

FINANCIAL NEWS—NEW YORK AND PHILADELPHIA STOCK MARKET & QUOTATIONS

NEW YORK MARKET SHOWS MORE CHEERFUL TONE ON WAR REPORTS Marine Preferred Makes Big Gain—Steel Declines After Advancing Early—St. Paul Drops to New Low Record of 42 3/4

The New York stock market was more cheerful most of the morning, but declines occurred near close. War reports had bullish influence. Corn was lower, but business was still firm. Cotton quiet. Foreign exchange dull. New York bank statement for the week showed increases in average and actual loans. Bank clearings throughout the country increased this week over corresponding week last year. Bar silver lower.

For a time during the forenoon there was a better tone shown in trading on the Stock Exchange, with prices of a number of issues making substantial gains during the first hour. This reflected a more cheerful view of the outlook in Europe, the news from France being regarded as a bullish factor and more confidence was shown in the Italian situation.

There was only a scant supply of stocks at the beginning of business, while a number of issues were in good general demand, with Marine preferred becoming most prominent, that stock advancing 3/4 points to 102 1/2, and United States Steel common, which continues to determine the general market tone, was up 1/2 to 97 1/2. The improvements, however, was not long maintained. In the last half of the forenoon St. Paul became weak, suddenly dropping from 44 to the new low record of 42 3/4.

There was also a renewed pressure against the general list, with United States Steel common dropping to below 96, and Marine preferred losing nearly all its previous gain. Most of the trading was of a professional character. The weakness in the late trading in many stocks resulted from selling by room traders who had been buyers at the opening, and as far as the individual character of the half-day's operations was concerned the buying and selling were without special significance. It is the prevailing belief that the market outlook depends almost wholly on war news.

For that reason the speculative element was disposed to refrain from extensive dealings until definite news from the activities in France and Italy is obtained. The money situation has apparently become a little more tense, time money being scarce, and banking machinery is kept in operation for the purpose of meeting the supply for call money at the 4 per cent rate.

One of the most significant features of the market since the action taken by the Stock Exchange governors to restrict speculation has been the failure of the better grade of railroad issues to recover. If they were depressed by the pirates who have been capitalizing the unfavorable features of a war situation, why have they not recovered in similar proportion as the more speculative industrials?

The answer is obvious. These stocks, while they have been under pressure from the bears, have been supplied principally by investors who have seen values steadily shrinking and finally have thrown overboard their holdings from pure fright.

A list of fifteen issues of the stanchest type shows an average decline since the first of the year of close to 30 points. There is nothing that is more disturbing to the investor than a steadily declining market. This has been going on now for a year and in the last few months reached a climax. When preferred stocks decline 5 points on single sales, the individual holder cannot be censured because he loses his balance. Stock Exchange houses say the present situation is absolutely without parallel. Wealthy speculators who are well able to take up their securities have simply been closing out their marginal accounts.

The September statement of the Pittsburgh and West Virginia, which, incidentally, is the first itemized report since the reorganization of the Washburn-Pittsburgh Terminal, discloses earnings on the preferred stock at the rate of 21 per cent annum. The stock, incidentally, is quoted to yield better than 11 per cent. The management is charging off 3 1/2 per cent for equipment depreciation, which will run into a total of about \$150,000 per annum. The operating ratio in six months was about 63 per cent. The company has paid off all its real estate mortgages, has \$1,600,000 cash on hand and has subscribed \$500,000 to Liberty Bonds.

In their campaign against the professional shorts, the Stock Exchange officials have had in mind also the prevention of wild rumors such as have been circulated by some agencies. Their object primarily was that of creating apprehension. In some instances there was the most flagrant effort to undermine confidence.

In a period when much is made of the large taxes being paid by United States Steel, Crucible Steel and New Jersey Zinc, it is consoling to study the figures of American Steel Foundries. In nine months, after setting aside \$1,600,000 for the war tax, the company earned \$21.45 a share for its stock, as against slightly less than \$20 a share in 1916. It will be recalled that on October 1 the company retired all of its first mortgage 6 per cent bonds.

Where is the Erie headed? Its September statement is most disconcerting and shows conclusively that assistance in the way of higher freight rates is imperative. In nine months the road has lost \$5,770,000. Without allowance for necessary adjustments, the fact remains that the company has a balance earned last year over and above interest charges of \$4,831,000. In other words, Erie has been operating at a deficit. And there is not likely to be much improvement in the latter part of the year. The September net decrease was 46 per cent.

NEW YORK BANK STATEMENT Big Increase in Average and Actual Loans—Time Deposits Decrease NEW YORK, Nov. 2.—The New York bank statement this week shows big increase in average and actual loans and an increase in actual reserve. Time deposits decreased in both cases.

NEW YORK, Nov. 2.—The statistical position of cotton in all fields. The last week's crop was 2,978,676 bales, compared with 3,072,000 a week ago.

MARKET FOR STEEL IS STILL UNSETTLED Satisfactory Progress Made Toward Lining Up Producers in Various Branches of Industry

NEW YORK, Nov. 2.—Thus far there have been no signs of a set-up in the unsettled market which prevails in the steel industry, the developments during the past week having all been along the line of details.

New York Stock Sales Table with columns: High, Low, Close, Net. Lists various stocks like Ajax Rubber, Alaska Juneau, etc.

Sales in Philadelphia Table with columns: High, Low, Close, Net. Lists stocks like Alliance, B & S, etc.

INACTIVE PHILA. STOCKS Table listing various inactive stocks with their respective prices.

New York Bond Sales Table with columns: High, Low, Close, Net. Lists bonds like 10000 Baldwin, etc.

INACTIVE NEW YORK STOCKS Table listing various inactive New York stocks.

NEW YORK BANK STATEMENT Table showing financial data for New York banks.

BANK CLEARINGS INCREASE Table showing business and clearing data.

MONEY-LENDING RATES Table listing various lending rates.

FOREIGN EXCHANGE Table showing exchange rates for various locations.

NEW YORK COFFEE MARKET Table showing coffee market prices.

LIVE STOCK QUOTATIONS Table listing prices for various live animals.

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LOCAL STOCKS DECLINE FOLLOWING GAINS IN THE INITIAL TRADING Rapid Transit Closes With Loss, After Advancing to 25 Lake Superior and Lehigh Navigation Take Same Course

Only a small turnover of stocks took place in the two-hour session on the Philadelphia Stock Exchange today and prices were irregular, with those of virtually all the usual local leaders declining after strength at the start. Rapid Transit trust certificates, while slow in opening, showed improvement at the start and moved up 1/2 to 25, but closed at 24 1/2 off 1/2.

Philadelphia Electric was the most active home stock early and it remained unchanged at 24 1/2. Electric Storage Battery sold 1/2 below yesterday's close. Lake Superior sagged 1/2 after starting high, and Lehigh Navigation took the same course. Tompkins Belmont, which had shown unusual strength yesterday, was moderately traded in today and the price sagged a fraction, while Tompkins Mining was marked up a little. United Gas Improvement was unchanged. Two small transactions took place in Philadelphia Company, the first at 28, and the second at 27, off 1/4.

Pennsylvania Railroad was a little higher, but losses were recorded by Lehigh Valley and Baltimore and Ohio, while Reading was unchanged. Steel common improved, advancing to 97 1/2, but was slower than usual and ended lower.

Bonds were quiet and the 3 1/2 per cent United States 1917's closed at 99 1/2. Minimum prices established on Pittsburgh Stock Exchange Friday have been removed from stocks selling at or less than \$15 a share.

The Federal Reserve Bank of Philadelphia has transmitted to banking institutions in this district the following telegram from the Treasury Department, signed by Oscar T. Crosby, acting Secretary:

"In order to comply with the Secretary's announcement for preservation of names and addresses of subscribers of Second Liberty Loan, will you kindly advise all banks and trust companies and other throughout your district submitting group subscriptions that the department desires their co-operation, and later will refer to you submission to your bank of the names and addresses of all subscribers for Second Liberty Loan."

There was a better tone generally to the trading on the Broad Street Curb, but business was small in volume, and in most cases fluctuations were confined within a narrow range. The oil stocks as a group were fairly active and prices in those issues were better maintained than in the first part of the week, although the buying was without vigor and trading at times was sluggish.

Midwest Refining was the most active of this group, opening at 120, and after declining to 117 rallied to 118. Houston Oil was in good demand, selling at 18 and 19, and Merritt reflected support with sales at 28 1/2 and 28 3/4. International Petroleum was traded in at 12 to 12 1/2; Oklahoma at 7 and 7 1/4, and Osage at 7 and 7 1/4.

The mining stocks were quiet and without special change in prices. Butte Copper and Zinc selling at 6 1/2 and 6 3/4, Stewart at 1 1/2 and Big Ledge at 1 1/2 and 1 1/4. There was fairly active trading in City Service at 20 1/2 to 20 3/4. Curtiss Aeroplane was steady, with sales at 20 1/2, and Wright-Martin was traded in at 7 1/2 to 7 3/4. Submarine sold at 13 to 14, and Actna Explosives at 5 1/2 and 5 3/4.

Triangle Film was firm, with buying continued based on the extension of the company facilities, with sales at 1 to 1 1/2.

INDUSTRIALS Table listing prices for various industrial stocks.

INDEPENDENT OIL STOCKS—Continued Table listing prices for independent oil stocks.

MINING STOCKS Table listing prices for various mining stocks.

BONDS Table listing prices for various bonds.

LOCAL MINING STOCKS Table listing prices for local mining stocks.

LOCAL BIDS AND ASKED Table listing bid and asked prices for various stocks.

LOCAL MINING STOCKS Table listing prices for local mining stocks.

GOVERNMENT BONDS Table listing prices for government bonds.

SPECIAL NOTICE Table containing special notices.

SHIPMENTS OF MEAT DECREASE Table showing meat shipment data.

COMMITTEE Table listing committee members.