hosmer, President; Mr. W. A. Black, Vice-President and Managing Director; Mr. S. A. McMurtry, Treasurer; Mr. G. A. Morris, Secretary; Mr. W. R. Dean, Assistant-Secretary.

BALANCE STATEMENT, AUGUST 31st, 1916.

ASSETS.

Cash on hand and at Bank \$ 486,406.58
Bills Receivable \$ 829,217.25
Accounts Receivable after making Provision for all Contingencies 1,291,101.52

Stocks on hand of Wheat, Flour, Oats, and Coarse Grains, Bags and Barrels 1,460,872.96

Stables Plant and Office Equipment 27,375.00

Investments 592,904.48

Active Assets 4,288,878.09

Investments for Pension Fund 94,560.98

Real Estate, Warehouse and Mill Plant in Montreal, Winnipeg, Fort William and Medicine Hat; Elevators in Manitoba, Alberta and Saskatchewan; Property in St. John, N. B., and Ottawa as at 31st August, 1915 \$6,333,901.61

Additions during the year 192,850.80

Goodwill, Trade Marks, Patent Rights etc. 1.00

6,526,752.41

10,910,192.38

LIABILITIES.

Accounts Payable, including Provision for War Tax for two years to date \$ 1,628,511.76

Provision for Bond Interest and Dividends to date 220,250.00

Current Liabilities 1,848,861.76

Officers' Pension Fund 115,000.00

First Mortgage Bonds 2,250,000.00

Capital Account—Preferred \$2,000,000.00

Common 2,500,000.00

4,500,000.00

1,250,000.00

Contingent Account 512,060.50

Profit and Loss Account 334,270.12

774,270.12

Less Dividends on Preferred and Common Stock 440,000.00

334,270.12

\$10,910,192.38

Indirect Liabilities: None.

We have audited the Books of the Company for the year ended 31st August, 1916, and certify the above to be a correct statement of the affairs of the Company at that date as shown by the Books.

CREAK, CUSHING & HODGSON, C. A., Auditors.

MONTREAL, October 2nd, 1916.

To the Shareholders of The Ogilvie Flour Mills Company, Limited, Montreal.

Gentlemen:—We beg to report that we have audited the Books of the Company in Montreal, Winnipeg, Fort William and Medicine Hat, for the year ended 31st August, 1916, verifying the Cash and Bills Receivable on hand, the Bank Accounts, the Investments, and the Accounts Receivable, in respect of which ample provision has been made for all Contingencies.

The Stocks on hand of Wheat, Flour and Supplies are certified as to quantities by the Superintendents of the various Mills, confirmed by the Mill Reports, and are valued on a safe and conservative basis, taking into consideration the unusually high price of wheat and the contingencies of the markets.

No provision is made for general depreciation, but the cost for repairs and maintenance of the various Plants has been included in the Working Expenses of the year.

CREAK, CUSHING & HODGSON, C. A., Auditors.

RECOMMEND OPENING
BRITISH TRADE BANK

Report of Government Committee Advocates Such Bank to Encourage Overseas Trade After the War.

Special to The Standard.

London, Oct. 14.—Important proposals are made by the government committee, appointed by the board of trade, which has been considering financial facilities for trade after the war, particularly with regard to the financing of large overseas contracts. It is understood that a similar volume is being considered in France.

The committee was a particularly strong one. Lord Farrington, the financier, and chairman of the Great Central Railway, presiding over its proceedings.

It is urged that a British trade bank should be formed without delay, since "our enemies are sure to make at the earliest moment strenuous efforts to regain their position in the world of commerce and finance."

The committee also suggests that if the financial assistance is given by the government to "key industries," it should be given through the bank.

After a careful study of the evidence submitted to them, the committee, with the exception of Mr. Gaspart Farrer, who does not see his way clear to sign the report, recommended:

"The constitution under royal charter of a new bank to be called the 'British Trade Bank,' with a view especially to the encouragement of British overseas trade."

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