

GOSSIP OF THE STREET—PHILADELPHIA MARKETS

THE IRRESPONSIBLE BROKER NOT AN UNMIXED EVIL AT PRESENT

Some Say He Acts as a Brake on Unwise Selling of Good Bonds—Gossip of the Street

ONE of the principal reasons why first-class railroad and similar bonds with prices to yield from 4 to 5 per cent are not coming out on the market, said the manager of a well-known bond and investment house, "is on account of the conduct of a lot of irresponsible brokers, who offer these bonds to the public at ridiculous figures, although they do not own any of them, but make the offers on the strength of their taking a chance to scare up a few somewhere, a proposition on which they usually fall down. There is no punishment for such people," he said, "but there should be, as respectable, properly conducted houses suffer in repute by such conduct. Customers see these quotations, and know that securities of that grade are great bargains at such prices. Then when they call up their own brokers and ask them to buy, and find that none can be secured except at a much higher figure, they conclude they are being charged a very high commission.

"On the other hand, holders of such securities, when they see such low quotations, conclude that rather than accept such prices they will hold on to them.

"Speaking broadly," he continued, "it is just as well as at the present time that they do, for even the highest prices offered for these securities is not enough, and I am optimistic as to their future. I believe the time is not very far distant when the insistent demand for good railroad and other bonds will force prices up to where they should be.

"If I were to offer any other reason," he remarked, "for the continued low price for these bonds it would be the competition which they will meet from the Second Liberty Loan.

"If you notice," he said, "the continued pounding of prices is almost all directed on the railroad 4 per cent, and these are the particular ones which would be most affected by the Liberty Bonds."

Government Ownership of Railroads

The conversation in an investment broker's office had centered around government ownership of railroads, and almost every one agreed that immediately after the war it would be an accomplished fact, at least if not ownership of all the roads, then certainly of the trunk lines. It was acknowledged that since the United States had gone into the war, so many economies had been put in practice in railroad management and that the efficiency of some of the roads had been so much increased there would be no argument to offer against the policy of government ownership as a necessarily efficient and economic measure.

"I am not a practical railroad man, and maybe a real railroad man would laugh at an idea I have always had in my head about economy in railroading. I had always thought that one of the big expenses in railroading was in keeping track of the cars of the various lines, when they traveled over the tracks of other lines. The detail work of looking after them, and seeing that they got back to their proper lines again, calculations for fines for delay, the demurrage charges, and the other details which I imagine must be connected with this one part of railroading seemed to me enormous and expensive.

"Now, it seems to me that, with the Government owning all the cars all this work would be unnecessary, and that part of railroading would be reduced to seeing that cars were quickly loaded, discharged and distributed with the least possible delay to the nearest point where there was most demand for them, and that all this keeping track of the cars for such a multitude of different lines would be done away with.

"Before the question of government ownership had looked possible," he remarked, "I had figured out a plan where all cars would be owned jointly by all railroads, and that no particular car would belong to any road, that each road would be compelled to provide a certain number of cars according to its mileage, and that wear and tear would be provided for by a general sinking fund, and damages through wrecking be adjusted by arbitration, and I had thought out a lot of other details to overcome car shortage at any point, etc., but if government ownership of railroads should come, it will regulate all these matters."

"I wonder how they manage these matters in France and Germany," said another, "where all the railroads are virtually owned by the Government.

"And, speaking on that subject," he said, "I wonder what our boys will say when they see some methods of army transportation in those countries.

"I read," he continued, "some time ago about the failure of the War Department to supply Pullmans to our troops going to camp, and I could not help thinking of what I saw in France and Germany when traveling there a few years ago. On their freight cars, which are much smaller and lighter than ours, there were certain marks and figures painted showing each car's capacity in so many men, or so many oxen or so many horses. On inquiring I found these figures applied when moving or mobilizing the troops, so that these freight cars were actually used for both men and horses, or rather for men or horses, as I suppose they would not put both in one car. But this can be seen in both France and Germany, and other European countries; at least it could be before the war."

A Word for the "Wildcatter"

The Sinclair Oil and Refining Corporation has the following to say in favor of the "wildcatter" and his part in increasing the world's oil supply:

"There is ample basis for confidence in the ultimate growth of the world's petroleum output, but the fact remains that unless new oil fields are opened, the rate of production will steadily decrease. With few exceptions oil pools have been discovered by individuals or small concerns, whose adventurous spirit has responded to the lure of wealth. The larger concerns have engaged in prospecting to a limited extent, but their operations are confined largely to the careful and economical development of areas which are known to be oil bearing. It is to the "wildcatter" the man who pushes out into untried ground and as an explorer risks his all for proportionate gain, that the world must look for extension of known oil areas. It should be apparent that if hazards are to be taken, the rewards to be secured by the taking of such hazards must be attractive. It is this adventurous spirit that cannot be commandered, and without which we are increased production.

"When the natural law of supply and demand is not interfered with, prices advance when production is most sorely needed. As the incentive increases the number of wildcatters searching for new fields increases likewise, until their search is rewarded and the resultant boom in the rate of production forces a corresponding decline in prices of crude petroleum and its products."

\$6,000,000 More Gold for Japan

The transfer on Saturday last of \$6,000,000 of gold from the subtreasury in New York for shipment to Japan reflects the balance of trade in favor of that country. It is said that Japan has been supplying the United States with a lot of low-priced articles which before the war were imported from Germany. The \$6,000,000 was the largest transfer for any one day. It was said, since the outbreak of gold for Japan began about last May, and makes a total of \$11,500,000 taken by Japan in the last week, and of almost \$60,000,000 in the last three months.

It is said that Japan probably is being paid with United States gold for munitions, etc., furnished to Russia and the Allies.

Price Fixing Good for Railroads

A prominent financial man who is largely interested in railroads said that "the saving to the railroads alone in coal bills, as the result of the Government's price fixing will amount to more than \$60,000,000 annually, while the saving on equipment, should the prices for steel be proportionately reduced, will be enormous. What with the elimination of hundreds of unnecessary passenger trains," he said, "and with freight transportation gaining both in volume and efficiency of handling, the outlook for railroads is at least very promising."

Shortage of Small Bills

There is said to be a shortage of bills of \$1 and \$2 denominations all over the country, largely on account of the Bureau of Printing and Engraving, at Washington, being unable to supply the demand, as all its force is concentrated on the Liberty Bonds, working both day and night.

The unusual prosperity of the country, coupled with crop moving, is said to be the cause of the demand for these bills.

No Liquidation of Standard Securities Anticipated

The president of one of the city's largest banks said he did not anticipate any great liquidation of standard securities, such as occurred prior to the sale of the first Liberty Bond issue, when the second issue would be definitely announced, as such a movement has already run its course and that such investments are on a stronger basis today than they had ever been.

Not Three Men Who Fully Understand the Traction Problem? "There are not three men in Philadelphia who understand the traction situation thoroughly," said a well-known financier, who has taken, on more than one occasion, a very prominent part in both public and private discussions on the subject, and who seems to have enough of a grasp of the situation to be included as one of the "two" who do know. "The whole business has developed into an engineers' fight," he said, "and it seems as though it would continue and end that way, unless some one big philanthropic man, with broad vision, will take hold, as was done in Chicago, and push the matter through to a finish."

Hopes for Early Price Fixing on Steel and Copper

A well-known banker in the downtown district, when expressing his satisfaction with the Government's action in the fixing of coal prices, said: "In common with many others I hope action in fixing the prices of steel and copper will not long be delayed. I think the Administration has accomplished wonders since we declared war on Germany, and I don't wish to seem impatient, but this uncertainty is bad for every line of business. I feel certain," he continued, "that whatever action is taken will be satisfactory as the handling of the coal situation has been, and that the final result will mean full activity in many lines. Shipbuilding, an ordinary steel railroad equipment and similar lines are all more or less being held up by the uncertainty of the fixing of prices for steel in Germany, and the same more or less."

PHILADELPHIA MARKETS

GRAIN AND FLOUR WHEAT—Receipts, 27,693 bushels. The market was quiet. Quotations: No. 1 white, 80 1/2; standard white, 79 1/2; No. 2 white, 78 1/2; No. 3 white, 77 1/2; No. 4 white, 76 1/2; No. 5 white, 75 1/2; No. 6 white, 74 1/2; No. 7 white, 73 1/2; No. 8 white, 72 1/2; No. 9 white, 71 1/2; No. 10 white, 70 1/2; No. 11 white, 69 1/2; No. 12 white, 68 1/2; No. 13 white, 67 1/2; No. 14 white, 66 1/2; No. 15 white, 65 1/2; No. 16 white, 64 1/2; No. 17 white, 63 1/2; No. 18 white, 62 1/2; No. 19 white, 61 1/2; No. 20 white, 60 1/2; No. 21 white, 59 1/2; No. 22 white, 58 1/2; No. 23 white, 57 1/2; No. 24 white, 56 1/2; No. 25 white, 55 1/2; No. 26 white, 54 1/2; No. 27 white, 53 1/2; No. 28 white, 52 1/2; No. 29 white, 51 1/2; No. 30 white, 50 1/2; No. 31 white, 49 1/2; No. 32 white, 48 1/2; No. 33 white, 47 1/2; No. 34 white, 46 1/2; No. 35 white, 45 1/2; No. 36 white, 44 1/2; No. 37 white, 43 1/2; No. 38 white, 42 1/2; No. 39 white, 41 1/2; No. 40 white, 40 1/2; No. 41 white, 39 1/2; No. 42 white, 38 1/2; No. 43 white, 37 1/2; No. 44 white, 36 1/2; No. 45 white, 35 1/2; No. 46 white, 34 1/2; No. 47 white, 33 1/2; No. 48 white, 32 1/2; No. 49 white, 31 1/2; No. 50 white, 30 1/2; No. 51 white, 29 1/2; No. 52 white, 28 1/2; No. 53 white, 27 1/2; No. 54 white, 26 1/2; No. 55 white, 25 1/2; No. 56 white, 24 1/2; No. 57 white, 23 1/2; No. 58 white, 22 1/2; No. 59 white, 21 1/2; No. 60 white, 20 1/2; No. 61 white, 19 1/2; No. 62 white, 18 1/2; No. 63 white, 17 1/2; No. 64 white, 16 1/2; No. 65 white, 15 1/2; No. 66 white, 14 1/2; No. 67 white, 13 1/2; No. 68 white, 12 1/2; No. 69 white, 11 1/2; No. 70 white, 10 1/2; No. 71 white, 9 1/2; No. 72 white, 8 1/2; No. 73 white, 7 1/2; No. 74 white, 6 1/2; No. 75 white, 5 1/2; No. 76 white, 4 1/2; No. 77 white, 3 1/2; No. 78 white, 2 1/2; No. 79 white, 1 1/2; No. 80 white, 1/2.

NEW YORK BUTTER AND EGGS NEW YORK. Aug. 27.—BUTTER—Receipts 7231 cwt. High grade, 83 1/2; State daily, 42 1/2; 2nds, 41 1/2; 3rds, 40 1/2; 4ths, 39 1/2; 5ths, 38 1/2; 6ths, 37 1/2; 7ths, 36 1/2; 8ths, 35 1/2; 9ths, 34 1/2; 10ths, 33 1/2; 11ths, 32 1/2; 12ths, 31 1/2; 13ths, 30 1/2; 14ths, 29 1/2; 15ths, 28 1/2; 16ths, 27 1/2; 17ths, 26 1/2; 18ths, 25 1/2; 19ths, 24 1/2; 20ths, 23 1/2; 21sts, 22 1/2; 22ds, 21 1/2; 23ds, 20 1/2; 24ths, 19 1/2; 25ths, 18 1/2; 26ths, 17 1/2; 27ths, 16 1/2; 28ths, 15 1/2; 29ths, 14 1/2; 30ths, 13 1/2; 31sts, 12 1/2; 32ds, 11 1/2; 33ds, 10 1/2; 34ths, 9 1/2; 35ths, 8 1/2; 36ths, 7 1/2; 37ths, 6 1/2; 38ths, 5 1/2; 39ths, 4 1/2; 40ths, 3 1/2; 41sts, 2 1/2; 42ds, 1 1/2; 43ds, 1/2.

DAIRY PRODUCTS MILK—Receipts, 1,000,000 lbs. The market was quiet. Quotations: No. 1, 10 1/2; No. 2, 10; No. 3, 9 1/2; No. 4, 9; No. 5, 8 1/2; No. 6, 8; No. 7, 7 1/2; No. 8, 7; No. 9, 6 1/2; No. 10, 6; No. 11, 5 1/2; No. 12, 5; No. 13, 4 1/2; No. 14, 4; No. 15, 3 1/2; No. 16, 3; No. 17, 2 1/2; No. 18, 2; No. 19, 1 1/2; No. 20, 1; No. 21, 1/2; No. 22, 1/4; No. 23, 1/8; No. 24, 1/16; No. 25, 1/32; No. 26, 1/64; No. 27, 1/128; No. 28, 1/256; No. 29, 1/512; No. 30, 1/1024; No. 31, 1/2048; No. 32, 1/4096; No. 33, 1/8192; No. 34, 1/16384; No. 35, 1/32768; No. 36, 1/65536; No. 37, 1/131072; No. 38, 1/262144; No. 39, 1/524288; No. 40, 1/1048576; No. 41, 1/2097152; No. 42, 1/4194304; No. 43, 1/8388608; No. 44, 1/16777216; No. 45, 1/33554432; No. 46, 1/67108864; No. 47, 1/134217728; No. 48, 1/268435456; No. 49, 1/536870912; No. 50, 1/1073741824; No. 51, 1/2147483648; No. 52, 1/4294967296; No. 53, 1/8589934592; No. 54, 1/17179869184; No. 55, 1/34359738368; No. 56, 1/68719476736; No. 57, 1/137438953472; No. 58, 1/274877907344; No. 59, 1/549755814688; No. 60, 1/1099511629376; No. 61, 1/2199023258752; No. 62, 1/4398046517504; No. 63, 1/8796093035008; No. 64, 1/17592186070016; No. 65, 1/35184372140032; No. 66, 1/70368744280064; No. 67, 1/140737488560128; No. 68, 1/281474977120256; No. 69, 1/562949954240512; No. 70, 1/1125899908481024; No. 71, 1/2251799816962048; No. 72, 1/4503599633924096; No. 73, 1/9007199267848192; No. 74, 1/18014398537696384; No. 75, 1/36028797075392768; No. 76, 1/72057594150785536; No. 77, 1/144115188301571072; No. 78, 1/288230376603142144; No. 79, 1/576460753206284288; No. 80, 1/1152921506412568576; No. 81, 1/2305843012825137152; No. 82, 1/4611686025650274304; No. 83, 1/9223372051300548608; No. 84, 1/18446744102601097216; No. 85, 1/36893488205202194432; No. 86, 1/73786976410404388864; No. 87, 1/14757395280808777728; No. 88, 1/29514790561617555456; No. 89, 1/59029581123235110912; No. 90, 1/118059162246470221824; No. 91, 1/236118324492940443648; No. 92, 1/472236648985880887296; No. 93, 1/944473297971761774592; No. 94, 1/188894659594352354904; No. 95, 1/377789319188704709808; No. 96, 1/755578638377409419616; No. 97, 1/151115727675481839232; No. 98, 1/302231455350963678464; No. 99, 1/604462910701927356928; No. 100, 1/1208925821403854733856; No. 101, 1/2417851642807709467712; No. 102, 1/4835703285615418935424; No. 103, 1/9671406571230837870848; No. 104, 1/19342813142461675741696; No. 105, 1/38685626284923351483392; No. 106, 1/77371252569846702966784; No. 107, 1/154742505139693405933568; No. 108, 1/3094850102793868118667136; No. 109, 1/618970020558773623733472; No. 110, 1/1237940041177547247466744; No. 111, 1/2475880082355094494933488; No. 112, 1/4951760164710188988667872; No. 113, 1/9903520329420377977335744; No. 114, 1/19807040658407555954671488; No. 115, 1/396140813168151119093437312; No. 116, 1/792281626336302238186874624; No. 117, 1/1584563252732604563737492768; No. 118, 1/3169126505465209127474985536; No. 119, 1/6338253010930418254949971072; No. 120, 1/12676506021860836509899842144; No. 121, 1/25353012043721673019799684288; No. 122, 1/50706024087443346039599368576; No. 123, 1/10141204817488669207919873712; No. 124, 1/20282409634977338415839747424; No. 125, 1/40564819269954676831679484848; No. 126, 1/81129638539909353663358969696; No. 127, 1/1622592711981871073267179319392; No. 128, 1/3245185423963742146534386378784; No. 129, 1/6490370847927484293068772757568; No. 130, 1/1298074169585496858613545515136; No. 131, 1/2596148339171933717322711030272; No. 132, 1/5192296678343867434644422060544; No. 133, 1/103845935566877346928888441211088; No. 134, 1/2076918711337546938577768824221776; No. 135, 1/41538374226750938771555374464435552; No. 136, 1/8307674845350187754311070892888896; No. 137, 1/16615349687003775508621341781777792; No. 138, 1/33230699374007551017242683563555584; No. 139, 1/6646139874801510203448536712711111168; No. 140, 1/13292279749603020406889073422222336; No. 141, 1/26584559499206040813778146844444672; No. 142, 1/5316911899841208163555629368888944; No. 143, 1/10633823797624016270111317737777888; No. 144, 1/212676475952480325402226354755557776; No. 145, 1/4253529519049606508044527095111115552; No. 146, 1/85070590380992130160890541902222211104; No. 147, 1/17014118076198426032178180363444422208; No. 148, 1/340282361523968520643563607268888444416; No. 149, 1/6805647230479370412871272145313777777728; No. 150, 1/13611294460958740825645442886275555555552; No. 151, 1/2722258932191748165129089157311111111104; No. 152, 1/5444517864383496325258178294622222222208; No. 153, 1/10889035727767992650515575893244444444416; No. 154, 1/217780714555359853010111317737777777728; No. 155, 1/4355614290711197060202226354755555555552; No. 156, 1/8711228581422384120404452709511111111104; No. 157, 1/1742245176444768240808905419022222222208; No. 158, 1/348449035288953648161781803634444444416; No. 159, 1/696898070577907296323563607268888444416; No. 160, 1/1393796141555814526471272145313777777728; No. 161, 1/27875922831116450529425442886275555555552; No. 162, 1/557518456622329010988089157311111111104; No. 163, 1/1115036912446580219776178294622222222208; No. 164, 1/2230073824893160435543563607268888444416; No. 165, 1/4460147649786320871088905419022222222208; No. 166, 1/89202952995726417541781803634444444416; No. 167, 1/17840590591452835083563607268888444416; No. 168, 1/356811811829056701671272145313777777728; No. 169, 1/7136236236581134334425442886275555555552; No. 170, 1/142724724716162668689157311111111104; No. 171, 1/285449449432325337378294622222222208; No. 172, 1/5708988988646506747563607268888444416; No. 173, 1/114179779772930134951272145313777777728; No. 174, 1/2283595595458602699025442886275555555552; No. 175, 1/45671911909171641818089157311111111104; No. 176, 1/91343823818353283636178294622222222208; No. 177, 1/182687676367065672723563607268888444416; No. 178, 1/365375352734131345451272145313777777728; No. 179, 1/7307507054682626909025442886275555555552; No. 180, 1/146150141093625381818089157311111111104; No. 181, 1/292300282187250763636178294622222222208; No. 182, 1/5846005643745015272723563607268888444416; No. 183, 1/11692011288749030545451272145313777777728; No. 184, 1/233840225774980610909025442886275555555552; No. 185, 1/4676804515499601218181808915731111111104; No. 186, 1/93536090309992024363636178294622222222208; No. 187, 1/18707218061998404872723563607268888444416; No. 188, 1/37414436123996809745451272145313777777728; No. 189, 1/748288722479936194909025442886275555555552; No. 190, 1/1496577445598723898181808915731111111104; No. 191, 1/299315489119764779763636178294622222222208; No. 192, 1/59863097823552955952723563607268888444416; No. 193, 1/1197261956471059119145451272145313777777728; No. 194, 1/2394523912942118238909025442886275555555552; No. 195, 1/47890478258842364778181808915731111111104; No. 196, 1/957809565176847295563636178294622222222208; No. 197, 1/1915619103536954911272145313777777728; No. 198, 1/38312382070739098225442886275555555552; No. 199, 1/76624764141478196450909025442886275555555552; No. 200, 1/1532495282829563929181808915731111111104; No. 201, 1/30649905656591278583636178294622222222208; No. 202, 1/6129981131318255716672723563607268888444416; No. 203, 1/122599622663651135451272145313777777728; No. 204, 1/245199245327302270909025442886275555555552; No. 205, 1/4903984906546045418181808915731111111104; No. 206, 1/98079698130920908363636178294622222222208; No. 207, 1/19615939626181816672723563607268888444416; No. 208, 1/392318792523636333451272145313777777728; No. 209, 1/784637585047272666909025442886275555555552; No. 210, 1/1569275170