

WEATHER: FINE AND WARM

The Journal of Commerce

THE BUSINESS MAN'S DAILY

ONE CENT

The MOLSONS BANK
Incorporated 1855
Head Office: MONTREAL
96 BRANCHES SCATTERED THROUGHOUT CANADA

The DOMINION SAVINGS INVESTMENT SOCIETY
DOMINION SAVINGS BUILDING
LONDON, CANADA
Capital: \$1,000,000
Reserve: \$225,000

RUSSIANS ARE STUBBORNLY DEFENDING CITY OF WARSAW

London, July 22.—A Petrograd despatch to the Morning Post says: Grand Duke Nicholas has manoeuvred his armies to bring the enemy into positions which will enable him to throw superior forces upon either side.

FAVORABLE WEATHER REPORTS

UNSETTLED CHICAGO WHEAT.

Chicago, July 22.—The wheat market was barely steady during the early trading, there being some selling pressure on the highly favorable harvesting weather and conditions generally are favorable to the crop in the northwest.

BERLIN WILL RECEIVE AMERICAN NOTE TO-MORROW.

Washington, July 22.—The text of the note which consists of about 1,200 words was cabled to Copenhagen, whence it will be relayed to Berlin.

NEW YORK FEELS GERMANY WILL ALTER SUBMARINE WARFARE.

New York, July 22.—There was a little reactionary comment in the second hour but nothing to indicate that the predictions of a severe break voiced by the trading element were about to be fulfilled.

BANK OF FRANCE RETURN.

Table with columns for Bank of France (in francs) and items like Capital, Reserve, etc.

GERMANS CLUSING IN ON WARSAW CITY

Checked by Russian Stand on new Defences but are Gradually Capturing Roads BROKE THROUGH LINES

German Statement Tells of Capturing Many Prisoners, and Forcing Czar's Armies to Retreat—Aerial Torpedoes and Grenades in Souchez Battle.

(Special Cable to Journal of Commerce.) London, July 22.—German and Austrian troops continue to close in upon Warsaw, but the defence of the Warsaw salient is being strengthened, and the enemy is reported to be suffering heavy losses, especially in the attacks on the southern line of the salient.

Behind the Narw the Russians are stubbornly meeting continued attempts to close in on Warsaw from the northwest, while the Austro-German armies thrusting toward the Polish capital from the south have been checked by the Russian stand on new defences south of and paralleling the railway line through Lublin, Cholma and Ivangorod.

Between the Vistula and the Bug the Russians appear to be offering successful resistance to the advance of Field Marshal Von Mackensen. The Russian official statement of the progress of the great series of battles is as follows:

In the region of Riga and Shavli engagements occurred on July 20. In the region west of Mlawa and on the roads leading to the village of Janichki on the Narw from the enemy bombarded Ostrolenka and attempted an advance toward the bridge between Roscan and Pulkusk.

On the right bank of the Narw our local attacks succeeded in driving the enemy back somewhat. On the Bug sector of Litvich Sokol Poturutzka our troops harassed enemy detachments which crossed to the right bank. In the stubborn fighting which ensued we took a thousand prisoners.

On the other fronts there have been no important engagements. Took 2,000 Prisoners. Berlin, July 22.—The following description of the progress of the Teuton allies on the eastern front has been issued by the German Army headquarters staff:

To the east of Popelany-Kuthschow the enemy is withdrawing before our advancing troops. On the Dubysa, east of Rossienye, a German attack broke through the Russian line. Here, too, the enemy is falling back.

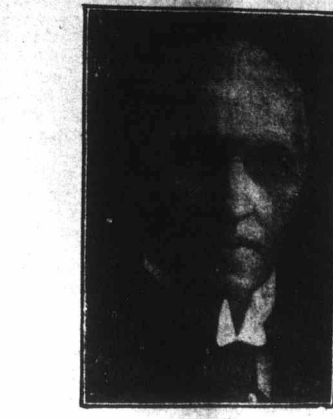
"South of the Road of Mariampol-Kovno we attacked and captured the villages of Kiekieryski and Janiwka. Likewise attacks by our Landwehr against positions held by the enemy north of Nowogorod on the Narw were completely successful. The Russians retreated, leaving 2,000 prisoners and two machine guns in our hands.

"Further south on the Narw River a strong outwork at Rosan was stormed. We took 350 prisoners and captured three machine guns." Captured an Aeroplane. Paris, July 22.—The battling in Artois continues with unabated vigor, the cannonading being especially vigorous about Souchez, where the use of aerial torpedoes and hand grenades is being resorted to very largely, according to the official report given out today by the War Office.

SIR SANDFORD FLEMING DEAD BUILT I. C. R. AND C. P. R.

Sir Sandford Fleming, who died this morning at Halifax in his 88th year, was one of the best known men in the Dominion. He was born at Kirkcaldy, Scotland, in 1827, and educated in that country as a civil engineer.

TURKS ARE REINFORCED. Athens, July 22.—Turkish reinforcements numbering 9,000 men have arrived at the Dardanelles.



HON. A. L. SIFTON, Premier of Alberta. The Province, by a two to one vote, has decided to go "dry."

Men in the Day's News

The Hon. C. W. Cross, Attorney-General for Alberta, is the man primarily responsible for the new Alberta Liquor Act. Mr. Cross was born at Madoc, Ont., in 1872, educated at Upper Canada College and Osgoode Hall.

Mr. Arthur Steel-Maitland, Under-Secretary of State for the Colonies, has announced that following the war the Overseas Dominions will be invited to take part in the negotiations for peace. The Colonial Under-Secretary was born in 1876 and educated at Rugby and Oxford.

Mr. W. G. Kirkpatrick, for the past two and a half years manager of the Northern Crown Bank in Woodstock, Ont., is being moved this week to Ottawa to take the place of the manager there, Major Taylor, who is going to the front.

Mr. Lansing Lewis, who has just been elected a director of the British Canadian Cannery, is a well-known insurance man in this city. Mr. Lewis was born in this city in 1857 and educated in Montreal, Liverpool and Paris.

The Hon. Jean Prevost, ex-Minister of Colonization, Mines and Fisheries in the Gouin Government and member of the Legislature for Terrebonne, died yesterday, in his forty-sixth year. The late Mr. Prevost possessed all the French aptitude for politics.

The Hon. L. A. Sifton is Premier of Alberta, a Province which has just decided by a two to one vote to go "dry" on July 1st, 1916. Mr. Sifton, who is a son of the late Hon. J. W. Sifton, and a younger brother of the Hon. Clifford Sifton, was born in Middlesex County, Ont., in 1858, and educated at Wesley College, Winnipeg, and Victoria University, Cobourg.

Captain L. W. Whitehead, of the 12th Battalion, has now been given up for dead. He took part in the historic fight of St. Julien, where he was severely wounded. Two brother officers, Major McCuaig and Lieutenant Piablado, carried Captain Whitehead in the retreat from the advance trench, but when both of these officers were themselves wounded they were forced to leave their more severely wounded comrade.

BANK OF ENGLAND SHOWING IS GOOD

Notwithstanding War Loan Financing the Proportion of Reserve to Liabilities Advanced INCREASE IN BULLION

These Holdings Increased by \$6,300,000, the Largest Since Outbreak of War—Public Deposits Increased by \$56,240,000 as Result of Loan Subscriptions.

(Special Cable to The Journal of Commerce.) London, July 22.—When the extraordinary strain on the London money market caused by the great war loan is considered, the Bank of England's return may be called a good, and even remarkable showing. It is impossible to say how much beyond the 10 per cent. instalment on a loan of \$2,000,000,000 was involved in the heavy payments in full by subscribers taking advantage of the 4 1/2 per cent. discount. But the proportion of reserve to liabilities has actually advanced on the week from 17.57 per cent. to 18.99 per cent., which is a highly creditable showing.

The enormous increase of £38,240,000 in public deposits is the result of the loan subscriptions, and involves the transfer of £23,360,000 from private deposits. The net gain in deposits is £32,900,000, which compares favorably with a gain of a little under £26,000,000 in the two loan items. Government and other securities.

The increase in reserve of £7,000,000 strengthens the bank's position, and it is noteworthy that the bullion holdings have actually increased £6,300,000. This is the largest weekly increase during the war, and there can be no doubt that part of it at least represents subscriptions to cash by the immense number of small investors in the loan. It is probable also that there has been a welcome return of gold from the Continent, in view of the recent financing in Paris.

Under the unusual conditions of such a war as this, all comparisons fail. It will be possible in two weeks' time to compare one return with another, but at present each return must be considered on its merits. Until the great war loan is out of the way the London money market must necessarily be subjected to strain, but on the figures of the bank's return, it seems remarkably well able to take care of itself. Even the bank rate of 5 per cent. is beginning to bear some relation to the open discount rate.

Table showing Bank of England weekly returns compared as follows. Figures in pound sterling. This week, Last week.

London, July 22.—The Bank of England minimum discount rate unchanged at five per cent.

RICE MARKET STEADY

New York, July 22.—There is a steady movement in rice, but the buying shows no snap. The feature is still the small supplies of screenings and other cheaper grades. The south is turning down good bids on the remaining stocks, so that local circles are compelled to pay full values for their needs.

VERDUN BONDS PLACED.

The Dominion Securities Corporation and Messrs Wood, Gundy and Company, of Toronto, have been awarded the \$200,000 5 1/2 per cent. 40-year bonds for which tenders were recently called by Verdun. The price paid was 96 1/2.

SUGGESTS BRITISH SHOULD BUY \$150,000,000-WORTH OF COTTON

London, July 22.—Sir Robert Finlay argued that cargoes of cotton could be confiscated by the Imperial government only in the event where it was proved that it was intended for the enemy by way of continuous passage. He suggested that the government put itself right with American legal and official opinion by placing cotton on the contraband list and purchase from the southern cotton exchanges the amount of cotton normally going to the central empires which would involve an outlay of \$150,000,000.

Cotton so purchased, he said, would have to be stored by the British government and could not be re-sold to our own spinners until the close of the war. If it is used simply to take the place of similar amounts that would otherwise have been imported by British mills, cotton growers would gain nothing and the purpose of the plan would be defeated. It must be an offer by the British government to American planters and have nothing to do with the current flow of normal trade at the price of ten cents a pound—a price which admits of a bare profit to the producer but considerably less than the 12 or 15 cents he was receiving before the war.

ATCHISON CROP REPORT.

Chicago, July 22.—Special crop report to Atchison says corn in Eastern Kansas which three or four weeks ago was small and yellow has grown 4 inches daily since the warm weather began, and is 5 to 7 feet high. Much is in tassel and some in silk.

EX-DIVIDEND TO-DAY. Penmans Pfd. at 1 1/2 per cent.

CANADIAN BANK OF COMMERCE

Head Office - - - TORONTO
Paid Up Capital - - \$15,000,000
Rest - - - - - 13,500,000

Board of Directors:
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WITH BRANCHES THROUGHOUT CANADA AND IN THE UNITED STATES, ENGLAND AND MEXICO, AND AGENTS AND CORRESPONDENTS THROUGHOUT THE WORLD, THIS BANK OFFERS UNSURPASSED FACILITIES FOR THE TRANSACTION OF EVERY KIND OF BANKING BUSINESS IN CANADA OR IN FOREIGN COUNTRIES.

Collections Effected Promptly and at Reasonable Rates.

CANADA PLACES LARGE LOAN IN NEW YORK

Forty Million of Five Per Cent. Notes Have Been Sold at 99 1/2 and Will Provide for Capital Expenditure During the Current Year.

It is officially announced that the Dominion Government has been successful in placing in New York a loan amounting to \$40,000,000, comprising \$25,000,000 of one-year five per cent. notes and \$15,000,000 of two-year five per cent. notes, both issues being sold at 99 1/2, the holders of each being given the option of conversion into five per cent. twenty-year debentures.

It is stated that the proceeds of the securities will provide for the capital expenditures of the Dominion during the current year upon undertakings now under construction in Canada.

The following consideration, it is stated, have influenced the making of the new issue in New York: 1. Relief to the amount of the loan will be given to the London market, which is the source of the Imperial borrowings from which the war expenditure of the Empire (including Canada) is financed.

2. By borrowing in New York rather than in London the exchange situation now so greatly against the latter will be benefited.

3. A loan of such large amount effected in New York, should tend to improve exchange conditions between Canada and the United States, exchange at present being strongly in favor of the latter. Having regard to the loss in exchange (amounting to about 1 1/2 per cent.) in transferring funds from London to New York, which is the Canadian exchange centre, the rate of interest paid on the New York loan is an advantageous as the rate at which a similar loan could be placed in London.

Payment for the securities being in New York funds, the Dominion gets the benefit of the existing premium on New York exchange in transferring the proceeds of the loan to Canada.

The negotiations were carried out through the Bank of Montreal with the Morgan group and have been under way for some time.

FRENCH AIRMEN RAID A GERMAN CAMP.

Paris, July 22.—The fourth big aerial raid to be reported in three days was made by French airmen against the German camp at Autry, northwest of Binerville. It is reported in official communiques to-day. Twelve bombs were dropped.

North of Munster the French have organized positions which they captured yesterday. At Linge Kopf in the Vosges where Germans were driven from some of their trenches the French captured 107 men. Fighting on an extended scale has developed in the Vosges and Alsace. On Tuesday night an engagement occurred on the heights of Reichacker Kopf west of Munster. A French attack was followed by nine violent counter-attacks by the Germans.

In spite of the fierceness of the enemy's assaults two battalions of French chasseurs were able to maintain their position and they inflicted severe losses on the Teutons. In addition to maintaining all their previous gains the French captured a trench 150 metres long.

U. S. WILL EXPORT MORE WHEAT.

Chicago, July 22.—E. W. Snow says the United States will probably export 400,000,000 bushels of wheat or 50,000,000 bushels above last year's record. Wheat and oats crops will be bumper. Weather damages are more than offset by tremendous growth of hay and pasturage.

STRIKE RIOTS CONTINUE.

Bayonne, N.J., July 22.—Two more men and a little girl were shot in another strike riot at the Standard Oil plant.

Bayonne, July 22.—State troops have been ordered out to curb the Standard Oil strikers.

ANOTHER STRIKE SETTLED.

Bridgeport, Conn., July 22.—The strike of the machinists and tool makers in the plants of the Remington Arm Company, U. M. C. and sub-contractors' plants is ended. The men will get an eight-hour day with a readjustment of wages, but there will be no recognition of the union.

FINE, BECOMING WARMER.

Light to moderate winds, fine to-day and on Friday, and becoming warmer. The disturbance which was off the coast of Nova Scotia has moved eastward and showers have occurred over the greater portion of the Maritime Provinces. Local showers have also occurred in Ontario and Alberta. The weather has been rather cool from Ontario eastward and warm in the western provinces.