



FILED IN FILES SECTION
JAN 16 1950
September 20, 1946

WHY BUY BONDS?

Now that price control has been relaxed somewhat, as compared with its wartime rigor, the exercise of restraint and judgement in buying becomes particularly important. The prices of most commodities are rising. Whether this upward movement is sharp and dangerous or whether it is moderate and manageable depends largely on the behavior of purchasers. "When in doubt, buy bonds", would be a useful motto for this period.

Postponing purchases whenever possible is wise individual behavior as well as good national policy. Supplies are increasing, particularly for durable goods. There will be more styles to choose from, more opportunity to test and compare. There will probably be improved models and new products. You will get more for your money after the first buying rush is over.

This is the time to save, not to spend. And if you have decided to save, Government bonds offer the best combination of earnings and security that is available anywhere. Recent events in the stock market give fresh emphasis to the fact that common stocks are not wise purchases for small investors who want to be able to withdraw their money at any time. Earnings may be good, but security is limited. At the other extreme, money held idle in the bank is safe, but it earns nothing. Series E savings bonds, on the other hand, are always redeemable at a fixed value, they offer absolute security, yet if held to maturity they return four dollars for every three invested.

XERO
COPY

XERO
COPY