



### ANNUAL COTTON CROP REPORT.

We would call attention of our readers this week to our Annual Cotton Crop Report. It occupies pages 530 to 542 inclusive and contains all the information any one can need who is interested in the raising, marketing or manufacturing of that great staple.

### THE FINANCIAL SITUATION.

Several events, notable in themselves, have made the week distinguished in Wall Street records. The matter of chief import was the sale by the Pennsylvania Railroad of approximately one-half of its holdings in the Baltimore & Ohio and the Norfolk & Western roads to a syndicate represented by Messrs. Kuhn, Loeb & Co.; the report adds that the amount of stock involved in the transfer is 400,000 shares of Baltimore & Ohio and 160,000 shares of the Norfolk & Western. Rumor has it also that the Pennsylvania road may not unlikely sell the rest of its holdings in those properties and also its holdings in the Chesapeake & Ohio. We have no confirmation of these rumors and are inclined to doubt the sale of the balance of the Baltimore & Ohio and Norfolk & Western shares, as we see no good reason why the Pennsylvania should part with them at present. The deal, so far as it has been announced, is to our mind complete in itself, and needs no addition to the sale of the two properties transferred to make it workable, but is a natural outcome of existing conditions and a wise forecast to provide against certain contingencies.

A special contingency we have reference to is one we have often discussed. The sale was a need for the disconnection of the ownership of the two properties growing out of the claim that under the new Inter-State Railroad law the relationship that existed was unlawful; the Pennsylvania and the Baltimore & Ohio being parallel roads, it could be charged that the alliance was constructively a combination in restraint of trade. No railroad will invite litigation, and especially on a point which is not vital and can be avoided by an orderly retreat. There were, too, some features of the Baltimore & Ohio case which seemed to make it especially vulnerable to an attack under this provision of the Statute. It may even now be claimed by the Inter-State Commerce Commissioners that the transaction of sale does not put the alliance outside the law but merely impedes the operation of the law. That contention may be assumed, but it will hardly find any standing in court. It can be argued, of course, that the firm which is the head of the syndicate is a friendly party and will do what it can to serve the interests of the Pennsylvania road. That contention may be pressed. But the Pennsylvania by its late move has greatly strengthened its position as a defendant party in the litigation should any such proceeding be attempted. The Commissioners, to be successful, would have to meet the greater issue whether or not an owner of stock can sell his property. So long as our government remains what it is in character, that right will hardly be denied.

Another great gain which the deal consummated by the Pennsylvania road with the Kuhn, Loeb & Co. syndicate will confer is the large amount of cash it will leave the road in possession of. That change in the situation is important for several reasons. First of all, it dissipates any possible fears raised from time to time by market breakers in the ability of the Penn-

sylvania to successfully manage all its financial engagements made, and to be made, in carrying through to completion the immense improvements it has entered upon. It likewise takes away from the bears one big stick they have often used in critical moments to help disturb the general stock market; in other words, Wall Street has gained a degree in the stability of all values by the transaction. No one, not even the most timid, can hereafter work himself into a chill because of the Pennsylvania's financial status. This transaction is, however, foremost of all in the advantage it brings to the company itself. No doubt investors have recently been growing somewhat timid with reference to their holdings and with reference to further takings of Pennsylvania stock. They knew that the property, in face of any ordinary contingency, was, with its marvelous income and vast and varied resources, capable of almost working financial miracles; but an inquiry that would not down was—should liquidating circumstances overtake our railroads, with these unequalled undertakings still unfinished, might they not find that navigation was troublesome? What the Pennsylvania has just done is important in that it suggests the greater power the road still possesses to meet emergencies.

There is something almost comic in our periodic monetary fiascos. No other money market in the world has such complete breakdowns to struggle with, or anything like them. It is also very nearly as comical to observe how goodnaturedly our people take these visitations, and how invariably, almost automatically now, they turn their eyes—not introspectively, to cure the evil by their own wit, but to the Government for some sort of soothing syrup for relief. Once having adopted this motherly sort of alliance, they cannot rid themselves of the idea it has encouraged that the "gray mare is the better horse." It is, too, getting to be quite the thing for the source of nutrition to coy with the public as to the kind or strength of the relief mixture it shall grant. Formerly all that the head of the Treasury Department did was to let out of the Sub-Treasury, and let bank reserve agents have, the currency the excess of revenue had extracted from those reserves and locked up in Government vaults. Instead of adopting some device to make the inflow and outflow at frequent intervals correspond in time and amount, the periodic arrangement of inflow the first six months of the year and outflow during the crop-marketing season was in those more primitive days found to answer best the money market requirements. The daily Treasury transactions were then within narrow limits and banks were concerned almost wholly with domestic affairs and hence their transactions, too, were of moderate proportions. To-day Mr. Shaw or any other Secretary of the Treasury who may be in power has to manipulate the same old clumsy Sub-Treasury machine, but with immeasurably larger units to be handled and adjusted, and likewise with vastly greater interests dependent upon the policy adopted. How strange it is that Congress can leave our money market thus dependent upon the caprice, judgment or will of one man.

If the public wants light upon the character and cause of this latest tight money squeeze, it can get it by examining the Government official figures of Treasury holdings of cash. Some may be greatly sur-

prised to learn that the spasm and its continued progress which we are suffering from has been and is the work of the Sub-Treasury law as conducted on the present occasion by Treasury officials. First of all the Secretary had locked up in the Treasury vaults at the start of the present monetary spasm a larger balance than normal. Assuming that this special activity in money began June 1st, we find the Sub-Treasury cash holdings reported on that date (June 1) at \$316,673,545 in 1906, against \$289,248,071 at the corresponding date in 1905, or about 27½ million dollars larger, all of which might have been in New York banks, and had it been, we may assume with confidence that the spasm in money never would have occurred. That is not all. Not only was the Government holding in its vaults and out of the market on the first of June 27½ million dollars more than it held the 1st of June twelve months previously, but ever since then, and in the face of the developing stringency, the Sub-Treasury has gone on in this work of accumulation, increasing week by week its cash holdings at the expense of bank reserves until, according to the official figures, it had in Treasury vaults on September 1 1906 \$346,664,238, against \$303,769,532 on same day of 1905. That is to say, not only was the larger amount (27½ million dollars) held out of the market at about the time the upward movement in the rates for money started, but while these rates were mounting up to 20 and 30 and 40 per cent the Treasury officials were allowing their balances to accumulate and bank reserves to be depleted until the Sub-Treasury was holding out of the money market \$42,894,706 more than it considered it needful to hold a year ago. In other words, it is obvious that our money market might be enjoying to-day the ease of the summer season in place of a stringency that is contracting legitimate enterprises of all kinds, were this idle 42 or 43 million dollars returned to our bank reserves, where it belongs.

Mr. Bryan's suggestion of Government ownership of the railroads of this country does not seem to have been received with a great deal of favor either on the part of the adherents of his own political party or on the part of the adherents of the dominant party. Senator Daniel of Virginia made perhaps the most apt condemnation of the scheme. He coined a new word and said that the "politification" of the railroads would be the first result of Government participation. Government influence would give every man his position. Every man in the employ of the roads would be holding his place through the influence he could exert, and the men in that service would form a class which would unite to get all the money possible out of the Government service. It would mean an increase of from one-half to one-third over the salaries the railroad men are getting now. He also referred to Virginia's experience in Government ownership, saying that before the War that old Commonwealth put many millions of dollars into building railroads and owning them, building canals and owning them, and he asserted that the State is only just now recovering from the disastrous effects of that policy.

The New York Central yesterday issued its usual monthly return of gross earnings, showing an increase

for August 1906 over August 1905 in the aggregate of the gross revenue of the New York Central and its auxiliary and controlled roads in the sum of \$1,380,497. The Pennsylvania Railroad gave out its exhibit of both gross and net for the month of July. This last indicates that with the gradual wearing away of the effects of the coal strikes the company is reviving its old-time record of large increases. At all events, for the lines directly operated East of Pittsburgh and Erie an increase of \$1,623,000 is reported for the month in gross earnings and an increase of \$760,200 in net earnings. At the same time the lines West of Pittsburgh and Erie report a further increase of \$781,900 in gross and of \$149,300 in net. For the combined lines, therefore, the result is an improvement of \$2,404,900 in gross and an improvement of \$909,500 in net. Additional significance attaches to these large gains by reason of the fact that the improvement follows very large increases in the same month of 1905. In other words, the July return last year showed \$2,021,300 increase in gross for the combined lines and \$141,400 increase in net, though it is only proper to say that the addition to the gross at that time reflected in considerable part recovery of what had been lost the previous year. In the following we compare the earnings of the lines directly operated East of Pittsburgh and Erie for the last six years, this being the only portion of the system for which we have data for such comparison.

<i>Lines East of Pittsburgh.</i>	1906.	1905.	1904.	1903.	1902.	1901.
<i>July.</i>	\$	\$	\$	\$	\$	\$
Gross earnings.	12,406,865	10,783,865	9,481,103	10,995,403	9,771,503	8,351,103
Operating exp.	8,271,257	7,408,457	6,041,966	7,070,066	6,135,366	5,451,266
Net earnings	4,135,608	3,375,408	3,439,137	3,925,337	3,636,137	2,899,837
<i>Jan. 1 to July 31.</i>						
Gross earnings.	82,233,814	72,758,714	66,176,779	71,150,679	63,191,379	56,802,579
Operating exp.	58,560,960	53,719,960	47,918,985	49,901,885	41,913,785	37,998,185
Net earnings	23,672,854	19,038,754	18,257,794	21,248,794	21,277,594	18,804,394

The above noted movement of money to San Francisco and the outlook for another unfavorable bank statement this week, together with the deficiencies in reserve shown by some of the individual banks, which caused calling of loans by these institutions, contributed to increased activity in money on call, and a number of banks which were responding to drafts from their interior correspondents were compelled to refuse accommodation to Stock Exchange borrowers. Gradually a more or less acute situation developed which was reflected in the maintenance of high rates for day-to-day loans and for time contracts on collateral until Thursday. Then, though the device adopted by Secretary Shaw of making advances to importing banks in order to facilitate gold imports would not become effective until Monday, the market grew easier in the afternoon because of more liberal offerings from domestic sources, and call money closed at the lowest of the week.

Money on call, representing bankers' balances, loaned at the Stock Exchange during the week at 40% and at 2%, averaging about 20%; banks and trust companies loaned at 6% as the minimum. On Tuesday loans were at 30% and at 8%, with the bulk of the business at 10%. On Wednesday transactions were at 40% and at 16% with the majority at 25%. On Thursday loans were at 25% and at 2% with the bulk of the business at 20%; the lower rate was recorded in the last half hour, when the requirements of the day had been satisfied. On Friday transac-

tions were at 17% and at 3% with the majority at 12%. Time loans on good mixed Stock Exchange collateral were quoted, at the equivalent of interest and commissions, at 7½% for sixty and 7½@8% for ninety days, 7% for four and 6½% for five to six months; the supply for the shorter periods came chiefly from foreign bankers. Commercial paper was quoted at 6@7% for sixty to ninety-day endorsed bills receivable, 6@7% for prime and 7½% for good four to six months' single names.

The Bank of England rate of discount remains unchanged at 3½%. The cable reports discounts of sixty to ninety-day bank bills in London 3½%. The open market rate at Paris is 2½% and at Berlin and Frankfort it is 4%. According to our special cable from London, the Bank of England lost £503,777 bullion during the week and held £38,010,988 at the close of the week. Our correspondent further advises us that the loss was due mainly to sales of American coin. The details of the movement into and out of the Bank were as follows: Imports, £153,000 (of which £55,000 from South America, £5,000 from France and £93,000 bought in the open market); exports, £503,000 (of which £100,000 to Alexandria and £403,000 American coin sold), and shipments of £154,000 net to the interior of Great Britain.

Influenced by more or less acute monetary tension and by the consequent pressure of foreign loan bills, also by the light demand and liberal selling of drafts in expectation of covering with lower exchange, as the result of drawings against exports of commodities, the foreign exchange market was unsettled and lower until Thursday, when there was a sharp recovery on the announcement that the Secretary of the Treasury would on Monday and thereafter, until further notice, facilitate gold imports by making advances to national banks, as was done last April, the money advanced being secured by such bonds as are accepted as investments by New York and Massachusetts savings banks. The Secretary also stated that his offer to facilitate gold imports would apply to importations from Australia or any other distant point, but the importers would be required to file with the Treasury Department evidence of the purchase of the metal, giving the date when the gold would be shipped.

Monday was a holiday. On Tuesday the market opened fractionally higher than at the close on Saturday of last week because of a demand to remit for American securities which had been sold in London and had arrived by the incoming steamers. There was, however, a prompt decline, influenced by dearer money, and the market was unsettled and lower to the close. On Wednesday still higher rates for call loans caused a demoralizing fall, which carried sight exchange to 4 8285—the lowest since December 1903—but there was a rally by the close, said to be due to advance information of the intended intervention by the Secretary of the Treasury to facilitate gold imports; official announcement of the Secretary's action was, however, not made until 4 o'clock in the afternoon of that day. On Thursday the market was feverish, with wide fluctuations, especially in sight bills, caused by an effort to adjust them to the new gold-import point as established through the above-noted action by the Secretary of the Treasury, and

the rate rose sharply about one cent per pound sterling above the figures ruling on the previous day. Then came a reaction due to a pressure of loan bills, induced by the maintenance of firm money rates, followed by a rise influenced by a demand to procure cover for gold which had been engaged in London for import hither; other kinds of exchange, including Continental, moved in sympathy with sight sterling. On Friday the market was irregular.

Though there were rumors of large intended engagements of gold for import, some reports stating that from \$10,000,000 to \$15,000,000 would be secured, the only withdrawals that could be traced amounted to \$10,850,000, including two lots of \$2,015,000 each, reported as obtained from the Bank of England; one lot of \$1,250,000, said to have been bought in London on Monday, and one lot of \$1,000,000 by the Shawmut National Bank of Boston. It is thought probable that more gold will be secured on Monday, when there will be an arrival of the metal from South Africa at London. The consignment obtained on last Monday is reported to have cost 77 shillings 11¼ pence per ounce; later in the week the quotation for bar gold was 77 shillings 11¼ pence bid, reflecting urgency in the demand for the metal. The Bank of France is reported to have raised its premium on gold during the week and only \$400,000 was procured from Paris.

Nominal quotations for sterling exchange are 4 81½ for sixty day and 4 84½ for sight. On Saturday of last week the market was only moderately active, with long 10 points lower, compared with Friday, at 4 8025@4 8030, short 5 points at 4 8330@4 8335 and cables 5 points at 4 8390@4 8395. On Tuesday long rose 5 points to 4 8030@4 8035 and cables 10 points to 4 84@4 8405, while short fell 5 points to 4 8325@4 8330. On Wednesday long declined 30 points to 4 80@4 8005, short fell 40 points to 4 8285@4 8315—the latter representing the rally by the close—and cables 25 points to 4 8375@4 8380. On Thursday long rose 50 points to 4 8050@4 81, short 75 points to 4 8330@4 8390 and cables 35 points to 4 8410@4 8420. The market was irregular on Friday with a rise in short of 20 points, compared with the lowest rate on the previous day, and other classes of exchange were unaltered.

The following shows daily posted rates for sterling exchange by some of the leading drawers:

		Fri. Aug. 31	Mon. Sept. 3	Tues. Sept. 4	Wed. Sept. 5	Thurs. Sept. 6	Fri. Sept. 7
Brown	60 days	4 81½		81½	81½	81½	81½
Brothers & Co.	Sight	4 84½		84½	84½	84½	84½
Baring	60 days	4 82		82	81½	81½	81½
Magoun & Co.	Sight	4 85		85	84½	84½	84½
Bank British	60 days	4 82	H	82	81½	81½	81½
North America	Sight	4 85	O	85	84½	84½	84½
Bank of	60 days	4 82	L	82	81½	81½	81½
Montreal	Sight	4 85	I	85	84½	84½	84½
Canadian Bank	60 days	4 81½	D	81½	81½	81½	81½
of Commerce	Sight	4 84½	A	84½	84½	84½	84½
Heidebach Ickel-	60 days	4 81½	Y	81½	81½	81½	81½
heimer & Co.	Sight	4 84½		84½	84½	84½	84½
Lazard	60 days	4 81½		81½	81½	81½	81½
Freres	Sight	4 84½		84½	84½	84½	84½
Merchants' Bank	60 days	4 82		82	81½	81½	81½
of Canada	Sight	4 85		85	84½	84½	84½

The market closed on Friday at 4 8050@4 81 for long, 4 8350@4 8360 for short and 4 8410@4 8420 for cables. Commercial on banks 4 7990@4 80, and documents for payment 4 79½@4 80½. Cotton for payment 4 79½@4 79½, cotton for acceptance 4 7990@4 80 and grain for payment 4 80½@4 80½.

The following gives the week's movement of money to and from the interior by the New York banks:

Week ending Sept. 7 1906.	Received by N. Y. Banks.	Shipped by N. Y. Banks.	Net Interior Movement.
Currency .....	\$6,152,000	\$10,537,000	Loss \$4,385,000
Gold .....	750,000	2,600,000	Loss 1,850,000
Total gold and legal tenders .....	\$6,902,000	\$13,137,000	Loss \$6,235,000

With the Sub-Treasury operations the result is as follows:

Week ending Sept. 7 1906.	Into Banks.	Out of Banks.	Net Change in Bank Holdings.
Banks' interior movement as above .....	\$6,902,000	\$13,137,000	Loss \$6,235,000
Sub-Treas. oper. and gold imports .....	23,100,000	26,600,000	Loss 3,500,000
Total gold and legal tenders .....	\$30,002,000	\$39,737,000	Loss \$9,735,000

The following indicates the amount of bullion in the principal European banks:

Bank of	Sept. 6 1906.			Sept. 7 1905.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.
England ..	£ 38,010,988	£	£ 38,010,988	£ 35,693,823	£	£ 35,693,823
France ..	116,125,558	42,032,674	158,158,232	118,977,679	44,292,127	163,269,806
Germany ..	32,940,000	10,980,000	43,920,000	34,938,000	11,646,000	46,584,000
Russia ..	110,889,000	5,942,000	116,831,000	113,367,000	5,548,000	118,915,000
Aus. Hun ..	46,943,000	12,142,000	59,085,000	46,391,000	12,619,000	59,010,000
Spain .....	15,239,000	24,866,000	40,105,000	14,923,000	22,639,000	37,562,000
Italy .....	29,763,000	3,846,400	33,609,400	24,551,000	3,268,700	27,819,700
Neth'ld's ..	5,528,000	5,694,500	11,222,500	6,597,800	6,151,300	12,749,100
Nat. Belg. ..	3,388,000	1,694,000	5,082,000	3,210,000	1,605,900	4,815,900
Sweden .....	3,879,000	-----	3,879,000	3,584,000	-----	3,584,000
Tot. week 402,705,546	107,197,574	509,903,120	402,233,302	107,769,127	510,002,429	
Tot. prev. 406,533,472	108,282,711	514,816,183	405,348,004	108,785,180	514,133,184	

MR. HILL ON THE COUNTRY'S RESOURCES.

Mr. James J. Hill's address to the Minnesota State Fair, on Labor Day, contained some of the shrewd and original observations on current industrial questions which are apt to occur in his public utterances. Mr. Hill assumed on this occasion the role of warning prophet. His warning is based on two dangers which he believes to beset industrial America—wastefulness in its use of the output of metals, minerals and the forests, and loose and unscientific methods in agriculture. Of the first of these two questions Mr. Hill was able to present a formidable problem for the distant future. We do not know, however, that it is any more formidable than the presentation, which has been made on a score of previous occasions, of the same problem in the case of other nations. The most celebrated case in point was Professor Jevons's famous "Inquiry concerning the Progress of the Nation and the Probable Exhaustion of Our Coal Mines." This pamphlet, put forth in 1865 for the benefit of the British public by an eminent economist, warned England that within a century exhaustion of its coal mines was to be expected, predicted that within half that time the progressive depletion of England's coal supply would be raising the cost of fuel in manufacture toward prohibitive levels, such as would arrest the country's industrial progress, and commended the study of the problem to his readers as "of almost religious importance."

The keen and eager controversy which followed Professor Jevons's economic tract is now almost forgotten; forty years from the date of his warning England's coal supply and the prospect of its present exhaustion keep no English financier awake at night, and we are somewhat inclined to think that Mr. Hill's very similar warnings will meet a somewhat similar reception. In the following paragraph he states what, as a theoretical estimate, is at least extremely interesting:

"In the year 1950, so far as our own resources are concerned, we will approach an ironless age. For a population of 200,000,000 people our home supply

of iron will have retreated almost to the company of the precious metals. There is no substitute whose production and preparation for practical use is not far more expensive. Not merely our manufacturing industries but our whole complex industrial life, so intimately built upon cheap iron and coal, will feel the strain and must suffer re-alignment. The peril is not one of remote geologic time, but of this generation. And where is there a sign of preparation for it?"

All this may be theoretically true, assuming production, consumption and prices as of to-day to be permanent. But Mr. Hill, it seems to us, takes rather small account of the inevitable periods of reaction when, by a species of automatic check, the over-exploiting of mines and forests, always noticeable in "boom times," ceases because demand itself has slackened. That at some period in the course of human events, a time will be reached when the predictions both of Professor Jevons and of Mr. Hill will be fulfilled, is a proposition susceptible of mathematical proof. If such a period does not arrive in 1950 or in 1965, it will none the less certainly arrive at some later date. But the peril cannot be described as imminent, and we imagine that the community at large will comfortably repose in the meantime on the assumption that, as these necessary industrial products grow scarce or disappear, invention and utilization of the other forces of the world will have advanced so far as largely to supersede them. Indeed, one may see already, in the plans for opening up new countries, one important factor of relief to a situation such as these gloomy prophecies outline. The coal reserves of Newfoundland on this Continent, and of Central China on the other have hardly yet been opened up profitably to industry. Naturally, all such less favorably stationed reserves of fuel would be the first objective point as the nearer supplies approach exhaustion.

Meantime, it is difficult to see how any restriction on exploitation of these products can be imagined. Another eminent economist, Professor Nassau W. Senior, who flourished sixty or seventy years ago, constructed an elaborate theory to prove that exports of merchandise, paid for in gold by the markets which received them, were a waste and loss to the exporting country. Had they remained at home, they not only would have provided greater abundance of materials or food for the domestic community, but would have lowered the price to the consumer by competing with other similar products in home markets. This ingenious theory never made any profound impression, either on legislators or on the people at large. It hardly need be observed how foreign it is to the American view of trade and commerce at this moment.

What Mr. Hill has to say regarding agriculture is more immediately to the point. Our wheat harvest of the present year promises abundant supplies, both for home use and for export. It is not very long, however, since some good judges of the wheat trade seriously maintained that our capacity as a wheat exporter was being rapidly impaired, and that in no great time we should be brought to take our place among the wheat importers. In Broomhall's Liverpool "Corn Trade Year Book" for 1904, the review of our own grain crops of that year led to the positive conclusion that, since the greater proportion of present-day immigrants become consumers rather than producers of cereals, since good wheat land can no longer

be obtained for low prices, since mixed farming begins to replace cultivation of wheat on a wholesale scale, and since, at the same time, our increased population calls for increase of nearly ten million bushels annually in wheat consumption, it is to be expected that the United States will lose its place in the cereal export trade.

We know to what extent predictions based on the short wheat crop of 1904 turned out elusive in the ensuing years; this year we may have an export surplus almost inconveniently large. Nevertheless, Mr. Hill's assertion, first, that the country's main industrial dependence is on cultivation of the soil, and, next, that our farmers ought to be able to produce as much per acre as is done in the older European producing States, is worthy of serious consideration. These questions have, in fact, been already much debated in the Agricultural Department, whose best work during recent years has been along lines of informing farmers as to improved methods of managing their industry. The appeal with which Mr. Hill concludes his speech, for diversion of labor from the overcrowded cities to the farms, deserves some notice. The farms, as he correctly says, stretch out their hands in vain to the labor which remains congested in the larger cities, with certainty of distress at the first sign of trade reaction. Undoubtedly, if this surplus labor could be made effective on the farm, the result would be happy for all parties. But whether such consummation is a possibility, we doubt. Farm labor presupposes certain physical qualities which not all immigrants or city laborers possess. It also usually signifies purely temporary employment at the wages above described, whereas the city's opportunities are more permanent, even if not so brilliant for the moment. And, after all, does it not impress one with a sense of the curious mutability of industrial fortune, that such an argument should be addressed to the American people, only ten years from the time when the whole United States had almost become convinced that agriculture was no longer a profession which could safely be engaged in with the idea of profit?

#### *THE DENVER & RIO GRANDE RAILROAD.*

In the period covered by the present report the Denver & Rio Grande Railroad had opportunity to show what it could do in a year of normal conditions, and the result is very gratifying. Previously the two States in which is located most of the mileage of the system, namely Colorado and Utah, had been trammelled by strikes and other labor troubles, and these operated as a serious hindrance to the growth and development of that part of the country. The Denver & Rio Grande naturally suffered from this condition of things with the other industries of Colorado and Utah, and as a result its gross revenues for 1904-05 were only \$17,031,507 as against \$17,036,828 three years before in 1901-02, while its net earnings also showed very little growth. But during 1905-06 the industries of the two States were once more free from the disturbing features which had been such an adverse influence in the years immediately preceding, and as a consequence gross earnings in that period increased from \$17,031,507 to \$19,686,115, and net earnings from \$6,862,547 to \$7,581,943.

Of the total increase in gross receipts of \$2,654,607 for the twelve months, \$2,011,136 came from freight,

\$570,010 came from passengers and \$73,461 came from express, mails and miscellaneous—indicating growth in all directions. It is needless to say that the total of the gross receipts at \$19,686,115 is by far the largest in the company's history. President Jeffery refers to the absence of disturbing influences during the year and dwells on the important part played by the maintenance of order in promoting prosperity. He notes that the indications at present point to equally favorable results in the new or current fiscal year, but says the outcome depends in great measure, if not wholly, on harmonious relations between employers and workmen, respect for the laws, and freedom from disorders and acts of violence, which have heretofore at times disturbed confidence and retarded the active and successful development of the great natural resources of the two States.

With earnings so largely increased, the company's income statement is naturally a very favorable one. But what disposition was made of the large income? Was it used for the purpose of enlarging the dividend returns to the shareholders? The same policy was pursued as in the case of so many well managed roads; the money was put back into the property—that is, used for its improvement and development, which is the same as saying that it was employed to promote the welfare of the territory traversed by the system. After providing for the fixed charges, including two semi-annual dividends of  $2\frac{1}{2}\%$  each upon the preferred capital stock and contributing \$120,000 to the Renewal Fund, there remained a surplus from the operations of the twelve months of \$1,306,839. Out of this there was set aside the sum of \$1,000,000 for the purchase of standard-gauge equipment of modern design and capacity to replace old equipment of insufficient capacity and inadequate for economical operation. A further sum of \$150,000 was applied in part payment of the cost of engine-houses at Denver and Pueblo. The new equipment will be of 30 to 50 tons capacity and the new engine-houses will meet an urgently felt want. The reader desiring further particulars regarding these improvements will find them in the annual report. The report will also show what is being done for the further development of the territory tributary to the lines of the system through the building of new branches, feeders and extensions. Details are given there, too, regarding the standard-gauging of additional parts of the system.

Obviously the improvements constantly being made conduce to economy in operations, and evidence of increased efficiency is found in an important addition to the average train-load during the late year. In 1904-05 the trains hauled an average revenue load of 206 tons and an average of 29 tons of non-revenue freight, making a total of 235 tons. In 1905-06 the average revenue load was increased to 220 tons and the non-revenue load to 32 tons, a total of 252 tons.

Mr. Jeffery makes reference again to the important project which the company has under way for the building of an independent line under its own control to the Pacific at San Francisco. The Western Pacific Railway is the name of the new enterprise, whose construction the Denver & Rio Grande, together with its auxiliary, the Rio Grande Western, is promoting. It provides for a line running 924 miles from Salt Lake City to San Francisco. It is explained as a favorable feature that this line will have very low grades. The

maximum grade will be not over 1% (52.8 feet to the mile) and we are told that 80% of the line will have a grade of no more than 4-10 of 1%, or only about 21 feet to the mile.

Active work on this Pacific Coast extension has been under way during the greater portion of the fiscal year, but it is stated that the scarcity of labor throughout the country has retarded progress, so that less has been accomplished thus far than had been anticipated. It is thought that later on full forces will be obtained and that the enterprise can be completed in about two years. The question, of course, comes up whether the prospects of this new line have not been seriously impaired by the unfortunate catastrophe which overtook San Francisco a few months ago. Mr. Jeffery furnishes a telling and convincing answer to this question and his remarks on that point are worth quoting in full as follows:

It may not be out of place to say that recent events in San Francisco have in no wise disturbed the confidence your directors have expressed in this new line of railway and in the advantages to be derived from the development of its local resources, and the importance and value of this new artery of commerce to the Denver & Rio Grande system. Faith in the future of the Western Pacific Railway is just as strong as it was before the San Francisco disaster. The city will be rebuilt on finer, more attractive and better engineering plans. The great harbor will continue to hold and increase its ocean commerce; the navigable waters of the Sacramento Valley will always attract and sustain inland navigation. San Francisco as a financial centre will maintain her supremacy on the Pacific Coast; trade and commerce by land and water will pay tribute in greater volume than ever before to her merchants, manufacturers and citizens generally. The soil of California is as fertile as it was before the disaster, the mines are as productive, the forests are as rich in timber, and the other various natural resources are just as extensive and valuable.

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#### NORFOLK & WESTERN'S PROGRESS.

The Norfolk & Western annual report comes contemporaneously with the news that the Pennsylvania Railroad Co. has disposed of a large portion of its interest in the property. The Pennsylvania never held a controlling amount of stock, but it undoubtedly exercised a dominating influence in the road's management in recent years. That the connection of the Pennsylvania with the property was advantageous cannot be denied. That continuance of Pennsylvania participation in the management is not essential to its continued prosperity is equally beyond dispute. The property is perfectly able to stand alone unaided. The truth is, association of interest between the Pennsylvania and the Norfolk & Western was a mutually beneficial arrangement. The Pennsylvania got quite as much advantage out of it as the Norfolk & Western. It was the policy which this association of interests represented that was important and this policy is not likely at this late date to be changed, even if the Pennsylvania Railroad should withdraw from all ownership in the Norfolk & Western.

The policy referred to was simply a development of the community-of-interest idea and it arose out of the necessities of the situation. Rivalry between competing roads had reached a stage that threatened absolute ruin to all the roads. Through the practice of cutting rates and the giving of secret rebates and

preferences, an intolerable situation had been created, and in the absence of the enforcement of the Inter-State Commerce Law there was no way in which a corrective could be applied except by giving the directors of one road a voice on the boards of other roads. This insured conservative counsel and checked the spirit of reckless rivalry which had previously prevailed. As a result, the practice of carrying freight for less than the cost of the service was discontinued. The old state of things has passed away, never to return. The Inter-State Commerce Law is now being strictly enforced, as it should have been from the first, and even if this were not so, the unwisdom of the old methods has been so thoroughly demonstrated that the owners of the properties would not in any event consent to a return to former practices.

The Norfolk & Western has enjoyed wonderful development. Its traffic consists very largely of low-grade freight, which has to be moved at very small average rates, and its success depended entirely upon its ability to move such traffic at a minimum of cost to itself for performing the work. This desideratum has been attained and great and growing prosperity has attended the effort. Each year shows some new record in operating efficiency and in the growth of traffic and income. In the late twelve months alone there was a further addition to the freight traffic in amount of 3,414,211 tons, or 21.5%, and an increase in the tonnage movement one mile of no less than 741,227,306 tons, or over 17%. Yet this additional work was done with an increase in freight train mileage of only 7.6%. The result consequently has been a further increase of 48 tons in the average train-load, bringing it up to the extraordinary figure of 579 tons. What has been accomplished in this respect will appear when we say that in 1897-98 the train-load of revenue freight averaged only 355 tons, and that was considered a very high figure at that time. Thus the average load has been enlarged by 224 tons. Of course, as was stated last year, the real significance in this expansion of the train-load lies in the increase it has made possible in the earning capacity of the trains. The company now realizes better average rates than at the earlier period, the average having been 4.81 mills per ton per mile in 1905-06 against 4.04 mills in 1897-98. This improvement in rates, combined with the increase in train-load, has worked a wonderful transformation in the earnings of the trains—as a matter of fact has practically doubled the same. In other words, in 1905-06 the trains earned \$2 80 per mile run as against only \$1 43 per mile run in 1897-98.

The growth in the road's traffic has been no less wonderful. This growth has been in part due to the ability to handle and move traffic thus cheaply, and in part has followed from the judicious construction of new branches and feeders; in part also, it may be ascribed to the normal development which is constantly going on in all parts of the country. Above everything else, good management has had its share in the improvement. We have spoken above of the further increase during the last twelve months alone of 3,414,211 in the tons of freight moved. Of this increase 1,326,863 tons was contributed by the coal shipments and 411,511 tons by the coke shipments; but this still leaves a very large margin for gain from other sources; and as a matter of fact the gain extended to practically

all classes of freight. For instance, the lumber shipments were added to in amount of 379,137 tons; the ore shipments in amount of 262,648 tons, the limestone shipments in amount of 173,654 tons; and the pig iron shipments in amount of 134,704 tons.

Aggregate gross earnings in the late year increased no less than \$4,398,505, raising the total from \$24,089,259 to \$28,487,765, and net earnings increased \$1,948,316, raising the total from \$9,474,825 to \$11,423,141. After adding on income from other sources, total net income in 1905-06 was \$11,588,486; the call for interest and other fixed charges was only \$4,136,111, leaving an excess of net income for the twelve months of \$7,452,374. It is only ten years since the road was reorganized, and as indicating how completely its position has been transformed in recent years, it is only necessary to point out that as against gross earnings now of \$28,487,765, the amount in 1897-98 was no more than \$11,236,123, and as against net now of \$11,423,141, the amount at the earlier date was but \$3,350,024. The surplus above charges at \$7,452,874 for 1905-06 compares with only \$1,143,554 in 1897-98. The number of passengers carried one mile has risen in the interval from 66,797,454 to 154,860,312, and the number of tons of freight carried one mile from 2,301,312,744 to 5,011,466,563 tons.

This expansion in traffic and revenues explains the need for constant supplies of new capital, notwithstanding the large appropriations made each year out of revenues to meet the calls for funds. In the late year \$2,950,000 altogether was appropriated in this way out of income—\$2,250,000 being for betterments to property and \$700,000 for additional equipment—and even then a credit balance of \$760,176 remained on the operations of the twelve months over and above these large special appropriations and over and above the 4% dividends paid on both the common and the preferred shares. In 1904-05 the contributions in this way for the betterment fund and for additional equipment were \$2,250,000; in 1903-04, \$2,000,000; in 1902-03 and 1901-02 the appropriation was \$2,500,000 each year; in 1900-01 the sum allowed out of earnings was \$1,500,000; and in 1899-1900 there was likewise a contribution of \$1,500,000. Altogether, \$15,200,000 of surplus revenues have been applied in this way in the last seven years.

It is necessary to bear these facts in mind in view of the proposition now being made to the shareholders to sanction an increase in the outstanding amount of stock of the company and also to authorize a large issue of convertible bonds. President L. E. Johnson makes reference to the matter in the report and points out that from the organization of the company down to June 30 1906 the expenditures for railroad lines, branches and extensions, acquired or constructed, for second track, for sidings, yards, stations and other transportation facilities, for betterments to the property and for equipment, have aggregated \$41,364,598. Of this sum there was provided by sales of capital obligations the sum of \$22,391,497, the remaining \$18,973,101 of expenditures having been made from surplus income. Additions to the equipment in use were also made through the agency of equipment trusts under which there have been issued an aggregate of \$10,500,000 of equipment trust certificates, of which \$1,100,000 matured and were paid to June 30 1906.

Among other things, the equipment has through these expenditures been increased by 328 locomotives and by 15,382 cars. Notwithstanding the large expenditures referred to and the unceasing efforts of the management to supply adequate facilities, the demands of a broad and expanding industrial development upon the company's resources have not, it is declared, at any time been fully met. While existing deficiencies are being supplied, new needs are developing. Extensive plans are then outlined for future additions and improvements. It is urged with much force that the results achieved in the company's operations have so enhanced its credit as to suggest that the interests of the stockholders may in the not distant future be best subserved by financing the capital requirements for further construction, equipment and betterments by the sale of common stock or of bonds convertible into common stock. Accordingly, shareholders are asked to approve an increase of the authorized common stock of the company by the sum of \$34,000,000, to an aggregate of \$100,000,000, and to sanction the creation of an issue of bonds of the company convertible into common stock at the option of the holders during a term of years, the terms and provisions of conversion and the times and amounts of issuance to be determined by the board of directors. There is much to commend in this proposition and there seems good reason to think that approval will be given to it by the shareholders.

#### THE CHICAGO & NORTH WESTERN REPORT.

Among railroad properties in the United States the Chicago & North Western Railway Co. may be said to be a thing sui generis. Certainly in the yearly contributions made out of earnings for new construction, improvements and permanent additions it stands unique, having few, if any, equals. The report just received for the year ending June 30 1906 shows that the amount applied out of earnings in that period of twelve months—we mean the amount specifically set aside for that purpose—was no less than \$6,000,000. This falls but little short of the sum charged against the year's account for dividends during the same time (at the rate of 8% on the preferred stock and 7% on the common stock), which was \$6,483,913. Even after this extraordinary contribution, a credit balance still remains on the operations of the twelve months in the sum of \$2,316,639. This surplus, it may be assumed, was employed in much the same way—going to strengthen the physical and financial condition of the property.

In reviewing the annual report of the previous year we made some computations to show the extent to which this policy had been carried in recent periods, and in view of the further and still larger applications of income in the same way in the late year, it may be well to recall these figures. We found that in the six years ending June 30 1905 no less than \$27,022,040 of net income had been specifically set aside for new construction, improvements and permanent additions to the property. The policy of making direct appropriations from income was begun in 1899-1900. In 1898-99, before the inauguration of this policy, the surplus above the dividend requirement was \$3,635,325; with the deduction of the amounts applied for improvements and new construction the yearly surplus since then has not been so large. Still it was found that



for the seven years ending with June 30 1905 the aggregate of the surplus had been \$10,589,027. For the same period of seven years there had also been net receipts from land grants and town lots of \$4,047,743. Altogether, therefore, we got a grand total of \$41,658,810, which in one form or another had gone into the property out of income to strengthen its physical and financial condition during the seven years in question. Adding now the results for 1905-06, namely (1) the \$6,000,000 specifically set aside for the purpose named; (2) the \$2,316,639 surplus remaining after such appropriation; and (3) the \$246,954 net cash receipts from land grants and town lots, the amount that has gone into the property from these various sources during the last eight years is increased to over 50 million dollars—the exact total being \$50,222,403. Truly this is a wonderful record.

With the aid of such results the financial condition of the company is becoming equally unique. The construction expenditures for the late year were \$9,444,024 but to defray the cost \$6,000,000, as we have already seen, was taken directly out of earnings. The outstanding funded debt of the company was decreased no less than \$3,862,000 during the year, and this followed small decreases in both the years immediately preceding; \$4,880,000 of 3½% general mortgage bonds were issued against the bonds retired and to cover construction expenditures made during the year, but these issues all remain unsold in the treasury. The company held a considerable amount of its own bonds in the treasury when the year opened and this further addition increases the total to no less than \$10,813,000. But it will be recalled that during the year the outstanding common stock of the company was considerably enlarged. On June 1 1905 the shareholders were offered at par \$10,609,230 of new common stock and April 2 1906 they were offered \$16,267,400 more of such new stock at par, making together \$26,876,630.

The coming month shareholders are to be asked to authorize an increase in the limit of the capital stock issue to \$200,000,000 from the present authorized total of \$100,000,000 (of which \$99,915,700 had been issued June 30 1906), the whole of the additional stock to consist of common shares. Judging from the balance sheet, however, the company will have no immediate need for putting out any of the additional stock. It had \$16,835,918 of actual cash on June 30 1906. Adding amounts due from agents and other sources the total of cash assets (not counting materials and fuel on hand) was \$20,127,914. Furthermore, it held, as already stated, \$10,813,000 of its own bonds in the treasury and also held \$2,337,837 of its own stock. It appears, too, that the company acquired during the year \$4,100,000 of the preferred stock of the Union Pacific Railroad at a cost of \$3,840,000. Thus, there were on June 30 1906 cash assets and available securities of an aggregate of \$37,118,751. The current liabilities at the same date were no more than \$9,531,401.

**RAILROAD GROSS AND NET EARNINGS FOR THE HALF-YEAR.**

Five weeks ago to-day we presented a statement of the gross earnings of United States railroads for the first half of the current calendar year, showing a quite remarkable record of improvement. To-day, by means of later returns, we are able to carry our com-

pilations one step further and give the results as to both gross and net. It is gratifying to find that, treating the roads collectively, the gain in the net reaches substantial proportions. However, this does not evidence that the course of expenses has not been strongly upward, the same as in previous years, but rather that the addition to the gross was of such magnitude that, notwithstanding the heavy augmentation in expense accounts, a considerable amount of gain was saved nevertheless for the net. In brief, on the 166,684 miles of road for which we have been able to procure figures of both gross and net there has been an increase of \$108,068,243 in the gross earnings and an increase of \$45,755,192 in the net earnings, per the following summary.

January 1 to June 30. (143 roads).	1906.	1905.	Increase or decrease.	
			Amount.	%
Miles of road	166,684	164,608	+2,076	1.26
Gross earnings	\$ 923,554,268	\$ 815,486,025	+108,068,243	13.25
Operating expenses	651,453,221	589,140,170	+62,313,051	10.57
Net earnings	272,101,047	226,345,855	+45,755,192	20.21

Both in the gross and in the net the gain is the largest ever reported in this period of six months. This fact stands very clearly revealed in the table we now present, carrying the record back to 1897.

Year.	Gross Earnings.			Net Earnings.		
	Year Given.	Year Preceding.	Increase or Decrease.	Year Given.	Year Preceding.	Increase or Decrease.
Jan 1 to June 30.	\$	\$	\$	\$	\$	\$
1897	405,003,731	407,164,468	-2,160,737	121,059,320	115,427,318	+5,632,002
1898	460,528,130	410,596,441	+49,931,689	139,585,717	121,395,882	+17,990,035
1899	489,509,765	461,993,058	+27,516,707	150,599,074	140,545,535	+10,053,539
1900	577,149,664	506,366,345	+70,783,319	180,718,437	155,591,468	+25,126,969
1901	638,334,794	580,421,956	+57,912,838	206,218,320	179,495,140	+26,723,180
1902	670,398,926	631,494,280	+38,904,646	109,973,703	202,250,797	+7,722,906
1903	727,932,367	637,699,839	+90,232,528	218,024,056	198,256,826	+19,767,230
1904	731,774,531	744,860,135	-13,085,604	198,807,547	224,157,420	-25,349,873
1905	847,334,204	790,321,750	+57,012,454	234,333,810	215,417,468	+18,916,342
1906	923,554,268	815,486,025	+108,068,243	272,101,047	226,345,855	+45,755,192

Note.—In 1897 the number of roads included in the totals is 170; in 1898, 179; in 1899, 165; in 1900, 170; in 1901, 172; in 1902, 154; in 1903, 159; in 1904, 136; in 1905, 148; in 1906, 143. Neither the Mexican roads nor the coal-mining operations of the anthracite coal roads are included in any of these totals.

Conditions were not all favorable during these six months of 1906, and yet in general they were highly satisfactory. We need not recount all the influences and circumstances that played a part in affecting results, since that was done with considerable detail in our article of five weeks ago. Suffice it to say that the chief untoward circumstances were the coal strikes and the falling off in the cotton movement in the South. On the Pacific coast of course the earthquake and fire at San Francisco was a serious disturbing influence. On the other hand, our industries remained in a state of great activity and the iron and steel trades were almost continuously buoyant. Then the grain traffic of the roads was heavily increased, following last season's large harvests, and Western roads also had a larger live-stock movement. Another fact should not be overlooked. Many of our railroad transportation lines enjoyed a great advantage in 1906, owing to the mild winter weather experienced, contrasted with the very severe winter weather encountered the previous two years. This meant a considerable saving in the expense accounts; and, bearing that fact in mind, the circumstance that expenses, notwithstanding that saving, should have increased \$62,313,051, with an increase of \$108,068,243 in gross earnings, indicates how strong is the normal tendency of expenses to increase by reason of higher wages and enhanced cost of fuel, materials and supplies.

What a favorable influence the mild weather was in plain from the exceptional amounts of gain in net

shown by our monthly compilations in January and February. Here is the record for each of the six months. It will be observed that the improvement in net in the later months has been relatively small.

Table with columns for Month, Gross Earnings, and Net Earnings for 1906 and 1905, including percentage changes.

Note.—Percentage of increase or decrease in net for the above months has been: Jan., 43.25% inc.; Feb., 67.96% inc.; March, 14.26% inc.; April, 4.67% inc.; May, 11.20% inc.; June, 13.21% inc.

When arranged in groups every group except the Anthracite Coal group is found to have participated in the increase as to both gross and net, though the amounts and ratios of gains vary considerably.

SUMMARY BY GROUPS.

Summary table showing Gross Earnings and Net Earnings by Section or Group for 1906 and 1905.

MILEAGE.—The mileage for the above groups is as follows: New England, 4,022 in 1906, against 3,951 in 1905; Trunk Lines 27,324, against 27,305; Anthracite Coal, 5,136, against 5,136; Eastern & Middle, 4,079, against 3,960; Middle West, 12,064, against 11,957; North West & North Pacific, 35,455, against 35,016; South West & South Pacific, 48,168, against 47,663; and Southern, 30,436, against 29,620.

In the case of the separate roads the record of improvement is a very noteworthy one. There are some companies, of course, which show losses, but the number is very small and confined mainly to roads which have suffered from special drawbacks like the coal strikes or the San Francisco earthquake.

PRINCIPAL CHANGES IN GROSS EARNINGS FOR 6 MONTHS.

Table showing principal changes in gross earnings for 6 months, comparing 1906 and 1905 for various railroad groups.

These figures are for the Railroad Company; the Coal & Iron Company reports a decrease of \$3,809,923 for the five months. These figures cover only lines directly operated east and west of Pittsburgh and Erie.

PRINCIPAL CHANGES IN NET EARNINGS FOR 6 MONTHS.

Table showing principal changes in net earnings for 6 months, comparing 1906 and 1905 for various railroad groups.

These figures are for the Railroad Company; the Coal & Iron Company reports a decrease of \$861,415 for the five months.

On the Pennsylvania R.R. the net on lines directly operated east of Pittsburgh & Erie increased \$3,873,900 and the net on Western lines increased \$1,766,600.

Covers five months only, June not yet having been reported.

We now give the detailed statement for the half-year referred to above. It shows the results for each road separately in all of the groups.

EARNINGS OF UNITED STATES RAILWAYS JAN. 1 TO JUNE 30.

Table showing earnings of United States Railways by group (New England, Boston & Albany, etc.) for 1906 and 1905.

Figures for 1906 (but not for 1905) include the operations of the Newburg Dutchess & Connecticut and the Dutchess County R.R.

Table showing earnings of Trunk Lines for 1906 and 1905, including Baltimore & Ohio, Det Gr H & Milw, etc.

Note.—In the above we show in the case of the Pennsylvania Railroad the results or the lines directly operated only, east and west of Pittsburgh and Erie.

These are results after deducting the earnings of the Boston & Albany in the New England Group above.

Table showing earnings of Anthracite Coal for 1906 and 1905, including Central of N.J., Delaware & Hud., etc.

These figures are for the Railroad Company only. The Coal & Iron Company reports gross for five months of 1906 of \$12,666,588, against \$16,476,511 in 1905.

These earnings are exclusive of results of coal companies.

Table showing earnings of East and Middle for 1906 and 1905, including Bellefonte Central, Bessemer & L Erie, etc.



COTTON MOVEMENT AND CROP  
OF 1905-06.

Our statement of the cotton crop of the United States for the year ending Sept. 1 1906 will be found below. It will be seen that the total crop this year reaches 11,319,860 bales, while the exports are 6,716,351 bales and the spinners' takings are 4,852,352 bales, leaving a stock on hand at the close of the year of 198,178 bales. The whole movement for the twelve months is given in the following pages, with such suggestions and explanations as the peculiar features of the year appear to require. The first table indicates the stock at each port Sept. 1 1906, the receipts at the ports for each of the past two years and the export movement for the past year (1905-06) in detail, and the totals for 1904-05 and 1903-04.

Ports of—	Receipts for Year ending—		Exports Year Ending Sept. 1 1906.				Stocks.	
	Sept. 1 1906.	Sept. 1 1905.	Great Britain.	France.	Continent.	Total.	Sept. 1 1906.	Sept. 1 1905.
Lou'ana.	1,653,142	2,689,520	751,945	250,375	567,286	1,569,606	15,273	43,444
Texas	2,807,127	3,161,503	1,086,954	318,428	843,591	2,248,973	52,318	70,186
Georgia	1,697,146	2,075,439	310,130	74,322	730,854	1,115,306	18,868	30,878
Alabama	250,350	329,556	55,939	40,796	43,219	139,954	4,355	3,381
Florida	183,152	217,649	83,629	39,993	53,339	176,961	4,104	7,808
S. Ca'lina	177,671	225,988	5,500	—	4,400	9,900	3,464	4,223
N. Ca'lina	400,758	467,317	139,595	5,225	175,263	320,083	314	2,490
Virginia	620,121	757,319	21,820	9,000	3,552	34,372	9,928	15,543
New Y'k	a6,575	a33,798	179,370	26,222	313,816	519,418	83,971	132,102
Boston	a63,822	a83,614	136,408	—	10,914	147,322	2,266	3,294
Baltimore	a65,682	a63,872	85,222	13,974	56,982	156,178	2,067	4,000
Phila.	a10,317	a13,645	35,620	—	4,065	39,685	1,250	952
P't'd, &c	—	—	10,714	—	a114,872	125,586	—	—
S. Fr., &c.	—	—	—	—	113,007	113,007	—	4,291
Totals—								
This yr	7,935,863	—	2,902,846	778,345	3,035,160	6,716,351	198,178	—
Last yr	—	10,119,220	4,128,952	860,930	3,887,518	8,877,400	—	322,592
Pre. yr	—	7,235,568	2,582,646	706,561	2,844,925	6,134,132	—	111,799

a These figures are only the portion of the receipts at these ports which arrived by rail overland from Tennessee, &c. b Shipments by rail to Canada.

The foregoing shows that the total receipts at the Atlantic and Gulf shipping ports this year have been 7,935,863 bales, against 10,119,220 bales last year and 7,235,568 bales in 1903-04; and that the exports have been 6,716,351 bales, against 8,877,400 bales last season and 6,134,132 bales the previous season, Great Britain getting out of this crop 2,902,846 bales. If now we add the shipments from Tennessee and elsewhere direct to manufacturers, and Southern consumption, we have the following as the crop statement for the three years:

Year Ending September 1.	1905-06.	1904-05.	1903-04.
Receipts at ports..... bales.	7,935,863	10,119,220	7,235,568
Shipments from Tennessee, &c., direct to mills.....	985,593	1,234,215	880,609
Total.....	8,921,456	11,353,435	8,116,177
Manufactured South, not included above.....	2,398,404	2,203,406	2,007,509
<b>Total Cotton Crop for the Year.. Bales.</b>	<b>11,319,860</b>	<b>13,556,841</b>	<b>10,123,686</b>

The result of these figures is a total crop of 11,319,860 bales (weighing 5,788,728,073 pounds) for the year ending August 31 1906, against a crop of 13,556,841 bales (weighing 6,996,731,233 pounds) for the year ending August 31 1905.

NORTHERN AND SOUTHERN SPINNERS' takings in 1905-06 have been as given below:

Total crop of the United States, as before stated..... bales.	11 319,860
Stock on hand commencement of year (Sept. 1 1905) —	
At Northern ports.....	144,639
At Southern ports.....	177,953
At Northern interior markets.....	9,438
Total supply during the year ending Sept. 1 1906.....	11 651,890
Of this supply there has been exported to foreign ports during the year..... a6,601,479	
Less foreign cotton imported and American cotton returned b..... bales.	134,637—6,466,842
Sent to Canada direct from West.....	114,872
Burnt North and South c.....	14,451
Stock on hand end of year (Sept. 1 1906) —	
At Northern ports.....	89,554
At Southern ports.....	108,624
At Northern interior markets.....	5,195
Total takings by spinners in the United States for year ending Sept. 1 1906.....	4,852,352
Taken by Southern spinners (included in above total).....	2,398,404
Total taken by Northern spinners.....	2,453,948

a Not including Canada by rail. b Includes 1,389 bales of American cotton returned and 100,896 bales foreign, mainly Egyptian, equaling 133,248 bales of American weights. c Burnt includes not only what has been thus destroyed at the Northern and Southern outports, but also all burnt on Northern railroads and in Northern factories.

These figures show that the total takings by spinners North and South during 1905-06 have reached 4,852,352 bales, of which the Northern mills have taken 2,453,948 bales and the Southern mills 2,398,404 bales.

Distribution of the above three crops has been as follows:

Takings for Consumption—	1905-06. Bales.	1904-05. Bales.	1903-04. Bales.
North.....	2,453,948	2,346,652	2,137,369
South.....	2,398,404	2,203,406	2,007,509
Total takings for consumption.....	4,852,352	4,550,058	4,144,878
Exports—			
Total, except Canada by rail.....	6,601,479	8,752,454	6,048,629
To Canada by rail.....	114,872	124,946	85,503
Total exports.....	6,716,351	8,877,400	6,134,132
Burnt during year.....	14,451	36,981	934
Total distributed.....	11,583,154	13,464,439	10,279,944
Deduct—			
Stock decrease, plus cotton imported.....	263,294	a92,402	156,258
Total crop.....	11,319,860	13,556,841	10,123,686

a Addition.

In the above are given the takings for consumption. The actual consumption for the same two years has been:

	1905-06. Bales.	1904-05. Bales.
Northern mills' stock Sept. 1.....	264,561	134,007
Takings a.....	4,852,352	4,550,058
Total.....	5,116,913	4,684,065
Consumption—North a.....	2,499,768	2,216,098
South.....	2,398,404	2,203,406
Northern mills' stock end year.. bales.....	218,741	264,561

a Takings and consumption include 1,389 bales American cotton returned and 133,248 bales foreign cotton (Egyptian, Peruvian, &c.) in 1905-06 and 124,465 bales foreign and returned American cotton in 1904-05.

Consumption in the United States and Europe.

UNITED STATES—The activity which was such a noteworthy feature in the cotton manufacturing industry during most of the year 1904-05 has continued with virtually no interruption throughout the season just closed. Moreover, no such trouble with labor has occurred this year as fully stopped or seriously checked the operation of the mills at Fall River for a considerable portion of the previous season. Consequently, with productive capacity unhampered, with new mills starting up in Southern localities and a full demand for the output of spindles and looms, consumption of the raw material has progressed to an extent greater than ever before in the United States. And this has been the case despite a gradual though steady movement in the direction of running on lighter-weight goods—that is on goods weighing more yards to the pound.

No lack of supplies of raw material to fully meet the consumptive demand from abroad, as well as from home spinners, has been in evidence. Some operators speculatively interested in advancing prices for the raw material have at times attempted to inculcate the opposite idea. Statements have been circulated purporting to show that the year's yield, in conjunction with the large surplus carried over from the 1904-05 crop, would be insufficient to supply mill requirements without reducing visible stocks close to a famine point. The unreliability of such statistics we have frequently pointed out. Of course, the 1905-06 crop may be stated to be not fully up to early expectations, but it has reached 11,319,860 bales (commercial crop), which, with the visible stock of American cotton on Sept. 1 1905, gave a total supply of American for the season of 12,958,330 bales. The absorption of American cotton during the like period has been 12,060,574 bales; in other words, that amount has gone out of sight—being turned into goods at home or abroad, or has been burnt, or has gone to increase mill holdings of the raw material. This leaves the visible supply of American on Aug. 31 1906 approximately 898,156 bales, a total very far away from a famine point, especially when we consider that the mills are quite generally reported to have very nearly enough on hand to carry them until the new crop begins to move freely. It is furthermore to be remembered that the combined visible stocks of cotton other than American—cotton largely used on the Continent—were at the close of August almost as great as at the same date in 1905 and consequently much heavier than in any earlier year.

That the financial position of the South has further greatly improved, as a result of the very satisfactory returns received for this 1905-06 crop, is one of the most gratifying incidents of the season. It is, of course, impossible to accurately determine the exact money value of the crop to those who produced it, but a relative or comparative idea may be arrived at by using the selling prices in the various markets as a basis. Taking the quotations at New York as such a basis, it would seem that on account of the higher average prices secured, the return from the 11,319,860 bales yield in 1905-06 was fully as great as from the 13,556,841

bales marketed in 1904-05. Or, starting with the admitted fact that 1904-05 is known to have been a profitable year to the Southern planter, the inference would be that the season just closed must have been more so. For, with less land under cultivation, the cost of production was measurably decreased, and with less to pick a further saving resulted. Over against this, but not acting as a very important offset, is the smaller amount of surplus seed to sell to the oil mills.

It is a noteworthy fact that the prosperity the farmer has enjoyed is not due in any measure to the organizations whose advertised purpose has been to care for and safeguard his interests. Absolutely unreliable acreage and crop estimates have been the fruits of the pernicious activity of some of these bodies the past season or two. In November, the President of the Southern Cotton Association, while thus underestimating the crop, issued a proclamation advising planters to hold the remainder of their cotton for 15 cents per pound. The National Ginners' Association, with headquarters at Dallas, Texas, did even better, issuing on Dec. 7 an estimate claimed to be based on reports from every post office in the belt and placing the crop at 9,623,000 bales. As the Department of Agriculture estimate, published about the same time, indicated a larger crop, the Government was promptly accused of bad faith. The interests of the Southern planter can never be properly served by misrepresentation. Invariably, in the course of time, incorrect reports emanating from any association prove to be erroneous and misleading. Nevertheless, those who have the temerity to disagree with their pronouncements are subjected to abuse by the officials of the organizations.

The good sense displayed by the planters themselves the past two or three seasons has done more to improve their condition than all special organizations could accomplish. The laws of supply and demand are the guides to tie to, and the planters, by keeping their hands on the pulse of the market, can better judge when to market than by following any advice from interested parties.

In the manufacturing branches of the cotton trade, as already stated, no adverse factors have been at work worthy of more than passing notice. Friction with labor has been imminent at times, but there have been no strikes of even local importance and consequently no mentionable check to activity. It was feared in the early fall that the spirit of unrest at Fall River which found expression on Oct. 8 in a request for a restoration of the wage scale as it existed prior to July 25 1904 might culminate in a strike, but after a short controversy matters were adjusted satisfactorily. At first manufacturers offered a direct increase in wages and a profit-sharing plan, which, however, did not meet with the favor of the operatives and was refused. Further concessions by the mill-owners, covering a wage scale based upon the margin between the cost of cotton and the selling value of printing cloths, were then submitted; they were more favorably received by the men and finally accepted early in November. Thus matters stood until late in April, when some discontent over the working of the margin plan was apparent; in May the dissatisfaction became more pronounced, the high price of cotton and lower value of printing cloths working to the disadvantage of the operatives. Moreover, advances in wages voluntarily accorded at other points in New England did not improve the temper of the Fall River operatives. It thus came about that at the close of May the Textile Council of Fall River, in a communication to the manufacturers, called attention to the unsatisfactory working of the sliding-scale system, and requested a conference for the purpose of devising a better wage scale. The manufacturers argued that increases in fine-goods mills, where margins of profit were large, should have no bearing on the general situation in Fall River; at the same time they offered to guarantee 5% weekly, whether earned or not on margin, and when 5% was exceeded to allow the full amount. This offer was rejected and on June 21 the Association conceded the demands of the operatives, restoring the wage scale to the basis in force prior to July 25 1904, the change to be effective July 2. The 1904 scale had been restored the previous October in the Fall River Iron Works Co. mills, controlled by Mr. M. C. D. Borden.

A controversy over wages, from which it was feared a strike might result, was precipitated by weavers in some New Bedford mills in late May, but the trouble was adjusted in early July by according a small increase in wages. Following the action of the Fall River Manufacturers' Association in restoring the scale of 1904, Mr. M. C. D. Borden made a voluntary increase (July 9) of 10% in the compensation of his operatives, giving them that advantage over the help in other mills of the city, and on the same day at a number of other New England points advances of 5% were accorded. Since that time increases in wages have been quite general, where not previously given, and as a result the year closes with all discontent on the part of the operatives seemingly allayed.

There is not much to be said of the conditions in the market for cotton goods. Transactions generally have been of very satisfactory volume throughout the year; on price bases, a good margin of profit has existed in establishments working on the finer grades of goods, and they have consequently done relatively much better than those running on coarser makes. The season closes with mills well under orders, many of those on fine goods being fully engaged for months ahead. Business for China—largely made up, of course, of the heavier weights—which it was feared would suffer considerable diminution as a result of the threatened boycott, after making a gain of gratifying proportions last year, has made a further small gain the current year, much to the satisfaction of those interested in Southern mills.

The printing cloth situation at Fall River has, on the whole, turned out quite satisfactory, notwithstanding the disgruntled state of labor in mills working on the coarser makes. On Sept. 1 1905 the stock of goods at mills was said to be practically exhausted and production under contract two months ahead. Since that time machinery has been quite fully employed, although mainly on account of lack of operatives the year's production has reached not over nine-tenths of the normal amount. The stock of goods in first hands on Aug. 31 is estimated to be practically *nil* and the output well engaged for several months to come. At the opening of the season regular 64x64 printing cloths ruled at 3½ cents per yard and were so quoted until the first of October, when an advance to 3½ cents occurred. Active trade and higher cotton serving as a stimulus, the quotation was marked up to 3¾ cents early in December and to 3 13-16 cents shortly after the turn of the year. With declining cotton and an easing off in the demand for goods, prices later declined, receding to 3¾ cents about the middle of February, dropping to 3½ cents on May 1 and losing another ⅛ cent on June 12. In late June there was a further decline to 3⅜ cents and at that level the market continued until August 31. The season closed with the outlook encouraging for a good business in print cloths and other staple cottons during 1906-07.

Further expansion in our cotton-goods export trade is to be noted the past season, although the increase over 1904-05 is conspicuously small as compared with the gain that year exhibited over any that preceded it. But it should not be forgotten that the phenomenal augmentation in shipments in 1904-05 was due almost wholly to the great increase in takings for China, from which country the demand in the preceding season (1903-04) had shrunk to comparatively meagre proportions. When we wrote last September it was feared that the boycotting of American goods in retaliation for the manner in which our officials were claimed to be administering the Chinese Exclusion Act would work decided injury to this important and growing branch of our foreign trade. Results have proven that, though the hostile feeling still exists in China towards American goods, the boycott has become of very little importance. In the fiscal year 1902-03, shipments to China reached 277,671,500 yards, but in the succeeding season the total dropped to only 76,886,534 yards. Last year, however, a record total of 474,909,510 yards was reached, which this season's aggregate moderately exceeds, having been 498,521,402 yards. There is cause for hopefulness in the steady extension of our exports to the West Indies and Central America, the aggregate shipments having been much heavier than last year, reaching 79,443,579 yards, against 69,684,822 yards in 1904-05 and but 47,755,691 yards in 1903-04. Returns covering our business with South

America are, on the other hand, rather disappointing. In 1903-04 the movement in that direction amounted to 53,001,936 yards, and rose to 57,049,376 in 1904-05, only to drop to 51,072,310 yards the past season. The demand for Japan has naturally sunk to unimportant proportions because of the resumption of mill activity in that country since the cessation of hostilities with Russia. A conspicuous decrease in the volume of exports to the Philippines is doubtless in like manner explained. Shipments to the East Indies, Australia, other Asia and Oceanica and Africa show gratifying increases. In the aggregate, the exports of goods reported by quantity in 1905-06 reached 711,493,054 yards and in the previous year 694,500,715 yards, an increase of nearly 2½%. In value, owing to higher prices obtained, the comparison is rather more favorable, the gain reaching 6.6%.

We subjoin a compilation showing the value of the exports of cotton goods by principal countries for each of the last four fiscal years and at the foot of the table give the totals for each six months.

EXPORTS OF DOMESTIC COTTON MANUFACTURES—FISCAL YEARS.

Exports to—	1905-06.	1904-05.	1903-04.	1902-03.
	\$	\$	\$	\$
Europe.....	3,668,877	2,431,642	2,771,318	2,698,686
Canada.....	3,587,567	3,029,341	3,132,254	3,046,125
West Indies.....				
Central America.....	5,750,201	5,213,225	3,951,371	3,574,597
South America.....	3,672,676	4,184,474	3,698,392	4,007,231
Chinese Empire.....	29,814,075	28,017,190	4,138,970	13,719,413
All others.....	6,450,637	6,790,208	4,711,408	5,170,252
Total year.....	52,944,033	49,666,080	22,403,713	32,216,304
First 6 months.....	28,424,764	21,629,844	10,422,940	15,518,027
Second 6 months.....	24,519,269	28,036,236	11,980,773	16,698,277

The outlook for the immediate future of the export branch of the trade seems at present to be fairly encouraging. No important political disturbances threaten the stability of trade conditions in any direction except Russia, and from that country there is no call for American cotton goods. Throughout the United States mills are now fully employed and in most cases well under contract for forward delivery, which is presumptive evidence that foreign demand as well as that for home consumption is healthy. Under the circumstances, it does not appear unreasonable to anticipate a further augmentation in the volume of our foreign shipments of cotton manufactures in the season beginning with September 1906.

With regard to the spinning capacity of the cotton mills of the United States a few words will suffice. Development has the past season, as in previous years, been mainly at the South, but 1905-06 has witnessed more activity in extending the manufacture of cotton goods North than for some time. Substitution of modern machinery for old has also been a feature, increasing the efficiency, and the quantity of fine goods for coarser in Northern factories; but there have been only very moderate additions to the number of spindles in any recent year until 1905-06. At the South, however, through the starting up of new mills and additions to older establishments, the aggregate of spindles is being considerably increased from season to season. This fact is disclosed by our latest investigations, although, for reasons given below in this review, the increased capacity fails of full reflection in the volume of consumption. The usual statement of spindles in the United States as compiled by us is as follows:

Spindles—	1905-06.	1904-05.	1903-04.	1902-03.
North.....	15,600,000	15,325,000	15,250,000	15,200,000
South.....	9,181,207	8,747,810	7,963,866	7,039,633
Total spindles.....	24,781,207	24,072,810	23,213,866	22,239,633

SOUTHERN cotton mills, as already indicated, have experienced a season of continued activity and prosperity. There has not been a very marked increase in the volume of cotton consumed, although the amount of the staple used exhibits a satisfactory gain over the previous season. It is of course to be remembered that, while spindles running show a material excess over 1904-05, most of the additional ones are contained in new mills which have only been in operation part of the season; consequently the ratio of gain in machinery is greater than the increase in amount of raw material used. Furthermore, inability to secure sufficient labor has kept many new mills partially idle in some districts of the Carolinas and Georgia. At the same time, the new spindles having been installed their full operation will tell in the returns for the season of 1906-07, barring untoward circumstances checking cotton manufacturing.

All the leading centres of cotton manufacture at the South report important additions to spindles during 1905-06, greatest progress being shown, as heretofore, in the Carolinas and Georgia. Some new factories have begun operations very recently, many others are nearing completion, and on still others work is yet in the initial stages. Following the plan inaugurated twenty years ago and very successfully pursued each year since, we have within the past few weeks secured quite full, detailed information bearing upon the operation and development of Southern mills. It naturally follows, with continued expansion in progress, that there is a considerable increase from year to year in the labor entailed in gathering and compiling the data, but the spirit in which our inquiries are met lends pleasure to the work. The information given by each mill covers number of spindles and looms, active or idle during the season, including new mills started and additions to old plants; also the actual consumption of cotton for the year, the average count of yarn spun, and extensive details as to new mills, whether already under construction or merely projected, and contemplated expansion in existing factories. The aggregates of our detailed returns, arranged by States, is as follows. Establishments that have been idle all the season and not likely to resume operations are excluded from the compilation:

Southern States.	Mills.	Number of			Average No. Yarn.	Consumption.		
		Spindles.		Looms Run.		Bales.	Average Net Weight.	Pounds.
		Alive.	Running.					
Virginia.....	17	263,415	239,081	6,820	15¼	67,863	483.13	32,786,211
No. Carolina.....	245	2,381,414	2,330,027	45,596	20	690,499	469.40	324,164,282
So. Carolina.....	136	3,355,010	3,198,206	73,539	23½	691,663	475.71	329,040,832
Georgia.....	125	1,587,470	1,526,895	30,132	17	524,199	475.29	249,148,455
Florida.....								
Alabama.....	60	877,606	853,666	15,731	16½	240,550	488.77	117,574,394
Mississippi.....	22	162,864	147,398	3,940	19	43,637	493.73	21,544,792
Louisiana.....	4	92,700	61,700	1,200	13	16,141	495.07	7,990,919
Texas.....	17	86,160	86,160	1,977	15	34,686	500.72	17,368,090
Arkansas.....	3	17,624	13,500	200	16	2,980	500.19	1,495,650
Tennessee.....	29	252,184	204,678	3,971	18	55,830	486.19	27,143,887
Missouri.....	3	14,896	14,704	361	15½	4,926	492.10	2,424,094
Kentucky.....	6	89,864	86,574	1,481	14¾	25,430	490.72	12,479,074
Totals								
1905-06	667	9,181,207	8,762,589	186,948	19%	2,398,404	476.63	1,143,160,680
1904-05	659	8,747,810	8,050,879	174,324	19	2,203,406	480.24	1,058,159,131
1903-04	628	7,963,866	7,387,358	162,345	19%	2,007,509	475.11	953,774,158
1902-03	594	7,039,633	6,714,589	153,748	19½	2,049,902	479.85	983,649,984
1901-02	570	6,408,964	6,179,421	142,053	19	1,942,881	470.99	915,078,408
1900-01	531	5,819,835	5,473,883	122,902	19	1,667,012	472.90	788,335,696
1899-00	441	4,540,515	4,270,759	105,990	18¾	1,599,947	468.99	750,365,237
1898-99	414	3,987,735	3,832,201	95,701	18	1,400,026	467.44	654,435,025
1897-98	391	3,670,290	3,574,754	91,829	18¾	1,227,939	470.04	577,186,180

Note.—Much new machinery has been put in operation within the past few months, increasing the number of spindles appreciably without affecting consumption to a material extent.

From these returns we learn that in practically every State there has been an augmentation in consumption of the raw material, the greatest increase as compared with 1904-05 having been in North Carolina. The net result for the season in all the Southern States is an excess of 85,001,549 pounds. Spindles have gained in number 433,397, and, as evidence of the policy to build larger mills, it may be stated that the average number of spindles per mill is now 13,765, against 13,211 a year ago, 12,691 in 1903-04, only 11,855 in 1902-03 and but 7,870 a decade ago. An analysis of the reports at hand discloses the fact that 14 old mills, with 81,924 spindles, have permanently gone out of operation, and 22 mills, running 113,814 spindles, have started up, showing a net gain of 8 mills, or 31,890 spindles, for the season. This, however, does not fully cover the addition to capacity in 1905-06, for the equipment of old mills has been increased to the extent of 401,507 spindles. Consequently, the total net gain of spindles for the season has been 433,397 spindles.

The tendency toward still further expansion of cotton-manufacturing in the South is a prominent feature of the information at hand and demonstrates the faith of those interested in the industry that the section is sure, with her natural advantages, to continue to develop. Our advices denote that 3 mills, containing 20,120 spindles, are expected to begin operations within the next three or four months, and that before next summer other mills, running 125,000 spindles, will be contributing to the world's output of yarns or cloth. Additions to old mills, in contemplation or actually decided upon, cover approximately 400,000 spindles, giving altogether a probable augmentation of 545,120 spindles within the next twelve months.

EUROPE—The season of 1905-06 has, like its predecessor, been one of almost unbroken prosperity for the cotton trade of Europe, a prosperity the more remarkable when the comparatively high prices of the raw product which have ruled throughout the entire season are taken into consideration.

That a rate of consumption which is without precedent should have been maintained throughout the year upon a basis of 6d. per pound for American cotton, with, speaking broadly, entirely satisfactory results to both spinners and manufacturers, indicates conclusively an almost insatiable demand upon the looms and spindles of the world. Russia, where the struggle between despotism and democracy paralyzed trade, constituting a forced exception.

For the causes which led up to such a demand it is necessary to go back to the four seasons ending with that of 1903-04, during which period a series of short cotton crops depleted stocks all over the world, while political and labor wars entailed unprofitable trade and materially lessened the spending power of the people; so that, when the revival in trade first becoming apparent in the cotton industry during 1904, which was aided incalculably by a huge American crop, and was followed up by a well-maintained expansion in other great industries, spinners and manufacturers were called upon to meet an unprecedented demand, not only for immediate requirements, but also for the replenishing of stocks both at home and abroad.

With the growth of the spending power of the wage-earning class, the continued improvement in the social status of the great masses of the people and their consequent increased requirements, the demand for cotton manufactures not only reached a hitherto unknown high-water mark, but was maintained, owing to the profitable nature of the returns in the distributing markets, which have steadily increased both their takings and stocks in anticipation of a continued demand from retailers. That buyers were eager to place their orders far ahead during the early part of the season, and practically assured a high rate of consumption to its close, was due in no small part to the fears entertained of the effect upon prices of a comparatively small American crop and consequent serious reduction in the world's visible supplies. But spinners and manufacturers, in view of their existing heavy commitments, carried over commensurate stocks of the raw material, and from the commencement of the season, satisfied with profitable margins, covered their requirements by contracts for forward delivery and by purchases of futures to an extent previously unknown in the history of the trade; and although the reduction in visible supplies did take place towards the close of the season, at no time was there any real scarcity apparent, and its effect upon prices was hardly perceptible, having been foreseen and discounted.

While both British and Continental spinners had of necessity to curtail their takings of the American growth, owing to the season's reduced production, the shortage was fully offset by the increased consumption of East India cotton by Continental spinners, who availed themselves to the fullest extent of the existing heavy stocks in Bombay, and by the increased use in Great Britain of Brazilian and other growths. The decrease in the season's supplies of the American product and the tendency of Southern cotton growers to control the distribution of their crop in order to obtain a higher level of values, a policy which fosters a dangerous speculative element, has strengthened the hands of those European consumers who have interested themselves in the production of cotton in Africa, the West Indies, Australia and other countries outside the recognized areas for cotton cultivation, and while as yet competition cannot be considered a factor of the moment, the efforts so far put forth have met with considerable success, as instanced by the fact that from Lagos alone this season's yield is calculated to total 10,000 bales.

With the extension of railways in Nigeria, to which the British Government has committed itself, and from which far-reaching effects upon the industry are promised, it is only natural to look for a rapid increase in production in succeeding seasons from the vast hinterland of the West African seaboard.

The Parliamentary elections in the month of January, resulting in an overwhelming majority in favor of free trade, disclosed the fact that the textile workers of Great Britain

still adhere with unshaken faith to the doctrines inculcated by Cobden and Bright and view with little apprehension the efforts put forth by Germany to foster agriculture and, through agriculture, trade generally, by increased protective duties, the immediate effect of which appears to have been to advance the prices of food-stuffs, entailing the necessity of a higher rate of remuneration to the wage-earning class and a consequent increase in the cost of production. As bearing upon this much-debated question, it is worthy of note that, while the increase in spindles during the past two years in Great Britain is calculated to reach a total of five to six millions, either already running or in course of construction, the total increase in the rest of Europe, working under protective duties, is not calculated to reach more than one and a half million spindles.

The first meeting of the International Committee of the Textile Workers' Federation, appointed last year at Milan, was held at Brussels in April, and had as its main objects the drawing up of regulations for the conduct of congresses and defining of the objects of the Federation, with the methods for attaining them, the leading part being taken by Great Britain and Germany. The Federation is an almost identical labor counterpart of the Cotton Employers' National Organization, but it is in a much more elementary stage and its progress is apparently to some extent interfered with by international jealousies and the lack of a universal language amongst the delegates. The conference of the Employers' Federation, held at Bremen in July, had as its most important result the appointment of a commission to investigate the rules of cotton exchanges and the improved ginning, baling, transporting and marketing of cotton, and it was estimated that, regarding American cotton alone, a saving of a million sterling a year could be secured on these items. The formation of reserves of cotton on the part of consumers, in order to checkmate the operations of gamblers, was also under consideration, and as a proof of the power and influence of international organization it was stated that the consumers in America were willing to co-operate in this and other projects of European spinners. The formation of a trust of such dimensions as this would necessarily reach might, however, in itself create a speculative element which would at all times be a source of apprehension to legitimate operators and a menace to the trade at large.

Great Britain.—As noted above the season just closed has witnessed the year of the greatest prosperity yet recorded in the cotton industry of Great Britain. During the opening months of the season 1904-05, indications were not wanting of an approaching recovery from the great depression which had characterized the industry for several years past, and, notwithstanding misgivings born of a long succession of disappointments, fears gradually subsided, confidence in the stability of the improvement was restored, and before the close of the season spinners and manufacturers were in the midst of a revival of trade of such magnitude that few dared to hope for its continuance.

It did continue, however, and during the opening months of 1905-06, in spite of ruling high prices, export orders for immediate and forward delivery of yarns and piece-goods poured into Manchester in such volume as to entirely eclipse all records, enabling spinners and manufacturers to sell their productions ahead for the greater part of the season, while instances were not wanting of transactions extending into 1907.

The magnitude of the season's working is placed on record by the Board of Trade returns for the eleven months ended July 31 (the August figures not yet being available) as follows:

	1905-06.	1904-05.	1903-04.
Yarns -----Pounds.	195,338,900	175,415,200	137,613,200
Piece goods ---- Yards.	5,812,202,000	5,508,727,900	4,637,031,600

showing an increase in yarns of 19,923,700 pounds over last year and of 57,725,700 pounds over 1903-04, while the increase in piece-goods is 303,474,100 yards and 1,175,170,400 yards respectively. During the closing months of the season, however, it was manifest that buyers in Eastern markets had largely anticipated coming requirements and held exceptionally heavy stocks, with the result that, instead of the eager demand experienced at the commencement of the season, its close was characterized by a dearth of orders in Manchester, a marked fall in values and a lack of the demand for

forward delivery which was so pronounced at the close of 1904-05.

While the home trade has not shared to an equal extent the magnitude in expansion exhibited by the external trade, the season proved on the whole a good one, although the proportion by weight of the total consumption has fallen somewhat below the average. Makers of fancy goods suffered from a cold, wet and late spring, and although improved weather conditions brought a brisk demand during the summer months, sellers had to contend with an accumulation of stocks left on the hands of retailers during April and May. In the early months of the season, however, a large and profitable general business was done, owing to good harvests and a full rate of employment in all leading industries, coupled with low prices for the principal food products. Profitable returns from the season's turnover were rendered more certain by the exceptional stability throughout the year of prices for the raw material, spinners not having to contend with the wide and frequent fluctuations which made havoc of the trade in preceding seasons.

In the exports to foreign markets the greatest increases are shown in those to India and China; South America, Africa, the United States also show larger totals, while those to Europe have fallen off as compared with last year's record figures, although Turkey shows an increase.

A noteworthy feature of the year was the reopening in March last of the wages question, a temporary solution of which had been found at the close of the previous season by the granting of a 5% bonus for three months with a continuation of the current rate up to March 1 1906, during which month the cardroom operatives demanded a 5% advance, followed early in April by a similar course on the part of the spinners. In both cases the demand was conceded for twelve months, coming into operation at the close of May, with the understanding that efforts meanwhile should be made on both sides to complete a scheme already advocated by Mr. C. W. Macara for a sliding scale of wages, based upon the margin between the prices for the time being of yarn and cotton of standard counts and grades, such prices to be supplied by representative yarn agents and the Liverpool Cotton Association.

A memorable visit to the United States was made in April by a party of representatives of the Lancashire spinning industry, who, after a month spent amongst the principal cotton centres of the South, met in conference at Washington on May 1 and 2 the representatives of the trading associations interested in the cotton industry of America, when many questions relating to the more economical dealing in the handling and buying and selling of cotton came under consideration, perhaps the most important conclusion for the moment being that come to which relates to improved methods in ginning and baling. The conference also adopted a motion that it was advisable that the statistical cotton year should be changed to Aug. 1 to July 31 instead of Sept. 1 to Aug. 31 as heretofore.

**The European Continent.**—The course of the cotton industry of the Continent during the past season has to a large extent fulfilled the promise held out at the close of 1904-05. A full rate of consumption has been maintained with profitable results, lessened takings of American being accounted for by an increased use of East Indian cotton, and had it not been for the protracted disturbance in Russia, the industry would have shown still greater expansion.

While the cotton-consuming States as a whole have not reached the unparalleled prosperity experienced by the trade in Great Britain, they have, taking into consideration their more limited outlets on foreign markets, benefited to a marked extent by the general improvement in trade following upon good harvests, the improvement in the coal, iron and steel industries and consequent increased requirements of their home markets.

In Germany, the result of the season has on the whole been very satisfactory, with a brisk demand for yarns and goods. Both spinning and weaving establishments have been fully occupied at remunerative rates, but perhaps the outturn has been better for weavers than spinners, whose margin suffered on account of the price of the raw material.

During the season, an event of the utmost importance to German industry generally was the coming into operation of the new commercial treaties. As these treaties, which be-

came effective on March 1, introduced increased duties, the foreign buyer was anxious to obtain as much advantage as possible from the old rates. Thus the foreign trade experienced increased activity for the time being. In this increase the cotton industry shared, manufacturers during the first part of the season working as much as possible to meet the export demand. The filling of home orders, which were also satisfactory, owing to the good harvests and the increased activity in industrial circles, being as far as possible delayed.

With the subsidence of this abnormal demand, it remains to be seen to what extent the trade will be affected by the new duties. In this connection it should be noted that while the cotton industry only suffered to a limited extent from labor disputes, the increase of the price of meat and other food-stuffs led to the working classes generally demanding an increase in wages, the result being a number of strikes of more or less importance. These disputes still continue and are likely to have far-reaching effects, and it is greatly feared that the policy of protection will result in an added cost to production, thus making competition in foreign markets still more difficult.

In Austria, the condition of the industry shows but little improvement upon that of last season. At the commencement of the season the general opinion was that lower prices for the raw material would be witnessed on account of the large surplus carried over from the previous American crop. Anticipating such a decline, spinners, in order to secure business, sold their production ahead at a price that left little margin of profit; in some cases sales showed a positive loss. In order to bring about an improvement, a proposal was made by the Spinners' Association to curtail production by 16%, in the hope that the movement would be joined by spinners of other Continental countries. Disappointed in this, and fearing a loss of markets to themselves when the tide of business turned, the Spinners' Association failed to secure the necessary support of a four-fifths majority. Weavers, on account of the concession in price made by spinners, have done rather better, and at times have been able to obtain full prices for quick delivery, while manufacturers of fancy goods have done especially well.

In France, the prosperity of the cotton industry has again been interfered with by the high price of the raw material. The demand was fair but the producing power was quite equal to if not greater than the requirements. Manufacturers refused to buy yarn on a parity with the price of cotton; spinners, therefore, in order to obtain business, had to make concessions and were forced to speculate more or less, as they found it impossible on the same day to cover their commitments on a parity. Weavers, having the benefit of comparatively low yarn prices, have done better. Towards the close of the season prospects have somewhat improved and it is hoped that the industry during the coming season will be benefited by a lower range of prices.

In Russia, the season opened with very favorable prospects for the industry. There was a general feeling that the worst effects of the war were over and that better times were beginning. Buyers, who held off as long as possible, again entered the market to replenish their almost exhausted stocks, and in consequence of the good demand manufacturers were able to dispose of their output at remunerative prices. That shortly after the opening of the season this satisfactory state of affairs was broken into and the brighter prospects entertained at the beginning not realized, was due to the feeling of insecurity in industrial circles caused by the breaking out again of political disturbances and by the frequent strikes.

Under existing conditions, manufacturers ran the risk of their establishments being destroyed during times of disturbance, and were therefore afraid to make contracts ahead; added to which there was the feeling of insecurity with regard to their customers, many of whom are Jews, whose warehouses were plundered during the outbreaks, thus in many cases ruining them and so rendering it impossible for them to pay for goods purchased.

With order restored and a more settled state of affairs, the outlook would again become promising, as there is a demand waiting to be filled.

In Holland, the condition of trade has again been very favorable. At the beginning of the season spinners and



weavers could with difficulty cope with the demand. The export business was large, especially for fancy goods, which are conspicuous by their bright colors and choice designs. The demand for home consumption was also satisfactory, but for a time somewhat neglected, as exporters were in a position to pay higher prices than the home merchant. Towards the close there was some falling off, especially for colored goods, which are little used in Holland, manufacturers having to shut down some of their looms.

The condition of the industry in Italy has been very good. The demand was brisk and both spinners and manufacturers were able to sell their production for some time ahead at remunerative prices, many mills being so fully engaged that new business, if for prompt delivery, was refused. The demand continues good but there is some fear, on account of the high prices of American cotton (though this to some extent has been offset by the increased use of East Indian), and also if workmen exact more pay and shorter hours, that manufacturers will find it a difficult matter to maintain a fair margin of profit between their cost and sale prices.

In Spain, though the output has been somewhat reduced on account of high prices, the business on the whole has been satisfactory. The reduction in consumption would have been greater had not the rate of exchange to some extent counterbalanced the rise in cotton. Prospects are satisfactory and a favorable harvest will do much to forward the industry, provided the price of the raw material in the coming season is not too high.

Summarizing the reports received from the various Continental centres of the industry, it would appear that the season's working has, on the whole, resulted satisfactorily showing decided improvement upon the previous one. Both spindles and looms have increased and the tendency is towards further expansion as a result of prosperity above the average.

We are indebted to Mr. Thomas R. Ellison of Liverpool for the foregoing comprehensive and interesting review of the spinning industry in Great Britain and on the Continent in 1905-06. His facts, in connection with our own remarks on the situation in the United States—North and South—given further above, cover quite thoroughly the countries of the world most prominent in cotton manufacturing.

There are a number of other countries of lesser, though steadily increasing, importance which must be included to complete the narrative of the world's progress in cotton production and manufacture. We use official data in these cases so far as possible; altogether we give below the results reached, showing (1) the cotton consumption of each manufacturing country for a period of four years with also the total annual and average weekly consumption; (2) the world's production of cotton (commercial crops) for the same years, and (3) the spindles in all manufacturing countries as they stand to-day compared with like results in former years.

Next in importance to the United States and Europe comes India, and in that country an increased consumption is shown. Japan has appreciably increased its use of cotton this season, its takings from India and the United States, the chief sources of supply, having been heavier than last season. For Mexico and Canada we are forced to adopt the imports into each country as a measure of consumption, as in the case of the former no late statistics covering home yield or mill operations are procurable, and Canada has no source of supply but through imports. For China it is impossible to obtain any data of value. Efforts to secure information from Brazil meet with practically no success. In November last, we copied from the "Jornal do Commercio" of Rio Janeiro a compilation showing the number of mills in Brazil to be 108, with 715,078 spindles and 26,054 looms, and consuming 282,600 bales of 240 lbs. average weight. We have been unable to obtain anything of a general character other than this, and until we can feel sure of getting information at fairly frequent intervals do not feel justified in including Brazil in our compilations. "Other countries" include exports of cotton from the United States and Europe to countries other than those specifically mentioned in the table; also the cotton burned at sea. The compilation sub-joined consequently embraces substantially the entire dis-

tribution or consumption (expressed in bales of 500 lbs. net weight each) of the commercial cotton crops of the world and the degree in which each country has participated:

THE WORLD'S ANNUAL COTTON CONSUMPTION.

Countries—	1905-06. Bales.	1904-05. Bales.	1903-04. Bales.	1902-03. Bales.
Great Britain .....	3,848,000	3,620,000	3,017,000	3,185,000
Continent .....	5,252,000	5,148,000	5,148,000	5,148,000
Total Europe .....	9,100,000	8,768,000	8,165,000	8,333,000
United States—North .....	2,439,993	2,193,937	2,000,954	2,047,801
South .....	2,286,235	2,116,318	1,907,548	1,967,300
Total United States .....	4,726,228	4,310,255	3,908,502	4,015,101
East Indies .....	1,546,000	1,473,327	1,367,916	1,363,713
Japan .....	850,000	755,085	692,706	566,644
Canada .....	119,000	130,000	88,534	117,614
Mexico .....	14,000	70,000	55,500	59,215
Total India, &c. ....	2,529,000	2,428,412	2,204,656	2,107,186
Other countries, &c. ....	40,000	35,000	32,000	22,407
Total world .....	16,395,228	15,541,667	14,310,158	14,477,694
Average, weekly .....	315,236	298,878	275,196	278,416

The world's total consumption for 1905-06, it will be observed, records an appreciable gain over the total reached a year ago—853,561 bales—and is 2,085,070 bales more than the result for 1903-04. All the countries share to a greater or less extent in the increase over 1904-05. The sources from which cotton has been drawn in each of the last four years are stated in the following table of the world's commercial crops, in bales of the uniform weight of 500 lbs. each:

WORLD'S PRODUCTION OF COTTON.

Countries—	1905-06. Bales.	1904-05. Bales.	1903-04. Bales.	1902-03. Bales.
United States .....	11,048,000	13,420,440	9,841,671	10,511,020
East Indies <i>a</i> .....	2,970,000	2,952,720	2,734,400	2,737,577
Egypt .....	1,152,000	1,244,968	1,275,754	1,148,700
Brazil, &c. <i>d</i> .....	650,000	325,928	307,516	329,390
Total .....	15,820,000	17,944,056	14,159,341	14,726,687
Consumption, 52 weeks .....	16,395,228	15,541,667	14,310,158	14,477,694
Sur. from year's crop .....	k575,228	2,402,389	k150,817	248,993
Visible and invis. stock—				
Sept. 1 beginning year .....	5,172,633	2,770,244	2,921,061	2,672,068
Sept. 1 ending year .....	4,597,405	5,172,633	2,770,244	2,921,061

*a* Includes India's exports to Europe, America and Japan and mill consumption in India increased or decreased by excess or loss of stock at Bombay.

*d* Receipts into Europe from Brazil, Smyrna, Peru, West Indies, &c., and Japan and China cotton used in Japanese mills.

*k* Deficiency in the year's new supply.

The above statement indicates in compact form the world's supply of cotton (not including Russia) in each of the four years, the amount consumed, and also the extent to which visible and invisible stocks were increased or diminished.

The addition to the spinning capacity of the world has been fairly heavy the past season. The greatest change has been in Great Britain—1,500,000 spindles. In the Southern division of the United States, the increase reaches 433,397 spindles, the aggregate now being over nine million spindles. Our statement for the world is as follows:

NUMBER OF SPINDLES IN THE WORLD.

	1906.	1905.	1904.	1903.	1902.
Great Britain .....	50,000,000	48,500,000	47,500,000	47,200,000	47,000,000
Continent .....	35,500,000	35,000,000	34,600,000	34,300,000	33,900,000
Total Europe .....	85,500,000	83,500,000	82,100,000	81,500,000	80,900,000
United States—					
North .....	15,600,000	15,325,000	15,250,000	15,200,000	15,150,000
South .....	9,181,207	8,747,810	7,963,866	7,039,633	6,408,974
Total U. S. ....	24,781,207	24,072,810	23,213,866	22,239,633	21,558,974
East Indies .....	5,200,000	5,163,486	5,118,121	5,043,297	5,006,965
Japan .....	1,450,000	1,387,846	1,349,074	1,379,966	1,300,000
China .....	625,000	619,648	610,000	600,000	550,000
Total India, &c. ....	7,275,000	7,170,980	7,077,195	7,023,263	6,856,965
Canada .....	775,000	750,000	716,000	700,000	690,000
Mexico .....	675,000	675,000	650,000	610,000	590,000
Total other .....	1,450,000	1,425,000	1,366,000	1,310,000	1,280,000
Total world .....	119,006,207	116,168,790	113,757,061	112,072,896	110,595,939

In making up the foregoing, we use estimates for Great Britain and the Continent furnished us by Mr. Ellison, who states that in addition to the totals as given above there are 3,000,000 spindles in course of installation in Great Britain and 500,000 spindles on the Continent. Previous years' statements we revise from the facts we have gathered. The results for the United States are our own. India's totals are from the official report of the Bombay Mill Owners' Association as far as received, and Japan's aggregates are officially communicated, except those for the last year, which are approximations. China's figures are compiled from consular reports, and for Canada and Mexico the aggregates are in part approximated.

We do not need to add anything to Mr. Ellison's full review of cotton spinning the past season in Great Britain and on the Continent. Taken in connection with our own remarks on the situation of the same industry in the United States, given further above, the reader has before him, expressed in brief form, the progress of cotton manufacture in almost the whole world during the past twelve months.

The large crop of the raw material in the United States in 1904-05 put new life into the spinning industry almost everywhere. Under its influence spindles were enlarged and the production of goods materially added to. This expansion has now been continued another twelve months. In India further growth is also observable over the large total of 1904-05. China and Japan have been more liberal takers of English goods, and shipments to South and North America have been on an augmented scale. The outward movement to miscellaneous countries, included among which are the Australasian colonies, also shows a gratifying gain. In fact, considered by groups, only one—the Mohammedan, consisting of Turkey, Egypt, &c.—exhibits any decrease in takings of goods, and that not heavy. The statement of exports (reduced to pounds) by quarters for the last two seasons is subjoined. These years end with September 30, and consequently the last two months of the fourth quarter of the current season are estimated on the basis of the July movement. *Three ciphers are omitted:*

GREAT BRITAIN'S COTTON GOODS EXPORTS FOR TWO YEARS.

	1905-1906			1904-1905		
	Yarns a	Piece Goods	Total	Yarns a	Piece Goods	Total
(000's omitted.)	Pounds.	Yards.	Pounds.	Pounds.	Yards.	Pounds.
1st quar.—Oct.-Dec.	62,815	1,595,053	371,650	53,857	1,521,489	348,091
2d quar.—Jan.-Mch.	61,872	1,639,019	379,749	54,782	1,530,740	350,894
3d quar.—Apr.-June.	56,244	1,477,685	342,290	54,520	1,474,372	338,383
4th quar.—July-Sept. b	57,000	1,600,000	372,000	56,319	1,597,675	365,065
Total	237,931	6,311,757	1,465,689	219,478	6,124,276	1,402,433

a Including thread. b Estimated for the quarter on the July movement.

The totals in pounds in the above compilation are as computed by us, but are believed to be approximately correct. They indicate that the export movement this season has been 1,465,689,000 pounds—63,256,000 pounds in excess of 1904-05, the former record, and 263,414,000 pounds greater than in 1903-04.

To complete the year's history of the cotton goods trade in Great Britain we append data as to prices, the statement covering the last three years.

Liverpool.	1905-06.			1904-05.			1903-04.		
	Mid. Up'd Cotton	32-Cop Twist.	Shirtings, Per Piece.	Mid. Up'd Cotton	32-Cop Twist.	Shirtings, Per Piece.	Mid. Up'd Cotton	32-Cop Twist.	Shirtings, Per Piece.
Sept. 30	d. 5.71	s. 8 3/4	d. 7 6 1/2	d. 5.80	s. 9 1/4	d. 7 7	d. 5.98	s. 9 1-16	d. 6 10 1/2
Oct. 31	5.77	8 3/4	7 6 3/4	5.34	8 3/4	7 7 1/2	5.74	8 13-16	6 9 1/4
Nov. 30	6.17	9 3/8	7 11	4.93	8 3/4	7 8	6.28	9 1/4	6 10 1/2
Average Sept. Nov.	5.88	9	7 8	5.36	8 15-16	7 7 1/2	6.00	9	6 10
Dec. 31	6.24	9 7-16	7 11	3.77	7 13-16	7 2	6.96	9 3/4	7 5
Jan. 31	6.07	9 1/2	7 11	3.78	7 7-16	6 11 1/2	8.72	10 7/8	7 10 1/2
Feb. 28	5.76	9 1/8	7 11	4.14	7 11-16	7 1	8.00	10 5/8	7 10 1/2
Average Dec. Feb.	6.02	9 1/4	7 11	3.90	7 5/8	7 1	7.89	10 1/2	7 8 2-3
Mch. 31	6.07	9 5-16	8 0	4.28	7 15-16	7 2	8.28	11 1/8	8 2
Apr. 30	6.04	9 1/2	8 1	4.20	7 15-16	7 3	7.76	10 13-16	8 1
May 31	6.07	9 3/4	8 2	4.71	8 1/4	7 4	6.90	10	7 9
Average Mch. May	6.06	9 1/2	8 1	4.40	8	7 3	7.65	10 3/4	8 0
June 30	6.14	9 7/8	8 2 1/2	5.34	8 3/4	7 6 1/2	6.04	9 1/4	7 4 1/4
July 31	5.99	10	8 2	6.09	9 3/8	7 10	6.18	9	7 2 1/4
Aug. 31	5.41	9 5/8	7 11	5.90	9 1/4	7 9	6.72	9 1/2	7 6
Average June Aug.	5.85	9 13-16	8 1	5.78	9 1-16	7 8 1/2	6.32	9 1/4	7 4

We now add a brief summary by months of the course of the Manchester goods market during the season closing with Aug. 31 1906 and also of the Liverpool cotton market in the same form for the same period. These summaries have been prepared for this occasion with our usual care, and the details will, we think, prove an interesting and serviceable record for reference.

SEPTEMBER.—*Manchester.*—A strong disposition to give but little credence to the unsatisfactory crop advices from America was in evidence during September. The feeling of distrust, moreover, was not confined to the Manchester cotton goods market, it being quite general throughout the manufacturing centres of the United Kingdom. The possibility of a greater consumption in 1905-06 than ever before was quite freely admitted (provided prices were on a fair basis), but the outlook was considered favorable for a moderate crop—a yield ample, in conjunction with the large surplus from the previous year, to cover all requirements without reducing stocks to a famine basis. While sufficient time had not elapsed to judge of the effect of the peace treaty between Japan and Russia, its ratification had stimulated demand for China and Japan and encouraged hopeful prospects for the future. Altogether, the month was a quiet one in cloths, but transactions were of somewhat greater volume than in August. The boycotting of American goods in China caused no noticeable addition to the business this market, and dealings for India were of only moderate

proportions. Buying for home and colonial markets was rather greater than for some time previously. The exports of yarns and goods from Great Britain (all reduced to pounds) reached a total of 119,459,000 pounds, against only 106,922,000 pounds for September of 1904. Mr. Ellison estimated the consumption for the month at 74,000 bales of 500 lbs. each per week in Great Britain and 101,000 bales of like weight on the Continent. *Liverpool.*—Advices from America were the dominating factors in shaping the course of the market for the raw material. Favorable crop advices during the first half of September, including a better monthly report from the Agricultural Bureau than had been looked for, started a decline which carried middling uplands from 5.83d. on Sept. 1 down to 5.49d. Sept. 12. During the succeeding week the net change in value was a gain of only 3 points, but less satisfactory news the next seven days advanced the quotation to within 1 point of the opening. From that level there was a drop of 11 points, the close being at 5.71d.

OCTOBER.—*Manchester.*—The uncertainties connected with the raw material acted as a check upon business activity in the cotton goods market during the month and was likewise an unfavorable factor at distributing centres. At the same time manufacturers had sufficient orders on hand, largely previous months' bookings, to cause them to hold firmly to quoted prices, and, speaking broadly, the industry as a whole continued in a healthy condition. Early in the month some improvement in the demand was noticeable, although the boycott in Bengal was a source of much anxiety and the inquiry from Calcutta was very light. Later transactions were below the normal in quantity. Some fair-sized parcels were booked for China and demand for the Levant was active at times; but for other markets transactions were strictly moderate in the aggregate and trade with home consumers was hampered by the advance in cotton toward the close. Events of the month of more than ordinary interest to the trade were the exhibition of Colonial-grown cotton at Manchester, under the auspices of the British Cotton-Growing Association, and the inviting of delegates of the International Cotton Federation to visit the next convention of the New England Manufacturers' Associations. Yarns and goods exports from Great Britain reached 120,698,000 lbs., against 110,573,000 lbs. in October 1904. Mr. Ellison continued the estimated rate of consumption the same as in September. *Liverpool.*—As in September, the market for the raw material was largely if not wholly under the influence of American news. Fluctuations were very frequent, although in no sense radical, and for the first half of the month the course of prices, following favorable crop advices, was downward. Middling uplands opened the month at 5.64d., a drop of 7 points from the final September quotation, and lost 38 points to the 17th. The subsequent trend was quite steadily upward, on killing frosts, unfavorable weather and reduced crop estimates, the advance to the 26th being 55 points, middling uplands then ruling at 5.81d. Prices eased off to 5.70d. by the 30th, but the close was at 5.77d.

NOVEMBER.—*Manchester.*—Developments in the cotton market were a serious hindrance to active operations in the manufactured products during November. The alternating strength and weakness in the raw material prevented the establishment of any safe basis upon which transactions could be consummated and consequently many manufacturers sold less than their production, being unwilling to accept offers current. Some, in fact, were reported to have done little or nothing, but mainly on account of difficulties in the way of delivery. At the same time manufacturers on the whole continued very well engaged, as the volume of goods distributed clearly indicated, but warnings of depletion in some foreign markets were beginning to be heard. This was particularly true as regards China, from which country very little new business came to hand, re-sales and postponement of deliveries also being reported. There was a very satisfactory demand from Japan at times, and a good business for Singapore, Java and other Far Eastern markets. Trade for India was disappointing but advices from Calcutta denoted the waning of the boycott. South American and Continental trading fair. Business with home consumers only moderate but stocks of goods were understood to be running very low. Business in yarns was rather unsatisfactory and there was some talk of short time. The exports of yarns and goods from Great Britain were in November 122,368,000 lbs., against 109,680,000 lbs. for the corresponding period of 1904. No change was made in the estimated weekly consumption of cotton. *Liverpool.*—The upward tendency in the price of cotton which set in Oct. 18 continued into November, an advance from 5.85d. to 6.15d. for middling uplands occurring between the 2nd and the 6th. From that date on the course of the market was quite irregular, although a further net gain of 2 points was secured. The quotation was down to 6.07d. on the 7th, up to 6.16d. on the 10th and then dropped off to 5.69d. by the 20th. It advanced to 6.28d. by the 27th and declined on the 28th to 30th, closing at 6.17d.

DECEMBER.—*Manchester.*—The cotton goods market was devoid of any noteworthy feature during the month aside from the fact that trading was along very conservative lines. At the opening, and continuing well on toward the middle of the month, transactions in cloths were small, despite a pretty good demand at times from China. Later on

somewhat more business was done until the holiday period, when a quiet feeling prevailed. To sum up the situation generally, it may be said that in the aggregate the dealings were below the normal of previous months, although some fair-sized parcels for India and China were disposed of and home trade was fairly good for the season. Being yet fairly well under orders, manufacturers evinced no anxiety for the immediate future, and were maintaining prices on a basis showing a very fair margin of profit. In fact, the very satisfactory returns from the 1905 operations served to materially stimulate the spinning industry, reports in December indicating that additions of 2,260,000 spindles were in progress or contemplated. Yarns and goods exports from Great Britain reached 128,584,000 lbs., against 127,838,000 lbs. in December 1904. No change was made by Mr. Ellison in the estimated weekly rate of consumption. *Liverpool.*—The market for the raw material was a comparatively narrow one, although price changes were of almost daily occurrence. The estimate of the United States Department of Agriculture, indicating a yield of but 10,168,000 bales, was without any but sentimental effect, the result being given little credence as it seemed to be proven erroneous by the Census Bureau's ginning returns. Middling uplands opened the month at 6.16d. and advanced to 6.42d. by the 6th, on the Agricultural Bureau's crop estimate. By the 12th, however, the improvement had been more than lost, the quotation ruling at 6.08d. From this level there was a gradual rise to 6.40d., which price was attained on the 18th; but the subsequent course was downward, middling upland dropping to 6.17d. on the 28th. On the final business day of the month (the 29th) there was an advance to 6.24d.

**JANUARY.**—*Manchester.*—Although the general election was an influence naturally tending to restrict business, the cotton goods trade in January was active in many of its branches. The comparative steadiness of the raw material, fluctuations having been within a moderate range, of course contributed to this favorable result. Furthermore, the estimate of the United States Agricultural Department, issued in December, indicating a crop of but 10,168,000 bales of 500 lbs. gross weight, was considered to have been thoroughly discredited by the Census Bureau report showing 9,998,111 bales ginned to Jan. 16. Thus some of the apprehension as to supply was removed. Practically with the opening of the New Year an active demand for cloth set in and at the close of the month the position of many manufacturers as regards orders was distinctly improved. Prices were well maintained at all times. Buying for Calcutta was the principal feature of the month, with a fair demand from other sections of India. Good support to the market was in evidence from Japan, China, Java and other Far Eastern distributing points, and South America purchased steadily in small parcels. A late start in the home trade was ascribable to the elections. Yarns opened quiet but considerable transactions were reported later. The continued active business in goods was reflected in the volume of exports from Great Britain, which for January reached a total of 131,650,000 lbs., as contrasted with but 109,840,000 lbs. for the corresponding month of 1905. Mr. Ellison made no change in his estimated rate of consumption. *Liverpool.*—Day-to-day fluctuations in the raw material resulted in a very slight net change for the month. Middling uplands opened at 6.10d., a 14-point drop from the final December quotation, but regained all but 1 point of the loss by the 5th. A decline to 6.07d. was followed by a rise to 6.28d., that figure being reached on the 17th. 6.21d. was the quotation on the 18th and 6.30d. on the 19th. The subsequent trend was generally downward, the close being at 6.07d.

**FEBRUARY.**—*Manchester.*—No developments of an unsatisfactory nature were to be chronicled in the cotton goods market in February. The position of spinners, especially those engaged on American cotton, was decidedly improved, and the further increase of 2½% in wages accorded to weavers, winders and beamers on Feb. 9, to go into effect with the first pay-day in May, seemed to attest the healthy condition of the weaving industry. The cloth business, although showing some slackening from the activity of late January, was nevertheless quite satisfactory, orders from China being more in evidence and transactions for India and other Eastern markets being of fair to good volume. On the whole manufacturers were well sold ahead. The marked extension of the manufacturing industry in Great Britain, revised lists showing 71 new mills containing 6,153,356 spindles working or in process of erection, served to call serious attention to the scarcity of operatives. It was contended that the scarcity would in time have an important bearing upon the question of consumption. Furthermore, reports were already at hand of stoppage of spindles in consequence of lack of operatives, and it was asserted that the new mills would have difficulty in getting fully to work. Greatest difficulty, it was claimed, would be experienced in manning mills at points distant from the large cotton-manufacturing centres, special inducements as to housing being necessary to cause operatives and their families to migrate. Exports of yarns and goods from Great Britain exhibited a decline from the heavy volume of January and were slightly below the total for February 1905; the aggregates were 115,457,000 lbs. and 116,245,000 lbs. respectively. Estimates of consumption were unchanged. *Liverpool.*—The general trend of the market for the raw material was downward during February, despite a good demand and large sales. The net decline,

however, was not very decided. Middling uplands opened at 5.94d., a loss of 13 points from the January close, and in the succeeding two weeks daily price changes up or down netted a further decline of 3 points, the quotation of the 16th having been 5.91d. The next eleven days witnessed a steadier decline, the ruling quotation on the 27th being 5.69d., from which level there was a recovery of 7 points to 5.76d. at the close.

**MARCH.**—*Manchester.*—Business in the cotton goods market was of very encouraging volume in March, transactions in both cloth and yarns having been of satisfactory proportions and at rates favorable to producers. In the earlier days only moderate dealings for China were put through, the large reported stocks of goods in that country seemingly acting as a check upon demand. But towards the close an active inquiry from that quarter resulted in an important aggregate of sales. Trade for India and other Eastern markets was fair to good throughout the month, and South America was in the market for moderate-sized parcels. A good miscellaneous business was reported for the home trade. The question of the wage scale was a leading incident of the month, engaging the attention of mill-owners. A spirit of unrest was slightly discernible among operatives, and it took definite shape on March 22 in a formal request made by the Cardroom Amalgamation for a meeting under the Brooklands agreement. It was understood that at the meeting an advance would be applied for. Up to the close of the month no action upon the request for a meeting had been announced. Yarns and goods exports from Great Britain reached an aggregate of 132,642,000 lbs. in March, against 124,810,000 lbs. for the like period of 1905, bringing the total for the half-year up to 751,399,000 lbs., as compared with only 698,986,000 lbs. for the six months of 1904-05. Mr. Ellison continued his estimated weekly rate of consumption as in the preceding month. *Liverpool.*—Under a good general demand for cotton and large spot sales, the market for the raw material slowly recovered from the decline of February, reports of bad weather in the American cotton belt assisting. The opening price of middling uplands (5.83d.) showed a gain of 7 points over the previous close, and by the 5th the quotation had moved up to 5.95d., only to recede to 5.77d. by the 13th. The next week, however, witnessed an advance of 14 points to 5.91d., and two days later 6d. was the ruling price. To the close a further gain of 7 points was scored, the final quotation having been 6.07d.

**APRIL.**—*Manchester.*—While less activity was displayed in the dealings in the cotton goods market than in the previous month, the April aggregate of transactions was yet of fairly satisfactory volume. At the opening business was good and so continued until the Easter holidays, after which there was a perceptible slackening in demand, but with a partial recovery in the closing week. Inquiry for China and India was very fair at times and in some cases orders for very distant months were booked. Home trade displayed fair activity. Yarns were very steadily held. The event of chief importance during the month was the settlement of the wage difficulty in the spinning trade. The application by cardroom operatives in March for a 5% advance was followed by similar action of the spinners in April. The employers made objection that no advance should be accorded except as a part of the conciliation scheme, then under consideration, which contemplated an automatic adjustment of wages. But this stand seemed to be untenable, an early agreement on a conciliation scheme appearing improbable, so employers decided to grant the advance beginning with the third pay-day in May. Meanwhile, operatives obligated themselves to assist earnestly in reconciling differences and completing the scheme. By the settlement as above, a year was made available for consideration and arriving at a conclusion without fear of labor troubles. Exports of yarns and goods from Great Britain reached a total of 107,781,000 lbs., as compared with 108,026,000 lbs. in April 1905. The average weekly rate of consumption continued on the level of the previous month. *Liverpool.*—The influence that started the upward turn in the closing days of March (the Census Bureau's final report giving the American crop at 10,777,000 bales) continued an important factor in early April. Opening at 6.04d. for middling uplands, the market for the raw material advanced gradually although not steadily until 6.24d. was reached on the 11th. A recession of 8 points occurred on the 12th and then came the Easter holidays. The loss of 8 points was recovered on the 17th but on the following day a decline set in, induced by general liquidation and fears of an unfavorable effect upon financial affairs by the San Francisco earthquake. The low point, 6.03d., was reached on the 24th, and the close was at 6.04d.

**MAY.**—*Manchester.*—No features of special importance are to be noted in connection with the cotton goods trade in May. On the whole the market was quiet, transactions in cloth showing an appreciable slackening after Easter, but as almost all manufacturers were already well under contract, machinery was kept fully employed and prices were in the main quite firmly maintained. New business for India was of moderate volume and very little was done for China, Japan and other Eastern markets. For South America, slight price concessions served to stimulate trade at times. Home trade demand, while good, was hardly up to expectations. Some surprise was occasioned by the fact that, with the easing up in demand for cloths, the output of yarns—in

cluding that from new mills—was so readily and fully absorbed by the market. An incident of the month was the return from America of the Cotton Commission which had been making an investigation of conditions at manufacturing centres and in the cotton-growing States. Their report strengthened belief in possibilities of extension of cotton culture South. The outward movement of yarns and goods was of important volume, reaching 131,101,000 lbs., against 116,181,000 lbs in May 1905. No change was made by Mr. Ellison in the estimated weekly rate of consumption. *Liverpool*.—Transactions in the market for the raw material were upon a moderate scale during May and fluctuations were within a comparatively narrow range, resulting in a net gain of 3 points for the month. The opening was at 6.06d. for middling uplands and the course of prices was mainly upward to the 17th, when 6.26d. was the ruling quotation. By the 22nd the price had receded to 6.13d., subsequently advanced to 6.22d. (on the 26th), but the close was at 6.07d.

**JUNE.**—*Manchester*.—The volume of transactions in the cotton goods market during June was of very moderate proportions, and in some lines a smaller business was reported than in any month for fully two years. But as most manufacturers were still well under engagement ahead, the dull period caused no special uneasiness and prices were firmly maintained quite generally. In the India section, however, some manufacturers were said to be in need of orders. Stocks at Calcutta were reported to be heavy, precluding any marked increase in demand for further important supplies in the near future, and Bombay, though not overstocked, advised that current distribution was not encouraging. From other markets only a moderate inquiry was in evidence as a rule. Home trade quiet. An interesting development of the month and having a bearing on future cotton supply was the committing of the Government to the preparation of plans for a railway in Nigeria. The third annual session of the International Congress of Cotton Spinners, held at Bremen, had under discussion many matters of importance to the trade. Exports of yarns and goods from Great Britain reached a total of 103,408,000 lbs., against 114,175,000 lbs. in June 1905. The average weekly rate of consumption continued as estimated for the previous month. *Liverpool*.—The market for the raw material was devoid of features calling for special comment. Trade was comparatively light but no weakness developed, fluctuations being within narrow limits, with the tendency towards a slightly higher level. Middling uplands opened the month at 6.02d., was down to 5.99d. on the 6th and up to 6.11d. on the 12th. It eased off to 6.06d. by the 14th but recovered the loss by the 18th. During the remainder of the month the range was between 5.05d. and 5.19d., with the close at 5.14d.

**JULY.**—*Manchester*.—The market for cotton goods was devoid of any features of importance, aside from the fact that, despite the quiet trade in progress, manufacturers generally maintained a firm stand on quotations. Spinners as well as weavers were well sold ahead, but, the volume of new orders not being up to the previous average, their position was not so strong at the close of the month as at the opening. Nevertheless, no uneasiness was felt, as unfilled orders were still sufficiently formidable to insure full working for some time. Russian affairs were the cause for a little weakness towards the end of the month, but it was not marked. Demand from India was rather quiet, but with crop reports very favorable the outlook was considered good. Orders from China were rather better, notwithstanding the uncertain aspect of affairs in that quarter. Other markets were quiet as a rule. Exports of yarns and goods from Great Britain reached a total of 130,524,000 lbs., against 117,017,000 lbs. in July 1905. Mr. Ellison made no change in his estimated rate of consumption. *Liverpool*.—In common with the trend of events in manufacturing centres, the market for the raw material was quiet. Fluctuations were within narrow limits with quotations tending downward the last half of the month. The opening quotation for middling uplands was 6.10d., from which level there was at first a slight easing off and then an advance to 6.16d. on the 11th—the highest price of the month. Changes of a few points a day were the rule thereafter and at the close the ruling quotation was 5.99d.

**AUGUST.**—*Manchester*.—The cotton goods market displayed no features of importance during the month of August. Trade was quiet generally and prices of both yarns and cloths eased off moderately. At the opening of the month a better inquiry from China was reported, resulting, however, in but little business, and fair purchases of shirtings were made for India. Later on, the decline in cotton checked demand for manufactured products and the volume of transactions—meagre by comparison with earlier months—was confined largely if not wholly to pressing requirements. Manufacturing establishments, however, were still well under contract and consumption of the raw material continued on a full basis. *Liverpool*.—No developments of importance were witnessed in the market for the raw material except the steady decline in prices for American cotton, which set in almost at the opening of the month and continued until near the close. The tone was in the main quiet. Middling uplands ruled at 5.98d. on the 1st and advanced to 5.99d. on the 2nd. From that level there was an almost continual drop day by day, until 5.37d. was reached on the 25th. A reaction then occurred, carrying the quotation up to 5.55d. on the 28th, but subsequently the improvement was largely lost, the close be-

ing at 5.41d., against 5.90d. at the end of the previous season.

We now give a compilation which covers the figures of consumption in detail for each of the principal countries embraced in the statement of the world's annual consumption already presented, and the total of all. These figures are not the takings of the mills, but the actual consumption, and are in all cases expressed in bales of 500 pounds. The figures in the table cover the years from 1884-85 to 1905-06 inclusive, and are given in thousands of bales.

500-lb. bales 000s omitted	Europe.			United States.			East Indies.	Japan.	All Others.	Total.
	Great Britain.	Continent.	Total.	North.	South.	Total.				
1884-85	2,746	2,604	5,350	1,286	241	1,527	467	100		7,444
1885-86	2,902	2,772	5,674	1,512	310	1,822	504	120		8,120
1886-87	2,955	2,912	5,867	1,578	361	1,939	569	130		8,505
1887-88	3,073	3,037	6,110	1,624	400	2,024	617	140		8,891
1888-89	3,016	3,256	6,272	1,704	444	2,148	697	150		9,267
1889-90	3,227	3,432	6,659	1,682	503	2,185	791	160		9,795
Av. 6 y'rs	2,986	3,002	5,988	1,564	377	1,941	607	134		8,670
1890-91	3,384	3,631	7,015	1,810	557	2,367	924	99	106	10,511
1891-92	3,181	3,619	6,800	1,944	632	2,576	914	150	125	10,565
1892-93	2,866	3,661	6,527	1,872	679	2,551	918	200	195	10,291
1893-94	3,233	3,827	7,060	1,593	671	2,264	959	192	105	10,580
1894-95	3,250	4,030	7,280	1,940	803	2,743	1,074	286	160	11,543
1895-96	3,276	4,160	7,436	1,711	861	2,572	1,105	363	129	11,605
Av. 6 y'rs	3,198	3,821	7,019	1,812	700	2,512	983	215	120	10,849
1896-97	3,224	4,368	7,592	1,776	962	2,738	1,004	414	132	11,880
1897-98	3,432	4,628	8,060	1,808	1,154	2,962	1,141	534	191	12,888
1898-99	3,519	4,784	8,303	2,244	1,309	3,553	1,314	703	142	14,015
1899-00	3,334	4,576	7,910	2,355	1,501	3,856	1,139	711	157	13,773
1900-01	3,269	4,576	7,845	2,150	1,577	3,727	1,060	632	152	13,416
1901-02	3,253	4,836	8,089	2,207	1,830	4,037	1,384	726	179	14,415
Av. 6 y'rs	3,339	4,628	7,967	2,089	1,389	3,478	1,174	620	159	13,398
1902-03	3,185	5,148	8,333	2,048	1,967	4,015	1,364	567	199	14,478
1903-04	3,017	5,148	8,165	2,001	1,907	3,908	1,368	693	176	14,310
1904-05a	3,620	5,148	8,768	2,194	2,116	4,310	1,474	755	235	15,542
1905-06a	3,848	5,252	9,100	2,440	2,286	4,726	1,546	850	173	16,395

a Figures of European consumption for 1904-05 and 1905-06 will probably be changed slightly by Mr. Ellison in his October Annual.

Another general table which we have compiled of late years is needed in connection with the foregoing to furnish a comprehensive idea of the extent and the expansion of this industry. It discloses the world's cotton supply and the sources of it. The special points we have sought to illustrate by the statements are, first, the relative contribution to the world's raw material by the United States and by other sources, and, second, to follow its distribution. Beginning with 1896-97, the figures of visible supply include Alexandria and Bombay stocks.

WORLD'S SUPPLY AND DISTRIBUTION OF COTTON.

500-lb. bales.	Visible and Invisible Supply Beginning of Year.	Crops.			Total Actual Consumption.	Balance of Supply. End of Year.	
		United States.	All Others.	Total.		Visible.	In-visible.
1884-85	1,550,000	5,136,000	2,101,000	7,237,000	7,444,000	984,000	359,000
1885-86	1,343,000	5,984,000	2,234,000	8,218,000	8,120,000	968,000	473,000
1886-87	1,441,000	5,960,000	2,577,000	8,537,000	8,505,000	999,000	474,000
1887-88	1,473,000	6,400,000	2,309,000	8,709,000	8,891,000	772,000	519,000
1888-89	1,291,000	6,463,000	2,632,000	9,095,000	9,267,000	682,000	437,000
1889-90	1,119,000	6,820,000	2,933,000	9,753,000	9,795,000	846,000	231,000
Average 6 years	-----	6,127,000	2,464,000	8,591,000	8,670,000	-----	-----
1890-91	1,077,000	8,137,000	3,039,000	11,176,000	10,511,000	1,315,000	427,000
1891-92	1,742,000	8,640,000	3,001,000	11,641,000	10,565,000	2,310,000	508,000
1892-93	2,818,000	7,435,000	3,296,000	9,731,000	10,291,000	1,903,000	355,000
1893-94	2,258,000	7,136,000	3,314,000	10,450,000	10,580,000	1,792,000	336,000
1894-95	2,128,000	6,840,000	2,978,000	9,818,000	11,543,000	2,185,000	1,018,000
1895-96	3,203,000	6,912,000	3,421,000	10,333,000	11,605,000	1,231,000	700,000
Average 6 years	-----	7,817,000	3,175,000	10,992,000	10,849,000	-----	-----
1896-97	1,931,000	8,435,868	3,438,000	11,873,868	11,880,332	1,295,636	628,000
1897-98	1,923,636	10,890,000	3,316,290	14,206,290	12,888,768	1,905,158	1,336,000
1898-99	3,241,158	11,078,000	3,694,934	14,772,934	14,014,728	2,371,364	1,628,000
1899-00	3,999,364	9,137,000	3,092,897	12,229,897	13,772,772	1,071,489	1,385,000
1900-01	2,456,489	10,218,000	3,414,454	13,632,454	13,415,916	1,549,027	1,124,000
1901-02	2,673,027	10,380,380	4,033,569	14,413,949	14,414,908	1,306,068	1,366,000
Average 6 years	-----	10,023,207	3,498,358	13,521,565	13,397,911	-----	-----
1902-03	2,672,068	10,511,020	4,215,661	14,726,687	14,477,694	1,177,677	1,743,384
1903-04	2,921,061	9,841,671	4,317,670	14,159,341	14,310,158	1,085,237	1,735,007
1904-05	2,770,244	13,420,440	4,524,000	17,944,056	15,541,667	2,501,469	2,671,164
1905-06	5,172,633	11,048,000	4,772,000	15,820,000	16,395,228	1,702,485	2,894,920

To illustrate the preceding, take the last season, 1905-06, and the results would be as follows:

Supply—Visible and invisible stock beginning of year	bales. 5,172,633
Total crop during year	15,820,000
Total supply—bales of 500 lbs.	20,992,633
Distribution—Total consumption, &c.	16,395,228
Leaving visible stock	1,702,485
Leaving invisible stock	2,894,920
Total visible and invisible stock at end of year	4,597,405

Overland and Crop Movement.

**Overland.**—The marketing of cotton via the overland routes has fallen off in greater ratio this season than has the total crop movement, the decline in the former having been 21 3/8%, against only 16 1/2% in the latter.

Furthermore, the volume of cotton moved northward by rail this season reaches only 11% of the total crop, against 11.58% in the year previous.

With regard to the 1905-06 movement overland by rail, practically all important routes have shared in the recorded loss. The falling off via Cincinnati and Louisville is, of course, very slight, and the Rock Island system has suffered to the extent of only about 15%.

Table with 5 columns: Crop of, Total Yield, Gross Overland, Increase and Decrease of Crop, Increase and Decrease of Overland. Rows include years from 1905-06 to 1886-87.

In determining this year the portion of the crop forwarded by each of the different overland routes, we have followed our usual methods—

First—Of counting each bale of cotton at the Southern outport where it first appears.

Second—Of deducting from gross overland all cotton shipped by rail from Southern outports to the North.

Third—Of deducting also from overland any amounts taken from Southern outports for Southern consumption.

Fourth—Of deducting likewise arrivals by railroads at New York, Boston, Baltimore and Philadelphia, all of which have been counted in the receipts from week to week during the year.

With these explanations, nothing further is needed to make plain the following statement of the movement overland for the year ending Aug. 31 1906.

Table showing movement overland for 1905-06, 1904-05, and 1903-04. Categories include Amount shipped, Deduct shipments, and Leaving total net overland.

This total includes shipments to Canada by rail, which during 1905-06 amounted to 114,872 bales, and are deducted in the statement of consumption.

CROP DETAILS.—We now proceed to give the details of the entire crop for two years.

Table for Louisiana showing exports from New Orleans to foreign ports, coastwise ports, and Southern ports, with deductions for manufactured cotton, burnt cotton, and receipts from other sources.

In overland we have deducted these two items.

Table for Texas showing exports from Galveston to foreign ports and coastwise ports, with stock at close of year and deductions for receipts from New York and stock beginning of year.

a Coastwise exports include 5,362 bales shipped inland.

Table for Alabama showing exports from Mobile to foreign ports and coastwise ports, with stock at close of year and deductions for receipts from Pensacola and stock beginning of year.

Under the head of coastwise shipments from Mobile are included 583 bales shipped inland by rail for consumption, which, with consumption, are deducted in the overland movement.

Table for Georgia showing exports from Savannah to foreign ports (Upland and Sea Islands) and coastwise ports, with stock at close of year and deductions for receipts from Charleston and Florida.

The amounts shipped inland and taken for consumption are deducted in overland.

There were no receipts at Savannah by water from the Florida outports this season; but 26,500 bales from interior of Florida were received at Savannah by rail.

Table for Florida showing exports from Pensacola to foreign ports and coastwise ports, with stock at close of year and deductions for receipts from Mobile and stock beginning of year.

These figures represent this year, as heretofore, only the shipments from the Florida outports. Florida cotton has also gone inland to Savannah, &c., but we have followed our usual custom of counting that cotton at the outports where it first appears.

Table for South Carolina showing exports from Charleston to foreign ports (Upland and Sea Islands) and coastwise ports, with stock at close of year and deductions for receipts from Savannah.

Included in this item are 21,187 bales, the amount taken by local mills and shipped to interior, all of which is deducted in overland.

Table for North Carolina showing exports from Wilmington to foreign ports and coastwise ports, with stock at close of year and deductions for receipts from Savannah and stock beginning of year.

Of these shipments, 536 bales went inland by rail from Wilmington and with local consumption are deducted in overland.

Table for Virginia showing exports from Norfolk to foreign ports and coastwise ports, with stock at close of year and deductions for receipts from Wilmington and other North Carolina ports.

Includes 1,256 bales shipped to the interior, which, with 9,995 bales taken for manufacture, are deducted in overland.

TENNSESEE, ETC.

Table showing shipments from Tennessee, &c. a, for 1905-06 and 1904-05. Includes direct-net overland and rail routes.

a Except 33,980 bales deducted in overland, previously counted. Total product detailed in the foregoing by States for the year ending September 1 1906. Consumed in the South, not included.

Total crop in the U. S. for year ending Sept. 1 1906. bales 11,319,860

Table titled 'Below we give the total crop each year since 1875:' showing bales from 1875 to 1906 for various years.

Weight of Bales.

The average weight of bales and the gross weight of the crop we have made up as follows for this year, and give last year for comparison.

Table comparing movement through Texas, Louisiana, Alabama, Georgia, South Carolina, Virginia, North Carolina, and Tennessee, &c. for years ending September 1 1906 and 1905.

a Including Florida.

According to the foregoing, the average gross weight per bale this season was 511.37 lbs., against 516.10 lbs. in 1904-05 or 4.73 lbs. less than last year.

Table showing average weight of cotton bales by season from 1905-06 to 1877-78. Includes columns for No. of Bales, Weight, Pounds, and Average Weight, per bale.

Export Movement of Cotton Goods from United States.

We present below a table compiled from the returns of exports of cotton goods from the United States as reported by the Bureau of Statistics.

Table titled 'EXPORTS OF COTTON MANUFACTURES.' showing yards and total value for years ending June 30, 1906, 1905, and 1904.

a Includes values of manufactures not stated in yards.

New Crop and Its Marketing.

It is not within our province at this early date to speak with any degree of certainty of the cotton crop now matur-

ing, future conditions of weather being far too important factors to be lightly dismissed from consideration. At the moment the outlook on the whole is better than it was at this time a year ago, and consequently, with a normal season from now on, considering likewise the enlarged area planted, we should naturally expect an appreciable greater yield than in 1905.

This year, as in all other seasons, there are some authenticated facts from which we can at this date draw conclusions. All authorities agree that a larger area was planted last spring than in the preceding year, although there is considerable divergence of opinion as to the extent of the addition.

In point of maturity, the crop now beginning to come to market was on June 1 about an average one, and therefore more advanced than a year ago. During June the rainfall was in excess in many sections of the Atlantic States but without material injury to the plant being reported.

We now append our usual data bearing upon the maturity of the plant, giving first the dates of arrival of first bales. This year the earliest receipt was at Galveston, Texas, on July 5.

Table titled 'Date of Receipt of First Bale.' showing dates for various locations from 1900 to 1906.

c At Eufaula, Indian Territory. e At Natchez. r At Checotah. s. At Shawnee. z At Mangum.

A better indication of maturity, however, is furnished by the aggregate arrivals of new cotton to the 1st of September. The heaviest movement of new cotton this year has been as is usual, to Galveston (99,887 bales), and Savannah has received 3,912 bales.



**Exports.**

In the following we present a statement of the year's exports from each port, showing direction shipments have taken. Similar statements have been given in all previous reviews, and a comparison as to the extent of the total movement to each port can be made with back years.

To—	New Orleans.	Galveston. a	Savannah. d	Wilmington. g	Norfolk. h	New York.	Other ports. k	Total.
Liverpool	681,519	906,279	226,483	139,595	16,690	130,883	384,237	2,485,686
Manchester	24,287	151,847	83,208	—	—	17,911	28,670	305,923
Hull	6,881	—	—	—	—	14,791	—	21,672
London	13,272	19,418	—	—	—	14,894	—	47,584
Belfast	24,755	8,410	—	—	—	—	—	33,165
Dublin	861	—	—	—	—	—	—	861
Glasgow	370	1,000	439	—	5,130	191	—	7,130
Leith	—	—	—	—	—	—	125	125
Newcastle	—	—	—	—	—	500	—	500
South'm'ton	—	—	—	—	—	200	—	200
Havre	243,625	309,731	74,322	5,225	9,000	24,932	94,463	761,298
Dunkirk	6,450	8,697	—	—	—	100	300	15,547
Marseilles	300	—	—	—	—	1,200	—	1,500
Bremen	209,597	534,041	477,599	175,263	—	74,676	140,890	1,612,066
Hamburg	26,182	59,336	40,000	—	2,525	4,200	4,793	137,041
Warburg	—	—	1,700	—	—	1,120	—	2,820
Amsterdam	—	—	500	—	—	—	—	500
Rotterdam	1,634	5,479	4,437	—	327	1,865	2,765	16,507
Antwerp	35,831	40,588	2,350	—	—	13,906	8,794	98,499
Ghent	—	9,039	900	—	—	—	—	9,939
Copenhagen	8,892	2,922	—	—	—	898	—	12,712
Christiana	—	—	300	—	—	200	—	500
Stockholm	—	—	500	—	—	200	—	700
Malmo	—	—	1,050	—	—	452	—	1,502
Norrkoping	—	—	2,000	—	—	100	—	2,100
Nykoping	—	—	300	—	—	100	—	400
Gefle	—	—	550	—	—	50	—	600
Guttenberg	—	—	10,169	—	—	197	—	10,366
Bergen	—	—	300	—	—	—	—	300
Narva	—	1,000	—	—	—	—	—	1,000
Oxelsund	—	—	200	—	—	200	—	400
Abo	—	—	—	—	—	300	—	300
Reval	—	9,291	32,425	—	—	4,151	—	45,867
Riga	—	850	5,040	—	—	950	—	6,840
St. P'burg.	—	750	13,303	—	700	2,098	—	16,851
Udervalle	—	—	400	—	—	103	—	503
Oporto	—	—	200	—	—	—	—	200
Barcelona	94,183	12,150	99,817	—	—	40,777	2,300	249,227
Malaga	3,000	1,000	—	—	—	—	—	4,000
Santander	—	—	100	—	—	—	—	100
Ferrol	—	—	600	—	—	—	—	600
Pasages	150	—	—	—	—	—	—	150
Genoa	144,649	130,504	14,709	—	—	114,081	8,775	412,711
Naples	—	—	—	—	—	20,764	—	20,764
Leghorn	—	—	—	—	—	600	—	600
Venice	18,895	13,696	2,900	—	—	7,795	—	43,286
Trieste	18,779	5,346	10,600	—	—	3,574	1,000	39,299
Fiume	3,221	6,342	7,400	—	—	1,049	—	18,012
Philippines	—	—	—	—	—	—	700	700
Guatemala	100	—	—	—	—	—	100	200
Mexico	2,168	11,257	—	—	—	—	—	13,425
W. Indies	5	—	—	—	—	—	—	5
China	—	—	—	—	—	2,579	250	2,829
Japan	—	—	—	—	—	15,897	111,850	127,747
India	—	—	500	—	—	—	—	500
Dom. Can.	—	—	—	—	—	934	121,581	122,515
Total	1,569,606	2,248,973	1,115,306	320,083	34,372	519,418	908,593	6,716,351

**ITEMS ABOUT BANKS, BANKERS AND TRUST CO.'S.**

—The public sales of bank stocks this week aggregate 170 shares. Of this amount 70 shares were of stock of the National Bank of Commerce which were sold at the Stock Exchange, while 100 shares were of National Park Bank stock sold at auction. The price paid for this block of National Park Bank stock was 486 as against 464¾ at the last previous sale made in August. The auction sale also included one share of stock of the United States Trust Co. at 1295. The table below, given in our usual form, shows the actual sales of New York City bank stocks made during the week at auction and at the Stock Exchange. Extensive tables showing the bid and asked quotations, deposits, surplus, &c., of banks and trust companies in all important cities of the United States are published monthly in the "Bank and Quotation" section, the September issue of which accompanies to-day's "Chronicle." Bid and asked quotations for all New York City bank and trust company stocks are also published weekly in another department of the paper, and will be found to-day on pages 547 and 548.

Shares.	BANKS—New York.	Low.	High.	Close.	Last previous sale.
270	Commerce, National Bank of	187¼	189	187¼	Aug. 1906—188
100	Park Bank, National	486	486	486	Aug. 1906—464¾
TRUST COMPANY—New York.					
1	United States Trust Co.	1295	1295	1295	Mch. 1906—1390

—John McCarthy, Assistant Cashier of the Continental Bank of Chicago, has announced his candidacy for the office of Secretary of the American Bankers' Association, subject to the approval of the Executive Council in their choice at the St. Louis convention next month. Mr. McCarthy has a host of friends among the bankers East, West and South, who favor his nomination; and his qualifications of ability, geniality and industry bespeak for him a strong support. He was born in Ireland, but came to this country many years ago; was in the employ of the Hanover National Bank of

New York for two years; with the American Writing Machine Company for twelve years, first as Secretary and afterwards as its President; and for the past three years has occupied his present position with the Continental National

—Fisk & Robinson of this city, in their monthly Bulletin of Investments, refer to conditions as now propitious for securing the long-delayed and much-needed currency legislation. They say:

"It is fortunate that there will be forthcoming at an early day the conclusions of the committee appointed by the New York Chamber of Commerce to prepare a report on the currency question. The task is difficult involving as it does compromises and adjustments; but from the character of the committee it is safe to assume that the ground will have been gone over thoroughly and that the recommendations made will be wise and temperate. That changes in present conditions are imperatively needed is conceded by all. It lies with this competent committee to point out the best available method. If, in addition to its recommendations, the committee will show clearly and strongly the injury inflicted on the people everywhere by our anomalous currency system, and if between now and the meeting of Congress the committee's suggestions are given the widest publicity and receive the support of our great industrial and commercial associations, particularly in the West and in the South, it is reasonable to expect that the serious attention of both the executive and legislative branches of the Government can be secured. Neither can afford to ignore indefinitely great economic questions and devote their attention largely to matters in which moral and even hygienic issues are chiefly involved. It is high time that currency had its turn at a 'square deal.' The problem is in the public mind; it touches in one way or another the vital interests of every citizen; the hour is opportune; and all classes and forces should unite in a supreme effort to remove at once from the pathway of our future development and prosperity this wholly unnecessary stumbling block of unsound, unscientific currency."

—A new banking institution, to be called the New Netherlands Trust Company, is now being organized by strong interests identified with the Bankers' Trust Company, 7 Wall Street. The new institution will be practically under the same management as the Bankers' Trust Company but will exist as an independent organization, making an entirely new field for itself in the newly made business district in the vicinity of Fifth Avenue and 34th Street. The New Netherlands Trust Company is to be located in handsome offices on the northeast corner of Fifth Avenue and 36th Street and will start business about November. The capital stock, \$1,000,000, is to be issued at \$160 per share, the premium creating a surplus of \$600,000. From the character of its personnel, the new company is likely to attract the business of the many important neighboring interests which are establishing themselves in the locality. The incorporators are: Benjamin Altman, George B. Case, Thomas Cockran Jr., Edmund C. Converse, President of the Bankers' Trust Co.; Henry P. Davison, Vice-President of the First National Bank; Thomas W. Lamont, Second Vice-President Bankers' Trust Co.; Edgar L. Marston of Blair & Co., Gates W. McGarrah, President Mechanics' National Bank; George W. Perkins of J. P. Morgan & Co.; William H. Porter, President Chemical National Bank; Seward Prosser; Daniel G. Reid, Vice-President Liberty National Bank; John F. Thompson, Vice-President Bankers' Trust Co., and Albert H. Wiggin, Vice-President of the Chase National Bank. The officers so far decided upon for the trust company include: Edmund C. Converse, President; Thomas Cockran Jr. and Seward Prosser, Vice-Presidents.

—Bertram H. Fancher, Cashier of the Fifth Avenue Bank of this city, has been elected a member of its board of directors to fill the vacancy created by the death of Russell Sage.

—The recently organized Beaver National Bank, of which Martin W. Littleton is to be President, will start business early this fall on the ground floor of the Beaver Building, corner of Wall, Pearl and Beaver streets, this city. The directors of this new institution are: William Grant Brown, Donald C. Catlin, John B. Daniels, William A. Griffith, Thomas A. H. Hay, Martin W. Littleton, T. P. Welsh, George Mercer Jr., Thomas F. Murphy, Augustus K. Sloan, Samuel H. Vandergrift and Earl Vogel.

—Augustus Newbold Morris, a Vice-President and director of the Plaza Bank of this city, died at his country home at Ridgefield, Conn., on Sunday. Mr. Morris, who was born in 1838, was a lineal descendant of Lewis Morris, one of the signers of the Declaration of Independence. He was identified with several clubs, was a manager of the Home for Incurables at Fordham and a director of the Zoological Society.

—The directors of the Franklin Trust Company of this city and Brooklyn at their regular meeting on Wednesday adopted resolutions conveying expressions of their sense of loss in the death of Thomas E. Stillman, a trustee of the company from its early years. Mr. Stillman died at Lisieux, France, on the 4th inst. in his seventieth year.



—According to announcements made on Thursday there appears to be every likelihood that the Real Estate Trust Company of Philadelphia will resume. The directors have pledged themselves to assist the Receiver in its rehabilitation by providing the needful cash. In connection with the suspension of the company, Adolph Segal, to whom large loans were made by it, William F. North, Treasurer of the institution, and Marshall S. Collingwood, Assistant Treasurer, were at a preliminary hearing this week held under bail for the Grand Jury. In addition to alleged charges of conspiracy to defraud the institution, the accused are also, it is stated, charged with embezzlement and perjury. The announcement was made on Tuesday by Receiver George H. Earle Jr. that Mr. Segal had turned over to him, as additional collateral for loans made by the trust company, his equity in the Shackamaxon Street Sugar Refinery. It was also announced that the loan negotiated by the Arlingbrook Real Estate Company, amounting to \$250,000, had been paid.

—A proposition to increase the capital of the Dime Savings Bank of Detroit from \$250,000 to \$500,000 was ratified by the stockholders on Tuesday. On the recommendation of the directors the question of a proposed change in the name of the institution was not taken up at this week's meeting of the shareholders.

—The Northern Trust Company of Chicago took advantage of a Saturday half-holiday, Sunday and Labor Day (Monday) to remove from "The Rookery," to its own new monumental building on the northwest corner of La Salle and Monroe streets, and was ready for business in every department on Tuesday morning. This location is at the intersection of Chicago's two principal financial avenues, really the business heart of the city. The Northern Trust Company was organized in 1889 by Byron L. Smith, its present President, with a capital stock of \$1,000,000. Its capital has since been increased to \$1,500,000, and the last published statement (June 9th) shows a surplus of \$1,000,000, undivided profits of \$527,544, deposits of \$27,500,000 and total resources of more than \$31,000,000. The new bank building occupies a frontage of one-half a city block (190 feet) on La Salle Street and 73 feet on Monroe Street. It is 4 stories high, with basement and sub-basement. The exterior is of pink New Hampshire granite of beautiful and substantial architectural design, with massive Ionic granite columns 40 feet in height, extending along both fronts from the first floor to cornice. Heavy, elaborate steel grills protect the windows on the street level. The savings and bond departments (the latter just established with Harry B. Judson as manager) are on the first floor, a room 132 feet long by 68 feet wide and 16 feet high, leaving outside the rails a space 100x3 feet for the public. There are also women's visiting and waiting rooms on this floor. The banking and foreign exchange departments occupy the entire second floor, the ceiling of which is 26 feet high in the clear. On the third floor are the trust department, the rooms of the President, directors, Trust Officers, bank attorneys and the law library. The Chicago Clearing-House Association has spacious accommodations on the fourth floor, besides which are locker rooms, rest rooms, shower baths, toilet rooms, &c., for the employees of the company. All of the bank vaults and safe deposit vaults are in the basement, which is connected with the several floors by automatic elevators. These vaults are of the best and most modern type of construction. No known safeguard has been disregarded and no expense spared to make them the very best possible. The sub-basement is devoted to storage rooms, motors, machinery, boilers, &c. Every portion of the Northern Trust Building is elegantly and tastefully finished; each department has commodious and convenient facilities. The institution has tried and conservative officers and a strong directorate, and, with such perfect equipment, there are present all the elements needful to insure continued prosperity.

The directors of the Northern Trust Company of Chicago this week elected to their board Ernest A. Hamill, President of the Corn Exchange National Bank of Chicago. Mr. Hamill succeeds J. Harley Bradley, resigned.

—At a directors' meeting of the Continental National Bank of Chicago on Tuesday, Alexander Robertson, Manager of the Chicago branch of the Bank of Nova Scotia, was

chosen to succeed N. E. Barker, resigned, as Vice-President of that institution. Mr. Robertson will also take Mr. Barker's place in the board of directors.

—J. A. McLeod, for the past year Manager of the Havana, Cuba, branch of the Bank of Nova Scotia, and prior to that Manager of the Boston branch, has been appointed Manager of the Chicago branch to succeed Alex. Robertson, who assumes his duties as Vice-President of the Continental National Bank of Chicago on Monday next.

—The stockholders of the Holston National Bank of Knoxville, Tenn., endorsed a proposition on Aug. 14 to increase the bank's capital from \$200,000 to \$300,000. The new shares are to be paid for on Jan. 15 1907 at a price equal to the book value of the old shares, which, we are advised, will be approximately \$130 each. The stock is in shares of \$100. Joseph P. Gaut is President of the institution.

**Clearings by Telegraph.—Sales of Stocks, Bonds, &c.—**  
The subjoined table, covering clearings for the current week, usually appears on the first page of each issue, but on account of the length of the other tables is crowded out once a month. The figures are received by telegraph from the leading cities. It will be observed that as compared with the corresponding week of 1904, there is an increase in the aggregate of 21.7%. So far as the individual cities are concerned, New York exhibits a gain of 28.2%, Boston 7.6%, Philadelphia 15.7%, Chicago 11.9%, Baltimore 6.1%, St. Louis 11.0% and New Orleans 6.9%.

Clearings—Returns by Telegraph. Week ending Sept. 8.	1906.	1905.	Per Cent.
New York .....	\$1,457,043,939	\$1,136,196,455	+28.2
Boston .....	103,940,787	96,566,239	+7.6
Philadelphia .....	101,985,456	88,157,043	+15.7
Baltimore .....	20,097,907	18,940,606	+6.1
Chicago .....	160,199,398	143,211,454	+11.9
St. Louis .....	47,572,280	42,850,653	+11.0
New Orleans .....	10,711,235	10,018,182	+6.9
Seven cities, 5 days .....	\$1,901,551,002	\$1,535,940,632	+23.8
Other cities, 5 days .....	299,587,693	278,471,619	+7.6
Total all cities, 5 days .....	\$2,201,138,695	\$1,814,412,251	+21.3
All cities, 1 day .....	530,108,971	429,576,869	+23.4
Total all cities for week .....	\$2,731,247,666	\$2,243,989,120	+21.7

**Canadian Bank Clearings.**—The Clearings of the Canadian banks for the month of September 1906 show an increase over the same month of 1905 of 16.1%, and for the nine months the gain reaches 18.0%.

Clearings at—	September.			Nine Months.		
	1906.	1905.	Inc. or Dec.	1906.	1905.	Inc. or Dec.
<b>Canada—</b>	\$	\$	%	\$	\$	%
Montreal .....	124,783,775	108,835,265	+14.6	984,526,917	849,102,150	+15.9
Toronto .....	90,415,800	80,544,330	+12.1	769,935,850	668,172,518	+15.2
Winnipeg .....	38,778,304	30,303,842	+28.0	284,879,809	202,409,733	+40.7
Ottawa .....	11,772,499	10,052,110	+17.1	84,839,685	76,213,332	+11.3
Vancouver .....	12,048,239	7,951,737	+51.6	77,319,839	53,708,539	+44.0
Quebec .....	7,619,661	7,529,648	+1.2	59,107,993	56,187,130	+5.2
Halifax .....	7,924,680	7,423,623	+6.7	60,192,777	57,525,005	+4.6
Hamilton .....	6,345,809	5,556,492	+14.2	48,932,954	42,708,999	+14.6
St. John .....	5,549,958	4,722,971	+17.5	38,714,160	33,827,633	+14.4
London .....	4,692,366	4,320,109	+8.6	37,696,327	32,559,071	+15.8
Victoria .....	3,791,456	2,933,511	+28.9	27,505,855	23,875,449	+15.2
Calgary .....	4,342,225	{ Not incl. }	-----	15,741,200	{ Not incl. }	-----
Edmonton .....	3,102,514	{ in total. }	-----	3,102,514	{ in total. }	-----
Total Canada .....	313,722,547	270,173,638	+16.1	2,473,652,166	2,096,289,559	+18.0

The clearings for the week ending Sept. 1 make a very satisfactory comparison with the same week of 1905, the increase in the aggregate having been 11.0%.

Clearings at	Week ending September 1.				
	1906.	1905.	Inc. or Dec.	1904.	1903.
<b>Canada—</b>	\$	\$	%	\$	\$
Montreal .....	26,322,287	22,305,307	+18.0	18,726,527	19,102,745
Toronto .....	15,072,554	17,592,412	-14.3	13,310,873	14,338,841
Winnipeg .....	8,204,575	5,381,406	+52.5	4,728,773	4,020,493
Ottawa .....	2,185,637	2,003,507	+9.1	1,563,172	1,903,991
Vancouver .....	2,521,781	1,768,233	+42.6	1,529,016	1,342,373
Quebec .....	1,665,212	1,518,425	+9.7	1,410,266	1,653,271
Halifax .....	1,610,000	1,591,663	+1.2	2,015,468	1,798,320
Hamilton .....	1,283,981	1,157,240	+10.9	1,097,035	1,083,505
St. John .....	1,142,198	916,707	+24.7	1,032,104	1,101,171
London .....	891,909	789,283	+13.0	882,405	818,022
Victoria .....	1,003,342	757,318	+32.4	631,709	493,596
Calgary .....	890,649	Not included	in total.	-----	-----
Edmonton .....	719,644	Not included	in total.	-----	-----
Total Canada .....	61,903,476	55,781,501	+11.0	46,927,428	47,566,034

Our usual monthly detailed statement of transactions on the various New York Exchanges is appended. The results for the eight months of 1906 and 1905 are given below:



Statement of New York City Clearing-House Banks.

The following statement shows the condition of the New York City Clearing-House banks for the week ending Sept. 1. It should be distinctly understood that as to all items except capital and surplus the figures are the averages of the daily results, not the totals at the end of the week.

We omit two ciphers (00) in all cases.

Table with columns: Banks, Capital, Surplus, Loans, Specie, Legals, Deposits, Reserve. Lists various banks including Bank of N. Y., Manhattan Co., etc., with their respective financial figures.

a Total United States deposits included, \$10,313,000.

Reports of Non-Member Banks.—The following is the statement of condition of the non-member banks for the week ending Sept. 1 1906, based on average daily results:

We omit two ciphers (00) in all cases.

Table with columns: Banks, Capital, Surplus, Loans and Investments, Specie, Legal Tender and Bank Notes, Clearing Agent, Other Banks &c., Net Deposits. Lists banks from N. Y. City, Jersey City, and Hoboken.

New York City, Boston and Philadelphia Banks.—Below is a summary of the weekly returns of the Clearing-House banks of New York City, Boston and Philadelphia. The New York figures do not include results for non-member banks.

We omit two ciphers (00) in all these figures.

Table with columns: Banks, Capital and Surplus, Loans, Specie, Legals, Deposits, Circulation, Clearings. Compares New York, Boston, and Philadelphia banks.

a Including for Boston and Philadelphia the item "due to other banks" and also Government deposits. For Boston these Government deposits amounted on Sept. 1 to \$1,550,000; on Aug. 25 to \$1,553,000.

Imports and Exports for the Week.—The following are the imports at New York for the week ending for dry goods Aug. 30 and for the week ending for general merchandise Aug. 31; also totals since beginning first week in January.

FOREIGN IMPORTS AT NEW YORK.

Table with columns: For week, 1906, 1905, 1904, 1903. Shows import values for Dry Goods and General Merchandise.

The imports of dry goods for one week later will be found in our report of the dry goods trade.

The following is a statement of the exports (exclusive of specie) from the port of New York to foreign ports for the week ending Sept. 3 and from Jan. 1 to date:

EXPORTS FROM NEW YORK FOR THE WEEK.

Table with columns: 1906, 1905, 1904, 1903. Shows export values for the week and previously reported periods.

The following table shows the exports and imports of specie at the port of New York for the week ending Sept. 1 and since Jan. 1 1906, and for the corresponding periods in 1905 and 1904:

EXPORTS AND IMPORTS OF SPECIE AT NEW YORK.

Table with columns: Gold, Exports, Imports, Week, Since Jan. 1. Shows specie export and import data for Gold and Silver.

Of the above imports for the week in 1906, \$394,715 were American gold coin and \$1,075 American silver coin. Of the exports during the same time \$2,100 were American gold coin and --- were American silver coin.

Banking and Financial.

TRANSCONTINENTAL MAP

Mailed upon request.

Spencer Trask & Co.,

Investment Bankers.

Branch Office, Albany, N.Y. William and Pine Sts., New York.

MOFFAT & WHITE,

Members New York Stock Exchange.

5 NASSAU STREET, HANOVER BANK BUILDING,

Dealers in Investment Securities.

COMMISSION ORDERS EXECUTED FOR CASH ONLY

# Bankers' Gazette.

For Dividends see page 544.

Wall Street, Friday Night, Sept. 7 1906.

**The Money Market and Financial Situation.**—An advance in call-loan rates to 30% on Tuesday and to 40% on Wednesday of this week caused less disturbance in the security markets than might have been expected. Of course the demand for stocks was greatly reduced, but there was little if any forced liquidation, only a moderate decline in prices resulted, and a speedy recovery took place on the announcement of the Secretary of the Treasury's plan to relieve the situation. As a result of the latter, gold imports in considerable volume are looked for in the near future.

Another event which has had a tendency to stimulate activity, especially in the securities directly affected, has been a sale by the Pennsylvania Railroad Company of a controlling interest in the Baltimore & Ohio and Norfolk & Western properties—and still another in the exceptionally favorable annual reports recently made by some of the railway companies.

It is reported that \$10,000,000 or more gold has been engaged for shipment hither from Europe during the week and to-day the cable announces that London Stock Exchange operations are somewhat disturbed by the demand for gold from this side. At the same time the local money market situation is reflected in a 17% maximum and 3% minimum rate for call loans.

The open market rates for call loans on the Stock Exchange during the week on stock and bond collaterals have ranged from 2 to 40%. To-day's rates on call were 3@17%. Prime commercial paper quoted at 6@7% for endorsements and 6@7% for best single names.

The Bank of England weekly statement on Thursday showed a decrease in bullion of £503,777, and the percentage of reserve to liabilities was 50.10, against 51.05 last week.

The discount rate remains unchanged at 3½%. The Bank of France shows a decrease of 15,200,000 francs in gold and 1,100,000 francs in silver.

NEW YORK CITY CLEARING-HOUSE BANKS.

	1906. Sept. 1.	Difference from previous week.	1905. Sept. 2.	1904. Sept. 3.
Capital	\$ 118,150,000		\$ 115,072,700	\$ 115,972,700
Surplus	151,092,000		139,492,800	134,323,400
Loans and discounts	1,063,739,600	Dec. 7,393,200	1,136,920,800	1,117,242,600
Circulation	46,038,700	Dec. 68,800	53,095,500	38,980,700
Net deposits	104,420,572,200	Dec. 11,794,500	1,166,587,700	1,217,084,000
Specie	181,745,600	Dec. 4,287,200	213,787,200	271,264,900
Legal tenders	81,638,100	Dec. 82,100	83,358,600	80,509,500
Reserve held	263,383,700	Dec. 4,369,300	297,145,800	351,774,400
25% of deposits	260,514,300	Dec. 2,948,625	291,646,925	304,271,000
Surplus reserve	2,869,400	Dec. 1,420,675	5,498,875	47,503,400

a \$10,313,000 United States deposits included, against \$10,350,300 last week and \$8,552,900 the corresponding week of 1905. With these United States deposits eliminated the surplus reserve would be \$5,447,650 on Sept. 1 and \$6,877,650 on Aug. 25.

Note.—Returns of separate banks appear on the preceding page.

**Foreign Exchange.**—The market was unsettled and weak until Thursday, influenced by dear money, a pressure of bills and a light demand. Then the announcement of intervention by Secretary Shaw to facilitate gold imports caused a sharp advance; the tone was irregular at the close. Reported engagements of gold \$10,850,000.

To-day's (Friday's) nominal rates for sterling exchange were 4 81½ for sixty day and 4 84½ for sight. To-day's (Friday's) actual rates for sterling exchange were 4 8050@4 81 for long, 4 8350@4 8360 for short and 4 8410@4 8420 for cables. Commercial on banks 4 7990@4 80 and documents for payment 4 79½@4 80½. Cotton for payment 4 79½@4 79¾, cotton for acceptance 4 7990@4 80 and grain for payment 4 80¾@4 80½.

To-day's (Friday's) actual rates for Paris bankers francs were 5 22½a@5 22½ for long and 5 20¾@5 20h for short. Germany bankers' marks were 93 15-16@94 for long and 94 9-16d@94 9-16 for short. Amsterdam bankers' guilders 39 15-16@40a for short.

Exchange at Paris on London to-day 25f. 17c.; week's range 25f. 17½c. high and 25f. 17c. low.

The week's range for exchange rates follows:

	Long	Short	Cables
<b>Sterling Actual</b>			
High	@ 4 81	@ 4 8390	@ 4 8420
Low	@ 4 8005	@ 4 8315	@ 4 8380
<b>Paris Bankers' Francs</b>			
High	@ 5 22½a	@ 5 20a	
Low	@ 5 23¼a	@ 5 20¾a	
<b>Germany Bankers' Marks</b>			
High	@ 94	@ 94 9-16	
Low	@ 93¾	@ 94¾	
<b>Amsterdam Bankers' Guilders</b>			
High	@ 40h	@ 40d	
Low	@ 39¾	@ 39 15-16	

Less: a 1-16 of 1%. d 1-32 of 1%. h 3-32 of 1%.  
Plus: k 1-16 of 1%. r 1-32 of 1%. y 3-32 of 1%.

The following shows the rates for domestic exchange on New York at the undermentioned cities to-day: Savannah buying 50c per \$1,000 discount; selling 75c. per \$1,000 premium. Charleston 10c. per \$1,000 premium. New Orleans bank 85c. per \$1,000 discount; commercial \$1 per \$1,000 discount. Chicago 10c. per \$1,000 discount. St. Louis 40c. per \$1,000 discount. San Francisco 50c. per \$1,000 premium.

**State and Railroad Bonds.**—Sales of State bonds at the Board are limited to \$10,000 Virginia fund. debt 2-3s at 94½.

The market for railway bonds has been unusually dull and narrow, and price changes are, in almost every case, unimportant. Money market conditions are such at the moment as to render the ordinary investment demand practically nil. As usual, however, there have been a few exceptional features, and these modify the situation somewhat.

**United States Bonds.**—Sales of Government bonds at the Board are limited to \$2,000 3s, coup., 1908-18, at 103½. The following are the daily closing quotations; for yearly range see third page following.

	Interest Periods	Sept. 1	Sept. 3	Sept. 4	Sept. 5	Sept. 6	Sept. 7
2s, 1930	registered	Q-Jan *104¼		*104¼	*104¼	*104¼	*104¼
2s, 1930	coupon	Q-Jan *104¼		*104¼	*104¼	*105	*105
3s, 1908-1918	registered	Q-Feb *103½		*103½	*103½	*103½	*103½
3s, 1908-1918	coupon	Q-Feb *103½		*103½	*103½	*103½	*103½
3s, 1908-1918	small coupon	Q-Feb *103½		*103½	*103½	*103½	*103½
4s, 1907	registered	Q-Jan *102½		*102½	*102½	*102½	*102½
4s, 1907	coupon	Q-Jan *103¼		*103¼	*103¼	*103¼	*103¼
4s, 1925	registered	Q-Feb *131		*131	*131	*131	*131
4s, 1925	coupon	Q-Feb *131		*131	*131	*131	*131

\* This is the price bid at the morning board; no sale was made.

**Railroad and Miscellaneous Stocks.**—There has been less activity in the stock market this week than during several weeks previous, and, as a rule, fluctuations have been within a narrower range. Operations were restricted by high call-loan rates, as noted above, but the effect upon prices was not so marked. Beginning on Thursday more confidence was manifest, business became again more active and a general recovery took place. To-day, however, the buying was less aggressive and a shading off in prices followed. As a result of the week's operations, a long list of active stocks closes from 1 to 5 points higher than last week.

Baltimore & Ohio moved up sharply on the announcement referred to and has retained a large part of the gain. Great Northern has covered a range of nearly 14 points and closes with a net gain of 10. Reading advanced day by day and is 6 points higher. Brooklyn Rapid Transit was decidedly strong on its favorable annual report. Canadian Pacific and St. Paul were also strong features, the latter closing 3 points higher than last week.

Miscellaneous and industrial stocks followed the general course of the railway list. Amalgamated Copper has been the most active of this group and closes with a net gain of over 2 points. United States Steel common advanced over a point on Thursday, when nearly 150,000 shares were traded in. The preferred is also higher. Anaconda Mining has covered a range of over 8 points, but closes only 2 points higher than a week ago.

For daily volume of business see page 556.

The following sales have occurred this week of shares not represented in our detailed list on the pages which follow:

STOCKS. Week ending Sept. 7.	Sales for Week.	Range for week.		Range since Jan. 1.		
		Lowest.	Highest.	Lowest.	Highest.	
Alice Mining	100 \$3	Sept 4	\$3	Sept 4	\$2¼ Jan \$6 Jan	
Bethlehem Steel Corp.	700 22	Sept 4	23¼	Sept 7	21¼ Aug 26¼ Aug	
Buff Roch & Pittsburgh	100 15¾	Sept 5	15¾	Sept 5	140 May 153½ Sept	
Chic Mill & St P rights	77 510	17¼	Sept 1	18½	Sept 4	15¾ Aug 18½ Sept
Comstock Tunnel 1st as	1,000 12c.	Sept 4	12c.	Sept 4	12c. Sept 30c. Mch	
General Chemical	62 75	Sept 4	76	Sept 5	75 Aug 84½ Feb	
Preferred	100 105	Sept 4	105	Sept 5	103 Mch 106¾ Feb	
LaCade Gas (St. Louis)	100 95	Sept 7	95	Sept 7	95 Sept 104½ Feb	
Lehigh & Wilkesb Coal.	100 60	Sept 7	60	Sept 7	50 Feb 60 Sept	
N Y Dock preferred	200 84	Sept 5	84	Sept 5	78½ Jan 84 Sept	
N Y & N J Telephone	50 125	Sept 6	125	Sept 6	125 July 155¼ Sept	
Northern Central	160 209¼	Sept 6	209¼	Sept 6	209¼ Sept 209¼ Sept	
Pitts Ft W & Chicago	5 174	Sept 6	174	Sept 6	174 Aug 182 Jan	
Vandalia	100 85	Sept 5	85	Sept 5	82¼ Mch 85 June	
Vulcan Detinning, pref.	500 60¼	Sept 6	60¼	Sept 4	50 Jan 67 Apr	

**Outside Market.**—Trading in outside securities this week has been mainly in mining shares, transactions in several of the low-priced issues attaining large proportions. The market generally has maintained a firm tone, with the tendency towards higher prices. British Columbia Copper was heavily traded in and rose from 10¼ to 11¼, with the close at 11. Nipissing and Cumberland-Ely were the most active features and sold at their highest figures, the former moving up from 8¼ to 9¾ and the latter from 9¾ to 10¾. There has been optimistic talk regarding Butte Coalition—of new ore findings and big dividends—and the stock moved up from 32½ to 34½, easing off finally to 33¾. Greene Consolidated Copper was fairly active and rose from 24¼ to 25½, but ends the week at 25. United Copper common was steady and improved from 62¾ to 63¾, closing at 63½. Tennessee Copper lost 1½ points to 43½, recovered to 44½ and then dropped to 43. Utah Copper advanced from 29 to 29½ but fell back to 28¾. Boston Consolidated Copper from 28¾ went up to 29¾. Havana Tobacco common was conspicuous, running up from 16 to 19, and falling back to-day to 17. Chicago Subway advanced a point to 53¾, sank to 52, then developed strength, and ends the week at 53½. International Mercantile Marine preferred, after fluctuating between 28½ and 29¾, jumped up to-day to 31 and closes at 30. American Tobacco sold up from 380 to 390. Guggenheim Exploration lost 20 points to 270. Only a few transactions were recorded in Standard Oil, the price advancing from 600 to 606. Electric Vehicle preferred advanced from 18½ to 20, easing off to 19½.

Outside quotations will be found on page 556.

New York Stock Exchange—Stock Record, Daily, Weekly and Yearly

OCCUPYING TWO PAGES

STOCKS—HIGHEST AND LOWEST SALE PRICES

Table with columns: Saturday Sept 1, Monday Sept 3, Tuesday Sept 4, Wednesday Sept 5, Thursday Sept 6, Friday Sept 7. Includes a vertical 'LABOR DAY' marker on Monday Sept 3.

Table with columns: STOCKS NEW YORK STOCK EXCHANGE, Sales of the Week Shares, Range for Year 1906 (Lowest, Highest), Range for Previous Year (1905) (Lowest, Highest). Lists various stock categories like Railroads, Erie, and others with their respective prices and historical data.

BANKS AND TRUST COMPANIES—BROKERS' QUOTATIONS

Table with columns: Banks, Bid, Ask. Lists various financial institutions such as Aetna, American, and various trust companies with their current bid and ask prices.

\* Bid and asked prices; no sales were made on this day. † Less than 100 shares. ‡ Ex-rights. § State banks. ¶ Ex-dividend and rights. Ⓜ New stock. † Sale at Stock Exchange or at auction this week. †† Trust Co. certificates. ††† Assessment paid. †††† Sold at private sale at this price.

STOCKS—HIGHEST AND LOWEST SALE PRICES

Main table containing stock prices for various companies like Twin City Rapid Transit, Union Pacific, and others, with columns for dates (Sept 1-7) and price ranges.

LABOR DAY

BANKS AND TRUST COMPANIES—BROKERS' QUOTATIONS

Table listing banks and trust companies such as Union Exchange, U.S. Exchange, and various trust companies, with columns for bid and ask prices.

\* Bid and asked prices; no sales on this day. † Less than 100 shares. ‡ Ex-rights. § New stock. ¶ Ex-dividend and rights. †† Sale at Stock Exchange or at auction this week. ‡‡ Ex stock dividend. §§ Trust Co. certificates. ¶¶ Banks marked with a paragraph (§§) are State banks.

New York Stock Exchange—Bond Record, Friday, Weekly and Yearly

OCCUPYING FOUR PAGES

Main table containing bond records for N.Y. Stock Exchange, Week Ending Sept 7. Columns include Bond Description, Price Friday, Week's Range or Last Sale, Range Since January 1, and various other financial metrics.

MISCELLANEOUS BONDS—Continued on Next Page.

Miscellaneous Bonds section containing Street Railway and other bond records. Columns include Bond Description, Price Friday, Week's Range or Last Sale, Range Since January 1, and various other financial metrics.

\*No price Friday; latest price this week. a Due Jan d Due Apr e Due May g Due J'ne h Due J'ly k Due Aug o Due Oct p Due Nov s Option Sale





Main table containing bond listings with columns for Bond Description, Price, Week's Range, Range Since January 1, Bid, Ask, Low, High, No., and various market indicators. Includes sections for N.Y. Stock Exchange, BOND, and N.Y. Stock Exchange.

MISCELLANEOUS BONDS—Continued on Next Page

Miscellaneous Bonds table with columns for Bond Description, Price, Week's Range, Range Since January 1, Bid, Ask, Low, High, No., and various market indicators. Includes categories like Coal and Iron, Telegraph and Telephone, and Manufacturing and Industrial.

\*No price Friday; latest bid and asked. a Due Jan b Due Feb c Due Mar d Due Apr e Due Jly f Due Aug g Due Oct p Due Nov q Due Dec s Option Sale

Table with columns: BONDS N. Y. STOCK EXCHANGE WEEK ENDING SEPT 7, Price Friday Sept 7, Week's Range or Last Sale, Range Since January 1, and another set of identical columns for a second list of bonds.

MISCELLANEOUS BONDS—Concluded.

Table with columns: Manufacturing & Industrial, Miscellaneous, and other bond categories, with sub-columns for price, week's range, and range since January 1.

\* No price Friday; latest bid and asked this week. a Due Jan b Due Feb c Due May g Due J'ne h Due J'ly p Due Nov s Option Sale





Table with columns for Bonds, BOSTON STOCK EXCH'GE, WEEK ENDING SEPT 7, Price Friday Sept 7, Week's Range or Last Sale, Range Since January 1, and various bond listings.

NOTE—Buyer pays accrued interest in addition to the purchase price for all Boston Bonds. \* No price Friday; latest bid and asked. † Flat price.

Philadelphia and Baltimore Stock Exchanges—Stock Record, Daily, Weekly, Yearly

Table with columns for Share Prices—Not Per Centum Prices, ACTIVE STOCKS, Range for Year 1906, and Range for Previous Year (1905). Includes sub-sections for Baltimore and Philadelphia.

Table with columns for PHILADELPHIA, Bid, Ask, PHILADELPHIA, Bid, Ask, PHILADELPHIA, Bid, Ask, and BALTIMORE, Bid, Ask. Lists various stocks and bonds.

\* Bid and asked prices; no sales on this d. y. † Ex-rights. ‡ \$7.50 paid. † \$15 paid. ‡ \$10 paid. § \$20 paid. a Receipts. b \$25 paid.

Volume of Business at Stock Exchanges

TRANSACTIONS AT THE NEW YORK STOCK EXCHANGE DAILY, WEEKLY AND YEARLY

Table showing weekly and total transactions at the New York Stock Exchange, including columns for Week ending Sept. 7 1906, Stocks (Shares, Par value), Railroad & Bonds, State Bonds, and U S Bonds.

Table comparing sales at the New York Stock Exchange for 1906 and 1905, categorized by Stocks, Bonds, and Total.

DAILY TRANSACTIONS AT THE BOSTON AND PHILADELPHIA EXCHANGES

Table showing daily transactions at the Boston and Philadelphia exchanges, with columns for Week ending Sept. 7 1906, Boston (Listed shares, Unlisted shares, Bond sales), and Philadelphia (Listed shares, Unlisted shares, Bond sales).

Outside Securities

A Weekly Review of Outside Market will be found on a preceding page.

Large table of Outside Securities, organized by Street Railways (New York City, Brooklyn, Other Cities), Gas Securities (New York, Other Cities), and Industrial and Miscellaneous.

Large table of Gas Securities, Telegraph & Telephone, Electric Companies, Ferry Companies, and Railroad, listing various securities with Bid and Ask prices.

Buyer pays acc'd int. †Price per sh. ‡Sale price. αEx-rights. αEx-div. l New stock. †Sells on St'k Exch., but not a very active security.

Investment and Railroad Intelligence.

RAILROAD GROSS EARNINGS.

The following table shows the gross earnings of every STEAM railroad from which regular weekly or monthly returns can be obtained. The first two columns of figures give the gross earnings for the latest week or month, and the last two columns the earnings for the period from July 1 to and including such latest week or month. We add a supplementary statement to show the fiscal year totals of those roads whose fiscal year does not begin with July, but covers some other period. The returns of the street railways are brought together separately on a subsequent page.

Main table with columns: Roads, Latest Gross Earnings (Week or Month, Current Year, Previous Year), July 1 to Latest Date (Current Year, Previous Year). Includes sub-section 'Various Fiscal Years' with columns: Period, Current Year, Previous Year.

AGGREGATES OF GROSS EARNINGS—Weekly and Monthly.

Summary table with columns: Monthly Summaries, Cur'nt Year, Prev. Year, Inc. or Dec., %. Rows include 4th week June (41 roads), 1st week July (43 roads), etc.

a Mexican currency. b Includes earnings of Gulf & Chicago Division. c Includes the Houston & Texas Central and its subsidiary lines in both years. d Covers lines directly operated. e Includes the Chicago & Eastern Illinois in both years. f Includes earnings of Col. & South., Ft. Worth & Denver City and all affiliated lines, excepting Trinity & Brazos Valley RR. g Atlanta Knoxville & Northern included in both years since April 1; it had previously been included in 1905 since Jan. 1; earnings of Transylvania Railroad included from Jan. 1 1906 and of East Division of Tennessee Central from Dec. 1 in 1905 only. h Figures prior to April 10 1906 are those of the Indiana Illinois & Iowa and Ind. Harp. of Indiana.

Latest Gross Earnings by Weeks.—In the table which follows we sum up separately the earnings for the fourth week of August. The table covers 34 roads and shows 11.71% increase in the aggregate over the same week last year

Table with 5 columns: Fourth week of August, 1906, 1905, Increase, Decrease. Lists 34 roads and their earnings for both years, along with percentage changes.

Net Earnings Monthly to Latest Dates.—The table following shows the gross and net earnings of STEAM railroads reported this week. A full detailed statement, including all roads from which monthly returns can be obtained, is given once a month in these columns, and the latest statement of this kind will be found in the issue of Aug. 25 1906. The next will appear in the issue of Sept. 23 1906.

Table with 5 columns: Roads, Current Year, Previous Year, Current Year, Previous Year. Lists numerous railroads and their monthly gross and net earnings for the current and previous years.

Table with 5 columns: Roads, Current Year, Previous Year, Current Year, Previous Year. Shows gross and net earnings for West Jersey & Seashore, Wrightsv & Tenielle, and Yazoo & Miss Valley.

a Net earnings here given are after deducting taxes, b Net earnings here given are before deducting taxes. n These figures represent 30% of gross earnings. s Includes \$451 other income in 1906, against \$392 last year. y For June additional income and net profits from coal, &c., were \$70,900 this year against \$28,140 last year; and from July 1 to June 30, \$864,744 this year, against \$634,458 last year.

Table with 5 columns: Roads, Current Year, Previous Year, Current Year, Previous Year. Focuses on Interest Charges and Surplus for various roads like Bangor & Aroostook, Boston & Albany, etc.

d These figures are after allowing for other income and for discount and exchange. The sum of \$10,000 is deducted every month from surplus and placed to the credit of the Renewal Fund. z After allowing for other income received. e Includes sinking fund and preferred stock dividend.

STREET RAILWAYS AND TRACTION COMPANIES.

Table with 6 columns: Name of Road, Week or Month, Current Year, Previous Year, Current Year, Previous Year. Lists street railways and traction companies with their earnings data.



Table with columns: Name of Road, Latest Gross Earnings (Week or Month, Current Year, Previous Year), Jan. 1 to latest date (Current Year, Previous Year). Rows include Tol Urb & Inter Ry, Toledo & Western, Toronto Railway, etc.

a Figures for the month in both years include operations of the Scranton Ry., acquired Jan. 1 1906. b Total ls from March 1. c These figures are for consolidated company. d These are results for main line. f Decrease in 1905 due to strike and boycott. h These are early preliminary returns; decrease due to earthquake and fire. k Decrease due to Lewis & Clark Exposition last year. y Figures for both years now in American currency.

Street Railway Net Earnings.—The following table gives the returns of STREET railway gross and net earnings, reported this week. A full detailed statement, including all roads from which monthly returns can be obtained, is given once a month in these columns, and the latest statement of this kind will be found in the issue of Sept. 1 1906. The next will appear in the issue of Sept. 29 1906.

Table with columns: Roads, Gross Earn'gs (Current Year, Previous Year), Net Earnings (Current Year, Previous Year). Rows include Ft Wayne & Wab Val, Honolulu RT & L Co, Lake Shore Elect, etc.

a Net earnings here given are after deducting taxes. b Net earnings here given are before deducting taxes.

Interest Charges and Surplus.

Table with columns: Roads, Int., Rentals, &c (Current Year, Previous Year), Bal. of Net Earn'gs (Current Year, Previous Year). Rows include Honolulu RT & L Co, Lake Shore Elect, Niagara Gorge RR, etc.

x After allowing for other income received.

ANNUAL REPORTS.

Annual Reports.—The following is an index to all annual reports of steam railroads, street railways and miscellaneous companies which have been published since the last editions of the "Railway and Industrial" and "Street Railway" sections.

This index does not include reports in to-day's "Chronicle."

Index table with columns: Railroads (Page), Industrial Companies—(Con.) (Page). Lists various railroads and industrial companies with their respective page numbers.

Norfolk & Western Railway. (Report for Fiscal Year ending June 30 1906.) On pages 572 to 576 will be found the report of Mr. L. E. Johnson, the President, and also the balance sheet. Below we publish a comparison for several years:

Table with columns: Operations, Earnings and Expenses (1905-06, 1904-05, 1903-04, 1902-03). Rows include Miles operated, Equipment (Locomotives, Passenger cars, Freight cars, etc.), Earnings (Revenue, Freight, Mail, Express, etc.), Expenses (Maint. of way, Conduct'g transportat'n, Taxes, etc.).

a Three ciphers (000) omitted.

Table with columns: Income Account (1905-06, 1904-05, 1903-04, 1902-03). Rows include Net earnings, Other income, Total, Deduct (Interest on bonds, Interest on car trusts, etc.), Total, Surplus.

a In 1905-06, 1904-05 and 1903-04 "discount and commission on securities sold" was charged to profit and loss account, instead of to income account as in previous years. The amounts were in 1905-06 \$161,250, in 1904-05 \$405,040, in 1903-04 \$368,333.

Table with columns: General Balance Sheet June 30 (1906, 1905, 1904). Rows include Assets (Cost of road and equipment, Blackstone & Lunenburg RR, etc.), Liabilities (Adjustment preferred stock, Common stock, Bonds, etc.), Total assets, Total liabilities.

Chicago & North Western Railway. (Report for Fiscal Year Ended June 30 1906.) The report of the President, Mr. Marvin Hughitt, will be found on pages 565 to 567.

The comparative tables for four years, compiled for the "Chronicle," are as follows:

Table with columns: For Years Ending June 30 (1905-06, 1904-05, 1903-04, 1902-03). Rows include Average miles operated, Equipment (Locomotives, Passenger cars, Freight cars, etc.), Operations (Passengers carried, Passenger mileage, Freight tonnage, etc.), Earnings (Rate per pass. per mile, Earnings per pass. tr. mile, Gross earnings per mile).





**Gauley Coal Land Co. (West Virginia).**  
(Balance Sheet Dec. 31 1905.)

1905.		1904.		1905.		1904.	
Assets—	\$	\$		Liabilities—	\$	\$	
Real estate	3,516,782	3,504,143	Capital stock	3,432,000	3,432,000		
Cash & debts rec.	342,992	169,109	Debt		2,045		
Other assets	5,100		Accrued divids.				
Profit and loss	175,346	300,373	pref. stock	608,220	539,580		
Total	4,040,220	3,973,625	Total	4,040,220	3,973,625		

Directors—Henry L. Higginson is President, C. A. Ellis Treasurer. Robert F. Perkins, William M. MacBean, G. W. R. Matheson, J. B. Crozier, L. J. Williams and J. F. Hill.

The company was incorporated in West Virginia in February 1903, and acquired, it is said, some 160,000 acres of fine coal and lumber lands at the head waters of the Gauley River. Of the stock \$1,144,000 is understood to be preferred 6 per cent cumulative. Office of President' 44 State Street, Boston.

**GENERAL INVESTMENT NEWS.**

**RAILROADS, INCLUDING STREET ROADS.**

**Arkansas Valley RR. Co.—Sale.**—See Atchison Topeka & Santa Fe Ry. below.—V. 82, p. 567.

**Atchison Topeka & Santa Fe Ry.—Meeting to Approve Acquisitions.**—The shareholders at the annual meeting on Oct. 25 will vote on the following propositions:

To ratify the lease to this company of the Oakland & East Side RR.: the lease of the Western Arizona Railway; the purchase of the stock and bonds of the Denver Enid & Gulf RR. Co.; the purchase of the stock and bonds of the Arkansas Valley RR. Co. and the construction of its railroad; the purchase of the stock and bonds of the Holly & Swink Railway Co. and the construction of its railroad.

**Dividend Prospects.**—Action on the semi-annual dividend payable Dec. 1 on the common stock, it is understood, will be taken at the usual time—Oct. 3. Wall Street is quite generally expecting an increase in the rate to 5%, and possibly to 6%, if conditions continue favorable.—V. 83, p. 379, 322.

**Baltimore & Ohio RR.—Sale of Portion of Pennsylvania Holdings.**—See Pennsylvania RR. below.—V. 83, p. 491, 93.

**Brattleboro (Vt.) Street Ry.**—See Twin States Gas & Electric Co. on page 499 of last week's issue. A press report from Brattleboro, Vt., on March 22 said:

The time expired yesterday for the acceptance of the offers of the New York syndicate for the stock of the Brattleboro Gaslight Co. and the Brattleboro Street Railway Co., and acceptances have been received from all but 20 of the 2,000 shares of the Gaslight Company, and over 500 of the 555 shares of the street railway company. The offer for the gaslight company is par for both stock and bonds amounting to \$200,000, and for the street railway company full payment of the bonds and 25 cents on the dollar for the stock. This is the tenth property electric and gas, this syndicate has taken up in the last few years. (The stock of the Brattleboro Gas Light Co. was recently reported as \$92,000, annual dividend rate 6%; 5% bonds due 1907, 1917 and 1923, \$92,000. Brattleboro Street Ry., miles of track, 5; stock issued, \$55,500; funded debt, \$25,000.)

**Buffalo Bradford & Kane RR.—Abandoned.**—The "Pittsburgh Dispatch" of Aug. 31 says:

The company will run its last train on its narrow-gauge line between Bradford and Mt. Jewett, Pa., (36½ miles) to-day. The road will be "scrapped"—that is, sold for scrap iron—between those points after being abandoned. S. S. Bullis, President and owner, has such extensive interests that it has been found wise to quit operating this road, which has fulfilled the purpose for which it was built. The road was formerly the Bradford Bordell & Kinzua.—V. 80, p. 1174.

**Chattanooga (Tenn.) Railways.**—Listed in Louisville and Columbus.—The \$2,000,000 first consolidated 5% bonds, \$1,000,000 5% preferred stock and \$2,000,000 common stock have been listed on the Louisville, Ky., and Columbus, Ohio, stock exchanges.—V. 82, p. 867, 803.

**Chicago & Milwaukee Electric RR.—New Line Open.**—The first through train was run from Evanston, Ill., to Racine, Wis., on Sept. 1, the distance, 50 miles, being covered in about 2 hours and 15 minutes. "Milwaukee Wisconsin" says:

By the early part of next year, or about the time that the Milwaukee-Northern (Electric) Railway Co. puts its lines into operation between Milwaukee and Fond du Lac, Oshkosh and Fort Washington and intermediate points, via Cedarburg, the Chicago & Milwaukee Electric Railway Co. will be carrying passengers to and from the cities to the south of Milwaukee as far as Chicago. (The Milwaukee Northern Ry. is an independent enterprise, with J. M. Saemann of Sheboygan as President; W. A. Comstock of Detroit, Secretary, and H. A. Haigh, Detroit, Treasurer. The road will include about 112 miles of track.)—V. 82, p. 1099.

**Citizens' Railway & Light Co. of Fort Worth.—Consolidation.**—This company was incorporated under the laws of Texas on Aug. 28 with \$1,000,000 authorized capital stock to take over the Citizens' Light & Power Co., the Arlington Heights Street Ry. and the Fort Worth & Rosen Heights Street Ry., which were recently purchased by a syndicate headed by Cleveland interests. Warren Bicknell of Cleveland is President of the new company. The incorporators are:

Warren Bicknell, J. F. Harper, J. R. Nutt and E. W. Christy of Cleveland; W. O. Allen of Fostoria; Carey B. Close of Toledo; George E. White, Sam Rosen, C. E. Montgo of Fort Worth.—V. 83, p. 435.

**Denver Enid & Gulf RR. Co.—Sale.**—See Atchison Topeka & Santa Fe Ry. above.—V. 82, p. 99.

**Evansville & Terre Haute RR.—Common Stock Dividend.**—A dividend of 4% on the common stock has been declared, payable Nov. 1 to stockholders of record Sept. 15, being the first dividend paid on that stock since May 1901. The regular annual dividend of 5% on the preferred stock was also declared, payable in two installments, viz.: 2½% on Oct. 15 1906 and 2½% on April 15 1907 to holders of record on Sept. 15 1906. Dividend record:

DIVID'S.	'92.	'93.	'94.	'95.	'96.	'97.	'98.	'99.	'00.	'01.	'02 to '05.	1906
Com. stock	7a	7½b					2	3	1½	None.	4	
Prof. stock				1	2	4½	5	5	5	yearly.	5	

a Also 5% in bonds. b Also scrip dividend.

The dividend of 4% on the \$3,987,383 common stock, just declared, calls for \$159,495.—V. 81, p. 1242.

**Indianapolis & Louisville Traction Co.—Prospectus.**—A handsomely illustrated prospectus has been issued from the Chicago office, First National Bank Building. Compare V. 83, p. 155.

**Indianapolis & Western Traction Co.—New Line Open.**—A trial trip over the new line to Danville, 20 miles, was made on Aug. 29 in 55 minutes with 7 stops. Regular service was to be established on Sept. 1, the cars using the Traction-Terminal station in Indianapolis.—V. 81, p. 975.

**Interurban Railway & Terminal Co.—Lease of Cincinnati & Eastern Branch.**—See Union Gas & Electric Co., Cincinnati, under "Industrials" below.—V. 79, p. 2456.

**Janesville & Madison (Electric) Ry.—New Name.**—See Janesville Traction Co. above.

**Janesville (Wis.) Traction Co.—New Name.**—This Wisconsin corporation on Aug. 29 filed an amendment changing its name to the Janesville & Madison Railway Co.

At last accounts owned 7 miles of track capitalized as follows: Stock authorized, \$125,000; issued, \$50,000; first mortgage 6% bonds, all outstanding, \$75,000, dated Oct. 1 1892 and due 1912; trustee, Finance Co. of Pennsylvania.

**Los Angeles & San Diego Beach (Electric) Railway.—Mortgage.**—A press dispatch from San Diego on Aug. 11 announced the filing of a mortgage to the Los Angeles Trust Co., as trustee, to secure the payment of \$706,000 40-year first mortgage gold bonds.

The company was incorporated early in the year under the laws of California with \$6,000,000 of authorized capital stock in shares of \$100 each, and purchased the various railway lines in which E. S. Babcock of San Diego was interested for sums aggregating \$546,000, "payment being made in shares and first mortgage bonds," viz.: The San Diego Oldtown & Pacific Beach RR. for \$250,000, the San Diego Pacific Beach & La Jolla RR. for \$131,000 and the road operated by Mr. Babcock on Arctic, C and 6th streets, &c., for \$165,000. The articles of incorporation, it is said, provide for the building of a line along the coast from Los Angeles to La Jolla, for the aforesaid acquisitions and the purchase of the National City & Otay RR.; but this last-named property was recently reported unofficially as sold to the Spreckels interests (V. 83, p. 380). Directors: E. S. Babcock, A. E. Babcock, R. B. Talbot, A. E. Lillicrap and James Strout.

**Mexican Central Ry.—Bonds Called.**—Equipment and collateral 5% gold bonds, second series, to the amount of \$50,000, will be paid at par and interest at either the Old Colony Trust Co. of Boston, Manhattan Trust Co., New York, or Glyn, Mills, Currie & Co., 67 Lombard St., London, E. C., on or after Oct. 1 1905.—V. 83 p. 156.

**Missouri Kansas & Texas Ry.—Final Installment Called.**—The holders of subscription receipts for general mortgage 4½% sinking fund gold bonds are notified that the final installment of the purchase price of the bonds, viz.: \$295 12 per bond, including adjustment of interest, is due and payable Sept. 12 1906 at the office, 49 Wall St. Definitive bonds will be delivered against subscription receipts upon which all the installments have been paid. Compare V. 82 p. 218, 334, 568, 692.

**Proposed New Mortgage.**—A press despatch dated Aug. 29 states that the Texas Railroad Commission has denied the application to issue \$1,000,000 bonds on the Dallas-Denton division. Compare V. 83, p. 435, 376.

**Morelia & Tacambaro Ry.—Construction.**—This company will have completed by Nov. 1 the first section of 55 miles from Irapuato, State of Guanajuato, Mexico, a city on the Mexican Central Ry. south to the city of Puruandiro. The road, which is projected further south to Ario, will have a total length of 225 miles, including 25 miles of side tracks.

The Mexican Government has granted concessions, giving rights of way and terminals, and exemption for five years from import duties on construction materials. The State of Michoacan agrees to pay \$30,000 Mexican currency for each 10 kilometers built in the State, equivalent to about \$4,800 Mexican currency per mile. The concessions also give exemption from Federal and State taxation with exception of stamp tax for 15 years.

The company was incorporated under the laws of New Jersey with \$6,000,000 of authorized capital stock and in 1903 made a mortgage to the United States Mortgage & Trust Co., as trustee, to secure an issue of \$5,000,000 first mortgage 5% 40-year gold bonds limited to \$22,222 22 per mile of road completed and equipped; on the first section of 55 miles \$1,200,000 bonds have been issued. A. J. Peyton & Co., of 111 Broadway, New York, are the financial representatives of the enterprise. Edson J. Chamberlin, formerly General Manager of the Canada Atlantic, is President; Gilbert E. Fauquier, of the Pacific Construction Co. of Ottawa, is Vice-President and General Manager; Jacob L. Greatsinger, former President of the Brooklyn Rapid Transit Co., is Second Vice-President. See further details in V. 81, p. 726.

**Norfolk & Western Ry.—Sale of Portion of Pennsylvania Holdings.**—See Pennsylvania RR. below.—V. 83, p. 435, 380.

**Northwestern Elevated RR. of Chicago.—Listed in Chicago.**—The \$17,000,000 first mortgage 4% bonds have been placed on the regular list of the Chicago Stock Exchange.—V. 83, p. 436.

**Oakland & East Side RR.—Lease.**—See Atchison Topeka & Santa Fe Ry. above.—V. 75, p. 1254.

**Pennsylvania RR.—Sale of Half of B. & O. and Norfolk & Western Holdings.**—It was officially announced on Sept. 3 that the company had sold one-half of its shareholdings in the Baltimore & Ohio and the Norfolk & Western railroads to Kuhn, Loeb & Co., of New York. A supplementary statement given out on Sept. 4 made known the fact that the sale included about 400,000 shares of Baltimore & Ohio stock and about 160,000 shares of Norfolk & Western, thus reducing the aggregate holdings of the Pennsylvania system to about 20% in each of said companies. Philadelphia advices further state that the management has under consideration the sale of the remaining stock of the two roads as well as the stock of the Chesapeake & Ohio Ry. Co., owned by Pennsylvania interests.

The statement of Sept. 3 says:

The Pennsylvania RR. Co. announces that it has sold a part of its holdings of Baltimore & Ohio and Norfolk & Western shares. These stocks were purchased some six years ago for the purpose of establishing such relations with the managements of those properties as would incline them to join the Pennsylvania RR. Co. in an effort to do away with secret rebates and preferences, all of which was set forth in the annual report of the directors of the Pennsylvania RR. Co. to the shareholders in March 1900. (Compare V. 70 p. 486.)

The desired result having been fully realized, and the management entertaining no fears that the railroads of the country will ever fall back into the old practices, the directors of the company had thought it wise to reduce its ownership in these companies, which had been done by selling approximately one-half of its holdings to Messrs. Kuhn, Loeb & Co. On account of the allegation, repeatedly made, that the company was seeking to control the tidewater bituminous coal traffic, the directors had taken this action in deference to the present state of public opinion upon such matters, although there was no foundation for the charge, and although it was confidently believed that the company was entirely within its legal rights in purchasing and holding these stocks.

It is supposed that the company realized about \$50,000,000 from the sale of the shares now marketed. The profit on the purchase price is variously figured from \$12,000,000 to \$20,000,000. The proceeds of the sale, it is believed, will be used on account of the capital requirements of the next two years, which, it is remembered, include the payment of \$50,000,000 4½% notes of the Pennsylvania Company due Nov. 1 1907 and \$40,000,000 to complete the New York terminals (compare President Cassatt's statement in V. 82, p. 1438). The "New York News Bureau" says: "Opinion is divided as to whether the banking firm has disposed of the stocks in the open market, transferred them to friendly interests or still has a goodly part of the shares to sell." The "Philadelphia News Bureau" states that "it is thought by many that the Pennsylvania stockholders will be given an extra dividend of say 2% out of these extraordinary profits."

The holdings of the Pennsylvania system in the stocks named as reported Dec. 31 1905 is shown below. It should be noted, however, that of the stocks owned, including the \$42,900,000 common stock of the Baltimore & Ohio (since presumably increased to \$53,607,000 by the right to subscribe in April last to new common at par to extent of 15% of total stock held), large blocks were on deposit as part collateral under the collateral trust agreements of the Pennsylvania Company (the collateral for the recent French loan of \$50,000,000 has never been made public).

*Holdings of Baltimore & Ohio Stock by Pennsylvania System as reported Dec. 31 1905.*

	Preferred.	Common.
Held by Pennsylvania Railroad Co.-----	\$21,480,000	\$30,293,300
Held by Pennsylvania Company-----	5,000,000	11,044,600
Held by Northern Central-----	1,000,000	781,500
Held by Philadelphia Baltimore & Washington--	1,000,000	781,500
<b>Total-----</b>	<b>\$28,480,000</b>	<b>\$42,900,900</b>

Total amount known to be pledged July 1 1906 under collateral trust deeds of Pennsylvania Company-----	\$4,500,000	\$16,500,000
Total stock listed on New York Stock Exchange Dec. 31 1905-----	\$59,973,800	\$124,531,000

*Holdings of Norfolk & Western Stock by Pennsylvania System as reported Dec. 31 1905.*

	Preferred.	Common.
Held by Pennsylvania Railroad-----	\$5,500,000	\$20,330,000
Held by Pennsylvania Company-----	5,000,000	1,500,000
Held by Northern Central Ry-----	500,000	1,000,000
<b>Total-----</b>	<b>\$11,000,000</b>	<b>\$22,830,000</b>

Total amount known to be pledged July 1 1906 under collateral trust deeds of Pennsylvania Company-----	\$10,000,000	\$11,500,000
Total stock listed on New York Stock Exchange Dec. 31 1905-----	\$23,000,000	\$66,000,000

*Baltimore & Ohio and Norfolk & Western shares known to be pledged July 1 1906.*

As Part Collateral for Issue.	Baltimore & Ohio—	Norfolk & Western—
Pennsylvania Co. Due.	Preferred	Common.
\$50,000,000 4½% dated 1906-----Nov 1 1907-----	\$6,500,000	\$5,500,000
\$14,664,000 3½% dated 1901-----1906-1916-----	\$4,500,000	4,500,000
\$20,000,000 4% dated 1906-----1921-1931-----	10,000,000	-----
<b>Total-----</b>	<b>\$4,500,000</b>	<b>\$16,500,000</b>

As illustrating the current calculations of the company's supposed profits, the following is given from the "Wall Street Journal" of Sept. 4, the division of the shares sold into common and preferred being, of course, arbitrary:

Estimating that the Pennsylvania paid average prices of 85 and 90 for Baltimore & Ohio preferred and common, and 75 and 45 for Norfolk & Western preferred and common, the cost price and present market value of the stocks sold work out as shown in the table below. It is to be remembered that the stocks sold are only half of each class in the Pennsylvania treasury.

	Par Sold.	Estimated Cost.	Present Value.	Profit.
B. & O. preferred-----	\$15,000,000	\$12,750,000	\$13,950,000	\$1,200,000
B. & O. common-----	25,000,000	22,500,000	30,000,000	7,500,000
N. & W. preferred-----	3,650,000	2,737,500	3,494,000	756,500
N. & W. common-----	12,350,000	5,557,500	11,642,500	6,085,000
<b>Total-----</b>	<b>\$56,000,000</b>	<b>\$43,545,000</b>	<b>\$59,086,500</b>	<b>\$15,541,500</b>

The "Money Market Review" of London on Aug. 25 says it is reported that negotiations have actually been entered upon for introducing the stocks and bonds of the B. & O. on the French market, a move which seems not unlikely in view of the aforesaid sale.—V. 83, p. 436, 324.

**Philadelphia Rapid Transit Co.—Annual Meeting.**—At the annual meeting to be held Sept. 19 the shareholders will be asked to vote on the following propositions:

a The ratification of the action of the directors in the relinquishing of certain franchises granted to the Market Street Elevated Passenger Ry. Co., which company is leased by the Philadelphia Rapid Transit Co.

b To enter into a contract with the City of Philadelphia postponing the laying of the surface tracks of the Broad Street Rapid Transit Street Ry. Co. for a period of 50 years, in accordance with Act of May 3 1905 and the Ordinance of June 4 1906. (V. 82, p. 870, 693.)

c A similar contract with respect to the removal of tracks on 21st St. between Arch St. and Callowhill St.

d Leasing the Darby Media & Chester St. Ry. Co. for 999 years from July 1 1906. (V. 83, p. 38.)

e Ratifying the action of the directors in agreeing to contribute \$400,000 towards abolishing grade crossings on the lines of the Philadelphia & Reading Ry. Co. (V. 82, p. 281; V. 82, p. 870).—V. 83, p. 324, 38.

**St. Joseph & Grand Island Ry.—Report.**—The results for the year ending June 30 were:

Year—	Gross.	Net.	Int. & taxes.	Bal. sur.
1905-06-----	\$1,531,933	\$454,450	\$246,286	\$208,164
1904-05-----	1,299,031	304,034	255,886	48,148

—V. 81, p. 1372.

**Springfield South Charleston Washington Court House & Chillicothe Traction Co.—Status of Bonds.**—A press dispatch from Springfield, O., on July 29 states that Master Commissioner George Beard of that city, in his report filed on July 28, held that \$300,000 of the company's bonds were illegal for the reason that no certificate of the increase in capital stock had been filed with the Secretary of State; also that the bonds in the hands of several banks, secured by mortgage to the Ohio Trust Co., created no lien on the property.—V. 82, p. 871.

**Toledo & Western (Electric) Ry.—Plan to Sell Stock Fails.**—The effort to obtain the deposit of the entire capital stock for the purpose of selling it to the J. R. Nutt syndicate having failed, the committee, consisting of W. L. Hayes, C. M. Stone and G. E. Collings, has extended the time for the deposit of stock with the City Savings & Trust Co. of Cleveland, as depository, until and including Sept. 7, and has addressed a circular letter to the stockholders, saying:

The stockholders' committee will use their best endeavors to arrange for the sale of the deposited stock in connection with the sale of the property or the equity therein upon foreclosure or otherwise, or in case of their failure so to do, will use their best endeavors to secure a participation in any reorganization which the purchasers at such sale shall effect.—V. 83, p. 493, 156.

**United Railroads of San Francisco.—Strike Off.**—The executive committee of the local Car-men's Union on Wednesday evening declared off the strike begun last week, President Mahon of the National Car-men's Union having decided that the local union had violated the rules in refusing arbitration. The carmen at once reported for duty and cars began to run that evening. The strike of the line men, electricians, firemen and construction workers, which had lasted for upward of a month, came to an end at the same time. President Calhoun has consented to the appointment of an arbitration committee to pass upon the demands of the carmen for \$3 a day of eight hours. Compare V. 83, p. 493.

**Earnings.**—The gross earnings for the first 25 days of August 1906 were \$425,000, against \$481,000 for the corresponding period in 1905. This year 375 cars were operated, against 575 to 600 in 1905.—V. 83, p. 493.

**United Railways & Electric Co. of Baltimore.—Deposits.**—The time for the deposits of income bonds under the refunding plan expired on Sept. 1. The deposits, it is announced, aggregated more than \$13,000,000 of the authorized issue of \$14,000,000. Compare V. 83, p. 156, 215, 324, 381, 493.

**United Railways, Portland, Ore.—Change in Control of New Project.**—The C. E. Loss Co. of San Francisco, builders of the Ocean Shore Ry. of California (V. 82, p. 162), and associates, on July 5 closed a deal for the purchase of some 92% of this company's stock (said to be \$3,000,000) for a sum reported as about \$500,000, the remaining 8% of the stock being held by President J. Whyte Evans, W. T. Muir and J. B. Yeon. The purchase includes the lease of the Chamber of Commerce Building in Portland. The company on March 15 1906 obtained a franchise from the City Council of Portland, and has asked for bids on the construction of its city line, the cost of which, it is reported, will be at least \$750,000. A bond of \$100,000 for the carrying out of the terms of the company's ordinance was filed with the city on July 5.

**Wheeling (West Va.) Traction Co.—Proposed Guaranty.**—In Wheeling on Sept. 4 John A. Howard, a minority stock holder, applied for an injunction restraining the company from guaranteeing bonds in the amount of \$1,000,000 to be issued by the Wheeling & Western and the Bellaire & South-eastern railroads. The company has agreed to refrain from proceeding with its plan pending the filing of briefs.—V. 81, p. 1850.

**INDUSTRIAL, GAS AND MISCELLANEOUS.**

**Allis-Chalmers Co.—Annual Meeting.**—The annual meeting was held on Thursday, more than 65% of the capital stock being represented. The annual report was read and supplemented by a verbal statement from President Whiteside regarding the prospects of the company's business, which he considers promising. President Whiteside was added to the board, otherwise unchanged, and a vote was passed assuring him of the cordial support of the stockholders. The meeting was entirely harmonious. The pamphlet report, which will be cited fully in the "Chronicle" another week, is about to be mailed, the delay in its appearance being due to the absence of the President in Europe on the company's business.—V. 83, p. 437, 325.

**American Car & Foundry Co.—Earnings.**—The net earnings for the three months ending July 31 1906 were \$1,657,054, contrasting with \$625,311 for the quarter ending July 31 1905. The directors on Sept. 5 declared preferred dividend No. 30, 1¼%, payable Oct. 1 1906 to holders of record Sept. 11, calling for \$525,000.—V. 83, p. 97.

**American Hide & Leather Co.—New Director.**—Carl A. de Gersdorff of the law firm of Guthrie, Cravath & Henderson, has been elected a director to fill a vacancy. Report.—See a previous page.—V. 82, p. 1214.

**American Pneumatic Service Co., Boston.—New Stock—Option.**—The shareholders on Sept. 4 voted to increase the preferred stock (5% non-cumulative) from \$5,000,000 (all

outstanding) to \$7,000,000; the authorized common stock is \$10,000,000, of which \$1,709,300 is in the treasury. All shareholders of record Sept. 15 are offered the right to subscribe on or before Sept. 25 for \$1,329,000 common stock and \$1,329,000 preferred stock, on the basis of \$40 for one share (\$50) of preferred stock, accompanied by one share (\$50) of common stock as bonus, for each ten shares of their respective holdings. Subscriptions are payable \$10 on subscription and the remainder in three installments of \$10 each on or before Dec. 1 1906, Feb. 1 1907 and Apr. 1 1907. Certificates of stock will be issued as soon as full payment is made and dividends will accrue immediately on all full-paid and issued shares. All subscriptions and payments will be made at the International Trust Co., 45 Milk St., Boston. Compare V. 83, p. 495.

**Dividend.**—The directors on Sept. 4 declared the regular quarterly dividend of 1½% on the preferred, payable Oct. 1 to stock of record Sept. 15.—V. 83, p. 495, 438.

**Cincinnati (O.) Gas & Electric Co.**—*Lease in Operation.*—*Guaranteed Dividends.*—See Union Gas & Electric Co. below.—V. 83, p. 438, 274.

**Detroit Reduction Co.**—*Mortgage.*—This company recently filed a mortgage to the Queens City Savings Bank & Trust Co., Cincinnati, as trustee, to secure an issue of \$200,000 or \$500,000 bonds due July 12 1915.

**Evansville Gas & Electric Co.**—See (The) Evansville (Ind.) Light Co. in V. 83, p. 495.—V. 82, p. 1104.

**Great Northern Power Co.**—*Description of Plant.*—The "Electrical World" of New York, in its issue of July 28, contains an illustrated article regarding the hydro-electric plant now being established by this company at Thompson, Minn., on the St. Louis River. Power from the plant will be transmitted 14 miles to Duluth and Superior, where substation equipment will be provided. "Fifty to seventy-five miles to the north of the plant lie the Mesabi and Vermilion iron ranges, where the greatest iron mines in the world will undoubtedly be electrically operated; to the west, within transmission distance, are the Gogebic Crystal Falls and Gogebic iron ranges and the copper mines of the Calumet District." At Superior the company is installing substation apparatus in a station owned by the Superior Water, Light & Power Co. This company will purchase electricity from the power company and sell to its own consumers. The entire electrical equipment of the plant is being furnished by the General Electric Co.

The company is controlled by the Northwestern Power Co. The following has been revised for the "Chronicle":

The Great Northern Power Co. of Duluth is nearly ready to begin operations after an expenditure of over \$4,000,000 to date in the construction of an immense plant on the St. Louis River. Tucker, Anthony & Co., of Boston and Charles D. Barney & Co., of New York, have had charge of the financing. C. A. Duncan, Treasurer of the North Butte Mining Co. is President of the Northwestern Power Co., which will own all of the \$2,000,000 capital stock of the Great Northern Power Co.—the operating company. The Northwestern was incorporated in Maine in January 1905 its authorized capital stock is \$8,000,000 common and \$2,000,000 6% preferred of which there is outstanding common, \$6,500,000 (the remaining \$1,500,000 being held for future use) and all the preferred. Par of shares \$100.

Preparations are being made for the development of 80,000 horse-power, and by Sept. 1 it is expected that 30,000 horse-power will be available. The dams, reservoirs, power-houses, etc., have all been equipped for 80,000 horse-power. It requires the sale of about 10,000 horse-power to meet the interest upon the \$4,000,000 bonds, and fixed charges are already more than provided for by contracts made with the electric lighting and street railway companies of Duluth and Superior. It is planned eventually to furnish power for the Duluth Meseba & Northern RR. when that road is electrically equipped, and also for the many iron mines on the Meseba and Vermilion range, which now require the generation of 50,000 steam horse power for their operation. Compare V. 80, p. 653, V. 82, p. 573.

The Great Northern Power Co. has made a first mortgage to the Knickerbocker Trust Co. of New York, as trustee, to secure an issue of \$10,000,000 5% 30-year gold bonds of \$1,000 each, dated Feb. 1 1905 and due Feb. 1 1935, but subject to call (as an entire issue only) at 110 and interest on any interest day; interest payable Feb. 1 and Aug. 1. Immediate issue, \$4,000,000; remaining \$6,000,000 reserved for extensions, additions and improvements, but not to be issued in excess of the cost of the same. The Great Northern Power Co. was incorporated in Minnesota Jan. 16 1903. Officers: President, Chas. A. Duncan, and Secretary, Oscar Mitchell, both of Duluth, Minn.; Treasurer, Wm. A. Tucker, Boston, Mass.—V. 82, p. 573.

**Hamburg-American Steamship Co.**—*New Capital.*—A press dispatch from Hamburg on Sept. 4 announces a plan to issue \$5,000,000 new capital, to provide construction of additional steamships, making the total stock \$30,000,000.

**Diamond Match Co., Chicago.**—*Japanese Alliance.*—The "Chicago Economist" says:

Through its control of the Bryant & May Co. of England, the Diamond Match Co. has made a deal with the Japanese match manufacturing industries. Japan is an important factor in the distribution of matches in the Far East, and with the use of improved American machinery will dominate the trade.—V. 83, p. 495, 215.

**North German-Lloyd Steamship Co.**—*New Stock.*—A press despatch from Berlin announces the increase of the capital stock from \$25,000,000 to \$31,000,000 for the purpose of improving the company's trans-Atlantic service.—V. 76, p. 1033.

**Northwestern Power Co.**—*Holding Company.*—See Great Northern Power Co. above.

**O'Neill-Adams Co., New York.**—*Merger.*—See report of Associated Merchants' Co. on a preceding page.—V. 83, p. 276.

**Pennsylvania Iron Works, Philadelphia.**—*Sold.*—See Standard Roller-Bearing Co. below.—V. 81, p. 1379.

**Peoria (Ill.) Gas & Electric Co.**—See Peoria (Ill.) Light Co. in V. 83, p. 498.—V. 82, p. 1501.

**Plymouth Cordage Co.**—*New Stock—Option.*—The shareholders on Sept. 4 voted to increase the capital stock from \$2,000,000 to \$2,500,000. The new stock is offered at par to shareholders of record Sept. 15 in the proportion of one new share for each four shares held. Subscription books will close Oct. 22 and payments are to be made as follows: 25% Oct. 22, 25% Jan. 22 1907 and 50% April 22. In addition to the new plant at Welland, Ont., which is to be completed next month, a new mill, it is said, is proposed at Plymouth.—V. 83, p. 442.

**Pullman Company.**—*Rumors.*—The earnings for the late fiscal year, it is asserted, were materially larger than last year, one statement, "officially vouched for," placing them at 17½% on the \$74,000,000 stock (as against 13.4% in 1904-05), increasing the accumulated surplus to over \$22,000,000. While no particulars are obtainable from official sources, it is generally believed that before the end of the year some action will be taken by the board which will in effect amount to a division of a portion of the aforesaid surplus. One story is that a company will be organized to take over the real estate holdings and its shares offered on "a most favorable rate" to the Pullman stockholders. It is acknowledged that plans for extensive improvements are under consideration, including, presumably, the establishment of a steel car plant, but these, it is said, need not necessitate any new financing.—V. 83, p. 41.

**Standard Roller-Bearing Co.**—*Buys Pennsylvania Iron Works.*—The "Philadelphia Record" of Sept. 1 says:

This company, with plant at 48th St. and Girard Ave., purchased yesterday the entire property of the Pennsylvania Iron Works (V. 81, p. 1379) at 52d St. and Girard Ave. for about \$250,000. The property is 1,500 feet long and 150 feet wide, on which are five factory buildings, with a floor space of over 100,000 feet. It adjoins the present factory of the Standard Roller Bearing Co., which is 986 feet long, giving over half a mile frontage in all occupied by that company. The concern at present employs 1,200 hands day and night.—V. 83, p. 162.

**Sears, Roebuck & Co., Chicago.**—*First Dividend.*—The directors on Sept. 6 declared the first regular quarterly dividend of 1¾% on the preferred stock, payable Oct. 1 to holders of record Sept. 17.—V. 83, p. 384, 276, 41.

**Southern Steel Co.**—*Acquisitions.*—The company has purchased the entire capital stocks of the Lacey-Buek Iron Co. of Alabama and the Chattanooga Iron Co. of Tennessee. These acquisitions will, it is understood, give the Southern Steel Co. two additional blast furnaces, one of 200 and one of 250 tons capacity, as well as additional ore fields, coal mines near Birmingham, &c., and 350 coke ovens, and will obviate the necessity of purchasing supplies of iron from time to time to supplement its own production. The company will now have, it is stated, a surplus for sale in the market. See V. 83, p. 384, and bond offering, V. 82, p. 696.

**New Officers.**—The board of directors has been increased from seven to twelve, four new directors being elected, viz.: C. E. Buek and J. D. Lacey of the Lacey-Buek Iron Co., Oakleigh Thorne, who was largely interested in the Chattanooga Iron Co., and Charles P. Perrin, a Southern iron man, leaving one vacancy. Moses Taylor of Kean, Van Cortlandt & Co. has been elected President in place of Everett T. Schuler, who becomes Vice-President, C. E. Buek being also elected to one of the vice-presidencies.—V. 83, p. 384.

**Syracuse Gas Co.**—*Reduction of Rates.*—The State Commission of Gas & Electricity on Sept. 6 announced its decision on the application of the city authorities for a reduction of the maximum rates charged for gas and electricity. The rates are reduced as follows, beginning Oct. 1:

Gas, per 1,000 cubic feet, from \$1 to 95 cents; arc street lamps from \$85.77½ per lamp per year to \$68; commercial incandescent electric lighting (for one year only), from 12 cents per kilowatt hour, with 2 cents discount if paid before the 15th of the month, to 9 cents, and after Oct. 1 1907 to 8 cents.—V. 74, p. 482.

**Syndicate Water Co., Oakland, Cal.**—*New Company.*—See People's Water Co. above.—V. 82, p. 575, 338.

**Tennessee Coal, Iron & RR.**—*Action of Miners.*—The union miners in Alabama who in 1904 went on strike at the mines of the Tennessee Coal, Iron & RR. Co., the Sloss-Sheffield Steel & Iron Co., the Republic Iron & Steel Co. and the Woodward Iron Co., voted on Aug. 21 to call the strike off. The mines involved have long since been placed on the "open shop" basis. See V. 80, p. 2217.—V. 83, p. 162.

**Union Bag & Paper Co.**—*Dividend Reduction Recommended.*—The directors on Thursday voted to recommend that the executive committee on Sept. 10 declare a quarterly dividend of 1% on the preferred stock, of which there is \$11,000,000 7% cumulative. From July 1899 to July 1906 the rate was 7% per annum, payable 1¾% quarterly.

President Fisher has issued a letter to the stockholders saying:

The directors have authorized a dividend at the rate of 4% per annum instead of the usual 7%, for the last quarter, for the following reason: During the past year the company incurred a mortgage indebtedness of nearly \$3,000,000, a vast part of the proceeds of which was used in the purchase of timber rights of some 2,000 square miles of land in Canada, with large water powers, mills, docks, &c., and the balance was used in taking up its floating indebtedness and adding to its working capital. This purchase was made on account of the rapid increase in the cost of the market price of pulp wood and in view of the rapid disappearance of the spruce forests of this continent.

The interest and sinking fund of this indebtedness began at once, while the results of the lumbering operations of the season cannot be known until the end of the year, and because of an extended drought in Canada during the past season the full benefit will not accrue until the end of next season.

While the gross earnings from general business this year are within a few thousand dollars of its gross earnings last year, the interest and sinking fund requirements would make it necessary to encroach on the surplus were the full dividend paid on the preferred stock for this quarter. This the directors were unwilling to do.—V. 82, p. 1444.

Reports and Documents.

CHICAGO & NORTH WESTERN RAILWAY COMPANY.

FORTY-SEVENTH ANNUAL REPORT—FOR THE FISCAL YEAR ENDING JUNE 30 1906.

The results of the operations of the Chicago & North Western Railway Company for the fiscal year ending June 30 1906 are as follows:

Average number of miles operated.....	7,428.77
Gross Earnings—	
From Passengers.....	\$14,441,415 07
From Freight.....	45,802,852 58
From Express, Mail and Miscellaneous.....	3,237,310 33
Total Gross Earnings.....	\$63,481,577 98
Operating Expenses and Taxes—	
Operating Expenses (62.68% of Gross Earnings).....	\$39,789,099 17
Taxes (3.82% of Gross Earnings).....	2,427,176 68
	42,216,275 85
Net Earnings.....	\$21,265,302 13
Other Charges—	
Interest on Bonds and Interest.....	\$6,816,329 34
(Note.—This is the net amount after making the usual deductions for dividends received on C. St. P. M. & O. Ry. preferred and common stock.)	
Sinking Funds.....	225,500 00
	7,041,829 34
	\$14,223,472 79
Add Other Income.....	577,080 00
Dividends (8% on Preferred Stock and 7% on Common Stock).....	6,483,913 50
Surplus Net Income.....	\$8,316,639 29
Less Amount of Expenditures for Construction, Improvements and Permanent Additions to the Property deducted from the Surplus Net Income for the year by authority of the Board of Directors.....	6,000,000 00
Balance Income for the year.....	\$2,316,639 29
Balance to Credit of Income Account June 30 1905.....	11,640,181 01
Balance to Credit of Income Account June 30 1906.....	\$13,956,820 30

The results as compared with the preceding year are as follows:

Passenger Earnings increased.....	\$1,101,701 13
Freight Earnings increased.....	6,510,022 11
Express, Mail and Miscellaneous Earnings increased.....	124,579 57
Increase in Earnings.....	\$7,736,302 81
Operating Expenses increased.....	\$3,329,764 26
Taxes increased.....	237,199 94
Increase in Operating Expenses and Taxes.....	3,566,964 20
Increase in Net Earnings.....	\$4,169,338 61

The increase in Operating Expenses referred to above was distributed as follows:

Increase for Maintenance of Equipment.....	\$2,612,955 58	or	78.47%
Increase for Conducting Transportation.....	1,326,239 26	or	39.83%
	\$3,939,194 84	or	118.30%
Less Decrease for Maintenance of Way and Structures.....	\$602,045 73	or	18.08%
Less Decrease for General Expenses.....	7,384 85	or	.22%
	609,430 58	or	18.30%
Net Increase in Operating Expenses.....	\$3,329 764 26		

MILES OF RAILROAD.

The total number of miles of railroad owned June 30 1906 was.....7,352.06 miles

In addition to which the company operated:

Under Lease—	
St. Paul Eastern Grand Trunk Railway (Clintonville, Wis., to Oconto, Wis., and branches).....	60.02 miles
DePue Ladd & Eastern Railway (Ladd, Ill., to Seatonville, Ill.).....	3.25 "
	63.27 "
Under Trackage Rights—	
Peoria & Pekin Union Railway (in the city of Peoria, Ill.).....	2.02 "
Indiana Illinois & Iowa Railroad (Churchill, Ill., to Ladd, Ill.).....	2.80 "
Union Pacific Railroad (Broadway Station, Council Bluffs, Iowa, to South Omaha, Neb.).....	8.73 "
Chicago St. Paul Minneapolis & Omaha Railway (Blair, Neb., to Omaha, Neb.).....	24.70 "
	38.25 "
Total number of miles operated June 30 1906.....	7,453.58 "

The above mileage is located as follows:

In Illinois.....	685.02 miles
In Wisconsin.....	1,826.42 "
In Michigan.....	519.88 "
In Iowa.....	1,577.60 "
In Minnesota.....	650.30 "
In South Dakota.....	948.36 "
In North Dakota.....	14.28 "
In Nebraska.....	1,101.26 "
In Wyoming.....	130.46 "
	7,453.58 "

The company had in operation June 30 1906, in addition to the above, 861.71 miles of second, third and fourth main tracks, and 2,687.12 miles of sidings and yard tracks, making a total mileage of all tracks, both owned and operated, of 11,002.41 miles.

The usual tables, showing the mileage of the road classified by divisions and changes during the year, may be found elsewhere in this report.

CAPITAL STOCK.

For the purpose of obtaining funds to improve and extend the Company's property and to provide additional equipment, as well as for other proper corporate purposes, and in pur-

suance of the authority heretofore conferred by the Stockholders and voting Bondholders of the Company, the Board of Directors has authorized during the year additional issues of Common Stock and Scrip as follows:

To the Stockholders of record on June 1 1905 an amount equal to 15% of their holdings.....	\$10,609,230 00
To the Stockholders of record on April 2 1906 an amount equal to 20% of their holdings.....	16,267,400 00
Total.....	\$26,876,630 00

Of the above amount of Common Stock and Scrip, \$26,842,070 00 is outstanding, \$200 00 is owned by the Company, and \$34,360 00 remains unissued.

Changes in the Common Stock and Scrip, other than the issues authorized above, have resulted in a net increase of \$4,735 00 in such Common Stock and Scrip outstanding and a corresponding decrease in the amount of such Common Stock and Scrip owned by the Company. Thus, there is for the year a total increase of \$26,846,805 00 in the amount of Common Stock and Scrip outstanding and a decrease of \$4,535 00 in the amount of Common Stock and Scrip owned by the Company.

There was no change in the Preferred Stock or Preferred Stock Scrip during the year.

The Company's authorized Capital Stock is One Hundred Million Dollars (\$100,000,000 00), of which the following has been issued to June 30 1906:

Preferred Stock and Scrip outstanding.....	\$22,395,120 00
Preferred Stock and Scrip owned by the Co.....	3,834 56
Total Preferred Stock and Scrip.....	\$22,398,954 56
Common Stock and Scrip outstanding.....	\$75,182,742 92
Common Stock and Scrip owned by the Co.....	2,334,003 05
Total Common Stock and Scrip.....	77,516,745 97
Total Capital Stock and Scrip June 30 1906.....	\$99,915,700 53

FUNDED DEBT.

The outstanding Bonds of the Company were decreased \$3,862,000 00, and the Company's Bonds in Sinking Funds \$149,000 00, during the year ending June 30 1906. Of the total decrease, \$133,000 00 was due to the operation of the Sinking Funds and \$3,878,000 00 was on account of the retirement of Bonds at maturity. The changes in detail were as follows:

BONDS RETIRED.

Retired at Maturity—	
Milwaukee & Madison Ry. 1st Mortgage, 6%.....	\$1,600,000 00
Chicago & Tomah RR. 1st Mortgage, 6%.....	1,528,000 00
Chicago Milwaukee & North Western Railway Construction, 6%.....	750,000 00
	\$3,878,000 00
Retired with Sinking Fund Payments—	
C. & N. W. Ry. 5% Sinking Fund Bonds of 1879.....	2,000 00
Total Bonds Retired.....	\$3,880,000 00

BONDS ISSUED, BUT UNSOLD.

C. & N. W. Ry. 3 1/2% General Mortgage Gold Bonds of 1987 issued in exchange for Bonds retired as above.....	\$3,880,000 00
C. & N. W. Ry. 3 1/2% General Mortgage Gold Bonds of 1987 issued on account of construction expenditures made during the year, as provided by terms of the mortgage.....	1,000,000 00
Total Bonds Issued.....	\$4,880,000 00

All of the Bonds issued (\$4,880,000 00) remain unsold in the Treasury of the Company.

TREASURY BONDS.

At the close of the previous fiscal year the amount of the Company's Bonds in its Treasury was.....\$5,802,000 00

This amount has been increased during the year ending June 30 1906 as follows:

C. & N. W. Ry. 3 1/2% General Mortgage Gold Bonds of 1987, received in exchange for Bonds retired, as shown above.....	3,880,000 00
C. & N. W. Ry. 3 1/2% General Mortgage Gold Bonds of 1987, received from Trustee on account of construction expenditures.....	1,000,000 00
C. & N. W. Ry. Sinking Fund Bonds of 1879, purchased with Sinking Fund payments, drawn for redemption January 31 1906. These Bonds are fundable with 3 1/2% General Mortgage Gold Bonds of 1987.....	131,000 00
Leaving Bonds in the Treasury June 30 1906.....	\$10,813,000 00
Net Increase in Treasury Bonds during the year.....	\$5,011,000 00

PASSENGER TRAFFIC.

The details of Passenger Earnings and Traffic for the year ending June 30 1906, compared with the preceding year, were as follows:

Passenger Earnings—	1905.	1906.	Increase—
			Amount. %
From First-class Pass.....	\$9,094,655 57	\$10,016,289 64	\$921,634 07 10.13
From Emigrant Pass.....	74,287 64	86,834 10	12,546 46 16.89
From Round-Trip & Excursion Pass.....	2,289,967 28	2,299,706 39	9,739 11 .43
From Commutation Pass.....	1,796,855 65	1,943,016 80	146,161 15 8.13
From Parlor-Car Fares.....	83,947 80	95,568 14	11,620 34 13.84
Totals.....	\$13,339,713 94	\$14,441 415 07	\$1,101,701 13 8.26

Table with columns: Description, 1905, 1906, Percentage of Inc. (+) or Dec. (-). Includes: Passengers Carried—First-class, Emigrant, Round Trip and Excursion, Commutation.

FREIGHT TRAFFIC.

The details of Freight Traffic for the year ending June 30 1906, compared with the preceding year, were as follows:

Table with columns: Description, 1905, 1906, Amount, Increase (%), Percentage of Inc. (+) or Dec. (-). Includes: Freight Earnings, Tons of Freight Carried, Average Earnings Received per Ton, etc.

MAINTENANCE OF WAY AND STRUCTURES.

The total Operating Expenses of the Company for the year ending June 30 1906 were \$39,789,099 17; of this amount \$6,864,897 78 was for expenditures pertaining to the Maintenance of Way and Structures.

The expenditures for Maintenance of Way and Structures also include a large portion of the cost of ballasting 9.00 miles of track with crushed stone, 505.23 miles with gravel and 85.63 miles with cinders and slag; the erection, in place of wooden structures, of 60 new steel bridges on masonry and 3 on pile supports, aggregating 2,947 feet in length and containing 2,618 tons of bridge metal; and the replacement of other wooden structures with masonry arch and box culverts and cast-iron pipes, the openings being filled with earth.

The details of the expenditures on account of Maintenance of Way and Structures for the year ending June 30 1906, compared with the preceding year, were as follows:

Table with columns: Description, 1905, 1906, Increase (+) or Decrease (-). Includes: Rails Laid in Renewals—New steel rails laid, Usable rails laid; Ties Laid in Renewals—Number; Cost of Rails—New Steel rails, Usable rails.

Table with columns: Description, 1905, 1906, Increase (+) or Decrease (-). Includes: Total Charges for Roadway and Track, Other Expenses Account Maintenance of Way and Structures were as follows: Repairs of Interlocking Plants, Repairs of Block Signals, Repairs and Renewals of Bridges and Culverts, Repairs and Renewals of Buildings, Repairs and Renewals of Docks and Wharves, Repairs of Fences, Road Crossings and Signs, Superintendence, Sundry Miscellaneous Charges.

Total Charges Account Maintenance of Way and Structures \$7,466,943 51. \$6,864,897 78 —\$602,045 73

The above expenditures for Maintenance of Way and Structures for the current year amount to 17.25 per cent of the total Operating Expenses.

MAINTENANCE OF EQUIPMENT.

The expenditures for Maintenance of Equipment for the year ending June 30 1906 include the cost of new equipment acquired for replacements and charged to Operating Expenses as follows:

Table with columns: Description, 1905, 1906, Increase (+) or Decrease (-). Includes: Locomotives—45 Freight, 33 Switch; Freight Cars—1,604 Box Freight Cars, 100 Furniture Cars, 100 Refrigerator Cars, etc.

The details of the expenditures on account of Maintenance of Equipment for the year ending June 30 1906, compared with the preceding year, were as follows:

Table with columns: Description, 1905, 1906, Increase (+) or Decrease (-). Includes: New Locomotives Purchased for Replacements, General Repairs of Locomotives, Net charge for Locomotives, New Passenger Cars Purchased for Replacements, General Repairs of Pass. Cars, etc.

Total charges account Maintenance of Equipment \$6,419,179 85. \$9,032,135 43 +\$2,612,955 58

The above expenditures for Maintenance of Equipment for the current year amount to 22.70 per cent of the total Operating Expenses.

CONSTRUCTION.

The construction charges for the year ending June 30 1906 were as follows:

Table with columns: Description, 1905, 1906, Increase (+) or Decrease (-). Includes: On Account of Additional Main Tracks, viz.: Third and Fourth Tracks, Melrose Park Miles to Elmhurst, Ill., etc.

Table with columns: Description, 1905, 1906, Increase (+) or Decrease (-). Includes: On Account of Extensions, viz.: Laona, Wis. to Saunders, Mich., Mercer to Presque Isle District, Wis., Bonesteel to Gregory, South Dakota.

Table with columns: Description, 1905, 1906, Increase (+) or Decrease (-). Includes: On Account of Elevating Tracks in Chicago and Vicinity, viz.: Ada Street to Kedzie Avenue, Chicago; South Branch Track, 550 feet east of Western Avenue to Canal Street, Chicago; Balmoral Avenue, Chicago, to Livingston Street, Evanston, Illinois.

Table with columns: Description, 1905, 1906, Increase (+) or Decrease (-). Includes: Sundry Construction—Right of Way and Additional Depot and Yard Grounds, Buildings, Furniture and Fixtures, Docks and Wharves, Shop Machinery and Tools, Permanent Bridges (cost of new over old), New Sidings, Yard Tracks and Spurs to Industries (86.86 miles), Sheboygan Cut-off, Miscellaneous Construction, including Fences, Road Crossings, Interlocking Switches, Block Signals and other Items.

Table with columns: Description, 1905, 1906, Increase (+) or Decrease (-). Includes: Additional Equipment—35 Locomotives, 2 Observation Smoking Cars, 37 First-Class Passenger Cars, 10 Baggage Cars, 35 Caboose Cars, 1,550 Box Freight Cars, 500 Furniture Cars, 500 Refrigerator Cars, 1,000 Live-Stock Cars, 1 Wrecking Car and 1 Officers' Cars.

Table with columns: Description, 1905, 1906, Increase (+) or Decrease (-). Includes: Less amount credited to Cost of Property account retirement of Sinking Fund Bonds of 1879, Less Surplus Net Income for the current year credited to Construction by authority of the Board of Directors.

Table with columns: Description, 1905, 1906, Increase (+) or Decrease (-). Includes: Balance Charged to "Cost of Property" for Construction for the year.

TRACK ELEVATION IN THE CITY OF CHICAGO AND VICINITY

The elevation of the Galena Division main tracks in Kinzie Street, from Ada Street to Kedzie Avenue, a distance of 2.4 miles, in progress at the date of the last Annual Report to the shareholders, has been completed. This work included the elevation of the main tracks to a height of 14 feet above their former level, the construction of nine new subways and the reconstruction of one subway, the construction of a retaining wall, nearly continuous, on the north side, and in places on the south side, of the Company's right of way, the taking down of two large street viaducts, and the paving of Kinzie Street on the north side of the elevation for a distance of one mile, including the lowering of water mains and the reconstruction of sewers; also the construction of four interlocking plants and the extension of the Automatic Signal System. The elevation of these tracks has resulted in the elimination of eight grade crossings.

The elevated main tracks on the Galena Division are now continuous from Ada Street to North 46th Avenue, a distance of 4.1 miles, the number of tracks elevated being as follows:

Table with columns: Description, 1905, 1906, Increase (+) or Decrease (-). Includes: From Ada Street to Western Avenue, From Western Avenue to Kedzie Avenue, From Kedzie Avenue to North 40th Avenue, From North 40th Avenue to North 46th Avenue.

The elevation of the Company's South Branch tracks in Sixteenth Street, Chicago, referred to in the last Annual Report, has been in progress during the year. A large amount of the preliminary work, such as the building of retaining walls, foundations for subways, &c. has been com-



pleted. Two tracks have thus far been elevated between Wood and Loomis streets.

An ordinance has been adopted by the Common Council of the City of Chicago requiring the elevation of this Company's main tracks on the Milwaukee Line from Balmoral Avenue to the northern city limits at Howard Avenue, a distance of 2.74 miles. A similar ordinance has been adopted by the City of Evanston requiring the continuation of this elevation through that city from Howard Avenue to the northern city limits just beyond Livingston Avenue, a distance of 3.98 miles. The preliminary steps in the inauguration of this work have been taken and the elevation of the tracks will be in progress during the ensuing fiscal year. Upon the completion of this work the Company's main tracks on the Milwaukee Line will be elevated, continuously, from Chicago Avenue to the northern boundary of the City of Evanston, a distance of 13.22 miles.

SUNDRY CONSTRUCTION.

Additional main tracks have been completed during the year as follows:

- On the Galena Division—  
Third and Fourth Main Tracks from Melrose Park to Elmhurst, Illinois, a distance of 3.71 miles.
- Third Main Track from Cortland to DeKalb, Illinois, a distance of 2.55 miles.
- On the Wisconsin Division—  
Third and Fourth Main Tracks from St. Francis to Bay View, Wisconsin, a distance of 1.61 miles.
- On the Iowa Division—  
Second Main Track on the Cedar Rapids Cut-off, from Otis to Beverly, a distance of 4.84 miles.

For the accommodation of industries and the development of traffic, 86.86 miles of sidings, spurs and yard tracks were constructed on the several divisions during the year.

In providing for the extension and enlargement of the Company's station and terminal facilities, a large expenditure has been made during the year for additional depot and yard grounds. The more important expenditures on this account have been in the cities of Chicago and Omaha. In Chicago the Company has acquired a tract of land adjoining its Wells Street Passenger Terminal, containing 67,363 square feet, and another tract adjoining its State Street Freight Terminal, containing 39,871 square feet, this latter tract having been formerly known as the Galena Elevator property. In Omaha the Company has acquired four city blocks of centrally located land upon which it will erect modern freight houses and provide adequate team tracks to accommodate its increasing traffic originating at and destined to that city.

An ordinance recently adopted by the City Council of Sheboygan, Wisconsin, permits the construction by the Company of a Cut-off through that city, and warrants it in proceeding with the construction of extensive improvements in the passenger and freight facilities at that important station. The Cut-off is 4.13 miles in length and will enable the Company to effect a saving in distance and avoid the heavy grades and numerous grade crossings on its present line through that city. The improvements in the station facilities consist of a large new Passenger Station, a Freight House 295x36 feet, and a Cheese House 138x75 feet, and also the raising of the grade and enlargement of the system of tracks.

A considerable expenditure has been made during the year on account of the construction of new Passenger Stations, Freight Houses, Engine Houses and other buildings on the several divisions of the Company's railway.

The main line of the Company west of Long Pine, Nebraska, on the Nebraska & Wyoming Division, has been relocated for a distance of 1.97 miles, resulting in a saving in distance of one mile, the elimination of 209 degrees of two and three degree curvature, and important grade reductions as compared with the old line. This work involved the construction of 595 feet of steel trestle.

Similar improvements of less magnitude have also been completed on other Divisions.

NEW RAILWAYS AND EXTENSIONS.

Reference was made in the last Annual Report to the Wyoming & North Western Railway, the Manitowoc Green Bay & North Western Railway, the Milwaukee & State Line Railway, and to two branch railways, then under construction in the interest of this Company. During the year covered by this report progress has been made toward the completion of these new railways, as follows:

The Wyoming & North Western Railway has been nearly completed and will be opened for traffic during the ensuing month from Casper, Wyoming, to Shoshoni, a new town located near the eastern boundary line of the Shoshoni Indian Reservation in Wyoming, a distance of 102.4 miles. From Shoshoni to the Company's proposed terminus at Lander, Wyoming, a distance of 45.7 miles, the construction of the railway is well advanced and will be completed during the year 1906.

The Manitowoc Green Bay & North Western Railway has been completed from Manitowoc, Wisconsin, to the east side of the Fox River, near Green Bay, Wisconsin, a distance of 34.74 miles. The bridge over the Fox River, near Green Bay, and the remaining sections of the railway extending from Duck Creek, Wisconsin, to Gillett, Wisconsin, a distance of 29.88 miles, and from Pulaski, Wisconsin, to Eland Junction, Wisconsin, a distance of 48.38 miles, are under construction and will be completed during the ensuing autumn.

The Milwaukee & State Line Railway, extending from an intersection with the present Third and Fourth Main Tracks of the Milwaukee Line, near Lake Bluff, Illinois, to an intersection with the Third and Fourth Main Tracks of that Line, near St. Francis, Wisconsin, a distance of 50.34 miles, is nearing completion, and it is expected will be opened for traffic during the month of October 1906. This is a double-track railway and will provide the Company with a continuous Four-Track System between the cities of Chicago and Milwaukee.

The branch railways extending from near Laona on the Ashland Division, in Wisconsin, to an intersection with the Peninsula Division at Saunders, Michigan, a distance of 29.51 miles, and from Mercer, Wisconsin, to the Presque Isle District, a distance of 19.49 miles, have been completed and opened for traffic.

Since the publication of the last Annual Report to the shareholders the Company has undertaken, through the medium of proprietary companies organized in its interest, the construction of the following new railways:

PIERRE & FORT PIERRE BRIDGE RAILWAY.

This railway will extend from an intersection with the Dakota Division of the Chicago & North Western Railway, in the City of Pierre, South Dakota, to an intersection with the Pierre Rapid City & North Western Railway, hereafter referred to, 0.2 miles north of Fort Pierre in Stanley County, South Dakota, a distance of 1.79 miles. The crossing of the Missouri River will be effected by the construction of a bridge between Pierre and Fort Pierre. The sub-structure of this bridge will consist of seven masonry piers carrying the superstructure and one up-stream protection masonry pier for the draw span. The superstructure will consist of four fixed spans, each 350 feet long, and a draw span 445 feet long, its total length from centre to centre of end piers being 1,864 feet. The draw span provides for two clear openings, each 200 feet wide.

PIERRE RAPID CITY & NORTH WESTERN RY.

This railway begins at an intersection with the Pierre & Fort Pierre Bridge Railway, 0.2 miles north of Fort Pierre, South Dakota, and extends in a general westerly direction, traversing portions of Stanley, Lyman and Pennington Counties, in South Dakota, and terminates at an intersection with the Nebraska & Wyoming Division of the Chicago & North Western Railway at Rapid City, a distance of 165.47 miles. The construction of this railway is well advanced and will be completed in the early part of 1907.

The Company has also undertaken the construction of an extension from Bonesteel, South Dakota, to Gregory, South Dakota, a distance of 25.93 miles, which will be completed during the ensuing fiscal year. This extension passes through Gregory County, which embraces that portion of the Rosebud Indian Reservation opened to settlement in 1904, and terminates near the present eastern boundary of that reservation.

LANDS.

The report of the Land Commissioner for the year ending June 30 1906 gives the transactions of the Land Department for that period. From this it appears that the total quantity of the Company's land sold amounted to 2,458.65 acres and 1,855 town lots, the total consideration received, payable in cash and in time installments, being \$287,256 96. The acreage sold from the respective grants was as follows:

	Acres.	Consideration.	Average per Acre.
Minnesota Grant.....	44.93	\$2,662 95	\$59 26
Michigan Grant.....	1,101.67	17,924 39	16 27
Wisconsin Grant.....	1,312.05	26,496 96	20 19
	2,458.65	\$47,084 30	
Town Lots sold, number 1,855.....		240,172 66	
		\$287,256 96	

The gross cash receipts from land grants and town lots, deferred payments, interest on deferred payments and stumps, were \$365,410 52. The net cash receipts (being the amount after deducting expenses of operation and the cost of lands purchased for town sites) were \$246,954 53.

The total acres remaining in the several grants June 30 1906 amounted to 429,995 57 acres, of which 44,201 62 acres were under contract for sale, leaving 385,793 95 acres unsold.

The net receipts from the sale of Land Grant Lands and from the sale of lands and lots of the Town Lot Companies, for a series of years, had on June 30 1905 resulted in a balance to the credit of Land Income amounting to \$3,215,572 71. This amount has been reduced during the year by applying a portion thereof to the reduction of the cost of the securities, etc., of certain proprietary companies and by the creation of an Equipment Renewal Fund. The amount transferred to the credit of the Equipment Renewal Fund, together with other sundry balances available for such purpose, has resulted in an accumulation in that Fund during the year of \$1,148,681 39.

Appended hereto may be found statements, accounts and statistics relating to the business of the fiscal year, and the condition of the Company's affairs on June 30 1906.

MARVIN HUGHITT,  
President.

## THE DENVER &amp; RIO GRANDE RAILROAD COMPANY.

TWENTIETH ANNUAL REPORT—FOR THE FISCAL YEAR ENDED JUNE 30 1906.

To the Stockholders of the Denver & Rio Grande Railroad Company:

The income of your Company for the fiscal year ended June 30th 1906, including \$262,124 85 interest and dividends received, was \$19,948,239 64, an increase of \$2,724,598 63 as compared with the previous year.

The gross earnings from operations were \$19,686,114 79, being an increase of \$2,654,607 46; the operation expenses were \$12,104,172 16, an increase of \$1,935,211 55; and the net earnings were \$7,581,942 63, an increase of \$719,395 91. The percentage of increase in gross earnings was 15.59 per cent, in expenses 19.03 per cent, and in net earnings 10.48 per cent.

After providing for all charges against income, including two semi-annual dividends of 2½% each upon the preferred capital stock, and contributing \$120,000 to the renewal fund, there remained a surplus from the year's operations of \$1,306,838 84 From which appropriations were made for:

Additional standard gauge equipment	.....	\$1,000,000 00	
Part cost engine-houses Denver and Pueblo	..	150,000 00	1,150,000 00
Surplus carried to Profit and Loss	.....		\$156,838 84

For detailed information you are referred to the statements and statistics prepared by the Comptroller and the General Auditor and submitted herewith.

There are bonds and stocks in the treasury of the Company at par value amounting to \$80,642,807 50, which are carried on the books at \$25,624,486 63; also bonds at par, and cash in the Special Renewal Fund, amounting to \$434,724 55, carried at \$334,938 30, and bonds and stocks deposited with the Morton Trust Company as collateral for certain First Consolidated Mortgage Bonds of the Rio Grande Western Railway Company, amounting at par value to \$16,614,000 00 and carried at \$9,768,063 52. A statement in detail covering these securities will be found on page 24 of pamphlet report.

There were no unpaid vouchers at the close of the fiscal year, except those for June, which are payable in the ordinary course of business during July.

A certificate from Mr. Warren G. Purdy will be found on the following page, he having again made an independent examination of the books and accounts of the Company, in accordance with the By-Laws, and by request of the special committee appointed at the last annual meeting of the stockholders.

Under the terms of the Equipment Trust explained in former annual reports, two semi-annual payments of principal and interest were made, amounting to \$202,312 50, of which \$138,000 00 was paid out of the Special Renewal Fund and the balance, \$64,312 50, was paid out of the General Fund and charged to Profit and Loss.

The standard-gauge branch from Durango to Farmington, about 47½ miles, referred to in the last annual report as being in the course of construction, was completed in September 1905.

The development of great bodies of low-grade copper ores in what is known as the Bingham District, Utah, and the determination by leading smelting interests to construct extensive plants for treating these ores on the south shore of Great Salt Lake, about 15 miles west from Salt Lake City, made necessary the construction of a 16-mile extension of the Bingham branch from a point thereon to Garfield, the location of the new smelters. The prospective large ore tonnage to be moved from the Bingham District mines to these smelters when in full operation called for the construction, with as low a gradient as possible, of another extension 12 miles long of the Bingham branch, because the existing line, known as the Copper Belt Railroad (owned by the Rio Grande Western Co.) in the Bingham mining district has gradients so excessive as to make it impossible to transport daily the tonnage the mines will produce and the smelting plants will require. These two extensions, aggregating about 28 miles, are estimated to cost about \$1,000,000, and will be paid for in part by the proceeds of Rio Grande Western First Consolidated Mortgage 4% Gold Bonds issued under the terms of the mortgage at the rate of \$20,000 per mile. A contract covering a term of years has been entered into whereby a large ore tonnage is assured, which will be supplemented by other classes of freight to and from these new smelting industries. Some of the bonds—\$320,000—were issued on sixteen completed miles of these extensions during the year; and, in addition, \$80,000 were issued on a branch four miles long which was constructed from Roy Station near Ogden to Hooper, a prosperous agricultural community having no other railroad facilities.

For several years the management has been gradually preparing to change from narrow to standard-gauge the western portion of the main line of the Third Division, between Montrose in the Uncompaghre Valley and Grand Junction, a distance of about 73 miles. In renewals of ties

those of standard-gauge dimensions were used; embankments were widened where necessary and bridges were strengthened. When the North Fork Branch, 43 miles long, was constructed from Delta two to three years ago, its roadbed and bridges were made to conform to standard-gauge specifications, and standard-gauge ties were used; but the rails were laid three feet apart, instead of 4 ft. 8½ in. The preliminary work for change of gauge was practically completed at the close of the fiscal year, the purpose being to make the change between the 20th and 25th of July 1906. At the date of this report, the 116 miles referred to are of standard-gauge, and it is believed that farm and orchard products will be increased and business generally will be greatly stimulated in the fertile valleys traversed by that portion of your System. The use of standard-gauge equipment will be of great advantage in handling the output from the coal properties at Somerset, which is the terminus of the North Fork Branch.

In view of the large tonnage that must be moved to the new smelting plants at Garfield, the great increase in general tonnage on your system, about 20%, compared with the previous fiscal year; the standard-gauging of 116 miles of road, and the further consideration that from 40 to 50 of the standard-gauge locomotives and a large number of standard-gauge freight cars, purchased 17 or 18 years ago, are old, of insufficient capacity, and inadequate for economical operations, your directors set aside the sum of \$1,000,000 from the surplus income of the Company for the fiscal year, to be applied to the purchase of standard-gauge equipment of modern design and capacity.

The work of laying heavy rail, 85-lbs. weight per yard, in place of lighter rail, on the main line of the Denver & Rio Grande Railroad from Denver to Grand Junction, was completed. On the Rio Grande Western Railway, 77½ miles of 85 lbs. weight of rail were laid, and on June 30th there were about 127 miles of the main line laid with that weight of rail. There still remain 58 miles of 65-lbs. steel which will be replaced with 85-lbs. steel during the current fiscal year. The balance of the main line, some 143 miles, is laid with 75-lbs. rail.

The Grand Junction passenger depot and freight house, referred to in last annual report, and the tracks and appurtenances, were completed.

A number of spurs to industries, additional side and yard tracks, structures and other facilities were provided at various points to meet the requirements of traffic. The work of modifying the grades and improving the alignment of the standard-gauge main line was continued.

The engine houses at Denver and Pueblo, originally designed for narrow-gauge motive power, were found to be inadequate to accommodate the increasing number of heavier locomotives in use and to be acquired. Arrangements were therefore made for the construction of a 30-stall, brick engine house, with eight outside engine pits, a brick power house, a Holmen coaling station of 400 tons capacity, an 80-ft. turntable, and a concrete cinder pit, at Denver; and a 49-stall, brick engine house, concrete cinder pits, a Holmen coaling station of 600 tons capacity, and an 80-ft. turntable with electric turning device, at Pueblo. These improvements at Denver were nearly completed, and at Pueblo about two-thirds of the contemplated work was done at the close of the year. An amount representing approximately the value of the facilities replaced by the new structures was charged to Income.

The ten locomotives referred to in the last report as being under contract for delivery in July 1905 were received and were paid for out of the appropriation made for the purpose from the previous year's income.

A year ago your Directors expressed the belief that there would be greater business activity, accompanied by substantially increased traffic and revenues in both Colorado and Utah, and the figures embodied in this report fully justify the opinion then expressed. The total increase in gross receipts from traffic was \$2,654,607 46, of which \$2,011,136 69 was freight, \$570,009 99 passenger and \$73,460 78 express, mails and miscellaneous. The total gross receipts from traffic, \$19,686,114 79, were far the largest in the history of the Company; and existing conditions in Colorado and Utah indicate receipts equally favorable during the ensuing fiscal year. This, however, will depend in a great measure, if not wholly, on harmonious relations between employers and workmen, respect for the laws and freedom from disorders and acts of violence which have heretofore at times disturbed confidence and retarded the active and successful development of the great natural resources of the two States referred to.

In their last annual report your Directors explained at length the relations with the Western Pacific Railway Co. and the plans for constructing a low-grade line (that is, with a maximum gradient of 1%), and with satisfactory alignment between Salt Lake City and San Francisco. It was also stated that the main line will be substantially constructed

according to modern specifications, and will be laid with steel rails of the weight of 85 lbs. to the yard, and that its completion was assured. Active work has been under way during the greater portion of the fiscal year, but the scarcity of labor throughout the country has retarded the work, and the amount accomplished thus far is less than was anticipated. Every effort to secure adequate forces is being made by the contractors who have undertaken the heaviest and most difficult parts of the enterprise. It is thought that later on full forces will be secured. The financial details, unfinished a year ago, were satisfactorily concluded by increasing from \$50,000,000 to \$75,000,000 the capital stock of the Western Pacific Company, and, pursuant to the contracts mentioned in the last report, by placing an additional 100,000 shares, or \$10,000,000, in the Denver & Rio Grande Company's treasury, and 150,000 shares, or \$15,000,000, in the treasury of the Rio Grande Western Company, thus giving these two Companies 500,000 shares of a par value of \$50,000,000, or two-thirds of the entire capital stock.

It may not be out of place to say that recent events in San Francisco have in nowise disturbed the confidence your Directors have expressed in this new line of railway and in the advantages to be derived from the development of its local resources, and the importance and value of this new artery of commerce to the Denver & Rio Grande System. Faith in the future of the Western Pacific Railway is just as strong as it was before the San Francisco disaster. The city will be rebuilt on finer, more attractive and better engineering plans. The great harbor will continue to hold and increase its ocean commerce; the navigable waters of the Sacramento Valley will always attract and sustain inland navigation. San Francisco as a financial centre will maintain her supremacy on the Pacific Coast; trade and commerce by land and water will pay tribute in greater volume than ever before to her merchants, manufacturers and citizens generally. The soil of California is as fertile as it was before the disaster, the mines are as productive, the forests are as rich in timber, and the other various natural resources are just as extensive and valuable.

By Order of the Board of Directors.

E. T. JEFFERY,

President.

New York, August 27th 1906.

Denver, Colorado, August 21 1906.

To the Stockholders of the Denver & Rio Grande Railroad Company:

The Committee appointed at the annual Meeting of the Stockholders of the Denver & Rio Grande Railroad Company, held at Denver, Colorado, October 17 1905, having requested that I examine the books and accounts of your Company for the fiscal year ending June 30 1906, I have the honor to report that I have completed the examination and hereby certify that the statements of the financial condition of the Company, as shown in the annual report for that period, are correct and as detailed therein.

The details of the several accounts, as shown in the General Balance Sheet, Statement of Earnings and Expenditures and the Income Account, with the statistical information given in the report, are complete and correct, and are as shown by the records in the general books of the Company.

To the Officers of the Company I am under obligation for valuable assistance rendered me while in performance of this duty; they have extended to me every facility to enable me to make the examination thorough and complete.

Very respectfully,

W. G. PURDY,

On Behalf of the Stockholders.

REPORT OF THE COMPTROLLER.

The Denver & Rio Grande Railroad Co.

New York, August 17 1906.

Mr. E. T. Jeffery, President.

Dear Sir:—I beg to present herewith my report of the Company's financial condition June 30 1906, consisting of the adjustments made in the General Profit and Loss and Renewal Fund Accounts during the fiscal year then ended, together with Comparative Balance Sheet, Summary of its financial operations outside of its Income Account, based on such comparison, and Tabular Statement of Securities owned by the Company at that date, arranged in the order named. In conjunction with the Balance Sheet, and immediately following it, I have inserted a statement showing the adjustments made in the account of "Cost of Road" for the fiscal year ended June 30 1906.

Annexed hereto is the report of the General Auditor, exhibiting in detail the Earnings and Expenses, and other statistical information from the records of the Company for the same period.

Very respectfully,

STEPHEN LITTLE,

Comptroller.

GENERAL PROFIT AND LOSS ACCOUNT.

(Adjustments therein during the year.)

	Dr.	Cr.
By Balance June 30th 1905.....		\$3,223,347 37
By Surplus for the year ended June 30th 1906 as per Income Account.....		156,838 84
By Adjustments during the year to credit of Profit and Loss direct.....	\$22,616 81	
Less Adjustments for same period to debit of Profit and Loss direct.....	2,898 04	19,718 77
To Discount on R. G. W. Ry. Co. 1st Consolidated Mortgage 4% Bonds sold.....		\$2,600 00
To Donation to San Francisco Sufferers.....		25,000 00
To Equipment Bonds redeemed.....	\$150,000 00	
Less amount charged Renewal Fund.....	138,000 00	\$12,000 00
Interest on Equipment Bonds.....	52,312 50	64,312 50
To Balance.....		3,307,992 48
		<u>\$3,309,904 98</u>
By Balance at credit of Profit and Loss June 30 1906, see Comparative Balance Sheet.....		<u>\$3,307,992 48</u>

RENEWAL FUND.

(Adjustments therein June 30 1905 to June 30 1906.)

	Dr.	Cr.
By Balance June 30 1905.....		\$335,451 69
By Receipts from Income.....		120,000 00
By Accretions to the fund during the year.....		17,486 61
To Equipment Bonds redeemed.....	\$150,000 00	
Less amount charged to Profit and Loss.....	12,000 00	\$138,000 00
To Balance.....		334,938 30
		<u>\$472,938 30</u>
By balance at credit of Renewal Fund June 30 1906.....		<u>\$334,938 30</u>

COST OF ROAD.

	D. & R.G.R.R.	R.G.W.Ry.	Total.
To Balance June 30 1905.....	\$102,749,478 44	\$12,876,353 85	\$115,625,832 29
To Farmington Extension, Total Cost.....	\$830,853 80		
Less charged "Cost of Road June 30 1905".....	347,108 61	483 745 19	483,745 19
To Hooper Branch.....		26,600 17	26,600 17
To Garfield Beach Extension "Cost to June 30 1906".....	180,945 70		180,945 70
To Ogden Depot Property.....	67,143 09		67,143 09
To Real Estate at Salt Lake City for Depot and Grounds, "Cost to June 30 '06".....	270,596 59		
Less chgd, Cost of Road June 30 1904.....	100,825 50	169,771 09	169,771 09
To Bingham Branch Low Grade Line Construction.....		68,464 98	68,464 98
To Betterments.....	490,065 62	95,370 51	585,436 13
Added during year.....	973,810 81	608,295 54	1,582,106 35
To Cost of Road June 30 1906.....	103,723,289 25	13,484,649 39	117,207,938 6

SUMMARY OF FINANCIAL OPERATIONS

OF THE DENVER & RIO GRANDE RAILROAD COMPANY FROM JUNE 30 1905 TO JUNE 30 1906, OUTSIDE OF ITS INCOME ACCOUNT.

Resources to be accounted for thus:

Decrease of Assets.	
Equipment.....	\$150,000 00
Cash.....	678,404 58
Loans and Bills Receivable.....	876,750 49
United States Government.....	18,904 47
Sundries.....	522 61
Cash (to be invested) Special Renewal Fund.....	513 39
Total Decrease of Assets.....	<u>\$1,725,095 52</u>

Increase of Liabilities.	
D. & R. G. RR. Co. Preferred Capital Stock.....	\$112,700 00
Rio G. W. Ry. Co. First Consol. Mtge. 4% Bonds.....	400,000 00
Vouchers.....	126,036 09
Pay-Rolls.....	105,421 96
D. & R. G. RR. Co. Mtge. Bond Coupons due and unpaid.....	6,027 50
Rio G. W. Ry. Co. Mtge. Bond Coupons accrued but not due.....	4,000 00
Utah Central RR. Co. Mtge. Bonds Coupons due and unpaid.....	380 00
Equipment Renewal Fund.....	28,194 14
Special Equipment Fund.....	1,000,000 00
Accrued Rentals of Leased Lines.....	12,388 43
Dividends on Preferred Capital Stock.....	3,082 50
Dividends on Interim Certificates.....	363 32
Insurance collected.....	1,555 47
Total Increase of Liabilities.....	<u>\$1,800,149 41</u>

Increase in Profit and Loss.	
(As per Comparative Balance Sheet.)	
By Balance at Credit of Profit and Loss, June 30 1906.....	\$3,307,992 48
By Balance at Credit of Profit and Loss June 30 1905.....	3,223,347 37
Increase for the year.....	84,645 11
Grand Total to be accounted for.....	<u>\$3,609,800 04</u>

This sum is accounted for as follows:

Increase of Assets.	
Cost of Road	\$1,582,106 35
Materials and Supplies	174,532 45
Individuals and Companies	63,093 51
Agents and Conductors	109,936 90
Traffic Balances	80,263 48
Pueblo U. D. & RR. Co. Sinking Fund	800 00
Rio G. W. Ry. Co. First Consol. Mtge. 4% Bonds in Treasury	374,000 00
Rio Grande Southern RR. Co. Capital Stock	112,700 00
Special Building Fund	409 61
Boca & Loyalton RR. Co. and Associated Companies Capital Stock	797,362 19
<b>Total Increase of Assets</b>	<b>\$3,295,204 49</b>
Decrease of Liabilities.	
D. & R. G. RR. Co. Equipment 4½% Bonds, Series "A"	\$150,000 00
Bills payable	124,200 00
Rio G. W. Ry. Co. Mtge. Bond Coupons due and unpaid	2,520 00
Insurance and other Reserve Funds	33,218 51
Accrued Taxes	4,233 65
<b>Total Decrease of Liabilities</b>	<b>\$314,172 16</b>
Decrease in Renewal Fund.	
(As per Comparative Balance Sheet.)	
By Balance at Credit of Renewal Fund June 30 1905	\$335,451 69
By Balance at Credit of Renewal Fund June 30 1906	334,938 30
Decrease for the year	513 39
<b>Grand Total accounted for</b>	<b>\$3,609,890 04</b>

## SECURITIES OWNED JUNE 30 1906.

No.	Capital Stock in Treasury—	Face Value.	Book Value.
		\$	\$
100,000	Shares Rio Grande Western Ry. Co., common	10,000,000 00	20,750,000 00
75,000	Shares Rio Grande Western Ry. Co., preferred	7,500,000 00	
31,582	Shares Rio Grande Southern RR. Co.	3,158,237 50	338,260 00
12,211	Shares Rio Grande Junction Ry. Co.	1,221,150 00	173,311 00
3,750	Shares Rio Grande & Santa Fe RR. Co.	375,000 00	217,500 00
5,800	Shares Rio Grande RR. Co.	580,000 00	580,000 00
2,000	Shares Rio Grande Pagosa & Northern RR. Co.	200,000 00	172,276 61
30,000	Shares Globe Express Co.	3,000,000 00	74,000 00
62	Shares D. & R. G. RR. Co., pref.	6,200 00	5,580 00
510	Shares Duchesne Ry. Co.	51,000 00	5,110 20
330	Shares Carbon County Ry. Co.	33,000 00	2,000 00
81	1-5 Shares Pueblo Union Depot & RR. Co.	8,120 00	8,120 00
500,000	Shares Western Pacific Ry. Co.	50,000,000 00	
<b>Total</b>		<b>76,132,707 50</b>	<b>22,326,157 81</b>
Securities of Boca & Loyalton RR. Co. and Associated Companies			
		1,504,500 00	797,362 19
Mortgage Bonds in Treasury—			
67	Denver & Rio Grande RR. Co., Consol. 4%	67,000 00	67,000 00
33	Denver & Rio Grande RR. Co., Improvement 5%	16,500 00	16,500 00
1	Denver & Rio Grande RR. Co., Consol. 4½%	500 00	500 00

	Face Value.	Book Value.
	\$	\$
1,411 Rio Grande Southern RR. Co., 4%	1,411,000 00	919,366 63
1 Rio Grande Gunnison Ry. Co., 6%	100,000 00	87,000 00
400 6-10 Rio Grande Western Ry. Co., Consol 4%	400,600 00	400,600 00
260 Utah Central RR. Co., 4%	260,000 00	260,000 00
750 Utah Fuel Co., 5%	750,000 00	750,000 00
<b>Total</b>	<b>3,005,600 00</b>	<b>2,500,966 63</b>
Total value Securities in Treasury		
	80,642,807 50	25,624,486 63
In Special Renewal Fund—		
266 Rio Grande Southern RR. Co. 4% Bonds	266,000 00	172,900 00
163 Denver & Rio Grande RR. Co., Consol. 4% Bonds, 131 of \$1,000 each and 32 of \$500 each	147,000 00	140,313 75
Cash to be invested	21,724 55	21,724 55
<b>Total</b>	<b>434,724 55</b>	<b>334,938 30</b>
Securities Deposited with Morton Trust Co., Trustee—		
1,301 Tintic Range Ry. Co., 1st Mtge. 5% Bonds	1,301,000 00	1,360,682 56
1,772 Sevier Ry. Co. 1st Mtge. 5% Bonds	1,772,000 00	642,395 72
910 Shares Castle Valley Ry. Co., Com. Stock	91,000 00	91,000 00
5,204 Shares Tintic Range Ry. Co., Pref. Stock	520,400 00	
7,806 Shares Tintic Range Ry. Co., Com. Stock	780,600 00	1,350,071 15
6,196 Shares Sevier Ry. Co., Pref. Stock	619,600 00	121,100 00
9,294 Shares Sevier Ry. Co., Com. Stock	929,400 00	
2,500 Shares Utah Central RR. Co., Com. Stock	250,000 00	2,745 72
2,500 Shares Utah Eastern Ry. Co., Com. Stock	250,000 00	68 37
100,000 Shares Utah Fuel Co., Com. Stock	10,000,000 00	6,000,000 00
10,000 Shares Copper Belt RR. Co., Com. Stock	100,000 00	200,000 00
<b>Total</b>	<b>16,614,000 00</b>	<b>9,768,063 52</b>
Total value of Securities Owned		
	97,691,532 05	35,727,488 45

## EARNINGS, EXPENSES AND NET EARNINGS

FOR THE FISCAL YEAR ENDED JUNE 30 1906,  
Compared with Year Ended June 30 1905.

	1905-06.	1904-05.	Inc. (+) or (-) Dec.
<b>Earnings—</b>			
Freight	\$13,943,556 31	\$11,932,419 62	+\$2,011,136 69
Passenger	4,609,428 12	4,039,418 13	+570,009 99
Express, Mail and Miscellaneous	1,133,130 36	1,059,669 58	+73,460 78
<b>Total Earnings</b>	<b>\$19,686,114 79</b>	<b>\$17,031,507 33</b>	<b>+\$2,654,607 46</b>
<b>Expenses—</b>			
Maintenance of Way	\$1,979,615 89	\$1,629,171 66	+\$350,444 23
Maintenance of Structures	435,736 82	369,322 01	+66,414 81
Maintenance of Equipment	2,566,410 53	2,031,523 05	+534,887 48
Conducting Transportation	6,621,986 32	5,632,605 52	+989,380 80
General	500,422 60	506,338 37	-5,915 77
<b>Total Expenses</b>	<b>\$12,104,172 16</b>	<b>\$10,168,960 61</b>	<b>+\$1,935,211 55</b>
Percentage of Operation	61.49	59.71	
<b>Net Earnings</b>	<b>\$7,581,942 63</b>	<b>\$6,862,546 72</b>	<b>+\$719,395 91</b>

## INCOME ACCOUNT FOR THE FISCAL YEARS ENDED JUNE 30 1906 AND 1905.

	1905-6.	1904-5.
Gross Earnings from Operation	\$19,686,114 79	\$17,031,507 33
Operating Expenses	12,104,172 16	10,168,960 61
Per Cent of Gross Earnings	61 49	59 71
Net Earnings from Operation	\$7,581,942 63	\$6,862,546 72
Add Income from Interest and Dividends on Securities Owned	\$167,807 88	\$130,618 62
Interest, Discount and Exchange	94,316 97	61,515 06
<b>Total Net Income</b>	<b>\$7,844,067 48</b>	<b>\$7,054,680 40</b>
<b>Less—</b>		
Interest on Funded Debt	\$3,191,906 50	\$3,182,573 17
Taxes	680,216 34	696,286 86
Insurance	57,285 86	64,751 57
Rental of Leased Lines	202,184 94	178,616 67
Surplus for the Year—	\$3,712,473 84	\$2,932,452 13
Out of which were declared two dividends of 2½% each on the Preferred Capital Stock	\$2,285,635 00	\$2,250,000 00
There was also set aside for Renewal Fund	120,000 00	120,000 00
Balance	\$1,306,838 84	\$562,452 13
Against which there was charged on account of Betterments	\$150,000 00	\$133,915 30
And appropriations for New Equipment	1,000,000 00	150,000 00
Remaining Surplus carried to the credit of Profit and Loss	\$156,838 84	\$278,536 83

## IMPROVEMENTS DURING THE YEAR ENDED JUNE 30 1906.

	Total.	Charged Cost of Road.	Charged Operation.
<b>DENVER &amp; RIO GRANDE RAILROAD.</b>			
Substituting Heavy for Light Rail	\$120,645 42		\$120,645 42
Rectifying Grades and Alignment	73,320 14	\$73,320 14	
Widening Gauge between Grand Junction, Montrose and Somerset	33,560 65		33,560 65
Bridges and Culverts	54,519 02	41,531 81	12,987 21
Sidings, Spurs and Yard Tracks	73,332 51	28,972 84	44,359 67
New Freight and Passenger Depots, Grand Junction	60,142 96	60,142 96	
New Engine house at Burnham	\$151,073 94		
New Engine house at Pueblo	186,156 57		
	<b>\$337,230 51</b>		
Less Amount Charged Income	150,000 00	187,230 51	187,230 51
Pueblo Yard Real Estate	59,200 30	59,200 30	
Pueblo Viaduct	10,000 00	10,000 00	
Stations and Other Buildings	42,451 56	14,764 49	27,687 07
Shop Machinery and Tools	14,902 57	14,902 57	
Equipping Narrow-Gauge Cars and Locomotives with Automatic Brakes	54,032 56		54,032 56
<b>Total D. &amp; R. G. RR.</b>	<b>\$783,338 20</b>	<b>\$490,065 62</b>	<b>\$293,272 58</b>
<b>RIO GRANDE WESTERN RAILWAY.</b>			
Substituting Heavy for Light Rail	\$270,514 08		\$270,514 08
Bridges and Culverts	5,764 96	\$5,764 96	
Sidings, Spurs and Yard Tracks	47,398 49	30,342 55	17,055 94
Stations and Other Buildings	58,194 27	31,607 17	26,587 10
Shop Machinery and Tools	21,465 03	21,465 03	
Overhead Crossings	11,956 30	6,190 80	5,765 50
<b>Total, R. G. W. Ry.</b>	<b>\$415,293 13</b>	<b>\$95,370 51</b>	<b>\$319,922 62</b>
<b>Grand Total</b>	<b>\$1,198,631 33</b>	<b>\$585,436 13</b>	<b>\$613,195 20</b>

CONDENSED BALANCE SHEET JUNE 30 1906.

Assets—		Liabilities—	
Cost of Road and Structures	\$117,207,938 64	D. & R. G. RR. Co. Capital Stock, Com	\$38,000,000 00
Equipment	11,284,648 93	D. & R. G. RR. Co. Capital Stock, Pref	45,712,700 00
Real Estate, Colorado	24,887 26		\$83,712,700 00
Special Building Fund	10,683 39	D. & R. G. RR. Co. First Consol. Mtge. 4%	
Materials and Supplies	1,245,907 57	Bonds	\$33,517,000 00
State and County Warrants	3,331 97	D. & R. G. RR. Co. Improvement Mtge.	
Cash in Treasury	\$1,916,529 42	5% Bonds	8,335,000 00
Cash Set Aside for Payment of Coupons	298,760 00	D. & R. G. RR. Co. First Consol. Mtge.	
Cash Set Aside as Equipment Fund	149,280 99	4½% Bonds	6,382,500 00
Cash Set Aside for Construction of Spur track near Toluca, Colo	40,000 00	D. & R. G. RR. Co. Equipment 4½%	
		Bonds, Series "A"	1,050,000 00
	2,404,570 41		49,284,500 00
Loans and Bills Receivable	1,396,649 53	R. G. W. Ry. Co. First Trust Mtge. 4%	
Individuals and Companies	1,238,983 14	Bonds	\$15,200,000 00
Agents and Conductors	327,724 67	R. G. W. Ry. Co. First Consol. Mtge. 4%	
United States Government	69,825 44	Bonds	13,736,600 00
Traffic Balances	231,721 70		28,936,600 00
Pueblo Union Depot & RR. Co. Sinking Fund	12,800 00	Vouchers	603,141 92
Mortgage Bonds in Treasury, as per detailed statement	2,500,966 63	Pay-Rolls	803,073 60
Securities Deposited with Morton Trust Co., Trustee, as per detailed statement	9,768,063 52	Bills Payable	5,000 00
Investments in Capital Stocks, as per detailed statement	23,123,520 00	D. & R. G. RR. Co. Mtge. Bond Coupons due and unpaid, including July 1 Coupons	\$852,121 25
Special Renewal Fund	334,938 30	R. G. W. Ry. Co. Mtge. Bond Coupons due and unpaid, including July 1 Coupons	311,320 00
		Utah Central RR. Co. Mtge. Bond Coupons due and unpaid	580 00
			1,164,021 25
		D. & R. G. RR. Co. Mtge. Bond Coupons accrued but not due	\$34,729 17
		R. G. W. Ry. Co. Mtge. Bond Coupons accrued but not due	137,366 00
		R. G. W. Ry. Co. Mtge. Bond Coupons accrued on unexchanged Bonds of D. & R. G. W. Ry. Co.	200 00
		Utah Central RR. Co. Mtge. Bond Coupons accrued but not due	6,500 00
			178,795 17
		Special Equipment Fund	1,000,000 00
		Equipment Renewal Fund	249,085 89
		Insurance Fund	\$84,223 16
		Ogden Gas Plant Insurance Fund	12,192 08
			96,415 24
		Accrued Taxes	302,647 58
		Accrued Rental of Leased Lines	49,480 18
		Dividends on Preferred Capital Stock	\$1,143,782 50
		Dividends on Interim Certificates	1,286 91
		Scrip Dividend No. 2 and Interest	38 91
			1,145,108 32
		Insurance Collected	13,661 17
		Total Liabilities	\$167,544,230 32
		Accounts to Balance:	
		Renewal Fund	\$334,938 30
		Profit and Loss	3,307,992 48
			3,642,930 78
		Total	\$171,187,161 10
Total Assets	\$171,187,161 10		

CURRENT ASSETS AND LIABILITIES  
JUNE 30 1906.

Assets—		Liabilities—	
Cash in Treasury	\$1,916,529 42	Vouchers	\$603,141 92
Cash set aside for Payment of Coupons	298,760 00	Pay-Rolls	803,073 60
Cash set aside as Equipment Fund	149,280 99		\$1,406,215 52
Cash set aside for Construction of Spur track near Toluca, Colo	40,000 00	Bond Coupons, including those due July 1 1906:	
		D. & R. G. RR. Co.	\$852,121 25
		Rio Grande Western Ry. Co.	311,320 00
		Utah Central RR. Co.	580 00
			1,164,021 25
Loans and Bills Receivable	1,396,649 53	Accrued Interest D. & R. G. RR. Co. Improvement Mortgage 5% Bonds	\$34,729 17
Materials and Supplies	1,245,907 57	Accrued Interest R. G. W. Ry. Co. First Consol. Mortgage 4% Bonds	137,366 00
Agents' and Conductors' balances due and in transit	327,724 67	Accrued Interest D. & R. G. W. Ry. Co. Mortgage 6% Bonds, Unexchanged	200 00
United States Government	69,825 44	Accrued Interest Utah Central RR. Co. First Mortgage 4% Bonds	6,500 00
Traffic Balances	231,721 70		178,795 17
Individuals and Companies	1,238,983 14	Bills Payable	5,000 00
State and County Warrants	3,331 97	Accrued Taxes	302,647 58
Pueblo Union Depot & RR. Co. Sinking Fund	12,800 00	Accrued Rental of Leased Lines	49,480 18
Mortgage Bonds in Treasury:		Special Equipment Fund	1,000,000 00
Rio Grande Southern RR. Co. 4%	\$919,366 63	Equipment Renewal Fund, D. & R. G. RR.	\$191,604 08
Rio Grande Gunnison Ry. Co. 6%	87,000 00	Equipment Renewal Fund, R. G. W. Ry.	57,481 81
D. & R. G. RR. Co. Cons. 4%	67,000 00		249,085 89
D. & R. G. RR. Co. Improvement 5%	16,500 00	Insurance Fund, R. G. W. Ry.	\$84,223 16
D. & R. G. RR. Co. Cons. 4½%	500 00	Ogden Gas Plant Insurance Fund	12,192 08
Rio Grande Western Ry. Cons. 4%	400,600 00		96,415 24
Utah Central RR. Co. 4%	260,000 00	Dividends on Preferred Capital Stock	\$1,143,782 50
Utah Fuel Co. 5%	750,000 00	Dividends on Interim Certificates	1,286 91
	2,500,966 63	Scrip Dividend No. 2 and Interest	38 91
			1,145,108 32
Special Renewal Fund		Insurance Collected	13,661 17
Representing the Investment of Renewal Fund—		Total Current Liabilities	\$5,610,430 32
D. & R. G. RR. Co. First Cons. Mtge. 4% Bonds	\$140,313 75	Balance, Current Assets in Excess of Current Liabilities	4,156,989 04
Rio Grande Southern RR. Co. First Mtge 4% Bonds	172,900 00		
Cash (to be invested)	21,724 55	Total	\$9,767,419 36
	334,938 30		
Total	\$9,767,419 36		

STATISTICS.

FOR THE FISCAL YEARS ENDED JUNE 30 1906 AND 1905.

	1905-1906.	1904-1905.
Average miles of road operated	2,477	2,420
Freight Earnings	\$13,943,556 31	\$11,932,419 62
Revenue Tons	8,539,471	7,166,838
Revenue Ton Miles	1,078,347,946	892,141,090
Non-Revenue Ton Miles	156,746,670	125,535,666
Revenue Ton Miles per Mile of Road	435,344	368,653
Revenue Train Miles	4,898,556	4,320,331
Loaded Car Miles	61,094,824	53,254,941
Empty Car Miles	31,453,373	27,425,576
Loaded and Empty Car Miles	92,548,197	80,680,517
Engine Miles (Exc. Switch and Work Train)	6,328,716	5,515,470
Earnings per Mile of Road Operated	\$5,629 21	\$4,930 75
Train Mile	\$2 85	\$2 76
Car Mile	15.07 cts.	14.79 cts.
Ton Mile	1.29 cts.	1.34 cts.
Average Revenue Tons per Train	220.14	206.50
Non-Revenue Tons per Train	32.00	29.06
Tons per Train	252.14	235.56
Revenue Tons per Car	11.65	11.06
per Loaded Car	17.65	16.75
Non-Revenue Tons per Loaded Car	2.57	2.36
Tons per Loaded Car	20.22	19.11
Cars per Train	18.89	18.67
Train Engines per Train	1.29	1.28
Haul of each Rev. Ton (in Miles)	126.28	124.48
Passenger—		
Passenger Earnings	\$4,609,428 12	\$4,039,418 13
Mail and Express Earnings	\$735,954 16	\$725,554 89
Revenue Passengers	1,836,776	1,504,329
Passenger Miles	254,599,363	211,116,578
Passenger Miles per Mile of Road	102,785	87,238
Train Miles	3,022,195	3,747,937
Car Miles	24,912,189	23,180,623
Engine Miles	4,873,435	4,440,621
Passenger Earnings per Mile of Road	\$1,860 89	\$1,669 18
Mail and Express Earns. per Mile of Road	\$297 12	\$299 82
Passenger Earnings per Train Mile	\$1 18	\$1 08
Mail and Express Earnings per Train Mile	18.76 cts.	19.36 cts.
Passenger Earnings per Passenger Mile	1.81 cts.	1.91 cts.
Average Revenue Passengers per Train	64.91	56.33
Cars per Train	6.35	6.18
Train Engines per Train	1.24	1.18
Haul of Each Passenger (in Miles)	138.61	140.34

EARNINGS, EXPENSES AND NET EARNINGS.

(INCLUDING RIO GRANDE WESTERN RY.)  
From July 1 1891 to June 30 1906.

Year.	Average Miles Operated.	Earnings.	Expenses.	Net Earnings.
1895-96	2,181	\$10,008,544 90	\$5,848,177 06	\$4,160,367 84
1896-97	2,212	9,413,618 77	5,679,880 90	3,733,737 87
1897-98	2,232	11,705,213 82	7,086,775 70	4,618,438 12
1898-99	2,254	12,623,235 56	7,794,875 46	4,828,360 10
1899-1900	2,294	14,756,683 16	9,201,848 56	5,554,834 60
1900-1901	2,330	16,359,610 34	10,347,136 51	6,012,473 83
1901-1902	2,347	17,036,828 48	10,331,542 43	6,705,286 05
1902-1903	2,378	17,304,559 86	10,629,850 38	6,677,709 48
1903-1904	2,398	16,446,435 10	10,058,443 78	6,387,991 32
1904-1905	2,420	17,031,507 33	10,168,960 61	6,862,546 72
1905-1906	2,477	19,686,114 79	12,104,172 16	7,581,942 63

PER MILE OPERATED.

Year.	Average Miles Operated.	Earnings.	Expenses.	Net Earnings.
1895-96	2,181	\$4,589 00	\$2,681 00	\$1,908 00
1896-97	2,212	4,256 00	2,568 00	1,688 00
1897-98	2,232	5,244 00	3,175 00	2,069 00
1898-99	2,254	5,600 00	3,458 00	2,142 00
1899-1900	2,294	6,433 00	4,011 00	2,422 00
1900-1901	2,330	7,021 00	4,441 00	2,580 00
1901-1902	2,347	7,259 00	4,402 00	2,857 00
1902-1903	2,378	7,277 00	4,470 00	2,807 00
1903-1904	2,398	6,858 00	4,194 00	2,664 00
1904-1905	2,420	7,038 00	4,202 00	2,836 00
1905-1906	2,477	7,948 00	4,887 90	3,061 00

## NORFOLK &amp; WESTERN RAILWAY COMPANY.

TENTH ANNUAL REPORT—FOR THE FISCAL YEAR ENDING JUNE 30TH 1906.

Philadelphia, Sept. 7 1906.

To the Stockholders of the Norfolk &amp; Western Railway Company:

Your Board of Directors submits the following report of the operations of your Company for the fiscal year:

## MILES OF ROAD OPERATED.

The length of line owned at the close of the fiscal year was 1,860.88 miles. Total operated was 1,874.86, as follows:

	Branches. Miles.	Main Line. Miles.
Lambert's Point, Norfolk, to Columbus, Ohio.....	151.43	703.76
* Big Sandy Low-Grade Line, Naugatuck to Kenova, W. Va.....	59.16	
Lynchburg to Durham.....	3.48	115.43
Roanoke to Hagerstown.....	6.05	238.11
Roanoke to Winston-Salem.....	.20	121.30
Walton Junction to Bristol.....	13.95	110.75
North Carolina Junction to Fries.....	48.96	43.49
Graham to Norton.....	16.06	100.40
Vera Junction to Cincinnati and Ivorydale.....	18.92	105.92
Columbus Connecting & Terminal Railroad.....		3.51
	318.21	1,542.67
Branches.....		318.21
Total lines owned.....		1,860.88
Tracks of other Companies used jointly under trackage rights—		
Southern Railway, at Durham, N. C.....	0.43	
Cumberland Valley R.R., at Hagerstown, Md.....	0.63	
Cincinnati Lebanon & Northern Ry., at Cincinnati, O.....	3.62	
Pittsb. Cin. Chic. & St. Louis Ry., at Cincinnati, O.....	9.00	
Baltimore & Ohio and Pittsburgh Cincinnati Chicago & St. Louis Ry., at Columbus, O.....	0.30	
		13.98
Grand total operated.....		1,874.86
Second Track—		
Lambert's Point to Norfolk.....		4.16
Norfolk & Southern Junction.....		1.78
Lynchburg—East and West of.....		2.09
Montvale to Radford.....		60.72
Walton to Ripplemead (Sections).....		9.12
Pearisburg to Vivian.....		59.25
Welch to Davy.....		5.74
Lick Fork to Naugatuck.....		27.87
Ironton—East and West of.....		3.44
Scotoville to Davis.....		11.63
Total second track.....		185.80
Sidings.....		790.86

The average mileage operated during the year was 1,853, as against 1,799 during the preceding year.

\*The Big Sandy Low-Grade Line and the old road between Naugatuck and Kenova are operated as double track.

## GENERAL INCOME ACCOUNT.

	1906.	1905.	Increase (+) or Decrease (-).
Earnings—			
From passengers.....	\$3,598,557 60	\$3,158,772 66	+\$439,784 94
“ freight.....	24,111,800 91	20,249,399 00	+3,862,401 91
“ mail.....	264,576 25	224,137 37	+40,438 88
“ express.....	364,579 10	318,613 77	+45,965 33
“ miscellaneous.....	148,251 77	138,336 99	+9,914 78
Total Earnings.....	\$28,487,765 63	\$24,089,259 79	+\$4,398,505 84
Expenses—			
Maint. of way and struc....	\$3,439,797 14	\$3,095,910 25	+\$343,886 89
Maintenance of equipment....	4,749,832 42	3,917,268 13	+832,564 29
Conducting transportation....	8,355,373 19	7,136,484 06	+1,218,889 13
General expenses.....	519,621 07	464,771 76	+54,849 31
Operating Expenses.....	\$17,064,623 82	\$14,614,434 20	+\$2,450,189 62
Net Earnings.....	\$11,423,141 81	\$9,474,825 59	+\$1,948,316 22
To which add—			
Interest, General Account....	\$113,090 59	64,924 57	+48,166 20
Rents.....	52,254 08	54,304 22	-2,050 14
	\$165,344 67	\$119,228 79	+\$46,115 88
Total Income.....	\$11,588,486 48	\$9,594,054 38	+\$1,994,432 10
From which deduct—			
Interest on funded debt....	\$3,069,146 66	\$2,862,933 33	+206,213 33
Interest on Equipment			
Trust obligations.....	316,641 67	226,666 67	+89,975 00
Taxes.....	735,000 00	671,000 00	+64,000 00
Rents of tracks, yards, etc....	15,323 39		+15,323 39
	\$4,136,111 72	\$3,760,600 00	+\$375,511 72
Net Income.....	\$7,452,374 76	\$5,833,454 38	+\$1,618,920 38

From this net income for the year ending June 30th 1906.....\$7,452,374 79

The following amounts have been deducted—

Payments to Pocahontas Coal & Coke Company on account of deficiency of interest on Norfolk & Western-Pocahontas Joint Bonds.....	\$188,000 00
Miscellaneous charges to income.....	55,786 85
Dividends—	
On adjustment preferred shares:	
2% August 19th 1905.....	\$459,822 00
2% February 16th 1906.....	459,822 00
	919,644 00
On common shares:	
2% December 15th 1906.....	\$1,289,384 00
2% June 15th 1906.....	1,289,384 00
	2,578,768 00
Appropriations for Betterments to Property.....	2,250,000 00
Appropriations for Acquiring Additional Equipment.....	700,000 00
	6,692,198 85
Amount carried to Profit and Loss for the year.....	\$760,175 91
Amount to credit of Profit and Loss June 30th 1905.....	3,201,928 03
	\$3,962,103 94
Discount and commission on securities sold.....	161,250 00
Balance to credit of Profit and Loss June 30th 1906.....	\$3,800,853 94

The gross earnings were \$15,374 and the net earnings \$6,165 per mile of road operated.

The operating expenses were 59.90 per cent of the gross earnings, as against 60.67 per cent in the preceding year.

The taxes paid in the year were 2.58 per cent of the gross earnings.

## CAPITAL STOCK.

The capital stock authorized and outstanding consists of—

660,000 shares of common stock.....	\$66,000,000 00
230,000 shares of adjustment preferred stock.....	23,000,000 00

Total.....\$89,000,000 00 of which there was in the treasury of the Company at the close of the fiscal year, 89 shares of adjustment preferred stock and 15,308 shares of common stock.

## FUNDED DEBT.

The aggregate funded debt outstanding on June 30th 1906 was \$71,289,500, of which \$13,000 was held in the treasury of the Company.

The \$2,000,000 Divisional First Lien and General Mortgage bonds referred to in the previous annual report as being held by the Trustee of the mortgage subject to your Company's call, and \$1,000,000 additional of the bonds secured by this mortgage, have been sold. The proceeds of this sale were applied to reimburse the Company for capital expenditures previously made. \$11,000,000 of these bonds had been issued at the close of the fiscal year.

## EQUIPMENT TRUST CERTIFICATES.

Provision for additional equipment was made by the issue and sale of three new series, "D," "E" and "F," of four per cent Equipment Trust certificates for \$1,000,000 each. The certificates in each series are payable in ten annual instalments of \$100,000.

The equipment securing these certificates is shown in detail below in the statement of outstanding Equipment Trust certificates. The larger part of this equipment had been delivered at the close of the fiscal year.

All of the equipment forming the security of Equipment Trust, Series "C," was delivered during the fiscal year just closed.

The statement on pages 56 and 57 of pamphlet report shows the Trust equipment in service under each Trust. Included in this statement are 21 locomotives under Equipment Trust, Series "G." (See also a following page.) The agreement securing the issue of Series "G" certificates was executed under date of May 3d 1906, but the certificates were not sold until after the close of the fiscal year.

## STATEMENT OF EQUIPMENT TRUST CERTIFICATES JUNE 30 1906.

Date of Agreement.	Series.	Description of Equipment.	Total Value of Equipment.	Trust Certificates Paid to June 30 1906	Trust Certificates Outstanding June 30 1906	Payable in fiscal year ending June 30 1907.		Date of Final Payment.
						Date.	Amount.	
March 1 1902	1902	53 locomotives.....	\$5,000,478 00	\$500,000	\$3,000,000	Sept. 1 1906	\$500,000	Sept. 1 1911
		3,500 gondola cars.....						
		1,000 box cars.....						
		500 flat cars.....						
		25 passenger coaches.....						
April 1 1903	A.	2 baggage and mail cars.....	1,234,499 31	200,000	800,000	Jan. 1 1907	100,000	Jan. 1 1913
		4 express cars.....						
June 1 1903	B.	25 locomotives.....	1,176,085 50	200,000	800,000	March 1 1907	100,000	March 1 1913
500 steel coke cars.....								
April 3 1905	C.	74 locomotives.....	2,024,082 92	200,000	1,800,000	April 1 1907	200,000	April 1 1915
17 locomotives.....								
Nov. 3 1905	D.	2,000 gondola cars.....	1,023,407 00		1,000,000	Nov. 1 1906	100,000	Nov. 1 1915
		9 locomotives.....						
Dec. 4 1905	E.	1,000 gondola cars.....	1,027,055 40		1,000,000	Dec. 1 1906	100,000	Dec. 1 1915
		5 locomotives.....						
		500 box cars.....						
		300 hopper cars.....						
Feb. 3 1906	F.	175 steel coke cars.....	1,028,879 00		1,000,000	Feb. 1 1907	100,000	Feb. 1 1916
		9 locomotives.....						
		500 hopper cars.....						
		325 steel coke cars.....						
Totals.....		192 locomotives..... 10,300 freight cars..... 31 passenger cars.....	\$12,514,487 13	\$1,100,000	\$9,400,000		\$1,200,000	

CONSTRUCTION, EQUIPMENT AND BETTERMENTS.

The following table, summarizing the expenditures for Construction, Equipment and Betterment for the year, evidences the active prosecution of work upon new lines under construction and upon the additions and improvements necessary to care for the business offering to your Company and to increase its net earnings by reducing the cost of operation and maintenance to a minimum.

	Charged against Property Account.	Charged against Betterment Fund.	Total.
Real estate	\$200 00		\$200 00
Stations, buildings and shops	326,905 49	\$258,045 45	584,950 94
Coal, water and sand supply plants	80,184 73	155,674 22	235,858 95
Branches and extensions	364,103 62	29,569 54	393,673 16
Second track (including tunneling)	1,391,784 40	1,217,465 88	2,609,248 28
Fencing		18,564 33	18,564 33
Ballasting		26,797 29	26,797 29
Lining tunnels		34,119 99	34,119 99
Sidings, passing sidings and yards	1,117,053 82	50,314 49	1,167,368 31
Replacing bridges and trestles		484,094 59	484,094 59
Improving alignment and grade	2,550 00	928 35	3,478 35
Sundries	19,973 96	70,869 39	90,843 35
	\$3,302,756 02	\$2,346,441 52	\$5,649,197 54
Rolling stock charged against Fund for Acquiring Additional Equipment		276,964 53	276,964 53
<b>Total</b>	<b>\$3,302,756 02</b>	<b>\$2,623,406 05</b>	<b>\$5,926,162 07</b>

Advances for construction purposes were made as follows:

Iaeger & Southern Railway	\$938,913 44
Pocahontas & Western Railroad	102,677 44
West Virginia Southwestern Railway	148,758 08
Guyandot & Tug River Railroad	49,825 45
Big Stony Railway	11,743 99
Blackstone & Lunenburg Railroad	21,825 16
<b>Total</b>	<b>\$1,273,743 56</b>

Your Company continues its policy of making yearly appropriations from Surplus Income to meet the cost of extraordinary replacements, renewals and betterments to your property required to maintain its earning capacity and to offset natural depreciation. These expenditures are not chargeable to Capital and they are not included in ordinary Operating Expenses, because the latter are intended to show the current working cost, the ratios of which to the gross earnings from month to month and from year to year furnish data for comparisons of great practical value.

The Betterment Fund created out of Surplus Income had to its credit June 30 1905	\$3,245,212 52
There was credited to this Fund out of the Surplus Income of the year ending June 30 1906	2,250,000 00
	\$5,495,212 52
Charged against Betterment Fund during the year	2,346,441 52
Balance to credit of Fund June 30 1906	\$3,148,771 00

Through the Fund for Acquiring Additional Equipment the Company acquired \$276,964 53 of new Equipment, and charged off \$900,000 of matured Equipment Trust principal.

BRANCHES AND EXTENSIONS.

BLACKSTONE & LUNENBURG RAILROAD.

A controlling interest in the capital stock of the Blackstone & Lunenburg Railroad Company has been acquired. This Company's line is being completed southward from Blackstone, Va., a distance of 5.75 miles, to lumber mills on the south side of Nottoway River, and will be ready for operation in October 1906.

FOREST AND CONCORD BRANCHES.

The two Low-Grade Lines, known as the Forest Branch and the Concord Branch, are under construction, the former westward from a point on the Durham Line, 0.8 of a mile from Twelfth Street Station, Lynchburg, to Forest, a distance of 7.60 miles, and the latter eastward from the same point to a point on the Main Line near Concord, a distance of 14.52 miles. These branches have been located with a maximum grade against eastbound traffic of 0.5 per cent and a maximum curvature of four degrees. They will afford transportation facilities to local enterprises and further their development, and by their use the heavy grades against eastbound traffic of the present Main Line between Concord and Forest will be avoided after the summer of 1907. Right of way for these branches, with a few exceptions, has been secured, contracts have been awarded for a single-track road, with masonry for future double-tracking, and the contractors are now at work.

SPEEDWELL EXTENSION.

The addition of 5.28 miles to this branch of the North Carolina Extension, which was authorized and commenced last year, has been completed and put into operation. The Speedwell Extension is now 16.44 miles in length, from Ivanhoe, Va., and reaches large iron ore deposits in the vicinity of Speedwell in addition to those near Cripple Creek.

BIG STONY RAILWAY.

This road, 10.68 miles long, from near Ripplemead, Va., to Interior, Va., is operated independently by the Big Stony Railway Company.

An extension of this line from Interior, Va., to the West Virginia State Line, 6.25 miles, and the construction of the lines of the Interior & West Virginia Railroad Company and the Virginia & Potts Creek Railroad Company would reach extensive ore deposits in Potts Creek Valley, and thereby would assure an iron ore supply for the Virginia furnaces on your line.

The Interior & West Virginia Railroad Company is authorized to construct a line from the terminus of such an extension of the Big Stony Railway, through Monroe County, W. Va., to the Virginia State line, 17.55 miles.

The Virginia & Potts Creek Railroad Company is authorized to construct a line from the terminus of the Interior & West Virginia Railroad, down the valley of Potts Creek through Craig County, Va., to Potts Creek Post Office in Alleghany County, Va., 11.15 miles.

BIG CREEK BRANCH.

This branch from near Richlands, Va., has been extended 1.18 miles to new coal operations. Its length is now 7.08 miles.

LICK FORK BRANCH.

This branch, 0.92 miles long from a point east of Thacker, to the operation of the Red Jacket Consolidated Coal Company, was acquired by your Company and has been extended to the operation of the Thacker Fuel Company. Its present length is 2.79 miles.

POCAHONTAS & WESTERN RAILROAD.

The construction of 3.7 miles of the Pocahontas & Western Railroad from Pocahontas, Va., up Laurel Creek to the Boissevain Operation of the Pocahontas Collieries Company has been undertaken, and will be completed during the fall of 1906. The construction of 4.5 miles more of this road will be necessary in the near future to reach a second coal and coke operation.

The expenditure on this line to June 30th 1906 was \$102,677 44.

CLEAR FORK BRANCH.

This line southward from Gordon, W. Va., has been extended 1.27 miles to additional coal operations. Its length is now 11.20 miles.

GUYANDOT & TUG RIVER RAILROAD.

The final revisions in the location of this line have been completed from the mouth of Pinnacle Creek on Guyandot River to the mouth of Gilbert Creek on Guyandot River, and thence to the western terminus of the line at Wharnccliffe, W. Va. Much of the right of way has been secured along the final location.

IAEGER & SOUTHERN RAILWAY.

Pursuant to authority given at the annual meeting of the stockholders, held October 8th 1903, the railroad, property and franchises of the Iaeger & Southern Railway Company have been conveyed to your Company, and the railroad is now being operated as the Dry Fork Branch.

This line was extended 23.21 miles up Dry Fork during the year, and has a total length of 28.11 miles. It was put into regular operation to the present terminus, Berwind, on April 2d, 1906. A further extension of the line up Dry Fork to the upper plant of the New River & Pocahontas Consolidated Coal Company, together with yard facilities on the lower part of the line, is still in progress.

The coal company is making shipments of coal over this branch and is constructing coke ovens, with sidings thereto.

The cost of this line to June 30th 1906 was \$1,499,019 86.

BIG SANDY LOW-GRADE LINE.

The permanent arching of tunnels and the construction of stone arch masonry has been finished, and most of the heavy slides have been removed.

MAINTENANCE OF EQUIPMENT.

Your Company's equipment is continuously maintained at a high standard. The cost of maintenance was \$4,749,832 42, an increase over the preceding year of \$832,564 29. This included \$679,111 for replacing equipment destroyed or retired from service and \$325,000 credited to the Fund for Acquiring Additional equipment.

Additions to the machinery of the various shops have been made at a cost approximately as follows:

Roanoke Shops	\$46,086 00
Bluefield Shops	11,232 00
Portsmouth Shops	23,531 00
Outlying Shops	10,668 00
<b>Total</b>	<b>\$91,517 00</b>

The cost of engine repairs was \$1,617,231 62, an increase over the preceding year of \$195,195 41.

The tractive power of locomotives on June 30th 1906 was 2,709,470 pounds greater than at the close of the preceding year.

The following trust equipment was received:

Series C—	17 freight locomotives.
" D—	2,000 hopper coal cars, 100 000 pound capacity.
" E—	9 freight locomotives.
" F—	1,000 drop-bottom gondolas, 100,000 pounds capacity.
" G—	5 passenger locomotives.
" H—	500 box cars, 80,000 pounds capacity.
" I—	300 hopper coal cars, 100,000 pounds capacity.
" J—	9 freight locomotives.
" K—	490 hopper coal cars, 100,000 pounds capacity.
" L—	21 freight locomotives.

The following additions were made to your equipment through the Fund for Acquiring Additional Equipment:

10 passenger cars.
6 passenger and baggage cars,
5 baggage and express cars,
5 baggage and mail cars.
330 hopper coal cars—100,000 pounds capacity.

The following equipment was acquired through the Equipment Renewal Fund, in replacement of equipment previously destroyed:

9 freight locomotives,  
1 officers' car,  
500 box cars, 80,000 pounds capacity,  
500 drop-bottom gondolas—100,000 pounds capacity,  
25 cabin cars, 4-wheel,  
1 steam wreck car,  
1 steam shovel,  
1 pile-driver.

There was also added to the equipment 1 freight locomotive which had been sold in a previous year, but was returned and placed in service.

The total equipment owned and leased June 30th 1906 consisted of—

88 passenger locomotives,  
596 freight locomotives,  
50 switching locomotives,  
734 locomotives,  
350 passenger cars,  
31,017 freight cars,  
583 maintenance of way cars,  
7 barges.

There were in the shops undergoing and awaiting repairs at the close of the year, 57 locomotives, or 7.8 per cent (14 needing only light repairs), 22 passenger cars, or 6.3 per cent, and 696 freight cars, or 2.2 per cent.

#### MAINTENANCE OF WAY AND STRUCTURES

The cost of Maintenance of Way and Structures was \$3,439,797 14, or about \$1,856 00 per mile of road, as compared with \$1,721 00 per mile of road for the preceding year. 82.17 miles of main track were relaid with 85-pound steel rails.

53.78 miles of track were full ballasted.

The extensive additions to division yards at Roanoke, Bluefield and Williamson, previously in progress, have been continued and will be completed early in 1907. Considerable progress has been also made in the construction of a receiving yard at South Norfolk.

A brick passenger station was built at Christiansburg, additional station grounds having been secured for the purpose. The Virginia Anthracite Coal & Railway Co. will also use this station.

Combined passenger and freight stations with living quarters for Agents were erected at Pageton, at Coalwood and at Peeryville.

At Portsmouth the old machine shop was extended and remodeled for use as a Freight Station, the old shop grounds being converted into a freight delivery yard.

An umbrella shed and platform were added to Bluefield Passenger Station, and those at Kenova Station were extended.

Stations were enlarged at Ivor, Wakefield, Waverly, Appomattox, Rougemont, Henry, Ingleside, Thacker, Warfield, Crum and Winchester.

At Roanoke a brick addition to the General Office Building, six stories in height, 53x132 feet, was completed.

A frog shop and rail mill consisting of a brick structure 76x196 feet was erected at Roanoke Shops.

A commissary building was erected at Roanoke, using brick and other material from old passenger station.

A brick building for car inspectors was erected at Roanoke.

A brick power house 53x100 feet was erected at Bluefield. Ten stalls of Kenova roundhouse were removed and re-erected at Columbus.

A commodious Young Men's Christian Association building was erected at East Portsmouth.

A dwelling house for roadmaster was erected at Vivian.

Seventeen section foremen's houses and twenty-one section-men's houses were erected at various points.

Coaling stations were erected at Shenandoah Junction, Richlands, Keystone, Vivian and Grapevine.

Standard 50,000-gallon tanks were erected at Hickson, Henry, Ridgeway, Salem, Walton, Marion, Bristol, Curve, Blake, Switchback, Simmons, Vivian, Hemphill and McDermott; also at Auville, Atwell and Rift, on the Dry Fork Branch. Steel tanks of 400,000-gallon capacity were erected at Coaldale and Switchback as part of a general water supply system for the Elkhorn District.

Pumping plants of increased capacity were installed at Simmons, Higbys, Circleville and McDermott, and a large pumping station was constructed at Bluestone for supplying water to the Elkhorn District from Cooper to North Fork.

A water filter was constructed at East Radford.

Water-softening plants were installed at Walton, Morgan, North Fork, Delano and Circleville.

A standard 100-ton capacity track scale was installed at Chillicothe.

Interlocking and signaling apparatus was installed or improved at Bridge No. 5 Norfolk, Bedford, Berryville, Roanoke, West Roanoke Receiving Yard, East Radford, Eggleston, Blake, Ada, Coaldale, Gray, Dingess Tunnel, Hanging Rock, Franklin Furnace and Renick.

3,418 lineal feet of wooden bridges and 91 lineal feet of light iron bridges were replaced by masonry arches or culverts and embankments.

3,855 lineal feet of wooden bridges and 1,381 lineal feet of light iron bridges were replaced by steel structures.

318 lineal feet of wooden bridges on branch lines were replaced by iron structures released from the main line.

Masonry footings on concrete pile foundations, arranged for a future second track, were constructed for the entire length of the Kenova Viaduct approach to Ohio River Bridge.

Overhead steel roadway bridges were constructed at Mary Street, Bristol and at Hemphill; overhead foot bridges were built at Jefferson Street, Roanoke, and from Randolph Street to the Roanoke Shops.

132,165 cubic yards of material were dredged from slips at Lambert's Point coal piers and warehouses.

The tunnel for eastbound track at Montgomery was enlarged to standard clearance and lined with concrete, length 649 feet.

The First Eggleston Tunnel was replaced by a double-track tunnel on new location, length 893 feet.

Tunnels were lined with brick on the Clinch Valley District as follows: Creagan 248 feet, and Holbrook 196 feet, completing the last named.

Tunnels were lined with concrete on the Big Sandy Low-Grade Line as follows: Tunnel No. 2, 380 feet; Tunnel No. 3, 1,318 feet; Tunnel No. 5, 263 feet; Tunnel No. 6, 2,149 feet; and Tunnel No. 7, 1,363 feet, thereby completing the lining of all tunnels on that line.

Three enlarged culverts were constructed on Pocahontas Division.

612,586 cubic yards of material were used in widening and strengthening banks.

725,146 lineal feet (137.34 miles) of standard fencing were erected.

85,234 lineal feet of fit 56-pound, 67-pound and 85-pound ail were used for guard rails on important bridges.

#### TRAFFIC.

As compared with the preceding year, passengers carried increased 274,706, or 7.8 per cent; the average haul of passengers increased 0.71 miles.

The total passenger revenue increased \$439,784 94, or 13.9 per cent; the average rate per passenger per mile increased 0.086 cents.

Tons of freight carried increased 3,414,211, or 21.5 per cent; the average haul of freight decreased 9.27 miles.

The total freight revenue increased \$3,862,401 91, or 19.1 per cent; the average rate per ton per mile increased 0.007 cents.

The freight-train mileage increased 613,989 miles, or 7.6 per cent; the average tons per train mile increased 48 tons, or 9.0 per cent.

The coal shipments were 9,510,439 tons, an increase of 1,326,863 tons, or 16.2 per cent.

The lumber shipments were 1,708,501 tons, an increase of 379,137 tons, or 28.5 per cent.

The shipments of other low-class commodities connected with the iron and steel industries were as follows:

Coke shipments were 2,364,861 tons, an increase of 411,511 tons, or 21.1 per cent.

Iron ore shipments were 860,926 tons, an increase of 262,648 tons, or 43.9 per cent.

Limestone shipments were 349,306 tons, an increase of 173,654 tons, or 98.9 per cent.

Pig-iron shipments were 583,953 tons, an increase of 134,704 tons, or 30.0 per cent.

The following statement shows the passenger and freight statistics for the years 1906 and 1905:

	1905-1906.	1904-1905.	Increase (+) or Decrease (-).
<b>Passenger Traffic—</b>			
Passengers carried	3,805,668	3,530,962	+274,706
one mile	154,860,312	141,159,752	+13,700,560
per mile	83,573	78,466	+5,107
Average distance carried per passenger (miles)	40.69	39.98	+0.71
Total passenger revenue	\$3,598,557 60	\$3,158,772 66	+\$439,784 94
Av. rev. from pass. (cents)	94.56	89.46	+5.10
Av. rev. per passenger per mile (cents)	2.324	2.238	+0.086
Total passenger earnings	\$4,234,935 95	\$3,711,516 56	+\$523,419 39
Passenger earnings per mile of road	\$2,285 45	\$2,063 10	+\$222 35
Passenger earnings per train mile (cents)	121.42	109.15	+12.27
Earnings per passenger per mile (cents)	2.735	2.629	+0.106
<b>Freight Traffic—</b>			
Tons of freight carried	19,266,534	15,852,323	+3,414,211
Tons carried one mile	5,011,466,563	4,270,239,257	+741,227,306
Tons carried one mile per mile of road	2,704,515	2,373,674	+330,841
Average distance carried per ton (miles)	260.11	269.38	-9.27
Total revenue from freight	\$24,111,800 91	\$20,249,399 00	+\$3,862,401 91
Average revenue per ton of freight (cents)	125.15	127.74	-2.59
Average revenue per ton per mile (cents)	0.481	0.474	+0.007
Total freight earnings	\$24,252,829 68	\$20,377,743 23	+\$3,875,086 45
Freight earnings per mile of road (cents)	13,088.41	11,327.26	+1,761.15
Freight earnings per train mile (cents)	280.42	253.62	+26.80
Freight earnings per ton per mile (cents)	0.484	0.477	+0.007
<b>Total Traffic—</b>			
Gross earnings	\$28,487,765 63	\$24,089,259 79	+\$4,398,505 84
per mile of road	15,373 86	13,390 36	+1,983 50
per train mile	234.73	210.67	+24.06
<b>Operating expenses:</b>			
Passenger	\$2,719,021 75	\$2,446,247 73	+\$272,774 02
Freight	14,345,602 07	12,168,186 47	+2,177,415 60
Passenger and freight	17,064,623 82	14,614,434 20	+2,450,189 62
Per mile of road, pass.	1,467 36	1,359 78	+107 58
per train mile, freight	7,741 82	6,763 86	+977 96
freight pass. &	9,209 18	8,123 64	+1,085 54
Per train mile, passenger (cents)	77.96	71.94	+6.02
Per train mile, freight (cents)	165.87	151.44	+14.43



	1905-1906.	1904-1905,	Increase (+) or Decrease (-)
<b>Total Traffic—</b>			
Per train mile, passenger and freight (cents)-----	140.61	127.81	+12.80
Per passenger per mile (cents)-----	1.756	1.733	+0.023
Per ton per mile (cents)-----	0.286	0.285	+0.001
<b>Net Earnings:</b>			
Passenger-----	\$1,515,914 20	\$1,265,268 83	+250,645 37
Freight-----	9,907,227 61	8,209,356 76	+1,697,870 85
Passenger and freight-----	11,423,141 81	9,474,625 59	+1,948,516 22
Per mile of road, pass-----	818 09	703 32	+114 77
"    "    freight-----	5,346 59	4,563 40	+783 19
"    "    pass. & freight-----	6,164 68	5 266 72	+897 96
Per train mile, passenger (cents)-----	43.46	37.21	+6.25
Per train mile, freight (cents)-----	114.55	102.18	+12.37
Per train mile, passenger and freight (cents)-----	94.12	82.86	+11.26
Per passenger per mile (cents)-----	0.979	0.896	+0.083
Per ton per mile (cents)-----	0.198	0.192	+0.006
<b>Train Mileage—</b>			
Of revenue pass'ger trains-----	3,487,819	3,400,205	+87,614
Of revenue freight trains-----	8,648,628	8,034,639	+613,989
Of non-revenue trains-----	770,476	731,526	+38,950
Made by all trains-----	12,906,923	12 166,370	+740,553
<b>Engine Mileage—</b>			
Of passenger engines-----	3,487,819	3,400,205	+87,614
Of passenger engines employed in helping passenger trains-----	137,235	142,426	-5,191
Of freight engines-----	8,648,628	8,034,639	+613,989
Of freight engines employed in helping freight trains-----	5,275,565	4,080,632	+ 1,194,933
Of shifting engines-----	2,845,996	2,278,454	+567,542
Of maintenance of way engines-----	759,894	708,241	+51 653
Of all engines-----	21,155,137	18,644,597	+2,510,540
<b>Car Mileage—</b>			
Mileage of passenger cars-----	18,627,804	18,339,773	+288,031
Average number passenger cars per train mile-----	5.34	5.39	-0.05
Average number passenger cars per train mile-----	44	42	+2
Mileage loaded freight cars, North and East-----	112,697,607	98,366,488	+14,331,119
Mileage loaded freight cars, South and West-----	87,303,321	78,430,147	+8,873,174
Mileage empty freight cars, North and East-----	46,804,349	44 715,380	+2,088,969
Mileage empty freight cars, South and West-----	68,697,665	63,841,367	+4,856,298
Average number freight cars per train mile-----	36.48	35.52	+0.96
Average number loaded freight cars per train mile-----	23.14	22.00	+1.14
Average number empty freight cars per train mile-----	13.35	13.51	-0.16
Average number tons freight per train mile-----	579	531	+48
Average number tons freight per loaded car mile-----	25.57	24.15	+1.42
Average mileage operated during year-----	1,839	1,799	+40

SUMMARY OF PASSENGER AND FREIGHT CAR MILEAGE.

	—Year ending June 30—	
	1906.	1905.
Total passenger car mileage on Norfolk & Western Railway-----	18,627,804	18,339,773
Mileage of Norfolk & Western passenger cars on Norfolk & Western Railway-----	14,759,236	14,271,269
Mileage of Norfolk & Western passenger cars on foreign lines-----	1,241,308	1,045,685
Total mileage made by Norfolk & Western passenger cars-----	16,000,544	15,316,954
Mileage of foreign passenger cars (including Pullman) on Norfolk & Western Railway-----	3,868,568	4,068,504
Percentage of passenger car mileage made by foreign cars-----	21.0	22.2
Mileage of Norfolk & Western freight cars on Norfolk & Western Railway-----	200,032,946	193,597,019
Mileage of foreign freight cars on Norfolk & Western Railway-----	115,469,996	91,756,363
Percentage of freight car mileage made by foreign cars-----	36.70	32.2
Mileage of Norfolk & Western box cars on Norfolk & Western Railway-----	29,494,953	31,994,930
Average number of box cars in service on Norfolk & Western Railway-----	3,229	3,070
Average daily mileage of box cars on Norfolk & Western Railway-----	27.86	28.55
Mileage of Norfolk & Western coal cars on Norfolk & Western Railway-----	142,634,757	117,003,305
Average number of coal cars in service on Norfolk & Western Railway-----	11,342	8,314
Average daily mileage of coal cars on Norfolk & Western Railway-----	34.45	38.56
Total Norfolk & Western freight car mileage on Norfolk & Western Railway in transportation of freight-----	192,585,570	186,958,788
Average number of Norfolk & Western freight cars in service-----	28,654	25,852
Average number of Norfolk & Western freight cars in service on Norfolk & Western Railway-----	17,011	15,472
Average daily mileage on Norfolk & Western Railway-----	31.02	33.11

GENERAL REMARKS.

The industries established on your lines during the year include the following:

1 barytes manufactory,	1 hoslery mill,
5 bottling works,	6 iron ore mines,
1 box factory,	1 leather factory,
4 brick works,	1 lime kiln,
4 building material factories,	6 lumber, box and planing mills,
8 cannng factories,	4 lumber yards,
1 chair factory,	2 machine shops,
6 coal mines,	9 manufactories of cement blocks,
1 cotton mill,	2 mattress factories,
1 distillery,	54 sawmills,
2 elevators,	1 soap factory,
1 fertilizer factory,	4 stone quarries,
4 flour and meal mills	1 tin-can factory,
1 furniture factory,	1 veneer factory,
3 handle, spoke and rim factories,	1 wagon factory
2 ice factories,	

At the close of the year there were 156 coal and coke companies in operation; 13,197 coke ovens were completed, including 2,149 ovens of the United States Coal & Coke Company, and 188 coke ovens were under construction.

On June 30 1906 there were in operation 14 iron furnaces, with an estimated aggregate capacity of 1,900 tons of pig iron per day; 7 furnaces aggregating 695 tons of pig iron per day were out of blast.

From its organization to June 30 1906 your Company has expended for railroad lines, branches and extensions ac-

quired or constructed, for second tracks, for sidings, yards, stations and other transportation facilities, for betterments to the property and for equipment the sum of \$41,364,598 19, of which there was provided by sales of capital obligations the sum of \$22,391,497 47, the remaining \$18,973,100 72 of expenditures having been made from surplus income.

Additions to the equipment in use were also made through the agency of equipment trusts, under which there have been issued an aggregate of \$10,500,000 of Equipment Trust Certificates, of which \$1,100,000 matured and were paid to June 30 1906.

These expenditures have added to your Company's road 291.60 miles of main line and branches, 131.78 miles of second track and 351.88 miles of sidings, and to its equipment 328 locomotives, 112 passenger cars, 15,129 freight cars and 141 maintenance-of-way cars. Large additions have also been made to its yards, shops, stations and other facilities and appliances. The property has been further improved by revisions of line and grade, by the substitution of permanent bridges or embankments for temporary structures, by additional fencing and ballasting, and by the multitudinous additions and improvements which a rapidly growing business renders obligatory.

The great need of these additions and improvements and their beneficial effect upon the volume and economy of the Company's operations are amply evidenced by the fact that while in eight years the mileage of main line and branches increased 17 per cent, and the number of locomotives and cars in use increased 64 per cent, the passenger traffic movement increased 132 per cent, the freight traffic movement increased 118 per cent and the gross earnings increased 154 per cent.

Notwithstanding the large expenditures referred to and the unceasing efforts of your management to supply adequate facilities, the demands of a broad and expanding industrial development upon the Company's resources and facilities have not at any time been fully met. While existing deficiencies were being supplied, new needs were developing. To satisfy current wants and to make reasonable provision for further growth has therefore been an ever present problem.

These conditions led to the formulation by the President of a general program of improvements and equipment for immediate requirements, which was submitted to and approved by your Board at its meeting in January 1906. Work upon the several features of this program was begun as rapidly as circumstances permitted, and is being actively prosecuted. Owing to its magnitude and attendant difficulties, some of this work will not be completed until the latter part of the year 1907.

The following are the more important of the works authorized and under construction:

1. The Forest Branch of 7.60 miles, and the Concord Branch of 14.52 miles from the Durham Line, and a revised line with second track from Forest to Montvale, 26.6 miles. These two branches, in addition to affording transportation facilities to local industrial enterprises, will furnish a low-grade line from Concord to Forest which can be operated in conjunction with the existing line as a double track between those points. This work will be completed during 1907, though several sections of it will be in use by the end of 1906. Revised lines with second track from Eggleston to Pembroke, 6 miles, including three tunnels, and from Welch to Davy, 7.2 miles, nearly completed; second track, from Davy to Claren, 3 miles; from Wilmore to Jaeger, 4.1 miles, and from East Ironton to Hanging Rock, 5.6 miles.

2. A storage and assembling yard at South Norfolk and extensive enlargements of the yards at Roanoke, Bluefield and Williamson. The completion of these yards, work upon which is well advanced, will greatly relieve the congestion upon your lines.

3. Extensive additions to the Roanoke and Portsmouth shops in both locomotive and car departments.

Among the more important improvements yet to be undertaken are the railroads to connect with the Big Stony Railway to reach the iron ore deposits of Potts Creek Valley; the continuation of your double-track system by the construction of sections between Walton and Pearisburg, aggregating 18.79 miles, and the costly but very important work (including many tunnels) from Vivian to Thacker, between which points 50.4 miles of line must yet be revised and double-tracked. When this work is completed your Company will have a continuous double track, with grades and curvatures favorable to economical operation, from Concord, Va., to Kenova, W. Va., a distance of 377 miles.

A large number of additional passing tracks at various points on the entire system, and additional passenger and freight equipment will be required, and further enlargements of, and additional tools for, the shops at Roanoke, Bluefield and Portsmouth.

The results achieved in your Company's operations have so enhanced its credit as to suggest that the interest of the stockholders may, in the not distant future, be best subserved by financing its capital requirements for further construction, equipment and betterments by the sale of common stock or, alternatively, of bonds convertible into common stock. To enable this to be done when favorable conditions exist, the Board of Directors in June 1906 decided to ask the stockholders to approve an increase of the authorized common stock of the Company by the sum of \$34,000,000, to

an aggregate of \$100,000,000, and to sanction the creation of an issue of bonds of the Company convertible into common stock at the option of the holders during a term of years, the terms and provisions of conversion and the times and amounts of issues to be determined by the Board of Directors.

The Annual Meeting of the Stockholders to be held at Roanoke, Va., on October 11 1906 has therefore also been called as a Special Meeting of the Stockholders to consider the above indicated proposals.

The statistical tables showing in detail the operations of the Transportation Department during the year demonstrate the continued efficiency and economy of that Department.

Your Directors have to report, with deep regret, the death, on September 30th 1905, of their esteemed colleague, Sutherland M. Prevost. They have placed on record in the minutes of the proceedings of the Board an expression of their appreciation of Mr. Prevost's valuable services to the Company and of their esteem for his high character and abilities.

At the annual meeting of the Company, held October 12th 1905, Mr. J. B. Thayer was elected a Director in the place of Mr. Prevost, and Mr. William G. Macdowell was elected a Director in place of Mr. N. Parker Shortridge, who declined re-election.

Since the close of the fiscal year Messrs. William H. Barnes and J. B. Thayer have resigned their positions as Directors of the Company, and Messrs. Henry C. Frick and Levi C. Weir have been elected to fill the vacancies so caused.

The certificate of Messrs. Price, Waterhouse & Co., the independent auditors elected to audit the books and accounts of the Company, is attached to the Balance Sheet.

The officers and employees of the Company have faithfully and efficiently discharged their duties during the year.

By order of the Board, \_\_\_\_\_

L. E. JOHNSON,  
President.

### CERTIFICATE OF INDEPENDENT AUDITORS.

PRICE, WATERHOUSE & CO.,

Chartered Accountants.

New York, August 31st 1906.

To the Shareholders of the Norfolk & Western Railway Company:

We have examined the books and accounts of the Norfolk & Western Railway Company at Roanoke and Philadelphia for the year ending June 30th 1906, and

We certify that the annexed General Balance Sheet is properly drawn up therefrom so as to show the true financial position of the Company at that date.

PRICE, WATERHOUSE & CO.,

Chartered Accountants.

#### COST OF ROAD JUNE 30TH 1906.

The cost of road June 30th 1905 was	\$138,017,104 71
Add for—	
Cost of Kenova & Big Sandy RR., and Naugatuck Branch (transferred from open account) as of June 30 1905	\$4,668,729 33
For Fiscal Year ending June 30 1906	270,994 73
	\$4,939,724 06
Cost of Speedwell Extension	88,973 08
“ Tug Fork Branch	1,582 90
“ Concord and Forest Branches	119,027 09
“ Big Creek Branch	9,505 01
“ Laurel Creek Spur	1,563 99
Real estate, for Right of Way, etc	23,839 74
Stations, buildings and shops	326,905 49
Coal, water and sand supply plants	80,184 73
Second track (including tunneling)	1,391,784 40
Sidings, passing sidings and yards	1,117,053 82
Improving Alignment and Grade	2,550 00
Miscellaneous Charges	17,201 86
	8,119,896 17
	\$146,137,000 88
Deduct for—	
Cost of work on lines of Subsidiary Companies (transferred to open accounts)—	
West Virginia Southwestern RR.	\$112,747 49
Guyandot & Tug River RR.	11,363 59
Pocahontas & Western RR.	660 00
	124,771 08
Sale of Lands, Roanoke, Va.	5,172 00
Sale of Lands, Winston-Salem, N. C.	535 00
Miscellaneous credits	24,249 80
	154,727 88
	\$145,982,273 00

#### COST OF EQUIPMENT JUNE 30TH 1906.

The cost of equipment June 30th 1905 was	\$12,483,021 25
No additional charges	-----
	\$12,483,021 25

### NORFOLK & WESTERN RAILWAY COMPANY—GENERAL BALANCE SHEET JUNE 30TH 1906.

#### ASSETS.

<b>COST OF ROAD AND EQUIPMENT—</b>			<i>Comparison with June 30 1905.</i>
Railroad franchises and other property	\$145,982,273 00		+\$7,965,168 29
Rolling stock	12,483,021 25		
<b>IAEGER &amp; SOUTHERN RAILWAY</b>		\$158,465,294 25	
*KENOVA & BIG SANDY RAILROAD AND NAUGATUCK BRANCH		1,499,019 83	+938,913 44
COLUMBUS TERMINAL & TRANSFER RAILROAD CO. PROPERTY AT COLUMBUS		250,000 00	-4,668,729 33
BLACKSTONE & LUNENBURG RAILROAD, CONSTRUCTION		21,825 16	+21,825 16
GUYANDOT & TUG RIVER RAILROAD, CONSTRUCTION		49,825 45	+49,825 45
POCAHONTAS & WESTERN RAILROAD CONSTRUCTION		102,677 44	+102,677 44
BIG STONY RAILWAY, CONSTRUCTION		11,743 99	+11,743 99
WEST VIRGINIA SOUTHWESTERN RAILROAD, CONSTRUCTION		148,758 08	+148,758 08
EQUIPMENT LEASED UNDER TRUST AGREEMENTS, LESS AMOUNTS PAID OUT OF INCOME		9,400,000 00	+2,100,000 00
<b>COMPANY'S SECURITIES IN THE TREASURY—</b>			
Adjustment preferred stock	\$8,900 00		
Common stock	1,530,800 00		
First consolidated mortgage bonds	13,000 00		
		1,552,700 00	
<b>INVESTMENTS IN OTHER COMPANIES</b>		1,067,058 58	+12,088 58
<b>ACCOUNTS RECEIVABLE—</b>			
Station Agents	\$744,175 66		+169,614 69
Traffic balances	493,547 06		-14,645 53
United States Government	66,193 72		+10,009 92
Individuals and companies	863,048 51		+192,834 81
		2,166,964 95	
<b>INSURANCE PAID IN ADVANCE</b>		34,723 45	+17,678 95
<b>MATERIAL AND SUPPLIES</b>		2,404,263 76	+670,418 00
<b>POCAHONTAS COAL &amp; COKE CO.—CASH ADVANCES FOR ADDITIONAL REAL ESTATE</b>		800,000 00	+305,000 00
<b>CASH</b>		4,151,422 69	-2,179,308 78
		\$182,126,277 66	+\$5,853,873 19

\*Transferred to Cost of Road and Equipment as of July 1st 1905.

#### LIABILITIES.

<b>CAPITAL STOCK—</b>			<i>Comparison with June 30 1905</i>
Adjustment preferred	\$23,000,000 00		
Common	66,000,000 00		
		\$89,000,000 00	
<b>FUNDED DEBT—</b>			
South Side Railroad Company Consolidated mortgage bonds	\$1,000 00		
Virginia & Tennessee Railroad Company enlarged mortgage bonds	5,000 00		
Norfolk & Western Railroad Company—			
General mortgage 6% bonds	7,283,000 00		
New River Division first mortgage 6% bonds	2,000,000 00		
Improvement and Extension mortgage 6% bonds	5,000,000 00		
Scioto Valley & New England Railroad Company first mortgage 4% bonds	5,000,000 00		
Columbus Connecting & Terminal Railroad Company 5% mortgage bonds	600,000 00		
Norfolk & Western Railway Company—			
First consolidated mortgage 4% coupon bonds	37,355,500 00		-\$32,000 00
First consolidated mortgage 4% registered bonds	3,045,000 00		+32,000 00
Divisional first lien and general mortgage 4% coupon bonds	10,938,000 00		+2,978,000 00
Divisional first lien and general mortgage 4% registered bonds	62,000 00		+22,000 00
		71,289,500 00	
<b>OUTSTANDING EQUIPMENT TRUST CERTIFICATES FOR LEASED EQUIPMENT</b>		9,400,000 00	+2,100,000 00
<b>INTEREST ON FUNDED DEBT, ACCRUED</b>		1,030,301 67	+81,753 67
<b>ACCOUNTS PAYABLE—</b>			
Pay-rolls	\$1,076,791 93		+126,131 08
Audited vouchers	1,816,079 45		+438,426 64
Traffic balances	94,939 50		+20,125 90
Individuals and companies	227,424 28		+100,255 57
		3,215,235 15	
<b>TAXES ACCRUED</b>		360,259 10	+41,153 22
<b>BETTERMENT FUND</b>		3,148,771 00	-96,441 52
<b>RESERVE FUNDS—</b>			
Acquiring additional equipment	\$573,445 24		-202,817 95
Equipment renewal	161,173 41		-411,802 75
Casualty	949 34		-175 39
Rail renewal	145,788 80		+58,338 81
		881,356 79	
<b>PROFIT AND LOSS</b>		3,800,853 94	+598,925 91
		\$182,126,277 66	+\$5,853,873 19

**Union Gas & Electric Co., Cincinnati.**—Organized—Lease in Effect.—The company having increased its authorized capital stock to \$20,000,000 (of which \$10,000,000 is 6% cumulative preferred, par \$100), and having deposited \$3,000,000 cash to guarantee the regular payment of dividends on the \$31,000,000 stock of the Cincinnati Gas & Electric Co., \$2,000,000 being also provided for additions and improvements, formally took over the property on Sept. 1 under the terms of the 99-year lease (V. 83, p. 274). The lease, it is stated, calls for the payment of dividends on the stock of the Gas & Electric Co. to accrue from July 1 1906 to July 1 1908 inclusive at the rate of 4½% per annum; then to July 1 1910 at the rate of 4¾% per annum (the first distribution at this rate to be made Oct. 1 1908); and for the remainder of the lease at the rate of 5% per annum, the initial payment at the maximum rate to be due Oct. 1 1910.

The "Cincinnati Tribune" of June 24 said: In order to fortify its right to lease the plant of the Cincinnati Gas & Electric Co., the Union Gas & Electric Co. yesterday closed a lease for a period of 99 years of the Cincinnati & Eastern, a branch of the Interurban Railway & Terminal Company's traction properties. The Interurban Railway & Terminal Co. is capitalized at \$5,000,000, half of which is bonds and the other half stock. The Union Gas & Electric Co. assumes all the obligations of the Interurban Co. upon the Eastern, and agrees to pay dividends upon its stock. (Compare page 24 of "Street Railway Section.")

The Union Gas & Electric Co. announces the following officers and directors.

Officers—Norman G. Kenan, President; Theodore Claus, Secretary, and John C. Campbell of New York, Treasurer.

Directors—Norman G. Kenan, Casper H. Rowe, Ruben Holden, and J. T. Carew of Cincinnati; Archibald White, George W. Young, Oscar Gubelman and A. B. Leach of New York; J. M. Gill of Xenia, O.; Joseph Heard of Parkersburg, W. Va.; H. A. Everett, Cleveland. See V. 82, p. 1274.

**United Milling & Grain Co. of Topeka, Kan.**—Stock Offered.—Henry Cohen & Co., bankers, and James Brunton, fiscal agents, 74 Broadway, New York, were recently receiving subscriptions at par (\$100 a share) for the preferred stock of this company, which succeeded to the property of the Taylor Grain Co. (see V. 81, p. 618, 844, 1677). An advertisement says:

Common stock, \$150,000; preferred stock, 6% cumulative, with the further right to "participate equally in any earnings after 10% has been paid to the common stock." \$150,000. No bonded debt. Our mill of 1,200 barrels daily capacity, just completed, and our 350,000-bushel capacity terminal elevator are located on the three great trunk lines of the State. We will have our own grain elevators in the great wheat belt. Executive Board: H. Parker, Chairman Executive Board, President of the Parker Grain Co., Kansas City and McPherson, Kan.; W. L. Taylor, President, late of the Taylor Grain Co.; J. B. M. Wilcox, Secretary and Assistant Treasurer, for eight years with the Kehler Flour Mills of St. Louis; W. J. Raymond, Assistant Secretary, for several years connected with the Mid-Continent Mills of Topeka, Kan. Other directors: Vice-President, James Brunton, New York; W. H. Foxall, Cleveland, O.; Edwin A. Austin, Topeka, Kan.

**United States Packing Co.**—Status.—This company advertised for sale in May last \$200,000 of its authorized issue of \$600,000 first mortgage 20-year 6% gold bonds, interest payable July 1 and Jan. 1, at the Knickerbocker Trust Co., New York City, trustee, each bond being accompanied by a 50% bonus of common stock. The bonds are in denominations of \$100, 500 and \$1,000. The "Wall Street Journal" says:

Incorporated in New Jersey Oct. 20 1902; authorized capital stock, \$4,000,000, of which \$1,000,000 is 6% preferred. Special concessions have been obtained from the Government of Mexico and also the States of Michoacan and Vera Cruz, and the company is at present finishing a packing house at Uruapan, in the former State. Upon the completion of this plant work will begin upon the one on the eastern coast at Vera Cruz. The capacity of the former will be 2,000 animals a day and of the latter 1,000. The company will distribute its product in refrigerator cars, and also expects to erect cold-storage warehouses at central points from which it will furnish fresh meats, butter, eggs, chickens, etc., to the Mexican people on the American plan. The principal financial interests are held in Chicago, Ill., and Mexico City. New Yorkers on the board are George B. Luper, Samuel H. Buck, Richard Wightman and Charles W. Dayton. Fred. W. Wilder, of Chicago is General Manager.—V. 80, p. 2348.

**Westinghouse Air Brake Co.**—Increased Dividend.—The directors on Thursday declared a regular quarterly dividend of 2½%, together with an "extra" dividend of 2½% and a "special" dividend of 2½%, all payable Oct. 10 to stockholders of record Sept. 22. An "extra" dividend of 2½% was paid along with the regular 2½% from April 1904 to July 1906 inclusive; from Jan. 1901 to Jan. 1904 the "extra" dividend was 3½%. The dividends paid during 1906 aggregate 22½%.

Dividends.—	Dividend Record Prior to 1906.				
	to '98.	'99.	'00.	'01 to '03.	'04. 1905
Per cent	20	25	30	24	21 20

—V. 81, p. 973.

—S. Pemberton Hutchinson, son of the late Pemberton S. Hutchinson, who was President of the Philadelphia Savings Fund, has been admitted to the firm of Cramp, Mitchell & Shober, of 314 Chestnut St., Philadelphia. Mr. Hutchinson, who has been connected in important official positions with the Pennsylvania, Baltimore & Ohio and Michigan Central railroads, from which latter road he resigned as General Superintendent some months ago, has an intimate knowledge of matters relating to railroad securities.

—A new building for the San Francisco branch of N. W. Halsey & Co. is to be erected by the firm at 412-414 California Street. The structure will be four stories high and of reinforced concrete. It is stated that no wood whatever will be used in the interior, the door casings and window frames to be of metal to simulate bronze.

—Fisk & Robinson have issued a Government bond calendar. It gives the dates for the payment of interest on all issues; also the dates on which the books close in Washington for the transfer of registered bonds. On the back of the calendar may be found data concerning Philippine, Hawaiian and other issues.

—The firm of Fred. H. Smith & Son has been formed at 60 Broadway to deal in stocks and bonds. Mr. Fred. Smith is well known in Wall Street, where he has had a long and varied experience in investments since 1865.

# The Commercial Times.

## COMMERCIAL EPITOME.

Friday Night, Sept. 7 1906.

The activity in general trade and the cheerful tone of business circles almost everywhere, in spite of something of a flurry in the money market and the favorable outlook for the crops, are still the more salient features of the situation. The large demand for manufactures is especially noticeable.

Stocks of Merchandise.	Sept. 1 1906.	Aug. 1 1906.	Sept. 1 1905.
Lard ----- tierces	5,149	6,772	4,919
Cocoa ----- bags	7,500	14,000	18,000
Coffee, Brazil ----- bags	2,696,823	2,876,384	3,260,652
Coffee, Java ----- mats	110,000	125,000	108,494
Coffee, other ----- bags	361,780	391,910	355,351
Sugar ----- hogsheads	1,500	3,000	None
Sugar ----- bags, &c.	608,659	641,884	1,217,734
Hides ----- No.	6,000	5,000	4,400
Cotton ----- bales	87,191	93,560	125,545
Rosin ----- barrels	25,892	23,049	26,435
Spirits turpentine ----- barrels	1,752	1,107	945
Tar ----- barrels	1,153	1,021	1,871
Saltpetre ----- bags	3,325	2,000	250
Manilla hemp ----- bales	25,603	17,725	34,000
Sisal hemp ----- bales	1,515	3,266	1,500
Flour ----- barrels and sacks	78,600	61,000	60,600

LARD on the spot has ruled dull and easy, with narrow changes in quotations; City, 8½c.; Western, 8.70@8.75c. Refined lard has been dull and unchanged, with prices nominal in the main; Continent, 9.25c., South American 10c. and Brazil in kegs 11c. The speculation in lard futures has been fairly active, with more or less irregularity.

### DAILY CLOSING PRICES OF LARD FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
September delivery -----	8.77 ½		8.55	8.65	8.75	8.60
October delivery -----	8.87 ½	Holi-	8.67 ½	8.72 ½	8.72 ½	8.65
January delivery -----	7.97 ½	day.	7.87 ½	7.92 ½	7.90	7.82 ½

PORK has been steady, though the trading has been so quiet of late that quotations are largely nominal. Small sales are said to have been made at quotations lower than those reported; mess, new, \$19@19 50; clear, \$17@18 75; family, \$18 50@19. Cut meats have been dull and easier; pickled shoulders, 8¼@8½c.; pickled hams, 12½@13c.; pickled bellies, 14@10 lbs., 10¾@11¾c. Beef has been dull with slight changes in quotations; mess, \$8; packet, \$9@9 50; family, \$10 50@11; extra India mess, \$15 50@16 50. Tallow has been in good demand and firm; City, 5½@5¼c. Stearines have been dull and steady; oleo, 10½@10¼c.; lard, 10¼c. Butter has been strong with a fair demand; Western extras, 24¼@24¾c. Cheese has been fairly active and steady; State factory, 12¾c. Eggs steady with a fair trade, Western firsts, 21c.

OIL.—Cotton-seed has been more active with summer higher and winter steady; prime summer yellow, 37@38c.; prime winter yellow, 43@44c. Linseed has been quiet and steady; City, raw, American seed, 38@39c.; boiled, 39@40c.; Calcutta seed, raw, 68c. Lard has been dull and somewhat easier; prime, 68@70c. Olive has been quiet and firm; crop reports from Italy have been unfavorable; yellow, 55@57c.; green, 58@60c. Coconut has been quiet and steady; Ceylon, 7½@7¾c.; Cochin, 8¼@8½c. Peanut has been steady with trade quiet; white, 55@65c. Cod has been quiet and steady; domestic, 35@36c.; Newfoundland, 38@40c.

COFFEE on the spot has been in moderate demand and steady; Rio No. 7, 8½@8¾c.; Santos No. 4, 8½@8½c. West Indian growths have been firm with a fair demand; fair to good Cucuta 9@9¼c. The market for future contracts declined early in the day under the pressure of long liquidation for local and Wall Street account. Europe sold here, and the receipts at Rio and Santos continued on a large scale. Of late, however, the market has been stronger,

September -----	6.40c.	January -----	6.75c.	May -----	7.05c.
October -----	6.50c.	February -----	6.80c.	June -----	7.10c.
November -----	6.60c.	March -----	6.90c.	July -----	7.15c.
December -----	6.70c.	April -----	7.00c.	August -----	7.20c.

SUGAR.—Raw has been dull but firm, owing to an absence of offerings; centrifugals, 96-degrees test, 4c.; muscovado, 8 9-degrees test, 3 13-32@3½c.; molasses, 89-degrees test, 3¼c. Refined has been quiet, though fairly large withdrawals on old contracts are reported; granulated, 4.70@4.80c. Spices have been quiet and steady. Teas have been in fair demand and generally firm. Hops have been dull and firm.

TOBACCO has been active for domestic leaf with quotations generally firm. Crop reports continue favorable in the main, with good progress reported in harvesting.

PETROLEUM has been steady with a good demand. The production in August showed an increase of 10,000 barrels per day over that of July. Refined, barrels, 7.50c.; bulk, 4.40c.; cases, 10c. Naphtha has been fairly active and steady; 73 to 76 degrees, 18c. in 100-gallon drums. Gasoline has been active and steady; 89 degrees 21c. in 100-gallon drums. Spirits of turpentine firm at 64½@65c. Rosin steady at \$4 10 for common to good strained.

COPPER has been less active but firmer; lake, 19c.; electrolytic, 18¾c. Lead has been fairly active and steady at 5.90c. Spelter has been firm at 6.10c. Tin has been easier on larger offerings; Straits, 40.40c. Iron has been less active and steady; No. 1 Northern, \$20 25@20 75; No. 2 Southern, \$19@20.

COTTON.

Friday Night, September 7 1906.

THE MOVEMENT OF THE CROP as indicated by our telegrams from the South to-night is given below. For the week ending this evening the total receipts have reached 73,061 bales, against 74,604 bales last week and 48,901 bales the previous week, making the total receipts since the 1st of September 1906 73,061 bales, against 171,451 bales for the same period of 1905, showing a decrease since Sept. 1 1906 of 98,390 bales.

Table showing Cotton Receipts at various ports (Galveston, Port Arthur, New Orleans, Mobile, etc.) from Saturday to Friday, 1906, with a total of 76,130 bales for the week.

The following shows the week's total receipts, the total since Sept. 1 1906, and the stocks to-night, compared with last year:

Table comparing Cotton Receipts (1906 vs 1905) and Stocks (1906 vs 1905) at various ports, including a total of 73,061 receipts and 373,477 stocks in 1906.

In order that comparison may be made with other years, we give below the totals at leading ports for six seasons:

Table showing totals at leading ports (Galveston, New Orleans, Mobile, Savannah, etc.) for six seasons from 1901 to 1906.

The exports for the week ending this evening reach a total of 52,777 bales, of which 19,368 were to Great Britain, 500 to France and 32,909 to the rest of the Continent. Below are the exports for the week and since Sept. 1 1906:

Table showing Cotton Exports from various ports (Galveston, Port Arthur, New Orleans, etc.) by destination (Great Britain, France, Continent) for the week and since Sept. 1 1906.

In addition to above exports, our telegrams to-night also give us the following amounts of cotton on shipboard, not cleared, at the ports named. We add similar figures for New York.

Table titled 'On Shipboard, Not Cleared for' showing quantities for Sept. 7 at various ports (New Orleans, Galveston, Savannah, etc.) categorized by destination (Great Britain, France, Germany, etc.).

The speculation in cotton for future delivery has been on a moderate scale at gradually advancing prices. The rise was due very largely to heavy rains in parts of Texas and the Carolinas, with some reports of deterioration, not only in Texas but in Tennessee, Mississippi and Alabama.

Cotton on the spot, though quiet, responded to the rise in futures, prices advancing 20 points; but to-day this was lost, middling uplands falling back to the price of a week ago, 9.80 cents, in sympathy with a reaction in 'futures.'

The rates on and off middling, as established Nov. 18 1903 and reaffirmed Nov. 15 1905 by the Revision Committee, at which grades other than middling may be delivered on contract, are as follows:

Table of cotton grades and their corresponding prices, including categories like 'Fair', 'Strict low mid.', 'Middling tinged', etc.

On this basis the official prices for a few of the grades for the past week would be as follows:

Table of official prices for cotton grades (UPLANDS, GULF, STAINED) on various days (Sat., Mon., Tues., etc.) including categories like 'Good Ordinary', 'Low Middling', etc.

The quotations for middling upland at New York on Sept. 7 for each of the past 32 years have been as follows:

Table showing historical quotations for middling upland at New York from 1899 to 1906.

MARKET AND SALES.

Table showing Market and Sales, including Spot Market Closed, Futures Market Closed, and Sales of Spot and Contract for various days of the week.

FUTURES.—High, low and closing prices at New York:

Table showing futures prices for cotton from Sept. 1 to Sept. 8, 1906. Columns include dates, range, and closing prices. Includes a 'HOLIDAY' section for Sept. 2 and 3.

THE VISIBLE SUPPLY OF COTTON to-night, as made up by cable and telegraph, is as follows. Foreign stocks, as well as the afloat, are this week's returns, and consequently all foreign figures are brought down to Thursday evening. But to make the total the complete figures for to-night (Friday), we add the item of exports from the United States, including in it the exports of Friday only.

Table of cotton supply and stocks. Columns: 1906, 1905, 1904, 1903. Rows include: Stock at Liverpool, Stock at Manchester, Total Great Britain stock, Total Continental stocks, Total European stocks, India cotton afloat for Europe, American cotton afloat for Europe, Stock in Alexandria, Egypt, Stock in Bombay, India, Stock in U. S. ports, U. S. exports to-day, Total visible supply, American—Liverpool stock, Manchester stock, Continental stock, U. S. port stocks, U. S. interior stocks, U. S. exports to-day, Total American, East Indian, Brazil, &c., Liverpool stock, Manchester stock, Continental stock, India afloat for Europe, Egypt, Brazil, &c., afloat, Stock in Alexandria, Egypt, Stock in Bombay, India, Total East India, &c., Total American, Total visible supply, Middling Upland, Liverpool, Middling Upland, New York, Egypt, Good Brown, Liverpool, Peruvian Rough Good, Liverpool, Broach, Fine, Liverpool, Tinnevely, Good, Liverpool.

Continental imports past week have been 39,000 bales. The above figures for 1906 show a decrease from last week of 51,467 bales, a loss of 813,953 bales from 1905 and an excess of 579,733 bales over 1904 and a gain of 707,274 over 1903.

AT THE INTERIOR TOWNS the movement—that is, the receipts for the week and since Sept. 1, the shipments for the week and the stocks to-night, and the same items for the corresponding period for the previous year—is set out in detail below.

Table comparing movement in interior towns for the week and season of 1906 and 1905. Columns: Towns, Receipts (Week, Season), Shipments (Week, Season), Stocks (Sept. 7, Sept. 8). Rows include Alabama, Arkansas, Georgia, Kentucky, net, Louisiana, Mississippi, Missouri, North Carolina, Ohio, South Carolina, Tennessee, Texas, and a Total for 33 towns.

The above totals show that the interior stocks have increased during the week 4,435 bales, and are to-night 51,959 bales less than at the same period last year. The receipts at all the towns have been 44,378 bales less than the same week last year.

OVERLAND MOVEMENT FOR THE WEEK AND SINCE SEPT. 1.—We give below a statement showing the overland movement for the week and since Sept. 1, as made up from telegraphic reports Friday night. The results for the week and since Sept. 1 in the last two years are as follows:

Table of overland movement. Columns: Since Sept. 1, 1906, Since Sept. 1, 1905. Rows: Shipped—Via St. Louis, Via Cairo, Via Rock Island, Via Louisville, Via Cincinnati, Via other routes, &c.; Deduct shipments—Overland to N. Y., Boston, &c.; Between interior towns; Inland, &c., from South; Total to be deducted; Leaving total net overland.

a Including movement by rail to Canada.

The foregoing shows the week's net overland movement has been 3,010 bales, against 3,842 bales for the week last year, and that for the season to date the aggregate net overland exhibits a decrease from a year ago of 909 bales.

Table of receipts and shipments at ports. Columns: Since Sept. 1, 1906, Since Sept. 1, 1905. Rows: Receipts at ports to Sept. 7, Net overland to Sept. 7, Southern consumption to Sept. 7, Total marketed, Interior stocks in excess, Came into sight during week, Total in sight Sept. 7, North spinners' takings to Sept. 7.

Movement into sight in previous years:

Table showing movement into sight in previous years. Columns: Week, Since Sept. 1. Rows: 1904—Sept. 9, 1903—Sept. 11, 1902—Sept. 12, 1901—Sept. 13.

QUOTATIONS FOR MIDDLING COTTON AT OTHER MARKETS.—Below are the closing quotations of middling cotton at Southern and other principal cotton markets for each day of the week:

Week Ending Sept. 7.	Closing Quotations for Middling Cotton on—					
	Sat'day.	Monday.	Tuesday.	Wed'day.	Thurs'd'y.	Friday.
Galveston	---	---	9 1/4	9 1/4	9 5-16	9 15-16
New Orleans	---	---	9 3-16	9 1/2	9 1/2	9 1/2
Mobile	---	---	8 3/8	8 3/8	8 3/8	9
Savannah	---	---	8 3/8	8 15-16	8 15-16	9 1-16
Charleston	---	---	8 3/4	8 3/4	8 7/8-9	8 7/8-9
Wilmington	---	---	---	---	---	---
Norfolk	---	---	---	9 3/8	9 3/8	9 3/8
Boston	---	---	9.80	9.90	9.90	10.00
Baltimore	---	---	9 3/4	9 3/4	9 3/4	9 3/4
Philadelphia	---	---	10.15	10.15	10.25	10.05
Augusta	---	---	9 3-16a	9 3-16a	9 5-16	9 5-16a
Memphis	---	---	9 5/8	9 5/8	9 5/8	9 5/8
St. Louis	---	---	9 5/8	9 5/8	9 5/8	9 5/8
Houston	---	---	9 3-16	9 3-16	9 1/4	9 1/4
Little Rock	---	---	9	9	9	9

a New.

The closing quotations to-day (Friday) at other important Southern markets were as follows:

Atlanta	9 3/8	Louisville	10 1/2	Natchez	---
Columbus, Ga.	---	Montgomery	9 1-16	Raleigh	9
Columbus, Miss.	---	Nashville	9 1/2	Shreveport	8 15-16

NEW ORLEANS OPTION MARKET.—The highest, lowest and closing quotations for leading options in the New Orleans cotton market for the past week have been as follows:

	Sat'day, Sept. 1.	Monday, Sept. 3.	Tuesday, Sept. 4.	Wed'day, Sept. 5.	Thurs'd'y, Sept. 6.	Friday, Sept. 7.
September—						
Range			9.15—	9.02-.04	— .26	9.10-.15
Closing			9.16-.18	9.07-.09	9.16-.18	9.06-.08
October—						
Range			9.02-.16	9.00-.09	9.06-.24	9.03-.13
Closing			9.13-.14	9.06-.07	9.13-.14	9.04-.05
December—						
Range			9.03-.17	9.03-.11	9.09-.27	9.06-.17
Closing	HOLI-DAY.	HOLI-DAY.	9.14-.15	9.08-.09	9.16-.17	9.07-.08
January—						
Range			9.09-.25	9.12-.19	9.19-.36	9.14-.25
Closing			9.22-.23	9.16-.17	9.24-.25	9.15-.16
March—						
Range			9.20-.35	9.23-.29	9.31-.48	9.26-.38
Closing			9.33-.34	9.27-.28	9.37-.38	9.27-.28
Tone—						
Spot			Steady.	Easy.	Steady.	Steady.
Options			Quiet.	Quiet.	Steady.	Steady.

WEATHER REPORTS BY TELEGRAPH.—Our advices by telegraph from the South this evening denote that rain has been general during the week but that, except in Texas and at a few points along the Gulf, the precipitation has been light or moderate as a rule. Texas advices denote that damage to open cotton has resulted from the rain and that picking has been delayed, and deterioration is complained of in some other localities. Picking, except where interrupted by wet weather, has made good progress, but the movement of the crop is less free than a year ago.

Galveston, Texas.—Rains have damaged open cotton and delayed picking. The week's rainfall has been three hundredths of an inch on two days. The thermometer has ranged from 76 to 88, averaging 82.

Abilene, Texas.—There has been rain on two days during the week, the precipitation being one inch and fifty-two hundredths. Average thermometer 77, highest 90 and lowest 64.

Brenham, Texas.—Rain has fallen on three days of the week, to the extent of one inch and ten hundredths. The thermometer has averaged 81, the highest being 91 and the lowest 70.

Corpus Christi, Texas.—There has been excessive rain on two days of the week, rainfall being three inches and fifty hundredths. The thermometer has averaged 82, ranging from 74 to 92.

Cuero, Texas.—It has rained on two days during the week, the rainfall being one inch and fifty-five hundredths. The thermometer has ranged from 67 to 97, averaging 82.

Dallas, Texas.—It has rained excessively on four days of the week, the precipitation being two inches and fourteen hundredths. Average thermometer 77, highest 95, lowest 59.

Fort Worth, Texas.—We have had rain on four days during the week, the rainfall reaching one inch and seventy-six hundredths. The thermometer has averaged 79, the highest being 94 and the lowest 64.

Henrietta, Texas.—There has been excessive rain on five days during the week, the rainfall being two inches and ninety two hundredths. The thermometer has averaged 76, ranging from 56 to 95.

Huntsville, Texas.—We have had rain on one day the past week, the rainfall being eighty-one hundredths of an inch. The thermometer has ranged from 68 to 94, averaging 81.

Kerrville, Texas.—We have had rain on three days of the week, the rainfall being one inch and forty-three hundredths. Average thermometer 79, highest 94 and lowest 63.

Lampasas, Texas.—We have had rain on two days during the week, the rainfall reaching sixty-three hundredths of an inch. The thermometer has averaged 81, the highest being 98 and the lowest 64.

Longview, Texas.—There has been rain on three days dur-

ing the week, the precipitation reaching one inch and eighty-eight hundredths. The thermometer has averaged 82, ranging from 68 to 95.

Luling, Texas.—We have had showers on three days of the past week, the rainfall being twenty-two hundredths of an inch. The thermometer has ranged from 68 to 97, averaging 83.

Nacogdoches, Texas.—It has rained on three days of the week, the rainfall reaching one inch. Average thermometer 80, highest 93, lowest 67.

Palestine, Texas.—There has been rain on two days during the week, the rainfall reaching one inch and twenty hundredths. The thermometer has averaged 81, the highest being 94 and the lowest 68.

Paris, Texas.—There has been excessive rain on three days during the week, the precipitation reaching two inches and twenty-nine hundredths. The thermometer has averaged 82, ranging from 69 to 95.

San Antonio, Texas.—There has been rain on three days of the past week, the rainfall being eighty-seven hundredths of an inch. The thermometer has ranged from 66 to 96, averaging 81.

Weatherford, Texas.—It has rained on four days of the week, the rainfall being one inch and forty-five hundredths. Average thermometer 81, highest 96, lowest 65.

New Orleans, Louisiana.—There has been rain on four days of the week, the precipitation reaching seventy-five hundredths of an inch. The thermometer has averaged 78.

Shreveport, Louisiana.—Rain has fallen on three days the past week, the rainfall reaching twenty-eight hundredths of an inch. The thermometer has averaged 81, ranging from 68 to 94.

Leland, Mississippi.—There has been rain during the week, the precipitation being fifty-one hundredths of an inch. Average thermometer 77, highest 91, lowest 59.

Helena, Arkansas.—Crop outlook is bad. We have had light rain on two days during the past week, the rainfall being twenty-three hundredths of an inch, and there are indications of more. The thermometer has ranged from 67 to 90, averaging 74.

Little Rock, Arkansas.—Complaints of general deterioration from shedding, blight and worms are becoming more pronounced. There has been rain on two days during the week, the precipitation being nineteen hundredths of an inch. Average thermometer 79.5, highest 90, lowest 69.

Memphis, Tennessee.—There are some complaints of deterioration, but generally crop prospects are good. We have had rain on two days during the week, the precipitation being ten hundredths of an inch. The thermometer has averaged 78.8, the highest being 89.7 and the lowest 64.8.

Nashville, Tennessee.—There has been rain during the week, the rainfall being three inches and forty-two hundredths. The thermometer has averaged 80, ranging from 68 to 92.

Mobile, Alabama.—Scattered showers in the interior the latter part of week, with heavy precipitation in some quarters. Crop reports indicate serious deterioration. Cotton picking active. We have had rain on three days of the week, the rainfall being two inches and eighty-six hundredths. The thermometer has ranged from 68 to 93, averaging 81.

Montgomery, Alabama.—Weather favorable for picking, but the crop is late and shows marked deterioration all over this section. Rain has fallen on three days during the week, the rainfall reaching one inch and eighty hundredths. Average thermometer 82, highest 94 and lowest 68.

Madison, Florida.—Prospects have not improved since last report. There has been rain on three days of the week, rainfall being three inches. The thermometer has averaged 79, ranging from 68 to 90.

Augusta, Georgia.—We have had light rain on one day during the past week, the rainfall being two hundredths of an inch. The thermometer has ranged from 70 to 92, averaging 81.

Savannah, Georgia.—We have had rain on four days the past week, the rainfall being one inch and five hundredths. Average thermometer 82, highest 91, lowest 72.

Charleston, South Carolina.—There has been rain on four days during the week, to the extent of thirty-four hundredths of an inch. The thermometer has ranged from 73 to 92, averaging 82.

Greenwood, South Carolina.—There has been rain on three days during the week, the precipitation being one inch. Average thermometer 76, highest 84 and lowest 68.

Stateburg, South Carolina.—Cotton crop seems bound to be very short in this section. We have had rain on two days during the week, the precipitation being ninety-nine hundredths of an inch. The thermometer has averaged 79, the highest being 90 and the lowest 67.

Charlotte, North Carolina.—Cotton is opening fast. Rain has fallen during the week to the extent of forty-one hundredths of an inch. The thermometer has averaged 75, ranging from 64 to 89.

The following statement we have also received by telegraph, showing the height of rivers at the points named at 8 a. m. of the dates given:

	Sept. 7 1906.	Sept. 8 1905.
	Feet.	Feet.
New Orleans	Above zero of gauge.	6.2
Memphis	Above zero of gauge.	11.8
Nashville	Above zero of gauge.	9.3
Shreveport	Above zero of gauge.	6.5
Vicksburg	Above zero of gauge.	19.6

**INDIA COTTON MOVEMENT FROM ALL PORTS.**—The receipts of cotton at Bombay and the shipments from all India ports for the week and for the season from Sept. 1 for three years have been as follows:

September 6.	1906.		1905.		1904.	
	Week.	Since Sept. 1.	Week.	Since Sept. 1.	Week.	Since Sept. 1.
<b>Receipts at—</b> Bombay-----	4,000	4,000	17,000	17,000	8,000	8,000
<b>Exports from—</b>	<i>For the Week.</i>			<i>Since September 1.</i>		
	Great Britain.	Continent.	Total.	Great Britain.	Continent.	Total.
<b>Bombay—</b>						
1906-----	1,000	12,000	13,000	1,000	12,000	13,000
1905-----	6,000	-----	6,000	6,000	-----	6,000
1904-----	-----	-----	-----	-----	-----	-----
<b>Calcutta—</b>						
1906-----	-----	1,000	1,000	-----	1,000	1,000
1905-----	-----	1,000	1,000	-----	1,000	1,000
1904-----	-----	-----	-----	-----	-----	-----
<b>Madras—</b>						
1906-----	-----	-----	-----	-----	-----	-----
1905-----	-----	-----	-----	-----	-----	-----
1904-----	-----	1,000	1,000	-----	1,000	1,000
<b>All others—</b>						
1906-----	-----	4,000	4,000	-----	4,000	4,000
1905-----	-----	5,000	5,000	-----	5,000	5,000
1904-----	-----	2,000	2,000	-----	2,000	2,000
<b>Total all—</b>						
1906-----	1,000	17,000	18,000	1,000	17,000	18,000
1905-----	6,000	6,000	12,000	6,000	6,000	12,000
1904-----	-----	3,000	3,000	-----	3,000	3,000

According to the foregoing, Bombay appears to show a decrease compared with last year in the week's receipts of 13,000 bales. Exports from all India ports record a gain of 6,000 bales during the week and since Sept. 1 show an increase of 6,000 bales.

**ALEXANDRIA RECEIPTS AND SHIPMENTS OF COTTON.**—Through arrangements made with Messrs. Choremi, Benachi & Co., of Liverpool and Alexandria, we now receive a weekly cable of the movements of cotton at Alexandria, Egypt. The following are the receipts and shipments for the past week and for the corresponding week of the previous two years:

Alexandria, Egypt, Sept. 5.	1906.		1905.		1904.	
<b>Receipts (cantars a) —</b>						
This week-----	4,500	-----	5,000	-----	19,000	-----
Since Sept. 1-----	4,500	-----	5,000	-----	19,000	-----
<b>Exports (bales) —</b>	This week.	Since Sept. 1.	This week.	Since Sept. 1.	This week.	Since Sept. 1.
To Liverpool-----	1,500	1,500	1,750	1,750	-----	-----
To Manchester-----	-----	4,000	4,000	4,000	-----	-----
To Continent-----	2,500	2,500	5,000	5,000	4,750	4,750
To America-----	300	300	2,000	2,000	-----	-----
<b>Total exports-----</b>	<b>4,300</b>	<b>4,300</b>	<b>12,750</b>	<b>12,750</b>	<b>4,750</b>	<b>4,750</b>

a A cantar is 98 lbs.

**COTTON PRODUCTION, DISTRIBUTION AND MANUFACTURE.**—Our Annual Cotton Crop and Spinners' Report, which we have prepared so many years, we give to-day in the editorial columns of the "Chronicle."

The report covers, as usual: (1) Our elaborate compilation of the yield of cotton in the United States for the year ending August 31 1906; (2) an exhaustive history of the cotton-spinning industry of the United States for the same year; (3) a similar review of the production of cotton goods in Europe; (4) complete and detailed statements for a long series of years of the consumption of cotton and the production of cotton goods by the mills of the United States, Great Britain, the Continent, and a briefer notice of the consumption and production of every other minor manufacturing State; (5) elaborate compilations of cotton supply and distribution, besides divers other matters connected with and throwing light upon the yield and uses of the staple—past, present and prospective.

**JUTE BUTTS, BAGGING, ETC.**—The market for jute bagging has continued quiet during the week, and prices are nominally unchanged at  $8\frac{3}{4}c.$  for  $1\frac{1}{2}$  lbs. and  $9\frac{1}{2}c.$  for 2 lbs., standard grades. Jute butts also dull at  $3@4c.$  for bagging quality.

**MANCHESTER MARKET.**—Our report received by cable to-night from Manchester states that the market is firm for yarns and quiet for shirtings. Merchants are not willing to pay present prices. We give the prices for to-day below and leave those for previous weeks of this and last year for comparison:

	1906.						1905.					
	32s Cop. Twist.		8½ lbs. Shirtings, common to finest.		Col'n Mid Upl's		32s Cop. Twist.		8½ lbs. Shirtings, common to finest.		Col'n Mid Upl's	
Aug. d.												
3	9 5-16	@ 10%	6 7½	@ 9 8½	5.98	8%	@ 9%	6 4	@ 9 4	5.87		
10	9 ½	@ 10 9-16	6 7	@ 9 8	5.68	8%	@ 9 ½	6 4	@ 9 4½	5.81		
17	9 ½	@ 10 ½	6 6	@ 9 7	5.51	8%	@ 9 ½	6 3	@ 9 3	5.80		
24	9	@ 10 ½	6 5	@ 9 6	5.29	8%	@ 9 ½	6 3	@ 9 3	5.87		
31	8 15-16	@ 10 ½	6 4½	@ 9 6	5.41	8 13-16	@ 9 ½	6 3	@ 9 3	5.83		
Sept. 7	9	@ 10%	6 4	@ 9 6	5.45	8%	@ 9 ½	6 2	@ 9 1½	5.56		

**WORLD'S SUPPLY AND TAKINGS OF COTTON.**—The following brief but comprehensive statement indicates at a glance the world's supply of cotton for the week and since Sept. 1, for the last two seasons, from all sources from which statistics are obtainable; also the takings, or amount gone out of sight, for the like periods:

Cotton Takings. Week and Season.	1906.		1905.	
	Week.	Season.	Week.	Season.
Visible supply Aug. 31-----	1,784,156	-----	2,545,470	-----
Visible supply Sept. 1-----	-----	1,784,156	-----	2,545,470
American in sight to Sept. 7-----	127,506	127,506	220,938	245,863
Bombay receipts to Sept. 6-----	4,000	4,000	17,000	17,000
Other India ship'ts to Sept. 6-----	5,000	5,000	6,000	6,000
Alexandria receipts to Sept. 5-----	600	600	700	700
Other supply to Sept. 5-----	7,000	7,000	7,000	7,000
<b>Total supply-----</b>	<b>1,928,262</b>	<b>1,928,262</b>	<b>2,797,108</b>	<b>2,822,033</b>
<b>Deduct—</b>				
Visible supply Sept. 7-----	1,732,689	1,732,689	2,546,642	2,546,642
<b>Total takings to Sept. 7-----</b>	<b>195,573</b>	<b>195,573</b>	<b>250,466</b>	<b>275,391</b>
Of which American-----	161,973	161,973	182,766	207,691
Of which other-----	33,600	33,600	67,700	67,700

a Embraces receipts in Europe from Brazil, Smyrna, West Indies, &c.

**EGYPTIAN COTTON CROP.**—Under date of Boston, Sept. 4, Messrs. Choremi, Benachi & Co. write as follows:

Mail advices of the 18th August from Alexandria continue reporting the crop as progressing very favorably. The weather during August has been most favorable and the crop has picked up a good deal of its backwardness. There were some rumors about fogs in one of the districts of the interior, which, however, have not been confirmed. The demand for very early shipments is good from most parts of the Continent and England.

**SHIPPING NEWS.**—As shown on a previous page, the exports of cotton from the United States the past week have reached 52,777 bales. The shipments in detail, as made up from mail telegraphic returns, are as follows:

	Total bales.
NEW YORK—To Liverpool—Sept. 1—Cevic, 252-----	Sept. 6-----
Celtic, 40 foreign-----	292
To Bremen—Sept. 5—Main, 2,108-----	2,108
To Antwerp—Sept. 1—Mohawk, 150-----	150
To Barcelona—Sept. 5—Antonio Lopez, 3,050-----	3,050
To Genoa—Sept. 6—Indiana, 550-----	550
NEW ORLEANS—To Hamburg—Aug. 31—Seville, 1,721-----	Sept. 1,855
4—Caledonia, 134-----	1,855
To Venice—Sept. 6—Federica, 300-----	300
To Trieste—Sept. 6—Federica, 850-----	850
GALVESTON—To Liverpool—Aug. 31—Orion, 6,436-----	Sept. 5-13,189
Polycarp, 6,753-----	13,189
To Manchester—Aug. 30—Teodoro de Larrinaga, 5,651-----	5,651
To Dunkirk—Sept. 5—Cayo Gitano, 500-----	500
To Bremen—Aug. 31—Inkum, 7,048-----	Sept. 4—Chemnitz, 20,772
13,724-----	20,772
SAVANNAH—To Bremen—Aug. 31—Claremont, 1,846-----	1,846
To Hamburg—Aug. 31—Claremont, 252-----	252
To Warberg—Aug. 31—Claremont, 400-----	400
To Gothenburg—Aug. 31—Claremont, 350-----	350
To Norrköping—Aug. 31—Claremont, 100-----	100
To Oxelsund—Aug. 31—Claremont, 100-----	100
To Ferrol—Aug. 31—Claremont, 200-----	200
BOSTON—To Liverpool—Sept. 5—Bohemian, 36-----	36
To St. John—Sept. 3—Calvin Austin, 26-----	26
PHILADELPHIA—To Liverpool—Aug. 31—Merion, 200-----	200
<b>Total-----</b>	<b>52,777</b>

Exports on Aug. 31 not heretofore given but included in 1905-06 crop and therefore excluded from this statement:

NEW YORK—To Antwerp—Finland-----	1,000
To Genoa—Prinzess Irene-----	1,378
To Naples—Prinzess Irene-----	126
BOSTON—To Manchester—Bostonian-----	53

The particulars of the foregoing shipments for the week, arranged in our usual form, are as follows:

	Great Britain.	French ports.	Germany.	Oth. Europe.	Mex., &c.	Japan.	Total.
New York-----	292	-----	2,108	150	3,600	-----	6,150
New Orleans-----	-----	-----	1,855	1,150	-----	-----	3,005
Galveston-----	18,840	500	20,772	-----	-----	-----	40,112
Savannah-----	-----	-----	2,098	1,150	-----	-----	3,248
Boston-----	36	-----	-----	-----	26	-----	62
Philadelphia-----	200	-----	-----	-----	-----	-----	200
<b>Total-----</b>	<b>19,368</b>	<b>500</b>	<b>26,833</b>	<b>1,300</b>	<b>4,750</b>	<b>26</b>	<b>52,777</b>

Cotton freights at New York the past week have been as follows, quotations being in cents per 100 lbs.:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Liverpool-----c.	17	17	17	17	17	17 @ 20
Manchester-----c.	17	17	17	17	17 @ 20	17
Havre-----c.	-----	-----	a22½	a22½	a22½	a22½
Bremen, prompt-----c.	H	H	25	25	25	25
Hamburg-----c.	O	O	25	25	25	25
Antwerp-----c.	L	L	20	20	20	20
Ghent, via Ant-----c.	I	I	26	26	26	26
Reval, indirect-----c.	D	D	27 @ 30	27 @ 30	30	27 @ 30
Reval, via Canal-----c.	A	A	-----	-----	-----	-----
Barcelona-----c.	Y	Y	30	30	26½	26½
Genoa, Sept-----c.	-----	-----	20 @ 25	20 @ 25	20 @ 25	20 @ 25
Trieste-----c.	-----	-----	32	32	32	32
Japan-----c.	-----	-----	55	55	55	55

a And 5%.

**LIVERPOOL.**—By cable from Liverpool we have the following statement of the week's sales, stocks, &c., at that port:

	Aug. 17.	Aug. 24.	Aug. 31.	Sept. 7.
Sales of the week-----bales.	32,000	29,000	23,000	36,000
Of which exporters took-----	2,000	1,000	1,000	1,000
Of which speculators took-----	1,000	-----	-----	1,000
Sales, American-----	27,000	24,000	17,000	31,000
Actual export-----	4,000	10,000	11,000	2,000
Forwarded-----	45,000	41,000	55,000	54,000
Total stock—Estimated-----	463,000	432,000	380,000	361,000
Of which American—Est-----	356,000	328,000	287,000	261,000
Total import of the week-----	19,000	21,000	14,000	20,000
Of which American-----	10,000	12,000	9,000	9,000
Amount afloat-----	45,000	47,000	52,000	60,000
Of which American-----	28,000	26,000	35,000	45,000

The tone of the Liverpool market for spots and futures each day of the past week and the daily closing prices of spot cotton have been as follows:

Spot.	Saturday.	Monday.	Tuesday.	Wed' day.	Thursday.	Friday.
Market, 12:15 P.M.	Dull.	Quiet.	Quiet.	Quiet.	Increased Request.	Increased Request.
Mid. Up ds	5.35	5.31	5.36	5.38	5.41	5.45
Sales	3,000	4,000	7,000	5,000	7,000	7,000
Spec. & exp.	500	400	500	500	700	700
Futures. Market opened.	Easier.	Steady.	Steady unch. to 2 pts. adv.	Easy unch.	Quiet at 2 pts. adv.	Quiet at $\frac{1}{2}$ @ 1 pt. dec.
Market, 4 P.M.	Quiet.	Quiet at $1\frac{1}{2}$ @ $3\frac{1}{2}$ dec.	Firm at $1\frac{1}{2}$ @ $15\frac{1}{2}$ adv.	Quiet at 3 @ $3\frac{1}{2}$ pts. dec.	Very st'dy at 5 @ $6\frac{1}{2}$ pts. adv.	Firm at $\frac{1}{2}$ @ 4 pts. adv.

The prices of futures at Liverpool for each day are given below. Prices are on the basis of Uplands, Good Ordinary clause, unless otherwise stated.

The prices are given in pence and 100ths. Thus 4 97 means 4 97-100d., and 00 means 5 00d.

	Sat. Sept. 1.		Mon. Sept. 3.		Tues. Sept. 4.		Wed. Sept. 5.		Thurs. Sept. 6.		Fri. Sept. 7.	
	12 ½ p.m.	12 ½ p.m.	12 ½ p.m.	4 p.m.	12 ½ p.m.	4 p.m.	12 ½ p.m.	4 p.m.	12 ½ p.m.	4 p.m.	12 ½ p.m.	4 p.m.
Sept.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.
Sept.-Oct.	4 97	93 ½	00	09	02	03	05	09	09	13	13	13
Oct.-Nov.	4 86 ½	84	90	96 ½	93	93	94 ½	99	98	01	01	01
Nov.-Dec.	4 85 ½	83	88 ½	94 ½	90 ½	91 ½	92 ½	96 ½	95 ½	98	98	98
Dec.-Jan.	4 85 ½	83 ½	89	94 ½	91	91	93	97	96	98	98	98
Jan.-Feb.	4 88	86 ½	92	98	94	95	96	00 ½	99	01	01	01
Feb.-Mch.	4 90	88 ½	94	00	96	97	98	02 ½	01	03	03	03
Mch.-Apr.	4 92	90 ½	96	02	98	99	00	04 ½	03	05	05	05
Apr.-May.	4 93 ½	92	97 ½	03 ½	99 ½	00 ½	01 ½	06	04 ½	06 ½	06 ½	06 ½
May-June.	4 95	93 ½	99	05	01	02	03 ½	08	06 ½	08 ½	08 ½	08 ½
June-July.	4 96 ½	95	00 ½	06	02 ½	03	05	09 ½	08	10	10	10
July-Aug.												

## BREADSTUFFS.

Friday, September 7 1906.

Prices for wheat flour have been stationary as a rule, with the trading stagnant. The dullness has been so intense that quotations have been nominal in the main. The downward trend of the wheat market has encouraged buyers to continue to hold aloof from the flour market, and millers, despite the dullness, have shown no disposition to shade quotations. Export trade, not only here, but also at the principal centres of the Northwest, is dead. Rye flour has been quiet and steady. Corn meal has ruled steady with trade dull.

Wheat has continued gradually to decline, mainly owing to favorable weather, slowly increasing receipts, dullness as a rule of the export trade and falling foreign markets. Europtan dealers appear to believe that the American crop is large, as it certainly seems to be, and that it is to their interest to hold aloof, at least for a time, believing that eventually prices on this side of the water must reach a still lower level. The flour trade has continued dull and the speculation in wheat itself has not been on a large scale. On the contrary, it has lacked life and vim. To all appearances the general opinion of operators are more inclined to await events than to enter into large engagements on either side of the market. At the same time it is worthy of remark that the receipts are not increasing so rapidly as had been predicted, and the stock at Minneapolis has latterly been decreasing. The weather, however, has been very favorable for threshing in both the American and the Canadian Northwest, and the expectation is very general of a considerable increase in the crop movement in the near future. To-day, although prices declined slightly there was a tendency to steadiness because of some revival of export demand, the smallness of the receipts, and the fact that the Argentine shipments for the week were small, amounting to only 824,000 bushels, against 1,048,000 in the previous week. The stock at Minneapolis during the week has decreased, moreover, some 825,000 bushels.

## DAILY CLOSING PRICES OF WHEAT FUTURES IN NEW YORK.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
No. 2 red winter	78 ¾	78 ¾	77 ½	77 ¾	77 ¾	77 ¾
September delivery in elevator	78 ¾	Holl-	77 ¾	77 ¾	77 ¾	77 ¾
December delivery in elevator	81 ¾	day.	81 ¾	80 ½	80 ¾	80 ¾
May delivery in elevator	84 ¾		84	83 ¾	83 ¾	83

## DAILY CLOSING PRICES OF WHEAT FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
September delivery in elevator	71 ¼	70 ¾	70	69 ¾	69 ¾	69 ¾
December delivery in elevator	73 ¾	Holl-	73 ¾	72 ¾	72 ¾	72 ¾
May delivery in elevator	78 ¾	day.	77 ¾	77	76 ¾	76 ¾

Indian corn futures have moved within narrow confines, with the trading dull. On the whole the market has shown a sagging tendency, owing mainly to the depression in wheat and the very favorable crop reports from all sections of the belt. The receipts of old corn are increasing and a larger movement is expected shortly. The cash demand continues dull. The crop, it is believed, will be safe from damage by frost in two weeks. Sentiment in the trade is bearish as a rule on the indications of an enormous crop, but the smallness of stocks at Chicago makes the average operator timid about selling for the short account. To-day prices declined on favorable weather and crop reports, the depression in wheat and liquidation.

## DAILY CLOSING PRICES OF NO. 2 MIXED CORN IN NEW YORK

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Cash corn	57 ¼	56 ½	56 ¾	56 ½	56 ½	56 ½
September delivery in elevator	55 ¾	Holl-	55 ¾	55 ¾	56	56
December delivery in elevator	52 ½	day.	52	51 ¾	51 ½	51

## DAILY CLOSING PRICES OF CORN FUTURES IN CHICAGO

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
September delivery in elevator	47 ¾	47 ¾	47 ¾	47 ¾	47 ¾	47 ¾
December delivery in elevator	43 ¾	Holl-	43 ¾	42 ¾	42 ¾	42 ¾
May delivery in elevator	44 ¾	day.	44	43 ¾	43 ¾	43

Oats for future delivery in the Western market have been somewhat easier, owing to the depression in other cereals. With the trading dull, however, and the prospects for a material shortage in the yield, the changes in prices have been unimportant. Receipts are light and the cash demand has been fair. The market has felt the effects at times of liquidation in September. To-day prices showed no noteworthy change.

## DAILY CLOSING PRICES OF OATS IN NEW YORK.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Mixed, 26 to 32 lbs.	35	35 ½	36	35 ½	35 ½	35 ½
White clipped, 36 to 38 lbs.	37 ½	Holl-	37 ½	37 ½	37 ¾	37 ¾
		day.	37 ½	39	37 ¾	37 ¾

## DAILY CLOSING PRICES OF NO. 2 MIXED OATS IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
September delivery in elevator	30 ½	30 ¼	29 ¾	29 ¾	30	30
December delivery in elevator	31 ½	Holl-	31 ¼	30 ¾	30 ¾	30 ¾
May delivery in elevator	33 ¾	day.	33 ¾	33	32 ¾	32 ¾

The following are closing quotations:

## FLOUR.

Low grades	\$3 00 @	\$3 30	Kansas straights	\$3 45 @	\$3 60
Second clears	2 50 @	2 60	Kansas clears	3 10 @	3 25
Clears	3 40 @	3 65	Blended patents	4 35 @	4 90
Straights	3 65 @	3 75	Rye flour	3 10 @	4 00
Patent, spring	3 75 @	4 10	Buckwheat flour	Nominal.	
Patent, winter	3 90 @	3 95	Graham flour	2 90 @	3 75
Kansas patents	3 75 @	3 80	Cornmeal	2 75 @	2 85

## GRAIN.

Wheat, per bush.—		c.	Corn, per bush.—		c.
N. Duluth, No. 1	f.o.b.	81 ¾	No. 2 mixed	f.o.b.	56 ½
N. Duluth, No. 2	f.o.b.	80 ¾	No. 2 yellow	f.o.b.	59 ½
Red winter, No. 2	f.o.b.	77 ¾	No. 2 white	f.o.b.	60
Hard	f.o.b.	79	Rye, per bush.—		
Oats—Mixed, bush.—		Nominal.	No. 2 Western	64	
No. 2 white			State and Jersey	Nomina.	
No. 2 mixed		35 ¼	Barley—Western	Nominal	
No. 2 white, clipped		36 ½	Feeding	39 @	40

## GOVERNMENT WEEKLY WEATHER REPORT.—

Mr. James Berry, Chief of the Climate and Crop Division of the United States Weather Bureau, made public on Tuesday the telegraphic reports on the weather in the various States for the week ending Sept. 3, summarizing them as follows:

While the forepart of the week was unseasonably cool in the central valleys and Lake region, as a whole the temperature conditions in the districts east of the Rocky Mountains were favorable. Light frosts occurred in the Dakotas and Minnesota, upper Michigan, and northern New England. Over the southern plateau region the temperature averaged unusually low, and light to heavy frosts occurred in Utah and Arizona. Excessive moisture proved unfavorable in the Middle Atlantic States, while the central Gulf States and parts of the Missouri Valley and New England need rain. Elsewhere east of the Rocky Mountains the rains have been generally well distributed, ample and not harmful. Little or no rain fell on the Pacific coast and drought continues in Washington and Oregon. During the greater part of the week there was much cloudiness in the Middle and South Atlantic and East Gulf States, but elsewhere the sunshine was generally ample. The week was almost wholly free from local storms of severity.

The statements of the movement of breadstuffs to market as indicated below are prepared by us from figures collected by the New York Produce Exchange. The receipts at Western lake and river ports for the week ending last Saturday and since Aug. 1, for each of the last three years, have been:

Receipts at—	Flour.	Wheat.	Corn.	Oats.	Barley.	Rye.
	bbbs. 196 lbs.	bush. 60 lbs.	bush. 56 lbs.	bush. 32 lbs.	bush. 48 lbs.	bu. 56 lbs.
Chicago	180,179	655,999	1,821,587	2,125,905	217,800	30,000
Milwaukee	80,150	139,920	27,550	327,900	163,900	20,800
Duluth	135,000	72,962		134,054	109,475	13,415
Minneapolis		402,980	39,220	360,590	147,340	14,540
Toledo	306	144,000	106,000	519,300		7,400
Detroit	5,300	22,000	40,333	67,700		
Cleveland	1,224	20,230	97,720	313,418	1,000	
St. Louis	42,200	274,280	633,255	683,200	1,300	7,000
Peoria	54,000	31,200	282,700	336,000	33,000	9,900
Kansas City		1,345,000	236,000	192,000		
Totwk. '06	498,653	3,108,571	3,284,415	5,060,067	673,815	103,055
Same wk. '05	392,762	5,555,155	4,287,005	5,016,684	994,498	131,493
Same wk. '04	328,590	5,357,180	4,910,545	5,752,427	1,049,082	201,065
Since Aug. 1						
1906	2,169,539	27,544,677	13,343,598	24,878,937	2,265,242	448,856
1905	1,775,947	27,015,922	17,422,891	28,763,847	2,875,872	587,860
1904	1,530,616	27,915,311	13,069,465	27,943,562	2,093,648	688,485

Total receipts of flour and grain at the seaboard ports for the week ended Sept. 1 1906 follow:

Receipts at—	Flour.	Wheat.	Corn.	Oats.	Barley.	Rye.
	bbbs.	bush.	bush.	bush.	bush.	bush.
New York	150,533	595,400	213,700	751,300	51,800	975
Boston	33,497	151,300	4,928	94,142		
Portland	214	64,000				
Philadelphia	99,185	305,324	16,798	157,807		
Baltimore	76,336	190,721	81,700	134,741		4,172
Richmond	4,260	11,840	31,518	41,812		3,228
Newport News	14,239	56,000	68,571			
New Orleans a	12,262	793,500	81,000	166,000		
Galveston		1,138,000	41,000			
Montreal	28,901	319,223	68,482	170,001	72,861	54,195
Mobile	1,929		26,442	2,235		
Total week	421,356	3,652,308	634,137	1,518,938	124,661	62,570
Week 1905	343,784	1,430,188	2,352,852	2,598,581	80,648	25,506

a Receipts do not include grain passing through New Orleans for foreign ports on through bills of lading.

Total receipts at ports from Jan. 1 to Sept. 1 compare as follows for four years:

Receipts of—	1906.	1905.	1904.	1903.
Flour	bbbs. 10,985,538	7,123,405	11,812,850	14,063,006
Wheat	bush. 60,717,497	19,049,398	30,768,246	68,261,065
Corn	73,971,899	71,911,384	37,779,149	73,521,313
Oats	51,498,703	36,019,335	29,871,182	35,705,979
Barley	7,730,234	4,733,944	2,128,588	2,445,465
Rye	1,005,825	277,105	556,968	3,330,358
Total grain	194,924,158	131,991,166	101,104,133	183,264,108

The exports from the several seaboard ports for the week ending Sept. 1 1906 are shown in the annexed statement:



Exports from—	Wheat, bush.	Corn, bush.	Flour, bbls.	Oats, bush.	Rye, bush.	Barley, bush.	Peas, bush.
New York	691,929	267,384	63,309	9,185	15,945	14,463	4,032
Portland	64,000	—	214	—	—	—	—
Boston	299,747	310	22,956	8,472	—	—	—
Philadelphia	332,203	1,100	39,217	—	—	—	—
Baltimore	70,639	1,400	35,963	40	—	—	—
Newport News	56,000	68,571	14,239	—	—	—	—
New Orleans	666,447	7,485	24,782	5,364	—	—	2,082
Galveston	694,480	65,928	4,805	—	—	—	—
Montreal	543,004	17,065	29,244	177,292	—	25,963	—
Mobile	—	26,442	1,929	2,235	—	—	—
<b>Total week</b>	<b>3,483,810</b>	<b>455,685</b>	<b>242,658</b>	<b>202,588</b>	<b>15,945</b>	<b>40,426</b>	<b>6,114</b>
Same time 1905	757,741	1,662,971	144,640	799,160	61,889	41,121	8,132

The destination of these exports for the week and since July 1 1906 is as below:

Exports for week and Sept. 1 since July 1 to—	Flour		Wheat		Corn	
	Week	Since July 1	Week	Since July 1	Week	Since July 1
United Kingdom	131,801	839,443	1,740,272	8,990,022	214,133	1,920,121
Continent	70,639	316,136	1,743,538	4,961,342	127,879	3,632,727
So. and Cent. Amer.	14,678	112,189	—	6,717	66,546	98,922
West Indies	23,497	225,540	—	—	41,317	328,152
Brit. No. Am. Colonies	1,686	15,933	—	20,000	5,810	13,666
Other countries	357	56,060	—	—	—	137,045
<b>Total</b>	<b>242,658</b>	<b>1,565,301</b>	<b>3,483,810</b>	<b>13,978,081</b>	<b>455,685</b>	<b>6,130,633</b>
Total 1905	144,640	948,173	757,741	3,283,454	1,662,971	9,637,706

The visible supply of grain, comprising the stocks in granary at the principal points of accumulation at lake and seaboard ports Sept. 1 1906, was as follows:

	Wheat, bush.	Corn, bush.	Oats, bush.	Rye, bush.	Barley, bush.
New York	1,169,000	253,000	430,000	4,000	17,000
Boston	168,000	24,000	28,000	—	1,000
Philadelphia	366,000	1,000	129,000	—	—
Baltimore	1,216,000	191,000	264,000	15,000	—
New Orleans	883,000	117,000	245,000	—	—
Galveston	1,706,000	16,000	—	—	—
Montreal	363,000	75,000	127,000	26,000	—
Toronto	—	—	12,000	—	—
Buffalo	782,000	240,000	189,000	402,000	20,000
Toledo	736,000	98,000	1,325,000	38,000	2,000
Detroit	432,000	47,000	30,000	63,000	—
Chicago	8,476,000	117,000	1,731,000	562,000	—
Milwaukee	365,000	18,000	120,000	61,000	30,000
Fort William	265,000	—	—	—	—
Port Arthur	241,000	—	—	—	—
Duluth	307,000	—	205,000	134,000	313,000
Minneapolis	4,139,000	8,000	299,000	89,000	137,000
St. Louis	3,823,000	142,000	186,000	7,000	10,000
Kansas City	2,208,000	240,000	180,000	—	—
Peoria	173,000	16,000	1,009,000	13,000	—
Indianapolis	529,000	120,000	31,000	—	—
On Mississippi River	—	—	—	—	—
On Lakes	1,098,000	491,000	170,000	—	152,000
On Canal and River	609,000	44,000	32,000	17,000	149,000
<b>Total Sept. 1 1906</b>	<b>30,054,000</b>	<b>2,258,000</b>	<b>6,742,000</b>	<b>1,431,000</b>	<b>831,000</b>
Total Aug. 25 1906	31,229,000	2,507,000	5,870,000	1,357,000	846,000
Total Sept. 2 1905	12,140,000	4,615,000	11,946,000	848,000	942,000
Total Sept. 3 1904	12,814,000	3,987,000	9,506,000	1,036,000	908,000
Total Sept. 5 1903	13,350,000	6,447,000	7,446,000	648,000	1,139,000

THE DRY GOODS TRADE.

New York, Friday Night, September 7 1906.

The market during the past week has shown a healthy and steady tone with a fair volume of business generally. Buyers, however, have been disposed to purchase only for current needs, which are large; they admit some lines are scarce, but they still hesitate to cover future requirements to any great extent. Considerable firmness has been noted in some divisions of the cotton goods market. The advance in the price of cotton, though moderate, has stiffened the ideas of sellers, and they are predicting an even stronger goods market, owing to the well-sold up condition of many lines. Buyers for out-of-town houses have been actively seeking goods for deliveries requested by their firms, and all spot goods have been readily taken. Jobbers report an increased business, but not as much as expected; there has been no inclination to dispute prices, but orders generally have been for small lots, principally from Eastern houses. Gray goods have been less active, and rather a quiet period is expected since the mills are well sold and the Government crop report is pending; this condition is also reflected in other divisions of the market, especially in heavy goods sold from first hands. The goods are urgently needed, but buyers wish to feel more settled about prices of goods in which cotton forms a large part of the cost.

DOMESTIC COTTON GOODS.—The exports of cotton goods from this port for the week ending Sept. 3 were 9,803 packages, valued at \$537,854, their destination being to the points specified in the tables below:

New York to September 3.	1906		1905	
	Week.	Since Jan. 1.	Week.	Since Jan. 1.
Great Britain	41	960	4	873
Other European	20	1,082	18	599
China	2,571	78,372	2,724	92,908
India	1,040	7,740	129	9,743
Arabia	3,536	34,824	754	18,474
Africa	587	7,868	720	7,910
West Indies	787	18,309	520	20,546
Mexico	—	1,452	44	2,022
Central America	271	10,346	1,205	12,247
South America	441	37,062	1,650	40,276
Other Countries	509	11,810	225	12,366
<b>Total</b>	<b>9,803</b>	<b>209,825</b>	<b>6,893</b>	<b>217,964</b>

The value of these New York exports since January 1 has been \$11,961,620 in 1906, against \$11,644,640 in 1905.

Buyers are experiencing difficulty in getting low lines of bleached goods. Bleacheries are overrun with orders for

quick delivery and are sending small lots to agents who have hundreds of cases ordered. Denims are stronger, with but few concessions; mills generally are sold ahead for two months, while some mills making finer goods have all they can do for the balance of the year. Gingham are very strong, equity gingham having been advanced to 4 1/2 c., and leading houses find it impossible to give deliveries asked on staple lines. Fine gingham are selling well with jobbers, plaid effects being the most popular. Percales are scarcer than they have been in many years, and it is difficult to secure any quantity of low tickings for quick delivery. Print cloths are quiet but firm. There has been no special inquiry from printers, who appear to have enough gray goods to carry them through the next month or so. Converters are fairly well supplied, but are taking spot goods when offered. In the export market there has been some Red Sea business in light sheetings, but there has been little new demand from Shanghai. Trade with South America and the West Indies continues good.

WOOLEN GOODS.—Initial business in men's wear is now completed, although there are occasional openings of supplemental lines. The smooth, hard-faced cassimere continues very popular. Worsteds show but little activity; sample pieces are yet to be delivered from which the clothier is to make his sample suits to be shown on the road, and until this is done no very heavy business is expected in the men's wear market. The outlook for overcoatings is still uncertain; there is no indication as to what will be the leader. In some quarters it is thought there will be no leader, and if this proves true, it will give the retailer a chance to clear up left-over stock and any accumulation of staples. Dress goods are rather quiet, but are expected to pick up soon. Broadcloths still lead, with voiles and panamas in second and third place, respectively. Strictly fancy weaves outside of the mixture suitings are not meeting with as much success in the better grade goods as are the fabrics of simpler construction. Rain-cloths have been backward, but are now opening up and some substantial orders have been received recently on certain lines.

FOREIGN DRY GOODS.—Trade in silks shows some improvement, but buyers still display much conservatism; plaids and black taffetas are selling in advance of other lines and a growing demand is noted for better class goods generally. Raw silk markets in all producing centres have advanced 5 to 10 cents a pound in the past week. Linens continue very strong at still higher prices, some lines of dress linens having been withdrawn from the market. Imported woolen and worsted dress fabrics are in fair demand. Burlaps are firmly held, some small lots being sold at an advance of 1/4 c.

Imports and Warehouse Withdrawals of Dry Goods.

The importations and warehouse withdrawals of dry goods at this port for the week ending Sept. 5 1906 and since Jan. 1 1906, and for the corresponding periods of last year, are as follows:

Imports Entered for Consumption	1906		1905	
	Week Ending Sept. 5	Since Jan. 1	Week Ending Sept. 7	Since Jan. 1
Manufactures of—	Pkgs.	Value.	Pkgs.	Value.
Wool	912	269,026	32,938	10,206,309
Cotton	2,770	889,128	104,426	32,521,405
Silk	1,608	880,995	51,836	26,352,942
Flax	1,845	429,759	64,284	13,433,859
Miscellaneous	4,152	285,611	114,238	9,040,566
<b>Total</b>	<b>11,287</b>	<b>2,724,519</b>	<b>367,722</b>	<b>91,557,081</b>
Warehouse Withdrawals Thrown Upon the Market	Pkgs.	Value.	Pkgs.	Value.
Manufactures of—				
Wool	306	97,766	10,830	3,519,426
Cotton	624	212,017	19,597	6,091,171
Silk	246	114,126	8,153	4,616,199
Flax	389	84,055	12,777	2,796,674
Miscellaneous	1,859	64,461	174,398	1,797,390
<b>Total</b>	<b>3,421</b>	<b>572,425</b>	<b>225,855</b>	<b>18,820,860</b>
Imports Entered for Consumption	11,287	2,724,519	367,722	91,557,081
<b>Total</b>	<b>14,708</b>	<b>3,296,944</b>	<b>593,577</b>	<b>110,377,941</b>
Imports Entered for Warehouse During Same Period	Pkgs.	Value.	Pkgs.	Value.
Manufactures of—				
Wool	181	48,849	13,751	4,265,644
Cotton	641	229,957	20,052	6,314,514
Silk	136	68,822	1,159	4,628,224
Flax	358	79,877	13,877	3,169,721
Miscellaneous	1,907	108,391	133,250	2,106,176
<b>Total</b>	<b>3,223</b>	<b>535,841</b>	<b>189,089</b>	<b>20,484,279</b>
Imports Entered for Consumption	11,287	2,724,519	367,722	91,557,081
<b>Total</b>	<b>14,510</b>	<b>3,260,360</b>	<b>556,811</b>	<b>112,041,360</b>

STATE AND CITY DEPARTMENT.

The Chronicle.

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NEW YORK.

MUNICIPAL BOND SALES IN AUGUST.

Our compilation of the municipal bond disposals during the month of August reveals an aggregate of \$15,539,375 as compared with \$25,142,779 for July of the current year and with \$8,595,171, the total for August 1905. We also recorded the negotiation of temporary loans to the amount of \$7,605,000, Canadian loans aggregating \$1,314,768 and \$1,000,000 Philippine certificates, all of which form no part of our totals.

The tendency towards higher rates of interest is exemplified by the sales made by the cities of Boston, Pittsburgh and Cincinnati. The \$3,899,000 bond sale by the city of Boston was probably the most interesting one of the month, not only because of the exceptional character of the financial credit of that city, but also because the city was compelled to offer 4% bonds for the first time in a decade, all previous disposals since 1896 having been of 3½% securities. The purchasers were Harvey Fisk & Sons of New York City and the basis of sale 3.90%. The city of Pittsburgh on Aug. 2 also placed at slightly above par two issues of 4% bonds to the amount of \$1,500,000, the purchasers being N. W. Harris & Co. of Chicago. Cincinnati, Ohio, experienced much difficulty in placing several issues of 3.65s. The first offering of \$1,250,000 water bonds on Aug. 7 resulted in the sale of only \$245,000 to local banks at par. The second offering was on Aug. 13 of \$750,000 and only \$67,500 were disposed of on that day, the offers coming from local investors. Subsequently, however, the City Auditor was successful in selling the bonds over the counter, the County Commissioners securing the greater portion of the same.

The number of municipalities emitting bonds and the number of separate issues made during August 1906 were 221 and 320 respectively. This contrasts with 244 and 327 for July 1906 and with 249 and 346 for August 1905.

For comparative purposes we add the following table, showing the aggregates for August and the eight months for a series of years:

	Month of August.	For the Eight Mos.		Month of August.	For the Eight Mos.
1906	\$15,539,375	\$142,987,081	1898	\$25,029,784	\$76,976,894
1905	8,595,171	131,196,527	1897	6,449,536	97,114,772
1904	16,124,577	187,226,986	1896	4,045,500	52,335,959
1903	7,737,240	102,983,914	1895	8,464,431	80,830,704
1902	8,009,256	108,499,201	1894	7,525,260	82,205,489
1901	15,430,390	84,915,945	1893	2,734,714	37,089,429
1900	7,112,834	93,160,542	1892	4,108,491	57,340,882
1899	5,865,510	87,824,844			

Owing to the crowded condition of our columns, we are obliged to omit this week the customary table showing the month's bond sales in detail. It will be given next week.

Bond Proposals and Negotiations this week have been as follows:

Abbeville, La.—Certificate Sale.—This city recently awarded \$10,000 5% water-works certificates to the First National Bank of Abbeville at par. Securities are dated

July 14 1906 and will mature \$5,000 March 1 1907 and \$5,000 March 1 1908, they being subject to call, however, at any time.

Albany, Gentry County, Mo.—Bond Offering.—Proposals will be received until Sept. 11 by John Spessard, City Clerk, for \$15,000 6% coupon water-works extension bonds. Denomination \$1,000. Date Sept. 1 1906. Interest semi-annually at the First National Bank in Chicago. Maturity Sept. 1 1926, subject to call after five years. Bonds are exempt from taxation. Certified check for \$500, payable to A. W. Hutchinson, Mayor, is required. Bonded debt, including this issue, \$36,000.

Alhambra City High School District, Los Angeles County, Cal.—Bond Offering.—Reports state that the Board of Supervisors will receive proposals until 2 p. m. Sept. 17 for \$5,000 bonds. Denomination \$500. Maturity \$500 yearly beginning Sept. 17 1907. Assessed valuation for 1905 \$1,640,970.

Alturas, Modoc County, Cal.—Bond Sale.—On Aug. 1 this town awarded an issue of \$6,000 5% bridge bonds to E. C. Bowner at par. Denomination, twenty-five of \$100 each and seven of \$500 each. Date Aug. 1 1906. Interest semi-annual. Maturity \$500 yearly for twelve years.

Annapolis, Anne Arundel County, Md.—Bond Sale.—On Sept. 4 the \$25,000 4% 15-year (average) gold coupon street-improvement bonds described in V. 83, p. 337, were awarded to the Annapolis Savings Institution for \$25,818.

Arnprior, Ont.—Debenture Offering.—Proposals will be received until 8 p. m. Sept. 11 by W. M. Howe, Mayor, for \$35,000 4½% debentures. Interest annual. Maturity twenty years from Dec. 15 1905.

Ashland County (P. O. Ashland), Ohio.—Bond Sale.—On Sept. 1 the \$28,000 4% 2-2-3 year (average) coupon Joseph Sheet Ditch No. 84 bonds described in V. 83, p. 452, were awarded to the Farmers' Bank of Ashland at 100.896 and accrued interest. The following bids were received:

Farmers' Bk., Ashland.....	\$28,251 00	Hoehele & Cummings, Toledo.....	\$28,002.50
First National Bank, Ashland.....	28,243 20	W. J. Hayes & Sons, Cleve.....	par

Ashtabula, Ashtabula County, Ohio.—Bond Sale.—On Sept. 4 the \$20,000 5% coupon Prospect Street paving bonds described in V. 83, p. 391, were awarded to the National Bank of Ashtabula at 104.125 and accrued interest. The following bids were received:

National Bank of Ashtabula, Ashtabula.....	\$20,825 00	W. J. Hayes & Sons, Cleve.....	\$20,530 00
Otis & Hough, Cleveland.....	20,604 75	New First National Bank, Columbus.....	20,310 00

Securities mature \$2,000 yearly on Oct. 1 from 1906 to 1915 inclusive.

Athens, Athens County, Ohio.—Bond Sale.—On Sept. 3 the \$1,500 5% 2-4-year (serial) coupon sewer-construction bonds and the \$3,500 5% 5-11-year (serial) coupon funding bonds mentioned in V. 83, pp. 452 and 171, were awarded to the Somerset Bank of Somerset at 102.353 and 108.01 respectively. Following are the bids:

	\$1,500 Sewer.	\$3,500 Funding.
Somerset Bank, Somerset.....	\$1,535 30	\$3,780 35
Otis & Hough, Cleveland.....	1,516 25	3,621 75
New First National Bank, Columbus.....	1,512 00	3,633 00
Brighton-German Bank, Cincinnati.....	1,506 25	3,661 50
Well, Roth & Co., Cincinnati.....		3,665 40
Seasongood & Mayer, Cincinnati.....		3,662 75
W. R. Todd & Co., Cincinnati.....		3,650 00
Hayden, Miller & Co., Cleveland (both issues).....		\$5,165 00

Bond Sale.—On Sept. 3 the \$3,100 5% coupon Union Street paving bonds offered on Aug. 11 (V. 83, p. 286) were awarded at private sale to D. H. Moore at par.

Axtell School District No. 57 (P. O. Axtell), Kearney County, Neb.—Bond Sale.—On Aug. 25 the \$4,297 5% coupon school-building bonds described in V. 83, p. 391 were awarded to the First National Bank of Barnesville for \$4,338 and accrued interest.

Bellaire, Ohio.—Bond Sale.—On Sept. 4 the \$1,890 6% 1-10-year (serial) Union Street improvement bonds and the \$1,783 40 6% 1-10-year (serial) Twenty-first Street improvement bonds described in V. 83, p. 391, were awarded to Otis & Hough of Cleveland at 103.069—a basis of about 5.35%. Following are the bids:

Otis & Hough, Cleveland.....	\$3,786 17	Brighton-German Bk., Cin.....	\$3,756 40
G. E. Bradfield.....	3,784 40	Hayden, Miller & Co., Cleve.....	3,748 40

A bid was also received from A. Langrehr.

Belleville School District No. 113 (P. O. Belleville), St. Clair County, Ill.—Bond Sale.—On Aug. 31 the \$35,000 4% 10-20-year (optional) school-building bonds, described in V. 83, p. 452, were awarded to the Belleville Savings Bank of Belleville for \$35,800—a basis of about 3.72½% to the optional date and 3.83½% to full maturity. Bids were also received from the First National Bank of Belleville; the Belleville Bank & Trust Co. of Belleville; Browne-Ellinwood Co. of Chicago; S. A. Kean of Chicago, and Rudolph Kleybolte & Co. of Chicago.

Bevier, Macon County, Mo.—Bonds Defeated.—The election Aug. 28 resulted in a vote of 69 "for" to 113 "against" the proposition to issue the \$8,000 water-works bonds mentioned in V. 83, p. 452.

Blasdel, Erie County, N. Y.—Bond Sale.—On Aug. 21 the \$16,000 5-24-year (serial) water-works bonds described in V. 83, p. 338, were awarded to Geo. M. Hahn of New York City at 100.23 for 4½s—a basis of about 4.479%.

Bowbells, Ward County, N. Dak.—Bond Offering.—Further details are at hand relative to the offering on Sept. 10

of the \$12,000 6% gold water-works, sewerage and warrant-funding bonds mentioned in V. 83, p. 511. Proposals will be received until 10 a. m. on that day by D. E. McLellan, City Auditor. Denomination \$1,000. Date Oct. 1 1906. Interest annually in Bowbells in New York Exchange. Maturity \$3,000 in each of the years 1911, 1916, 1921 and 1926. Bonds are exempt from taxation. Certified check for \$50, payable to the City Auditor, is required. The city has no other indebtedness.

**Boynton School District (P. O. Boynton), Creek Nation, Ind. Ter.—Bond Offering.**—Proposals will be received until 8 p. m. Oct. 1 by C. F. Selsor, Town Recorder, for \$10,000 20-year school-building bonds at not exceeding 6% interest. No debt at present. Assessed valuation \$159,400; real value about \$500,000.

**Brackenridge, Allegheny County, Pa.—Bids Rejected.**—All bids received on Aug. 28 for the \$14,000 4½% 20-year coupon paving and sewer bonds described in V. 83, p. 452, were rejected.

**Camden, N. J.—Bond Sale.**—The City Sinking Fund has just taken an issue of \$30,000 3½% refunding bonds as an investment. The bonds were awarded on Aug. 30 and the price paid was par. Denomination \$1,000. Date Sept. 1 1906. Interest semi-annual. Maturity Sept. 1 1936.

**Canton, Stark County, Ohio.—Bond Sale.**—The only bid received on Aug. 27 for the \$1,400 1-5-year (serial) Charles Street improvement bonds and the \$800 1-10-year (serial) Schwalm Street improvement bonds described in V. 83, p. 287, was that of the First National Bank of Canton, which institution offered par for five per cents.

**Celina School District (P. O. Celina), Mercer County Ohio.—Bond Offering.**—An error having crept into our item last week of the offering on Sept. 14 of the \$35,000 4% school bonds, we repeat the same corrected. Proposals will be received until 10 a. m. Sept. 14 by W. W. Shock, Clerk Board of Education, for \$35,000 4% bonds. Authority Sections 3991 and 3992 of the Revised Statutes. Denomination \$1,000. Date Sept. 14 1906. Interest March 1 and Sept. 1 at the office of the District Treasurer. Maturity \$2,000 yearly from Sept. 1 1917 to Sept. 1 1933 inclusive and \$1,000 Sept. 1 1934. A deposit of \$500 in cash is required with each bid. Blank bonds to be furnished by successful bidder.

**Chardon, Geauga County, Ohio.—Bond Sale.**—On Sept. 4 the \$3,500 5% coupon electric-light-plant-repair bonds a description of which was given in V. 83, p. 338, were awarded to Hayden, Miller & Co. of Cleveland for \$3,647.

**Chester School District (P. O. Chester), Thayer County, Neb.—Bonds Voted.**—This district has authorized the issuance of \$8,000 school-building bonds. We are informed that these bonds will probably be sold to local parties.

**Chico School District, Butte County, Cal.—Bond Sale.**—The \$25,000 5% school bonds awarded on July 7 to the First National Bank of Oroville and subsequently refused by that institution (see V. 83, p. 338) were re-awarded on Aug. 6 to N. W. Halsey of San Francisco at 102.004—a basis of 4.746%. Denomination \$500. Date Aug. 1 1906. Interest semi-annual. Maturity Aug. 1 1916.

**Clark County (P. O. Springfield), Ohio.—Bond Sale.**—On Sept. 1 \$12,500 4% bridge-repair bonds were awarded to the First National Bank of Springfield for \$12,507 and accrued interest. Denomination \$500. Date Sept. 1 1906. Interest semi-annual. Maturity \$500 every six months from March 1 1907 to March 1 1919 inclusive.

**Conneaut, Ashtabula County, Ohio.—Bond Sale.**—On Sept. 3 the \$10,500 5% 4¾-year (serial) coupon sewer-construction bonds described in V. 83, p. 453, were awarded to the Conneaut Mutual Loan & Trust Co. at 103.114 and accrued interest—a basis of about 4.27%. Following are the bids:

Conneaut Mutual Loan & Trust Co.-----	\$10,827 00	Well, Roth & Co., Cincin.	\$10,800 00
Brighton-German Bk., Cinc.	10,826 75	Lamprecht Bros & Co.,	Cleveland-----
R. Kleybolte & Co., Cinc.	10,817 50	W. J. Hayes & Sons, Clev.	10,740 00
Hayden, Miller & Co., Clev.	10,817 00	New First National Bank,	Columbus-----
Otis & Hough, Cleveland.	10,804 50		10,652 25

**Cook County (P. O. Chicago), Ill.—Bond Sale.**—On Sept. 4 the \$475,000 4% 2-20-year (serial) gold coupon court-house bonds dated Sept. 1 1905 and described in V. 83, p. 453, were awarded, it is stated, as follows: Sherman W. Hitchcock & Co., \$95,000 for \$95,535 and \$95,000 for \$95,525; N. W. Halsey & Co. of Chicago, \$95,000 for \$95,142 50; the First Trust & Savings Bank of Chicago, \$95,000 for \$95,150 and \$95,000 for \$95,160.

**Coshocton, Ohio.—Bond Sale.**—On Sept. 5 \$6,500 4% bonds were awarded to the Commercial National Bank of Coshocton. Denomination \$500. Date Sept. 1 1906. Interest semi-annual.

**Dawson, Terrell County, Ga.—Bond Offering.**—Proposals will be received until Oct. 2 for the \$30,000 5% sewer bonds mention of which was made in V. 83, p. 226. Denomination \$1,000. Date Nov. 1 1906. Interest annually in New York. Maturity \$1,000 yearly. Bonded debt, including this issue, \$93,000. Assessed valuation \$1,549,099. Actual value (estimated) \$3,000,000.

**Deer River Township (P. O. Deer River), Itasca County, Minn.—Bond Sale.**—On Aug. 29 the \$12,000 6% 8-19-year (serial) gold coupon road and bridge bonds described in V. 83, p. 453, were awarded to Kane & Co. of Minneapolis at 100.50. Following are the bids:

Kane & Co., Minneapolis---	\$12,060	Farson, Son & Co., Chicago	\$12,000
C. H. Coffin, Chicago-----	12,025	Commercial Inv. Co., Duluth	12,000
J. M. Holmes, Chicago-----	12,000		

**Douglas County (P. O. Superior), Wis.—Bond Sale.**—Reports state that the \$100,000 4% gold coupon insane-asylum bonds offered without success on Aug. 1 (V. 83, p. 453), have been awarded to W. J. Hayes & Sons of Cleveland.

**Eagle Pass School District (P. O. Eagle Pass), Maverick County, Tex.—Bonds Proposed.**—The question of issuing \$30,000 school-building bonds is being considered. No election has yet been called.

**Elkins, Randolph County, W. Va.—Bonds Defeated.**—This town recently defeated a proposition to issue \$60,000 water-system bonds.

**Ellwood City, Lawrence County, Pa.—Bond Sale.**—On Sept. 1 the \$15,000 4½% 10-20-year (optional) street, sewer and electric-light bonds described in V. 83, p. 227, were awarded to Emery, Anderson & Co. of Cleveland at 102.733. The bids were as follows:

Emery, Anderson & Co., Clev.	\$15,410	W. J. Hayes & Sons, Cleveland	par
Browne-Ellinwood Co. Chic.	15 167		

**Elmore, Ottawa County, Ohio.—Bond Sale.**—On Aug. 28 the \$2,000 5% 1-10-year (serial) coupon street-paving bonds and the \$4,000 5% 1-10-year (serial) coupon sewer-construction bonds described in V. 83, p. 392, were awarded to the Bank of Elmore for \$2,055 and \$4,110 respectively. These sales were on a 4.431% basis.

**Emsworth (Borough), Allegheny County, Pa.—Bond Sale.**—On Aug. 30 the \$25,000 sewer, the \$8,000 street and the \$2,000 funding 4½% bonds described in V. 83, p. 454, were awarded to E. H. Gay & Co. of Pittsburgh at 101.49 and accrued interest and cost of printing bonds. Following are the bids:

E. H. Gay & Co., Pitts.	\$35,521 50	Hayden, Miller & Co., Clev.	\$35,367 00
Hoehler & Cummings, Tol.	35,587 50	W. J. Hayes & Sons, Clev.	35,000 00

a Accrued interest and cost of printing bonds.

**Essex County (P. O. Salem), Mass.—Temporary Loan.**—The \$55,000 temporary loan mentioned in V. 83, p. 392, has been negotiated with the City National Bank of Gloucester at 4.85% discount. Loan is dated Sept. 1 1906 and will mature March 1 1907.

**Fairport Union School District No. 9 (P. O. Fairport), Town of Perinton, Monroe County, N. Y.—Bonds Not Sold.**—No award was made on Aug. 27 of the \$7,500 bonds described in V. 83, p. 454.

**Fishtail School District No. 13 (P. O. Fishtail), Carbon County, Mont.—Bond Not Sold.**—No satisfactory bids were received on Aug. 24 for the \$1,000 10-year coupon school-building bonds (interest not to exceed 6%), described in V. 83, p. 454.

**Fostoria, Ohio.—Bond Sale.**—On Sept. 1 the \$7,000 4% 17-year coupon refunding bonds described in V. 83, p. 392, were awarded to the Mechanics' Banking Co. of Fostoria at 100.357 and accrued interest—a basis of about 3.971%. The bids were as follows:

Mechanics' Banking Co., Fost.	\$7,025	Commercial Bank & Savings	
Hoehler & Cummings, Toledo.	7,000	Co., Fostoria-----	\$7,000

**Freedom, Pa.—Bond Offering.**—Proposals will be received until Sept. 17 by Geo. J. Mohr, Borough Secretary, for \$4,000 4½% grading and paving bonds. Denomination \$500. Interest semi-annual. Maturity \$500 yearly on Oct. 1 from 1919 to 1926 inclusive. Bonds are free from State tax. Certified check for \$200 required with bids.

**Fremont, Neb.—Bond Sale.**—On Aug. 31 the \$50,000 5% 5-20-year (optional) coupon electric-light bonds described in V. 83, p. 454, were awarded to W. J. Hayes & Sons of Cleveland for \$50,060. A bid of par was also received from the American Securities Corporation.

**Graham School District, Los Angeles County, Cal.—Bond Sale.**—On Aug. 27 the \$12,500 5% bonds described in V. 83, p. 454, were awarded, it is stated, to J. W. Phelps of Los Angeles for \$12,953.

**Grand Rapids, Mich.—Bond Offering.**—The City Council has passed an ordinance providing for the issuance of \$104,000 4% coupon or registered "West Side Big Ditch" assessment bonds. Proposals for these bonds are to be received until 4 p. m. Sept. 17 by John L. Boer, City Clerk. Denomination \$1,040. Date July 16 1906. Interest Jan. 16 and July 16 at the office of the City Treasurer. Maturity \$10,400 yearly on July 16 from 1907 to 1916 inclusive. Certified check for 3% of the bonds bid for, payable to the City Treasurer, is required.

**Grayville, White and Edwards Counties, Ill.—Bonds Authorized.**—This city proposes to purchase the plant of the Grayville Water Works Co. of Chicago and issue \$10,000 bonds to the company in payment for the same.

**Greenfield, Adair County, Iowa.—Bond Election.**—Local papers state that the City Council has called an election for Sept. 10 to vote on the question of issuing \$10,000 water-works-system bonds.

**Hallock, Kittson County, Minn.—Bond Offering.**—Proposals will be received until 7 p. m. Sept. 15 (time extended from Sept. 3) by N. G. Brown, Village Clerk, for \$10,000 4½% sewer-system bonds. Denomination \$1,000. Date Sept. 3 1906. Interest semi-annually. Maturity twenty years. Bonded debt, including this issue, \$25,000. Assessed valuation for 1906 \$252,050.

**Harrisburg, Saline County, Ill.—Bond Sale.**—This city recently disposed of \$16,000 sewer bonds.

**Huntsville, Walker County, Tex.—Bonds Registered and Sold.**—On Aug. 27 the State Comptroller registered \$8,000 4¼% 10-40-year (optional) water-works bonds dated July 1 1906. The State School Fund purchased the bonds on that day at par and interest.

**Huntsville School District (P. O. Huntsville), Walker County, Tex.—Bonds Registered and Sold.**—On Aug. 27 the \$15,000 4¼% 10-40-year (optional) refunding school-house bonds voted on May 24 and dated July 1 1906 were registered by the State Comptroller. On the same day these bonds were purchased by the State School Fund at par and interest.

**Jay County (P. O. Portland), Ind.—Bond Offering.**—Proposals will be received until 2 p. m. Sept. 25 by the County Treasurer for \$30,000 6% coupon Salamina Ditch bonds. Denomination \$500. Date Sept. 25 1906. Interest semi-annual. Maturity \$6,000 yearly from Nov. 1 1907 to Nov. 1 1911 inclusive.

**Jefferson County (P. O. Madison), Ind.—Bond Sale.**—On Sept. 4 \$14,000 gravel-road bonds were awarded, it is stated, to the Madison Safe Deposit & Trust Co. at par.

**Kelliher, Beltrami County, Minn.—Description of Bonds.**—We are informed that the \$5,000 water bonds recently awarded to the State of Minnesota at par for 4s are dated Aug. 24 1906 and mature from five to nine years from date. Denomination \$1,000. Interest annually in July.

**King County (P. O. Seattle), Wash.—Bond Election.**—On Sept. 12 an election will be held in this county to vote on the question of issuing \$500,000 4% coupon ship-canal bonds. Denomination \$1,000. Maturity twenty years.

**Knoxville School District (P. O. Pittsburgh), Allegheny County, Pa.—Bond Offering.**—Proposals will be received until 10 a. m. Sept. 15 by J. T. Grimes, Treasurer, for \$25,000 4% bonds. Maturity "not exceeding thirty years."

**La Grande, Union County, Ore.—Bond Sale.**—This city on Aug. 1 awarded an issue of \$30,000 5% 10-20-year (optional) refunding bonds to the Eastern Oregon Trust & Savings Bank of La Grande at 102—a basis of about 4.747% to the optional date and 4.843% to full maturity. Denomination \$1,000. Date Jan. 1 1907. Interest Jan. 1 and July 1.

**Laguna School District, Los Angeles County, Cal.—Bond Offering.**—It is stated that proposals will be received until 2 p. m. Sept. 17 by the Board of Supervisors for \$5,000 5% 1-10-year (serial) bonds. Denomination \$500.

**Lander, Wyo.—Bond Sale.**—We are just advised that the \$25,000 6% 10-20-year (optional) coupon sewerage bonds and the \$50,000 6% 10-30-year (optional) coupon water-works bonds offered on July 16 were awarded to S. A. Kean of Chicago at 102. Securities are dated July 16 1906. For other description of bonds see V. 83, p. 54.

**Lawrence County (P. O. Bedford), Ind.—Bond Sale.**—On Aug. 24 an issue of \$5,700 Flinn Township gravel road bonds was awarded to Breed & Harrison of Cincinnati for \$5,709 50, and \$17,000 Guthrie Township gravel road bonds were disposed of to J. F. Wild & Co. of Indianapolis for \$17,025.

**Lawrence County (P. O. Ironton), Ohio.—Bond Sale.**—On Aug. 25 \$10,000 4% 10-year bridge bonds were awarded to A. M. Johnson at 102. Denomination \$1,000. Date Sept. 1 1906. Interest semi-annual.

**Macleod, Alberta.—Debentures Not Sold.**—No sale has yet been made of the \$95,000 5% 40-year water-works, electric-light and sewerage debentures offered on July 28. See V. 83, p. 174.

**Madison County (P. O. London), Ohio.—Bond Sale.**—On Sept. 4 the \$9,800 Douglas Road improvement and \$3,400 Kilbury Road improvement 5% coupon bonds described in V. 83, p. 393, were awarded, it is stated, to Judge Fulton of Columbus for \$13,300.

**Bonds Not Sold—Bond Offering.**—Nine issues of 5% coupon ditch-improvement bonds, aggregating \$14,300, offered on Sept. 4 were not awarded. Local papers state that these bonds are being re-offered and proposals will be received until Sept. 24.

**Madison School District (P. O. Madison), Jefferson County, Ind.—Bonds Withdrawn from Market.**—We are advised that the \$30,000 4% school-building bonds described in V. 83, p. 175, have been withdrawn from the market for the time being.

**Malone Independent School District (P. O. Malone), Hill County, Tex.—Bonds Registered and Sold.**—An issue of \$7,000 5% 10-40-year (optional) school-house bonds of this district dated Aug. 1 1906 was registered on Aug. 27 by the State Comptroller and was awarded on the same day to the State School Fund at par and interest.

**Manassas, Prince William County, Va.—Bond Offering.**—Proposals will be received until 8 p. m. Sept. 15 by Westwood Hutchinson and G. Raymond Ratcliffe, Committee, for \$50,000 4% coupon or registered water, electric-light and street-improvement bonds. Denomination \$100 or any multiple not exceeding \$1,000. Date, day of sale. Interest semi-annually in Manassas. Maturity forty years, subject to call after twenty years. Certified check for \$500, payable to the town of Manassas, is required. Official circular states that default has never been made in any payment and that

there is no controversy threatened or pending. Bonded debt, this issue. Assessed valuation for 1905, \$465,000. Actual value (estimated) \$800,000.

**Manitowoc, Wis.—Bonds Refused.**—It is stated that the National Bank of Manitowoc, which institution was awarded on June 18 \$50,000 4% harbor-improvement bonds, has refused to take the issue.

**Marion, Marion County, Ohio.—Bond Sale.**—On Sept. 1 the \$10,000 4¼% 2-11-year (serial) refunding bonds described in V. 83, p. 455, were awarded to Rudolph Kleybolte & Co. of Cincinnati at 100.83. Following are the bids:

R. Kleybolte & Co., Cin. \$10,083 00  
 Well, Roth & Co., Cin. 10,063 00  
 Hayden, Miller & Co., Cleve 10,051 00  
 Brighton-German Bk., Cin. 10,050 25

Hoehler & Cummings, Tol. \$10,037 50  
 Atlas Nat Bank, Cin. 10,025 00  
 Otis & Hough, Cleveland. 10,013 75

In addition to the above, bids based on 4½% bonds were received from the Central Trust & Safe Deposit Co. of Cincinnati at 101.55 and W. R. Todd & Co. of Cincinnati at 101.

**Marion County (P. O. Indianapolis), Ind.—Bond Sale.**—On Sept. 1 the \$98,000 3½% 5 2-5 year (average) coupon voting-machine bonds described in V. 83, p. 228, were awarded to J. F. Wild & Co. of Indianapolis at 100.627 and accrued interest—a basis of about 3.37%. Following are the bids:

J.F. Wild & Co., Indlanap. \$98,615 50  
 Breed & Harrison, Cin. 98,451 50

E.D. Bush & Co., Indlanap \$98,350 00  
 U.S. Stand. Voting Mach. Co. 98,000 00

**Marion County (P. O. Marion), Ohio.—Bond Offering.**—Proposals will be received until 12 m. Sept. 15 by the Board of Free Turnpike Directors, care of John H. Clark, Prosecuting Attorney, for \$6,550 5% coupon Dickason Free Turnpike Road bonds. Authority Section 4808 of the Revised Statutes. Date of bonds Sept. 1 1906. Interest semi-annually at the office of the County Treasurer. Maturity as follows:

\$150 March 1 1907	\$190 Sept. 1 1912	\$230 Sept. 1 1917
150 Sept. 1 1907	190 March 1 1913	230 March 1 1918
150 March 1 1908	190 Sept. 1 1913	250 Sept. 1 1918
160 Sept. 1 1908	200 March 1 1914	260 March 1 1919
160 March 1 1909	200 Sept. 1 1914	260 Sept. 1 1919
170 Sept. 1 1909	210 March 1 1915	270 March 1 1920
170 March 1 1910	210 Sept. 1 1915	270 Sept. 1 1920
170 Sept. 1 1910	220 March 1 1916	290 March 1 1921
180 March 1 1911	220 Sept. 1 1916	290 Sept. 1 1921
180 Sept. 1 1911	230 March 1 1917	300 March 1 1922
180 March 1 1912		

Certified check on some bank in Marion for \$100, payable to the Board of Commissioners, is required. Bonds will be delivered Sept. 25. Accrued interest to be paid by purchaser.

**Bond Sale.**—On Aug. 18 the \$9,000 5% coupon Hinamon Free Turnpike Road bonds a description of which was given in V. 83, p. 393, were awarded to the Bucyrus City Bank at 102.48.

**Marlinton, W. Va.—Bond Sale.**—On Sept. 1 the \$7,500 6% 10-year coupon street and sewer bonds a description of which was given in V. 83, p. 455, were awarded to the Bank of Marlinton at par. There were no other bidders. Date of bonds Sept. 15 1906.

**Marshall, Harrison County, Tex.—Bonds Not to Be Issued at Present.**—We are advised that the \$50,000 paving, \$90,000 sidewalk and \$45,000 city-hall bonds recently voted by this place will be issued about Jan. 1 1907.

**Middletown School District (P. O. Middletown), Butler County, Ohio.—Bond Sale.**—On Aug. 27 \$68,000 3.65% coupon high-school-building bonds were awarded to the Mechanics' National Bank of Middletown at private sale. Authority Sections 3991, 3992 and 3993 of the Revised Statutes and resolution of the Board of Education adopted July 20 1906. Denomination \$1,000. Date Sept. 1 1906. Interest semi-annually at the National Park Bank in New York City. Maturity \$1,000 Sept. 1 1923, \$3,000 yearly on Sept. 1 from 1924 to 1930 inclusive, \$4,000 yearly on Sept. 1 from 1931 to 1939 inclusive and \$5,000 on Sept. 1 in each of the years 1940 and 1941. Bonds are exempt from taxation. These securities were offered on Aug. 23 but no bids were received on that day.

**Midlothian School District (P. O. Midlothian), Ellis County, Tex.—Bonds Voted.**—This district recently authorized the issuance of \$15,500 school-building bonds by a vote of 149 to 21.

**Minnesota.—Loans.**—According to the "St. Paul Pioneer Press" the State Board of Investment on Aug. 21 granted the following loans:

School districts: Special district of Faribault, \$25,000; 88, Hennepin, \$4,000; 105, Nobles, \$1,000; 270, Otter Tail, \$200; 63, Dakota, \$1,000; 80, Beltrami, \$500; 84, Anoka, \$700; 41, Marshall, \$800; 4, Yellow Med. Co., \$300; 21, Carver, \$1,000; 44, Red Lake, \$800; 36, Hubbard, \$1,200; 268, Otter Tail, \$600; 2, Lyon, \$1,000; 58, St. Louis, \$1,000; independent White Bear, Ramsey, \$800; 69, Anoka, \$800; 99, Lac qui Parle, \$400; 13, St. Louis, \$2,000; City of St. Peter, \$5,000; Aitkin County for ditch, \$8,000; Pope County for ditch, \$10,000; Anoka County for two ditches, \$10,250; Bird Island village, \$8,000; Brooten village, \$2,000; Fountain Village, \$5,975; town of Farden, Hubbard County, \$1,200; city of Hastings \$24,000; town of Stoner, \$1,500.

**Mobile, Ala.—Bond Sale.**—On Sept. 1 the \$195,000 5% 1-15-year (serial) coupon Government and Dauphin streets paving bonds described in V. 83, p. 394, were awarded to the People's Bank of Mobile.

**Moorhead, Sunflower County, Miss.—Bonds Not Yet Sold.**—We are advised that the \$15,000 6% gold coupon water-works bonds mention of which was made in V. 83, p. 229, have not yet been placed.

**Morgan County (P. O. Martinsville), Ind.—Bond Sale.**—On Sept. 5 the \$3,800 4½% coupon Gregg Township gravel-road bonds described in V. 83, p. 514, were awarded to the Meyer-Kiser Bank of Indianapolis for \$3,812 50. A bid of

\$3,807 was also received from J. F. Wild & Co. of Indianapolis.

**Napa School District (P. O. Napa), Napa County, Cal.—Bond Election.**—It is stated in local papers that the Board of School Trustees has decided to call an election to vote on the question of issuing \$100,000 school-building bonds.

**Napoleon Union School District (P. O. Napoleon), Henry County, Ohio.—Description of Bonds.**—We are advised that the \$10,000 school bonds the sale of which we recorded last week were disposed of to Seasongood & Mayer of Cincinnati at par, accrued interest and blank bonds free of charge—securities to carry 4% interest. Denomination \$1,000. Date July 21 1906. Interest March and September. Maturity \$3,000 in 1925, \$3,000 in 1926 and \$4,000 in 1927.

**Nashville, Berrien County, Ga.—Bond Offering.**—Proposals will be received until 7:30 p. m. Sept. 17 by A. C. Sweat, Town Clerk, for the \$25,000 water-works and electric-light and \$5,000 school-building 5% 30-year bonds voted on July 16. Securities are dated Nov. 1 1906. Interest annual. Certified check for \$500 on the water-works bonds and \$100 on the school-building bonds is required. Assessed valuation for 1906, \$500,000. Real value (estimated) \$700,000.

**Nelson School District No. 243, Lacombe, Alberta.—Debt Offering.**—Proposals will be received until 8 p. m. Sept. 25 by A. M. McDonald, Secretary-Treasurer, for \$30,000 5% debentures. Maturity part yearly for thirty years beginning May 1 1908.

**New York City.—Bond Sales.**—The following bonds were taken by this city's sinking funds during the months of July and August:

Purpose.	Rate of Interest.	Maturity.	July.	August.
Various Municipal Purposes	3	1955	\$35,000	\$10,000
Rapid Transit	3½	1955	50,000	
Water Supply	3	1955	5,000	201,000
do do	3	1925	70,000	75,000
Assessment bonds	3	(On or after 1906)	20,000	971,000
Total			\$180,000	\$1,257,000
General Fund bonds	3	1930		\$1,500,000

For reasons many times given we do not include the "general fund bonds" in our monthly totals.

In addition to the above bonds, the following revenue bonds (temporary securities) were also issued:

	Interest.	July.	August.
Revenue Bonds	3		\$2,750,000
Revenue Bonds	4½		25,000
Revenue Bonds	4½	\$75,000	25,000
Revenue Bonds	4½	115,000	
Revenue Bonds	5	13,444,500	2,650,000
Revenue Bonds	5¼		1,000,000
Revenue Bonds special	3	20,000	
Revenue Bonds special	4	100,000	
Revenue Bonds special	4½		25,000
Revenue Bonds special	5		250,000
Total Revenue Bonds		\$13,754,500	\$6,725,000

**Niagara, Ont.—Debentures Not Sold.**—No award was made on Aug. 28 of the \$15,000 4½% debentures mentioned in V. 83, p. 455. The highest bid received was for \$14,857 50.

**Northampton, Hampshire County, Mass.—Bond Sale.**—On Sept. 1 the \$14,000 4% 1-7-year (serial) coupon school-building bonds described in V. 83, p. 514, were awarded to the Northampton Institution for Savings at par and interest. This was the only bid received.

**Orillia, Ont.—Debt Offering.**—On Aug. 22 the three issues of 4½% debentures aggregating \$105,000, a description of which was given in V. 83, p. 394, were awarded to H. O'Hara & Co. of Toronto for \$106,830.

**Patton Township School District (P. O. Pitcairn), Allegheny County, Pa.—Bond Sale.**—On Aug. 31 the \$5,000 5% 1-5-year (serial) school bonds described in V. 83, p. 514, were awarded to the Braddock National Bank of Braddock at 100.50 and accrued interest. Two other bids of par were also received.

**Phoebus, Elizabeth City County, Va.—Bid Rejected.**—Only one bid was received on Aug. 29 for the \$40,000 5% coupon paving bonds described in V. 83, p. 394. This bid was below par and was not accompanied by a certified check for \$500 as required. It was therefore rejected.

**Pierce School District No. 2 (P. O. Pierce), Pierce County, Neb.—Bond Sale.**—On Sept. 1 the \$4,000 6% 1-4-year (serial) additional school-building bonds described in V. 83, p. 456, were awarded to W. B. Donaldson at 102.50. Following are the bids:

W. B. Donaldson	\$4,100 00	City Nat. Bank, Tecumseh	\$4,041 00
S. A. Kean, Chicago	4,101 20	City Savings Bank, Omaha	4,025 00
First Nat. Bk., Barnesville	4,051 00		

In addition to the above, several bids of par were also received.

**Pincher Creek, Alberta.—Debt Offering.**—Proposals will be received until 12 m. Oct. 1 by S. W. Berry, Town Secretary-Treasurer, for \$10,000 5% debentures. Securities will be dated Nov. 1 1906 and will mature part yearly for ten years at the Union Bank of Canada in Pincher Creek.

**Piqua, Miami County, Ohio.—Bond Sale.**—On Aug. 31 the \$30,000 4% 10-year coupon street-improvement bonds described in V. 83, p. 394, were awarded to the Atlas National Bank of Cincinnati at 100.333 and interest—a basis of about 3.96%. Following are the bids:

Atlas Nat. Bank, Cincinnati	\$30,100	R. Kleybolte & Co Cincinnati	\$30 050
Wells, Bond & Co., Cincinnati	30,065		

**Popple, Itasca County, Minn.—Bond Offering.**—Proposals will be received until 2 p. m. Sept. 18 by the Town Supervisors at the office of Francis Caldwell, Town Clerk, for \$8,000 6% road and bridge bonds. Authority Chapter 64, Laws of 1905, and election held Aug. 15 1906. Bonds are dated Aug. 15 1906. Interest annual. Maturity \$1,000 yearly from 1919 to 1926 inclusive.

**Portsmouth, Va.—Bond Offering.**—Proposals will be received until 12 m. Sept. 28 by L. P. Slater, City Clerk, for \$42,000 school and \$10,000 street-improvement 4% coupon (with privilege of registration) bonds. Denomination \$1,000. Date Oct. 1 1906. Interest semi-annual. Maturity Oct. 1 1936. Certified check on a national or State bank for 1% of the amount bid, payable to George A. Tabb, City Treasurer, is required. Accrued interest to be paid by purchaser.

**Putnam County (P. O. Ottawa), Ohio.—Bond Offering.**—Ohio papers state that proposals will be received until 12 m. to-day (Sept. 8) by the County Commissioners for \$18,000 5% Wauseon Road bonds and \$3,500 5% Troyer Road bonds.

**Rapid City, Man.—Debt Offering.**—On Aug. 27 the \$4,500 5% sidewalk debentures and the \$2,500 5% public-park debentures were awarded to the Confederation Life Insurance Co. at 102.15. The bids were as follows:

Confederation Life Ins. Co.	102.15	Union Bank	par
O. Legge, Montreal	101.25		

Securities are dated July 30 1906. Interest annual. Maturity July 30 1926.

**Richfield Township (P. O. West Richfield), Summit County, Ohio.—Bond Sale.**—This township recently awarded \$5,000 5% 1-10-year (serial) road-improvement bonds to Lamprecht Bros. & Co. of Cleveland. Denomination \$500. Date Sept. 1 1906. Interest semi-annually in West Richfield. Bonds are free from taxation. Bonded debt this issue. Assessed valuation \$575,670.

**Rochester, N. Y.—Temporary Loan.**—This city on Sept. 1 awarded a \$100,000 local-improvement note to the Rochester Savings Bank at 4.95% interest. Following are the bids:

Rochester Sav. Bk., Rochester	4.95%	Broadway Savings Institution, Goldman, Sachs & Co., N. Y.	5.875%	New York (\$50,000)	5.25%
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**Bond Offering.**—Proposals will be received until 1 p. m. Sept. 12 by Samuel B. Williams, City Comptroller, for \$75,000 4% registered school bonds. Authority Chapter 549, Laws of 1906. Denomination \$5,000. Date Oct. 1 1906. Interest Jan. 1 and July 1 at the Union Trust Co. in New York City. Maturity \$25,000 yearly from June 1 1911 to June 1 1913 inclusive. Each bid must be made on a blank form furnished by the city and must be accompanied by a certified check for 2% of the bonds bid for, payable to the City Comptroller. Bonds will be certified to as to genuineness by the Columbia Trust Co. of New York City. Accrued interest, if any, to be paid by purchaser.

**Rockford, Mercer County, Ohio.—Bond Offering.**—Further details are at hand relative to the offering on Sept. 15 of the \$41,000 4½% coupon street and sewer assessment bonds mentioned in last week's issue. Proposals will be received until 6 p. m. on that day by F. W. Miller, Village Clerk. The bonds answer to the following description:

- \$22,000 4½% coupon Main Street improvement assessment bonds. Denomination \$1,000. Maturity \$2,000 yearly from 1909 to 1916 inclusive, \$3,000 in 1917 and \$3,000 in 1918.
- 14,000 4½% coupon Market Street improvement assessment bonds. Denomination \$1,000. Maturity \$1,000 yearly from 1909 to 1914 inclusive and \$2,000 yearly from 1915 to 1918 inclusive.
- 2,000 4½% coupon Sewer No. 1 assessment bonds. Denomination \$500. Maturity \$500 yearly from 1909 to 1912 inclusive.
- 3,000 4½% coupon Sewer No. 2 assessment bonds. Denomination \$500. Maturity \$500 yearly from 1909 to 1914 inclusive.

The above bonds are all dated March 15 1906. Interest semi-annually at the Village Treasurer's office. Cash or certified check for \$500, payable to the Village Treasurer, is required with bids for each issue. Bonds are exempt from all taxes.

**Saline Levee and Drainage District (P. O. Marksville), La.—Bonds Authorized.**—Reports state that this district has authorized Hon. J. C. Coppel, President, to offer for sale \$100,000 5% 50-year drainage bonds. Denomination \$1,000. Interest semi-annual.

**San Diego School District (P. O. San Diego), San Diego County, Cal.—Bond Sale.**—Following are the bids received on Sept. 3 for the \$120,000 4½% 1-20-year (serial) gold school-building bonds dated July 17 1906 and described in V. 83, p. 456:

N. W. Harris & Co., Chic	\$121,704 50	Los Angeles Tr. Co., Los An	\$120,950 00
W. R. Staats Co., Pasadena	121,382 00	N. W. Halsey & Co., San Fr.	120,564 00
Adams-Phillips Co., Los A.	121,276 00	E. H. Pollins & Sons, San F.	120,387 56
Security Savings Co.	121,200 00	C. D. Long	120,312 00

**Santa Barbara, Santa Barbara County, Cal.—Bonds Proposed.**—According to local reports the City Council has decided to call an election to vote on the question of issuing paving bonds.

**Schenectady, N. Y.—Bonds Not Sold.**—The only bid received on Sept. 6 for the \$120,000 4% registered sewer bonds described in V. 83, p. 456, was from W. J. Hayes & Sons of Cleveland who offered 99.26. This bid was rejected. The bonds are part of an issue of \$150,000, of which the city proposes to take \$30,000 for its sinking fund.

**Scribner, Dodge County, Neb.—Bond Offering.**—Proposals will be received until 7 p. m. Sept. 15 by Hal Christy, Village Clerk, for \$20,000 water and \$6,000 light 5% registered bonds. Denomination \$1,000. Interest annually at the office of the Village Treasurer. Maturity twenty years,

subject to call after five years. Certified check for \$1,000 required. Bonds are exempt from taxation. Bonded debt, this issue. These bonds were offered but not sold on Aug. 25.

**Seattle, Wash.—Bonds Not Sold.**—No sale was made on Sept. 1 of the \$500,000 coupon park bonds described in V. 83, p. 395.

**South Bend, St. Joseph County, Ind.—Bond Sale.**—On Aug. 30 \$28,000 4% general-purpose bonds were awarded to Breed & Harrison of Cincinnati at 106.25—a basis of about 3.561%. Denomination \$1,000. Date Sept. 1 1906. Interest semi-annual. Maturity Sept. 1 1926.

**Spencerport, Monroe County, N. Y.—Bond Sale.**—On Aug. 30 the \$5,000 3-12-year (serial) registered village-hall bonds described in V. 83, p. 457, were awarded to O'Connor & Kahler of New York City as 4.60s. Bids for 5% bonds were also received from S. A. Kean of Chicago, the Genesee Valley Trust Co. of Rochester and Geo. M. Hahn of New York City and for 4.90% bonds from Myron W. Greene of Rochester.

**Sunnyside School District, Los Angeles County, Cal.—Bond Election.**—Local dispatches state that an election will be held in this district Sept. 19 to vote on the question of issuing \$2,000 bonds.

**Susanville, Lassen County, Cal.—Bond Sale.**—On Aug. 1 an issue of \$10,000 5% 20-year sewer bonds were awarded to the Washoe County Bank of Reno, Nev., at 100.233—a basis of about 4.982%. Denomination of bonds \$500.

**Syracuse, N. Y.—Bid Rejected.**—The only bid received on Sept. 4 for the \$225,000 4% 1-10-year (serial) registered local-improvement bonds described in V. 83, p. 457, was from W. J. Hayes & Sons of Cleveland, who offered 99. This bid was rejected.

**Tensas Basin Levee District (P. O. Monroe), La.—Bond Sale.**—The \$30,000 5% 10-20-year (optional) gold coupon refunding bonds described in V. 83, p. 291, have been sold at par to Eustis & Castill of New Orleans. Securities are dated Sept. 1 1906.

**Terrell County (P. O. Sanderson), Tex.—Bonds Registered and Sold.**—The State Comptroller on Aug. 29 registered

\$30,000 4% 5-40-year (optional) court-house and jail bonds dated June 30 1906. These securities were awarded on the same day to the State School Fund at par and interest.

**Tobias School District No 81 (P. O. Tobias), Saline County, Neb.—Bond Sale.**—On Aug. 28 \$2,500 5% school-house bonds were awarded to the Tobias National Bank at 101.60—a basis of about 4.158% to the optional date and 4.80% to full maturity. Denomination \$500. Date Sept. 1 1906. Interest annually on Sept. 1. Maturity Sept. 1 1916, subject to call after two years.

**Uniontown, Perry County, Ala.—Bonds Not Yet Sold.**—We are advised that the \$10,000 5% 20-30-year (optional) gold coupon street-paving bonds offered but not sold on July 15 (V. 83, p. 291) have not yet been disposed of.

**Utica, N. Y.—Bond Sale.**—On Sept. 5 the \$15,000 4% 1-15-year (serial) registered fire-station bonds described in V. 83, p. 516, were awarded to the Utica Savings Bank at par and accrued interest. There were no other bidders. An error in the official advertisement published in one of the Utica papers gave the date of this sale as Sept. 15 instead of Sept. 5. This accounts for our giving the date of sale in last week's issue as Sept. 15, our item having been made up from this advertisement.

**Vernon Township (P. O. Tiro), Crawford County, Ohio.—Bond Sale.**—On Aug. 21 \$15,000 of the \$20,000 4% road-improvement bonds mentioned in V. 83, p. 343, were awarded to the Farmers' & Citizens' Bank of Tiro. Date of bonds Aug. 1 1906. Interest semi-annual. Maturity \$3,000 in 1911, \$5,000 in 1916, \$5,000 in 1921 and \$2,000 in 1926.

**Virginia School District (P. O. Virginia), Cass County, Ill.—Bond Sale.**—On Aug. 20 the \$2,000 4-7-year (serial) coupon heating bonds described in V. 83, p. 397, were awarded to J. J. Shephard at 101.

**Wapakoneta, Ohio.—Bonds Authorized.**—The Village Council on Aug. 20 passed an ordinance providing for the issuance of \$2,750 4½% coupon North Alley assessment bonds. Denomination \$275. Date Sept. 1 1906. Interest semi-annually at the office of the Village Treasurer. Maturity \$275 yearly on Sept. 1 from 1907 to 1916 inclusive.

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Correspondence invited

**Warren County (P. O. Vicksburg), Miss.—Bond Sale.**—On Sept. 4 the \$6,600 5% 5-20-year (optional) coupon bridge bonds, a description of which was given in V. 83, p. 397, were awarded to George Anderson at 103.03 and accrued interest. The bids were as follows:

George Anderson.....	\$6,800	Willis Moore & Co.....	\$6,700
Brunel & Hirsch.....	6,720		

**Westmount, Que.—Bond Offering.**—Proposals will be received until 12 m. Sept. 10 by Wm. Minto, Secretary-Treasurer, for \$125,000 electric-light and \$150,000 drainage, road and sidewalk 4% bonds. Denomination \$1,000. Date July 3 1905. Interest semi-annually on May 1 and Nov. 1 at the Royal Bank of Canada in Montreal. Maturity May 1 1945.

**Wilson School District, Tulare County, Cal.—Bond Sale.**—The county authorities recently awarded an issue of \$3,000 7% 4-9-year (serial) school-building bonds of this district to A. H. Glasscock of Oakland at 110—a basis of about 5.171%. Denomination \$500. Date Aug. 1 1906. Interest annual.

**Wyandot County (P. O. Upper Sandusky), Ohio.—Bond Sale.**—On Sept 4 the three issues of 5% 3 1-3-year (average) road-improvement bonds aggregating \$17,000 and described in V. 83, p. 517, were awarded to the Commercial National Bank of Upper Sandusky at 103.24 and accrued interest—a basis of about 3.95%. Following are the bids:

Commercial Nat. Bank, Upper Sandusky.....	\$17,550 80	Denison & Farnsworth, Cl.	\$17,299 20
Hayden, Miller & Co., Clev.	17,387 00	W. J. Hayes & Sons, Clev.	17,297 50
R. Kleybolte & Co., Cinc.	17,382 50	Otis & Hough, Cleveland.	17,267 50
Lamprecht Bros. & Co., Cle.	17,351 00	New First National Bank, Columbus	17,175 00

**Xenia, Ohio.—Bond Sale.**—The \$49,500 4% Second Street bonds offered without success on Aug. 20 have been disposed of at private sale. See V. 83, p. 232, for description of bonds.

**Yakima County (Wash.) School District No. 81.—Bond Offering.**—Proposals will be received until 10 a. m. Sept. 22 by Lee Tittle, County Treasurer (P. O. North Yakima), for \$6,000 coupon high-school-building bonds at not exceeding 6% interest. Authority Sections 117, 118, 119, &c., of the Code of Public Instruction, Laws of 1897. Interest annually at the office of the County Treasurer. Maturity twenty years, subject to call after ten years. Bonded debt at present \$2,400. Assessed valuation for 1906 \$294,535.

**Youngstown, Ohio.—Bids.**—The following bids were received on Sept. 3 for the ten issues of 5% bonds described in V. 83, p. 458:

	\$8,490	\$9,375	\$3,650	\$2,790	\$45,450
Bresett Street paving.		Delason Avenue paving.	Wick Ave. Hill paving.	School Street paving.	Oak Hill Avenue paving.
Hoehler & Cummings, Toledo	\$8,902 50	\$9,640 75	\$3,749 50	\$2,865 50	\$46,706 50
Well, Roth & Co., Cin.	8,902 50	9,635 00			46,770 00
Hayden, Miller & Co., Cleveland	8,901 00	9,614 00			46,729 00
Brighton - German Bank, Cincinnati	8,882 50				
Sasongood & Mayer, Cincinnati	8,844 50				46,430 85
W. J. Hayes & Sons, Cleveland	8,770 00	9,540 00			46,270 00
Otis & Hough, Clev.	8,744 70	9,469 25	3,651 25	2,791 75	46,018 12
Rudolph Kleybolte & Co., Cincinnati		9,609 37			46,745 32
Lamprecht Bros. & Co., Cleveland					46,475 00
	\$9,820	\$900	\$1,128	\$730	\$375
Grant Street paving.		Superior Street sewer.	Foster St. sewer, curbing.	Foster Street grading.	Petrie Street sewer.
Hoehler & Cummings, Toledo	\$10,096 50	\$901 25	\$1,129 75	\$731 25	
Firemen's Pension Fd. Trustees, Y'gst'n		922 00		748 00	\$380 00
Well, Roth & Co., Cin.	10,090 00				
Hayden, Miller & Co., Cleveland	10,071 00				
Seasongood & Mayer, Cincinnati	10,032 25				
W. J. Hayes & Sons, Cleveland	10,000 00				
Otis & Hough, Clev.	9,919 75				
Dollar Sav. & Trust Co., Youngstown		916 29			

All the above bids include accrued interest. We are informed that the award will be made Sept. 10.

**Yuma County (P. O. Yuma), Ariz.—Bond Sale.**—On Aug. 31 the \$35,000 6% 10-20-year (optional) coupon bonds described in V. 83, p. 178, were awarded to W. J. Hayes & Sons of Cleveland at 104.168 and accrued interest. Following are the bids:

W. J. Hayes & Sons, Clev.	\$36,459	A. J. Hood & Co., Detroit	\$35,350
Farson, Son & Co., Chicago	35,650		

A bid for 4% bonds was also received from the California Standard Securities Co. Ltd. of Oakland.

MISCELLANEOUS.

OFFICE OF THE

ATLANTIC MUTUAL INSURANCE COMPANY,

New York, January 23rd, 1906.

The Trustees, in conformity with the Charter of the Company, submit the following statement of its affairs on the 31st of December 1905.

Premiums on Marine Risks from 1st January, 1905, to 31st December, 1905.....	\$2,977,854 37	
Premiums on Policies not marked off 1st January, 1905.....	616,551 57	
Total Marine Premiums.....	\$3,594,405 94	
Premiums marked off from 1st January, 1905, to 31st December, 1905.....	\$3,012,213 96	
Interest received during the year.....	\$295,738 65	
Rent, less Taxes and Expenses.....	99,338 33	\$395,076 98
Losses paid during the year which were estimated in 1904 and previous years.....	\$271,100 60	
Losses occurred, estimated and paid in 1905.....	827,295 95	\$1,098,396 55
Less Salvages.....	\$130,068 59	
Re-insurances.....	35,947 85	166,016 44
		\$932,380 11
Returns of Premiums.....		\$80,615 47
Expenses, including officers' salaries and clerks' compensation, stationery, newspapers, advertisements, &c.....		\$374,746 88
The Company has the following Assets, viz.:		
United States and State of New York Stock, City, Bank and other Securities.....	\$5,198,042 00	
Special deposits in Banks and Trust Companies.....	1,583,212 84	
Real Estate corner Wall and William Sts. and Exchange Place.....	\$4,299,000 00	
Other Real Estate and claims due the Company.....	75,000 00	4,374,000 00
Premium notes and Bills Receivable.....		1,127,674 83
Cash in the hands of European Bankers to pay losses under policies payable in foreign countries.....		175,632 33
Cash in Bank.....		257,865 62
Aggregating.....		\$12,716,427 62

A dividend of Six per cent interest on the outstanding certificates of profits will be paid to the holders thereof, or their legal representatives, on and after Tuesday the Sixth of February next. The outstanding certificates of the issue of 1900 will be redeemed and paid to the holders thereof, or their legal representatives, on and after Tuesday the Sixth of February next, from which date all interest thereon will cease. The certificates to be produced at the time of payment and canceled.

A dividend of Forty per cent is declared on the net earned premiums of the Company for the year ending 31st December, 1905, for which, upon application, certificates will be issued on and after Tuesday the First of May next.

By order of the Board,  
G. STANTON FLOYD-JONES, Secretary.

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