

FINANCIAL NEWS AND COMMENT-ITEMS OF INTEREST TO THE BUSINESS MAN

LARGE SHORT INTERESTS SCOTCH TO MANY OF SKIDDING STOCKS

Depreciations, Heavier Than Any Time Since 1907 Panic, Partly Blocked-Government Loans Largely Cause of Slump in Values

NEW YORK, Oct. 12.

IN REVIEWING the list of prices at the present time for all of the principal securities it is seen that at no time since the panic days of 1907 has depreciation in values been so severe as since our entry into the world war.

There is no denying the fact that but for the stabilizing influence of a large short interest, believed to be the biggest in several years, there is little doubt but that the average decline would be worse than it is.

If peace had been the all-important factor in the decline of the last week, the statement by the German Chancellor could hardly have precipitated the hysterical selling of the foreign yesterday.

Government Needs Hit Stocks

What hurt the market in its most recent decline was the impression in financial circles that the monetary requirements of the Government would be beyond anything previously thought of.

The situation in motor stocks has developed into an interesting one in that some companies are benefitting as fast as others are depreciating.

A canvass of bond houses brought to light that orders to sell bonds in large lots were on the books but will not be pressed on the market for the reason that there was no capacity to absorb them.

Attitude of Bankers Toward Market

The Morgan statement that "what the security market does within the next month or two will not be of much importance one year from now," and that "whether the war is won or lost is a matter of supreme importance," contains a suggestion of the attitude of the banking element toward the stock market now as well as in the future.

Passing of the dividend on People's Gas of Chicago has started a good deal of discussion in investment circles relative to the positions of other important gas companies and the prospects of their conserving cash.

The importance of this theory was indicated in the announcement by the Ohio Cities Gas Company that no reduction in the dividend rate was contemplated.

Those who have followed conditions surrounding the affairs of the various gas companies knew they had been subjected to unfavorable operating conditions, such as higher prices which have obtained for fuel from which their products have come.

It is a foregone conclusion that the outcome of the present situation must necessarily be a general advance in rates in order to protect the credit of these concerns.

It has been extremely difficult for companies to get higher rates for their product, as most of the companies are within direct jurisdiction of commissions and there has been so much politics injected into this phase of the situation that it is difficult to obtain the needed benefit.

Depreciation in Gas Company Values

That those close to the managements of the various concerns knew the real situation which is becoming apparent today is gauged by the gradual depreciation in values for the issues in the various stock exchanges.

A comparison of present prices with the highest quotations reported last year shows that People's Gas is down about 74 points; Consolidated Gas, 51 points; Ohio Cities Gas, 23 points; and Columbia Gas and Electric, 22 points.

It appears that the preferred stock of the International Agricultural Corporation is further away from a dividend than seemed likely last year, when it moved up to the vicinity of 74. The report for the year shows earnings available for the senior stock equal to \$3.57 a share, as against \$5.50 a share earned in the 1916 fiscal year.

STOCK AND COMMODITY MARKETS CLOSED TODAY

Banks and Trust Companies and Grain Exchanges Will Open for Business Tomorrow

Stock and commodity markets, national and State banks and trust companies are closed today in celebration of Columbus Day—a legal holiday.

The governors of the Philadelphia Stock Exchange, in line with the action taken by the security exchanges throughout the United States, have voted to suspend business until Monday morning, giving brokers and their clerks a triple holiday.

The Chicago Board of Trade and the various grain and commodity markets of the country will open for business tomorrow morning.

Local financial institutions will be open for a half day's business tomorrow.

Federal Reserve Bank Statement

The condition of the Federal Reserve Bank of Philadelphia for the week ended yesterday compares with the previous week as follows:

Table with columns for RESOURCES and LIABILITIES, comparing October 11 and October 8. Resources include Gold, Government securities, and Loans. Liabilities include Federal Reserve notes and Deposits.

COMMODITY PRICES REACH HIGH LEVEL

Each Month of Past Fourteen, With Two Exceptions, Shows Continuous Upturn

Recovering all and more of the previous month's moderate recession, Dun's index number of wholesale commodity quotations on October 1 stood at 219.675 and established another new high level.

The index number is separated into two groups and metals—showing declines from September 1, and all foodstuffs together advanced 3.7 per cent.

The readjustment in the metals through official action lowered the total of this class about 4.5 per cent, but a further downward revision is foreshadowed, as the Government's announcement of steel and iron prices embraced only a few products and other changes are still being worked out.

In clothing another new high record was attained, because of heavier raw cotton, wool, silk, and woolen goods, which more than offset recessions in raw silk, cotton goods and hides, and miscellaneous articles, as a whole, gained 2.5 per cent, lumber being among the commodities which became more costly.

The following table gives Dun's index number for October 1, with comparisons for earlier dates:

Table showing Dun's Index Number for October 1, 1917, compared with October 1, 1916, and October 1, 1915. Categories include Breadstuffs, Lumber, and Metals.

Financial Briefs

The New Jersey Utilities Association, the membership of which includes the gas, water, service and utility companies of the State, will meet at the Hotel St. Charles, Atlantic City, on October 25 and 27. A representation of 150 companies is expected.

BRITAIN SEIZES STEAMSHIPS

Requisitions Four Vessels Flying Swedish Flag and Will Arm Them

LONDON, Oct. 12.—The Government has requisitioned the Spanish steamships Sphinx, 1375 tons; Belgrave, 1284 tons; Cleopatra, 1225 tons; and Phyllis, 1481 tons. These steamships, which now are in British ports, although flying the Swedish flag, are mainly British owned.

This action has been taken in order to protect the British capital invested in the ships, as the German prize court has decided that, notwithstanding a neutral flag, they will treat such vessels as British. The steamships henceforth will fly the British flag and be armed for defense. Their owners will be compensated by the Government.

SPECULATION RIFE OVER CAUSES OF LIQUIDATION

Numerous Reasons Advanced to Explain Flood of Sales of Securities—Gossip of the Street

EVERYWHERE there is speculation as to the causes for the flood of liquidation which overwhelmed the stock market, for it is pointed out by those qualified to pass an opinion on the matter that it was liquidation rather than short selling. As proof of their assertions they call attention to the fact that the bulk of the buying came from the professional shorts.

It is claimed by some that a great many old investors have become unsettled as to the real value of their holdings from the standpoint of income, partly on account of the many reports in circulation regarding the effect which the war tax will have on the earnings of the railroads and other corporations whose securities they hold, and partly through the effect of seeing at every turn announcements stating them in the face proclaiming the Liberty Bonds as the only investment in the world. So they have apparently concluded that the only way to do is to sell their holdings and invest in Government bonds.

As proof of this assertion, it is said that many of the securities were sacrificed have been in possession of their owners for years, some of them as long as ten and twenty years. Unsatisfactory railroad reports, too, it is claimed, much to do with this liquidation. The universal cutting down of net earnings, despite of increasing gross earnings will unquestionably affect the dividends, and if a remedy is not found through rate increases by the Interstate Commerce Commission or through financial assistance by the Government.

Industrials, it is claimed, are suffering from the process of price fixing, demands and cost of labor and the scarcity and high cost of materials.

The closing out of accounts on margin as a cause of heavy liquidation, as dismissed by a majority of the brokers and commission houses as a negligible quantity.

New York ascribed this last wave of liquidation primarily to the passing of a dividend by the People's Gas Company of Chicago, but the explanation given by the directors should have been sufficient to allay any fears, namely, that in spite of anticipated necessary construction and expansion, they were conserving cash resources to meet the cost, as the prospect of borrowing under present conditions is problematical, and in any event would be very expensive.

From another source it was said that the munitions companies were unable to pay for material, but the securities offered were not in that class.

There has followed, however, a more optimistic feeling, and by many it is believed that if the end has not been reached it is in sight.

Peace in 1918, Financier Believes

The principal of one of the best-known investment houses in the city dropped a remark yesterday in conversation with a friend, that he had heard the head of one of the largest manufacturing plants in the country say they were not figuring any contracts beyond March 1, 1918, as he had good reason to think peace would be declared about that date, and he added, "these people are in a position to know an endeavor to find out from him whether he meant a German peace or an American peace, brought out the remark that there is only one kind of peace."

Girard Trust's Entry Into Federal Reserve

The suggestion in this column of yesterday in reference to the trust companies of this city and State connecting with the Federal Reserve System as a matter of patriotism, even if the practical benefits were not very advantageous, was immediately followed by the announcement of the decision of the board of directors of the Girard Trust Company to join the Federal Reserve System.

The announcement stated that the move was made from patriotic motives, the directors believing it duty to support the Government by mobilizing the resources of the country and making them more accessible to the Government.

This is the first trust company in Philadelphia to join the Federal Reserve System, and the example will no doubt be followed by others from the same patriotic motive.

Brisk Mail and Phone Selling

While all their sales force is busy on the Liberty Bond campaign, Cassell Co. report active buying by mail and over the telephone of miscellaneous securities including equipment notes and some high-grade rails. Altogether, the outlook is promising and tends to produce a decided spirit of optimism, they say. They are also having a big demand for Liberty 3 1/2s and are taking all that come along. They are also very hopeful of Philadelphia's selling more than its quota of Liberty 4s.

OVER THE TOP IN FLANDERS MEANS THE TAKING OF THE GREATEST CHANCE. BUYING A BOND OF THE LIBERTY LOAN MEANS THE TAKING OF THE SAFEST INVESTMENT. WHY NOT DO YOUR DUTY OVER HERE AS CHEERFULLY AS THE OTHERS DO IT OVER THERE? REILLY, BROOK & COMPANY

A GOOD SHIELD AGAINST REVERSES REPUBLIC TRUST COMPANY. FORESIGHT Sooner or later, to meet some emergency, you will need extra currency after regular banking hours—and need it badly. By opening an account here and now, you can prepare for just such a contingency. Think it over. REPUBLIC TRUST CO. 1429 Chestnut Street Open 9 A. M. to 10 P. M.

Before Purchasing Oil Securities Investigate BARNETT OIL & GAS CO. A PRODUCER, CARRIER, REFINER AND DISTRIBUTOR and pays regular dividends of 12% or more. For General Information E. H. CLARKE MORTON H. ALEXANDER

THE HAVILAND-ARMSTRONG COMPANY STOCKS 1418 WALNUT ST PHILADELPHIA BONDS NEW YORK-BOSTON INTERSTATE OIL & REFINING COMPANY 33 PRODUCING WELLS REGULAR QUARTERLY DIVIDENDS INFORMATION UPON REQUEST

LEGAL ADVERTISEMENTS ESTATE OF JAMES COLLECK, Deceased - Letters testamentary on the above estate having been granted to the undersigned, all persons indebted to the said estate are requested to make payment, and those having claims to present the same, without delay, to THE INDUSTRIAL TRUST TITLE AND SAVINGS JOHN G. CARRUTH, President, 300 N. 10th St., Philadelphia, Pa.

PROPOSALS DEPARTMENT OF CITY TRANSPORTATION BUILDING 751 BOURSE BUILDING Philadelphia, Pa., October 12, 1917. Sealed proposals addressed to the undersigned at the office above mentioned, will be received until 12 o'clock on Tuesday, October 30, 1917, and opened immediately thereafter for the following work: Contract No. 329 - Reconstruction of the Frankford Elevated Railway, including the construction of concrete viaducts, viaducts, and March 6, 1917. CONTRACT NO. 330 - Steel frame work and railing, concrete towers and masonry side structures, foot bridges between station platforms and station buildings at Chestnut-Margaret streets and Broad-Church streets. CONTRACT NO. 331 - Reconstruction of brick and reinforced concrete station buildings at 4270-4272 Frankford avenue and at 4273-4275 Frankford avenue, including the removal of existing buildings on these sites. Plans and specifications can be seen at Room 748, Bourse Building, and copies of same with blank forms for proposals will be supplied to intending bidders upon deposit of \$10 (cash or certified check) for each set of plans, which will be refunded upon return of plans. Bidders must be qualified and regularly engaged in this class of work. Each bid must be accompanied by a certificate from the City Solicitor that a proposal in the sum of five hundred dollars (\$500) has been filed in accordance with the provisions of an ordinance approved May 25, 1910. The Director reserves the right to reject any or all bids, as he may deem best for the interest of the City of Philadelphia. W. M. TWINING, Director.

EVILS IN ALASKA CANNERIES Methods to Remedy Them Related Before Jersey Synodical Societies WENONAH, N. J., Oct. 12.—Deplorable evils into which young women working in the big canning factories in Alaska are drawn and methods that have been tried for remedying these conditions were related by M. C. Allaben, superintendent of the Indian schools in that territory, at the annual meeting of the Synodical Societies of the Presbyterian Home and Foreign Missions of New Jersey held in Wenonah Presbyterian Church. The morning session was devoted to home missions, with Mrs. Charles L. Thompson, of Englewood, president of the State branch of this organization, presiding. Reports of the extensive work being carried on by the society were received and there was an address by Miss Eleanor Purvis, of Princeton. Mrs. Hugo A. Muller, a missionary doctor on a furlough from Persia, gave an interesting address at the session on forest missions this afternoon. Another speaker was Mrs. James A. Webb, treasurer of the New York Woman's Foreign Missions Board. Mrs. Eva P. Cobb, of Elizabeth, presided.

Queen Quality Style Boots at \$6.50 A Wonderful Getting Assortment No matter how much more you might pay—you could not secure a greater measure of smartness and ultra-fashion than these beautiful boots embody. Every detail of line, toe, arch, heel and topping bespeak the highest grade shoes made, yet through early preparation and close co-operation with the Queen Quality factory, we are able to offer a wonderful series of these boots at \$6.50. In the new rich brown shades, and in black dull and patents, cloth or leather tops. 1230 Market Shoes and Stockings for the family Every Foot Professionally Fitted—Three Getting Brothers Supervising 19 So. 11th A quick Service Men's Shop

Evening Ledger Obtains Jutland Survivor's Story LEARNING that one of the German survivors of the battle of Jutland had published in Copenhagen a full account of the great sea fight, the Evening Ledger cabled for the story and is printing it for the first time in English in tomorrow's issue. It tells what actually happened when the great fleets of Britain and Germany met in the North Sea on that memorable afternoon. Much of the mystery surrounding the battle—intensified by the contradictory official reports—is cleared away by this vivid, uncensored narrative of an eyewitness, whose ship was one of those destroyed. COMPLETE IN SATURDAY'S Evening Illustrated Ledger