

GOSSIP OF THE STREET

Had the 400 per cent stock dividend of the Standard Oil of New Jersey come as a surprise to the Street, there probably would have been "fireworks" in the stock following the announcement. The facts are, however, this large dividend action was known well in advance of the official action by the Board of Directors and, therefore, with the good news out, the customary selling developed with the result of more than a twenty-point break. There are other important developments of this character now pending, not only with some of the other Standard Oil Corporations, but numerous industrial concerns have large surpluses which it is desired to capitalize. From the action of certain stocks it is apparent initial dividends are about to be declared.

American Can was one of the strongest and most active issues in the list throughout the last week, and there were reports in circulation this company will shortly declare a substantial dividend. It is learned on high authority the company's earnings are now of record-breaking proportion and the management feels fully warranted in taking action on the dividend at this time.

Continental Can also was a decidedly strong feature, the issue being advanced several points within the last fortnight. It is stated buying of this issue has been by strong groups of interests which are now taking a more active interest in the affairs of the company than heretofore.

This year, it is stated, the company will earn between \$22 and \$25 a share in its stock and indications now favor a resumption of the 7 per cent dividend.

Dividend Prospects

Action of the Southern Railway directors in the restoration of dividends to the preferred stock was interpreted as indicating similar action on the part of other railroads. It is understood the Delaware, Lackawanna and Western Railroad is contemplating a distribution to stockholders of substantial proportions, although as yet no details are available in this connection. The corporation has a large surplus which may be capitalized.

Pennsylvania Railroad directors are expected to increase the dividend to 6 per cent at the next meeting. New York Central also is spoken of as likely to increase its rate to 6 per cent before the end of this year, and there are murmurings of dividend action by other railroad corporations which may come as somewhat of a surprise when announcements are made.

Bond Market Outlook

There is by no means a unanimity of opinion relative to the outlook for the bond market, it being pointed out by some that the tremendous over-subscription to the United States Government 4 1/2 per cent \$500,000,000 bond offering would take from the possible activity of the market by reason of its absorption of so large an amount of money which might otherwise have

found employment in the absorption of corporate securities.

Those who are inclined to this belief state the heavy over-subscription to the Government issue may be interpreted as indicating there will be thousands of \$5000 and \$10,000 subscriptions from individual investors, which otherwise probably would be utilized in the purchase of corporate issues.

There are other bond dealers and bankers who feel that the liberal participation in the Government offering will bring about a situation quite the contrary. They assert the success of this offering unquestionably will act as a backlog for the market of this future, and activity, strength and broadness will develop during the coming months with a better feeling in evidence than for some time past.

Those who entertain this conviction assert in their opinion the stiff money rates in evidence last week were but temporary importance and within a comparatively short time the call level will be at or below 4 per cent.

Germany's Paper Money

Germany still continues to furnish the extraordinary spectacle of unlimited and unparalleled issue of paper money. The imports by Germany in August were double those of last year. Some reports of a slackening in the German industrial boom are disputed in other quarters. The discount of German Treasury bills in the first week of October is reported to have exceeded the total bills outstanding in 1920.

It is a matter of general knowledge, and illustrates the extraordinary situation that large industrial concerns in Germany have been authorized to issue their own currency. The mark from 1915, August 25, this year, rose to .08 1/2, September 6, and last week an extreme new low record of .03 1/4 was reached, with only a slight fractional recovery.

Nearly 100 Per Cent Efficient

William A. Law, chairman of the First National Bank, discussing the business and financial outlook says: "Development of the Turkish crisis has emphasized the truth of Sir Reginald McKenna's statement to the New York reporters the other day 'that nothing approaching the present conditions has happened within the memory of living men and we have to face a new and strange state of things without any clear body of experience to guide us.' The American dollar is being used as currency in German home trade transactions, the degradation of the mark has reached a point where more than 8000 have become the equivalent of one pound sterling, and world finance has been greatly unsettled by the disturbances in Southeastern Europe."

Despite these incidents, however, the general outlook is reassuring, for our railroads are handling an enormous business and industry everywhere is being strengthened. It is an altogether extraordinary situation, but the United States, with nearly half the world's gold supply and the only industrial organism capable of a magnificent output, is in a position to come through as nearly 100 per cent efficient as is humanly possible in this age of disturbed world finance."

Brokers' Opinions
Newburger, Henderson & Loeb:
"Violent upbidding of industrial spe-

cialists for the last ten days has unquestionably placed the market in a vulnerable position. Speculative enthusiasm has developed a fever heat over the possibility of an extended period of stock dividends, thereby producing an unhealthy situation, and we therefore feel it is time to use great care and under no circumstances should commitments on the long side be extended unless unusually large margins are behind them. On the contrary, we unhesitatingly and strongly urge reducing of long line and profit-taking on all further wild advances. Regardless of dividend prospects, industrial improvements or a future outlook for big business, it is certain the inside or technical position of the market must be corrected before the major swing can be continued with any degree of safety."

Hecker & Co.: After the oils have ceased sporadic fluctuations, attention will be turned to those stocks which are less influenced by manipulations. Such stocks as U. S. Steel have gradually risen in price, as have others of intrinsic value, but these moves have in a way been lost sight of while the talk of stock dividends and capital redemption of the oils has been in the foreground. The situation is one of confusion today, buying specialties, but standard stocks, particularly rails, are the best to buy in view of the large business which they are handling.

West & Co.: "There is an old saying that the market is never so strong as when prices are low and never so weak as when prices are high and speculation rampant. This appears to be true today, despite the apparent great strength and rapid advances made in many stocks, and as the advance in the market as a whole has almost entirely discounted any expected improvement in business, we strongly advise caution in market commitments and the sale of stocks on bulges."

THE TRADER.

PASSPORTS TO U. S. FALSE

Vast Organization Disposing of Counterfeits Found in Italy

Rome, Oct. 16.—Vast organizations for the falsification of Italian emigrants' passports to America have been discovered by Vice Consul Ralph Boernstein here. His detection of a counterfeit passport handed him by a peasant desiring a visa led to the discovery of forty others standing in line who held similar documents, all of whom were arrested by the Italian police.

A search is now being made for the counterfeiters, who apparently is working in all parts of Italy. The rush to emigrate to America is so great that consular authorities believe the Italian quota for the year will be filled by the end of November, a month sooner than last year.

GRAY GABLES SOLD

Buzzards Bay, Mass., Oct. 16.—Gray Gables, the "Summer White House," where Grover Cleveland passed most of his vacations while President, and comprising 100 acres near the Cape Cod Canal, has been sold to a syndicate and will be divided into building lots, it became known yesterday.

SIX BEAT JAILER AND FLEE

Prisoners Saw Way to Liberty in St. Louis

St. Louis, Oct. 16.—Six prisoners, all described by police as desperate criminals, sawed their way to freedom from the St. Louis County Jail late yesterday. The men beat the jailer, William Grupp, into insensibility and fled in an automobile belonging to the jailer.

All available deputy sheriffs and constables in St. Louis County immediately organized a hunt for the escaped men.

A 1st and Refunding Hydro-Electric 5% Sinking Fund Gold Bond

Due Oct. 1, 1940

The company serves, without competition, the power necessary in a rapidly growing and prosperous manufacturing district.

Free of Normal Federal 3% Tax
Price to Yield 6%

Baker, Young & Company
JOSEPH W. SWAIN, Jr., Manager
Land Title Bldg.
Boston Philadelphia

BOLES & WESTWOOD
Members Phila. Stock Exchange

INVESTMENT SECURITIES

Land Title Bldg., Philadelphia
PHONE: LOCUST 4731

GEO. A. HUHN & SONS
Members of the Philadelphia, New York and Chicago Stock Exchanges.
New York Cotton Exchange.

STOCKS & BONDS
—bought and sold for cash or carried on conservative margin.
Bellevue Court Bldg., 1415 Walnut St.
N. E. 111 Broadway

MAIN and COMPANY
Certified Public Accountants
FINANCE BUILDING - PHILADELPHIA

New Offering

\$10,000,000

Southern California Edison Company

General and Refunding Mortgage 5% Gold Bonds

Dated July 1, 1917
Due February 1, 1944

Issuance authorized by Railroad Commission of State of California

TAX PROVISIONS: The Company agrees to pay interest without deduction for any Normal Federal Income Tax up to 4% which it may lawfully pay at the source. Under the present law the Company pays the 2% tax deductible at the source. Exempt from personal property taxes in California.

The following information is taken from official sources:

The Southern California Edison Company owns or controls and operates properties for the generation, transmission and distribution of electric light and power. The Company operates in ten counties in Southern California. The territory served, either directly or at wholesale, has an area of over 55,000 square miles and a population of about 1,500,000. Among the 312 cities and towns served are Los Angeles, Pasadena, Riverside, Long Beach, Santa Barbara, Redlands and Porterville.

Earnings and Expenses
(Year ended August 31, 1922)

Gross Earnings	\$16,770,962
Operating Expenses, including Taxes, Insurance and Maintenance.....	6,890,431
Net Earnings	\$ 9,890,531
Annual Interest Charge on \$75,099,700 Mortgage Bonds (including this issue) ..	4,134,055
Balance available for Interest on Debenture Bonds, Amortization, Depreciation and Dividends.....	\$ 5,756,476

Net Earnings over 2 1/2 times above Interest Charges

The system includes generating plants with a present total capacity of 376,700 h.p., of which 249,600 h.p. is hydro-electric.

The substantial equity in the property over and above the outstanding mortgage bonds is represented by \$6,000,000 of debenture bonds and \$50,480,272 of dividend-paying capital stocks.

Previously issued General and Refunding Mortgage Bonds are certified as legal investments for savings banks in California and application will be made for a certificate covering the \$10,000,000 now offered. The bonds are also a legal investment for savings banks in New Hampshire.

It is anticipated that interim receipts of the Harris Trust & Savings Bank will be available for delivery about October 25, 1922, to be exchanged for definitive bonds when ready.

We recommend these bonds for investment

Price 95 and Interest, yielding about 5.40%

Complete Circular on Request

Harris, Forbes & Company **E. H. Rollins & Sons**
New York Philadelphia New York Philadelphia

The National City Company **Coffin & Burr, Inc.**
New York Philadelphia New York Philadelphia

New Issue

Exempt from all Federal Income Taxes

\$3,822,000

City of Norfolk, Virginia

Direct Obligation Bonds

\$1,172,000 4 1/2% Bonds Dated Oct. 1, 1922 Due Oct. 1, 1947 Interest payable April 1 and Oct. 1	\$650,000 4 1/2% Bonds Dated Sept. 1, 1922 Due Sept. 1, 1927 Interest payable March 1 and Sept. 1
\$2,000,000 5% Bonds Dated May 1, 1922 Due May 1, 1952 Interest payable May 1 and Nov. 1	

NON-CALLABLE

Coupon Bonds in denomination of \$1,000. Fully registerable or registerable as to principal only. Principal and semi-annual interest payable at Bankers Trust Company, New York City.

Eligible as Security for Postal Savings Deposits

FINANCIAL STATEMENT

True value of all taxable property (estimated).....	\$220,604,178
Assessed valuation of taxable property.....	159,941,570
Total bonded debt, including this issue.....	27,233,000
Water debt	\$8,355,381
Sinking Fund	2,428,638
Net bonded debt.....	16,448,981

Population, 1920 Census - 115,777

There is no separate school district or county debt in Norfolk and the above represents the total bonded indebtedness of the City.

THE CITY OF NORFOLK is the second largest city in the State of Virginia and is one of the most important seaports on the Atlantic coast. It has been officially stated that the tonnage of its harbor is second only to New York. The City is served by eight trunk line railroads which are connected by a local belt line. The industries are well diversified as the City is unusually favorably located as a manufacturing, commercial and shipping center.

THESE BONDS constitute a direct and general obligation of the City of Norfolk and are payable from an unlimited ad valorem tax levied against all taxable property therein. The proceeds from these bonds will be used for the following purposes: \$1,000,000 (par value) to enlarge and improve the City's present water system, \$1,650,000 for the construction of City-owned and operated docks and terminals, and \$1,172,000 for general City improvement purposes.

We are advised by the City Attorney of Norfolk that the City has recently annexed territory comprising about 22 square miles, which property is not included in the City's financial statement as shown above. This will result in a gain to the City of over \$18,000,000 assessed value in real estate, and about \$5,000,000 in personal property. The population of the annexed territory is approximately 32,000 people, which makes the present population of the City of Norfolk slightly over 155,000. The indebtedness which the City is required to assume by this annexation is slightly less than \$1,000,000. This act brings the City a considerable increase in valuation accompanied by only a moderate increase in debt and is financially a benefit to the City.

Legal opinion of Messrs. Reed, Dougherty & Hoyt, of New York City.

PRICES

4 1/2% Bonds due 1947 - 101 1/2 and interest to yield about 4.40%
4 1/2% Bonds due 1927 - 102 and interest to yield about 4.40%
5% Bonds due 1952 - 108 1/8 and interest to yield about 4.50%

HAYDEN, STONE & Co. **LEE, HIGGINSON & Co.**
WILLIAM R. COMPTON Co. **BROWN BROTHERS & Co.**

Statements contained herein are not guaranteed but are based upon information which we believe to be accurate and reliable.

\$8,794,000

City of Philadelphia

Thirty-Year 4% Bonds

Dated October 11, 1922 Due October 11, 1952

Non-callable before maturity

Principal and semi-annual interest (January 1 and July 1) payable at the office of the fiscal agent of the City. Coupon bonds in the denomination of \$1,000 registerable as to principal, or fully registered bonds in the denomination of \$100 or multiples. Coupon and registered bonds interchangeable.

Tax free in Pennsylvania and exempt from all Federal Income Taxes

Legal investment for Savings Banks and Trust Funds in New York, Pennsylvania, New Jersey, and all New England States

Eligible as security for Postal Savings Deposits

Price 101 1/2 and interest, yielding about 3.935%

Harris, Forbes & Co. **The National City Company**
Bankers Trust Company **Janney & Co.**
Kissel, Kinnicutt & Co. **Graham, Parsons & Co.**