

NEWS AND COMMENT FROM THE FINANCIAL WORLD

THINK BULL MARKET WOULD FOLLOW WAR

Wall Street Authorities See
Higher Prices if Neutrals
Enter Great World Conflict

(McDOUGALL & COWANS.)

New York, Feb. 6.—Should the United States enter the war against Germany followed by other neutrals, after the shock has passed it would be followed by the beginning of the greatest bull market in history, according to certain speculative investment circles of standing. They take this attitude because of the belief that such entrance would guarantee that the end of the war would result in practical disarmament. It is rumored that President Wilson may announce that as the chief aim of this country. Inquiries among large banking interests suggest that institutional buying will be found during declines in these issues: Am. Car. Amn. Smelting, Atch., C. and O., Crucible, U. S. L. K., P. R. S., L. N. S., S. P. U. P., Wabash "A" and Westinghouse Electric. It is expected that this absorption will be chiefly of a scale even character. These securities seem to be preferred because of exceptionally strong financial and physical positions.

"We are arriving at a time where all the bad news would be behind us," remarks a prominent and very active stock exchange institution which is taking the attitude that the worst is not likely to mean much more to the market than that which has already happened. It is evident that a secondary decline to last week's news on war developments will find ready investment absorption of large proportions.

A factor of considerable weight has been inspiring ultra-conservatism in investment channels. Liquidation appears pressing from time to time in the railroad list. It is traced largely to German sources in the U. S. according to sources which have been investigating exhaustively. The spectacle of heaviness in the rails however has caused some heavy selling in circles where the high costs have been responsible for apprehension. A careful investigation indicates that the short interest in the general active list has been heavily reduced because of the low recovery from Saturday's low. According to sources which placed the list about the middle of last week in an extremely oversold position the reduction has cut the outstanding bear commitments down four-fifths. On account of evidence to this effect found in private borrowing channels professionals are selling short on rallies.

N. Y. F. B.

MONTREAL SALES

(McDOUGALL & COWANS.)

Morning.

Montreal, Tuesday, Feb. 6th.—Steel Canada Pfd.—15 @ 94. Steamships Pfd.—31 @ 93 1/2, 25 @ 93, 26 @ 93 1/2, 25 @ 92 1/2. Paint Com.—3 @ 43 1/2, 110 @ 44. Can. Cement Pfd.—10 @ 92. Can. Cement Com.—150 @ 50 1/2. Steel Canada—1490 @ 60, 125 @ 59 1/2, 115 @ 60 1/2, 100 @ 59 1/2. Shawinigan—5 @ 122, 9 @ 127. Dom. Iron Com.—150 @ 61 1/4, 125 @ 61 1/2, 155 @ 61, 225 @ 60 3/4, 25 @ 60 3/4, 100 @ 60 3/4. Dom. War Loan—200 @ 98 1/2, 2,000 @ 97 3/4. New War Loan—100 @ 98 1/2. Bell Telephone—5 @ 149. Can. Car Com.—35 @ 30. Toronto Ry.—50 @ 79, 10 @ 79 1/2, 40 @ 80 1/2, 50 @ 80, 5 @ 80 1/4, 25 @ 80 1/4. Detroit United—75 @ 122, 55 @ 121 1/2, 25 @ 121, 300 @ 120, 4 @ 119. Smelting—300 @ 31, 17 @ 31 1/4, 75 @ 31 1/4, 17 @ 31 1/4. Laurentide Pulp—100 @ 182 1/2, 100 @ 184. Riondon—50 @ 119 1/4. Ontario Steel—125 @ 25. Montreal Cotton—25 @ 50 1/4, 10 @ 50 1/4. McDonalds—5 @ 10. General Electric—15 @ 109. Scotia—60 @ 105, 10 @ 105 1/2, 15 @ 106. Quebec Ry.—560 @ 27, 50 @ 26 1/2, 50 @ 26 1/2, 250 @ 26 1/2, 500 @ 26. Spanish River Com.—106 @ 16. Bromption—103 @ 54, 55 @ 55, 10 @ 55 1/2. Tram Power—700 @ 39, 35 @ 39, 75 @ 39 1/4. Can. Cotton—50 @ 51 1/2.

Afternoon.

Steamships Pfd.—50 @ 92 1/2, 20 @ 93.

Paint Com.—3 @ 59.

Can. Cement Pfd.—10 @ 93.

Steel Canada—385 @ 60, 110 @ 60 1/4, 50 @ 60 1/2, 50 @ 60 1/2.

Dom. Iron Com.—25 @ 60, 80 @ 60 1/4, 25 @ 61 1/4, 155 @ 61, 50 @ 61 1/2, 175 @ 62.

Civic Power—105 @ 81.

Dom. War Loan—1,000 @ 97 1/2, 100 @ 98 1/2.

New War Loan—13,000 @ 98.

Can. Car Com.—15 @ 30.

Can. Car Pfd.—30 @ 72.

Detroit United—60 @ 31, 2 @ 32.

General Electric—5 @ 109, 30 @ 108 1/2.

Scotia—25 @ 103, 50 @ 104, 5 @ 106.

Quebec Ry.—125 @ 26, 25 @ 26 1/2, 500 @ 26.

Spanish River Com.—25 @ 16 1/4, 50 @ 17, 25 @ 16 1/2.

Dom. Bridge—20 @ 142.

Bromption—15 @ 55, 25 @ 54, 10 @ 54 1/2.

Tram Power—73 @ 39 1/4.

PORCUPINE OUTLOOK MOST ENCOURAGING

President Bicknell Returns
to Toronto From Inspection
and Brings Cheerful
Report.

Special to The Standard.

Toronto, Feb. 6.—J. P. Bicknell of J. P. Bickell & Co., brokers, of this city, has just returned from Porcupine, where he inspected the properties which are now comprised in the MacIntyre Mines. The situation, he said, was never more encouraging than it is at the present time, and that so soon as the new crushing machinery is installed which should be in the course of a few weeks the outside, the capacity of the mine will be largely increased.

While Mr. Bicknell would not venture into the realm of figures in this connection, it is understood that the expectation is that the net earnings after the improvements mentioned will be approximately \$100,000 per month. There is talk of increasing the capacity of the mill to 150 tons a day. Should this be done there would be added to the output another 4,500 tons monthly, making the earnings of the company nearly \$400,000 quarterly.

C.P.R. STOCK DECLINES TO 153-1-3 IN WALL STREET

Cause of Drop Weakness of
Rails in General Due to
German Manipulation and
Threatened Chicago Strike.

Special to The Standard.

Montreal, Feb. 6.—Some surprise was created here today by the weakness in C. P. R. in New York, where it dropped from 155 1/2 to 153 1/2, the lowest for some time.

There was no reason known where the stock should weaken apart from the fact that when the general railway list in Wall Street is heavy, C. P. R. is generally an object of bear attack, especially by German interests, while on the other hand there appears to be little or no support for it.

The railway list was weak, partly the result of a switch of men's strike on lines converging at Chicago.

When the railway list rallied to around the level of yesterday's close, C. P. R. had a partial recovery to 154 1/2, and this afternoon stood at 154 1/2.

N. Y. QUOTATIONS

(McDOUGALL & COWANS.)

Open High Low Close

Am Beet Sug. 97 1/2 99 97 98 1/2

Am Car Fy. 64 65 63 65

Am Loco. 70 72 70 72

Am Sugar. 107 107 106 106 1/2

Am Smelt. 90 91 90 91

Am Steel Fy. 62 62 61 61 1/2

Am Woolen. 44 44 43 43 1/2

Am Zinc. 35 35 34 34 1/2

Am Tele. 125 125 124 124 1/2

Anaconda. 77 77 76 76 1/2

Am Can. 43 43 42 42 1/2

Chlorine. 102 102 101 101 1/2

Bald and Ohio. 76 76 75 75 1/2

Bald Loco. 51 51 50 50 1/2

Butte and Sup. 46 46 45 45 1/2

C. F. I. 44 44 43 43 1/2

Ches and Ohio. 59 59 58 58 1/2

Chino. 54 54 53 53 1/2

Cent. Lead. 81 81 80 80 1/2

Can. Pac. 155 155 154 154 1/2

Cons Gas. 125 125 124 124 1/2

Cruc Steel. 61 61 60 60 1/2

Erie Com. 27 27 26 26 1/2

Erie 1st Pfd. 40 40 39 39 1/2

Good Rub. 145 145 144 144 1/2

Ham Elect. 165 165 164 164 1/2

Rea Lead. 81 81 80 80 1/2

Gr. Nor Ore. 32 32 31 31 1/2

Indus Alcohol. 125 125 124 124 1/2

Inspira Cop. 55 55 54 54 1/2

Kans City Sou. 21 21 20 20 1/2

Kenne Cop. 44 44 43 43 1/2

Lehigh Val. 74 74 73 73 1/2

Mer Met. Pfd. 63 63 62 62 1/2

Mex Petrol. 89 89 88 88 1/2

N Y Cent. 95 95 94 94 1/2

Nor and West. 129 129 128 128 1/2

Nevada Cons. 23 23 22 22 1/2

Penn. 54 54 53 53 1/2

Press Sul. 93 93 92 92 1/2

Rea Lead. 81 81 80 80 1/2

Repub Steel. 77 77 76 76 1/2

St Paul rd. 82 82 81 81 1/2

Sou Pac. 93 93 92 92 1/2

Sou Rail. 29 29 28 28 1/2

Sloss. 55 55 54 54 1/2

Studebaker. 135 135 134 134 1/2

Union Pac. 108 108 107 107 1/2

U S Stl Com. 108 108 107 107 1/2

U S Rub. 55 55 54 54 1/2

Utah Cop. 110 110 109 109 1/2

Westinghouse. 51 51 50 50 1/2

U S Steel Pfd. 118 118 117 117 1/2

TEUTONS SOLD RAIL SHARES YESTERDAY

C.P.R. and Other Stocks Decline—Market Highly Irregular and Erratic Throughout Day.

Special to The Standard.

Toronto, Feb. 6.—The twenty-fifth annual statement of the Toronto Railway Company which goes forward to shareholders today, is one of the most satisfactory ever issued by the company. With the improvement in industrial and commercial conditions in the Queen City, as compared with the previous year, the company is able to report a substantial increase in gross earnings for the fiscal period of December 31st, 1916. Careful management had, on the other hand, kept down the increase in operating expenses notwithstanding the steady advance in the cost of cars and equipment as well as generally higher costs on all materials.

A review of the statement indicates that advantage has been taken of the larger earnings to place the company in an increasingly strong position, resulting from a surplus from the year's operating of over \$381,000, and a total balance, at the reassuring level of \$5,408,875.

The gross earnings for the twelve months amounted to \$5,973,161, as compared with \$5,694,136 in the previous year.

Government Contracts.

The belated movement in industrial shares simultaneous with reports that many large contracts with the federal government were under negotiation. It is understood that sales of copper and other raw materials to important home interests are in process of consummation. Manufacturers of explosives and ammunition reports have it about to submit estimates to the authorities at Washington.

Selling by foreign interests, presumably of Teutonic origin, was again put forward in explanation of the heaviness of rails, but this was scouted in high banking quarters.

C. P. R. Weakness.

Canadian Pacific was once more an element of weakness, with St. Paul at an extreme decline of three points, and one to two for other international shares. New Haven was under renewed pressure at the new low record of 37 1/2, and Louisville and Nashville and Illinois Central were heaviest of the southern and southwestern rails. Total sales aggregated \$80,000 shares.

Trading in bonds was limited, foreign issues hardening after an early decline to new minimums.

Total sales, par value, amounted to \$3,575,000.

Unusual activity prevailed in the morning for United States government bonds at declines ranging from 3/4 to 1 1/2 per cent. Panama issues were similarly affected, the recession being ascribed to selling by banks in anticipation of a new government flotation to meet impending emergencies.

MONTREAL MARKETS

(McDOUGALL & COWANS.)

Bid. Ask.

Ames Holden Com. 17 1/2

Ames Holden Pfd. 50

Brazilian L. H. and P. 43 1/2

Canada Car. 29 1/2

Canada Cement. 60 1/2

Canada Cement Pfd. 93

Can. Cotton. 52 1/2

Civic Power. 81

Crown Reserve. 82

Detroit United. 120

Dom. Bridge. 140

Dom. Iron Pfd. 93

Dom. Text. Com. 80 1/2

Laurentide Paper Co. 185

MacDonald Com. 50

N. Scotia Steel and C. 106

Ogilvie. 140

Quebec Railway. 26 1/2

Shaw W. and P. Co. 126

Spanish River Com. 16 1/2

Steel Co. Can. Com. 60 1/2

Steel Co. Can. Pfd. 94

Toronto Ralls. 79 1/2

Chicago Produce.

(McDOUGALL & COWANS.)

Montreal, Feb. 6.—Oats—Canadian

western No. 2, 70; No. 3, 67; extra

No. 1 feed, 66.

Barley—Man. feed, 97 1/2; malting, 1.30.

Flour—Man. spring wheat patents,

firsts, 9.50; seconds, 9.10; strong bak-

ers, 8.90; winter patents, choice, 9.25;

straight rollers, 8.50 to 8.80; straight

rollers, bags, 4.10 to 4.25.

Rolled oats—Barrels, 6.95 to 7.15;

bags, 90 lbs., 3.35 to 3.45.

Milled—Bran, 38 to 43; shorts, 36

to 37; middlings, 38 to 40; moultie,

43 to 48.

Hay—No. 2, per ton, car lots, 18.

Potatoes—Per bag, car lots, 2.75 to

3.00.

TORONTO RAILWAY HAS GOOD FINANCIAL YEAR

Company Has Surplus of
Over \$381,000 and Total
Balance of \$5,408,875.

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SUGAR DECLINES TEN

CENTS PER HUNDRED

Further Declines Expected—

Flour Also Lower—Molasses Firm and Early Advance Expected.

The Canadian Grocer Says:

Sugar declined 10c. per hundred during the week and is still in a weak market. Further declines are anticipated in this commodity within the next two months, when production of raw sugar on the island of Cuba will reach its maximum. Conditions in Cuba continue favorable for a big crop. Flour also recorded a decline of 40c. per barrel for Manitoba during the week. Demand for flour is still light. Molasses is a firm market and advances have taken place on all case goods with a strong probability that the bulk molasses will also record an advance in the near future.

Dressed hogs were firmer in price and advances were made effective. Meat products were accordingly in firm market with advances recorded in 3/4 to 1 1/2 per cent. Panama issues were similarly affected, the recession being ascribed to selling by banks in anticipation of a new government flotation to meet impending emergencies.

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