

STOCK EXCHANGES

LA ROSE AND NOVA SCOTIA STEEL

Are Two Features of Discussion—Eight Months' Business on the Winnipeg Exchange—Lake Superior's First Toronto Sale.

Toronto, October 22nd.

Bankers report a good demand for money from all sources. The requirements for the moving of the crop are now considerable and will remain so until about the beginning of December, after which time there will probably be a shrinkage. Next year will witness a considerable expansion in industrial requirements for money. Meantime, the supply is ample to satisfy both the requirements for industrial purposes and for call loans. The call loan rate continues steady at around 4½ per cent., to which figure it recently advanced.

Speaking of the local market, Messrs. H. O'Hara and company state that dearer money has to some extent kept away speculation; stocks after selling off a shade during the first few days, soon showed signs of resistance and prices, generally, recovered on a small demand. Chief activity has been centred around the mining end of the market, La Rose being largely dealt in. While transactions in the speculative end of the market were not up to the average of last week, business, on the whole, was satisfactory and price changes were not such as to cause any alarm to holders of stock. The undertone is undoubtedly good and any setback brings in supporting orders. The investment end of the market has been very firm and the semi-speculative stocks strong, though rather quiet.

Lake Superior Corporation

The headquarters of the Lake Superior Corporation have been established in the Traders Bank Building, Toronto, and it is understood Mr. T. J. Drummond, the newly elected president, will spend much of his time at the Toronto office. The new iron range in northern New Brunswick is being developed. These large deposits are located about nineteen miles from the I. C. R., and the company are now at work constructing a branch to Bathurst station and from thence to Newcastle, the present shipping place, the Government road will be utilized. It is the intention to build an extension to Bathurst harbor, nine miles away, as soon as the Government completes some promised dredging. Bathurst will, therefore, be the permanent shipping port for the iron ore deposits of the Drummond range and the company will ship ore not only to their several smelting plants, but also to the European market. Although Lake Superior Corporation was listed on the Toronto Exchange on July 26th, no transactions occurred there until Wednesday, October 20th, nearly three months after the listing. One hundred shares sold at 29¾ to 28¾. No special significance is attached to this slight activity locally in the stock, for its chief market is, as is known, in Philadelphia.

Dominion Iron and Steel

The business of the Dominion Iron and Steel Company is increasing. On Saturday a contract was placed with the Canada Foundry Co., Toronto, for the construction of an additional blast furnace extension to the Bessemer plant and

two 500-ton open hearth furnaces of a new type. They are for carrying out the new process in making open-hearth steel. The contract involves an expenditure of over half a million dollars. Dominion Steel common made a new high record on the Toronto Exchange on Monday, advancing to 60½. Heavy trading accompanied this gain. Many apparently took advantage of the rise to take their profits, but the large amount of buying orders counterbalanced this feature. The offerings became heavier and the price declined, closing at 59½. Some brokers thought the buying was due to merger prospects but the general opinion was otherwise.

The directors say Messrs. Colin McCuaig & Co., of the C. P. R., have recently announced their intention of issuing \$30,000,000 of new stock to shareholders at \$125 per share. The rights to subscribe for new stock will be one new share for every five old shares, and these rights will probably sell at about \$9 per right.

If this is correct, shareholders will receive seven per cent. in dividends and nine per cent. in rights, or a total of 16 p.c. on the par value of their stock for 1909, which should be very satisfactory to those holding the stock for investment. The announcement that the new stock would be issued at 125 instead of at par had a depressing effect with speculators at first, but this premium of \$7,500,000 will accrue to the benefit of the shareholders in the end, and its investment may safely be left in the hands of the Canadian Pacific Railway authorities.

La Rose Consolidated

The Nipissing La Rose amalgamation story refuses to be silenced, chiefly because, we presume, there is a great deal in it. A Boston despatch states that while the matter had reached a point where it was likely to be placed before the shareholders—a report from an unquestioned source—Mr. E. P. Earle, representing a large ownership in both companies, but more interested in Nipissing than La Rose, has announced himself as opposed to the merger, and it is understood that his opposition has created some friction in the inner circles which indirectly may have some bearing on the recent decline in the shares of both companies. There is a very large ownership in both these companies in Canada, and it has been largely upon the demands of the Canadian interests that the question of a consolidation has been brought up at the present time. It is believed that a consolidation, if effected, would be on the basis of the present prices of the two stocks.

Commenting on the slump, the Cobalt Nugget does not think it is due to failing reserves. At all the properties that the La Rose Consolidated is working there is good ore in sight. While facilities have not been at hand for taking care of the ore uncovered at the outlying properties, they are rapidly being put on a shipping basis. Four properties are being worked by the La Rose Consolidated Co., and in each of these properties they have a mine in which grade ore is being bagged at the present time. At the University Mine from the 100 foot level of the main shaft the company have done upwards of 200 feet of drifting on a four inch smaltite and silver vein. The silver values in this vein will run in the neighborhood of 3,000 ounces to the ton. This is the only vein being worked on the property and no stopping is being done. In the shaft the vein held well and the company will have a good ore body above the present level.

Development of Lawson Mine

The development of the Lawson Mine, which in the opinion of the Monetary Times, is one of the most important factors in the La Rose situation, has been greatly hindered by two things, thinks our contemporary. First, the lack of power, and second, the lack of facilities to handle the ore when it is bagged. Neither of these difficulties will be remedied for some time. The power cannot be supplied until the Mines Power Company or the Cobalt Hydraulic Power Company reach the Cobalt camp with their transmission line from the Montreal River. This will be by the first of next year at the latest. Facilities for handling ore will be completed at an early date. The new ore house will be ready for occupancy in the course of a few weeks. An aerial tramway leads from the main shaft to this ore house. Other buildings, including bunk and sleep camp are under the course of construction, and will be in use before winter sets in.

A reduction in the operating costs of Rio is the feature of that company's statement for September. This has resulted in a satisfactory net gain for the month. The following are the figures for the first nine months of this year:

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