

GOSSIP OF THE STREET

HEATLESS MONDAY IS STRICTLY OBSERVED IN FINANCIAL DISTRICT

Conjecture Rife Over Appointment of New Head of Federal Reserve Bank.

HEATLESS Monday was anything more strictly observed in the brokers' offices in this city yesterday than on either of the two previous Mondays.

A few offices were open, but not for regular business, but to accommodate any customers who had checking accounts. Some of these offices said they had quite a number of orders for bonds, but they could not make connections with other houses and were holding them over till today.

There is quite a little speculation on the Street as to the successor to Charles J. Rhoads, governor of the Philadelphia Federal Reserve Bank, whose retirement from that position is a matter of public knowledge.

Among the latest spoken of as possibilities are Joseph Wayne, Jr., president of the Girard National Bank, 115 South Third street; William A. Law, president of the First National Bank, 215 Chestnut street; John A. Mason, president of the Commercial Trust Company, 20 South Broad street, and Thomas S. Gates, president of the Philadelphia Trust Company, 415 Chestnut street.

Harrisburg's New School Bonds

Considerable interest was aroused over the purchase of \$441,000 Harrisburg, Pa., 4 1/2 per cent school district bonds by a syndicate composed of the Guaranty Trust Company of New York; Harris Forbes & Co., of New York, and Lyon & Singer, of Pittsburgh.

These bonds are issued as of February 1, 1918, are due serially from January 1, 1923, to January 1, 1948, are tax free in Pennsylvania and are also free from Federal income tax. It is this latter feature which at this time makes these bonds most desirable as an investment.

They are offered to the public at a price to yield 4.25 per cent, and the general consensus of opinion among bond and investment houses in this city is that they will meet a very ready market.

Valuable Information on Income Tax Regulations

Clayton F. Banks, the local representative of the Guaranty Trust Company of New York, said yesterday that his company has prepared for distribution a 140-page booklet containing a summary of the important income tax regulations as applying to individuals, fiduciaries and partnerships with the full text of the income tax law as amended to date and of the war income tax law.

Mr. Banks says the information contained in this booklet will not be ready for publication by the Internal Revenue Department for the public for several days yet, and that his company is the first in the field with the valuable information. The booklets are ready for distribution.

A New Convertible Bond

A public utility short-term bond carrying an attractive conversion feature is being offered by Henry L. Doherty & Co. and associated dealers in conjunction with the offering of certain maturing bonds of the company and the extensive additions being made to the subsidiaries of this company at Toledo.

These bonds may be converted at any time from July 1, 1920, to December 1, 1920, both inclusive, at the option of the holder, into \$55 per par value, of preferred stock and \$15 per value, of common stock of Cities Service Company for each \$100 principal amount of bonds; and if the bonds are sooner called for redemption, the holders are entitled to the conversion privilege, after notice.

The bonds are secured subject to the first lien bonds of the company by the pledge of \$16,928,000, face value of bonds, and \$20,563,400, par value of stocks, or a total of \$37,491,400, of securities of operating companies in and around Toledo.

Junior to these bonds are \$7,861,675 preferred and \$9,061,203 common stocks of Toledo Traction, Light and Power Company, nearly all owned by Cities Service Company. Prior to their acquisition by Cities Service Company these stocks attained quotations indicating a market value of nearly \$12,000,000.

The attractive value of the conversion privilege is indicated by the fact that, on the basis of quotations of the early part of 1917, the conversion value would be \$128 for each \$100 of bonds. At the present time the market value of the Cities Service Company stocks into which these bonds will become convertible is only a few points below the offering price of the new bonds, which is 97 and interest.

Railroads Not Satisfied With Three-Year Average

That the railroads, in addition to the three years' average net earnings as allowed in the Administration railroad bill now before Congress, should share in the surplus which would go to the Government as a result of Government operation and control is the view taken by Seward Prosser, president of the Bankers' Trust Company of New York, in a brief filed with the Interstate Commerce Commission as representative of his trust company, which alone is trustee, under which \$1,583,000,000 railroad bonds are already issued and which \$2,559,000,000 may be issued.

Mr. Prosser's contention is that the allowance in this three years' average to the railroads for deferred maintenance and improvements, if based on the costs of such maintenance and improvements during the three years, would be most unfair in view of the enormous increases in the cost of labor and materials today, and he therefore claims there should be some modification in the bill to permit the roads to share in the surplus earnings over and above the Government guarantee. Mr. Prosser says in part:

"The change in the purchasing power of money is quite as important when considering the adequacy of the Government's guarantee to the railroads and in comparing that guarantee with the earnings of the railroads in the past. It taken \$1.75 today to purchase the same amount of commodities as \$1 would have purchased in 1914. The impression that the railroads are guaranteed higher earnings than they ever received previous to 1916 is untrue. If the gross incomes of the railroads available for fixed charges, dividends and surplus is converted into units equal to the purchasing power of the dollar in 1910 the proposed guarantee turns out to be only 70 per cent of the gross income of the railroads for 1910, and is lower than the earnings of any year between that date and the present time." Tables submitted show that while the railroads earned gross income amounting to \$124 in 1917 for every \$100 earned by them in 1910, the purchasing power of this \$124 in 1917 was equal to only \$72 of earnings in 1910. The true earnings, as contrasted with the money earnings of the railroads during 1917, instead of being larger were only 72.6 per cent of the earnings in 1910. The average of 1915-1917 which it is proposed to guarantee to the railroads will, if present prices continue, have a purchasing power of only about 65 per cent of the average income for the four years 1910-1913 inclusive.

TOO LATE FOR CLASSIFICATION

BOOKKEEPER assistant in office late last evening. Inquire at 1000 Locust street, Philadelphia, Pa. 1000 Locust street, Philadelphia, Pa. 1000 Locust street, Philadelphia, Pa.

HELP WANTED-MALE

BOOKKEEPER-Large Kensington manuf. factory. Inquire at 1000 Locust street, Philadelphia, Pa. 1000 Locust street, Philadelphia, Pa.

HELP WANTED-FEMALE

BOOKKEEPER-Large Kensington manuf. factory. Inquire at 1000 Locust street, Philadelphia, Pa. 1000 Locust street, Philadelphia, Pa.

APARTMENTS WANTED. Inquire at 1000 Locust street, Philadelphia, Pa. 1000 Locust street, Philadelphia, Pa.

PHILADELPHIA MARKETS

GRAIN AND FLOUR

WHEAT-Receipts, 49,840 bush. The market was active. Quotations ranged as follows: Car lots, No. 1, 1.25; No. 2, 1.20; No. 3, 1.15; No. 4, 1.10; No. 5, 1.05; No. 6, 1.00; No. 7, 0.95; No. 8, 0.90; No. 9, 0.85; No. 10, 0.80; No. 11, 0.75; No. 12, 0.70; No. 13, 0.65; No. 14, 0.60; No. 15, 0.55; No. 16, 0.50; No. 17, 0.45; No. 18, 0.40; No. 19, 0.35; No. 20, 0.30; No. 21, 0.25; No. 22, 0.20; No. 23, 0.15; No. 24, 0.10; No. 25, 0.05; No. 26, 0.00; No. 27, 0.05; No. 28, 0.10; No. 29, 0.15; No. 30, 0.20; No. 31, 0.25; No. 32, 0.30; No. 33, 0.35; No. 34, 0.40; No. 35, 0.45; No. 36, 0.50; No. 37, 0.55; No. 38, 0.60; No. 39, 0.65; No. 40, 0.70; No. 41, 0.75; No. 42, 0.80; No. 43, 0.85; No. 44, 0.90; No. 45, 0.95; No. 46, 1.00; No. 47, 1.05; No. 48, 1.10; No. 49, 1.15; No. 50, 1.20; No. 51, 1.25; No. 52, 1.30; No. 53, 1.35; No. 54, 1.40; No. 55, 1.45; No. 56, 1.50; No. 57, 1.55; No. 58, 1.60; No. 59, 1.65; No. 60, 1.70; No. 61, 1.75; No. 62, 1.80; No. 63, 1.85; No. 64, 1.90; No. 65, 1.95; No. 66, 2.00; No. 67, 2.05; No. 68, 2.10; No. 69, 2.15; No. 70, 2.20; No. 71, 2.25; No. 72, 2.30; No. 73, 2.35; No. 74, 2.40; No. 75, 2.45; No. 76, 2.50; No. 77, 2.55; No. 78, 2.60; No. 79, 2.65; No. 80, 2.70; No. 81, 2.75; No. 82, 2.80; No. 83, 2.85; No. 84, 2.90; No. 85, 2.95; No. 86, 3.00; No. 87, 3.05; No. 88, 3.10; No. 89, 3.15; No. 90, 3.20; No. 91, 3.25; No. 92, 3.30; No. 93, 3.35; No. 94, 3.40; No. 95, 3.45; No. 96, 3.50; No. 97, 3.55; No. 98, 3.60; No. 99, 3.65; No. 100, 3.70; No. 101, 3.75; No. 102, 3.80; No. 103, 3.85; No. 104, 3.90; No. 105, 3.95; No. 106, 4.00; No. 107, 4.05; No. 108, 4.10; No. 109, 4.15; No. 110, 4.20; No. 111, 4.25; No. 112, 4.30; No. 113, 4.35; No. 114, 4.40; No. 115, 4.45; No. 116, 4.50; No. 117, 4.55; No. 118, 4.60; No. 119, 4.65; No. 120, 4.70; No. 121, 4.75; No. 122, 4.80; No. 123, 4.85; No. 124, 4.90; No. 125, 4.95; No. 126, 5.00; No. 127, 5.05; No. 128, 5.10; No. 129, 5.15; No. 130, 5.20; No. 131, 5.25; No. 132, 5.30; No. 133, 5.35; No. 134, 5.40; No. 135, 5.45; No. 136, 5.50; No. 137, 5.55; No. 138, 5.60; No. 139, 5.65; No. 140, 5.70; No. 141, 5.75; No. 142, 5.80; No. 143, 5.85; No. 144, 5.90; No. 145, 5.95; No. 146, 6.00; No. 147, 6.05; No. 148, 6.10; No. 149, 6.15; No. 150, 6.20; No. 151, 6.25; No. 152, 6.30; No. 153, 6.35; No. 154, 6.40; No. 155, 6.45; No. 156, 6.50; No. 157, 6.55; No. 158, 6.60; No. 159, 6.65; No. 160, 6.70; No. 161, 6.75; No. 162, 6.80; No. 163, 6.85; No. 164, 6.90; No. 165, 6.95; No. 166, 7.00; No. 167, 7.05; No. 168, 7.10; No. 169, 7.15; No. 170, 7.20; No. 171, 7.25; No. 172, 7.30; No. 173, 7.35; No. 174, 7.40; No. 175, 7.45; No. 176, 7.50; No. 177, 7.55; No. 178, 7.60; No. 179, 7.65; No. 180, 7.70; No. 181, 7.75; No. 182, 7.80; No. 183, 7.85; No. 184, 7.90; No. 185, 7.95; No. 186, 8.00; No. 187, 8.05; No. 188, 8.10; No. 189, 8.15; No. 190, 8.20; No. 191, 8.25; No. 192, 8.30; No. 193, 8.35; No. 194, 8.40; No. 195, 8.45; No. 196, 8.50; No. 197, 8.55; No. 198, 8.60; No. 199, 8.65; No. 200, 8.70; No. 201, 8.75; No. 202, 8.80; No. 203, 8.85; No. 204, 8.90; No. 205, 8.95; No. 206, 9.00; No. 207, 9.05; No. 208, 9.10; No. 209, 9.15; No. 210, 9.20; No. 211, 9.25; No. 212, 9.30; No. 213, 9.35; No. 214, 9.40; No. 215, 9.45; No. 216, 9.50; No. 217, 9.55; No. 218, 9.60; No. 219, 9.65; No. 220, 9.70; No. 221, 9.75; No. 222, 9.80; No. 223, 9.85; No. 224, 9.90; No. 225, 9.95; No. 226, 10.00; No. 227, 10.05; No. 228, 10.10; No. 229, 10.15; No. 230, 10.20; No. 231, 10.25; No. 232, 10.30; No. 233, 10.35; No. 234, 10.40; No. 235, 10.45; No. 236, 10.50; No. 237, 10.55; No. 238, 10.60; No. 239, 10.65; No. 240, 10.70; No. 241, 10.75; No. 242, 10.80; No. 243, 10.85; No. 244, 10.90; No. 245, 10.95; No. 246, 11.00; No. 247, 11.05; No. 248, 11.10; No. 249, 11.15; No. 250, 11.20; No. 251, 11.25; No. 252, 11.30; No. 253, 11.35; No. 254, 11.40; No. 255, 11.45; No. 256, 11.50; No. 257, 11.55; No. 258, 11.60; No. 259, 11.65; No. 260, 11.70; No. 261, 11.75; No. 262, 11.80; No. 263, 11.85; No. 264, 11.90; No. 265, 11.95; No. 266, 12.00; No. 267, 12.05; No. 268, 12.10; No. 269, 12.15; No. 270, 12.20; No. 271, 12.25; No. 272, 12.30; No. 273, 12.35; No. 274, 12.40; No. 275, 12.45; No. 276, 12.50; No. 277, 12.55; No. 278, 12.60; No. 279, 12.65; No. 280, 12.70; No. 281, 12.75; No. 282, 12.80; No. 283, 12.85; No. 284, 12.90; No. 285, 12.95; No. 286, 13.00; No. 287, 13.05; No. 288, 13.10; No. 289, 13.15; No. 290, 13.20; No. 291, 13.25; No. 292, 13.30; No. 293, 13.35; No. 294, 13.40; No. 295, 13.45; No. 296, 13.50; No. 297, 13.55; No. 298, 13.60; No. 299, 13.65; No. 300, 13.70; No. 301, 13.75; No. 302, 13.80; No. 303, 13.85; No. 304, 13.90; No. 305, 13.95; No. 306, 14.00; No. 307, 14.05; No. 308, 14.10; No. 309, 14.15; No. 310, 14.20; No. 311, 14.25; No. 312, 14.30; No. 313, 14.35; No. 314, 14.40; No. 315, 14.45; No. 316, 14.50; No. 317, 14.55; No. 318, 14.60; No. 319, 14.65; No. 320, 14.70; No. 321, 14.75; No. 322, 14.80; No. 323, 14.85; No. 324, 14.90; No. 325, 14.95; No. 326, 15.00; No. 327, 15.05; No. 328, 15.10; No. 329, 15.15; No. 330, 15.20; No. 331, 15.25; No. 332, 15.30; No. 333, 15.35; No. 334, 15.40; No. 335, 15.45; No. 336, 15.50; No. 337, 15.55; No. 338, 15.60; No. 339, 15.65; No. 340, 15.70; No. 341, 15.75; No. 342, 15.80; No. 343, 15.85; No. 344, 15.90; No. 345, 15.95; No. 346, 16.00; No. 347, 16.05; No. 348, 16.10; No. 349, 16.15; No. 350, 16.20; No. 351, 16.25; No. 352, 16.30; No. 353, 16.35; No. 354, 16.40; No. 355, 16.45; No. 356, 16.50; No. 357, 16.55; No. 358, 16.60; No. 359, 16.65; No. 360, 16.70; No. 361, 16.75; No. 362, 16.80; No. 363, 16.85; No. 364, 16.90; No. 365, 16.95; No. 366, 17.00; No. 367, 17.05; No. 368, 17.10; No. 369, 17.15; No. 370, 17.20; No. 371, 17.25; No. 372, 17.30; No. 373, 17.35; No. 374, 17.40; No. 375, 17.45; No. 376, 17.50; No. 377, 17.55; No. 378, 17.60; No. 379, 17.65; No. 380, 17.70; No. 381, 17.75; No. 382, 17.80; No. 383, 17.85; No. 384, 17.90; No. 385, 17.95; No. 386, 18.00; No. 387, 18.05; No. 388, 18.10; No. 389, 18.15; No. 390, 18.20; No. 391, 18.25; No. 392, 18.30; No. 393, 18.35; No. 394, 18.40; No. 395, 18.45; No. 396, 18.50; No. 397, 18.55; No. 398, 18.60; No. 399, 18.65; No. 400, 18.70; No. 401, 18.75; No. 402, 18.80; No. 403, 18.85; No. 404, 18.90; No. 405, 18.95; No. 406, 19.00; No. 407, 19.05; No. 408, 19.10; No. 409, 19.15; No. 410, 19.20; No. 411, 19.25; No. 412, 19.30; No. 413, 19.35; No. 414, 19.40; No. 415, 19.45; No. 416, 19.50; No. 417, 19.55; No. 418, 19.60; No. 419, 19.65; No. 420, 19.70; No. 421, 19.75; No. 422, 19.80; No. 423, 19.85; No. 424, 19.90; No. 425, 19.95; No. 426, 20.00; No. 427, 20.05; No. 428, 20.10; No. 429, 20.15; No. 430, 20.20; No. 431, 20.25; No. 432, 20.30; No. 433, 20.35; No. 434, 20.40; No. 435, 20.45; No. 436, 20.50; No. 437, 20.55; No. 438, 20.60; No. 439, 20.65; No. 440, 20.70; No. 441, 20.75; No. 442, 20.80; No. 443, 20.85; No. 444, 20.90; No. 445, 20.95; No. 446, 21.00; No. 447, 21.05; No. 448, 21.10; No. 449, 21.15; No. 450, 21.20; No. 451, 21.25; No. 452, 21.30; No. 453, 21.35; No. 454, 21.40; No. 455, 21.45; No. 456, 21.50; No. 457, 21.55; No. 458, 21.60; No. 459, 21.65; 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No. 586, 28.00; No. 587, 28.05; No. 588, 28.10; No. 589, 28.15; No. 590, 28.20; No. 591, 28.25; No. 592, 28.30; No. 593, 28.35; No. 594, 28.40; No. 595, 28.45; No. 596, 28.50; No. 597, 28.55; No. 598, 28.60; No. 599, 28.65; No. 600, 28.70; No. 601, 28.75; No. 602, 28.80; No. 603, 28.85; No. 604, 28.90; No. 605, 28.95; No. 606, 29.00; No. 607, 29.05; No. 608, 29.10; No. 609, 29.15; No. 610, 29.20; No. 611, 29.25; No. 612, 29.30; No. 613, 29.35; No. 614, 29.40; No. 615, 29.45; No. 616, 29.50; No. 617, 29.55; No. 618, 29.60; No. 619, 29.65; No. 620, 29.70; No. 621, 29.75; No. 622, 29.80; No. 623, 29.85; No. 624, 29.90; No. 625, 29.95; No. 626, 30.00; No. 627, 30.05; No. 628, 30.10; No. 629, 30.15; No. 630, 30.20; No. 631, 30.25; No. 632, 30.30; No. 633, 30.35; No. 634, 30.40; No. 635, 30.45; No. 636, 30.50; No. 637, 30.55; No. 638, 30.60; No. 639, 30.65; No. 640, 30.70; No. 641, 30.75; No. 642, 30.80; No. 643, 30.85; No. 644, 30.90; No. 645, 30.95; No. 646, 31.00; No. 647, 31.05; No. 648, 31.10; No. 649, 31.15; No. 650, 31.20; No. 651, 31.25; No. 652, 31.30; No. 653, 31.35; No. 654, 31.40; No. 655, 31.45; No. 656, 31.50; No. 657, 31.55; No. 658, 31.60; No. 659, 31.65; No. 660, 31.70; No. 661, 31.75; No. 662, 31.80; No. 663, 31.85; No. 664, 31.90; No. 665, 31.95; No. 666, 32.00; No. 667, 32.05; No. 668, 32.10; No. 669, 32.15; No. 670, 32.20; No. 671, 32.25; No. 672, 32.30; No. 673, 32.35; No. 674, 32.40; No. 675, 32.45; No. 676, 32.50; No. 677, 32.55; No. 678, 32.60; No. 679, 32.65; No. 680, 32.70; No. 681, 32.75; No. 682, 32.80; No. 683, 32.85; No. 684, 32.90; No. 685, 32.95; No. 686, 33.00; No. 687, 33.05; No. 688, 33.10; No. 689, 33.15; No. 690, 33.20; No. 691, 33.25; No. 692, 33.30; No. 693, 33.35; No. 694, 33.40; No. 695, 33.45; No. 696, 33.