What Will Happen During 1922?

For many years we have been issuing in the first week of January, an annual Review and Forecast of financial and investment conditions. These annual issues have undertaken to broadly analyze fundamental economic and financial causes and effects and in the main have correctly interpreted the trends of the financial markets every year since 1914. Condensed excerpts from our issues at the opening of 1920 and 1921 are presented below:

January 8, 1920: "The recent spectacular rise in the average price levels of commodities should shortly stop, if it has not already done so. Before late spring we should see very clear evidences of a lower price level in many directions. . . . While business in many lines will not immediately fall off in volume, because of deferred demand, yet the rapid expansion of the last six months at advancing prices, should not be evident. . . . With little possibility of continued inflation, wastefulness and extravagance will tend to cease. . . . This will further reduce consumption. . . . Many industries are reporting a doubling in their earnings as a direct result of a doubling of the prices of their products. When these prices drop and demand falls off, the prices of the stocks will drop also. Holders of industrial issues will make no mistake in switching into more seasoned investments this year."

January 6, 1921: "Prices have gone down so rapidly and so far for some commodities, that many people are inclined to feel that very shortly there will be a halt and upturn. Insofar as prices are concerned, deflation has probably run its course in certain basic commodities. . . . But this does not mean that these industries will not continue to be depressed for some time to come. For until deflation has been pretty uniformly completed . . . there can be no extended revival of business activity. . . . The effect on investment securities is obvious. As interest rates relax the prices of high grade bonds and well protected preferred and other high grade stocks will advance. . . . One of the important factors which will tend to carry high grade fixed income securities to much higher levels, is the increase in the purchasing power of investment incomes. . . . Consequently, a 5 per cent. yield a year hence may look more attractive to the investor than a 7½ per cent. yield does today."

We have now issued under date of January 5, 1922, our Review and Forecast for the current year. We are following the same plan of careful interpretation of fundamental influences and have every reason to believe that the developments of the coming twelve months will, in the main, confirm our views as fully as has been the case during the past two years. Copies of the review are available for those who apply while the limited supply lasts. These annual issues are regularly supplied to our many thousand clients in this country and abroad as a part of the service we render.

This institution, founded fourteen years ago, occupies a unique position in the financial and investment world. We are not in the business of buying or selling securities; we have no interest in or alliances with those who buy or sell securities. The service we render is supplied to many thousand banks, bankers, insurance companies and other financial institutions, trustees of estates and individual investors. There is no organization in this country of similar character; no concern which performs a similar type of independent service. Full details will be furnished upon request.

MOODY'S INVESTORS SERVICE

JOHN MOODY, President

35 Nassau Street, New York City

BOSTON 101 Milk Street — PHILADELPHIA Real Estate Trust Building — CHICAGO First National Bank Building

Fourteen Years of Investment Protection

STRAUS BUILDING NEW YORK

Philadelphia Straus Bonds to Yield 6½%

A NEW issue of Straus bonds, secured by a new apartment house property in one of the best residence districts of Philadelphia, to yield 6½%, affords an attractive opportunity for Pennsylvania investors.

—Pennsylvania four mills tax refunded on application;

—first mortgage on ten-story, steel-frame, fireproof apartment house property of highest class;

—large margins of safety and earnings;

—exceptional location;

—4% Federal income tax paid.

The amount of these attractive bonds we have on hand is limited and the January demand is active. We therefore suggest immediate action. Call, telephone or telegraph at our expense, or write today for

BOOKLET 753-L

S. W. STRAUS & CO.

INCORPORATED ★ OFFICES IN FIFTEEN PRINCIPAL CITIES ★ ESTABLISHED 1882

STOCK EXCHANGE BUILDING, PHILADELPHIA

Telephone, Spruce 5628

FORTY YEARS WITHOUT LOSS TO ANY INVESTOR

Copyright 1922, by S. W. Straus & Co.

NEW YORK BONDS

[SALES IN $1000]

Canad'n Nthn	
6½s rcts	
1....	108½
1....	109
1....	108½
Canadian N 7s	
1....	109¼
Cand'n Pacific	
Co d wi	
1....	78¼
10....	78
City Berne 8s	
5....	107½
City of Bergen	
8s rcts	
2....	106
1....	106½
City Bord'x 6s	
5....	83
2....	83
City of Copenhagen 5½s	
4....	88¾
1....	86½
1....	86
2....	83
1(sale)	86
1....	85¾
City Lyons 6s	
3....	88
1....	83
3....	83
2....	83¼
2....	83
1....	83
1....	83
City Mars's 6s	
1....	83
2....	83¼
City Rio de Janerio 8s wi	
1....	101
2....	101¼
2....	101¼
3....	101¼
2....	100¾
1....	101¼
1....	101
City Zurich 8s	
2....	108
1....	108
4....	108
5....	108
1....	108¼
1....	108¼
Chile Cop'r 6s	
2....	94¾
5....	84½
1....	84¾
5....	84¾
7....	84¾
1....	84¾
2....	84¾
5....	84¾
6....	84½
1....	83
2....	83
8....	82
3....	84¾
6....	84½
Chile Cop'r 7s	
1....	99½
3....	99
2....	99
2....	99
Cuban C Sug 8s sta	
1....	86
15....	85½
4....	85
1....	85¼
Cuba R 7½s	
5....	100½
3....	100¾
2....	101
Cuba Railroad Co 7½s wi	
1....	100½
Cuban A S 8s	
1....	102
Cuba Am S 6s	
1....	101¼
5....	101¾
Cuban C S cv	
4....	61½
2....	62
6....	61
20....	61
1....	62
Denmark Con ct B 8s	
1....	106½
1....	106
1....	106¾
Dom Rep'c 5s	
2....	86¾
3....	86¾
) Canada '26	
10....	96¼
2....	96¼
5....	96¼
25....	96¼
4....	96¾
) Canada '29	
2....	99¾
6....	97½
1....	97¼
1....	97¼
5....	97¾
) Canada '31	
1....	95¾
3....	95¾
1....	95¾
5....	95½
Gov't French R 7½s rcts	
10....	94¾
1....	94¾
1....	95
2....	94¾
25....	94¾
3....	94¾
1....	94¾
6....	95
4....	93
3....	94¾
2....	94¾
12....	94¾
3....	94¾
4....	95¼
14....	94¾
1....	94¾
6....	94¾
1....	94¾
1....	94¾
1....	94½
10....	94¾
1....	94¾
1....	100
1....	100
1....	100
1....	100
1....	100¼
3....	100
5....	100¼
5....	100¾
5....	100¾
10....	100½
10....	100½
2....	100½
1....	100¼
Gr'd Trunk of Can 6s rcts	
5....	100¾
2....	100¼
2....	100¼
1....	100¼
1....	100¼
10....	100¼
10....	100¾
Gr'd Trunk of Canada 7s	
3....	109
1....	109½
Jap Gov't 2nd	
2....	86¾
3....	86½
1....	86½
Jap Gov't 4s	
1....	75½
K Belgium 6s	
10....	93¾
1....	95½
2....	95½
25....	95¼
4....	95½
1....	95½
1....	95¾
4....	95
1....	93
1....	95¼
1....	95¾
3....	95¾
K Belg'n 7½s	
1....	103
5....	103¼
1....	103¼
1....	105¾
1....	105½
1....	105¼
3....	105½
3....	105¼
1....	105½
1....	105½
K Belg'm rcts	
2....	105¼
5....	105¼
1....	105¼
1....	105
Kingdom Denmark ct 6s	
5....	94½
10....	94½
27....	94¼
1....	94½
20....	98
1....	94½
1....	94¼
Kingdom Denmark ct 8s	
1....	107¼
4....	107¼
1....	107¾
1....	107¾
13....	107¼
5....	107¾
5....	107¾
Kingdom Norway ct 8s	
1....	108½
3....	108½
1....	108¾
9....	94¾
1....	105
1....	104¾
S Sao Paulo ct 8s	
1....	100
1....	105¾
1....	105¾
1....	105¾