

FINANCIAL NEWS—NEW YORK AND PHILADELPHIA STOCK MARKET QUOTATIONS

ACTIVITY IN NEW YORK CENTERS ON STEEL STOCKS

Sales Amounting Close to 1,000,000 Shares Derive Greatest Impetus From Feverish Trading in Bethlehem "B" and U. S. Steel

High Points in Today's Financial News Steel stocks bear the brunt of the activity in both the New York and Philadelphia Stock Exchanges. Sales in New York are close to 1,000,000 shares, but turnover is light in Philadelphia. The tone of both markets strong. New York Curb active and strong, oils especially. One transaction of \$1,000,000 Liberty Bond 3 1/2 in New York brings total sales above \$3,000,000. Cotton up. Grain lower. Bar silver lower. Rubles still lower. Money easy.

The strength which developed in the stock market in the two preceding days developed into a wild scramble to buy stocks in today's trading. The dealings in the steel stocks particularly were excited, with Bethlehem Steel "B" moving up more than 7 points to above 87 1/2, while United States Steel common rose to 10 1/2. Gains of 3 to 9 points were made throughout the steel list.

Dealings at times were in large blocks, many 5000 shares and 10,000 shares buying orders being executed in the most prominent steel industries, and in the late trading shorts rushed to cover, paying little heed to what prices they were compelled to pay to close their bear accounts. Stories about the character of the buying continued numerous, one being that Charles M. Schwab had bought 25,000 shares of Bethlehem Steel "B" through the First National City Company.

Morgan interests were credited with heavy buying of United States Steel common and Marine preferred, the last named stock being influenced by statements that action on a settlement of the accumulated dividends is close at hand. It is possible that there is more back of the market than the public now understands, and that the sharp upturn coming at a time when the success of the new Liberty Loan is assured, may be followed later by important announcements which will explain the urgent accumulation of many stocks within the last few days.

The copper stocks, supplied at times in large blocks, indicated either a shifting of holdings or liquidation of important accounts. Railroad stocks were strong in the early trading, but were neglected in the last half of the day. Bethlehem Steel "B," after selling at 87 1/2, had a quick drop to 85 1/2, although later it rallied again to above 85 1/2; the low was 80 1/2. United States Steel and other stocks sold off toward the end of the day.

Heavy transactions in the Liberty Loan 3 1/2 demanded most attention in the bond market again today. Large sales were made at 99.72 to 99.70, with one transaction of \$1,000,000 between two firms at 99.72.

Market Able to Absorb Offerings A factor making for more encouragement in financial circles at present is the better ability of the stock market to absorb offerings. There is no mistaking the fact that sellers have found a much readier market for their securities the last three days than they have found in weeks.

It is conceded in conservative circles that just now the market is not expected to do anything more than keep an even keel and that if it does this the situation can be viewed with a degree of satisfaction. There is no denying the fact either that stocks that have been for sale have been taken back into the investment fold. A steady market has more influence in preventing hysterical selling than all of the literature that could be published on the financial situation. A continuous general crumbling away of values has been the means of bringing out stocks held in families for generations. It is to keep these large blocks untouched that concerns both bankers and brokers at this time, and they feel rather inclined to believe that should the market maintain its own equilibrium for a good period many of the fears prevailing in investment quarters will have been eliminated.

Steel Earnings an Interesting Topic Just now there is a good deal of discussion as to the earnings of the United States Steel Corporation under the prices fixed by the Government, after payment of taxes. It is the opinion of some of those supposed to be closely identified with the Steel Corporation's affairs that the management can maintain its 17 per cent dividend payments on the common stock without any strain on its income even at the low prices and after deduction of full taxes for each period. Importance in this connection is attached to the statement of Judge Gary that steelmakers are perfectly satisfied with the new schedule. This schedule, however, cannot affect the earnings of the company for the September 30 quarter to any appreciable extent.

No Early Relief for Railroads Regarding the railroad rate case the opinion exists that although an increase in class rates to eastern carriers will be granted, some time will elapse before actual relief is given. Reports from Washington indicate that it may be sixty days before the roads can prepare their briefs to the Interstate Commerce Commission, and that body will not make its decision on the evidence submitted six months ago, but will ask for fresh documentary proof.

In commenting on the regulation of railroads, Samuel Rea, of the Pennsylvania, strikes straight from the shoulder when he says it is a serious business and an economic question rather than a partisan affair. His further statement that the terminal facilities of the carriers and their equipment because of ten years of unduly low rates, for which the "business men of the country are now paying the price of neglect," points out another truth; also his remarks that "interstate or national conception of transportation is wholly absent from the statutes of many of our States."

It may be mentioned while discussing the railroad situation that one of the fear's of the stock market just now is the active accumulation of low priced and reorganized rails by those investors who are aware of their potentialities and see in the prospective increase in freight rates a further strengthening of their position.

Shipping Situation Still Muddled The shipping situation is still far from being thoroughly understood. The general impression in some financial circles is that since the Government automatically on October 15 requisitioned all cargo ships able to carry 2500 tons deadweight and all passenger vessels of not fewer than 2500 tons gross register these boats have necessarily passed under absolute Government supervision. But this view is not taken in other quarters.

Nobody, however, professes to know just what the correct situation is. For instance, one important company is proceeding along old lines, taking the position that United States officials will duly inform them what they are to do, and which they will do, but argue that their company's business is of such urgency that they cannot be expected to help the shipping officials make up their minds. Those who have made frequent trips to Washington to try to get a direct line on the situation feel that the only boats actually under Government charter are those which the Government has directly taken for war purposes. It is pointed out that in the case of one company that had eight ships requisitioned October 15, these ships were released the same day and turned back to their original owners.

There is little doubt that these boats are being operated for owners' and not Government account.

It is not generally believed either that the United States will eventually operate privately owned ships engaged in private business. It is realized that the ships are there and can be taken at a moment's notice if they are needed. To operate such ships for Government account would naturally introduce another element of confusion in a situation already in a very muddled state.

No Chance for Currency Famine The resources of the Federal Reserve system are being greatly strengthened as daily applications for admission are received from large State institutions. Banks operating under State charters have come in such a way as to make the system ultimately representative of the 25,000 banks and trust companies.

The significance of this turn in banking affairs is clearly established by a comparison of the situation ten years ago, when many banks were forced to suspend specie payments during panicky times. Each new member provides additional gold against which can be issued notes to the extent of 60 per cent of the gold deposited. Some bankers foresee an improvement in general business conditions and also in the stock market as a result of the practical mobilization of supplies of the yellow metal. By issuing new notes the amount of gold remains intact and at the same time circulation is freer, which tends to create inflation and prosperity. There is now outstanding \$800,000,000 Federal Reserve notes, whereas twelve months ago only about \$200,000,000 were in circulation.

There is no longer any need for an emergency currency act, for the re-discount facilities offered by the new arrangement provide absolute protection to the allied institutions against a possible currency famine. The new co-operative services gives instant relief in a troubled market. The new co-operative element is the promise for a record production this year of the most important crops. The Government's recent averages showed that the total harvest of all crops will be highly satisfactory and from the high prices prevailing it is only reasonable to assume they will represent the largest money valuation ever reported in our history. The comparatively small wheat yield brings forth the suggestion that in order that adequate supplies of wheat may be available for export other cereals will have to be substituted for home consumption.

Recent meetings of the so-called money pool have not been productive of any important action toward further easing the fixed-rate fund market. It has checked speculation to a large extent, but trading rates of 6 per cent appear to be the standard basis for borrowing on three, four, five and six months. Loans for the longer maturities carry into February, so there is hardly any evidence of stringency. Call money, on the other hand, is plentiful and relatively cheaper than a month or so ago.

New York Stock Sales

Table with columns: High, Low, Close, Net. Lists various stocks like Alaska Gold Min., Alaska Juneau, Am. Beet Sugar, etc.

New York Bond Sales

Table with columns: High, Low, Close, Net. Lists various bonds like 1000 Adams Express, 10000 Anglo-French, etc.

STOCKS CONTINUE TO GO HIGHER IN DAY OF MODERATE TRADING HERE

Home Issues Are Particularly Strong, With Baldwin Locomotive Showing a Gain of 2 1/2 and P. R. T. Certificates Selling at 27 1/2, Up 1/2

Continued strength was in evidence on the Philadelphia Stock Exchange today, with home issues, steels and rails showing particularly well. Trading was light, with no stock showing a turnover of 6000 shares. United States Steel, as usual, was the most active, more than 4000 shares selling between 10 1/2 and 10 3/4. The last, which was the ruling price, was an increase of 1 1/2, but toward the close the stock sold off to 10 1/4.

Financial Briefs

According to a statement issued by the Provincial Bankers' Association of Denmark, the combined receipts and disbursements of 116 banks for the first six months of 1917 were \$12,030,000, compared with \$12,450,000 in the same period in 1916, and \$2,200,000 in 1915.

Donahoe ore shipments for the week: The Tonopah Belmont Company sent to the mill 2325 tons; the Tonopah Mining, 2250 tons; the Tonopah Extension, 2380 tons; the Jim Butler, 800 tons; the West End, 102 tons; the Montana, 721 tons, and the Rescue, 194 tons, making the total production for the week 8292 tons, the estimated value being \$157,135. This valuation is calculated on the gross milling value of the ore.

At the annual meeting of the Germantown Trust Company, John S. Storer, William G. Warden, Clarence M. Clark and Joseph Wayne, Jr., the retiring members of the board of directors, were re-elected for a term of three years.

The New York Subtreasury lost \$872,000 to the banks on Thursday, reducing the cash net gain since Friday to \$86,494,000.

September gross earnings of the Republic Railway and Light Company were \$426,250, against \$324,443 during the same month last year; or an increase of \$101,806. Net for the month decreased \$5177. Twelve months gross were \$4,528,225, compared with \$2,817,024 during the previous twelve months; or for the period decreased \$1518.

J. E. Perry, president of the Wharton Steel Company, and L. E. Waring, of Chandler Bros. & Co., have been elected directors of Wharton and Northern Railroad Company.

The board of managers of the New York Coffee and Sugar Exchange has voted to close the exchange at noon next Wednesday, Liberty Day.

Application has been made to the New York Stock Exchange to list the following securities: American Shipbuilding Company \$7,000,000 7 per cent noncumulative preferred stock and \$7,000,000 common stock; Bethlehem Steel Company \$60,000,000 purchase money and improvement mortgage 5 per cent twenty-year sinking fund bonds, due July 1, 1934; Burns Brothers, \$70,280 additional common stock and Lexington and Eastern Railway Company, \$150,000 additional first mortgage fifty-year 5 per cent guaranteed coupon bonds.

Granulated Sugar Unchanged NEW YORK, Oct. 19.—The refined sugar market remains unchanged, with the American National and Pennsylvania companies quoting fine granulated at 8.5c. The Federal and Warner companies and Arbuckle Brothers continue withdrawn. The American Sugar Refining Company announced this morning that all orders for granulated for October must be for packages. Sales offices of the American and National companies will be closed tomorrow. The last sale in spot Cuban raws was 6.00c.

INACTIVE PHILA. STOCKS Following are quotations for inactive stocks listed on the Philadelphia Stock Exchange and in which there were no transactions today. The price given is the last previous close.

BAR SILVER London (specie), 42 1/2

THE LAND TITLE AND TRUST CO. BROAD AND CHESTNUT PHILADELPHIA

Philadelphia, October 12th, 1917.

TO THE STOCKHOLDERS OF THE AMERICAN PIPE AND CONSTRUCTION COMPANY:

The undersigned, owning and representing a large amount of the stock of the AMERICAN PIPE AND CONSTRUCTION COMPANY, have been appointed a Protective Committee for Stockholders by the Chairman of the meeting of Stockholders held on October 1, 1917, in pursuance of a resolution adopted at the meeting which was called to take action as a result of the Receivership of the Company.

In order that the Committee may act promptly and effectively, it should have the direct co-operation and support of stockholders who are therefore requested to deposit at once your stock with the Logan Trust Company, 1451 Chestnut Street, Philadelphia, Pa., the Committee's Depository, under an Agreement of Deposit, a copy of which is on file with the Depository.

It is essential to their interests that Stockholders should act in harmony and be adequately represented in all proceedings under the Receivership, and in any steps taken for the rehabilitation or reorganization of the Company.

FRANCIS X. QUINN, Vice President, Fidelity Mutual Life Insurance Company, Philadelphia, Pa., Chairman.

S. PRICE STEVENSON, Manager, Stevenson Cold Storage Door Company, Chester, Pa. CHARLES J. McILVAIN, Jr., of McIlvain & Roberts, FRANCIS M. BROOKE, of Brooke, Stokes & Company, Bankers, Philadelphia, Pa. ALEXANDER HENRY CARVER, Attorney-at-Law, Philadelphia, Pa. Secretary.

WALTER B. BRACKEN, WALTER GEORGE SMITH, Counsel.

Am Gas War... 1 1/2, Lehigh Valley... 1 1/2, Amer Stores pref... 92, Little Schuylkill... 2 1/2, etc.

WE CAN MAKE IMMEDIATE DELIVERY OF 2nd LIBERTY LOAN 4% BONDS. IN DENOMINATIONS OF \$50, \$100, \$500 AND \$1,000. REILLY, BROCK & CO. BANKERS 306 CHESTNUT STREET PHILADELPHIA

War Tax Service Information for the convenience of the taxpayer. We have in pamphlet form: 1-An expert analysis of the War Tax Law as applying to individuals and corporations. 2-The complete text of the War Tax Law annotated, cross referenced and indexed. 3-An Income Tax Chart enabling the taxpayer to ascertain the amount of his tax at a glance.

The National City Company 1421 Chestnut St., Philadelphia. New York, Chicago, San Francisco, Boston.

Federal War Revenue Bill We have prepared in booklet form, a summary of the Federal War Revenue Bill, including tables of the Income Tax, showing exemptions and amounts persons will be obliged to pay to the Government.

A. B. Leach & Co. Incorporated 115 South Fourth Street

BARNETT OIL & GAS CO. A PRODUCER, CARRIER, REFINER and pays regular dividends of 12% or more on the amount of stock owned. For General Information E. H. CLARKE

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 POLLOCK, DECEASED. JOHN G. CARROLL, President, and ROBERT D. POLLOCK, 1950-52 N. Front St., Phila., Pa.

LONDON STOCK MARKET Moderately Brisk Business Transacted and Tone Is Cheerful—Americans Rally. LONDON, Oct. 19.—A moderately brisk business was transacted in securities on the stock exchange today. The feeling continued cheerful. Specialties displayed strength. Support was furnished to the gilt-edged section. Allied bonds were irregular, with Japanese descriptions the best.

RAILROAD EARNINGS ATLANTA, BIRMINGHAM AND ATLANTIC. Total 1917, 1916, 1915.