

STONE OF LOCAL MARKET IS BETTER, BUT TRADING CONTINUES LIGHT

Rapid Transit Trust Certificates Most Active and Higher, Keystone Telephone Earnings Good—B. & O. Fuel Tonnage Shows Increase

While trading in home shares was light on the Philadelphia Stock Exchange today, the market was generally stronger following the early close of prices in New York. Rapid Transit trust certificates led the local list and made a good gain, advancing 1/2 to 3/4 on moderate trading, further indicating the confidence of the holders of these securities in the outcome of the new lease which is to be transmitted to Congress on Friday. Late in the day they turned weaker and lost part of the gain. Other transit issues were inactive. United States Steel common attracted most of the interest, being much more active right after the opening than it has been for several days. And within a short time it had advanced to 125, a 1/2 gain but in the afternoon, when the New York market turned weaker, this stock declined for a loss of more than a point. The largest gain made here was recorded on one small sale of Buffalo and Susquehanna preferred, which advanced 2 points to 52. Pennsylvania Railroad was fractionally higher. Insurance Company of North America gained a fraction, Philadelphia Electric and United Gas Improved were unchanged and Philadelphia Company cumulative preferred was off 1/4. Electric Storage Battery advanced 1/4 to 59 1/2. One sale took place in General Motors at 115 1/4, a loss of 2 1/2 points, the transaction taking place when the price in New York began to sag after a big gain had been recorded there. Further increases in the gross and net earnings of the Keystone Telephone Company are shown by the report for July and seven months which came out today. The gross last month was \$230,545, as against \$122,509 in July, 1916, but there was a large increase in the operating expenses which resulted in the net for the month not showing a corresponding increase to the gross. There was a good gain, however, the net being \$62,995, as against \$68,128 in July of last year. The surplus also increased for the month from \$22,583 last year to \$24,910 for July, 1917. For seven months the gross was \$1,375,375, as against \$870,742 in the corresponding period of 1916, the net was \$437,707, as compared with \$419,598, and the surplus was \$152,425, against \$130,193. A large increase in the shipments of soft coal, further indicating the active industrial conditions, is shown by the coal and coke tonnage moved over the Baltimore and Ohio system during June, which was announced today. The total for the month of both coal and coke was 3,464,211 tons, an increase of 117,182 tons, as compared with June of last year. The increase was due to a big gain in coal shipments, the tonnage of that fuel increasing 134,041 tons. Coke movements were somewhat low those of June, 1916.

RAILROAD EARNINGS

Table with columns for Railroad Name, Earnings, and Change. Includes Southern Railway, Chesapeake and Ohio, and others.

DIVIDENDS DECLARED

Table with columns for Company Name, Dividend Amount, and Date. Includes Canadian Pacific, Standard Milling, and others.

LOCAL MINING STOCKS

Table listing mining stocks such as Tonopah, Blue Bell, and others with their current prices.

Brewers Pay on Back Dividends

PITTSBURGH, Aug. 14.—The Pittsburgh Brewing Company has declared regular quarterly dividend 1 1/2 per cent on the preferred and an extra one-fourth of 1 per cent to apply on accrued dividend, both payable August 31.

Report for period ending June 30, 1917, net earnings, \$1,409,090. Dividends paid, \$504,898; Surplus, \$904,192.

Write for our free special report just off the press on

United States Steamship Company

At the present time conducting a very profitable general steamship business and planning to become a big factor in the shipping industry, the output of which is taxed to present limitations as a result of the great loss of bottoms during the past two years.

Company already paying handsome dividends. Active market for shares about \$4.50. Can be carried on our marginal plan.

FOX & COMPANY STOCK BROKERS

Real Estate Trust Bldg., Phila. 30 Broad Street, New York Private Wires Curb Securities Bell Phone Walnut 2513 Prompt Deliveries

\$5,000,000

Electric Auto-Lite Corporation

One and Two-Year Six Per Cent Secured Gold Notes

Due \$2,000,000, Series A, August 15, 1918; \$3,000,000, Series B, August 15, 1919 Interest payable August 15 and February 15, in New York. Coupon Notes, \$1,000 denomination. Redeemable as a whole or in part upon any interest date, after thirty days' notice: Series A Notes at 101 1/2; Series B Notes at 102 1/2.

THE FARMERS' LOAN AND TRUST COMPANY, NEW YORK, TRUSTEE

The following is summarized from a letter of James E. Keppelley, President:

The Corporation has been organized to acquire the business of The Electric Auto-Lite Company, of Toledo, Ohio, manufacturing electric starting and lighting systems for automobiles. The new Corporation will also have important security holdings.

The total value of the assets of the Corporation over and above all other liabilities exceeds \$25,000,000. These Notes are to be specifically secured by the following collateral, with a present market value in excess of \$17,000,000:

Table listing collateral assets: The Willys-Overland Co., Common Stock (\$25 par) \$12,500,000; The Fisk Rubber Co., 7% Second Preferred Stock (\$100 par) 1,000,000; Federal Rubber Co., 7% Second Preferred Stock (\$100 par) 1,000,000.

In addition to the collateral pledged the Corporation will own un-mortgaged plant, net quick assets and unpledged securities valued at \$8,072,484.

Net Income of The Electric Auto-Lite Company together with current dividend income from stocks to be pledged has been as follows:

Table showing Net Income and Dividend Income for 1916 and 1917. 1916: Net Income \$2,945,182; Dividend Income \$1,640,000. 1917: Net Income \$1,703,222; Dividend Income \$2,523,222.

Current earnings available for stocks pledged are very largely in excess of the actual dividends being paid.

Notes will be followed by \$5,000,000 7% Preferred Stock and 70,000 shares nor par value Common Stock.

The Indenture, among other things, will provide: No dividends shall be paid on Common Stock so long as any Notes remain outstanding; all proceeds from sale of collateral to be pledged shall be applied to the retirement of these Notes.

One Year (Series A) Notes 99 1/4 and interest to yield over 6 3/4%

Two Year (Series B) Notes 98 and interest to yield over 7%

Send for complete descriptive Circular PE-1025

The National City Company

National City Bank Building, New York CORRESPONDENT OFFICE 1421 Chestnut St., Philadelphia

The above information is based upon official statements and statistics, on which we have relied in the purchase of these notes. We do not guarantee but believe it to be correct.

COTTON ADVANCES ON HEAVY BUYING

Good Demand Follows Reports of Peace Proposal From Rome. Lower at Start

COTTON BELT WEATHER CONDITIONS. NEW YORK, Aug. 14.—The following ten-day forecast for the cotton belt from this morning: Asheville, 69; Little Rock, 68; Memphis and Memphis, 67; Oklahoma City, 66; Muskogee, 65; Tulsa, 64; New Orleans and New Orleans, 63; Houston, 62; Dallas, 61; San Antonio, 60. There was 62 inch of precipitation at Chicago, 58 at St. Louis, 56 at St. Paul, 54 at Minneapolis, 52 at St. Paul, 50 at St. Paul, 48 at St. Paul, 46 at St. Paul, 44 at St. Paul, 42 at St. Paul, 40 at St. Paul, 38 at St. Paul, 36 at St. Paul, 34 at St. Paul, 32 at St. Paul, 30 at St. Paul, 28 at St. Paul, 26 at St. Paul, 24 at St. Paul, 22 at St. Paul, 20 at St. Paul, 18 at St. Paul, 16 at St. Paul, 14 at St. Paul, 12 at St. Paul, 10 at St. Paul, 8 at St. Paul, 6 at St. Paul, 4 at St. Paul, 2 at St. Paul, 0 at St. Paul.

NEW YORK AUG. 14.

Pope Benedict's proposals for peace to the belligerent governments induced heavy buying, which caused a sharp advance in the cotton market today following ease in early. Other bullish influences were a report on the condition of the crop by the Southern Food and Cotton Commission, and the mid-month statement of the Watkins Bureau would show a deterioration in the prospect. While some traders appeared to be skeptical about the probability of a successful peace movement at this time the news checked selling.

The market showed a reactionary tone at the start. The weather man failed to show any sign of consequence in Texas. There seemed little or no change in sentiment, and after opening steady, at an advance of 17 points to a decline of 2 points, fluctuations were quite irregular. October and 24.85 on the call, eased off to 24.80 and rallied to 24.84 within the first few minutes.

Liberty Loan Cash Not Circulating

Contrary to the expectations of every one, and especially to the expressed opinions of the most astute financiers of the country, the money subscribed for the \$2,000,000,000 of Liberty Bonds has not returned to the channels of trade, said Howard Butcher, Jr., of the firm of Butcher, Sherrerd & Hansell, 220 Real Estate Building. "How do you account for it?" he was asked. "I don't account for it," he replied, "because I can't. There are many business men throughout the country," he continued, "who have no faith in certain members of the Cabinet at Washington, and if there was a rearrangement of that body along certain lines that I could mention matters would go along more smoothly. I believe, however, if anything will bring out that \$2,000,000,000 which was paid for the Liberty Bonds it will be the second issue. It is because this money has not returned to the channels of trade which makes new financing except by short-term notes at high interest yield so difficult."

Pennsylvania Water and Power Earnings

The six months' earnings of the Pennsylvania Water and Power Company for June 30 last shows every evidence of careful management. Notwithstanding the largely increased price of coal and labor and the consequent increase in maintenance charges, which it shares in common with all other similar properties, its net surplus at the end of the six months was \$257,544.47, as compared with \$252,648.68 for the same period of 1916. This increase in surplus is all the more remarkable when the figures representing the increased operating expenses, taxation and maintenance are compared with the figures for the same period one year ago, the increase in taxation alone being \$973,678 for the six months' period. The gross earnings, however, show an increase of \$48,784.29, as compared with the first six months of 1916, and the interest charges a decrease of \$124,945.

Why the Public Doesn't Trade

"The public will not trade on such a market as we have at present, with constant fractional increases all the time, but the moment they begin to see fractional declines they will jump right in on the short side," said the manager of Townsend Whelen & Co. today. "My only explanation in addition to this as to why the public is not buying," he said, "is because they have no confidence in present quotations and are disturbed by the Government's price-fixing plan."

Columbia Gas and Electric

According to A. B. Leach & Co., Columbia Gas and Electric is coming strong. It is not so very long since it sold at 39 1/2, in fact on Thursday last, while today it is selling around 43 1/4, a gain of almost 4 points. This company supplies a large part of the city of Cincinnati, the town of Covington, Ky., and a group of smaller towns in the suburbs of Cincinnati. Its gas field is in West Virginia and the gas is piped under the river to the Ohio side.

Power-Plant Consolidations

The consolidation of the smaller power plants all over the country into central power and distributing stations, as an economical proposition, is in line with the latest developments in the electrical field in England since the war commenced and compelled conservation of all resources. The substitution of electric power for steam in so many of the large and small industries recently, and its application and adaptation to almost every kind of business, is best shown by the condition of the turbine market for the larger sizes, which is virtually sold out to well into 1920. One of the latest of these consolidations of power companies is the Consolidated Power Company of Baltimore, which recently put out an issue of \$5,000,000 five-year 6 per cent gold notes, unconditionally guaranteed both as to principal and interest by the Consolidated Gas, Electric Light and Power Company of Baltimore. These notes are being sold at a price to yield more than 6 1/2 per cent.

Individual Incomes Increasing

"The enormous increase in some individual incomes these days is surprising," said the manager of a prominent investment house recently. "A day or two ago," he continued, "a man who had been in the habit of buying blocks of securities from \$5000 to \$8000 at a time at frequent intervals, asked us what good bonds he could buy that would net him more than the 3 1/2 per cent of his Liberty Bonds, of which he owned a large block? Of course, it was necessary to find out his income to calculate how much income tax would be deducted, and to our surprise we found that we would have to reckon on a deduction of about 30 per cent from the yield of any securities that would net him an income to equal that from his tax-free Liberty Bonds. Of course, there was little choice left for him under the circumstances, and unquestionably many others in the same position are finding the same difficulty."

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Japan's Financial Condition

The financial position of Japan is the subject of considerable comment among financiers who are interested in such matters. For the large war supplies she has sold to Russia, Japan has received from that country large amounts of gold and more than \$100,000,000 in securities. From the United States Japan has received since the war began for various supplies about \$300,000,000 in coin and about \$200,000,000 in securities. These have enabled her to reduce both her national debt and the payment of interest due to foreign countries.

The Sixth German Loan

It is reported in Berlin that there were 7,653,347 subscribers to the last German loan, which is about 3,900,000 more than subscribed to the first Liberty Loan and more than 1,700,000 more than to the previous—the fifth—German loan. Germany's bank credits for war purposes now total \$22,000,000,000, it is said.

West Penn's Over-subscribed

The \$2,000,000 two-year 4 per cent notes of the West Penn Power Company issued by Halsey, Stuart & Co., whose local office is in the Lafayette Building, have been three times over-subscribed and will be allotted in order of precedence. The manager of Halsey, Stuart & Co. says the distribution was pretty evenly distributed among the three classes of subscribers.

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FINANCIAL

ALL DEPENDS ON PRICE-FIXING; BANKER DISCUSSES SUBJECT

Greatest Obstacle Will Be Adjustment of Prices on Orders Already Taken—Gossip of "the Street"

Every one is discussing price-fixing these days, and whatever be the subject which begins a conversation it invariably ends in "price-fixing." A well-known out-of-town banker, at present on a visit to Philadelphia, who has most intimate personal as well as financial relations with one of the biggest steel industries in the country, when asked his opinion on this matter said:

"I find that most business men and financiers who discuss this matter overlook the statement on the subject made by President Wilson in a recent address to business men, which, to my mind, is most satisfactory and covers every point at issue." Here is the part of the President's address to which he referred:

A just price must, of course, be paid for everything the Government buys. By a just price I mean a price which will sustain the industries concerned in a high state of efficiency, provide a living for those who conduct them, enable them to pay good wages and make possible the stupendous undertakings which will from time to time become necessary as the stupendous undertakings of this great war develop. We could not wisely or reasonably do less than pay such prices. They are necessary for the maintenance and development of industry, and the maintenance and development of industry are necessary for the great task we have in hand.

The greatest obstacle which most persons see in the matter of price-fixing will be the adjustment of orders on hand which may have been taken at higher prices than the final adjustments made by the governing board, but no doubt due allowance will be made for these on a satisfactory basis.

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TAX FREE PUBLIC UTILITIES PHILADELPHIA ELECTRIC COMPANY FIRST MORTGAGE \$5 1968 PENNSYLVANIA WATER & POWER COMPANY FIRST MORTGAGE \$5 1940 MAHONING & SHENANGO RAILWAY & LIGHT COMPANY FIRST AND CONSOL \$5 1920 NETTING FROM 4.98% TO 6% REILLY, BROCK & CO. BANKERS 302 CHESTNUT ST. PHILADELPHIA

E. W. Clark & Co. BANKERS (Established 1881) 321 Chestnut Street Philadelphia

An Unusually Large Income can be obtained from a number of the short term notes and bonds recently placed on the market. We will be glad to make suggestions regarding some of the more desirable of these short term securities. Send for offering No. 2533

Bonbright & Company Incorporated MORRIS WISTAR STROUD, Jr. Manager 437 Chestnut St., Philadelphia New York Boston Chicago Detroit London Paris

Lehigh Power & C. Co. Notes, 1927 Edmonton, Canada, 1914 Hudson Valley Co., 1914 Birmingham Telephone Co., 1914 London 7% Preferred

EARNINGS \$1.69 per Share DIVIDENDS \$1.25 per Share Silver at 80c. Send for Report 160-T. U.

JONES & BAKER STOCK BROKERS 1000 Market Bldg., Philadelphia Bell, Walnut 1090-1 Keyston, Race 2290. New York Chicago Boston Pittsburgh Direct Private Wires.

APPROXIMATE MEETING NOTICE A Special Meeting of the Stockholders of the National City Company will be held on the 20th day of August, 1917, at 11 o'clock a.m. in the National City Bank Building, Philadelphia, Pa. for the following purposes: To receive and pass upon the report of the Board of Directors for the year ending June 30, 1917, and to elect directors for the ensuing year.