GOSSIP OF THE STREET—PHILADELPHIA COMMERCIAL MARKETS

NEW FORM OF FLOATING NOTE ISSUE STIRS FINANCIAL CIRCLES

Investment Bankers Provide That Railroad Shall Reduce Dividend to Establish Sinking Fund—Gossip of the Street

 $T_{
m the \ necessity}^{
m HERE}$ has been a great deal of talk recently among investment bankers as to the necessity for inventing some new form of financing, in view of the present conditions which preclude the possibility of putting out any considerable amount of new issues unless at enormous expense.

It has remained, however, for William A. Read & Co., of New York, with affices here in the Morris Building, to start something almost original.

In agreeing to float an issue of \$750,000 notes for the Toronto Railway Company it is understood they first induced the management of the road to agree to cut the dividend on the capital stock from 8 to 4 per cent a year and with the difference provide a sinking fund to retire the notes when due.

It is a question whether this plan will be followed in a number of instances where new financing seems imperative and where extension of maturing obligations seems impossible. It has been frequently pointed out that one of the weakest points of the financing of corporations in this country is the failure to provide dequate sinking funds to meet maturities. Indeed, it is hinted quite frequently that where provisions are made for sinking funds they are not as rigidly carried out as they should be. Of course, in the case of such properties as railroads, where the road and equipment are kept up in good shape, the natural increase in values is sufficient to guarantee refinancing, except in the cases of some coal and lumber roads where the removal of the materials which furnish the freight may eventually lead to exhaustion and consequent deterioration of values in the railroad property. But the point to consider is, will any further new financing be made possible by this plan of a reduction of dividends during the life of the short-term notes so as to provide a sinking fund for their maturity?

General Electric 6s Bring Ready Sale

The announcement of the placing on the market yesterday morning by Lee Higginson & Co. of \$10,000,000 General Electric 6 per cent two-year noise, to be dated December 1, was almost immediately followed by a telephone message from the New York branch to the representative of Lee Higginson & Co, in this city that \$6,000,000 of the notes had been sold and they expected to close the books at I

There have been many rumors within the last few days about new tinancing by the General Electric. One report had it that they were about to issue \$10,000,000 in stock and \$15,000,000 in short-term notes, while from another apparently reliable source came the news that there would be no new financing. as the Government was making large cash advances to the General Electric on account of the enormous Government contracts which are being executed by that company and that, therefore, there would be no necessity for further funds.

This attractive issue of 6 per cent notes, which are offered to the public at 93%, or about a 6% per cent basis, is the best answer to these rumors. Six months ago the General Electric issued \$15,000,000 6 per cent two-year notes at 99%, or a 6.10 per cent basis, with the result that at 11 o'clock of the day they were offered the books were closed with an oversubscription of \$80,000,000.

From 1902 to 1917 the General Electric has regularly paid an 8 per cent dividend on its stock. Including this issue of \$10,000,000 there are now outstanding \$37,000,000 in notes. The stock capitalization is \$101,000,000.

Gasoline Production Boosts Earnings

Columbia Gas and Electric Company's statement for October shows surplus earnings for the twelve months ended October 31 of nearly \$3,000,000. This, according to a statement of A. B. Leach & Co., is 6 per cent on the stock and compares with the 4 per cent per annum rate now being paid. "Next to the very substantial growth of the company's cas and electric business," said the statement, "the most encouraging feature is the new source of earnings from the production of gasoline. This business, which is purely in the nature of a hyproduct, promises earnings for the year ending December 31 of about \$2,300,000 net, or more than sufficient to pay the yearly dividend of 4 per cent on Celumbia shock."

Production of gasoline for the week ended November 5 made a new record or a single week-297,598 gallons-making the total production from January 1 to

Gross earnings of the company for October were \$825,614, an increase over the same month of 1916 of 17.2 per cent. Net carnings, \$369,564, an increase of 7.1 per cent. For the ten months to October 31, the gross earnings were \$8,718,356, an increase of 20.7 per cent over the corresponding period of last year; not earnings, \$4,367,202, an increase of 20.1 per cent.

"Bargain Bonds" Apparently a Myth

Investors who are coming into the market for bargain bonds which were recently quoted at very low prices are already meeting with disappointment. The manager of one of the largest investment houses in this city said yesterday that he can find plenty of buyers, but no sellers at the prices quoted ten days ago. As a matter of fact, he remarked, many of these quotations merely meant "bid" and "asked," but no actual sales took place at those figures. He remarked that he had been chasing after a number of bonds whose quotations had been quite recently published, but could find no sellers. "It is very significant," he said, "of the change of conditions when many houses are recalling their lists of efferings for

Salesmen for a number of bond houses who are working the out-of-town districts are reporting in many instances that the banks and customers are using the stereotyped excuse of "Loaded up with Liberty Bonds" until they are tired hearing it. Some of them have suggested that their houses furnish them with rubber stamps to save them the trouble of writing the same excuse over and over in their reports. There are several new note issues pending and the beginning of the week will

bring out the announcements from several local concerns. Some of these offerings will be unusually attractive.

It is rumored in some of the brokers' offices that a decision on the railroad rates increase case will be handed down before Thanksgiving.

New Financing of Public Utilities

Prospects of more or less new financing for the near future in the public utility field are indicated. The last few days have, for instance, brought out the report that the United Light and Railways Company has authorized a new issue of \$1,500,000 6 per cent bond-secured gold notes. The position of the company is indicated by the fact that its net earnings for the year ended September 30 last were more than one and one-seventh times all charges, including interest on the new notes, in spite of the adverse conditions of the year. The proceeds of this issue are to be used to retire \$750,000 6 per cent notes, due January 1, 1918, and to take care of additions, extensions and in provements to the company's properties. The company's earnings, in spite of the general heavy increases in operating expenses, have shown steady increases, both in gross and net. For the twelve months ended September 30, 1917, the gross earnings were \$7,355,009, as against \$6,758,449 in 1916 and \$6,167,603 in 1915. Net earnings for the twelve months ended September 30, 1917, were \$2,774.811, as compared with \$2,674.841 in 1916 and \$2,386.919

Railroads End Abuse by Intracity Embargo

A custom which, under the present war conditions, has grown into an abuse is about to be corrected by the three big railroad companies which serve this citythe Pennsylvania, the Baltimore and Ohio and the Reading-acting in unison.

It seems that it has become a custom for shippers to use the various freight terminals inside the city for reconsignments of goods, thus choking up the freight traffic through intracity shipments, which should be delivered by truck. That is, & consignee may sell the contents of a car or part of a car which has arrived at a station in West Philadelphia to a buyer in the Kensington district and order the shipment reconsigned to the nearest station in Kensington.

The local committee on car service in co-operation with the Railroads' War Board, at Washington, has determined to cut out this custom and relieve the freight congestion by discontinuing the practice simultaneously on all three roads by declaring an embargo on this intracity traffic beginning December 1, 1917.

The Philadelphia district committee on car service has issued an explanatory booklet on the subject for shippers, which gives, in addition, the views of large shippers in other large cities who recommend the use of motortrucks for freight service in the shorter hauls in order to relieve the situation.

STEEL TRADE BUSY ON FEDERAL ORDERS

More Fixing of Prices and Differentials on Various Products Are Features of Market

NEW YORK, Nov. 24. More fixing of prices and differentials on various products, and the continuation of orders from the Government, as well as the domestic expaumers, at what steel men domestic consumers, at what steel menrefer to as a fair rate, were the features
of the steel market during the last week.

It is stated that the gradual fixing of
prices for all products has eliminated any
tendency to enter into competition for sales,
and has put the consumer and the seller
on a footing where-they know what to expect and what to look for. However, it is
stated that, except in one or two instances,
the regular consumer will be compelled to
wait some time for deliveries; as the Government's requirements will be supplied
first, and any surplus that might remain
the used to work off the orders on the

ooks of the manufacturers, which have been piling up for a year or more. Additional differentials and prices will be announced next week. It is learned, and from this time on the work of the committee on steel and steel products will be carried forward with a rush, as the various subcommittees are now handling their in-dividual lines, which is doing much to aid the main committee.

The taking over of control of tin imports is another important factor. For some time the situation so far as the tin ore supply, is concerned has been causing some anxiety, and it is considered likel, that the subcommittee on tin will be able to work out the situation so as to cause

to work out the situation so as to cause the least possible disturbance.
Placing of orders for ship steel is being indulged in quite freely at present, and withing a comparatively short time work on the vessels for the Emergency Fleet Corporation will be under way at the largest steel shipyards, which have grown up like mushrooms since it was decided to establish a large merchant marine to overcome the shipping losses as a result of the activities of the German U-boats.

Other Financial News on Page 16

PROVISIONS

REFINED SUGARS he market ruled firm on a basis of 8.33e do do calra fire granulated.

INDESSED-The market ruled firm on the

TOO LATE FOR CLASSIFICATION

Other Help Wanted Ads on Page 18

Market Street National Bank

of PHILADELPHIA NOVEMBER 20TH, 1917

RESOURCES

t'ash and Reserve ... \$18,653,052,43

LIABILITIES 766,666,66

\$18,653,052.43 W. P. SINNETT, Cashier

FOUNDED 1814

The National Bank of Germantown PHILADELPHIA

November 20, 1917

RESOURCES

Resources. Loans and Invest-.\$4,790,368.21 258,869.73 630,437.05

ments
Due from Banks
Cash and Reserve
Customers' Liabilities, Letters
of Credit drawn against... 7,618.04 Total\$5,687,293.03

LIABILITIES
 Capital Stock
 \$200,000,00

 Surplus and Net Profits
 608.797.41

 Circulation
 197,000.00

 Deposits
 4,673.877.55

 Customers' Letter of Credit drawn against
 7,618.04

Total\$5,687,293.03 JOHN C. KNOX, Cashler.

THIRD National Bank

PHILADELPHIA ONDITION AT CLOSE OF BUSINESS NOVEMBER 20, 1917

RESOURCES House 542,421.80

\$10,409,286.28 LIABILITIES

Capital Stock \$600,000,00 Surplus and Undivided Profits, Net 871,543.64 143,600,00 Circulation Deposits 8,794,142.64

\$10,409,286.28

W. CLIFFORD WOOD,

PHILADELPHIA MARKETS

Island, per quart, 12:6158. Watercress, New York, per 100 bunches, \$1:51,50. Eugplant, Florida, per bex, \$3:61.50. Cucumbers, Florida, per hamper, \$3:65. Beans, Florida, green, per hamper, \$2:65. Peas, Florida and Virginia, per hamper, \$3:67. Cabbag, New York, per bot, \$15:622 do, Danish, seed, per ton, \$2:66.28, Onions, New York, Massachusetts, Chile and Indiana, per 100-lb, bag, No. 1, \$2:62.75, No. 2, \$1:67.50, do, California, per 100-lb, bas, \$2.50.69.

CLOSING LIVE STOCK PRICES

CHICAGO Nec 24 HCC18 Receipts 23.000 head: Morndox, 40,000 head Market He lower than yearlerlay a versue. Bulk 117.40-17.90; light, 817.10-17.90; mixed 117.40-17.90; light, 817.10-17.90; mixed 177.40-18; heavy, 117.40-18; coah 177.40-17.55. CATTILS—Receipts, 4000 head. Market steads III-Receipts, 7000 head. Market weak, 8112-19. Lambs, 117.35.

SOUTH OMANA, Nov. 24.—HOGS—Receipts. 800 head, Market be lower. CATTLE—Receipts, 200 head, Market steady. SHEEP—Receipts, 500 head, Market steady.

KANSAS CITY, Nov. 24.—CATTI.D—Receipts, 300 head. Market dull and weak. HCGS. Receipts, 4000 head. Market steady, to 50 lower. SILECT—None.



RESOURCES

Loans and Investments., \$7,217,394.60 Due from Banks....... 611,382.06 Clearing House Exchanges 243,043.67 Cash and Reserve..... 980,107.56

> \$9,051,927.89 LIABILITIES

Capital Stock \$400,000.00 Surplus and Net Profits. 956,458.78 9,000.00 Reserved for Taxes.....

\$9,051,927,89

JOHN G. SONNEBORN, Cashier,

Fourth Street National Bank

Philadelphia, November 20, 1917.

RESOURCES

Loans and Discounts	\$55,046,395.69
Customers' Liability under Letters of Credit and	
Acceptances	881,814.97
Due from Banks	17,110,717.29
Exchanges for Clearing House	2,039,600.73
Cash and Reserve	

\$83,618,234.63

LIABILITIES

Net Profits 1,059,916.28 7,079,916.28 Circulation 495,800.00 Letters of Credit Issued to Customers and Accept-

\$83,618,234.63 ACCOUNTS OF MERCHANTS, CORPORATIONS AND OTHERS SOLICITED FOREIGN EXCHANGE BOUGHT AND SOLD. LETTERS OF CREDIT ISSUED

E. F. SHANBACKER, President. F. G. ROGERS, Vice-President W. A. BULKLEY, Asst. Cashier C. F. SHAW, JR., Asst. Cashier R. J. CLARK, Vice-Pres. and Cashier. W. K. HARDT, Vice-President. W. R. HUMPHREYS, Asst. Cashler.

PRANK T. PATTERSON WILLIAM A. DICK W. R. NICHOLSON FRANCIS I. GOWEN ISSAC H. CLOTHIER E. P. SHANGACLER E. P. SHANGACLER

DIRECTORS DNEY F. TYLER, Ch JAMES M. WILLCON WILLIAM do KRAFFT TEANK G. ROGERS GEORGE K. JOHNSON JOSEPH E. WIDENER HARRY A. BERWIND SIDNEY

WILLIAM M. POTTS GEODERE DALLAS DIXON JONATHAN C. NEFF CHAS A. DANIEL A. E. SEWIGOLD JR. HEENEE DU PONT



THE PHILADELPHIA NATIONAL BANK

RESOURCES

\$72,592,755.97 Loans and Discounts..... Customers' Liability under Letters of

8,997,426.36 Credit and Acceptances.... 30,201,039.42 Due from Banks..... Exchanges for Clearing House..... 6,641,807.48 10,601,986.63 Cash and Reserve

\$129,035,015.86

LIABILITIES

\$1,500,000.00 Capital Stock 5,468,264.00 Surplus and Net Profits (Earned)..... 150,000.00 Reserved for Taxes..... 6,230,314.69 Letters of Credit..... 4,658,740.97 Acceptances Acceptances of other Banks Sold 240,000.00

(Individual \$62,110,937.31 Deposits Bank 32,730,639.10 U. S. Gov. 15,946,119.79 110,787,696.20

\$129,035,015.86

LEVI L. RUE, President. CHARLES P. BLINN, Jr., Vice Pres.
WILLIAM S. MADDOX, Vice Pres.
HORACE FORTESCUE, Vice Pres.
DAVID W. STEWART, Asst. Cashler. HORACE FORTESCUE, Vice Pres, DAVID W. STEW O, ROWARD WOLFE, Asst. Cashier. FRANK P. STEP EDGAR ROSS, Mgr. Foreign Dept. FRANK P. STEPHENS, Asst. Cashie

DIRECTORS

General Electric directors today it was General Electric directors today it was voted to ask stockholders to authorize an issue of \$20,000,000 stock. The directors extra dividend of \$20, both payal advocated a special semiannual dividend in stock at par \$2 per share.

cember 1 to stock of record Novemt Six months ago an extra of \$5 wa in addition to the usual \$25 payment.

THE FIRST

NATIONAL BANK

OF PHILADELPHIA

Condensed report at close of business

November 20, 1917

RESOURCES

Loans and Investments.....\$30,410,172.84

Due from Banks...... 6,227,334.99 Exchanges for Clearing House 1,394,268.31

Cash and Reserve 3,717,090.28

LIABILITIES

Capital\$ 1,500,000.00

Unearned Discount 157.501.19 2,083,568.01

Deposits 37,165,298.41

serve Bank 1,000,000.00

Total . . . \$41.748,866,42

Surplus and Un-divided Profits..\$1,926,066.82

Bills Payable to Federal Re-

Total \$41,748,866.42



315 Chestnut St.

RENTON WARNE

Vice Presiden FREAS B, SNYDER Vice President

HARRY J. HAAS THOS, W. ANDREW

CHAS, II, JAMES

CARL H. CHAFFEE

DIRECTORS P. W. AYER
CHAS. S. CHILD
JOSEPH S. CLARK
WALTON CLARK
CYRUS H. K. CURTIS

PRANKLIN D'OLIER
WILLIAM P. GEST
GEORGE A. HEYL
SYDNEY E. HUTCHINSON
E. C. IRVIN



THE GIRARD NATIONAL BANK

Statement of Condition at the Close of Business November 20, 1917

RESOURCES

 Loans and Investments
 \$63,470,337.06

 Acceptances and Letters of Credit
 5,513,118.26

 Due from Banks
 16,994,709.62

 Exchange for Clearing House
 2,505,521.71

 Cash and Reserve
 8,217,548.88

\$96,701,235,53

LIABILITIES

 Capital
 \$ 2,000,000.00

 Surplus and Profits
 5,351,303.00

 Circulation
 1,080,800.00

 Acceptances and Letters of Credit
 5,513,118.26

 Due Federal Reserve Bank (Re-Discounts)
 2,245,000.00

 Deposits
 80,511,014.27

JOSEPH WAYNE, Jr., President EVAN RANDOLPH, Vice President CHAS. M. ASHTON, Cashier A. W. PICKFORD, Asst. Cashier

ALFRED BARRATT, Asst. Cashier DIRECTORS

> George McFadden
> Francis B. Reeves, Jr.
> Wm. W. Frazier, Jr.
> George D. Rosengarten
> Joseph Wayne, Jr.
> Evan Randolph
> Evan Randolph SAFE DEPOSIT BOXES TO REST

FRANCIS B. REEVES, Chairman of the Board

Our South America Trade

is increasing in spite of the scarcity of ships. We have direct correspondents in all the large centers in South America, and can promptly handle commercial transactions.

Comptroller's Statement

RESOURCES	LIABILITIES
Loans and Investments \$38,202,885, Due from Banks	Surplus and Net Profits (Earned)
557,185,438.0	8 \$57,185,438.5

DIRECTORS

JOHN J. MacDONALD WILSON CATHERWOOD WM. L. SUPPLEE JOHN S. WENTZ THOS. J. JEFFRIES JOSEPH H. PARVIN WM. H. FOLWELL WALTER A. BAILEY

CHAS S CALWELL
PRANK H. MOSS
GEO. W. B. ROBERTS
MERRITT N. WILLITS, Jr.
LOUIS R. PAGE
J. E. BAUM
DAVID C. BRADLEY
PAUL THOMPSON

\$57,185,438.98

OFFICERS

CHAS. S. CALWELL President. M. N. WILLITS, Vice-President NEWTON W. CORSON, Cashier. ALLEN M. MATTHEWS, Asst. Cashler, THOS, J. JEFFRIES, Vice-President

ALBERT N. HOGG, Asst. Cashler.



CORN EXCHANGE NATIONAL BANK PHILADELPHIA

CHESTNUT at SECOND