

FINANCIAL NEWS—NEW YORK AND PHILADELPHIA STOCK QUOTATIONS

NEW YORK STOCKS SELL OFF ON CONTINUED PEACE RUMORS Market Is Ragged and Confused as Bears Take Advantage of Latest Reports—Peoples Gas Leads General Decline

Bear raids based on insistent rumors that peace is near at hand sent all prices down on the New York and Philadelphia Stock Exchanges and on the Curb. Keystone Telephone Company declares regular semi-annual dividend of 3 per cent. Grain declines heavily on price rumors and reports of 2 1/2 wheat. Cotton advances sharply on persisting cold weather. Foreign exchange lower. Money easier. Bar silver lower.

The stock market during the day was ragged and confused. Absorption in some of the leading stocks held them steady, while severe losses were sustained in many specialties. A few industrial groups were pressed for sale, with prices of those groups selling down to the lowest records touched in many months. Bear efforts were effective in forcing liquidation in spite of the fact that the Stock Exchange had endeavored to restrict operations for short accounts, and continual offerings by various brokers handling accounts of the bear plungers had more to do with the disturbance in value than any other factor.

A general belief that a contraction of European hostilities will follow the present offensive of the Allies made some of the leading interests express the view that the market must be adjusted on a peace basis, but the widest fluctuations in prices were due to special reasons not connected with the international situation. Peoples Gas, on which the dividend declaration is close at hand, dropped 7 points to 51, and the oil stocks were all at lower levels because of fears as to what the Government commission may do in fixing prices of petroleum and petroleum products.

Ohio Cities Gas fell 5 1/2 points, Texas Company dropped 6 points, and Columbia Gas fell 5 1/2 points. United States Steel common showed a good resisting power and was bought in large blocks, although its price ranged from 19 1/2 to 20 1/2. Bethlehem Steel and minor steel industrials, although forced to lower levels, also showed a steady tone.

The copper stocks as a group were active and weak, with Kennecott Copper dropping 3 1/2 points to 32 1/2. Losses of 1 to 2 points were sustained in American Smelting, Utah and Anaconda.

In today's trading in the bond market most interest was again attached to the transactions in the Liberty Loan. Sales in a large scale were made as low as 98.45, and in the afternoon heavy buying orders came in, carrying the price up to 99.55.

United States Rubber Holding Well

Like American Can, United States Rubber at one time was one of the foot-balls of the stock market. It was kicked about with abandon. Recently it has been holding remarkably well, considering the demoralization of the general investment and speculative market. The reason for this is that current earnings are the largest in the history of the company and are at the rate of about 27 1/2 cents a share after allowance for the excess-profits tax. Nothing is being paid on the common, dividends having been suspended early in 1915. But in the financial district the feeling is quite general that the company, as it can easily afford a disbursement on the junior shares, will do so before many months. It is now earning nearly twice as much as a year ago.

Bankers say recently the market has shown signs of a condition approaching through liquidation. In the last few weeks the selling, so they say, has been due primarily to the calling of loans and discrimination against certain classes of collateral. It is a fact that even if the motives of a bank in asking a broker to remove a certain class of securities from his loan account are altogether removed from the position of the stock, it creates a suspicion that not infrequently produces liquidation. When will this selling come to an end? No one in the financial district apparently has any definite idea, although the majority of opinion is that it cannot go much further. Conditions are altogether unprecedented. There is no basis for calculation, as it were. Industry has never before had an excess-profits tax nor price fixing, and the individual has not been called upon to pay as much to the Government as he will in the next year. These are considerations that make for repression, but once they are overcome and industry and trade—not to overlook sentiment—commence again to move along normal lines there doubtless will be less frantic selling and more of a disposition to pick out the bargains, of which at present prices there are a great many.

Condition of New Haven Less Critical

The New York, Westchester and Boston first 4 1/2s are being supported around current levels. Interests identified with this property are satisfied, and so is the guarantor of the bonds, that the conditions surrounding the New Haven are much less critical than has been generally supposed. There has been some selling lately from the New Haven debenture 4s of 1916 into the Westchester 4 1/2s at a benefit to the holder making the exchange of about 15 points and a great improvement in yield as well as in equity, although in the case of the debentures the interest is being earned with ample margin, and in the case of the Westchester 4 1/2s it is not.

Unlike the erratic price changes that occurred in both copper and steel stocks pending the Government regulation of these two important items, oil securities are holding very well. This is undoubtedly due to the general feeling in oil circles that the price at which the Washington officials will fix crude and refined oil will not hurt earnings materially. Although rumors are about that an agreement will be reached soon, it will probably be some time before the prices are officially announced. While producers are for a voluntary agreement, there has been no decision as yet as to whether the Government will place oil and gasoline under control of the fuel administration or enter it into a voluntary price agreement similar to the steel and copper price arrangements. However, important men in the oil industry are not worrying and have expressed confidence that fair prices will be permitted. It is felt that the Government will do nothing to hamper active development work. There is a great investment as well as a speculative demand for oil stocks in these times, but there has been no important liquidation. Standard Oil stock prices have declined, but this was due to selling to participate in the new Liberty Loan as much as fear of any radical readjustment by the Government.

Industrial Preferred Stocks At Low Level

A comparison of prevailing levels with those of the high point of the year shows an average decline of 10 1/2 points for sixteen industrial preferred stocks. They are at a low point of the year period, and in some instances at the lowest in many years. Their average yield is about 6.7 per cent. This measures the effect thus far of the adjustment of investment values to the higher cost of capital. Tobacco shares suffered most. As a group they have always sold higher than other industrials. For example, Liggett & Myers preferred is down more than 22 points from the best price of 1917, and Lorillard preferred more than 13 points.

Railroads whose rolling stock has come to a point where repairs and replacements are absolutely necessary are confronted with a situation rapidly becoming acute, particularly where steel plates are required. The Government this year will use about 85 per cent of the total output of 1,850,000 tons of plates, leaving a balance for the various systems of approximately 250,000 tons. Requirements for repairs and new equipment will be about 450,000 tons.

The public utility market has seldom experienced the extended period of unsettlement through which it is now passing. Liquidation has not been of the urgent character that only recently depressed more popular securities, but at the same time while slow it has been the decisive factor in keeping prices for many stocks close to levels not approached in a year or more. Nothing in the way of new developments is responsible for this state of affairs, but it is only natural that with the edge taken off speculation in listed shares and investors showing greater discrimination against all classes of certificates, the utility list should drift into the condition that has existed for more than two months.

INACTIVE NEW YORK STOCKS

Following are quotations for inactive New York stocks and in which there were no transactions today. The price given is the last previous sale.

Table listing inactive New York stocks with columns for stock name, price, and change. Includes stocks like Adams Express, Advance Bumply, and various utility and industrial shares.

New York Stock Sales

Table showing New York Stock Sales with columns for stock name, high, low, close, and net change. Includes stocks like Alaska Juneau, Am Beet Sugar, and various utility shares.

Sales in Philadelphia

Table showing Sales in Philadelphia with columns for stock name, high, low, close, and net change. Includes stocks like 18 Allia Insur., Am Gas, and various utility shares.

Local Bid and Asked

Table showing Local Bid and Asked prices for various stocks, including Am Gas, Am Beet Sugar, and others.

INACTIVE PHILA. STOCKS

Table listing inactive Philadelphia stocks with columns for stock name, price, and change. Includes stocks like Air Reduction, Am Explosives, and various utility shares.

PHILADELPHIA ELECTRIC AND U. G. I. FAIL TO HOLD FRACTIONAL GAINS

Tone of Philadelphia Stock Exchange Continues Weak, With All Stocks Off—Keystone Telephone Drops Despite a 3 Per Cent Dividend

Philadelphia Electric, United Gas Improvement and United States Steel succumbed to the general downward trend of the Philadelphia Stock Exchange and toward the close of the day lost the fractional gains they had made shortly after the opening. Although the list today was considerably broader than that of yesterday, there was no improvement in the tone of the market. The Exchange here reflected the feeling of the New York market, where bears took advantage of persistent peace rumors to retrieve some of their losses on last week's bulge.

United States Steel continued to be the most active stock, early transactions sending the quotation up to 19 1/2; the reaction brought it back to 19. Lehigh Valley developed some activity when it dropped a dollar to 59.

The local issues were weak. Reading, P. R. T. Union Traction, Pennsylvania Railroad and Keystone Telephone sold off all day, the last despite a regular semi-annual 3 per cent dividend and a fairly good monthly statement. Keystone common was off 1/2 to 1 1/2, and preferred was off 2 at 65. Mining stocks followed the market down. The single exception to the drop in prices was Rock Island, which sold up 1/2 to 24 1/2 on the transfer of one block of 100 shares.

FURTHER DECREASE IN WAR-ORDER ISSUES ON NEW YORK CURB MARKET

There was a further decrease on the Broad Street Curb's speculative war order stocks and only a few transactions were made in those issues with limited business at declining prices.

Aetna Explosive sold at 4 1/2 and 4 3/4. Submarine was traded in at 16 to 15, and Wright-Martin Aircraft at 9 1/2 to 9. New issues are attracting more attention than the older stocks. The initial trading in the new Inter-Lake Chemical shares was lively, at prices ranging from 2 1/2 to 2 3/4 during the first half of the day, and the strength in this stock contrasted strongly with the listless tone shown on many other issues. The business of the company manufacturing an exhalator for gasoline is said to have increased to such an extent as to necessitate important additions to the manufacturing plant.

Cities Service was steady, with sales at 22 1/2 and 22 3/4. Prospects of a contraction of the field of European hostilities attracted more attention to the commercial companies like Everet, Heaney & Co. Motor stocks were again heavy, with United Motors declining from 22 to 21, and Chevrolet sold at 77 to 76. Mining stocks were irregular, with copper stocks generally lower. Magna yielded from 45 1/2 to 44; Big Ledge sold at 2 1/2 to 2 and Acme at 2 to 1 1/2. Oil stocks were heavy. Midwest Refining sold at 141 to 138, Oklahoma at 8 and Orange at 7 1/2.

MINING STOCKS

Table listing Mining Stocks with columns for stock name, bid, ask, and price. Includes stocks like Alaska Standard, Atlanta, Big Ledge, and others.

BONDS

Table listing Bonds with columns for stock name, price, and change. Includes stocks like Bethlehem 5s, Coudens Oil 6s, and others.

STANDARD OIL

Table listing Standard Oil stocks with columns for stock name, price, and change. Includes stocks like Standard Oil, Standard Oil of Ind., and others.

INDEPENDENT OIL STOCKS

Table listing Independent Oil Stocks with columns for stock name, price, and change. Includes stocks like Barnet Oil and Gas, Coudens & Co., and others.

BAR SILVER

Table listing Bar Silver prices for New York, London, and other locations.

ORDERS RECEIVED FOR U. S. 4% LIBERTY LOAN

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New War Tax on Incomes

With Descriptive Chart

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Philadelphia Trust Company 415 Chestnut Street :: 1415 Chestnut Street Philadelphia

Two scraps of paper. On August 4, 1914, The German Chancellor said, 'Necessity knows no law. Our troops have occupied neutral Luxembourg and perhaps already have entered Belgian territory.' The treaty was 'A scrap of paper.' So is a Liberty Bond, but the United States Government keeps faith.

E. W. Clark & Co. Bankers (Established 1837) 321 Chestnut Street Philadelphia

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