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--and--  
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**FELT SLIPPERS**  
For 25c. at  
**Central Shoe Store,**  
122 MILL ST.

New Hamburg Trimmings and Laces,  
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**A. B. WETMORE, 59 Garden Street.**

**THE IMPROVED**  
**"Silent" Parlor Match**  
Is dipped in red wax, with white tips.  
Ask for "Silents" always.

**SCHOFIELD PAPER CO. LTD.**  
SELLING AGENTS - ST. JOHN, N. B.

**HUTCHINGS & CO.**  
MANUFACTURERS OF  
**First-Class Bedding**  
MATTRESSES MADE OVER.

101 to 105 GERMAIN STREET  
**EVELYN THAW WILL TELL**  
**THE STORY OF HER LIFE**

NEW YORK, Feb. 5.—The defense in the trial of Harry Thaw begins today to forge the links in the chain of circumstances which led to the mental explosion which claimed Stanford White as its victim. The evidence promised to be introduced to bear out the claims set forth in the opening address of Thaw's attorney, John B. Gleason, to the jury yesterday afternoon, has lent a great human interest to the trial and there is an impression that Evelyn Thaw will tell a story the half of which has not heretofore been publicly known. It is apparent that the defendant depends upon his wife to turn the tide for him. It will be her wrong if there were any, which will impress the jury. It is claimed by the defense that any man placed in Thaw's circumstances and position, might lose his mental balance and act as Thaw did. Upon her story and its effect upon the jury, barring the story of her life, the chances of Thaw's acquittal rest, though the picture of Thaw's white-haired mother trying to save her son from death is expected to have great effect upon the jury.

It was alleged by Mr. Gleason yesterday that Thaw's insanity began to be apparent some 3 or 4 years ago. He met Evelyn Nesbit in 1901, so it is to be inferred that his mental disorders had their beginning subsequent to the meeting of the two young people and the attachment Thaw formed for the girl. In this way the defense hopes to build up the theory that Thaw lost his mental poise through wrong over the wrongs he felt his wife had suffered. The attempt will be made to prove that Thaw's insanity was due to hereditary disease, that he believed that his disease that he believed that he was called upon by Providence to commit an act which in a man of sound mind might be termed murder. Thaw's counsel having resisted the attempt of District Attorney Jerome yesterday afternoon to have the defense disclose the list of early witnesses, in order that the prosecution might be ready for the cross-examination of such as it is intended to submit to that ordeal, refused this morning to indicate the order in which they would introduce the testimony necessary to build the structure by which they hope to free Thaw of criminal guilt. Mrs. Wm. Thaw and Evelyn Nesbitt Thaw are both expected to be early witnesses. It has been reported several times at Pittsburgh that the elder Mrs. Thaw has been urged by persons of influence not to allow the plea of hereditary insanity to be entered. The sentiments which the woman whose social ambitions once knew no bounds, and whose daughter is the wife of an English earl, now feels for all the things

that once seemed sacred and dear, when they stand in the way of life and liberty for the son on whom she has lavished fortune after fortune, is attributed by the face, not only did she consent to the plea of insanity through hereditary, but will actually take the stand to cover whatever testimony is within her power to help make this plea of insanity a tangible thing. Evelyn Thaw has been growing paler day by day as the time approaches for her to testify. Young Mrs. Thaw's life will be as an open book to District Attorney Jerome. His detectives have traced her life from early girlhood. She is now but 23 years old and has lived the life of three those years.

"She will tell you with her own lips the reason why she declined to marry Harry Thaw when he first asked her to become his wife," Attorney Gleason has promised the jury. "Suffice it to say that the reason had to do with an experience in her life associated with Stanford White."

NEW YORK, Feb. 5.—Dr. C. H. Wiley, of Pittsburgh, is the first witness for the Thaw defense, he is the family physician.

Dr. Wiley declared it to be his opinion that Thaw was suffering from insanity when he shot White. Dr. C. H. Wiley, of Pittsburgh, the Thaw family physician was the first witness for the defense. Dr. Wiley is connected with Dikmont Insane Asylum. He was asked to state his recollection of an incident in 1905, in which Harry K. Thaw was concerned. "In the summer of 1905," said the witness, "I was a passenger on a street car of the Fifth Avenue line in Pittsburgh when Harry Thaw came in. Without any apparent reason Thaw rushed for one of the blinds to a window, drew up the blind, slung it down again and then drew it up once more. He had a quarrel with the conductor."

"What was Thaw's manner?" "It was defiant, vague, and his eyes flashed from right to left in this way" (indicating). "As an expert and from your personal observation, can you say whether his actions were rational or not?" "Irrational."

Mr. Gleason formed a hypothetical question in which he outlined Thaw's act of killing Stanford White and coupled with it the interrogation as to whether the witness could express an opinion of such an act committed by the person he saw in the Pittsburgh

**SEVERE STORMS IN MANY SECTIONS**

NEW YORK, Feb. 5.—The heavy snowstorm which set in in this vicinity yesterday grew as the night went on and today traffic was much crippled. Railroad trains came groping into their stations, ferry boats across dimmed rivers, and everything in the way of transportation above ground was far behind schedule time or else at a standstill. Nearly a foot of hard dry snow and a high wind, which prevailed practically all of yesterday and last night, rendered travel by land and water difficult and uncomfortable and in some instances risky; great trouble was experienced in the congested parts of Manhattan Brough and of Brooklyn, but the outlying parts of the city and the suburbs suffered most. Hundreds of New Jersey Long Island, and West Chester commuters, rather than brave the storm to reach their homes, remained in the city over night.

HAVRE, Mont., Feb. 5.—Winter weather throughout Northern Montana is now more severe than it has been at any time during the last 27 years. Not a wheel is turning on the main line of the Great Northern Railway. No freight trains have passed through Havre for 48 hours. In drifts west of Havre seven Oriental Limited passenger trains are stalled and to the east five more are similarly situated. The temperature is from 14 to 44 degrees below zero.

BOSTON, Feb. 5.—The traffic of greater Boston was seriously hampered by the storm which prevailed over all New England today. The snow drifted rapidly and was caught up by the northeast wind into bothersome drifts. Street and steam railway men had out large gangs of workmen by midnight but despite their efforts schedules were broken and new workers reached their places of business on time. The first accident of the day to be reported was on the Providence division of the New York, New Haven and Hartford Railroad in the South Station, in which about a dozen men and women were shaken up and bruised but none were seriously injured. A train crowded with passengers entered the shed and the rails were so slippery that the brakes failed to stop the cars and the engine crashed into the bumpers, tearing them from their fastenings.

CHATHAM, Mass., Feb. 5.—A blinding snowstorm, driven by a northeast gale, of from 50 to 60 miles an hour, made this one of the wildest days of the winter of this coast. Coastguards were doubled but it was impossible to search the wildest spots of breakers and only observation be taken little could be learned of the fate of the shipping which left Boston yesterday bound south under the cape.

HIGHLAND LIGHT, Mass., Feb. 5.—The worst snowstorm of the winter here today, a gale of 60 miles an hour, with a heavy snowstorm, tying up all traffic on land and sea. The waves were running high and considerable anxiety was felt for shipping.

PHILADELPHIA, Feb. 5.—This vicinity is experiencing the wildest day since February, 1899. More than twelve inches of snow has fallen and the high wind has drifted it in places to a depth of three and four feet. The snow has seriously interfered with transportation. Through trains are as much as three hours late and suburban train schedules are badly deranged. In the surrounding country the snow drifted so badly that many trains were abandoned or combined with other trains. Street car traffic in the city limits is open but very irregular. Reports from Easton, Penn., Delaware and Southern New Jersey, are to the effect that the storm is the worst in sixty years.

**MR. HOGAN DEAD**

Michael Hogan the well-known Water Street liquor dealer died about two o'clock this afternoon, leaving a wife, three daughters and two sons. Pneumonia was the cause of death.

TOKIO, Feb. 5.—The press up to this afternoon continues silent about the war cry in some American papers. Not the slightest excitement was manifested here and today after the talk was transmitted here, and I was generally ignored. It is believed that the anti-Japanese press will afford proof of the futility of an effort to shake the profound confidence which Japan reposes in President Roosevelt and in the American people generally.



**The Sure Way.**  
"No for the strenuous life."  
"What the matter, old man? Go to get married!"

street car.

"I can," said Dr. Wiley.

"Will you express that opinion?"

"I believe that that man—"

District Attorney Jerome objected.

"You must not state a belief," said Mr. Jerome, "that is not evidence. You must give an opinion."

"My opinion is that the man who committed the act described was suffering from insanity."

**BANK OF ENGLAND'S PRE-EMINENCE IN MONEY MARKET**

All of the Royal Families of Europe and the Leading Statesmen Have Money in London in Case of Trouble in Their Own Country.

When the Bank of England, last October, unexpectedly, increased its discount rate to 8 per cent, a rate touchstone for the world, the Bank of England, in 1893, a general alarm spread over all Europe, causing sharp fluctuations in the foreign exchange markets in Paris, Berlin, Vienna, Amsterdam and Hamburg.

In New York there was an immediate advance of over 60 points in sight exchange, thus effectually preventing the continuance of gold imports from London.

The stock market was thrown into a state of complete demoralization, the sharp break in prices being accompanied by wild rumors that Russia was about to default in the interest payments on its enormous national debt.

Why a simple change in the rate of interest of the Bank of England—the rate of interest at which one bank is willing to loan money to its customers—should be a matter of such importance to the money markets of the entire world seems, at first glance, a little curious.

That it is a matter of vital moment to the whole of the commercial world is known to everyone interested in any way in foreign trade; yet the reasons why such a worldwide effect should be produced by the change in the rate at which a single bank is willing to loan money are not clearly understood by many, even in Wall Street.

So closely connected nowadays are the financial centres of the world, and capital can so readily be transferred from one city to another, that any change in the interest rate at any one important financial centre usually has an immediate effect on the money markets of every other important financial centre.

This is particularly true of London, as that city is not only the financial centre of Great Britain, but the clearing house and financial centre of the entire commercial world as well. It is through its almost complete control of the money market of London that the Bank of England influences the money markets of the entire world.

The conditions rendering possible the control of interest rates in London by the Bank of England are interesting and worthy of a brief description.

**FIXES INTEREST RATES.**

With very few exceptions the banks throughout England do not pay a fixed rate of interest the year round on deposits, but the rate payable on deposits is related to the Bank of England rate. In London and Liverpool, for instance, the banks usually advance to pay about 1 1/2 per cent below the bank rate on deposits.

The same system is followed in making loans. A London bank rarely loans money for any length of time at a fixed rate of interest, but instead protects itself from possible sharp fluctuations in the money market by bearing a fixed relation to the official bank rate.

An advance or reduction in the Bank of England discount causes a simultaneous change in the interest rate charged by every important bank throughout England on its outstanding loans. Accordingly, not only every depositor, but practically every borrower of money in England is affected by any change in the Bank of England rate, the rate of interest charged in the open market for borrowing or declining with the official bank rate.

Sometimes, however, it happens that the outside banks and discount houses in London are so well supplied with loans at the same rate as before, notwithstanding an increase in the Bank of England rate. If it so desires, however, the Bank of England can force up the open money market rate to close to the official rate, and thus close the door to the money market. The manner in which this is accomplished is known as "borrowing on call." The Bank of England sells in the open market a certain proportion of its extensive holdings of English consols for cash, and at the same time purchases an equal amount of consols for the monthly consol account. By selling for cash the bank "mops up" the surplus money in the open market. This expedient is sometimes resorted to by the Bank of England when it wishes to put an end to an export movement of gold.

**WHY LONDON IS THE CENTRE.**

It can be seen from this illustration, without going more exhaustively into the subject how the Bank of England is in almost complete control of the London money market. What is a mystery to many, however, is why a change in the discount rate of the Bank of England is a matter of such importance to the entire commercial and financial world. The explanation lies in the fact, as already pointed out, that London is the financial centre and clearing house of the entire commercial world. Since the Franco-Prussian War the reserves, not only of all England, but of all Europe as well, have been kept in London. During the early part of the last century the reserves of Europe were kept in Paris with the Bank of France and in London with the Bank of England. Since the Franco-Prussian War the reserves of Europe have been thrown on London.

The pre-eminence of London is due partly to its geographical position, which renders Great Britain so comparatively secure from foreign aggression as compared with, for instance, Paris or Berlin. The enormous foreign trade of England, exceeding that of any other nation, and its sound banking system are other important factors. The principal reason, however, why everybody willingly takes bills on London in payment of international debts and leaves large sums on deposit with the principal English banks and banking firms is because England pays

all of its debts in gold; because, for the last century, England has been the principal gold market of the world, and no great obstacles are placed in the way of exporting gold from London, as is often done in Paris and Berlin.

**INTERNATIONAL DEBTS.**

As a result of these factors London has, for nearly a century, been the financial centre of the world, and drafts on London have grown to be the international money acceptable throughout the commercial world. More foreign exchange is drawn in English pounds than in the moneys of all other countries combined. Similarly, it is estimated that fully 90 per cent. of all letters of credit issued throughout the world are drawn in English money. Exchange on London, in the payment of international debts, is not always acceptable, but is generally preferred. A shipment of cotton from New Orleans, La., to Hong Kong, China, would generally be settled through bills drawn on London, owing to the readiness with which such bills can always be drawn.

Entirely aside from other considerations, therefore, practically all of the leading banking institutions in Berlin, Paris, Vienna, Amsterdam, Hamburg, and the other important continental centres find it necessary to maintain branch offices in London to handle their foreign exchange business. Banks throughout the world, as far distant as China and Japan, if they desire to deal in foreign exchanges or letters of credit, must always have large sums on deposit in London.

Moreover, England is estimated to have more than \$12,000,000,000 invested in its colonies and in foreign countries. A large proportion of this foreign investment is in the form of foreign government bonds and railway securities. For instance, approximately \$9,000,000 of the securities of the Pennsylvania Railroad are held in England. To pay the interest and dividends on these securities the Pennsylvania Railroad finds it necessary to always carry a large balance on deposit with London banks.

The same is true of every government and every railroad or corporation whose securities are held to any large extent in England.

To pay the interest on its bonds held by foreign investors and to meet its other obligations, Japan, during the late war, carried a balance on deposit in London which was never allowed to fall below \$2,000,000. At times amounted to more than \$20,000,000.

It is a well known fact that all of the royal families of Europe, as well as the leading statesmen, have large sums already on deposit with the Bank of England as a contingency against possible disturbances in their own country. It is evident that the amount of foreign capital deposited in London aggregates an enormous sum—a sum which has been variously estimated by different authorities at anywhere from \$250,000,000 to \$400,000,000.

Mr. Inglis Paigrove, undoubtedly the leading authority in England on monetary questions, recently made an estimate of the number of banks carrying on business in London either directly or through agents. He estimates that there is a total of 1,571 banks, having aggregate resources of approximately \$2,800,000,000. Of this total, 1,067 were colonial and foreign banks with aggregate resources of over \$1,500,000,000. His estimate is shown in the following table:

35 British banks with London offices.....	\$292,000,000
169 Provincial banks with London agents.....	258,000,000
Total British.....	\$1,050,000,000
39 Colonial banks with London offices.....	2,815,969,000
52 Colonial banks with London agents.....	121,428,000
Total Colonial.....	\$2,937,397,000
55 foreign banks with English offices.....	\$2,590,077,000
875 Foreign banks with English agents.....	2,590,077,000
44 Other foreign banks.....	2,590,077,000
Total foreign.....	\$2,590,077,000
<b>SUMMARY.</b>	
British banks.....	\$1,050,000,000
Colonial banks.....	2,815,969,000
Foreign banks.....	2,590,077,000
Total.....	\$2,937,397,000

**TOO LATE FOR CLASSIFICATION.**

LOST—On Duke or Sydney street, brown pocket book, containing sum of money, owner's name inside. Finder rewarded by leaving same at 148 Duke St.

5-2-1

TO LET—Flat of nine rooms, modern improvements. Inquire at 79 Hazen street. R. B. HOLMES. 5-2-1

FOR SALE—One set light driving harness, one barber's chair, both slightly used. Apply BARBER SHOP, 9 Rodney street, West End. 5-2-1

TO LET—Fine stores and business stand in North End, in brick building No 558 Main street, one of the largest and best stores in North End, with large cellar, tenanted by former tenant 23 years. J. L. GORDON. 5-2-1

WANTED—A young girl for general housework. No washing or ironing. Good wages. Apply at 178 King street east. 5-2-1

TO LET—Two small flats No. 5 St. David street. Rent low. Can be seen Tuesdays and Fridays. 5-2-1

TO LET—Flat No. 127 Mill street. Can be seen Tuesdays and Fridays. Inquire of BUSTIN & FRENCH, 109 Prince William street. 5-2-1

**Persian Lamb Jackets!**

We have just received a shipment of Persian Lamb Skin in small, medium and large curls with a rich gloss to them, and can make into jackets of any style, at short notice. The skins are choice No 1. The linings used are extra quality satin, plain or fancy. The trimmings are first quality. The workmanship is the best obtainable. We guarantee fit and satisfaction.

**Jackets, \$135.00 Up.**  
Collar and reverses of Sable, Mink, Ermine, Chinchilla and other furs.

**D. MAGEE'S SONS,**  
Manufacturing Furriers, 63 King Street.

**At the Opera House.**

The Italian Tragedy Company which appear at the Opera House Thursday and Friday nights of this week in the thrilling tragedy, Carlo Vaudro De Fedele, is sure to be a rare treat. Already the seats are selling fast and good performances are assured. The Duo Brothers' moving pictures which will be shown at the Opera House Saturday afternoon and evening are probably the best ever seen.

**KEITHS.**

This week's show at Keith's is worthy of good patronage. The acts are all pleasing and refined. Ariel, the water queen, is advertised as the leading feature, and she certainly keeps the audience guessing. In a high class acrobatic act, Orville and Ada Everett, comical jugglers, presented a clever act.

The fun making falls on the shoulders of Cramer and Beverly, black faced comedians. They are good singers and dancers. Bryon and Blanche were entertaining in a comedy sketch. The Flottis were clever in a characteristic singing sketch. The bioscope pictures were as good as ever.

**COMMERCIAL**

**WALL STREET.**

NEW YORK, Feb. 5.—Opening price changes were unusually narrow, the market resting practically on a parity with yesterday's closing. The ten-year bond was upward. Business was small as a result of the interruption of wire communication by the storm.

NEW YORK STOCK QUOTATIONS.  
Chicago Market Report and New York Cotton Market.

(Furnished by D. C. Cline, Banker and Broker.)

St. John, N. B., Feb. 5, 1907.	Mon. Tues.
Amalg. Copper.....	110 1/2 110 1/2
Am. Sugar Refr.....	130 1/2 130 1/2
Am. Sme. and Rfg.....	14 1/2 14 1/2
Am. Car Foundry.....	42 1/2 42 1/2
Am. Locomotive.....	70 1/2 70 1/2
Balt. and Ohio.....	115 1/2 115 1/2
Chem. and Ohio.....	48 1/2 48 1/2
Canadian Pac.....	17 1/2 17 1/2
Chi. and G. West.....	16 1/2 16 1/2
Colo. P. and Iron.....	48 1/2 48 1/2
Erie.....	34 1/2 34 1/2
Illinois Central.....	108 1/2 108 1/2
Kan. and Texas.....	35 1/2 35 1/2
Louis. and Nash.....	125 1/2 125 1/2
Mexican Central.....	23 1/2 23 1/2
Norfolk and Western.....	85 1/2 85 1/2
N. Y. Central.....	124 1/2 124 1/2
North West.....	164 1/2 164 1/2
Ont. and Western.....	49 1/2 49 1/2
Penn. Ry.....	120 1/2 120 1/2
Peo. C. and Gas Co.....	96 1/2 96 1/2
Reading.....	118 1/2 118 1/2
Repub. Steel.....	120 1/2 120 1/2
Rock Island.....	25 1/2 25 1/2
St. Paul.....	140 1/2 140 1/2
Southern Ry.....	35 1/2 35 1/2
Southern Pacific.....	92 1/2 92 1/2
Union Pacific.....	132 1/2 132 1/2
National Lead.....	68 1/2 68 1/2
U. S. Steel.....	170 1/2 170 1/2
U. S. Steel, pfd.....	44 1/2 44 1/2

**CHICAGO MARKET REPORT.**

Mon. Tues.	Cig. Op's Noon.
May corn.....	46 1/2 46 1/2
" wheat.....	77 1/2 77 1/2
" oats.....	39 1/2 39 1/2
July corn.....	46 1/2 46 1/2
" wheat.....	77 1/2 77 1/2
" oats.....	39 1/2 39 1/2
" pork.....	17 1/2 17 1/2

**MONTREAL QUOTATIONS.**

Mon. Tues.	Cig. Op's Noon.
Dom. Coal.....	60 1/2 61 1/2
Dom. Iron and Steel.....	20 1/2 20 1/2
Dom. I. and S. pfd.....	61 1/2 61 1/2
Nova Scotia Steel.....	70 1/2 70 1/2
C. P. R.....	173 1/2 180 1/2
Twin City.....	102 1/2 103 1/2
Montreal Power.....	89 1/2 92 1/2
Rich. and Ont. Navg.....	79 1/2 79 1/2
Detroit United.....	78 1/2 77 1/2

**NEW YORK COTTON MARKET.**

Mon. Tues.	Cig. Op's Noon.
March.....	8 1/2 8 1/2
May.....	9 1/2 9 1/2
July.....	9 1/2 9 1/2
October.....	8 1/2 8 1/2

**BIG LAND SCANDAL IN CALIFORNIA**

SAN FRANCISCO, Jan. 5.—The Call today says:—Acting upon instructions from President Roosevelt, Thomas Vonhausen, an inspector of the Interior Department, co-operating with state mineralogist Louis E. Ambrey, has been investigating land locations in California and has uncovered gigantic frauds which will be made the basis of proceedings in the criminal courts. The investigations will involve men of wealth, influence and high social standing in California.



**EDISON**  
**Phonograph Records**  
For February.

**Victor Talking Machines and Records**

**BELL'S PIANO STORE**  
79 Germain St. - St. John.

**SPUDDINGTON & MERRITT, LTD.**

Notice is hereby given that a meeting of the stockholders of Spuddington & Merritt, Limited, will be held at the office of Spuddington & Merritt, 65 Charlotte street, in the City of St. John, on Thursday, the 14th day of February next at three o'clock in the afternoon, for the purpose of organizing the said company, adopting by-laws and electing directors for the ensuing year and transacting all such business as may lawfully come before the said meeting.

Dated at the City of St. John this twenty-ninth of January, A. D. 1907.

**WILLIAM HAWKESLEY MERRITT,**  
**LAURA ALMA MERRITT,**  
**W. WATSON ALLEN,**  
Provisional Directors.  
29-1-14

**RICH**

or poor the price for milk is the same and quality is the only consideration. By testing daily and observing greatest care in handling we can guarantee you **MILK.**

**Sussex Milk & Cream Co.,**  
Phone 622/ 158 Pond St.

**OXFORD CLOTHS.**

For Ladies' Costumes.  
For Gentlemen's Suits.  
For Little Girls' Dresses.  
For Little Boys' Suits.  
For Everybody.

**Any Dealers.**

**PERSONALS**

Chief of Police Clark was able to bat out yesterday, after being detained in the house through illness. Deputy Jenkins was also ill yesterday.

Mr. and Mrs. H. A. Holmes of Summerside, are in the city, the guests of Mr. and Mrs. James F. Robertson, on the return from their honeymoon trip.

L. J. Nixon has been confined to his bed for the past two months as the result of a fall received while skating. A hip is seriously affected.

A. R. Wetmore, provincial engineer, is in the city.

Miss Emma Jordan, nurse at the General Public Hospital, is slowly improving from her long illness.

James Shaw, who has been seriously ill, has somewhat improved.

Rev. J. A. Richardson returned to Fredericton last evening.

F. Neil Brodie went to Boston last evening on a two weeks visit.

L. J. Hughes is seriously ill at the home of his mother.

Roy Van Wart, wife and baby will leave today for Boston, Mass., where they will make their future home.

Laurencia (Montana) Standard, Jan. 29th.

**MEXICAN STEAMSHIP SERVICE FOR THE PACIFIC**

MEXICO CITY, Feb. 5.—Advices were received yesterday by A. W. Donnelly, head of the Canadian Commercial agency here, stating that all arrangements have been completed for the inauguration of the steamship service between the Pacific ports of Canada and Mexico. The first shipment will sail from Vancouver in March and complete its southern journey at Salina Cruz.