

Canadian Stock Markets Turn Strong—C.P.R. Up Six Points

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Wild Trading in U. S. Steel Throws Market Into Confusion

Situation Borders on Panic Early in Day, But Supporting Interests Relieve the Depression—Toronto Market Strong.

NEW YORK, Sept. 22.—Wild trading in United States Steel stocks again threw the market into confusion again today. Liquidation was on an even larger scale than yesterday, and the decline in prices soon after the opening was so violent that for a time the situation assumed a most serious aspect. The railway shares, which on the previous days of the slump had held firm, no longer stayed the market but broke with the industrials. During the first hour selling was unrestrained and prices dwindled away. United States Steel lost five points, to 53 1/2, and the preferred 5 1/2 to 13. The situation improved greatly, however. In the second hour it became apparent that the tide had turned. Prices rose easily and bear traders were forced to retreat. Buying from this quarter accelerated the recovery and before noon the market, with the exception of the Hill shares and United States Steel, rose above yesterday's close.

Another selling movement was inaugurated in the afternoon, but it was of much smaller proportions and the market maintained its poise. United States Steel, which had risen from 53 1/2, the low point of the day, to 57 1/2, fell back almost as much. The copper shares were attacked with special severity and lost heavily. American Smelting declined nearly five points. The depression was only temporary, however. Toward the end of the day the market showed increasing strength. United States Steel rose to 57 and prices generally, except for the Hill, Copper and Steel shares, showed special gains on the day. United States Steel subsequently sold off, closing at 56, a net loss of 3 1/2.

Sales of United States Steel during the first half hour amounted to 245,000 shares. The day's total was 717,800. The largest amount of United States Steel ever dealt in in a single day, and the largest amount of any stock handled in a day since April 15, 1912, when 844,000 shares of Southern Railway changed hands. The day's total for all stocks was 1,383,600, the largest of the year.

An unsettling feature of the day was the absence of any authoritative explanation of the movement. In general the selling was ascribed to liquidation by investors, who believed that the Steel Corporation would be forced to dissolve, either as the result of a suit instituted by the department of justice, or as a result of action initiated by the corporation itself to ward off such a suit. It was not until after the market had closed that Attorney-General Wickersham's statement was received, denying that any arrangements for the dissolution of the corporation had been made, or proposed to his department. Before that time, however, it was said by persons in close touch with the situation that the report that the Steel Corporation had entered into negotiations with the government was untrue. There was no clear understanding of what was in store, not only for the Steel Corporation, but for other corporations which might be affected by the government's action in regard to enforcement of the Sherman law. Sentiment was accordingly confused, and the most impartial observers were unable to venture an opinion as to the outcome of the present situation.

Defeat of the Canadian reciprocity bill, while of minor influence in view of the excitement elsewhere, was to some extent responsible for the sharp breaks in the railroad stocks. The Hill stocks, which had been expected to reap special benefit provided reciprocity was adopted, were most affected. Great Northern preferred lost 4 1/4 points, Northern Pacific 2 1/2. Minneapolis, St. Paul and Sault Ste. Marie 1 3/4 and Canadian Pacific 1 1/4. Early losses elsewhere averaged about a

point. Canadian Pacific on the rebound rose five points.

AN HISTORIC DAY.

Friday was an historic day in the New York Stock Exchange. Wall-street interests had not seriously taken into account the fact that reciprocity might be rejected in this country, and long before the market opened the brokers showed up in their offices to prepare for what promised to be a strenuous day. And strenuous it was, much more so than expected.

The market during the first fifteen minutes' trading was characterized by such excitement and turmoil as had not been witnessed since the historic Northern Pacific panic in 1901. Big losses in values were shown. Steel being five points under the previous day's close, and big declines being shown in the Hill stocks with Great Northern off 4 1/4 points. Through the first hour the market bordered on a panic, and only the fact that the big interests had the situation well in hand prevented the realization of actual demoralization. By eleven o'clock advances overnight as a result of the elections. Maple Leaf common advanced nearly two points to 60 1/4 and was in excellent demand all day, closing with the share held at 62 and 60, a gain of 2 1/2 points for the session.

Other securities recording advances as a result of the turning down of the reciprocity bill were Canners and Steel Corporation. Both of these issues had shown a downward trend as a result of the proposal, consequently it was only to be expected that they would benefit from its rejection. Canners, which has been decidedly inactive of late, advanced nearly five points to 60 1/2, while Steel rose a close second, gaining four at 58, but losing a portion of the appreciation later under profit-taking sales.

A sharp bulge in Richelleu, which got up over two points at 118, required some other explanation, and as this was not forthcoming, it was taken for granted that Montreal was buying the shares, since it is in the eastern exchange that the stock is largely held. A sharp bulge in Richelleu, which got up over two points at 118, required some other explanation, and as this was not forthcoming, it was taken for granted that Montreal was buying the shares, since it is in the eastern exchange that the stock is largely held.

Unsettled and irregularity is probable to-day in the stock market, we think it will be on diminishing scale, possibly with some rallying in the afternoon. A weakness is witnessed this morning on the Canadian news. An irregular day is certain and daily operators should buy on weakness after the market orders protection only. On good rallies the industrials may be sold short for turns. Financial Bulletin.

ON WALL STREET.

Erickson Perkins & Co. had the following: Stocks showed a steady decline during the afternoon, and in spite of sharp breaks in the metal group, they lost little ground. The market rallied, although we suspect that much of the buying represented short covering. We think stocks are a sale on this rally. The rally may go a bit further, but it is a technical rally. The situation is unchanged. It would seem that the heavy liquidation is over for the moment. However, it will break out fresh before long. The break in metal stocks was doubtless due to liquidation, with fear in those quarters of trust prosecution.

Chas. Head & Co. to R. R. Bongard: The great feature to the market today was the selling orders at the market this morning, and the opening was wild with sales running all the way from 53 1/2 to 54, and 45,000 shares changing hands in a few minutes. A further decline to 53 1/2 was recorded, when a sharp recovery of four points took place, followed later by further liquidation. The failure of the reciprocity measure in Canada caused a drop of 4 1/4 points in Great Northern preferred, and 2 1/2 in Northern Pacific, but they both recovered most of the losses. Canadian Pacific gained five points and afterwards reacted. The first hour of business, 340,000 shares were dealt in, of which 172,000 were Steel common, with a further 172,000 to noon. Through the steel excitement, the railroad shares held noticeably firm. The strength of one class of securities in the face of such pronounced weakness in another is to be expected. Money remains easy, being freely offered at four per cent. for three months' and six months' time. The week closing with the market strong at about best prices with gains for the day in most issues, barring steel, and a few other industrials. It is possible the recovery will extend somewhat further, but confidence has sustained a severe shock and we would advise buying only stocks of the better class.

Twin City Earnings. For the second week of September the earnings of Twin City Rapid Transit Co. were \$183,180, a decrease of the same period last year of \$541. The decrease in receipts for the first two weeks of September, 1917, compared with the corresponding period for 1916, is due to the almost continuous rainy weather and the consequent light attendance at the state fair.

THE DOMINION BANK

HEAD OFFICE—TORONTO

E. B. Oiler, M.P., President W. D. Matthews, Vice-President.
Capital \$1,000,000
Reserve \$500,000
Total Assets \$2,500,000
A Branch of this Bank has been established in London, England, at 73 CORNHILL, E.C.
This Branch issues Letters of Credit and Drafts on all important points in Canada, negotiates bills sent for collection, makes telegraphic transfers and transacts every description of banking business. Information furnished on all Canadian matters.
A special department has been provided for the use of visitors and bearers of our Letters of Credit.
C. A. BOGERT, General Manager.

Erratic Trading In London Market

Americans Had Flurry of Weakness Early, But Recovered Late in Day.

LONDON, Sept. 22.—American securities opened weak and from 1 to 4 1/2 points lower to-day. The early trading was active and excited and some wide fluctuations occurred as dealers alternately bought and sold on Wall Street and continental orders. Canadian Pacific and United States Steel were the leaders. The former opened at 22 1/2, sold off to 22, then up to 22 1/2, and back to 22 1/2. The latter opened at 54 1/2, sold off to 54, and eased off to 54 1/2. A quick rally to 57 1/2 followed but part of this gain was lost before noon. The rest of the list ranged from unchanged to 3 points below parity at midday.

In the afternoon the market was quieter. New York sold again, but turned buyer in the late trading, and with continental covering the market closed steady. The rest of the list ranged from unchanged to 1 1/2 points below parity at midday. Money and discount rates were a fraction easier.

CANADIAN FAILURES.

The number of failures in the Dominion during the past week, in provinces, as compared with those of previous weeks, and corresponding week of last year, are compiled by Dun's agency as follows:

Date	Ont.	Que.	Man.	Alta.	Sask.	B.C.	N.B.	N.S.	P.E.	Total
Sept. 21, 1917	12	3	3	3	3	3	3	3	3	40
Sept. 22, 1917	10	2	2	2	2	2	2	2	2	34
Sept. 23, 1917	11	3	3	3	3	3	3	3	3	38
Sept. 24, 1917	12	3	3	3	3	3	3	3	3	40
Sept. 25, 1917	11	3	3	3	3	3	3	3	3	38
Sept. 26, 1917	12	3	3	3	3	3	3	3	3	40
Sept. 27, 1917	11	3	3	3	3	3	3	3	3	38
Sept. 28, 1917	12	3	3	3	3	3	3	3	3	40
Sept. 29, 1917	11	3	3	3	3	3	3	3	3	38
Sept. 30, 1917	12	3	3	3	3	3	3	3	3	40

Lehigh Valley, net, for August, \$7,380. Nat. Ry. of Mex. and West Sept. 1917, \$14,380.

BRITISH CONSOLS.

Consols, for money, 76 1/2-77 1/2. Consols, for account, 76 1/2-77 1/2.

TRACTIONS IN LONDON.

The southern traction issues were quiet as follows in the London market (Toronto equivalent):

Sao Paulo	197	188 1/2	187 1/2	188 1/2
Rio de Janeiro	117 1/2	117 1/2	117 1/2	117 1/2
Mexican Power	82 1/2	82 1/2	82 1/2	82 1/2
Mexican Tram	111 1/2	112 1/2	110 1/2	111 1/2

MONEY MARKETS.

Bank of England discount rate, 4 per cent. Open market discount rate in London for short bills, 2 1/2 per cent. In New York, highest 2 1/2 per cent. lowest 2 1/4 per cent. Ruling rate 2 1/2 per cent. Call money at Toronto, 5 1/2 to 6 per cent.

FOREIGN EXCHANGE.

Glazebrook & Cronyn, James Building (Tel. Main 7417), to-day report exchange rates as follows:

Between Banks. Counter. N. Y. funds, 15 to 16. Montreal f.d., par. Star, 15 to 16. Cable trans., 15 to 16. Sterling, 60 days sight, 48 1/2. Sterling demand, 48 1/2.

EUROPEAN BOURSES.

BERLIN, Sept. 22.—The bourse was depressed today by the weakness in United States Steel. The Canadian election caused a decline of three points in Canadian Pacific shares.

THE "BIG STICK AGAIN."

BRETTON WOODS, N. H., Sept. 22.—Attorney-General Wickersham has declared every corporation in the United States must obey all provisions of the Sherman law. The dispatch says he strongly intimated he will proceed against the U. S. Corporation, International Harvester or any other that does not conform with the law as interpreted by the United States Supreme Court.

FAILED TO MAKE GOOD.

A winding-up order has been applied for at Osgoode Hall in the matter of The Star Cheap Grocery Co., Ltd.

South Parkdale Station Closed at Noon on Saturday.

South Parkdale Station will be closed at noon Saturday, Sept. 23, account of Grand Trunk new grade separation work. A temporary station at Sunnyside Crossing will be opened. Grand Trunk trains will stop at Sunnyside Crossing for passengers and hand baggage. Through trains will have to be checked and collected at the Union Station, Toronto.

Regular Boom in Montreal Market

Defeat of Reciprocity Reflected in Sharp Rally in Canadian Securities.

MONTREAL, Sept. 22.—As the result of the defeat of the reciprocity act, there was a regular boom in Canadian stocks to-day and the whole practically shared in the advance. Steel Corporation was the leader with transactions of 320 shares. The rejection of the reciprocity pact means a great deal to the great steel industry and this was reflected in a jump of six points in the price of the stock, which sold at the opening at 58 compared with 52 at the close yesterday. Later on profit-taking sales it reacted to 56 1/2, but again advanced to 57. Nova Scotia Steel was also strong, advancing to 8 1/2. Canadian Pacific was active and strong, advancing from 24 1/2 to 25 1/2, reacting to 25 1/2. There was good buying of cement common, which sold up to 24 1/2 and the preferred advanced to 14 1/2. Richelleu was another strong feature, opening at 118 and advancing to 118. Montreal Power advanced to 18 1/2. The rest of the list was firm and the general undertone of the market was strong.

Cotton Markets

Erickson Perkins & Co. (J. G. Beaty), 14 King Street East, report the following prices on the New York cotton market:

Date	Close	Open	High	Low	Close
Oct.	10.54	10.75	10.75	10.66	10.72
Nov.	10.81	10.73	10.73	10.62	10.68
Dec.	10.92	10.82	10.82	10.75	10.80
Jan.	11.03	10.96	10.96	10.85	10.90

COTTON DOWN AGAIN

Prices Decline to New Low Ground for This Year.

Erickson Perkins & Co. had the following:

Prices reacted into new low ground, but the selling soon subsided and the market exhibited a slightly better undertone. News from southern points continued unfavorable. The holding movement appeared to have been abandoned and cotton was pressing upon the market from all quarters. This is the prime speculative factor. Prices movements will continue to hinge on the action of spot markets. The tendency for the present is lower.

CAR LINES OR BUSES?

Civic Works Committee Doesn't Know What to Do for Rosedale.

For a while the question of a car service for North Rosedale will be left alone. The motion carried at the meeting of the board of works yesterday afternoon to drop the whole matter and to instruct the city engineer to go ahead with the paving of streets upon which it was suggested that a car line be run.

A deputation from North Rosedale appeared as usual, but that one was wholly in favor of a line of electric buses to run thru Rosedale and connect with the street cars at Church-street.

The board also decided to abandon the proposed widening of Dufferin-street to the exhibition from King-street. The petition in favor of the Bloor-street viaduct came before the board and was discussed later.

GERMANY'S DIAMOND FIELDS.

The sanguine prospects of the diamond fields in German Southwest Africa in the early days of their exploitation some five years ago are not being realized and their success is becoming more questionable. The reason is that the surface of the diamond region, which previously supplied large quantities of the gem, has practically been cleared of their rich harvest, and deeper mining, with its attendant greater cost, must be resorted to. The Colonial Mining Company, which in its infancy paid the magnificent dividend of 2500 per cent on a capital of about \$100,000, has long come down to less figures. The German Colonial Society, which paid fifty-five per cent in its first year and forty-five per cent in its second, now announces a dividend for the half year of fifteen per cent. The German Diamond Society paid ten per cent last year and five per cent of this, while the Luderzsbucht Combined Companies paid no dividend last year. In addition to the need of costlier methods of production is

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Our representative has just returned from Europe, where he visited the important properties and made a careful investigation of conditions and developments. A copy of our Weekly Market Letter containing his report will be mailed on request. 345

Erickson Perkins & Co.,

John G. Beaty
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noted a shortage of labor and a high export tax of thirty-three and one-half per cent. on the value of the goods. The writers on the subject do not consider that the diamond supply is near exhaustion.

LOVEY'S DEFICIT \$10,000.

In the statement of affairs of Charles Lovey, Jr., who trading under the firm name of Lovey's Cash and Albany Lunch, assigned on Aug. 21, last, to E. R. Clark & Sons, the nominal deficiency is shown to be \$10,024.49. The assets of the cafe branch, 49 East Queen-street, are \$7981.86; this consists of plant and equipment, the plant and equipment of the Albany branch, 97 West Queen-street, are valued at \$2689.51. The amount added gives the total assets \$10,662.67. The liabilities are, direct \$20,007.11; and preferred, \$674.46, giving the total deficiency \$10,024.49. The largest claim is that of James McBurney, Toronto, for the amount of \$9553.37.

Sentenced to Death.

KIEV, Russia, Sept. 22.—Dmitry Bogrof, the assassin of Premier Stolypin, was tried to-day by court martial and sentenced to death by hanging. Bogrof shot M. Stolypin a week ago last Thursday night, during a gala performance at the opera, and the premier succumbed to the wound last Monday night.

Parkdale Station Abandoned.

Beginning to-day the G.T.R. South Parkdale Station at the foot of Dowling-avenue will be no longer used. Its place will be taken by the temporary structure at Sunnyside.

Ticked Mr. Englehart.

J. L. Englehart, chairman of the T. & N. O. Railway Commission, was all smiles yesterday when the subject of elections was broached. "It speaks for itself in a loud and unmistakable manner, and in a magnificent voice."

Bonds and Stocks

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