

STUTZ SHORTS GET LITTLE SYMPATHY

Only Getting What They Expected to Give, Says Broker

One of the few brokers who came down to his office on Saturday instead of going to the golf links or to Atlantic City gave a monologue on the Stutz matter. He said he had little or no sympathy with the men who sold at a certain price a stock they could not deliver. These men, he said, are no babies in the stock market. They are getting what they expected to give, and if all is true they have still some more coming to them.

As for those who bought the stock honestly they need no sympathy. They are not worried or lying awake at night; but with the man who sold and had to borrow to deliver, there may be another turn to this affair before it is settled, he said.

There are some other stocks that need the disciplinary powers of the stock exchange board of governors, he remarked, and if any attempt is made during the coming week at wild speculation some other besides the Stutz issue may hear something sharp.

While the brokers' offices were closed on Saturday, many of the bond houses and bond departments were open for doing business.

Some "land office business" during the half-holiday session, while others were not attempting to transact any business of any kind.

While a number of investment houses were surprised at receiving in their morning mail an offering of an issue of \$39,000,000 convertible notes from a New York syndicate, it was supposed that the offering had been placed in the mails on Friday night on the supposition that all offices here would be closed on Saturday, as it was said that no one would think of launching such an issue on a stock exchange holiday.

Below are expressions of opinion by financiers and financial institutions on current events:

Federal Reserve Bank, Philadelphia—The cash reserves of the United States, including the total stock of gold and silver, increased less than \$200,000,000 during the year. From January 1, 1914, until February 10, 1920, gold imports exceeded exports by \$643,000,000, but during the same period, silver exports exceeded imports by \$483,000,000, leaving a net gain of \$160,000,000. Gold imports may be increased in the near future through shipment of the new Transvaal production. No improvement to the credit situation, except in a

negative sense, can come from this movement, since it cannot exceed \$15,000,000 monthly, whereas our gold exports are nearer \$50,000,000 monthly. England and France must arrange payment of the Anglo-French loan of \$500,000,000 in October, and will probably be obliged to ship gold in partial payment.

Unless the movement of gold in and out of the United States is regulated, similarly to the manner adopted in other leading nations, in the very near future, our entire credit structure will be endangered.

Corn Exchange National Bank, Philadelphia—A word as to all the idle talk going the rounds about German warehouses being full of goods ready to be shipped to the American market. An American gentleman, one of the last to leave Germany, a man whose activities for several years kept him closely posted, recently gave us an interesting insight on conditions in that country. For instance, in what lines is competition to be feared, cotton or woolen goods? They were buying their linen and metal goods. They have no copper; 75 per cent of the iron mines were taken from them. Fats? They have no fats or greases. An English consular report of recent date states that bicycles shipped into Switzerland from Germany were very inferior and were practically worthless. If this is true, it is a blow to the German frontier, what is her position in relation to world markets? Her shipping is gone, her currency almost worthless, her fuel situation is bad. The garden spot of the empire, its richest farming region, was handed over to Poland. Indeed, the situation between Poland and Germany is one of practical warfare, as there is warfare of a guerrilla type going on along the frontier.

While the market of living in Leipzig has gone up 200 per cent since the first of the year. Furthermore, the peace treaty gives the Allies practical control at least over the transportation facilities of the country, and as for certain commodities such as petroleum, meat, copper, leather—these must come largely from the United States.

There has been a great deal of wild talk about the menace of German competition. These reports must presuppose that business in the country over there is functioning more or less normally. We know as a matter of fact that such is far from being the case. There may be already a world trade war going on. Indeed, we believe there is such a war in the making, but Germany thus far is no factor in it.

Chandler Bros. & Co.—The action of the New York Stock Exchange in striking Stutz Motors shares from the board seems fully justified by the absurdity of the price reached in the efforts to crush out a comparatively small "short" interest. The fact that neither the Stock Exchange nor the Curb Association members are permitted to buy or sell to call or deliver—to pay or receive payment for same, creates some rather complicating conditions.

Guaranty Trust Co., N. Y.—The zest of foreign competition now entering our overseas trade is a needed and healthy stimulus. The best American instinct seeks competition and benefits by it. This spur to our national pride and resourcefulness coincides with many other symptoms of marked improvement throughout the world, notably the recent manifesto of the Allied Supreme Council on reconstruction.

In its demand for instant reduction of armaments, for closing the gap between the revenues and expenditures of all governments, for increased taxation, and for fixing at an early date the definite total of the German indemnity, this document is one of the best expressions yet voiced of a sounder European temper.

It is noteworthy that the same fortnight which seems to have marked the turning point in European sentiment witnessed a marked recovery in sterling exchange, and a spreading opinion that Europe as a whole is beginning to gain instead of lose industrial and economic ground.

Toledo Traction, Light and Power Co. 3 yr. debenture 7s To net over 8% Net earnings available 4 times interest on issue Wm. Marriott Canby Member Phila. Stock Exchange 310-11 Land Title Building Philadelphia, Pa.

New Issue \$2,500,000 Union Electric Light & Power Company St. Louis, Missouri Three-Year 7% Convertible Gold Debentures Dated April 1, 1920. Due April 1, 1923. Callable, as a whole or in part, on the first day of any month at 101 and interest on or prior to April 1, 1921; at 100% and interest thereafter on or prior to April 1, 1922; and at 100% and interest thereafter. Convertible, at the option of the holder, on the first day of any month to and including February 1, 1923, into an equal amount of the Company's Refunding and Extension Mortgage 5% Bonds due 1933, accrued interest to be adjusted and the debenture holder to receive \$150 in cash for each \$1,000 face value of debentures converted. The Company agrees to pay interest without deduction for any Normal Federal Income Tax to an amount not exceeding 2% which it may lawfully pay at the source. The following information is taken from official sources: The Union Electric Light and Power Company owns and operates all but a small part of the central station electric light and power business in the city of St. Louis and in the counties of St. Louis, Franklin and Perry. The total population served is estimated at approximately 1,000,000. The gross earnings of the Company for the year ended March 31, 1920, with the month of March partially estimated, were \$8,793,342, the net earnings being over twice the annual interest on the funded debt, including this issue. Based on the valuation of the Company's properties made by the Public Service Commission of Missouri as of December 31, 1915, plus subsequent expenditures for additions and extensions, the value of the property of the Company as of February 29, 1920, (exclusive of working capital) was more than \$31,500,000, as compared with the total funded debt, including this issue, of \$22,510,000. Investments of the Company in the Union Colliery Company and other subsidiaries are not included in the foregoing value figure. We have been identified for the past twenty-two years with the bond financing of this Company and its predecessors. These debentures are offered for delivery when, as and if issued and received by us, and subject to prior sale and advance in price. It is anticipated that permanent debentures will be available for delivery on or about April 5, 1920. We recommend these debentures for investment Price 97% and interest; yielding 8% Complete circular on request Harris, Forbes & Company Pine Street, Corner William, New York Widener Building, Philadelphia Harris, Forbes & Company Incorporated Boston Harris Trust and Savings Bank Bond Department Chicago

NEW YORK BOND SALES Summary of Individual Transactions on New York Exchange

Table with columns for bond type, price, and quantity. Includes entries like 'Rocky Mt 4s', 'Alaska Gold A', 'Am B & R 4s', etc.

Today's Range in Liberty Bonds (N. Y.)

Table showing price ranges for Liberty Bonds: Liberty B 3 1/2%, Liberty B 1st 4s, Liberty B 2d 4s, etc.

Combined Reserve Bank Report Washington, April 5.—The weekly report of the combined condition of the twelve Federal Reserve banks, at the close of business on Friday, April 2, announced by the Federal Reserve Board, is as follows (900 omitted):

Table with columns for RESOURCES and LIABILITIES. Includes items like 'Gold coin and cert.', 'Total gold held by banks', 'Total reserves', 'Total liabilities'.

Table with columns for DIVIDENDS DECLARED. Lists companies like 'United States Express Co.', 'Durham Hosiery Mills', etc.

NEW ISSUE \$5,500,000 THE BELL TELEPHONE COMPANY OF CANADA (Incorporated by Act of the Parliament of the Dominion of Canada) Five Year Seven Per Cent. Bonds Dated April 1, 1920. Due April 1, 1925. Interest payable April 1 and October 1. Both principal and interest payable in Canadian currency at the Bank of Montreal, Montreal, or, at the option of the holder, in United States gold coin at the Agency of the Bank of Montreal in the City of New York, U. S. A. Coupon Bonds in denominations of \$500 and \$1,000, registerable as to principal only. CAPITALIZATION (Upon Completion of Present Financing) Capital Stock, par \$100 (authorized \$30,000,000) \$22,336,300 5% Bonds, due April 1, 1925 \$11,149,000 7% Bonds, due April 1, 1925 (this issue) 5,500,000 16,649,000 From a letter of Mr. C. F. Siss, Vice-President, we summarize as follows: Company owns and operates the principal telephone system in the Provinces of Quebec and Ontario. The \$16,649,000 Bonds are a first charge upon the whole lines, works and plants of the Company other than real estate. The real estate is unencumbered and the bonds will contain the covenant of the Company not to create any mortgage or lien upon its real estate ranking equal to or prior to these Bonds. Issue of Bonds is limited, by charter from the Dominion of Canada, to 75 per cent. of the actual paid up stock. Value of plant account (including real estate), December 31, 1919, was \$49,641,186, or 2.98 times the Bonds outstanding, including this issue. Net annual earnings for last five years have averaged \$2,296,662, or 4.1 times the average bond interest charges. Including this issue, total present bond interest charges are \$942,450. The average annual net earnings for last five years were 2.4 times these interest charges. Dividends on Capital Stock at the rate of 8 per cent. per annum have been paid continuously since January 1, 1886. WE RECOMMEND THESE BONDS FOR INVESTMENT Price 98 and interest, yielding about 7.50% LEE, HIGGINSON & CO. HARRIS, FORBES & CO. ROYAL SECURITIES CORPORATION, Limited The statements contained in this advertisement, while not guaranteed, are based upon information and advice which we believe accurate and reliable.

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