

# Shorts Scramble to Cover on N. Y. Stock Exchange

## CANADIAN MARKETS INSECURELY BALANCED.

**World Office**  
Wednesday Evening, July 6.

The Toronto Stock Exchange followed Wall-street in its movements to-day, and values throughout were somewhat irregular. The issues interlisted with New York sold off early, but recovered later on in accord with the larger market. The tropical traction shares were again the mark for realizing sales, and both Rio and Sao Paulo registered further large declines. The only signs of steadiness were in the purely domestic stocks. Trading sentiment here is hinging largely on the actions of New York securities, and with the Canadian markets showing indications of being insecurely balanced, lower prices seem highly probable, especially in Montreal.

## Spirited Rally on Wall Street Follows an Early Reaction

### Shorts Scramble to Cover Commitments and Rapid Recovery Follows—Canadian Markets Generally Easier.

**World Office,**  
Wednesday Evening, July 6.

The heavy decline in New York stocks on the big exchange to-day had a material influence on the Toronto stock market and the issues interlisted with Wall-street followed the larger market down.

Twin City was the most active issue for the day on the local exchange, the shares selling down over a point to 106, but rallying when New York recovered. On the afternoon board the stock sold to 107 1/2 and closed firm around that level.

The tractions were again subjected to liquidation and Sao Paulo dropped back nearly two points, but recovered most of this later on in the session, the last sale recorded being 139, or only fractionally below the previous day. Rio stock was off to 89 1/2, but rallied later on.

There was little change in the purely domestic issues. Trading was generally limited to small lots and beyond a few fractional price alterations, steadiness was the general feature. Maple Leaf Milling was the weak issue, these shares dropping four points from the previous sale, and closing a point below the bottom figure. The preferred stock was off nearly four points, at 89.

The Montreal exchange experienced another day of heavy liquidation with consequent lower values, 800 declining to 123, and Canada Pacific dropping to 185 1/4, in common with Wall-street.

**Wall Street Pointers.**  
Spring wheat states still in need of rain.

Pennsylvania labor difficulties likely to be settled peaceably.

London market generally inclined to sell off, with pressure in copper stocks.

Not expected that any postal savings banks can be opened in present year.

Secretary Knox expected for chief justiceship of supreme court.

Ten point increase in New York City tax rate, with valuation of real estate \$27,000,000 more than last year.

Gov. Sanders of Louisiana succeeds McEnery in United States Senate.

Beet sugar interests again moving against American sugar control of trade.

New Haven and New York Central advance in commutation rates will stand.

Illinois Central asked appointment of receiver for Western Pullman Car Works. This is another move in the fraud case.

New Haven road has granted six per cent. rate increase to several thousand unorganized employes.

Joseph says: The government crop report will make an exceedingly good showing for corn. Those who are apprehensive of reduction in dividends by the recognized roads had better stop drawing on their fund of fear and take heart again. Don't get bearish on Reading, or the First National Bank people will surely catch you. Take on B. R. T. buy Vanderbilts for turns; average C. & O.

We cannot sympathize with the rampant pessimism generally expressed, although the development of one adverse feature after another seems to be endless, yet the declining tendencies in the market have for their very objective the discount of unfavorable news. It takes courage, but faint heart never won fortune. There appear supporting orders in moderate amount toward 57 in Amalgamated, 110

**Dividend Reduced.**  
NEW YORK, July 6.—Brooklyn City Railway Co. declared a quarterly dividend of 2 per cent., putting the stock on 8 per cent. basis. Up to this time the company has paid dividends of 10 per cent. per annum.

**New Listing.**  
The Toronto Stock Exchange has listed \$2,000,000 of the 5 per cent. bonds of Penman's, Limited.

**LOOKS FOR A RECOVERY**  
Sir Henry Pellatt's Views on Present Market Situation.

The following despatch, giving Sir Henry Pellatt's views on the market, is taken from The Montreal Witness of Monday:

"The banks are never subjected to any losses in their dealings with the brokers, and I believe that the market would be helped considerably out of its present difficulties if the brokers were able to obtain money a little more freely."

"How do you regard the present position of the stock market?" Sir Henry was asked.

"I consider the long continued decline as quite excessive and unwarranted," he responded, "and am decidedly of the opinion that it has run its course. I look for a gradual recovery from now on. You hear people speak vaguely about a feeling of uneasiness being about, although they lack a definite idea of where such misgivings originate and why they are."

"The fact is," concluded Sir Henry, "that there should not be such a feeling, in any considerable degree, especially at this juncture when prosperity throughout the country is so abundant with such excellent prospects for a large harvest of wheat."

**STEEL PRODUCTION**  
Iron Age Shows Falling Off in Month's Record.

NEW YORK, July 6.—The Iron Age to-morrow will say: The statistics for June show that production of coke and anthracite pig iron was 2,265,000 gross tons, or 75,500 tons a day, against 77,100 tons a day. On July 1, 289 furnaces were in blast, against 280 one month previous. The U. S. Steel Corporation now has 35 furnaces idle, against 31 on June 1, while at one time last month it had as few as 28 out of blast. The independent steel companies, on the other hand, are producing on June 1. We estimate the production of pig iron in the first half year, including charcoal iron, at 14,975,000 tons, or about 200,000 more than in the second half of 1909. In the past twelve months the country has produced about 29,750,000 tons of pig iron, or nearly 4,000,000 tons more than the highest record for a calendar year, against 25,795,000 tons in 1909. Among rail contracts are 11,000 tons for San Antonio and Arkansas Pass Railway Co., and 2300 for the Wheeling & Lake Erie. Car contracts include 3000 for B. & O., and 1500 for C. & O.

**On Wall Street.**  
Erickson Perkins & Co. had the following:

A scramble to cover shorts started by rumors of gold importation, emphasized by scale-down buying from fairly good sources, started a recovery in the market to-day, which is likely to run somewhat further. Then a market we are likely to see for some time to come. Recoveries from the extreme declines ran from 1 to 5 points, and the market showed in the end net gains ranging from a small fraction to a point. The heaviest trading of the day was in Steel common, which gave an excellent account of itself. Shorts were eager buyers on reports from semi-official quarters that new business is being freely blocked and the June business was at the rate of \$120,000,000 a year. The corporation officials expect to operate an average of 80 per cent. capacity during the balance of the year. We are inclined to look for some further advance, on which pro-

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WEST TORONTO—Cor. Dundas and Keele Streets

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**E. B. OSLER, M. P., President**  
**W. D. MATTHEWS, Vice-President**

Capital Paid Up, \$4,000,000  
Reserve Fund, 5,000,000  
Deposits by Public, 44,000,000  
Total Assets, 53,000,000

**G. A. BOGERT, General Manager**

**TRAVELLERS' CHEQUES AND LETTERS OF CREDIT**

are an absolute necessity for tourists and others to carry when travelling, and those issued by The Dominion Bank on application to any one of the eighteen Branches of the Bank in the City of Toronto enable the owner to obtain money without delay in all parts of the world. The safest, easiest and best way of providing for tourists' money requirements.

fits should be taken and long lines pared down.

Finley, Barrell wired J. P. Bickell & Co.

Opinions on immediate future of market still wide apart. Many think damage to wheat in northwest and uncertainty of corn crop may carry stock prices lower after this rally. Others are confident that the worst has been more than discounted by the severe decline since Jan. 1. Probable short sales on strong rallies and purchases on breaks will prove profitable.

Charles Head & Co. to R. R. Bondard.

It was reported that Standard Oil interests were buying Union Pacific, but these may have been shorts covering their houses doing business for those interests. Sentiment at the close was more cheerful because of the rally, the elimination of shorts commitments means a weaker technical position. The recovery may go further, but we would not climb for stocks in the present uncertainty, preferring to wait for reactions. The closing was at a little below the best for the day, but at a net gain as a rule.

**Foreign Exchange.**  
Glazebrook & Croyn, James Building (Tel. Main 2317), to-day report exchange rates as follows:

—Between Banks—  
N. Y. funds, par, 4 to 1/2  
Montreal f.d.s., par, 4 to 1/2  
Ster. 30 days, 27-32 3/4  
Ster. 60 days, 27-32 3/4  
Cable trans., 9-16 1/2-13 3/4  
—Rates in New York—  
Sterling, 90 days sight, 48 7/8-49 1/8  
Sterling, demand, 48 5/8-49 1/8

**Railroad Earnings.**  
Wabash, June, \$163,957  
Texas & Pacific, June, \$118,225  
Illinois Central, from July 1, \$31,028  
St. Louis, S.W., May, \$128,370  
Alton, May, \$128,370  
Toledo, St. L. & W., May, \$128,370  
Lake Shore, May, \$23,808

**British Consols.**  
July 5, July 6  
Consols, money, 82 1/2-83 1/2  
Consols, account, 82 7/8-83 1/4

**Toronto Stocks.**  
July 5, July 6  
Amal. Asbestos, Ask. Bid. Ask. Bid.  
do, preferred, 88 1/2 88 1/2  
Black Lake, do, preferred, 25 1/2 25 1/2  
B. C. Packers, A., 73 73  
do, common, 87 87  
Bell Telephone, 124 120

**Tractions in London.**  
Playfair, Martens & Co. reported the following prices on the London market yesterday:

Sao Paulo, 140%  
Rio, 88%  
Mexican Tramway, 122%

**Money Markets.**  
Bank of England discount rate, 3 per cent.

**London call rate, 3/4 per cent.**  
New York call money, highest 2 1/2 per cent., lowest 2 1/4 per cent.  
Call money at Toronto, 5 1/2 to 6 per cent.

**Continued on Page 11**

## W. A. MACKENZIE & CO.

OWN AND OFFER  
At Par and Accrued Interest, to Yield 6%, Payable Half-yearly

**\$500,000.00**

First Mortgage 6% Sinking Fund Gold Bonds

OF THE

## International Milling Company

MOOSE JAW, Saskatchewan MINNEAPOLIS, Minnesota

Dated July 1st, 1910, Maturing July 1st, 1930

Redeemable at 105 on any interest date after July 1st, 1915

Principal and Semi-annual Interest payable at BANK OF MONTREAL, in Toronto, Montreal, New York and London, England.

DENOMINATIONS \$500 AND \$1,000

The Mortgage and Trust Deed securing the Bonds and the regularity of the issue have been approved by

MESSRS. BLAKE, LASH, ANGLIN & CASSELLS, TORONTO

TRUSTEES  
National Trust Company, Limited, Toronto. Minnesota Loan and Trust Company, Minnesota

CAPITALIZATION  
Stock authorized \$2,000,000.00  
Bonds authorized \$2,000,000.00  
The Capital Stock and Bonds issued represent an actual cash investment.

EARNINGS  
Average Net Earnings Last Three Years, \$178,995 Per Annum.  
Net Earnings for Six Months Ending February 28th, 1910, \$204,684.20

or at the rate of 80 per cent. of present bond issue, or nearly fourteen times the interest charges.

BALANCE SHEET  
Present value of Mills and Equipment, \$ 725,751.38  
Real Estate, 30,181.04  
Current Assets, Wheat, Cash, Current Accounts, etc., 997,418.31  
Deduct Current Liabilities, \$1,753,350.73  
Net Assets, 780,516.56  
IN ADDITION TO THE ABOVE THERE WILL BE THE INCREASED SECURITY FROM THE PROCEEDS OF THE PRESENT ISSUE OF \$500,000.

Present Daily Capacity, 6,000 Barrels of Flour

The Statement of Earnings and Balance Sheet have been confirmed by Messrs. Marwick, Mitchell & Co., London, England.

The present issue of Bonds is to provide for enlargements to the Moose Jaw Mill, the establishment of an oat meal mill at that point, and for the purpose of additional elevators.

PURPOSE OF PRESENT ISSUE  
The Bond issue is a First Mortgage on all the property of the Company now owned, or hereafter acquired. The Company now owns five mills: one in Saskatchewan, three in Minnesota, and one in Iowa, with a combined capacity of 6,000 barrels per day. The property of the Company has been appraised by the American Appraisal Company, and the property is carried in the Balance Sheet at the depreciated value.

ADDITIONAL SECURITY  
In addition to being secured by a Mortgage on the Company's assets, the Bondholders also have the security of a double liability attached to the Capital Stock.

FUTURE ISSUES  
It is the intention of the Company to largely increase its milling capacity in Canada by the establishment of additional mills at points to be selected, and bonds may be issued for the purchase of, or the construction of, these mills; but only to the extent of 75% of the actual cost, and then only if the net earnings of the Company for the previous year are equal to twice the total charges for interest on Bonds issued or to be issued. The Mortgage is closed at \$1,500,000.

SINKING FUND  
Under the Trust Deed a Sinking Fund is provided to be deposited with the National Trust Company, Limited which will redeem before maturity 75% of the outstanding Bonds at 105 and accrued interest, or at current market price.

Present Bond Issue Represents Only About One-third of Company's Assets

Terms of Subscription:—10% on Application, balance on delivery  
Special Circular and Application Forms Sent on Request.  
Subscriptions will be received by any Branch of the following Banks:—

THE METROPOLITAN BANK,  
THE STANDARD BANK OF CANADA and  
**W. A. MACKENZIE & CO.**

38 CANADA LIFE BUILDING, TORONTO

TORONTO STOCK EXCHANGE TORONTO STOCK EXCHANGE

**WARREN, GZOWSKI & CO.**  
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Orders executed on all the leading Exchanges.  
Direct private wire to New York.

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MEMBERS TORONTO STOCK EXCHANGE, 1 TORONTO STREET

Our fortnightly financial review dealing with the Canadian, New York and Cobalt Markets will be mailed free on request. We invite correspondence regarding investments.

Telephone Main 7454-1-4

**FOR SALE**

Desirable, modern, solid brick, semi-detached, hip-roofed dwelling, two bathrooms, hot-water heating, Brunswick & Guarantee, in Can. Block, on National Portland Cement, 100 Western Coal & Coke, Co. Can. Steel Co.

Weekly Market Review on request. Correspondence invited.

16 King Street West, Toronto

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**SPECIALISTS**

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United Empire Bank, Sterling Bank, St. Johns Bank, Standard Loan, Sun & Hastings, 14 Trusts & Guarantees, in Can. Block, on National Portland Cement, 100 Western Coal & Coke, Co. Can. Steel Co.

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Good Residential Property  
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**LYON & PLUMMER**  
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Members Toronto Stock Exchange, Stock, Bond and Cobalt Stocks bought and sold on all leading exchanges. 21 Melville Street, Toronto, Telephone Main 3387.

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Lester Bickell, ex-Chief of Range-365.  
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Members Standard Stock and Mining Exchange  
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**EDWARDS, MORGAN & CO.**  
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**Erickson Perkins & Co.**  
—& CO.—  
JOHN G. BEATY,  
Resident Partner,  
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Commission Merchants  
Orders Executed in all Markets  
Two Private Wires to New York and Chicago.  
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Correspondence invited. 346

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Investment Broker  
A specialty made of Investments in  
STANDARD RAILROAD AND INDUSTRIAL STOCKS  
Write for full particulars regarding plan of investment.  
ROOM 101, 108 ST. JAMES STREET  
MONTREAL 246

**FOR SALE**  
ANY part of 5000 shares of B.C.A. Coal at 3 cents per share. One Ontario Land Grant.  
W. H. HILSON  
237 Barton Street East, Hamilton, Ont.

**HYDRAULIC POWER FOR PORCUPINE CAMP**

Mines Power Company Takes Lease of Wawatani Falls on Mattagami River.

COBALT, July 6.—The lease of the Wawatani Falls power on the Mattagami River has been purchased by A. E. Welberg of the Mines Power Co. from Sutcliffe & Neelands, engineers, Cobalt.

This power, which is said to be one of the best in the north country, is situated on the Mattagami River, in close proximity to the Porcupine gold camp, the distance from Tisdale Township being approximately nine miles. The nature of the falls is such that development is very easy.

The river at this point takes a horse-shoe shape, so that within a distance of about half a mile a total head of 120 feet can be obtained. This with a flow of 2500 cfs. of water, which offers great opportunities as a storage basin, renders it such that a total of between 6000 and 7000 horse-power can

be obtained throughout the year. Although it will be difficult to undertake extensive development at once, it is the intention to do preliminary work during the present summer, so that next winter. Survey parties will be put on at once to make final surveys and locate transmission lines. The roads and transmission lines will be cleared during the present summer.

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