

FINANCIAL NEWS

WALL STREET IS NOW WAITING FOR OUTSIDE PARTICIPATION

Extreme Professionalism of Market Shown by Lack of Response to Good Items of News — Heavy Selling of Anglo-French Bonds

The Street professed to be waiting for the steel tonnage statement this morning. In other words, this provided a new name for the speculative apathy prevailing. The statement when it appeared was extremely bullish, the figures being higher than the estimates. Steel common improved promptly on the news, but there were no plain signs that the market contemplated moving out of the rut in which it has been moving. What the Street is really waiting for is outside participation. The market is and has been a professional affair. Its extreme professionalism has been displayed time and again by the lack of response to various good items of news, such as the declaration of larger dividends on a group of copper stocks. The professional element bought the coppers on the knowledge that these dividends were to be raised and then waited for a burst of enthusiastic buying by the public. The public buying did not come; that is all. The current dullness is interpreted in various ways by market observers. For the moment the most popular interpretation is a bearish one. It is that the market is gorged with stock to the point of repulsion, and that sooner or later this stock must be given up. But the most reasonable illustration of the state of the market is that it resolves a ship becalmed. The sails flap and the professional element rushes to buy or sell stocks, as the case may be, thinking that a breeze has sprung up. When they have made their commitments they discover that what they thought was a breeze was simply he swell, causing the ship to rock.

Again today there was quite heavy selling of the Anglo-French bonds at the sellers' option—that is to say, with a delayed delivery—and the bonds went to another low. There is no doubt that a transaction of this kind presents a fair gamble for a turn, and the wonder is that it has not been done more extensively. The only thing against it was the possibility of the syndicate agreement being extended which would put the seller in somewhat of a lull when the time came for him to make delivery. But the chances of this kind have been practically nil. Before it could be accomplished it would be necessary to secure the agreement of all the participants to the syndicate which, in view of their number, would be a mammoth task. Sentiment in regard to the bonds is generally bearish, the Hebrew-German element in particular holding that the bonds will go a great deal lower when a free market in them is established. The peculiar circumstances show a certain amount of justice for these opinions. Almost half of the bonds were subscribed for by the great ammunition makers. These interests could probably easily afford to sell the bonds at a big discount from the price they took them at. But against this is the difficulty these same people would be in to find something equally good to employ their money in. At least the biggest of these companies have large cash surpluses in the banks and have had to appoint special finance committees to choose methods of investment. So while the Anglo-French bonds have been slow in absorption of the yield at a price around 90, which has been predicted for them, would be so far out of line as to inevitably bring in buyers, even if only of a speculative kind. The short life of the bonds in itself will be a sustaining factor.

The firmness brought about in the market around noon by the favorable statement of the Steel Corporation was very short-lived, and by 2 o'clock the market had taken on a downward tendency. Some issues maintained a little strength, but the majority were off from the final of yesterday.

Central Leather, ex the special dividend of 4 per cent, yesterday displayed a little heaviness. Today, however, the market is firmer. This heaviness may have been due to technical conditions. No short would have failed to cover when confronted with the alternative of paying a 4 per cent dividend. Also, the Street argument was that, with the dividend off the price, nothing more was to be expected for a year.

This is not the view of well-informed people, who consider that there is a very fair chance that in January the management may put the stock on a regular 4 per cent dividend basis. The special dividend, as was announced, was for the year gone by.

The pool in Goodrich has shown signs of greater activity lately and quite a little stock has just been turned over around 75. People who have been interested in the stock all along say that the stock will be put on a 5 per cent basis around the first of the year. As a 5 per cent stock, the present price does not appear to be particularly low.

New York Bond Sales table with columns for High, Low, and P.M. prices for various bonds like Adams Express, Alaska Gold, etc.

William P. Bonbright & Co., Inc. MORRIS WISTAR STROUD, Jr. Manager. 437 CHESTNUT STREET Philadelphia.

Tax Free in Pennsylvania. We own and offer: Reading Gen. 4s, Penna. R. R. Gen. 4 1/2s, Penna. R. R. Cons. 4 1/2s, Lake Shore & M. S. 4s, 1928 N. Y. & H. R. 4s, 1934 Allegheny Valley 4s.

Lake Torpedo Boat Company. This company received 2/3 of the total contracts awarded Oct. 18, 1915. This is only one of the factors dealt with in our circular.

Bluett & Hollins. PORT OF PHILADELPHIA. Steamships Arriving Today. Steamships to Arrive.

Sound Investments. N. Y., Chic. & St. L. R. R. Co. 1st 4% Bonds Due 1937. Price on Application.

Frazier & Co. Sound Investments. N. Y., Chic. & St. L. R. R. Co. 1st 4% Bonds Due 1937. Price on Application.

FOREIGN EXCHANGE table with columns for Sterling, Today, and Close.

WHEAT PRICES LITTLE CHANGED

Business Was Light in the Early Hours—Liquidation Thought to Be Over. CHICAGO, Dec. 10.—The opening of the grain market today was quiet and in the early hours business was light, with prices showing only slight changes. Wheat sold a fraction above last night's closing prices and then settled into a steady swing. December brought \$1.15 on the first sale, 1/2 cent over yesterday's final quotations, and May was sold at \$1.50, or an advance of 1/4 cent. Prices did not go over or under a cent less than the initial ones before noon.

Despite the dullness in the early hours, it was said that the undertone was firm and well supported. The liquidations which brought the decline of the last ten days are said to be over. A bullish sentiment was caused by the report of the destruction of 800,000 bushels of wheat in the elevator fire at Erie and the news from Washington that the Spanish Government had decided to permit the importation of 7,000,000 bushels of corn and oats opened favorable and export but little in the early hours. Export sales reported totaled 30,000 bushels of wheat and 300,000 bushels of oats. Cash markets sold for seaboard delivery 55,000 bushels of wheat.

Table of wheat and grain prices with columns for Wheat, Corn, and other grains, including prices for various grades and quantities.

COTTON

NEW YORK, Dec. 10.—Business in cotton was small this morning, and following the lead at Liverpool the market was easy, with prices 6 to 9 points lower. Just before the start here there was a sharp recovery at Liverpool, which caused a better feeling. At one time the market at Liverpool showed a loss of 8 points, whereas a slight advance had been expected. The later improvement amounted to 3 or 4 points. There was a general disposition to await the publishing of the Government report this afternoon.

NEW YORK CURB table listing prices for various commodities like Bruden Copper, British-American Tobacco, etc.

NEW YORK COFFEE MARKET

NEW YORK, Dec. 10.—At the opening of the market today, prices of coffee were unswerving. Five quotations showed an upward of 1/2 point, quotations above last night's market. Trading was fairly active. Prices followed:

\$100 BONDS table listing prices for various bonds like City of Baltimore, City of Philadelphia, etc.

PORT OF NEW YORK table listing steamships to arrive and depart, including ship names, companies, and destinations.

BANK CLEARINGS table showing clearing amounts for various banks like Boston, Philadelphia, etc.

RAILROAD EARNINGS table showing earnings for Great Northern, Pennsylvania, etc.

PROPOSALS table listing bids for the Pennsylvania Railroad.

Gibbons Has Pneumonia. ST. PAUL, Minn., Dec. 10.—Mike Gibbons, who was to have fought Young Ahearn here tonight, is suffering from bronchial pneumonia, according to his physician. Ahearn has been told that Gibbons could not train for the fight and would not be able to fight for at least 30 days.

Sales in Philadelphia table listing sales for various commodities like 100 Am Can, 100 Am Hops, etc.

CITY SHOULD HAVE NO TROUBLE IN SELLING BIG 4 PER CENT. BOND ISSUE

Local Municipal Credit Is Very High—Donner Breaks Silence Regarding Cambria Steel—York Railways to Pay Off Dividend Scrip ways to Pay Off Dividend Scrip

Although there is considerable speculation around City Hall and local financial circles as to just how serious the hitch is regarding the passing of the ordinance providing for the proposed new city loan of \$5,000,000 for transit, port and other improvements, the consensus of banking opinion is that there should be no difficulty in selling a 4 per cent bond at par or better. It is thought likely that any additional legislation may be required to validate the recently approved constitutional amendment to increase the city's borrowing capacity.

Local Half-hourly Sales

Table of local half-hourly sales for various commodities like 10 to 30 A. M., 10 to 30 P. M., etc.

RESERVE BANKS' DISCOUNT RATES

Table of reserve banks' discount rates for various locations like Boston, New York, etc.

BANK CLEARINGS

Table of bank clearings for various banks like Boston, Philadelphia, etc.

FOREHANDNESS

January is one of the largest investment months of the year. Next month over \$200,000,000 will be distributed for interest and dividends. In addition to an already large and increasing demand for good bonds, a substantial proportion of this great sum must be invested.

EDWARD B. SMITH & CO. BANKERS. ESTABLISHED 1892. Members New York and Philadelphia Stock Exchanges. BROAD AND CHESTNUT STS., PHILADELPHIA, N. Y.

Compensation Insurance Rates. Will be quoted today upon telephone request. Henry W. Brown & Co. 435 Walnut Street.

Tradesmen May Use The MORRIS Plan of Loans and Investments to advantageously extend credit, make improvements, etc. Loans at business men's rates. Supervised by State Banking Department. Details on request.

Pennsylvania Loan Company. 1507 Arch St. LOUIS J. KOHL, Pres. HOWARD H. HENRY, V. Pres. R. LEW HUNT, V. Pres. and Treas.

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