FINANCIAL NEWS

HERTLING AND CZERNIN SPEECHES DISAPPOINTMENT TO MARKET

German Chancellor's Bravado Outweighs Milder Tone of Austro-Hungarian Foreign Minister—Gossip of the Street

CUSTOMERS in the boardrooms of many of the brokers' offices were more intent yesterday morning on getting the early editions of the afternoon papers, so that they could read and analyze the much-postponed and widely heralded speech of the German Chancellor, Von Hertling, than they were on the quotations reeled off by the ticker.

And when they did get the papers and read both Von Hertling's speech and the statement by Count Czernin, the Austro-Hungarian Foreign Minister, which was cabled through Copenhagen, they just sat back and said nothing. It was evident that both speeches were disappointments. There was no immediate response in the trading, such as would in all probability have happened if a sure sign of early peace had been indicated. Some who expressed opinions said there was a gleam of hope in Count Czernin's statement, but they added that, coupled with the German ultimatum to the Russian representatives at the Brest-Litovsk conference, there was too much bravado and cocksureness in the remarks of Von Hertling to indicate a possibility of getting together on peace.

Von Hertling, they said, had made it evident that Germany does not intend to treat the demands of the Allies as a whole, but has assumed that certain of President Wilson's peace terms are not the affair of the United States, a position which, it is said, this country will not permit. This is a world war and when peace comes it must be a world peace, agreed upon by the peoples of the nations involved, an idea which, some say, has not yet penetrated the craniums of the German ruling class.

As for Count Czernin's statement, all who expressed an opinion remarked that it showed an advance in the right direction, and perhaps when published in detail would give a basis for further negotiations; but the overpowering fact that Austria is under the iron heel of Germany detracts from any statement made by her representatives without the full approval of her masters.

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Others contended that no matter how badly Germany wanted peace, Count von Hertling would have to speak as he did, as it would be too much to expect him to come down from his high horse all at once, and the opinions of the German people must be taken into consideration. They have been educated for years to expect so much that to give in all at once might create a condition which would have to be reckoned with.

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Still others contended that they could see no chance for peace until the "big spring drive" which Germany is preparing takes place, and in this connection they claimed that either peace negotiations or the drive would come soon and suddenly.

Banker Predicts Active Market and Early Peace

A prominent banker who is generally supposed to be well informed on inside matters gave it as his opinion yesterday, based on information and belief, that after the meeting of the Steel directors on Tuesday next the market would become very active. This will be very evident, he said, on Wednesday morning and the trend of prices will be decidedly upward. He remarked casually that in a very recent conversation with one of the money kings of the country he was told that peace was a matter of ninety days.

This would confirm the statement attributed recently to Colonel W. B. Thompson, who represented America in Red Cross work in Russia, who in the course of his published remarks a few days ago said:

"Moreover, new arrivals from abroad say that while America may not believe it, peace is bound to be declared in ninety days."

This banker said that too much importance, in his opinion, was being attached to what Count von Hertling or Count Czernin or this or the other one says; that the whole situation comes down to whether the news we are getting about the internal conditions in Austria and Germany is true or not. If the reports are true, he said, we will soon have peace; if they are not, we are in for a long war.

As an illustration he said: "It is like a man coming to me with a lot of cheap bonds. If he has to sell I will get them at a low figure; if he doesn't have to sell we may dicker a while, and finally I will come to somewhere near his figure if I want the bonds."

Believes Peace Will Bring Rise in Prices

The discussion which was prevalent some time ago as to whether an announcement of peace negotiations would be a "bull" or a "bear" argument has been a decidedly one-sided argument for some time past. There could hardly be found a banker or broker in this city who would support the "bear" argument. The belief is general on the Street that on the first genuine news of peace stocks would go skyrocketing, and the same opinion is held among bond men. A well-known bond and investment banker said yesterday that in such an event every high-grade bond on the market today would at once gain from 3 to 5 points and more.

He remarked that even today there was great difficulty in getting such bonds at current prices, as owners seem to be holding on to them; that this was particularly true of railroad bonds. "Every day," he said, "we are getting offers for bonds at quotations which we made not very long since, but all these bargains have gone, and the customers who failed to take our offers and our advice at the time are now meeting with disappointment.

"The bond and stock market today is still crowded with bargains if investors only could see it," he said, "and should peace materialize before they take advantage of present prices they will be the first to realize what they are missing.

"As a matter of fact," he continued, "we are doing a nice bond business among conservative investors today, and we have been doing such a business right along; but it is not what we should do with such prices as are now prevailing."

Irritation in Delay Over Railroad Legislation

There is considerable irritation being expressed in financial circles in this city with the dilatory tactics of Congress over the legislation needed for railroads. It now appears that a new bill to supersede the original Administration railroad bill has been drafted by George W. Anderson, Interstate Commerce Commissioner, who drafted the bill now before Congress that already has been submitted to the House Committee on Interstate Commerce. This bill is more liberal in its terms, as it provides additional compensation for such roads as spent large sums for additions and improvements during the six months prior to December 31, 1917.

The bill allows an additional payment for this purpose at a percentage on the cost, the percentage to be fixed by the President.

As these six months are not included in the computation of the three-year average contained in the original bill and as some of the roads spent very large sums for the purposes indicated, material and labor both costing more than ever before, it seems only fair that some compensation should be given.

This new bill makes no change in that part of the original bill as far as the fixing of any date when the railroads will be returned to private owners, but the following clause has been inserted to take the sting out of any opposition to the bill on that account:

> But this act is expressly declared to be emergency legislation enacted to meet conditions growing out of war, and nothing herein is to be construed as expressing or prejudicing the future policy of the Federal Government concerning the ownership, control or regulation of carriers or the method of basis of the capitalization thereof.

Brokers to Conduct Banking Business on Mondays

Many brokers' offices in this city will be open on heatless Monday holidays, although, as announced yesterday, the Philadelphia Stock Exchange will follow the lead of the New York exchange and remain closed on the first business day of each of the next nine weeks. They will not be open for regular business, but because they conduct a banking business, and in order to prevent any checks going to protest—the national banks and trust companies being open—they will have small forces at work to attend to that particular business.

Franklin National Bank Optimistic

The Franklin National Bank in its Quarterly Review, just issued, takes the following very optimistic view of the general outlook:

"There seems to be no reason why our affairs of business and finance should not continue on a sound basis or why legitimate profits should not continue, the principal conditions being that a considerable portion of those profits must be paid into the treasury of the Government as taxes and a further considerable portion must be invested in the securities offered to the people by the Government in return for funds with which to prosecute the war. And this applies to the profits of the banker, the manufacturer, the merchant and the laborer with equal force.

"The fortunate side of the present situation is that we have all of the things necessary to the winning of the war and it only remains for us to use them in the most efficient and effective manner."

PHILADELPHIA MARKETS

PROVISIONS

The market was quiet and unchanged. Tierce quotations were as follows: City beef, in sets, smoked and air-dried, 32c; western beef, in sets, smoked, 32c; city beef, knuckles and tenders, smoked and air-dried, 33c; western beef, knuckles and tenders, smoked, 33c. Beef hams, $45. Pork: Family, $30@31. Hams, S. P. cured, loose, 27@27½c; do, skinned, loose, 26@27c; do, smoked, 27@28c; other hams, smoked, city cured, as to brand and average, 28@29c; other hams, smoked, western cured, 28@29c. Pickled shoulders, S. P. cured, loose, 25c; do, smoked, 25c. Bellies, in pickle, according to average, loose, 30c. Breakfast bacon, as to brand and average, city cured, 36c; do, western cured, 36c. Lard, western, refined, 26@26½c; do, pure city, kettle rendered, 26@26½c.

REFINED SUGARS

Trade was slow and the market was unchanged. We quote on a basis of 7.45@7.85c for cane, fine granulated.

DAIRY PRODUCTS

CHEESE—The market ruled firm with demand fairly active. Quotations: Pasts, extra quality, colored or white, at the mines and over, 30@31c; do, fancy, at to medium, 28@29c; factories, fancy, at mines, 26@28c; do, ordinary, at mines, 25@26c; old roosters, 24@25c; dairies, Pennsylvania, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; New York, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Ohio, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Indiana, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Illinois, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Wisconsin, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Michigan, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Minnesota, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Iowa, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Missouri, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Kansas, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Nebraska, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Colorado, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Wyoming, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Montana, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Idaho, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Washington, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Oregon, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Utah, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Nevada, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; California, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Arizona, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; New Mexico, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Texas, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Oklahoma, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Arkansas, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Louisiana, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Mississippi, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Alabama, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Georgia, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Florida, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; South Carolina, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; North Carolina, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Virginia, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; West Virginia, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Kentucky, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Tennessee, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Maryland, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; Delaware, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c; New Jersey, fancy, 28@29c; do, ordinary, 26@27c; do, fair to good, 24@25c; do, poor to medium, 23@25c;