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The Financial Situation.

The Bank Credit Bill, which makes some decidedly radical changes in the Federal Reserve Act, has been rapidly advanced to passage the present week, having been approved by both houses of Congress and being now in conference for the adjustment of minor differences. It has been rushed through with great speed, with little time allowed for debate or discussion, especially in the House. What little discussion there has been has been mainly to urge the need of speedy action. While there has been at no time any indication of serious opposition to the measure, there has yet been a disposition, on the part of its proponents, to rush it through to conclusion without loss of time, the frame of mind being not to let anything stand in the way of the quick attainment of this object. At all stages of the proceedings, the determination to override has been ever present, in committee meetings or the proceedings of the two houses of Congress.

One picturesque illustration of the spirit referred to is seen in a statement made by the Washington correspondent of the New York "Times," writing under date of Feb. 12 (Lincoln's Birthday) when he said: "Mr. Dawes asked for a short executive meeting of the committee, and behind closed doors banged on the table, waved his arms and in truly 'hell-'n-Maria Dawes' language acquainted the Representatives with the tensivity of the present business situation." Similar evidence of a desire to proceed with the utmost speed and without regard for anything else is seen in the account of the passage of the measure through the House of Representatives. This account read: "Overriding every parliamentary obstacle in the interest of a measure designed to spur business recovery, the House to-day suspended its rules and passed by the overwhelming vote of 350 to

15 the Steagall-Glass bill providing for extension of the services of the Federal Reserve banks. The measure was acted upon under the most drastic procedure known to Congress, and passage came after a debate of only three hours. The bill will be sent to the Senate to-morrow, where plans were being made to call it up for action before another day had passed." All this is important only as showing that the governing consideration was to put some kind of a law upon the statute book intended to provide relief without much regard as to whether the measure was calculated to furnish the relief sought or was more likely to do harm rather than good because of the violation of sound banking principles.

It is a striking fact that hardly any two persons are agreed as to how this remarkable measure for amending the Federal Reserve law is going to work or precisely how it is to be interpreted and what it really means. One of the advocates of the bill says it means inflation, another says it means nothing of the kind. Those who admit that there will be inflation say that only through inflation can further deflation be arrested and a check put to a further decline in market values of commodities and of other things. There is common accord only as to one thing, namely, that an emergency or exigency exists for Congress to deal with in some way or provide the means for so doing. There is no common agreement as to the nature of the emergency. On the one hand we are told that the amendments to the Reserve Act are meant to combat hoarding; on the other, that they are for the purpose of warding off foreign raids on our gold. We are also told that the trouble is that many member banks are unable to avail of the facilities of the Federal Reserve banks. From the one direction we hear that the banks cannot borrow, from the other that they will not borrow.

It is stoutly affirmed the member banks have exhausted their eligible paper and hence that new supplies of eligible collateral must be provided, such as United States Government obligations, while others contend that immense masses of eligible paper exist and back up their arguments with elaborate statistics calculated to support the claim. Thus everything is more or less in a haze and the conflict of views serves seriously to complicate the situation. Latterly there has also been considerable misgiving as to whether the amendments to be made will in the end really prove beneficial—whether the effect may not be to undermine the security and stability of the Federal Reserve System. Everyone derives considerable satisfaction from the fact that Carter Glass is giving his endorsement to the amendments, but Mr. Glass himself is in doubt as to their need if not their wisdom. Mr. Glass, in discussing the amendments before the Senate on Wednesday, submitted carefully prepared statements to show that "the Federal

Reserve member banks have in their portfolios eligible paper which would not only absorb the \$4,000,000,000 which the Federal Reserve banks might loan, but four billion and a half dollars more in their portfolios.

"Note these figures: \$2,997,167,000 of quick commercial paper, within \$3,000,000 of \$3,000,000,000 of commercial assets. In addition to that, they have on hand \$5,564,461,000 of United States securities eligible and usable for rediscount purposes. The 12 Federal Reserve banks, therefore, have usable paper to the immense volume of \$8,561,628,000 which may be used for rediscount purposes." Senator Glass gave figures to show that the Federal Reserve member banks have \$8,561,648,000 of eligible assets, and have rediscounted only \$465,711,000. Senator Glass also asserted that only 91 banks out of the 7,600 in the Federal Reserve System have actually exhausted their eligible assets.

The situation, Mr. Glass averred, did not greatly impress him with the need of broadening the rediscount base for eligible commercial paper, but, nevertheless, he prepared the section of the bill allowing use of new ineligible paper, after the acceptable assets have been used up. "The trouble is that the banking community of the country is frightened to death," he said. "The banks have ceased to function. They have discarded the ideas, without warrant, that the Federal Reserve System was intended for a situation like this. They do not seem to realize that they can and should get this accommodation. But it is not within the province of Congress to compel a bank to borrow money if it will not borrow money. The chief psychological advantage of this measure—and it is perhaps a valuable psychological advantage—is that it gives assurance to these frightened and timid bankers throughout the country that if they will only respond to the requirements of commerce, if they will only help in relieving themselves and the country from this depression and in doing so exhaust their eligible assets, then and only then may they make use of their ineligible assets."

In view of all this it behooves the careful student not to speak with undue confidence as to the possible results. It cannot be denied, however, that the measure contains objectionable features, some of them not unlikely to work mischief. One of the changes made is that United States obligations are made part security for Federal Reserve note issues. These note issues require a gold backing of 40%, and the amendments make no change in that respect, but the other 60% may under the change now made consist of United States Government obligations where, before, only commercial paper could be so used. This means a return to the system under which National bank circulation is issued, and to that extent this provision is plainly a step backward, the only difference being that the Reserve banks will be putting out the currency thus secured instead of the National banks. During the war the utmost care was taken not to endow any of the different Liberty loan issues with the circulation privilege. Now they stand forth full-fledged as collateral for note issues.

When the Reserve banks were established it was supposed we had got rid of that kind of note issues, and, indeed, the Reserve Act had a provision, which never was made effective, by which the National bank circulation was ultimately to be retired. Mr. Steagall, the Chairman of the House Banking Committee, in a report made public last Saturday, in discussing

the purport of the amendments said that this "provision of the bill simply attempts to carry out the original purpose of the Federal Reserve Law, which requires only 40% of gold to be maintained, in addition to collateral eligible as a basis for Federal Reserve notes." He said "it was never contemplated that more than 40% of gold should be required in support of Federal Reserve notes. The substitution of Government obligations for commercial paper simply carries out the policy expressed in the original Federal Reserve Act." In this Mr. Steagall entirely overlooks the fact that in its original form the Reserve Act not only made commercial paper the sole collateral behind the Reserve note, but required full 100% of such collateral. The 40% gold reserve was *in addition*. The 40% gold was meant as a further margin of safety. The war amendments of 1917 changed all this. By now substituting United States obligations for commercial paper another step in the wrong direction and away from sound banking principles is taken.

We know that authority for the substitution is limited to a single year, but there is no assurance that this provision will not then be extended indefinitely. Ogden L. Mills, the new Secretary of the Treasury, could argue very plausibly on that point, and in the event of the re-election of Mr. Hoover and the choosing of a new Congress he might easily have his way. As a matter of fact, in his testimony before the House Committee on Saturday last, although advocating passage of the amendments as an emergency act, he took pains to tell the Committee that the bill might well be made a permanent part of the Federal Reserve structure. Newspaper accounts say "he was speaking with particular reference to the provision which would allow Government securities to be substituted for gold above the 40% reserve required as a basis for currency." There is only too much reason to fear that the present one-year limit may prove merely the entering wedge.

On the point as to whether there is to be inflation, as a result of this provision of the amendments, it might well be asked how did the Reserve banks get in the condition where they find themselves all at once under the necessity of asking authority to use United States obligations as part collateral for further issues of Federal Reserve notes. We know the ready answer will be that France last autumn, with other Central banks, withdrew some \$750,000,000 to \$800,000,000 of gold, and is now again engaged in making large further withdrawals of the metal, but this answer covers only part of the story. Despite the heavy gold withdrawals, including all those up to date, the gold reserves of the 12 Reserve institutions are only \$141,000,000 smaller than they were a year ago, the total of such reserves on Feb. 17 1932 being \$2,943,586,000 as against \$3,084,408,000 Feb. 18 1931. The truth is the Federal Reserve banks have been adding enormously to their holdings of United States Government obligations during the last two years and are now carrying close to \$750,000,000 of them, the exact total the present week being \$741,342,000. At the same time they have put into circulation almost 1¼ billion dollars more of Federal Reserve notes during the last 12 months, the total of these Reserve notes in actual circulation being reported at \$2,656,941,000 Feb. 17 as compared with only \$1,449,756,000 on Feb. 18 last year. The volume of Reserve notes having been so greatly expanded they have now reached the limit, or virtually the

limit, and, accordingly, find themselves under the necessity of having the limit extended.

The other amendments consist chiefly of provisions giving member banks not in possession of eligible assets access to the credit facilities of the Federal Reserve banks. These provisions are very broad and open the doors wide for borrowing on the part of certain classes of member banks. One of these relates to group borrowing and which has been given the designation of clearing house certificates by Mark Sullivan, the well known newspaper correspondent. This constitutes Section 10 (A) which has been inserted as a new section between Sections 10 and 11 of the Reserve law. We quote the salient parts of the new section as follows:

"Section 10 (A). Upon receiving the consent of not less than a majority of the Federal Reserve Board, any Federal Reserve bank may make advances for a period not exceeding one year from the date of the approval of this Act, in such amount as the Board of Directors of such Federal Reserve bank may determine to groups of five or more independently owned and controlled member banks within its district upon their time or demand promissory notes: *Provided*, That such banks have no adequate amount of eligible and acceptable assets to obtain sufficient accommodation through rediscounting at the Federal Reserve bank. The liability of the individual banks in each group must be limited to such proportion of the total amount advanced to such group as the deposit liability of the respective banks bears to the aggregate deposit liability of all banks in such group. Such banks shall be authorized to distribute the proceeds of such loans to such of their number and in such amount as they may agree upon, but before so doing they shall request such recipient banks to deposit with a suitable trustee, representing the entire group, their individual notes made in favor of the group protected by such collateral security as may be agreed upon. Any Federal Reserve bank making such advance shall charge interest or discount thereon at a rate not less than 1% above its discount rate in effect at the time of making such advance. No such note upon which advances are made by a Federal Reserve bank under this section shall be eligible under Section 16 of this Act as collateral security for Federal Reserve notes.

"No obligations of any foreign government, individual, partnership, association or corporation organized under the laws thereof shall be eligible as collateral security for advances under this section.

"Member banks are authorized to obligate themselves in accordance with the provisions of this section."

Carter Glass wanted to limit such group loans to banks with a capital of \$500,000 or less, but was induced to raise the limit so as to include banks with a capital of \$2,000,000 or less. The latitude here given as to eligible collateral is of the widest description. It should be noted that it simply provides that the individual notes of the banks included in the group are to be "protected by such collateral security as may be agreed upon."

Another new section added as an amendment to the Federal Reserve Law is Section 10 (B). This reads as below, and deals with advances to individual member banks and also allows advances on undefined collateral. The provision in that case is simply that "The Federal Reserve Board may by regulation limit and define the classes of assets which may be accepted as security for advances under authority of this section":

"Section 10 (B). In exceptional and exigent circumstances and for a period not exceeding two years from the date of the approval of this Act and when any member bank has no further eligible and acceptable assets available to enable it to obtain adequate credit accommodations from the Federal Reserve bank through rediscounting or any other method provided by this Act other than that provided by Section 10 (A), any Federal Reserve bank, pursuant to affirmative action by not less than a majority of the Federal

Reserve Board, may make advances to such member bank on its time or demand promissory notes secured to the satisfaction of such Federal Reserve bank: *Provided*, That (1) each such note shall bear interest at a rate not less than 1% per annum higher than the highest discount rate in effect at such Federal Reserve bank on the date of such note; (2) the Federal Reserve Board may by regulation limit and define the classes of assets which may be accepted as security for advances made under authority of this section; and (3) no note accepted for any such advance shall be eligible as collateral security for Federal Reserve notes.

"No obligations of any foreign government, individual, partnership, association, or corporation organized under the laws thereof shall be eligible as collateral security for advances under this section."

In this last instance, it will be observed, authority to make the advances named in exceptional cases is expressly limited to "a period not exceeding two years." Originally the limit was only a year. The Senate yesterday increased this to two years. In the case of the group loans there was originally no limit at all, but it is now a year. It seems to carry much menace and fortunately it is not to be a permanent fixture of the Reserve Act. It puts no limit or restraint upon the kind and character of assets. It is to be presumed that the discretion granted will be wisely used, but that does not mean that judgment may not be faulty. During the whole of the period leading up to the stock market crash in the autumn of 1929 the judgment of the Reserve authorities was notoriously faulty, it is now generally admitted, and their judgment has been no less faulty in the period of depression since the breakdown in 1929. No defense can be made of the Reserve policy which reduced rediscount rates in the New York Federal Reserve District to only 1½% per annum and cut the buying rate for acceptances to a basis of merely 1% per annum. The effect of these abnormally low rates was to make it impossible for many member banks to operate at a profit and possibly some banks may have been forced out of business on that account.

Making loans to the member banks secured by collateral the character of which it is left to the Reserve authorities to define will introduce a new element of danger, namely, the possibility of losses in liquidating the assets which, however carefully selected, it would seem will always be slow assets, otherwise the banks would not be obliged to proceed to such roundabout methods for securing accommodation at the Reserve institutions. Senator Glass seems to have had some such thought in mind in his remarks before the Senate on Wednesday when, in discussing the stipulation regarding group loans that the members of the group must divest themselves of all eligible paper before using the new ineligible assets he said he "did not entertain for a moment the idea that the banks might retain their eligible paper in their portfolios and unload on the Federal Reserve bank their cats and dogs, their ships and whetstones, their utterly unliquid and in many, if not in most, instances worthless assets." One would have supposed that loaning on assets such as the group banks are likely to have when in trouble would have been confined to the Reconstruction Finance Corporation where some losses will be difficult to avoid but where the Government will have to be prepared to take the loss. Clearly they should not come within the category of loans permitted to the Federal Reserve banks. Their damning character does not appear to be generally recognized.

Corporate dividend reductions and suspensions have been unusually numerous and important the present week. Foremost among the omissions must be mentioned that of the Southern Pacific Co. There was considerable discussion and uncertainty as to what action this company would take on the dividend question, in view of the tremendous losses in its earnings and income which it has sustained. On Jan. 2 the company made a quarterly payment of \$1 a share, as against quarterly dividends of \$1.50 a share from Oct. 1 1907 to and including Oct. 1 1931. On Wednesday of this week the directors decided to postpone consideration of further dividend declarations until the regular meeting of the Board in May. As a result, the stock opened Thursday morning 8 points off from the close the previous day—that is, opened at 26 against the close the previous day of 34. The Maine Central RR. passed the quar. div. of $1\frac{1}{4}\%$ due Mar. 1 on its 5% cum. non-voting pref. stock. The International Nickel Co. on Feb. 15 voted to omit the quarterly dividend usually payable about March 31 on the common stock. The Kennecott Copper Corp., the Nevada Consolidated Copper Co. both suspended quarterly dividends on their stock, as did the Utah Copper Co. on its common stock. The Virginia Carolina Chemical Corp. omitted the quarterly dividend of $1\frac{3}{4}\%$ due March 1 on its 7% cum. red. prior pref. stock, and the Crane Co. decided to omit the quarterly dividend ordinarily payable about March 15 on the common stock. The Bangor & Aroostook made its quarterly on common 50c. a share, thus placing the stock on a \$2 annual dividend basis as compared with \$3.50 paid previously. The International Cement Corp. reduced its quarterly dividend on common from 75c. a share to 50c. a share, after having reduced it on Dec. 31 from \$1 a share to 75c.

The International Salt Co. reduced its quarterly declaration on common from 75c. a share to 50c. The International Silver Co. reduced its quarterly distribution on the 7% cum. pref. stock from \$1.75 a share to \$1. The Texas Gulf Sulphur Co. reduced the quarterly dividend on common from 75c. to 50c. The Marine Midland Corp. reduced the quarterly dividend on common from 30c. a share to 20c. The Mergenthaler Linotype Co. reduced the quarterly dividend on common from \$1.50 a share to 75c. a share. The Raybestos-Manhattan, Inc., reduced its quarterly dividend on common from 40c. a share to 25c. a share. The United States Envelope Co. cut its semi-annual dividend on common from \$4 a share to \$2, and the Engineers' Public Service Co. declared only 35c. a share on its common against 40c. a share on Jan. 2 1932; 50c. a share on Oct. 1 1931, and on July 1 1931, previous to which this stock was on an annual dividend basis of \$2.40 a share. The Texas Corp. cut its dividend from 50c. a share to 25c. The International Harvester Co. dropped the quarterly dividend on common from $62\frac{1}{2}$ c. a share to 45c. a share, and the Consolidated RRs. of Cuba reduced the quarterly dividend on the 6% cum. pref. stock \$1.50 a share to 50c. a share.

Whatever may be the effect of the bank credit bill now to be put on the statute book on the future operations of the Federal Reserve System, in the way of extending new credit, there is no indication of any change in the returns submitted the present week. Holdings of acceptances purchased in the open market by the 12 Reserve institutions decreased from \$169,391,000 to \$146,382,000 during the week, but the

discount holdings have risen from \$819,435,000 to \$845,781,000. The holdings of United States Government obligations have remained virtually unchanged for the 12 Reserve banks as a whole, the amount this week being reported at \$741,342,000 against \$741,434,000 last week. Other securities (mainly intermediate credit loans) are also somewhat lower, standing at \$29,995,000 against \$33,451,000 a week ago.

The final result is that the grand total of the bill and security holdings is almost identical with that of a week ago, the amount Feb. 17 being reported at \$1,763,500,000 and that of last week at \$1,763,711,000. Gold reserves have been reduced somewhat as a result of the renewed outflow of the metal and are reported at \$2,943,586,000 Feb. 17 as against \$2,967,218,000 on Feb. 10. The amount of Federal Reserve notes in circulation is somewhat lower at \$2,656,941,000 against \$2,661,959,000. The ratio of reserves to deposits and Federal Reserve note liabilities combined stands at 67.4% this week against 67.6% last week. Holdings of acceptances for account of foreign banks are somewhat lower the same as the holdings of the Reserve Banks for their own account. The change, however, is not important, the amount on Feb. 17 being \$315,348,000 as compared with \$319,294,000 on Feb. 10. Foreign bank deposits with the Reserve institutions have also further decreased during the week and are now \$38,848,000 against \$46,582,000 last week.

The foreign trade of the United States for January was again very much reduced. Not in many years has the value of both exports and imports of merchandise been so low as it was for that month in this year. Exports amounted to only \$150,000,000. These figures compare with \$183,577,000 for December, which amount was close to the low point for any preceding month back to the pre-war period. It also compares with \$249,598,000 for January a year ago. The decline from January of last year was \$99,598,000, equivalent to a loss of 39.9%. This reduction was somewhat greater than has appeared for some of the recent preceding months in 1931. Likewise, as to merchandise imports for January, the value this year was \$136,000,000 as compared with \$183,148,000 in January of last year, a decline of \$47,148,000, or 25.8%.

Both exports and imports of merchandise have shown an almost constant decline each month now for more than two years. Exports in January 1930, two years ago, were valued at \$410,849,000, or nearly three times the value of exports for January of this year. During the same period merchandise imports have declined so that they are only a little over one-third of what they were two years ago. A considerable part of this loss represents the dollar reduction, due to much lower prices prevailing now, but quantities also have been much lower. The balance of trade for January continued on the export side, but for a smaller amount. Exports last month were \$14,000,000 in excess of imports against \$30,691,000 excess in December and \$66,450,000, the latter the exports trade balance in January a year ago.

For the seven months of the current fiscal year, beginning with July last, the total value of merchandise exports was \$1,257,756,000 against \$2,017,061,000 for the same time in the preceding year, a decrease of \$759,305,000, or 37.6%. Imports in the same period of this year were \$1,118,598,000 against

\$1,508,071,000 a year ago, a reduction this year of \$389,473,000, or 34.8%. The balance of trade for these seven months this year was on the export side for \$139,158,000 against an export trade balance a year ago for \$508,990,000.

For the fourth consecutive month cotton exports in January were quite high. The total was 932,809 bales against only 537,607 bales in January of last year. The value, too, was higher this year than it was a year ago, amounting to \$35,981,400 against \$31,198,000 in January 1931. There was a marked decline in cotton prices in the early part of last year, whereas this year the market has been quite steady. The increase in cotton exports last month naturally indicates a greater decline in the value of all other exports than cotton, than appears in the total shown above. In like manner the export statement for the past seven months was unfavorably affected, but to nothing like the same extent. Cotton exports for the seven months ending with January were 5,281,700 bales against 4,693,276 bales for the same time in the preceding year. The value, however, continues very much less, amounting for the past seven months to \$213,627,800 against \$307,335,000, a reduction of 30.5%.

Exports of gold last month were again very heavy, amounting to \$107,863,000. These figures compare with only \$54,000 in January of last year. Imports of gold last month were \$32,905,000 against \$34,426,000 a year ago, the net exports for the month being \$74,958,000. For the seven months ending with January, gold exports have been \$573,869,000 against \$106,359,000 last year, and gold imports \$405,083,000 compared with \$198,281,000 in January 1931. The excess of exports for the seven months was \$168,786,000 against an excess of imports of \$91,922,000 in the preceding year. Nearly \$506,500,000 in gold was exported in the two months of January and October last. The silver movement last month continued very much reduced, exports amounting to only \$1,611,000 and imports to \$2,097,000.

Insolvencies in January were very numerous and the liabilities were in excess of those of January last year, for which the total was at the top. The records of R. G. Dun & Co. show 3,458 business failures in the United States last month, with a total indebtedness of \$96,860,205. These figures compare with 3,316 similar defaults a year ago, involving \$94,608,212. All three classes into which the report is separated show an increase in number, but the increase in liabilities was wholly in the divisions embracing the trading sections and agents and brokers. There were 688 failures last month in manufacturing lines for \$31,679,673; 2,595 trading failures involving \$54,504,792, and 175 of agents and brokers for \$10,675,740 of indebtedness. These figures compare with 611 manufacturing defaults in January a year ago for a total of \$47,632,817 of liabilities; 2,541 trading failures involving \$43,070,912 of indebtedness, 164 in the third division for \$3,904,483.

There was one failure in the manufacturing division in January a year ago for more than \$20,000,000, which raised the total liabilities for that month unusually high. Otherwise these figures for the manufacturing division for last month would have exceeded those of a year ago. Thirteen of the fourteen leading classifications in manufacturing show an increase this year. The most notable includes

the lumber manufacturing section, machinery lines, iron foundries, clothing, printing and engraving, milling and bakers, and leather lines and shoes. Some large failures added materially to the indebtedness reported by some of these classes.

Regarding failures in the trading section there was quite an increase last month, both in the number and liabilities for several divisions. The class embracing dealers in clothing leads all the others. In the grocery line failures were also much higher, and there was quite an increase among hotels and restaurants; also, in the jewelry division, while for drugs the figures were higher. On the other hand, failures among general stores were reduced, likewise for dry goods, shoes and leather goods, furniture and hardware. More than 80% of the total trading failures are included in these separate classifications. In the brokerage class are included some large security and investment organizations, which have contributed materially to the indebtedness.

The large failures in January this year were very numerous. There were 156 defaults in that month for which the liabilities in each instance was \$100,000 or more, the total for the latter being \$47,947,642. This amount was nearly one-half the total indebtedness for all failures in that month. There were 67 large manufacturing failures; 66 trading defaults, and 23 in the brokerage class. The liabilities for the first two divisions were in both instances slightly in excess of \$19,000,000, and for the third class \$8,850,000.

The stock market this week has been quite buoyant and has enjoyed a sharp rise. This has been on the benefits expected from the Glass-Steagall credit expansion bill which has been rushed through the two houses of Congress with great speed and energy. After the sharp advance enjoyed on Thursday of last week, on the introduction of this measure, the market experienced further advances at the half-day session on Saturday, these running all the way from 2 to 20 points. Activity on that half-day session was on an enormous scale, the day's transactions aggregating for the two hours 2,626,200 shares, the largest volume of sales for a Saturday half-day session since May 3 1930, when 4,867,530 shares were dealt in. The upward movement was carried still further on Monday, but with some reaction before the close of the day. On Tuesday, the upward surge to new highs for the year was resumed after an uncertain start, but with the further strength in the bond market an encouraging feature. On Wednesday there was a reaction all around with the speculative specialties off from 1 to 5 points. After the close of business that day, announcement came of the passing of the dividend on Southern Pacific common. This had the effect of causing a big break in that stock, on Thursday morning, the opening price being 26 against 34 the close on Wednesday. This dealt a severe blow to the whole list, but especially to the railroad shares. Quick recovery, however, ensued on news that the Bank of England had reduced its discount rate from 6% to 5%, and two of the Scandinavian banks which generally move in unison with the sterling rate had reduced their bank rates from 6% to 5½%. Gold exports continued on a large scale, but the foreign exchanges which in the early part of the week had been strong and higher, thus affording a basis for the outward flow of the metal showed a slightly easier tendency. Dividend reductions and omissions were

more than ordinarily numerous and important, but have been set out at length further above in this article.

Business showed no change for the better, and the steel mills of the country were employed to only 27% of capacity against 28% the previous week. The price of copper stiffened a mere trifle, but several more of the copper companies passed off the dividend basis. No less than 249 stocks established new high prices for the year during the week, while 53 stocks touch new low figures for the year. The call loan rate on the Stock Exchange again ruled unchanged all through the week at 2½%. The action of the New York Stock Exchange announced Thursday night that beginning April 1 all members of the Stock Exchange would be required to obtain the express consent of customers before their stock could be loaned out to those who had sold short, being in the nature of a restriction on short selling, exercised a tremendous influence on speculation on Friday, notwithstanding that customers have long been obliged to sign agreements permitting brokers to lend securities purchased on margin, the only innovation being that now brokers must obtain separate authorization in writing, permitting the lending of the securities carried by the broker on their account. In San Francisco, after the close of the New York market on Thursday, and in London before the opening of the New York market on Friday, there were indications that a rush to cover would be made on the opening of the New York market, and this is precisely what happened, the active stocks advancing 2@7 points. Later in the day, however, there was some reaction from the best prices of the day. As indicating the extent of the rise in the stock market during the week in the case of some of the active specialties we introduce the table which follows. In this a comparison is made between the closing prices of last Thursday (before the Lincoln Day holiday on Friday) and the closing prices yesterday with the high points touched in the interval by the different stocks:

	Closing Sale Price Wed. Feb. 10.	High Since Feb. 10.	Closing Sale Price Feb. 19.
<i>Railroads—</i>			
Ach. Topeka & Santa Fe.	72¾	90 Feb. 13	87
N. Y. Central	25¼	33¾ Feb. 19	31¾
Southern Pacific	28½	37¼ Feb. 17	28¾
Union Pacific	69¾	94½ Feb. 13	89
<i>Indus. & Miscell.—</i>			
Allied Chemical & Dye	63½	83½ Feb. 19	80¼
American Can	57	73¾ Feb. 19	71½
American Telep. & Teleg.	111½	137¾ Feb. 19	133
Auburn Automobile	93	128½ Feb. 19	118½
Case Threshing Machine	26¾	41½ Feb. 19	38¼
Chrysler Corp.	10¾	13½ Feb. 13	13
Consolidated Gas (N. Y.)	54½	65¾ Feb. 19	63¾
Eastman Kodak	69½	84¾ Feb. 19	80
E. I. du Pont de Nemours	46¾	59¾ Feb. 19	58
General Electric	17¾	24½ Feb. 13	22½
General Motors	20½	24½ Feb. 19	23½
Gillette Safety Razor	14	19¾ Feb. 19	18½
Inter. Business Machines	93½	110¾ Feb. 19	108
Internat. Tel. & Tel.	8½	12¼ Feb. 19	11½
North American Co.	29½	40 Feb. 19	38
Radio Corp. of America	7¼	10½ Feb. 19	10
United States Steel	38½	52½ Feb. 19	50½
Westinghouse Elec. & Mfg	23¾	35¾ Feb. 19	33½
Woolworth (F. W.) Co.	37¾	44½ Feb. 13	44

Trading was exceptionally heavy in the excitement at the half-day session last Saturday, and also in the early days of the present week, but tapered off as the week came to a close. At the half-day session on Saturday last the sales on the New York Stock Exchange were 2,626,000 shares; on Monday they were 1,976,164 shares; on Tuesday, 2,502,180 shares; on

Wednesday, 2,185,798 shares; on Thursday, 1,681,935 shares, and on Friday, 2,430,612 shares. On the New York Curb Exchange the sales last Saturday were 295,715 shares; on Monday, 262,785 shares; on Tuesday, 248,723 shares; on Wednesday, 237,735 shares; on Thursday, 139,776 shares, and on Friday, 250,965 shares.

As compared with Thursday of last week (Friday of last week having been a holiday), prices show very substantial advances. General Electric closed yesterday at 22½ against 20¾ on Thursday of last week; North American at 38 against 33¼; Pacific Gas & Elec. at 36¾ against 34½; Standard Gas & Elec. at 31½ against 28¾; Consolidated Gas of N. Y. at 63¾ against 58½; Columbia Gas & Elec. at 14½ against 13¾; Brooklyn Union Gas at 85 against 75 bid; Elec. Power & Light at 13¼ against 12¾; Public Service of N. J. at 57¼ against 51¾; International Harvester at 24½ against 24½; J. I. Case Threshing Machine at 38½ against 31½; Sears, Roebuck & Co. at 34¼ against 32; Montgomery Ward & Co. at 9½ against 8½; Woolworth at 44 against 41¼; Safeway Stores at 50 against 47¾; Western Union Telegraph at 47½ against 38½; American Tel. & Tel. at 133 against 118¼; Int. Tel. & Tel. at 11½ against 9¼; American Can at 71½ against 62¾; United States Industrial Alcohol at 27¾ against 24; Commercial Solvents at 9½ against 8½; Shattuck & Co. at 107½ against 8¼ bid, and Corn Products at 44¾ against 42.

Allied Chemical & Dye closed yesterday at 80¼ against 69¼ on Thursday of last week; E. I. du Pont de Nemours at 58 against 52½; National Cash Register at 10 against 9; International Nickel at 8½ against 8¾; Timken Roller Bearing at 21 ex-div. against 20½; Mack Trucks at 15 against 14; Yellow Truck & Coach at 4 against 3¾; Johns-Manville at 24¾ against 20¾; Gillette Safety Razor at 18½ against 16½; National Dairy Products at 27¼ against 24¾; Associated Dry Goods at 6½ against 6; Texas Gulf Sulphur at 24¾ against 23¾; American & Foreign Power at 7¾ against 7½; General American Tank Car at 33¾ against 31; United Gas Improvement at 20½ against 19¾; National Biscuit at 44¾ against 42¼; Coca Cola at 117¾ against 108¼; Continental Can at 38¼ against 36; Eastman Kodak at 80 against 72¾; Gold Dust Corp. at 17¾ against 17; Standard Brands at 12¾ against 12½; Paramount Publix Corp. at 9½ against 9; Kreuger & Toll at 8½ against 7½; Westinghouse Elec. & Mfg. at 33½ against 26½; Drug, Inc., at 54 against 52¾; Columbian Carbon at 36¾ against 32½; American Tobacco at 79¾ against 73½; Liggett & Myers class B at 59 against 56½; Reynolds Tobacco class B at 38 against 36½; Lorillard at 14½ against 14¼, and Tobacco Products class A at 9½ against 8¾.

The steel shares, especially United States Steel, were quite prominent in the rise. United States Steel closed yesterday at 50½ against 43¾ on Thursday of last week; Bethlehem Steel at 22¾ against 19; Vanadium at 17¾ against 14½, and Republic Iron & Steel at 6 against 5¾. In the auto group Auburn Auto closed yesterday at 118¼ against 109¾ on Thursday of last week; General Motors at 23½ against 21½; Chrysler at 13 against 12½; Nash Motors at 17½ against 17; Packard Motors at 4 against 3¾; Hudson Motor Car at 9 against 8¾, and Hupp Motors at 4½ against 4½. In the rubber group Goodyear Tire & Rubber closed yesterday at 16¼ against 15¼ on Thursday of last week; B. F. Good-

rich at $4\frac{3}{8}$ against 4; United States Rubber at 5 against $3\frac{7}{8}$, and the preferred at $9\frac{1}{2}$ against 8.

The railroad shares, except Southern Pacific, have shared in the upward movement. Pennsylvania RR. closed yesterday at $20\frac{3}{4}$ against $20\frac{1}{4}$ on Thursday of last week; Atchison Topeka & Santa Fe at 87 against $77\frac{1}{2}$; Atlantic Coast Line at $30\frac{1}{2}$ against 30; Chicago Rock Island & Pacific at 12 against $11\frac{1}{2}$; New York Central at $31\frac{3}{4}$ against $28\frac{1}{4}$; Baltimore & Ohio at 18 against 17; New Haven at $27\frac{1}{4}$ against $25\frac{7}{8}$; Union Pacific at 89 against 76; Southern Pacific at $28\frac{3}{4}$ against $31\frac{3}{4}$; Missouri Pacific at 9 against $8\frac{1}{2}$; Missouri-Kansas-Texas at 6 against 6; Southern Railway at $11\frac{1}{2}$ against 10; Chesapeake & Ohio at 25 against $23\frac{1}{2}$; Northern Pacific at $20\frac{3}{8}$ against $19\frac{1}{2}$, and Great Northern at 21 against 19.

The oil shares followed the upward movement rather tardily. Standard Oil of N. J. closed yesterday at $29\frac{1}{8}$ against $27\frac{7}{8}$ on Thursday of last week; Standard Oil of Calif. at $25\frac{1}{4}$ against $25\frac{1}{4}$; Atlantic Refining at $10\frac{1}{2}$ against $9\frac{1}{2}$; Freeport Texas at 19 against $17\frac{3}{4}$; Sinclair Oil at $5\frac{5}{8}$ against $5\frac{3}{8}$; Texas Corp. at $11\frac{3}{4}$ against $11\frac{5}{8}$; Phillips Petroleum at $4\frac{3}{4}$ against $4\frac{1}{2}$, and Pure Oil at $4\frac{3}{4}$ against $4\frac{1}{2}$.

The copper stocks have also been laggards. Anaconda Copper closed yesterday at $10\frac{3}{8}$ against $9\frac{5}{8}$ on Thursday of last week; Kennecott Copper at $10\frac{1}{8}$ against $10\frac{3}{4}$; Calumet & Hecla at 3 bid against 3; American Smelting & Refining at $16\frac{1}{8}$ against $14\frac{7}{8}$; Phelps Dodge at $6\frac{5}{8}$ bid against 7, and Cerro de Pasco Copper at $11\frac{3}{4}$ against $11\frac{1}{2}$.

Price movements on the Stock Exchanges in the important European financial centers were generally favorable this week, as there were a number of developments which were regarded as distinctly constructive. Foremost among these was the reduction of the Bank of England discount rate, Thursday, from 6 to 5%, and the simultaneous announcements in Sweden and Norway that the discount charges of the central banks in these countries will be lowered from 6 to $5\frac{1}{2}$ %. The action by the directors of the Bank of England was construed in London as evidence that the worst of Britain's financial and economic depression is over. On the Stock Exchange the news was greeted with an instant rush for securities. Some satisfaction also was occasioned in London by the efforts at Washington to induce credit expansion in the United States, but comment on this development was restrained. The Paris market was frankly nervous regarding the measures. The reports of a generally favorable trend of securities prices on the New York markets were, nevertheless, a decidedly good influence at London and Paris.

Noteworthy, also, was the announcement at Berlin, Thursday, that trading on the Boerse in that center and on other German Stock Exchanges will be resumed Feb. 25 under certain restrictions. All German exchanges were closed by order of the Government on Sept. 20, last, so that trading has been suspended for the period of five months. In accordance with a ruling of the Reich Government, the Prussian Ministry of Trade issued an official permit, Wednesday, for the resumption of dealings. It was stipulated that prices must not be quoted "officially," and that banks and bankers are not to engage in compulsory selling of securities hypothecated with them, except by the special consent of the Ministry of Trade. No price lists are to be supplied to newspapers. The restrictions are designed to protect

prices to a certain extent, and thus enable the exchanges to make a comparatively smooth start in dealings, dispatches said. It was announced at Athens, Wednesday, that the Bourse there would resume operations the following day, but only in securities listed on foreign exchanges. The Athens exchange has been closed for three months.

A cheerful tone prevailed on the London Stock Exchange at the opening Monday, chiefly on the basis of exceptionally hopeful week-end reports from New York. International stocks attracted most attention, and prices were marked sharply higher to bring them in line with New York figures. British funds improved, and industrial stocks also showed sizable gains. The volume of business was greater than in most previous sessions. Tuesday's market in London was subdued, owing to the abrupt change in the reports from New York. International issues lost some of their earlier gains, and British funds also receded. British industrial stocks turned quite dull. Renewal of the New York advance, reported in overnight dispatches, caused a better tone Wednesday at London. Anglo-American trading favorites were again advanced. British funds were stimulated by good revenue returns of the Government, but home rails and industrial stocks were quiet. Early irregularity, Thursday, quickly gave way to a pronounced upswing in quotations after announcement of the bank rate reduction. An immediate rush for British Government securities followed, and sharp gains were registered. Industrial stocks and home rail issues also responded to the better sentiment, while international issues joined in the movement. The upward trend was continued in dealings at London yesterday.

Prices on the Paris Bourse moved sharply higher as trading began Monday, with the excellent week-end reports from New York the most important factor. Leading stocks made substantial gains, despite the uncertainty that loomed in the internal political situation. The mid-month settlement was easily effected, with money at $\frac{1}{8}$ to 1%. The trend Tuesday was uncertain, but changes were small and important stocks finished about on a level with the previous closing quotations. After a weak start the tone improved, only to give way again to a downward movement toward the end. Movements Wednesday were irregular, French securities receding to a modest degree on account of the Cabinet crisis. International securities were favored, however, and sharp gains were recorded. Prices were firm in Thursday's dealings until near the close, when a reaction set in. French securities recovered most of the losses of the previous session, but international issues were in ample supply and there were sizable recessions in a few stocks. The reduction of the Bank of England rate failed to influence the market, which closed on a weak note. Prices on the Bourse were sharply better yesterday in almost all departments.

Fighting between Japanese and Chinese forces along the 15-mile line from Shanghai to the Woosung forts was carried on intermittently this week, with the basic positions of the contending armies still unchanged. There were several long periods during which the military activities almost came to a complete halt, plainly as a result of the determined efforts made not only by neutral diplomatists but by the Chinese and Japanese themselves, to arrange a peaceful solution of the distressing affair. Such efforts,

unfortunately, do not appear to have been successful, as a further "ultimatum" has been issued by the Japanese demanding that Chinese forces withdraw to a distance of more than 12 miles from Shanghai by this (Saturday) evening. Vehement denunciation of the demands by Chinese military leaders give little ground for any belief that they might be met. The most serious clashes of the entire incident thus appear imminent, and it is hardly to be supposed that there will be anything less than real warfare on a grand scale, as both sides have busily built up their forces ever since the difficulties started on Jan. 29. Arrivals of Japanese transports were reported almost daily at Shanghai this week, and it is estimated that the attacking forces number between 20,000 to 30,000 men. The Chinese are reputed to have at least 50,000 effectives in line, while some reports estimate the figure at two or three times this sum.

Neutrals at Shanghai were subjected to some exceedingly unfortunate incidents this week, with the natural result of sharp reactions in the foreign offices of the nationals concerned. Two British sailors, H. G. Prior and H. A. Francis, were injured early Wednesday by a shell, presumably from a Chinese gun, that fell in the International Settlement, and both died of their wounds later in the day. British consular authorities promptly began to draft a protest, it was said. Two Japanese airplane bombs accidentally fell on the Wingon Cotton Mill in the Settlement on Feb. 11, killing five Chinese employees and barely missing some United States marines who are billeted in the mill building. Rear Admiral Shimada immediately called upon Admiral Taylor, commander of the American Asiatic fleet, and offered apologies. Arthur R. Ringwalt, United States Vice-Consul at Shanghai, was treated abusively by Japanese volunteers, when he accompanied a Chinese woman of American birth into the Japanese area of the Settlement last Saturday, on a search for the woman's missing daughter. A protest was lodged by Edwin S. Cunningham, American Consul-General, with the Japanese authorities at Shanghai.

Artillery duels between the Chinese and Japanese were resumed last Saturday, after a short truce on the previous day, arranged in order to permit the evacuation from the ruined Chinese district of Chapei of remaining inhabitants. Thousands of Chinese left the area during the period, but other thousands elected to remain. One foreign observer who entered the area described it as a ghostly pile of ashes. Chinese authorities issued an official estimate, Thursday, which indicates that property destruction in the Chapei and Hongkew areas amounts to more than \$100,000,000. The heavy bombardment last Saturday was followed by a Japanese sortie, but no gains resulted and the positions were unchanged. Japanese airplanes continued to fly over the Chinese positions, dropping explosive bombs. The most desperate fighting so far reported occurred last Sunday, near the Woosung forts at the mouth of the Whangpoo River. Japanese troops attempted again to capture the forts, and heavy casualties were reported on both sides. Despite this movement, however, and the further periodic land, sea and air bombardments of the forts, these key positions remained in the hands of their Chinese defenders. At Chapei and Hongkew, just outside the International Settlement, the bombardments gave way at times to periods of complete silence.

Numerous statements were issued by the leaders on both sides. Admiral Nomura, the Japanese naval commander, stated last Sunday that the army and navy authorities had definitely decided to drive the Chinese back to a point where they could not menace Shanghai. Lieutenant-General Kenkichi Uyeda, who arrived the same day to take command of the land forces, announced that his mission would be to protect Japanese residents in and around Shanghai from the "provocative attitude" of the Chinese troops. At Loyang, temporary capital of China, leaders of the Nationalist Government urged that "no ground be yielded to the Japanese." The Tokio Government announced Wednesday that authority had been given General Uyeda to deliver an ultimatum to General Tsai Ting-kai, demanding that the Chinese Nineteenth Route Army withdraw 20 kilometers from the boundaries of the International Settlement. Mamoré Shigemitsu, Japanese Minister to China, announced at noon, Thursday, that the ultimatum had been presented in verbal form, but it was promptly indicated by the Chinese official information bureau that it would not be accepted. A "final" Japanese ultimatum, presented later in the day, contained a demand, according to Shanghai reports, that Chinese forces be withdrawn more than 12 miles from the International Settlement, and that all anti-Japanese movements and boycotts must be abandoned. This statement was generally viewed as the prelude to a major offensive.

Diplomatic representatives in China of the United States, British and French Governments began a joint effort late last week to effect a peaceful adjustment of the Sino-Japanese dispute at Shanghai. Nelson T. Johnson, the United States Minister; Sir Miles Lampson, the British Minister, and Henri A. Wilden, the French Minister, all hastened to Shanghai from Nanking last Saturday, and they promptly engaged in a protracted series of conversations with Japanese and Chinese leaders. These efforts were continued early this week, and although their course has not been made known, it would hardly appear from subsequent developments that they met with any degree of success. They were followed, Wednesday and Thursday, by meetings of Japanese and Chinese officials in a further endeavor to find a common ground, but dispatches of late Thursday indicated that these efforts also had failed.

Japanese action in landing troops in the International Settlement for employment in the military operations was the subject of several protests lodged with the Foreign Office in Tokio this week by the United States and British Governments. As many as seven Japanese troopships arrived at Shanghai on a single day early this week, and they all moored at piers within the Settlement area. It was reported at Shanghai that this action was in direct contravention of promises previously made by the Japanese commanders and by the Japanese Consul-General, Kuramatsu Murai. The Shanghai Municipal Council protested the landing on the ground that the Settlement was created and maintained for defensive purposes and not for offensive purposes against China. The American and British Consuls at Shanghai also protested against the Japanese action, but despite these repeated protests, further landings occurred. It was indicated in Tokio, Wednesday, that a stern protest against Japanese troop landings in the Settlement area was expected from the United States on the basis of reports received from Japanese Ambassa-

dor Katsuji Debuchi. In Washington, however, it was stated Thursday that no new note was under consideration. Through their Consular representatives at Shanghai, both Britain and the United States issued warnings two weeks ago that both China and Japan would be held responsible for damage to the lives and property of foreign nationals in the International Settlement, it was disclosed. The Japanese Government, Tokio reports said, sees nothing irregular in the landing of troops in the International Settlement, as the aim is to defend the Settlement. American and British forces have been landed in the area for precisely the same purpose, it was stated.

The League of Nations assumed some prominence this week as a factor in the Sino-Japanese dispute. The Chinese representative at Geneva, Dr. W. W. Yen, placed a demand before the Council on Feb. 12 that the Assembly be called in extraordinary session to consider the situation. This action is possible under Article 15 of the Covenant, which is designed to protect the territorial integrity of League members. The Council took this request under consideration but did not act until yesterday, when it was decided to call the Assembly in special session on March 3. The Shanghai committee of the League, composed of Consular officials, reported to Geneva last Sunday that a state of open warfare has existed in Shanghai since Feb. 3, when a truce was broken. Japanese sailors and reservists were charged, in the report, with committing numerous excesses and creating a reign of terror in the International Settlement. The Council finally issued an appeal to Japan, Feb. 16, wherein attention was directed to Article 10 of the Covenant, by which all members undertook to respect the integrity and political independence of all other members. In a reply delivered at Geneva, Thursday, Japan stated that the general offensive did not originate with the Japanese forces. No excesses were committed by Japanese marines, it was added, whereas the Chinese continually violated the truce. Troops were detailed to police the city when the regular municipal guards abandoned their posts, the Japanese reply contended.

A new Manchurian federation, planned as a virtually independent State, was announced at Mukden, Wednesday, after a conference of Chinese leaders who are regarded as favorable to the Japanese. This step was generally considered probable as an aftermath of the Japanese military occupation of Manchuria. The Chinese leaders were prompted by Japanese advisers in setting up this new Government, an Associated Press report from Mukden stated. A "declaration of independence" was issued, which indicated that relations would be severed with the Nationalist Government at Nanking, and an administrative committee organized to transact State business. The new State will be known as Ankuo, which means "land of peace," and its national emblem will be the discarded five-barred flag of China, emblazoned with the Rising Sun of Japan. The form of government is to be Republican, and the projected Constitution will be based on the principle of autonomy of the State, vesting of sovereignty in the people, equality of races, co-operation among racial elements, and maintenance of the Open Door policy. Formal announcement of the establishment of this independent State was made at Mukden after an elaborate banquet attended by 25 Chinese and 78 Japanese.

Protracted negotiations among the leading Governments interested in the German reparations problem have resulted in an agreement to hold the postponed general conference on reparations and intergovernmental debts at Lausanne, Switzerland, next June. Formal announcement of this decision was made last Saturday by the Governments of Great Britain, France, Germany, Italy, Belgium and Japan. All these countries are specifically named as parties to the agreement, in the identic announcements issued in the several capitals. "The object of the conference," it was stated, "will be to agree on a lasting settlement of the questions raised in the report of the Basle experts and on measures necessary to solve the other economic and financial difficulties which are responsible for and which may prolong the present world crisis. This decision has been reached by the above governments in the hope it will ease the present situation." Use of the phrase "lasting settlement" in this statement was regarded as especially significant in London and Berlin, as it appeared to indicate some relaxation of the French attitude on reparations. In Paris, also, use of the term was considered as intimating French willingness to agree to a fairly long moratorium, a dispatch to the New York "Times" said. "The French, nevertheless, still refuse to grant a complete moratorium, insisting on the retention of the Young plan," the dispatch added.

Suggestions that the Lausanne conference will be held in June, just before the expiration of the one-year suspension of all intergovernmental debt payments, have been prevalent ever since it was indicated in London that the meeting scheduled for Jan. 25 would be postponed. It was intimated that the postponement was due to a lack of any preliminary understanding among the interested Governments, and to the unsettled political conditions in France, Germany and other Continental countries, where national elections impend. Further efforts were made at Paris last week by British and French negotiators to reach a preliminary accord, but these also are said to have been fruitless. The search for a reparations formula will again be taken up after the French elections in May, it is indicated. The announcement now made occasioned much comment regarding the possible significance of the reference to "other economic and financial difficulties." It was suggested that this opens the way to a conference of rather wide scope. The point also was made that no further payments are due the United States Government from European countries until next December, so that any durable settlement of the reparations question at Lausanne in June will leave ample time for discussion of any changes in the debt settlements. Secretary of State Stimson indicated in Washington, last Saturday, that he had not been informed officially of the plan to hold the reparations conference at Lausanne in June. The attitude of the United States Government continue to be, a dispatch to the New York "Times" said, that it is for Europe to adjust the reparations problem as the first step in attacking the intergovernmental debt problem.

Representatives of all the world Powers having placed their views on disarmament before the general conference at Geneva last week, further sessions of the gathering have been devoted to the presentation of the plans and proposals of the smaller nations and to a discussion of the two main schools of opinion in which all countries appear to be grouped. One

important result of the meeting, reported in an Associated Press dispatch last Saturday, was the resumption of direct negotiations between the French and Italian delegations for settlement of their naval differences. It was suggested that these discussions might lead to acceptance by the two countries of the London naval treaty of 1930, thus providing a new basis for further disarmament of all Powers on the seas. Unfortunately, a halt has now been occasioned both in such conversations and in the main work of the conference itself by the French Cabinet crisis. Andre Tardieu, French Minister of War and head of his Government's delegation, left Geneva for Paris Wednesday, after informing his friends that he anticipated a long Cabinet crisis. He expressed uncertainty regarding the date of his return to Geneva, and intimated that he might not return at all, it was said.

The discussion in the general conference was continued, late last week, by Luis Zulueta for Spain, Dr. Peter Munch for Denmark, and Edouard Benes for Czechoslovakia. These Foreign Ministers of their respective countries all indicated that they desired either abolition or drastic limitation of distinctly offensive weapons. Emphasis was placed, especially, upon the advisability of outlawing chemical, incendiary and bacteriological warfare, and aerial bombardments. Dr. Benes supported the French plan for security and the creation of an international police under League of Nations control, but the Spanish and Danish Ministers suggested that actual armaments reduction might be the best approach to the problem. Sir George Perley spoke for Canada, last Saturday, in able support of the British viewpoint. "No permanent security can be found in armaments," he said. M. Zarine, of Latvia, also urged that safety lay in disarmament. Count Apponyi, of Hungary, remarked that his country can offer little in the way of disarmament, as it has nothing left to reduce. He appealed for justice and equality. Dr. W. W. Yen, of China, remarked that his own country's present experience demonstrates how necessary it is to abolish the modern war engines which make possible sudden and undeclared attacks.

Tewfik Rushdy Bey, Foreign Minister of Turkey, resumed the discussion Monday with an appeal for "equalization of peace effectives in the various countries." Eric Colban, of Norway, declared that strict budgetary limitation is the obvious way to prevent an armaments race. Commander Fernando Branco, of Portugal, asked speedy general limitation, pointing out that the forces of his own country are reduced to the minimum consistent with maintenance of internal order. Jonkheer Beelaerts van Blokland, of the Netherlands, expressed willingness to examine the French proposals, but urged a specific and appreciable reduction in armaments. There are already, he said, great guarantees for security in the existence of the League of Nations, the Permanent Court of International Justice, the Pact of Paris, and the Convention for Financial Assistance. President Motta, of Switzerland, spoke Tuesday, urging a good understanding between France and Germany as the keystone of peace. Dr. Ernesto Bosch, of the Argentine, requested that efforts be made to determine what is contraband in wartime. Civil populations should not be made to suffer from a lack of food, he pointed out. He also suggested a general agreement among countries not signatory to the London and Washington naval treaties not to build warships larger

than 10,000 tons. The proposals of the Argentine representative were endorsed in a statement issued by the United States delegation late Tuesday. Foreign Minister Ghika, of Rumania, spoke Wednesday, and urged support of the French plan to arm the League. Baron Yiro-Koshinen, of Finland, advocated the demilitarization of frontiers.

In accordance with statements made last week by Chancellor Heinrich Bruening, comprehensive German disarmament proposals were laid before the Geneva gathering Thursday, by Rudolph Nadolny, of the diplomatic service. He made the most sweeping itemized suggestions so far placed before the conference. Abolition of all military aviation and the destruction of all frontier fortresses were among the most drastic of the proposals. Herr Nadolny advocated also the dismantling of Gibraltar and all other fortifications which control natural passages between seas, and the abolition of conscription. The plan was presented as an alternative to the draft convention adopted by the Preparatory Disarmament Commission as a basis for the work of the present conference. Suggestions previously made by many other delegates for the abolition of chemical and bacteriological warfare also were advocated by the German representative. "Many features of the German proposals are believed to have no more chance of adoption than have some of the more drastic French schemes," a Geneva dispatch to the New York "Herald Tribune" remarked.

Steadily mounting political differences in the French Parliament resulted, Tuesday, in defeat of the coalition Government of Right parties headed by Premier Pierre Laval. Every effort was made by M. Laval to avert defeat at this time, owing to the complexities of the present international outlook, and the need for a consistent policy at the disarmament conference in Geneva. Disregarding the Premier's appeals for a brief delay to permit conclusion of the preliminary statements at Geneva, the Senate insisted on an immediate discussion of the Government's general policy, in accordance with interpellations previously submitted. Since a majority of the Senators lean to the Left and are opposed to him, M. Laval preferred to face a test immediately and he made his request for postponement of the debate a matter of confidence. He was defeated by a vote of 157 to 134, and late the same day presented to President Paul Doumer the resignations of all the Ministers. In these circumstances no specific reason can be assigned for the fall of the Laval Ministry. It was considered due in large part to the instability which has characterized the present Parliament from its very inception, a majority of Deputies adhering to the Right groups, while most of the Senators are members of Left parties. The political unrest has been aggravated, moreover, by the recent augmentation of the economic depression in France. The Ministry now defeated was the second formed by M. Laval. He has ruled virtually without interruption, however, since he first took office in January 1931.

President Doumer promptly began the round of conferences with party leaders which always devolve upon the President in a Cabinet crisis in France. In accordance with Parliamentary tradition, M. Doumer turned first to the Left groups which defeated the Right Ministry of M. Laval. After protracted negotiations, he called upon Paul Painleve, Thurs-

day, to form a new Government, and the task was quickly undertaken by the French scientist-politician. M. Painleve has been President of the Council on several previous occasions. He is a Deputy in the Left wing group of the Radical-Socialist party, and is widely known as a mathematician. His aim will be, M. Painleve stated, to form a Cabinet acceptable to both Houses of Parliament, in order to get through the essential work of passing the budget and arranging for the national election which must be held this spring. It is not believed, however, Paris reports indicate, that the next Government will be able to act very differently from the last one. "It is taken for granted," a dispatch to the New York "Times" said, "that whoever is in office will seek to get the electoral bill passed as soon as possible, and set the elections for the first possible date, April 3. Since the new Parliament could not meet until June 1, the new Government must carry on until then, not only at Geneva but in preparing the way for the reparations conference at Lausanne in June."

Much satisfaction has been occasioned in the responsible circles of all countries by the announcement of Field Marshal Paul von Hindenburg, Monday, that he will be a candidate for re-election to the Presidential office in Germany at the national election on March 13. This decision of the 84-year-old President has served to clear the political atmosphere in Germany greatly. The need for the able guidance of the stern chief executive was reflected in the recent attempts to secure an extension of President von Hindenburg's current term of office for one year. This move was defeated mainly by the National-Socialists (Nazis), or Fascists, who demanded as the price for their support the political head of Chancellor Heinrich Bruening, Centrist leader of the coalition regime. In his statement, President von Hindenburg made it clear that he did not intend to run for office as the candidate of any party, but as the "people's candidate," in response to an appeal signed by 2,500,000 voters. "If I am elected," he said, "I shall continue faithfully and conscientiously to serve the country with all my strength in order to help it obtain freedom and equality of rights abroad, and unity and progress at home. If I am not elected, I will be spared the reproach of having voluntarily left my post in difficult times. For me there is only one truly national aim, the uniting of our people in their struggle for existence and the dedication of every German unreservedly in the strenuous effort to preserve the nation."

It is obvious, of course, that in the balloting of March 13 Field Marshal von Hindenburg will represent the cause of the Weimar Republic and of democratic rule in Germany, as against the extremists of the Right and Left. "The coming election will show as no other election could," a dispatch to the New York "Herald Tribune" remarks, "whether the majority of the German people to-day, despite the privations and sufferings of the unprecedented economic crisis, prefer to live under the existing political system or whether they want a fundamental change of regime—Bolshevism on the Soviet model, or autocratic nationalist State rule on the Fascist pattern." The President will be supported by a broad phalanx representing all classes of German society, it is said. Ernst Thaelmann, Communist candidate, will be one of his chief opponents, while the Fascists will

probably nominate Prince Oscar of Prussia, fifth son of the former Kaiser. Dr. Hjalmar Schacht, former President of the Reichsbank, is said to have declined the proffered nomination of the National-Socialists.

Adjustment of the dispute between Germany and Lithuania over the Baltic seaport of Memel was taken up early this week by the Council of the League of Nations, at the request of Germany. The difficulties arose as a consequence of drastic action by Lithuanian authorities, who arrested Otto Boettcher, the President of the territory, on Feb. 6, and charged him with treason. Lithuania seized the area in 1923, at the time the French were invading the Ruhr, and the League Council subsequently confirmed Lithuanian possession of the port but limited the sovereignty. The population is almost entirely German, and the Berlin Government protested vigorously against the action taken earlier this month. After a hearing in which German arguments were presented by Dr. von Buelow, German Under-Secretary of State, and Lithuanian arguments by Foreign Minister Zaunius, the Council referred the question to a reporter, Eric Colban, of Norway. The latter informed the Council Wednesday that he was unable to form conclusions, owing to the fact that Lithuania would not permit citizens of Memel to come to Geneva to testify and exercised rigid censorship of communications. The Council thereupon referred the matter to the Permanent Court of International Justice at The Hague.

The Bank of England on Thursday (Feb. 18) reduced its discount rate from 6% to 5%, the 6% rate having been in force since Sept. 21 1931. On Thursday the Bank of Sweden and the Bank of Norway reduced their discount rates from 6% to 5½%. The Bank of Finland on Feb. 13 reduced its rate from 8% to 7%. Rates are 12% in Greece; 8% in Austria and Hungary; 7% in Germany, Finland, Portugal, India, Italy and Hungary; 6½% in Spain and Ireland; 6% in Denmark, Danzig, Czechoslovakia and in Colombia; 5½% in Estonia, Sweden and in Norway; 5% in England; 3½% in Belgium; 3% in Holland; 2½% in France, and 2% in Switzerland. In the London open market discounts for short bills on Friday were 3¾@4½% as against 5@5½% on Thursday of last week, and 4⅛@5% for three months' bills as against 5¼@5¾% on Thursday of last week. Money on call in London on Friday was 2¾%. At Paris the open market rate continues at 1⅞%, but in Switzerland the rate was reduced from 1 9/16% to 1½%.

The Bank of England on Feb. 18th lowered its discount rate from 6% to 5%. The previous rate had been in effect since England went off the gold standard basis on Sept. 20 1931. The Bank's gold holdings, in the week ended Feb. 17, rose £23,639, to a total of £121,317,587, which compares with £141,206,663 a year ago. The gain in gold, together with a contraction of £1,637,000 in circulation, brought about an increase of £1,660,000 in reserves. Public deposits fell off £1,076,000, while other deposits increased £2,719,595. The latter include bankers' accounts, which rose £3,458,190, and other accounts which decreased £738,595. The ratio of reserve to liabilities is now at 43.6%, compared with 42.84% a week ago and 52.14% in the same week a year ago. Loans on Government securities decreased £1,130,000

and those on other securities increased £1,150,549. Other securities consist of discounts and advances and securities. The former fell off £1,063,081, and the latter rose £2,213,630. Below we furnish a comparative statement of the different items for five years:

BANK OF ENGLAND'S COMPARATIVE STATEMENT.

	1932. Feb. 17.	1931. Feb. 18.	1930. Feb. 19.	1929. Feb. 20.	1928. Feb. 22.
	£	£	£	£	£
Circulation.....	344,882,000	344,130,524	345,580,773	351,819,064	134,067,770
Public deposits.....	15,358,000	15,167,040	13,871,221	15,076,218	15,032,911
Other deposits.....	102,444,726	94,289,617	93,583,692	102,828,011	94,535,896
Bankers' accounts	70,455,852	61,145,540	59,167,021	65,694,762	-----
Other accounts.....	31,988,874	33,144,077	34,416,671	37,133,249	-----
Government secur....	33,493,906	36,134,952	38,581,563	46,331,855	31,902,504
Other securities.....	51,068,598	34,403,415	21,026,116	30,748,170	52,275,718
Disct. & advances	11,944,547	9,688,839	4,732,768	12,056,083	-----
Securities.....	39,124,051	24,714,576	16,293,348	18,692,087	-----
Reserve notes & coin	51,434,000	57,076,139	66,057,727	59,031,874	43,599,993
Coin and bullion....	121,317,587	141,206,663	151,638,500	150,850,938	157,917,763
Proportion of reserve to liabilities.....	43.66%	52.14%	61.47%	50%	39 3/4%
Bank rate.....	5%	3%	4 1/2%	5 1/2%	4 1/2%

a On Nov. 29 1928 the fiduciary currency was amalgamated with Bank of England note issues, adding at that time £234,199,000 to the amount of Bank of England notes outstanding.

The weekly statement of the Bank of France, dated Feb. 12, records a gain in gold holdings of 470,991,706 francs. The Bank's gold now aggregates 73,034,074,677 francs, as compared with 55,738,057,013 francs a year ago, and 42,947,183,759 francs two years ago. Decreases appear in credit balances abroad of 347,000,000 francs, in French commercial bills discounted of 214,000,000 francs and in advances against securities of 40,000,000 francs, while bills bought abroad and creditor current accounts reveal increases of 119,000,000 francs and 879,000,000 francs respectively. Notes in circulation show a large decline, namely 1,149,000,000 francs. Total circulation is now 83,289,056,050 francs which compares with 77,219,505,105 francs last year and 69,072,413,595 francs the year before. The proportion of gold on hand to sight liabilities is now up to 65.83%. The same item last year was 54.58%. Below we show a comparison of the various items for three years:

BANK OF FRANCE'S COMPARATIVE STATEMENT.

	Changes for Week.	Status as of Feb. 12 1932.	Feb. 13 1931.	Feb. 14 1930.
	Francs.	Francs.	Francs.	Francs.
Gold holdings.....Inc.	470,991,706	73,034,074,677	55,738,057,013	42,947,183,759
Credit bals. abr'd...Dec.	347,000,000	7,829,914,043	7,004,562,897	6,978,419,568
French commercial bills discounted...Dec.	214,000,000	4,909,254,617	7,303,126,776	6,070,644,611
Bills bought abr'd...Inc.	119,000,000	9,191,333,528	19,303,530,307	18,734,165,033
Adv. agst. secur. Dec.	40,000,000	2,785,373,324	2,911,298,222	2,511,431,198
Note circulation...Dec	1,149,000,000	83,289,056,050	77,219,505,105	69,072,413,595
Cred. curr. acct. s...Inc.	879,000,000	27,649,364,796	24,903,803,547	17,388,444,884
Proportion of gold on hand to slight liabilities.....Inc.	0.58%	65.83%	54.58%	49.67%

a Includes bills purchased in France. b Includes bills discounted abroad.

The Bank of Germany, in its statement for the second week of February, reveals a small increase in gold and bullion, the first in ten weeks, amounting to 341,000 marks. The total of gold is now 928,682,000 marks as compared with 2,254,289,000 marks a year ago and 2,351,014,000 marks two years ago. Decreases are shown in reserve in foreign currency of 2,559,000 marks, in bills of exchange and checks of 230,185,000 marks, in investments of 1,000 marks and in other liabilities of 16,309,000 marks. Silver and other coin, notes on other German banks, advances, other assets and other daily maturing obligations record increases of 29,325,000 marks, 2,798,000 marks, 58,888,000 marks, 41,957,000 marks and 37,773,000 marks respectively. Notes in circulation decreased 120,900,000 marks, reducing the total of the item to 4,155,232,000 marks. Last year circulation aggregated 3,897,256,000 marks. The

item of deposits abroad shows no change. The proportion of gold and foreign currency to note circulation is up this week to 25.8%. Last year the item was 62.5% and the year before it was 66.1%. Below we show a comparison of the different items for three years:

REICHSBANK'S COMPARATIVE STATEMENT.

	Changes for Week.	Feb. 15 1932.	Feb. 14 1931.	Feb. 15 1930.
	Reichsmarks.	Reichsmarks.	Reichsmarks.	Reichsmarks.
Assets—				
Gold and bullion.....Inc.	341,000	928,682,000	2,254,289,000	2,351,014,000
Of which depos. abr'd.	Unchanged	75,033,000	207,638,000	149,788,000
Res'v in for'n curr...Dec.	2,559,000	144,191,000	181,182,000	401,566,000
Bills of exch. & checks...Dec.	230,185,000	3,253,631,000	1,609,102,000	1,719,719,000
Silver and other coin...Inc.	29,325,000	169,799,000	192,157,000	153,837,000
Notes on oth. Ger. bks...Inc.	2,798,000	8,828,000	17,676,000	16,828,000
Advances.....Inc.	58,888,000	187,926,000	72,351,000	68,248,000
Investments.....Dec.	1,000	160,563,000	102,322,000	93,277,000
Other assets.....Inc.	41,957,000	1,013,137,000	546,607,000	504,978,000
Liabilities—				
Notes in circulation...Dec.	120,900,000	4,155,232,000	3,897,256,000	4,166,354,000
Oth. daily matur. oblig...Inc.	37,773,000	370,714,000	250,170,000	502,237,000
Other liabilities.....Dec.	16,309,000	853,494,000	334,333,000	156,989,000
Propor. of gold & for'n curr. to note circul'n...Inc.	0.7%	25.8%	62.5%	66.1%

The New York money market was again engaged chiefly in routine transactions this week, and rates were unchanged in all departments. The turnover of funds is on a rather small scale. Call loans on the Stock Exchange were quoted at 2 1/2% for all transactions and in all sessions. In the unofficial "Street" market some banking house funds were placed at 2 1/4% Monday and Tuesday, but the concession of 1/4% was eliminated in later dealings as a result of the slightly augmented requirements for Stock Exchange collateral borrowings. Time money rates held to previous levels. Brokers' loans finally turned upward in the tabulation of the Federal Reserve Bank of New York, an advance of \$13,000,000 appearing for the week to Wednesday night. This increase terminated a series of declines which began Sept. 2 last, carrying the total down to \$486,000,000. From the latter figure they have now increased to \$499,000,000. Gold movements for the same weekly period consisted of exports of \$62,803,000, imports of \$6,402,000, and a net decrease of \$16,021,000 in the stock of gold held earmarked for foreign account.

Dealing in detail with call loan rates on the Stock Exchange from day to day, 2 1/2% was the rate ruling all through the week both for new loans and renewals. The time money market has shown very little change, but dealers appear to be a trifle more optimistic. Rates are nominally quoted at 3 1/2@3 3/4% for all dates. The demand for prime commercial paper has shown evidence of more activity this week, though offerings are still short and dealers have considerable difficulty in meeting the requirements of their clients. Rates are unchanged. Quotations for choice names of four to six months' maturity at 3 3/4@4%. Names less well known at 4 1/4@4 1/2%. On some very high class 90-day paper occasional transactions at 3 1/2% continued to be noted.

The market for prime bankers' acceptances has shown slight improvement this week, though most of the call was for the shorter maturities. Rates remain unchanged. The quotations of the American Acceptance Council for bills up to 90 days are 2 7/8% bid, 2 3/4% asked; for four months' bills, 3 1/8% bid, 3% asked; for five and six months, 2 3/8% bid and 3 1/4% asked. The bill buying rate of the New York Reserve Bank remains unchanged at 2 3/4% on maturities up to 45 days, 3% on maturities of 46 to 120 days, and at 3 1/4% on maturities of 121 to 180 days. The Federal Reserve banks show a decrease this week in their

holdings of acceptances, the total having fallen from \$169,391,000 to \$146,382,000. Their holdings of acceptances for foreign correspondents decreased from \$319,294,000 to \$315,348,000. Open market rates for acceptances are as follows:

SPOT DELIVERY.						
180 Days		150 Days		120 Days		
Bid.	Asked.	Bid.	Asked.	Bid.	Asked.	
Prime eligible bills	3½	3¼	3½	3¼	3½	3
90 Days		60 Days		30 Days		
Bid.	Asked.	Bid.	Asked.	Bid.	Asked.	
Prime eligible bills	2½	2¼	2½	2¼	2½	2¼

FOR DELIVERY WITHIN THIRTY DAYS.

Eligible member banks	3½ bid
Eligible non-member banks	3½ bid

There have been no changes this week in the rediscount rates of the Federal Reserve banks. The following is the schedule of rates now in effect for the various classes of paper at the different Reserve banks:

DISCOUNT RATES OF FEDERAL RESERVE BANKS ON ALL CLASSES AND MATURITIES OF ELIGIBLE PAPER.

Federal Reserve Bank.	Rate in Effect on Feb. 19.	Date Established.	Previous Rate.
Boston	3½	Oct. 17 1931	2½
New York	3½	Oct. 16 1931	2½
Philadelphia	3½	Oct. 22 1931	3
Cleveland	3½	Oct. 24 1931	3
Richmond	3½	Jan. 25 1932	4
Atlanta	3½	Nov. 14 1931	3
Chicago	3½	Oct. 17 1931	2½
St. Louis	3½	Oct. 22 1931	2½
Minneapolis	3½	Sept. 12 1930	4
Kansas City	3½	Oct. 23 1931	3
Dallas	3½	Jan. 28 1932	4
San Francisco	3½	Oct. 21 1931	2½

Sterling exchange in the New York market is dull but fairly steady, fluctuating within narrow limits. The outstanding event relating to exchange this week has been the reduction of the Bank of England rate of discount from 6% to 5%, which took place on Thursday. The range this week has been from 3.44¼ to 3.46⅛ for bankers' sight bills, compared with 3.41⅜ to 3.45⅛ last week. The range for cable transfers has been from 3.44½ to 3.46⅜, compared with 3.41⅝ to 3.45½ a week ago. The Bank of England rate had been at 6% since the suspension of gold payments on Sept. 21. The strength of sterling is attributed to the favorable course of events which is deemed to be reflected in the revised Bank of England rate. As long as there was danger of inflation in England, a high rate of discount was essential. This menace has apparently disappeared and the market regards the rate cut as one of the many measures which must be taken before normal conditions can be restored. Following the lead of England, the central banks of Sweden and Norway reduced their rediscount rates from 6% to 5½%.

There can be no doubt that seasonal factors also favored a steadier and perhaps firmer rate for sterling exchange and should continue to do so until toward the end of August. The continued efflux of gold from India to London is regarded by London bankers as an important factor favoring sterling and was largely responsible for the decision of the Bank to reduce its rate, as the Indian gold is enabling the Bank of England to accumulate dollars and francs toward repayment of the £80,000,000 Treasury credits in August without undue depreciation of or pressure upon sterling. According to Lombard Street, if the movement of gold from India continues at the present rate (about £2,000,000 weekly), it is not unlikely that the Bank of England after repayment of the credits will be able to build up a stabilization reserve preparatory to returning to the gold standard after the reparations and war debts problems have been satisfactorily resolved. This policy will also

prevent too rapid an appreciation in sterling, allowing British manufacturers to obtain the benefits of the present depreciation in sterling in export markets. The London discount market was somewhat disorganized on Thursday by the unexpected change in the rediscount rate, but toward the end of the day three months' bills settled down to around 4¼ to 4½%, with "standstill" bills at 5%. London authorities are inclined to welcome the lower Bank rate as an indication that the British monetary authorities are convinced that circumstances now permit a relaxation of the extreme deflationary policy which has been enforced in Britain since the suspension of the gold standard in order to avoid sterling inflation.

This week gold seems to have sold in the London open market at from 119s. 11d. to 120s. 1d. per fine ounce. An idea of the premium on gold is to be seen from the fact that speculators are buying up gold sovereigns in England at 30s., against the normal value of 20s. The dealings appear to range from £3 to £300, most of the sellers being working men and city clerks. It is estimated that £250,000 worth of gold trinkets have been melted and sold in London recently. This week the Bank of England shows an increase in gold holdings of £23,639, the total bullion standing on Feb. 17 at £121,317,587, which compares with £141,206,663 a year ago. The Bank's proportion of reserves to liabilities shows a slight improvement over a week ago, standing on Feb. 17 at 43.66%, compared with 42.84% on Feb. 10 and with 52.14% a year ago.

At the Port of New York the gold movement for the week ended Feb. 17, as reported by the Federal Reserve Bank of New York, consisted of imports of \$6,402,000, of which \$4,010,000 came from Canada, \$1,000,000 from Uruguay, \$531,000 from India, \$360,000 from Brazil, \$260,000 from Mexico, and \$241,000 chiefly from Latin American countries. Gold exports totalled \$62,803,000, of which \$50,145,000 was shipped to France, \$9,556,000 to Belgium, \$2,740,000 to Holland, \$220,000 to England, \$130,000 to Switzerland, and \$12,000 to Yugoslavia. The Reserve Bank reported a decrease of \$16,021,000 in gold earmarked for foreign account. In tabular form the gold movement at the Port of New York for the week ended Feb. 17 as reported by the Federal Reserve Bank of New York, was as follows:

GOLD MOVEMENT AT NEW YORK, FEB. 11-FEB. 17, INCLUSIVE.

Imports.	Exports.
\$4,010,000 from Canada	\$50,145,000 to France
1,000,000 from Uruguay	9,556,000 to Belgium
531,000 from India	2,740,000 to Holland
360,000 from Brazil	220,000 to England
260,000 from Mexico	130,000 to Switzerland
241,000 chiefly from Latin American countries	12,000 to Yugoslavia
\$6,402,000 total	\$62,803,000 total

Net Change in Gold Earmarked for Foreign Account.
Decrease, \$16,021,000.

On Thursday there were no imports or exports of gold, but there was an increase of \$1,600,600 in gold earmarked for foreign account. Yesterday there were no imports of the metal but gold exports amounted to \$7,427,500 of which \$4,711,100 went to France, \$2,366,400 to Portugal, \$300,000 to Germany and \$50,000 to Holland. During the week approximately \$5,846,000 in gold was received at San Francisco, \$4,983,000 coming from Japan, \$511,000 from Australia and \$352,000 from China.

Canadian exchange continues at a severe discount. The rate is, however, gradually working more in favor of Montreal. On Saturday last Montreal funds were quoted at a discount of 13⅛%, on Mon-

day at $12\frac{7}{8}\%$, on Tuesday at $12\frac{3}{4}\%$, on Wednesday at $12\ 9-16\%$, on Thursday at $12\frac{1}{2}\%$, and on Friday at $12\frac{3}{8}\%$.

Referring to day-to-day rates, sterling exchange on Saturday last was dull but steady. Bankers' sight was $3.44\frac{1}{2}@3.45$, cable transfers $3.44\frac{3}{4}@3.45\frac{1}{4}$. On Monday the market was quiet with sterling firmer. The range was $3.45\frac{1}{2}@3.46\frac{1}{8}$ for bankers' sight and $3.45\frac{3}{4}@3.46$ for cable transfers. On Tuesday the market was irregular, with sterling off. Bankers' sight was $3.44\frac{1}{2}@3.45$; cable transfers $3.44\frac{3}{4}@3.45\frac{1}{4}$. On Wednesday sterling continued to display an easier tone. Bankers' sight was $3.44\frac{1}{4}@3.44\frac{3}{4}$; cable transfers, $3.44\frac{1}{2}@3.45$. On Thursday the market was quiet but steady. The range was $3.44\frac{3}{8}@3.44\frac{3}{4}$ for bankers' sight and $3.44\frac{5}{8}@3.45$ for cable transfers. On Friday the market continued quiet; the range was $3.44\frac{7}{8}@3.45$ for bankers' sight and $3.45@3.45\frac{1}{4}$ for cable transfers. Closing quotations on Friday were 3.45 for demand and $3.45\frac{1}{4}$ for cable transfers. Commercial sight bills finished at $3.44\frac{1}{2}$; 60-day bills at $3.41\frac{1}{2}$; 90-day bills at 3.40; documents for payment (60 days) at $3.41\frac{1}{2}$ and seven-day grain bills at $3.44\frac{1}{8}$. Cotton and grain for payment closed at $3.44\frac{1}{2}$.

Exchange on the Continental countries, while dull, is in general firmer. French francs are particularly firm though the higher rates quoted in this market are due largely, if not altogether, to reduction in the Bank of France rate for gold purchases. According to Paris dispatches the lowering of the purchasing rate for gold by the Bank of France is merely a return to the normal price fixed by statutes which represents the theoretical parity of gold, including refining and coining costs. The Bank departed from these absolute conditions to assist the Bank of England some time ago and to prevent further weakening in the then precarious condition of sterling.

The Bank of France has increased its minting charge to 40 francs from 20 francs per kilogram. This fact, together with the higher freight rates which have been announced by the shipping companies to take effect Feb. 22, causes a readjustment of the franc rate to a new gold export point for metal from New York to Paris, which is now calculated around $3.94\frac{1}{2}$. On numerous occasions during the week the franc was quoted above this gold export point, and if the level is maintained gold exports to France on a large scale may be expected on an exchange basis, aside from the earmarked gold which the Bank of France is steadily taking from New York. The Bank of France continues to liquidate its sight balances abroad wherever and whenever possible. In practice this liquidation of foreign credits can take place under present conditions only through gold imports. The current statement of the Bank of France for the week ended February 12 again shows a heavy increase in gold holdings of 470,991,706 francs, bringing the total to a new record high of 73,034,074,677 francs, which compares with 55,738,057,013 francs a year ago and with 28,935,000,000 francs following stabilization of the unit in June 1928. The Bank's ratio is also at a new record high, standing on Feb. 12 at 65.83%, compared with 65.25% on Feb. 5 with 54.58% on Feb. 13 1931, and with legal requirements of 35%.

Quotations for German marks were very firm several times this week despite the fact that mark exchange is practically nominal under the strict

control of government decree. Par of mark exchange is 23.80. On Saturday last the mark cable rate moved up to 23.84, bringing the rate to above par for the first time since May and to the highest figure quoted since last March. Subsequently the rate dropped to $23.73\frac{1}{2}$, between which figure and 23.80 it fluctuated for the greater part of the week. Considerable encouragement is felt in Continental circles regarding the agreement of France, England, Italy, Germany, and Japan to call a reparations conference at Lausanne next June to work out a satisfactory solution of the reparations tangle. On the whole the market feels that events are shaping themselves more favorably for Germany, which accounts for the firmness in mark exchange. The Reichsbank statement for the week ended Feb. 15 is more satisfactory than in many weeks. Gold holdings increased during the week 341,000 marks to 928,682,000 marks. A year ago the Reichsbank holdings of gold totaled 2,254,289,000 marks. In addition to the increase in gold holdings this week the Reichsbank shows an important reduction in circulation indicating, it is thought, a lessening of the tendency toward hoarding and increased confidence on the part of the German people. It is thought possible that the Reichsbank may soon reduce its rediscount rate because of the reduction in London. The Reichsbank rate has been maintained at 7% since Dec. 10, after having been as high as 15% in the early part of August. Money continues relatively easy in Berlin, with indications that it may go still lower. However, one circumstance militating against a reduction in the Reichsbank rate is the Reichsbank's difficulty in acquiring foreign exchange. The Reichsbank's power to acquire exchange has been seriously affected by the importation into Germany of marks with which foreign exchange may be bought under present regulations. If the foreign exchange balances were in favor of Berlin the Reichsbank could immediately reduce its rate. Under present conditions such a reduction would cheapen home credit relative to foreign credit and would thereby encourage short term debtors to make repayment to foreign banks. Under the "standstill" agreement such voluntary repayment cannot be prevented. The Reichsbank can merely discourage it by refusing domestic credit to the parties making such repayment.

Belgian francs are steady, ruling fractionally above par. Belgium is now virtually on a gold bullion standard. The Bank delivers bars of $12\frac{1}{2}$ kilos against its own notes. Under the stabilization law the cover against sight liabilities (notes and deposits) must not fall below 40%, of which 30% must be in gold. Despite growth of circulation from less than 15,000,000,000 belgas to over 18,000,000,000 belgas (probably indicative of hoarding), the cover has remained steadily above 65%.

Exchange on Finland is at all times inactive in the New York market, but interest attaches to the currency at this time owing to a reduction in the Bank of Finland rate of rediscount early in the week from 8% to 7%.

The London check rate on Paris closed at 87.45 on Friday of this week, against 87.27 on Thursday of last week. In New York sight bills on the French centre finished on Friday at 3.94 1-16, against $3.93\frac{7}{8}$ on Thursday of last week; cable transfers at 3.94 3-16, against 3.94, and commercial sight bills at $3.94\frac{1}{8}$, against $3.93\frac{3}{4}$. Antwerp belgas finished at 13.94 for bankers' sight bills and at $13.94\frac{1}{2}$ for cable

transfers, against 13.95½ and 13.96. Final quotations for Berlin marks were 23.74 for bankers' sight bills and 23.76 for cable transfers, in comparison with 23.76 and 23.78. Italian lire closed at 5.19 for bankers' sight bills and at 5.20 for cable transfers, against 5.18½ and 5.19. Austrian schillings closed at 14.10 against 14.10; exchange on Czechoslovakia at 2.96½ against 2.96½; on Bucharest at 0.59½ against 0.59½; on Poland at 11.22 against 11.25, and on Finland at 1.57 against 1.50. Greek exchange closed at 1.28⅞ for bankers' sight bills and at 1.28⅞ for cable transfers, against 1.28⅞ and 1.28⅞.

Exchange on the countries neutral during the war is featured this week by a sharp upturn in guilders and by reduction on Thursday in the Central bank rates of Sweden and Norway from 6% to 5½%. The Scandinavian currencies have been exceptionally steady although transactions are severely restricted. These units always reflect the course of sterling with which they are closely allied. The reduction in the Norwegian and Swedish rediscount rates may also be properly attributed to the decrease in the Bank of England rate. The Swedish Bank rate was advanced from 4 to 5% on Sept. 21, to 6% on Sept. 25, and to 8% on Sept. 28. The first reduction was made on Oct. 7, when the rate was lowered to 7%, which was followed by a cut to 6% on Oct. 19. By Sept. 28 the Norwegian rate had been raised to 8% and has been reduced by successive stages to the current level of 5½%. Holland guilders, it will be recalled, closed on Thursday of last week at 40.35 for cable transfers. On Saturday last the rate moved up sharply to 40.48 (par of the guilder is 40.20). On Monday the guilder moved up to 40.51 and on Wednesday to 40.52. Even at 40.48 guilders are above the level at which gold can be shipped from New York to Amsterdam at a profit. Present rates for guilders are the highest quoted in this market since the latter part of October. In the middle of January guilders weakened perceptibly owing to rumors of a possibility of suspension of gold payments by Holland. Subsequent strength in the exchange trapped short interests and the remarkably strong statements of the Bank of The Netherlands have entirely eliminated such fears. Swiss francs continued to display the great strength which has characterized the unit throughout the past year or more. In Tuesday's trading the Swiss franc moved up to 19.55, par being 19.30. The continued strength in the exchange results from the steady flow of gold to Switzerland. The inference is that the important portion of the increase in gold represents foreign money, particularly from Central Europe, which has been withdrawn from other centres and lodged in Switzerland for safekeeping. Consequently the swollen Swiss gold stocks are only a temporary phase of present international disturbances.

Bankers' sight on Amsterdam finished on Friday at 40.43½, against 40.34 on Thursday of last week; cable transfers at 40.44½, against 40.35, and commercial sight bills at 40.30, against 40.20. Swiss francs closed at 19.52 for checks and at 19.52½ for cable transfers, against 19.52 and 19.52½. Copenhagen checks finished at 18.95 and cable transfers at 19.00, against 18.88 and 18.93. Checks on Sweden closed at 19.24 and cable transfers at 19.29, against 19.24 and 19.29; while checks on Norway finished at 18.73 and cable transfers at 18.78, against 18.66

and 18.71. Spanish pesetas closed at 7.73½ for bankers' sight bills and at 7.74 for cable transfers, against 7.86½ and 7.87.

Exchange on the South American countries continues to be nominally quoted. A dispatch from Buenos Aires on Thursday stated that the improvement in the Argentine trade balance for 1931 was so marked that the Argentine Government does not intend to ship additional gold for the service of its foreign debt. The Ministry of Finance, it is stated, is opposed to any suspension of the foreign debt service and the Government believes it can maintain service through the purchase of exchange in the open market. The steady shipment of gold during the past year had increased the proportion of paper in circulation unsecured by gold and the Finance Ministry is opposed to a further increase in such paper. Official figures published by the Argentine statistical office show that for 1931 Argentina had a visible export surplus of 122,769,000 gold pesos, compared with an import surplus of 125,079,000 gold pesos in 1930. The decision not to ship gold means that the Government will enter the exchange market as a purchaser of exchange in competition with private business.

Argentine paper pesos closed on Friday at 25 15-16 for bankers' sight bills, against 25 15-16 on Thursday of last week; and at 26.00 for cable transfers, against 26.00. Brazilian milreis are nominally quoted 5.95 for bankers' sight bills and 6.00 for cable transfers, against 5.95 and 6.00. Chilean exchange is nominally quoted 12½, against 12½. Peru is nominally quoted 27.80, against 27.80.

Exchange on the Far Eastern countries shows no new features. Japanese yen are weak as the result of several well-known factors. These include the military expedition into Manchuria in September, followed by the Chinese boycott of Japanese goods and business, the suspension of gold in December, the more recent attacks on Shanghai, and the assassination last week of former Finance Minister Inouye. The Japanese elections were set for to-day and in this circumstance also is to be found a reason for weakness in the yen rate. Theoretically at least the silver currencies are higher, as the official price for silver in New York was fixed for the greater part of the week at 30 cents per ounce or fractionally better. However, in silver circles it is stated that there is practically no interest in the silver market from Far Eastern sources. The opinion is expressed that if the Shanghai situation should clear, some support for the silver market might be expected from that quarter. At the moment Chinese activity is practically at a standstill.

Closing quotations for yen checks yesterday were 33½, against 35½ on Thursday of last week. Hong Kong closed at 25⅝, against 25 3-16@25⅝; Shanghai at 33¾@33⅞, against 32 13-16@33⅞; Manila at 49⅝, against 49⅝; Singapore at 40⅞, against 40⅞; Bombay at 26.20, against 26.20, and Calcutta at 26.20, against 26.20.

Pursuant to the requirements of Section 522 of the Tariff Act of 1922, the Federal Reserve Bank is now certifying daily to the Secretary of the Treasury the buying rate for cable transfers in the different countries of the world. We give below a record for the week just passed:

FOREIGN EXCHANGE RATES CERTIFIED BY FEDERAL RESERVE BANKS TO TREASURY UNDER TARIFF ACT OF 1922. FEB. 13 1932 TO FEB. 19 1932, INCLUSIVE.

Country and Monetary Unit.	Noon Buying Rate for Cable Transfers in New York, Value in United States Money.					
	Feb. 13.	Feb. 15.	Feb. 16.	Feb. 17.	Feb. 18.	Feb. 19.
EUROPE—						
Austria, schilling	139692	139575	139541	139607	139558	139550
Belgium, belga	139553	139560	139555	139586	139517	139475
Bulgaria, lev	007137	007143	007131	007131	007143	007137
Czechoslovakia, krome	029631	029625	029626	029626	029628	029627
Denmark, krone	189794	189961	189888	189772	189482	189688
England, pound sterling	3.440226	3.459375	3.448035	3.446250	3.447023	3.450892
Finland, marka	014833	014855	014831	014911	015188	015033
France, franc	039455	039440	039444	039433	039436	039406
Germany, reichsmark	237935	237515	237435	237540	237467	237423
Greece, drachma	012864	012871	012875	012871	012872	012874
Holland, guilder	404505	404763	404885	404987	405000	404439
Hungary, pengo	174300	174383	174300	174300	174300	174383
Italy, lira	051886	051968	051992	052004	052047	051987
Norway, krone	187283	187705	187477	187438	187122	187275
Poland, sloty	111858	111914	111858	111800	111835	111871
Portugal, escudo	005951	005952	005945	005948	005957	005951
Rumania, leu	078313	078615	077355	077310	077435	077347
Russia, rouble	193194	193122	193005	192761	192411	192486
Sweden, krona	195253	195342	195417	195363	195346	195212
Switzerland, franc	017801	017807	017790	017775	017787	017818
ASIA—						
China						
Chefoo tael	341686	343750	341250	340625	340625	341875
Hankow tael	330937	336250	333750	332916	332916	333750
Shanghai tael	326666	330000	330000	329583	329687	331666
Tientsin tael	341875	345333	344375	343750	344375	345000
Hong Kong dollar	250520	253958	252500	254375	250937	253229
Mexican dollar	241250	243333	242500	243333	245000	246250
Tientsin or Pelyang dollar	235000	237500	237500	237500	248750	250000
Yuan dollar	240000	237500	237500	237500	243750	245000
India, rupee	259925	260520	259958	259937	260000	260083
Japan, yen	351607	352392	350982	350156	344687	333359
Singapore (S.S.) dollar	397500	398125	397500	397500	397500	397500
NORTH AMER.						
Canada, dollar	869201	871727	871654	872187	873602	874595
Cuba, peso	999812	999672	999875	999812	999812	999843
Mexico, peso (silver)	391866	389166	379600	368033	369666	369300
Newfoundland, dollar	867500	869500	868875	869875	871250	872187
SOUTH AMER.						
Argentina, peso (gold)	582264	582203	582242	581879	581879	582203
Brazil, milreis	061938	061556	061806	061556	061556	061431
Chile, peso	120500	120500	120500	120500	120500	120500
Uruguay, peso	460833	469166	466500	465666	466500	464833
Colombia, peso	952400	952400	952400	952400	952400	952400

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

Banks of	Feb. 18 1932.			Feb. 19 1931.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.
England	£ 121,317,587	£	£ 121,317,587	£ 141,206,663	£	£ 141,206,663
France a	584,272,597	(d)	584,272,597	445,904,456	(d)	445,904,456
Germany b	42,682,450	c994,600	43,677,050	102,332,550	994,600	103,327,150
Spain	89,939,000	20,924,000	110,863,000	96,608,000	28,429,000	125,037,000
Italy	60,854,000		60,854,000	57,287,000		57,287,000
Netherl ds	71,800,000	2,190,000	73,990,000	37,173,000	2,375,000	39,548,000
Nat. Belg.	72,440,000		72,440,000	39,640,000		39,640,000
Switzerl d	61,999,000		61,999,000	25,743,000		25,743,000
Sweden	11,435,000		11,435,000	13,357,000		13,357,000
Denmark	8,160,000		8,160,000	9,552,000		9,552,000
Norway	6,559,000		6,559,000	8,134,000		8,134,000
Total week	1131458634	24,108,600	1155567234	976,937,669	31,798,600	1008736269
Prev. week	1128097061	14,642,600	1142739661	974,488,550	31,469,600	1005958150

a These are the gold holdings of the Bank of France as reported in the new form of statement. b Gold holdings of the Bank of Germany are exclusive of gold held abroad, the amount of which the present year is £3,751,650. c As of Oct. 7 1924. d Silver is now reported at only a trifling sum.

French and German Politics and the European Situation.

The resignation of the Laval Ministry on Tuesday comes at a moment when the political complications in Europe are more than ordinarily intricate and serious. The presidential election in Germany, to be held on Mar. 13, has stirred the Fascist groups of Nationalists and National Socialists, followers respectively of Hugenberg and Hitler, to strenuous exertion in the effort to defeat President von Hindenburg, who has consented to stand for re-election; and while a victory for the Opposition seems unlikely, it has been realized that even a marked increase of Fascist strength would almost certainly stiffen the temper of France and make a settlement of the vexed reparations issue, scheduled to be undertaken at the Lausanne Conference in April, more difficult than ever. The Disarmament Conference at Geneva is torn by diverse opinions regarding the French program of an embattled League which Andre Tardieu has presented, while the League itself, appealed to by China to unloose the sanctions for which the Covenant provides, is struggling to avoid this last resort and to find some form of appeal that will induce Japan to stop its operations at Shang-

hai. Now, with a ministerial crisis at Paris, M. Tardieu and most of his associates at Geneva have withdrawn, and Europe must wait until France, its Government disrupted by a peculiarly difficult and irritating party situation, has once more reconstructed its ministerial house.

The fall of the Laval Ministry was due to the opposition of the Senate to an electoral reform bill, passed by the Chamber of Deputies on Feb. 12, which, in addition to making some changes in the electoral system which would do away with the second balloting now necessary whenever no candidate receives a majority vote, extended the national suffrage to women. The particular issue on which the Government fell was the refusal of the Senate, notwithstanding the urgent request of Premier Laval, to postpone the discussion of an interpellation concerning the general policy of the Government, the electoral reform bill serving as the inciting incident. By a vote of 157 to 134 the Senate declined to put off the debate, whereupon the resignations of M. Laval and his Cabinet were promptly handed to President Doumer.

The situation presents several extraordinary features which make the reconstruction of the Government difficult. While the Senate has the constitutional power to precipitate a ministerial crisis by refusing a vote of confidence on either general policy or particular measures, the power has rarely been exercised, and its use now has naturally evoked heated criticism from the Deputies. Back of this, however, lies the fact of a sharp difference in the party attitudes of the two bodies. The Senate, although composed in the main of older men and enjoying the advantage of a nine-year tenure of office, leans predominantly to the Left, while the Chamber of Deputies, as far as support of the Government is concerned, has represented a coalition of the Right with the stronger parties of the Left in opposition. The coalition, on the other hand, has long been recognized as precarious, and the Left parties, notably the Radical Socialists led by Edouard Herriot, have made no secret of their hope to break the coalition at the general election which should regularly be held at the end of April, and replace the present party alignment by one in which the Left should predominate. The new Premier, accordingly, whoever he is, will have the task of commending himself and his Cabinet to a Parliament whose two branches are of opposite political complexions, and one of which, the Chamber of Deputies, does not represent a stable party majority at all.

While the overthrow of the Laval Ministry came suddenly and under unexpected circumstances, it is nevertheless indicative of a change which has for some time been detected as in progress in the political thought of the country. It has been pointed out that public opinion in France, both within and outside of Paris, has been manifesting increasing concern at the political isolation toward which the policy of the Government appeared to be leading France. The extreme reluctance, and in some cases the stubborn refusal to concede anything in the matter of reparations, joined to the obstructive tactics which have been employed in the matter of adjusting the difficulties of German credits, have placed France in a position of pronounced opposition to a practical and amicable settlement of problems which, it is generally recognized, stand squarely in the way of economic recovery and political peace in Europe.

In spite of the ingrained distrust which the French people feel regarding Germany, and the conviction that Germany has deliberately sought to place itself in a position where further payment of reparations would be impossible, there is a widespread and growing feeling that what is inevitable cannot be much longer avoided, and that the two countries must somehow arrange their differences and prepare to live at peace.

This feeling, obviously one less of fundamental amity than of practical necessity, has been aided by the realization that France, notwithstanding its enormous accumulation of gold, is at last suffering the weight of the world-wide business depression and must cope with serious financial difficulties. The 1932 budget was laid before the Chamber of Deputies on Feb. 13 with the warning that while it apparently balanced, receipts would probably fall some 2,500,000,000 francs below the estimates, and that from 1933 onward the annual deficit must be expected to reach 7,000,000,000 francs. The total value of trade in monetary terms, as reported by the "Wall Street Journal" on Monday, fell in 1931 30% below that for 1930 and 48% below that for 1929, the decline in 1931 being especially marked in the last quarter. Commercial railway receipts for the week ending Jan. 28 were more than \$1,000,000 less than for the corresponding week in 1931, while for the week ending Feb. 6 an increase of 18,000 brought the total number of unemployed to 259,000.

If the Laval Ministry realized that an important change was coming over public opinion, it took no pains to meet it by conciliatory modification of its foreign program or its attitude toward national security. The disarmament program which M. Tardieu presented at Geneva appears to have been much less a step toward practical disarmament than a device intended to disarm the opposition of the Left by espousing the radical proposals of some of its leaders. The Anglo-French conversations regarding reparations which for weeks had been going on did, indeed, result in an announcement on Feb. 13 that Belgium, France, Germany, Great Britain, Italy and Japan would meet in conference at Lausanne in April for a definitive settlement of the whole question, but it presently appeared that there had been no real Anglo-French agreement, that France still insisted upon adhering to the Young Plan, and that the elimination of the war debts from the discussion was no part of the French plan. The French press, while hardly enthusiastic about the Tardieu scheme, continues to discourse about the need of security and the alleged highly-armed condition of Germany. There is only too much reason to fear that even the Radicals of the Left, fertile as they have been in criticism of the Government's domestic and foreign policy, would not be found abating very much the security demand which the Laval Government, like its immediate predecessors, has consistently voiced, and which obviously coincides with a fundamental prepossession of the French people. Even Paul Painleve, former Premier and long in public office who was exerting himself on Friday to form a Ministry, is a pronounced advocate of security before disarmament, and can hardly be expected to have views on that subject very different from those that prevail generally in France.

Under these circumstances, the presidential election in Germany is of special interest to France, as it is to the rest of Europe. It is clear that the de-

cision of President von Hindenburg to stand for reelection, announced on Monday following the presentation to him of a petition signed by 2,500,000 names urging him to run, has been determined by his belief that the best interests of Germany require the continuance of the Bruening Government and the rejection of the Opposition demands for a change. Pending the announcement of President von Hindenburg's decision, it was generally believed that the "Steel Helmets," a nation-wide organization of veterans of which President von Hindenburg is an honorary member, would support him, but as soon as his decision was known it was announced that the organization would not give its support, and the "Steel Helmets" were added to the Nationalists and National Socialists as powerful elements of opposition. Until March 13, accordingly, the air will be filled with rumors of what the opponents of the President mean to do, and with calculations of the vote which they may possibly poll. A determined attempt, it is reported, will be made to depose Chancellor Bruening when the Reichstag reassembles next Tuesday, but it seems improbable that the Chancellor's majority of 25 which he received last October, narrow as it is, will be cut down, and it may quite possibly be increased. The choice of an Opposition candidate for President presents much difficulty because of the rivalries of Nationalists and National Socialists and the intermediate position of the "Steel Helmets."

Until the French crisis is passed and the German election held, Geneva must wait and the outlook for the Lausanne conference remain obscured. The Disarmament Conference cannot go on without France, and the League's efforts to stop the war in China cannot go far without a French Government to give them support. Even with the French Government reconstituted, the outlook for helpful international action will remain clouded, for with a general election in France only a few weeks off, a new Ministry can hardly be counted upon as more than a temporary affair, liable to displacement when the voters shall have spoken at the polls. The continuance of President von Hindenburg and Chancellor Bruening in office, too, will not suffice to clear the air, for Germany has not only demanded equality with the other Powers in armament, but has also abated nothing of its insistence that further reparations payments cannot be made; while the defeat of either the President or the Chancellor, or a substantial increase over 1930 in the German Fascist vote, would bring Europe face to face with the imminent possibility of a radical change of government in Germany and defer indefinitely either armament reduction or armament limitation. One need not be an alarmist to see in the present situation, unique in the peculiar combination of incidents and influences which it presents, one of those grave moments in history from which important consequences for Europe and the world may follow.

Seizure of Rents in Philadelphia to Liquidate Delinquent Taxes.

Under date of Feb. 11 Associated Press advices from Philadelphia said:

Seizure of rents to liquidate delinquent taxes is to be started by the city, Arthur D. Brenner, Receiver of Taxes, announced to-day.

Forty-three collectors will begin the work in the business district, he said, on this plan to cut down the total of delinquent taxes which, with school levies, now is \$20,000,000.

The rents will be impounded under an Act of Assembly passed in 1883. Superintendents, managers and owners of buildings on which taxes are delinquent have been notified.

More than \$2,000,000 in delinquent taxes have been collected since Jan. 4, Brenner said, \$500,000 more than for the same period last year.

Gross and Net Earnings of United States Railroads for the Calendar Year 1931.

It is a dismal record we have to deal with in presenting our compilation of the earnings of United States railroads, gross and net, for the calendar year 1931. And the poor results for that period of twelve months, are invested with additional significance by reason of the fact that the year preceding (1930) with which comparison is made, was itself an intensely bad period—so bad that it can not be said to have had any past parallel fully as bad. In our review and analysis of the figures for this previous year, we said that the year (1930) would go down in history as one of the very worst, if not the worst, ever encountered by the railroads of the United States. From beginning to end, month after month, the year had been bad, we observed, with heavy losses piling up in gross and net earnings alike, with hardly a single redeeming feature and with no change for the better as the year proceeded to its close, but with conditions really worst of all in the final quarter of the year.

The same comments will serve as an accurate description of the state of things prevailing during the year 1931. All through the different months of the year the exhibits were unqualifiedly poor and the large further losses disclosed in both gross and net, were the more distressing since they were cumulative in character and came on top of the huge losses in the year preceding. And what was true of the calendar year 1930 was true also of 1931, namely that the worst exhibits of all were made in the closing quarter, this notwithstanding that comparison was with such heavily reduced figures in the last quarter of 1930. Stated in brief, gross earnings in 1931 showed a loss of \$1,105,303,735, or 20.71%, as compared with 1930 after 1930 had shown \$1,014,198,837 decrease, or 15.98%, as compared with 1929. It should not escape notice that the falling off in each year exceeded a billion dollars, and that for the two years together, these gross earnings, or revenue from operations, dropped from \$6,349,340,347 in 1929 to only \$4,230,369,663 in 1931, the combined shrinkage for the two years aggregating no less than \$2,118,970,684. In the case of the net earnings from operations, before the deduction of the taxes, the net for 1931 records a loss of \$395,804,589, or 28.94%, as compared with 1930, following a loss of \$432,368,693, or 24.02% in 1930, as compared with 1929. In the two years, net from operating expenses dropped from \$1,799,945,914 to only \$971,654,527. In other words, net was reduced in the two years in amount of over \$828,000,000, 46.07%. It is needless to say that this double shrinkage in two successive years is without a parallel or even close approach in American railroading, and it explains the huge depreciation which has occurred during the same two years in the market value of the securities of the roads. As a result of the unparalleled contraction, the 1931 total of the net is the smallest of any year since 1921 and the 1931 total of the gross the smallest since 1917.

Jan. 1 to Dec. 31—	1931.	1930.	Inc. (+) or Dec. (—).
Miles of road (170 roads).....	242,764	242,582	+182 0.07%
Gross earnings.....	\$4,230,369,663	\$5,335,664,398	—\$1,105,303,735 20.71%
Operating expenses.....	3,258,708,136	3,968,205,282	—709,499,146 17.87%
Ratio of exps. to earnings.....	77.04%	74.38%	+2.66%
Net earnings.....	\$971,654,527	\$1,367,459,116	—\$395,804,589 28.94%

Business depression of the severest kind reduced traffic and revenues in 1930 and reduced them still

more in 1931, as the depression became intensified and assumed a greatly aggravated form. Of course, in all this, the railroads simply have reflected prevailing industrial conditions and this is what was to be expected, seeing that they are the great transportation arteries of the country. Speaking generally, 1929, the last year in the good times era, was a period of great and growing industrial activity, even though not all lines of trade, nor all sections of the country, then shared in the activity to its fullest extent. On the other hand, 1930 and 1931 constituted a period of very pronounced industrial prostration, with trade on the decline and traffic and revenues steadily shrinking.

The paralysis of trade was greatly intensified by the unfortunate condition of the farming classes. Prices of agricultural products, already exceedingly low when the stock market crash of the autumn of 1929 started trade on its downward course, kept steadily descending to lower and still lower levels. This is particularly true regarding those two great money crops, wheat in the West and cotton in the South. As an indication of the extent of the depreciation in grain prices, it may be noted that the December option for wheat in Chicago on Dec. 31 1931 ranged between 52¾ cents and 55 cents, while on the other hand, in September 1929 wheat at Chicago for the September option was still selling at \$1.36 a bushel. In like manner, middling upland spot cotton in New York closed Dec. 31 1931 at 6.50 cents, as against over 19 cents in September 1929.

While trade prostration, aggravated and intensified in the way indicated, was unquestionably the primary cause of the collapse in railroad traffic and railroad revenues, certain contributory causes should not be altogether overlooked. The railroads in all recent years have been constant sufferers from the competition of other means of transport, such as the motor truck and the motor bus, and other similar forms of conveyances, this competition extending not alone to the passenger traffic, where it has been simply working havoc with the steam roads, but also to an increasing degree to short-haul freight. Passenger traffic in 1931 was the smallest of any year since 1904. Passenger revenues in 1931 amounted to \$551,054,239, which was a decrease of \$178,565,065, or 24.5%, compared with 1930, and this was after a decrease of \$144,400,550, or 16.5%, in 1930 as compared with 1929.

As a result of the frightful losses in revenues, the plight of the roads became very serious, with the greater part of the roads, even the strongest, and those best managed, found themselves under the necessity of reducing or suspending dividend payments. In this state of things, efforts were made to provide measures of relief in the shape of higher freight rates and lower wages, but these efforts did not bear fruit until the year 1932. A proposal for a flat increase of 15% in freight rates was turned down without much ceremony by the Inter-State Commerce Commission in October; later in the year the Commerce Commission granted moderate increases limited to the period of a single year on a specified list of commodities, but these did not go into effect until Jan. 4 1932. The proposal for a wage cut was stubbornly fought by the railroad brotherhoods and

it was not until Feb. 1 1932, that the unions agreed to a voluntary reduction of 10%, to continue only for the period of a single year. Accordingly, no benefits whatever accrued from either of these sources to the railroads during 1931.

With business depression steadily growing in intensity and the absence of all relief from any quarter or direction, it is not surprising that the losses in earnings should have continued uninterrupted to the close of the year. When the results for the first six months are separated from those for the second six months, it becomes readily apparent that the latter made poorer comparisons with the previous year than even the first half of 1931. In the first six months, gross earnings fell off \$503,786,279 and the net earnings \$147,407,933. In the second six months the loss in gross was \$601,517,456 and in the net \$248,396,656, as will be seen by the following:

	First Six Months		Second Six Months	
	1931.	1930.	1931.	1930.
Gross earnings.....	\$2,184,221,360	\$2,688,007,639	\$2,046,139,303	\$2,647,656,759
Operating expenses....	1,713,031,922	2,069,410,268	1,545,674,214	1,898,795,014
Net earnings.....	\$471,189,438	\$618,597,371	\$500,465,089	\$748,861,745

The monthly comparisons also show uninterrupted contraction and it happens that in the net the ratio of decline in December was the heaviest of any month of the year.

Month.	Gross Earnings.			Length of Road.	
	1931.	1930.	Inc. (+) or Dec. (-).	1931.	1930.
January.....	\$ 365,416,905	\$ 450,731,213	-85,314,308	242,657	242,332
February.....	336,137,679	427,465,369	-91,327,690	242,660	242,726
March.....	375,588,834	452,261,686	-76,672,852	242,366	242,421
April.....	369,106,310	450,567,319	-81,461,009	242,632	242,574
May.....	369,212,042	444,274,591	-74,062,549	242,716	242,542
June.....	377,938,882	458,088,890	-80,150,008	242,968	242,494
July.....	364,010,959	465,762,820	-101,751,861	243,024	234,105
August.....	349,821,538	466,895,312	-117,073,774	242,815	242,593
September.....	362,647,702	482,784,602	-120,136,900	242,745	242,174
October.....	304,896,868	398,272,517	-93,375,649	242,734	242,632
November.....	288,239,790	377,499,123	-89,259,333	242,639	242,319
December.....					

Month.	Net Earnings.		Inc. (+) or Dec. (-).	
	1931.	1930.	Amount.	Per Cent.
January.....	\$ 71,952,904	\$ 94,836,075	-22,883,171	-24.13
February.....	64,618,641	97,522,762	-32,904,121	-33.76
March.....	84,648,242	101,541,509	-16,893,267	-16.66
April.....	79,144,653	103,030,623	-23,885,970	-23.21
May.....	81,038,584	111,359,322	-30,320,738	-27.23
June.....	89,667,807	110,264,613	-20,597,220	-18.70
July.....	96,965,387	125,430,843	-28,465,456	-22.73
August.....	95,118,329	139,161,475	-44,043,146	-31.64
September.....	92,217,886	147,379,100	-55,161,214	-37.41
October.....	101,919,028	157,141,555	-55,222,527	-35.14
November.....	66,850,734	99,557,310	-32,706,576	-32.85
December.....	47,141,248	79,982,841	-32,841,593	-41.06

Evidence of the shrinkage in traffic is to be found on every side when the statistics bearing on the subject are examined. Turning first to the movement of coal, which is such an important item of freight with so many different roads, we find that only 378,110,000 net tons of bituminous coal were mined in the calendar year 1931, against 467,526,000 tons in 1930 and 534,988,593 tons in 1929. Taking the States of largest production, Pennsylvania mined only 97,276,000 tons in 1931, against 124,463,000 tons in 1930 and 143,516,241 tons in 1929; West Virginia 99,769,000 tons against 121,473,000 in 1930 and 138,518,855 tons in 1929, and Illinois 44,105,000 tons in 1931 against 53,731,000 tons in 1930 and 60,657,641 tons in 1929. The output of Pennsylvania anthracite was only 59,531,000 tons, against 69,385,000 tons in 1930; 73,828,195 tons in 1929; 75,348,069 tons in 1928 and 84,437,452 tons in 1926. Automobile production of course fell to very low levels, that industry having suffered beyond all others. Almost 900,000 less motor vehicles were turned out in the calendar year 1931 than in the calendar year 1930 and 3,000,000 less than in the calendar year 1929. In other words, the number of such vehicles produced in 1931

was 2,468,000 against 3,354,870 in 1930 and no less than 5,358,420 in 1929. With orders from the automobile manufacturers so heavily reduced and with general trade depression a further adverse feature, the production of both iron and steel suffered corresponding contraction. The make of iron in the United States in the calendar year 1931 was only 18,275,165 gross tons against 31,399,105 tons in 1930 and 42,285,759 tons in 1929. The production of steel ingots suffered even a greater contraction, the output for 1931 being estimated at only 24,900,195 tons, against 39,286,287 tons in 1930 and 54,312,279 tons in 1929.

Building operations had already suffered a decline in 1929 and experienced further severe contraction in 1930 and 1931. The statistics collected by the F. W. Dodge Corp. show that the construction contracts awarded in the 37 States east of the Rocky Mountains in the twelve months of 1931 represented a money value of only \$3,092,849,500, as compared with \$4,523,114,600 in 1930, \$5,754,290,500 in 1929, \$6,628,286,100 in 1928, \$6,303,055,000 in 1927, \$6,380,915,000 in the calendar year 1926, and \$6,006,426,000 in 1925. Our own figures for building permits covering 354 leading cities showed an aggregate of work planned in 1931 of only \$1,212,196,091, against \$1,776,623,053 in 1930, \$3,096,839,460 in 1929, \$3,500,730,450 in 1928, \$3,651,036,270 in 1927, \$4,121,964,853 in 1926 and \$4,393,364,166 in 1925. Lumber production was correspondingly reduced, the cut of 655 mills for the 52 weeks of 1931 having been only 9,395,766,000 feet, against 13,932,156,000 feet in the 52 weeks of 1930 and approximately 18,000,000,000 feet in 1929.

As it happens, the Western grain movement was also on a diminished scale. The grain traffic over Western roads (taking them as a whole), showed a further large decrease in 1931 following the great shrinkage in the two years preceding. The diminished export demand and the low prices prevailing are in large part responsible for the noteworthy contraction. While the receipts of wheat at the Western primary markets were somewhat larger in 1931 than in 1930—449,659,000 bushels against 428,203,000 bushels—the movement of all the other cereals, in larger or smaller degree, was on a reduced scale. The receipts of corn at the Western primary markets for the 52 weeks of 1931 were only 173,665,000 bushels as against 260,264,000 bushels in the corresponding 52 weeks of 1930; the receipts of oats 78,692,000 bushels as against 123,477,000 bushels; of barley 35,177,000 bushels against 51,288,000, and of rye 10,005,000 against 20,355,000 bushels. Total receipts at the Western primary markets for the five cereals combined were only 747,198,000 bushels in 1931, against 883,587,000 bushels in 1930; 954,540,000 bushels in 1929, and no less than 1,121,268,000 bushels in 1928. The loss for last year alone was 136,389,000 bushels, and for the three years 1931, 1930 and 1929, combined, no less than 374,070,000 bushels. In the following table we give the details of the Western grain movement in our usual form for the 52 weeks of 1931 and 1930:

Jan. 1 to Dec. 26.	Flour. (bbls.)	Wheat. (bush.)	Corn. (bush.)	Oats. (bush.)	Barley. (bush.)	Rye. (bush.)
Chicago—						
1931.....	10,380,000	55,497,000	57,129,000	17,656,000	4,310,000	1,927,000
1930.....	11,620,000	27,519,000	76,375,000	29,831,000	7,263,000	4,017,000
Minneapolis—						
1931.....	-----	75,082,000	8,258,000	10,011,000	13,393,000	4,316,000
1930.....	-----	92,377,000	13,945,000	17,183,000	19,462,000	9,521,000
Duluth—						
1931.....	-----	45,269,000	1,590,000	2,113,000	1,877,000	850,000
1930.....	-----	73,190,000	2,681,000	8,266,000	6,245,000	4,343,000
Milwaukee—						
1931.....	996,000	22,161,000	6,676,000	3,277,000	9,492,000	140,000
1930.....	978,000	4,320,000	12,801,000	8,754,000	12,207,000	565,000

Jan. 1 to Dec. 26.	Flour. (bbls.)	Wheat. (bush.)	Corn. (bush.)	Oats. (bush.)	Barley. (bush.)	Rye. (bush.)
Toledo						
1931	12,003,000	1,176,000	7,043,000	79,000	27,000	36,000
1930	12,585,000	1,292,000	5,493,000	26,000	202,000	
Detroit						
1931	1,395,000	302,000	725,000	716,000	240,000	
1930	2,166,000	909,000	979,000	120,000	202,000	
Indianapolis & Omaha						
1931	40,465,000	34,891,000	13,686,000	41,000	18,000	
1930	44,434,000	52,387,000	18,190,000	25,000	186,000	
St. Louis						
1931	6,825,000	40,277,000	19,000,000	13,595,000	1,881,000	82,000
1930	2,183,000	45,448,000	27,463,000	17,271,000	1,700,000	290,000
Peoria						
1931	6,738,000	3,049,000	9,784,000	3,589,000	3,152,000	2,394,000
1930	7,582,000	2,286,000	21,326,000	6,306,000	3,860,000	1,161,000
Kansas City						
1931	140,000	110,839,000	22,179,000	3,113,000	11,000	2,000
1930		86,175,000	30,299,000	5,669,000		
St. Joseph						
1931		11,979,000	8,561,000	2,333,000	5,000	2,000
1930		12,614,000	11,222,000	2,276,000	4,000	
Wichita						
1931		28,890,000	1,463,000	152,000	150,000	
1930		22,791,000	3,567,000	229,000	125,000	
Stout City						
1931		2,753,000	2,656,000	1,399,000	70,000	7,000
1930		2,298,000	5,997,000	3,030,000	251,000	34,000
Total All						
1931	21,079,000	449,659,000	173,665,000	78,692,000	35,177,000	10,005,000
1930	22,363,000	428,203,000	260,264,000	123,477,000	51,288,000	20,355,000

At the Eastern seaboard the grain movement was a little larger than in 1930 and 1929, but fell far behind such full years as 1928 and 1927. The seaboard grain receipts include the movement to Montreal as well as to United States ports. For the 52 weeks of 1931 the receipts at the seaboard aggregated 228,049,000 bushels, as against only 177,253,000 bushels in the previous year and 221,457,000 bushels in 1929, but comparing with 420,420,000 bushels in 1928, as is shown in the following table:

GRAIN AND FLOUR RECEIPTS AT SEABOARD PORTS FOR 52 WEEKS.

Receipts of—	1931.	1930.	1929.	1928.	1927.
Flour.....barrels	22,969,000	25,316,000	24,578,000	25,208,000	23,225,000
Wheat.....bushels	185,757,000	164,010,000	160,415,000	288,148,000	296,956,000
Corn.....bushels	3,225,000	4,959,000	17,330,000	19,263,000	10,575,000
Oats.....bushels	13,145,000	6,988,000	15,766,000	35,369,000	24,674,000
Barley.....bushels	23,142,000	1,268,000	24,517,000	59,079,000	29,462,000
Rye.....bushels	2,780,000	928,000	3,429,000	18,561,000	16,734,000
Total grain	228,049,000	177,253,000	221,457,000	420,420,000	378,401,000

The Western livestock receipts, like the Western grain movement, was on a greatly diminished scale and followed a falling off in 1930 as compared with 1929. At Chicago the receipts for the year comprised only 196,443 carloads as against 204,828 carloads in 1930; 221,328 carloads in 1929; 233,166 carloads in 1928 and 245,013 carloads in 1927. At Kansas City the receipts in 1931 were only 72,825 cars against 87,537 cars in 1930; 97,673 cars in 1929; 102,152 cars in 1928 and 106,302 cars in 1927, while at Omaha the receipts were only 74,405 cars against 81,351 cars in 1930, 81,253 cars in 1929, 86,494 cars in 1928 and 89,163 cars in 1927.

As to the Southern cotton movement, this also was smaller, at least in the case of receipts of the staple at the Southern outports. It should be remembered that the cotton movement in 1930 was the smallest in many years both as regards the shipments overland and the receipts at the Southern outports. Total shipments overland in 1931 were 758,838 bales against 721,304 bales in 1930, but comparing with 913,635 bales in 1929, 914,507 bales in 1928, 1,137,001 bales in 1927, 1,580,136 bales in 1926, and 1,646,167

RECEIPTS OF COTTON AT SOUTHERN PORTS FROM JAN. 1 TO DEC. 31 1926 TO 1931, INCLUSIVE.

Ports.	Full Year.					
	1931.	1930.	1929.	1928.	1927.	1926.
Galveston	1,751,168	1,422,990	2,045,403	2,887,759	2,443,591	3,239,336
Houston, &c	2,959,521	2,951,411	3,028,784	2,924,486	3,144,754	3,600,632
Corpus Christi	421,960	595,775	421,225	260,459	145,991	
Beaumont	18,847	19,225	14,971			
New Orleans	1,316,026	1,453,403	1,761,162	1,555,743	1,901,407	2,210,042
Mobile	468,280	494,257	405,636	269,313	316,538	339,392
Pensacola	85,371	55,208	7,408	1,978	6,004	16,588
Savannah	400,597	684,232	497,091	471,066	884,448	969,241
Brunswick	11,588	48,900				413
Newport News			37			
Charleston	144,106	345,372	208,741	226,719	432,086	528,746
Lake Charles	63,715	38,404	7,605	7,818	200	
Wilmington	54,408	60,688	100,540	157,751	163,103	132,109
Port Arthur			9,217			
Norfolk	91,269	170,111	154,895	248,553	312,421	477,261
Jacksonville	21,449	425				
Total	7,806,305	8,340,401	8,662,715	9,021,645	9,750,543	11,513,760

bales in 1925. At the Southern outports receipts of the staple aggregated 7,806,305 bales during 1931 as against 8,340,401 bales in 1930; 8,662,715 bales in 1929; 9,021,645 bales in 1928; 9,750,543 bales in 1927 and 11,513,760 in 1926 as is shown by the table above.

Loading of revenue freight on the railroads of the United States furnishes a sort of composite picture of the general traffic and revenues of the roads. This tells the story of growing trade depression, with resulting contraction in traffic, more emphatically perhaps than anything else. These statistics, as collected by the Car Service Division of the American Railway Association, show that 37,372,371 cars were loaded with freight during the 52 weeks of 1931 as compared with 45,877,974 cars in 1930, 52,827,925 cars in 1929 and 51,589,887 cars in 1928. It will be seen that 1930 suffered a decrease from 1929 of almost 7,000,000 cars and 1931 suffered a further decrease of considerably over 8,000,000 cars more, or a total for the two years combined of no less than 15,555,554 cars. A four-year comparison of the loadings of the different classes of traffic is shown in the following table:

LOADING OF REVENUE FREIGHT ON THE RAILROADS OF THE UNITED STATES FOR 52 WEEKS.

	Number of Cars			
	1931.	1930.	1929.	1928.
Grain and grain products.....	2,020,779	2,265,400	2,396,195	2,512,937
Live stock.....	1,165,404	1,285,153	1,419,191	1,520,915
Coal.....	6,531,428	7,927,035	9,095,271	8,768,487
Coke.....	327,462	487,841	634,427	533,716
Forest products.....	1,483,312	2,369,319	3,248,408	3,327,270
Ore.....	877,105	1,661,659	2,281,566	1,909,766
Merchandise (less than car load freight).....	10,965,089	12,200,534	13,205,698	13,165,573
Miscellaneous.....	13,891,792	17,681,033	20,547,169	19,851,223
Total	37,272,371	45,877,974	52,827,925	51,589,887

It should perhaps be added that aggregate freight traffic handled in 1931 by the railroads of this country measured in net ton-miles (the number of tons of freight multiplied by the distance carried) was 340,148,081,000 net ton-miles, according to complete reports, just made public by the Bureau of Railway Economics. This was a reduction of 81,984,610,000 net ton-miles, or 19.4% under that for 1930 and a reduction of 152,165,341,000 net ton-miles, or 30.9%, under that for 1929.

In the case of the separate roads, the record of losses is a duplicate of that for the railroads as a whole, as far as the extent and magnitude of the losses are concerned. The list of these losses is of course a long one, including virtually every prominent railroad system in the country, and in fact nearly all the roads in the country, small as well as large. Those two great railroad systems, the Pennsylvania RR. and the New York Central, stand at the head of the list for extent of losses sustained. It was noted a year ago when reviewing the results for 1930 that each of these two systems had fallen over \$100,000,000 behind in gross revenues, as compared with 1929, and the same is again true with reference to the further losses suffered in 1931. In other words, the Pennsylvania for 1931 reports \$126,356,676 decrease in gross and \$48,834,784 decrease in net, as compared with 1930, after \$118,691,776 decrease in gross and \$48,654,238 decrease in net in 1930 as compared with 1929. The New York Central, including the Pittsburgh & Lake Erie and the Indiana Harbor Belt, reports \$107,874,857 decrease in gross and \$31,203,865 decrease in net in 1931 after \$119,995,561 decrease in gross and \$47,986,459 decrease in net in the previous year. Cumulative decreases of very large amount also appear in the case of nearly all other roads and systems. In the following we undertake to show all changes for the separate

Table with columns: Region, 1931, 1930, 1931, 1930, Inc. or Dec. Includes sub-sections: Great Lakes Region, Can Nat System, New England Region, N Y Central Lines, Wabash System.

Table with columns: Region, 1931, 1930, 1931, 1930, Inc. or Dec. Includes sub-sections: Central Eastern, Reading System, Total Eastern District (67 roads).

Table with columns: Region, 1931, 1930, 1931, 1930, Inc. or Dec. Includes sub-sections: Southern District, Southern Region, At Coast Line System, III Central System, Total Southern District (34 roads).

Table with columns: Region, 1931, 1930, 1931, 1930, Inc. or Dec. Includes sub-sections: Western District, Northwestern Region, Canadian Nat System, Can Pac Lines in Me, Can Pac Lines in Vt, Union Pacific System.

Table with columns: Region, 1931, 1930, 1931, 1930, Inc. or Dec. Includes sub-sections: Central Western Region, Atholton System, Burlington Route, Southern Pacific System, Rock Island System, Western Pacific System.

Table with columns: Region, 1931, 1930, 1931, 1930, Inc. or Dec. Includes sub-sections: Southwestern Region, Burl Rock Island, Burlington Route, Kansas City South, Mo Pacific System, Total Western District (69 roads).

Table with columns: Region, 1931, 1930, 1931, 1930, Inc. or Dec. Includes sub-sections: Southern Pacific System, Missouri Pacific, N O Tex & Mex, Texas & Pacific, Total Western District (170 roads).

Weather Conditions and Results in Earlier Years.

As to weather conditions, which often are an important factor affecting traffic and revenues in the early months of the year, the winter of 1931, like that of 1930, presented no unusual conditions. In 1929 weather conditions were not much of a drawback in the northern part of the eastern half of the country. In the western half, however, the winter was quite severe, extreme cold accompanied in many instances by repeated heavy snowfalls, having

seriously interfered with railroad operations. The remark applies particularly to Wisconsin, Iowa, Colorado, Utah, Wyoming, Montana, Idaho, and, indeed, all the way west to the State of Washington. Colorado seems to have suffered most in that year from accumulated snow. Thus Associated Press dispatches from Denver, Feb. 7 1929, said that railroad transportation in the mountainous regions of southwestern Colorado was at a standstill, while section crews began a two weeks' task of clearing tracks of the heaviest snowslides in many years. The towns of Silverton, a mining community, and Craig, on the Denver & Rio Grande Western RR., were completely isolated, it was stated. Nine snowslides had crashed down on the tracks since Feb. 2, and one of these was said to be from 40 to 75 feet deep and 800 feet wide. The Rio Grande Southern, operating on the Lizard's Head Pass, it was also stated, was blocked by snowdrifts, though there were no snowslides. It was likewise reported that highways in Wyoming, Utah and Idaho were blocked by snowdrifts and that zero temperatures were general. Montana appears to have suffered in a similar way. On Feb. 9 1929 Associated Press advices from Kansas City stated that railroad transportation in southwestern Colorado had been further hindered by additional snow and that zero temperatures prevailed in that region and in Kansas, Oklahoma and the Texas Panhandle. Two more snowslides had crashed on the tracks of the Denver & Rio Grande Western between Durango and Silverton, Col., making a total of 11 in 13 miles. On Feb. 17 1929 press dispatches from Durango stated that relief from a food shortage, which had become serious, was in sight for the isolated town of Silverton, Col., as large forces of workers continued to cut through mountains of snow, which had blockaded the once famous mining camp since Feb. 3. Avalanches of snow, which had buried the Denver & Rio Grande Western tracks into the town to a depth ranging from six to 80 feet were then expected to be cleared away within three days to enable a train to pull into the town with food and commodities. At different times during March of 1929 also there came reports of snowslides at widely separated points in the section of country referred to—Colorado, the Dakotas, Montana, the State of Washington, &c.

In the early months of 1928 the winter ranked as one of the mildest on record, complaints of obstruction to railroad operations from snow or ice or extreme cold having been entirely absent in all parts of the country. In 1927, too, the winter was not severe in any part of the country if we except a limited area in the Rocky Mountain regions where unusually heavy falls of snow were encountered during January, February and March. In fact, it may be said that in some of the Rocky Mountain States, particularly Colorado and Wyoming, repeated heavy snowstorms occurred all through the winter of 1927, making railroad operations difficult; even towards the middle of April an unusually severe spring blizzard was reported, seriously interrupting traffic, the latter extending also into South Dakota. Barring this, however, the winter of 1927 did not impose a drawback of any great consequence anywhere. In 1926, likewise, the winter on the whole was not much of a disturbing influence. The situation in that respect was not so extremely good as it had been in 1925, and yet was on the whole quite favorable. In January weather conditions in 1926 did not impose much of an obstacle to railroad operations over any large sections of the country. On the other hand, in February the New England roads suffered by reason of heavy falls of snow. The winter of 1926, taking the country as a whole, was, as stated, quite mild, but in February there were some big snowstorms in the East, with, however, nothing approaching a blizzard. In other words, there were no big drifts to tie up traffic and interfere seriously with the running of trains. In this city there was in 1926 no snowfall of any consequence during the winter until February, but in this last-mentioned month there were two very heavy snowstorms, namely, one on Feb. 3-4, when 10.3 inches of snow fell, and another on Feb. 9-10, when the snowfall was 11.6 inches. For the whole month of February the snowfall in this city in 1926 aggregated 25.7 inches, being the heaviest on record for any February since 1899, when the fall was 27.5 inches, and comparing with only 0.8 inch in February 1925 (when, however, the fall was extremely heavy in January), and with 11.5 inches in February 1924 and 17.9 inches in February 1923. The February snowstorms in 1926 seem to have extended all over New England and through New York State. New England roads virtually all reported

for that month large losses in gross, as well as in net, and no doubt the circumstances mentioned were in part responsible for this, in addition to which, however, these roads must have had their coal traffic reduced by the anthracite miners' strike.

In both 1925 and 1924 the railroads enjoyed quite remarkable exemption from bad weather and from the often extreme rigors of the winter. In January 1925 bad weather was somewhat of a drawback on certain lines here in the East, though not to any great extent for the country as a whole. There were repeated snowstorms in these parts in the month in 1925, and in New York City the fall of snow was the heaviest of any January in the history of the local weather bureau, reaching 26.2 inches. This compared with only 2.6 inches in January 1924, but with 21.9 inches in January 1923, this latter having also been a month of very heavy snowfalls. A storm which came toward the end of the month in 1925—that is, Thursday, Jan. 29, and extended into Friday, Jan. 30—proved particularly mischievous in New York State. The New York Central RR. reported it as the worst in its history, especially between Albany and Rochester, causing considerable delay in the running of trains. The 20th Century train from Chicago was 16 hours late in reaching the Grand Central Terminal in New York City. It was due at 9:40 a. m., but did not arrive until 1:18 and 1:33 the following morning (Saturday), coming in in two sections. The area of disturbance, however, in this way was very much circumscribed, being confined largely to New York and New England, while elsewhere in the northern part of the country the winter was comparatively mild and little complaint was heard of obstruction because of snow and ice or because of extreme cold.

After this heavy snowstorm in New York State the latter part of January (1925), from which, as noted, other parts of the country were exempt, mild weather developed in February, and this may be said to have been a condition common to the whole United States and even Canada, the winter nearly everywhere having been an open one and spring having come unusually early virtually everywhere. Nor was there much severe winter weather in 1924, but in 1923, on the other hand, the winter was of unusual severity in many parts of the northern half of the United States, especially in New England and in northern New York, where the roads suffered from repeated snowstorms and from the depth of the accumulated snowfalls, with resulting large increases in operating expenses.

It has already been noted that the falling off of \$1,105,303,735 in the gross earnings and of \$395,804,589 in the net earnings of United States railroads during the calendar year 1931, came after \$1,014,198,837 loss in gross and of \$432,368,693 loss in the net during the calendar year 1930, making for the two years combined an unparalleled shrinkage of income growing directly out of the collapse in trade. Moreover, even in 1929, the results for the year as a whole were far from brilliant, our tabulations showing only \$162,305,781 gain in gross and \$91,282,713 gain in net in 1929 over 1928. The year 1929 was one of unexampled activity in trade up to the time of the panic, but after this latter event trade suffered a severe setback, and losses in October, November and December offset to that extent the gains of the early months of that year. Moreover, the 1929 gain, at least as far as the gross earnings are concerned, were really a recovery of the losses sustained in the two years immediately preceding. For the calendar year 1927 our compilations had shown a falling off of \$253,305,228 in the gross earnings and of \$155,453,498 in the net earnings, and in our comments on the results for that year we remarked that it had been in fact the poorest year that these rail carriers had had since their return to private control in 1920. In 1928 our statement showed a further loss in gross earnings of \$30,265,342 in comparison with the poor results of 1927, accompanied, however, by a saving in expenses of \$135,435,125, producing, therefore, a gain in net of \$105,169,783, which to that extent acted as an offset to the much larger loss in net sustained in 1927. Though the further gain in gross recorded in 1929, amounting to \$162,305,781, did not serve to wipe out entirely the very heavy losses in gross sustained during the two preceding years, the showing of the net was the best ever made as the result of the further increase in the sum of \$91,282,713 in that year. It should not escape attention that while there was very considerable trade revival in 1928, particularly during the last half of the year, and certain leading industries enjoyed prosperity for

nearly the whole of the 12 months, full recovery from the setback of 1927 did not ensue until 1929. During the early months of 1928, outside of a few excepted industries, the volume of trade was in many instances moderately smaller than it had been in 1927. There was in 1928, it is true, a revival of the automobile trade after the severe slump which that trade had experienced during the previous year, which slump, however, was due mainly to the fact that the Ford plants were then out of commission, being engaged in devising a new model of car. But it remained for 1929 to show what the automobile industry could do in a period of real trade revival and with the Ford plants once more operating at a normal capacity, and apparently no obstacles of any kind existing to full capacity production anywhere. In like manner it remained for 1930 and 1931 to show what a setback the automobile trade could experience at a time of a general slump in business.

The 1927 loss in net was the first the roads of the United States had sustained after a long series of gains beginning with 1921. On the other hand, previous to 1921 expenses had been mounting up in a frightful way until in 1920 a point was reached where even some of the strongest and best managed roads were barely able to meet ordinary running expenses, not to mention taxes and fixed charges. And it was these enormously inflated expense accounts that furnished the basis for a good part of the savings and economies effected in the years after that. As compared with 1920, the roads in both 1921 and 1922 also had the advantage of much more favorable weather conditions. In 1921 the winter was exceptionally mild, and much the same remark may be made with reference to the winter of 1922. This last, while perhaps not so extremely mild as the winter of 1921, was at all events not of unusual severity—at least not of such severity in most of the country as to entail heavy expenses for the removal of snow and the clearing of tracks, though the winter is declared to have been a hard one in certain special sections, in Wyoming and Montana, for instance, and contiguous territory. In 1920, on the other hand, the winter had been exceptionally severe.

In commenting on the results for 1920 and noting the tremendous increase in operating costs in that year, we took occasion to say that, taken in conjunction with the antecedent huge additions to expenses, it constituted an unfavorable record for which no parallel could be found in American railroad history. As a matter of fact, 1920 constituted the fourth successive year in which the net had fallen off—in each year, too, in face of very substantial gains in the gross earnings. As showing how extraordinarily poor the results were in 1920, we may say that, while there was an addition to the gross of no less than \$1,026,235,925, net actually fell off in amount of \$303,953,253. In 1919 the increase in the gross was of only moderate extent (5.25%), and yet amounted to \$258,130,137. As it was accompanied, however, by an augmentation in expenses of \$401,609,745, there was a loss in net of \$143,479,608, or 15.80%. For 1918 our compilation showed an increase in the gross in the sum of \$863,892,744, or 21.40% (due in no small measure to the advance in rates made by Director-General McAdoo at the close of May in that year), but the addition to the expenses reached \$1,148,664,364, or 40.35%, leaving a loss in the net of \$284,771,620, or 23.92%. The prodigious augmentation in the 1918 expenses was due not merely to the general rise in operating costs, but yet more to the tremendous advance in wages granted by Director-General McAdoo in May 1918, and made retroactive to the 1st of January of that year. But even for the calendar year 1917 our compilations showed that while gross had increased \$430,679,120, or 11.61%, this was attended by a rise in operating expenses of \$490,738,869, or over 20%, leaving a loss of \$60,079,749 in net earnings. There was this qualifying circumstance, however, with reference to the 1917 loss in net, namely, that it followed strikingly good results, both as regards gross and net, in 1916 and 1915. On the other hand, it is equally important to remember that these gains for 1916 and 1915 represented in part a recovery of previous losses.

In the following we show the yearly comparisons as to both gross and net for each year back to 1907. For 1910 and 1909 we take the aggregates of the monthly totals as then published by the Inter-State Commerce Commission, but for the preceding years we give the results just as registered by our own tables each year—a portion of the railroad mileage of the country being then always unrepresented in the totals, owing to the refusal of some of the roads at that time to furnish monthly figures for publication.

Year.	Gross Earnings.			Length of Road.	
	Year Given.	Year Preceding.	Increase (+) or Decrease (-).	Year Given.	Year Preceding.
	\$	\$	\$	Miles.	Miles.
1907	2,287,501,605	2,090,595,451	+196,906,154	173,028	171,316
1908	2,235,164,873	2,536,914,597	-301,749,724	199,726	197,237
1909	2,605,003,302	2,322,549,343	+282,453,959	228,508	225,027
1910	2,836,795,091	2,597,783,833	+239,011,258	237,554	233,829
1911	2,805,084,723	2,835,109,539	-30,024,816	241,423	238,275
1912	3,012,390,205	2,790,810,236	+221,579,969	239,691	236,000
1913	3,162,451,434	3,019,929,637	+142,521,797	241,931	239,625
1914	2,972,614,302	3,180,792,337	-208,178,035	246,356	243,636
1915	3,166,214,616	3,013,674,851	+152,539,765	249,081	247,936
1916	3,702,940,241	3,155,292,405	+547,647,836	249,098	247,868
1917	4,138,433,260	3,707,754,140	+430,679,120	250,193	247,879
1918	4,900,759,309	4,036,806,565	+863,952,744	233,014	232,639
1919	5,173,647,054	4,915,516,917	+258,130,137	233,985	234,264
1920	6,204,875,141	5,178,639,216	+1,026,235,925	235,765	234,579
1921	5,552,022,079	6,216,050,959	-664,027,980	235,690	234,777
1922	5,522,522,416	5,478,828,452	+43,693,964	235,564	235,338
1923	6,342,058,872	5,608,371,650	+733,687,222	235,461	235,705
1924	5,961,186,643	6,332,874,535	-371,687,892	234,795	234,622
1925	6,177,280,802	5,977,687,410	+199,593,392	236,330	236,139
1926	6,435,539,259	6,169,453,120	+266,086,139	236,891	235,809
1927	6,195,259,346	6,448,564,574	-253,305,228	238,527	237,799
1928	6,168,119,487	6,198,384,829	-30,265,342	240,626	239,536
1929	6,339,246,882	6,176,941,101	+162,305,781	241,625	239,482
1930	5,335,131,510	6,349,330,347	-1,014,198,837	242,517	242,169
1931	4,230,360,663	5,335,664,398	-1,105,303,735	242,764	242,582

Year.	Net Earnings.			Length of Road.	
	Year Given.	Year Preceding.	Increase (+) or Decrease (-).	Year Given.	Year Preceding.
	\$	\$	\$	Miles.	Miles.
1907	660,753,545	665,285,191	-4,526,646	173,028	171,316
1908	694,999,048	748,370,244	-53,371,196	199,726	197,237
1909	901,726,065	750,685,733	+151,040,332	228,508	225,027
1910	909,470,059	900,473,211	+8,996,848	237,554	233,829
1911	883,626,478	907,914,866	-24,288,388	241,423	238,275
1912	937,978,711	877,617,878	+60,360,833	239,691	236,000
1913	907,022,312	940,509,412	-33,487,100	241,931	239,625
1914	828,522,941	904,448,054	-75,925,113	246,356	243,636
1915	1,040,304,301	828,650,401	+211,653,900	249,081	247,936
1916	1,272,639,742	1,036,016,315	+236,623,427	249,098	247,868
1917	1,215,110,554	1,275,100,303	-60,079,749	250,193	247,879
1918	905,794,715	1,190,566,335	-284,771,620	233,014	232,639
1919	764,578,730	908,058,338	-143,479,608	233,985	234,264
1920	461,922,776	765,876,029	-303,953,253	235,765	234,579
1921	958,653,357	402,150,071	+556,503,286	235,690	234,777
1922	1,141,598,071	951,497,925	+190,100,146	235,564	235,338
1923	1,410,968,636	1,161,243,340	+249,725,296	235,461	235,705
1924	1,424,240,614	1,409,433,583	+14,807,030	234,795	234,622
1925	1,604,400,124	1,428,508,949	+175,891,175	236,330	236,139
1926	1,731,509,130	1,602,513,558	+128,995,572	236,891	235,809
1927	1,579,621,895	1,735,075,393	-155,453,493	238,527	237,799
1928	1,706,067,669	1,600,897,886	+105,169,783	240,626	239,536
1929	1,798,200,253	1,706,917,540	+91,282,713	241,625	239,482
1930	1,367,577,221	1,799,945,914	-432,368,693	242,517	242,169
1931	971,654,527	1,367,459,116	-395,804,589	242,764	242,582

Must a Fixed Investment Trust Pay Income Taxes as a Trust or Corporation.

By J. S. SEIDMAN, C.P.A., LL.M., of Seidman & Seidman, Certified Public Accountants.

Does a fixed investment trust have the income tax status of a strict trust, or is it an association and, hence, taxable like a corporation?

The question is a vital one, because of the marked difference in tax consequences flowing from the answer. For example, as trusts, the current distributable income would be free from tax to the trust, and be taxable only to the beneficiaries. As an association, the income would be taxable to the association and, on its distribution to the beneficiaries, would again be taxable to them as dividends. A difference in tax status may also exist on the creation or termination of the trusts. As an association, when the depositor transfers the property to the trustees in exchange for certificates of beneficial interest, the transaction is free from a recognition of gain or loss, and of itself brings about no tax liability. However, where a strict trust is involved, it is not at all clear under the present wording of the law and adjudications having some relation to the subject (there are none that I know of specifically in point), whether there would be such freedom from tax liability when the trust property is exchanged for certificates of beneficial interest.

It would hardly serve any useful purpose to further compare the difference in tax consequence depending upon whether the investment trust comes in the category of a strict trust or an association. The magnitude of the difference is pretty well understood. The more pertinent inquiry is as to the criteria based upon which one may determine whether a particular investment trust falls into one class or the other.

General Principles Applicable.

Unfortunately, neither the law, nor the regulations promulgated thereunder, nor any of the decisions by the administrative or judicial authorities, provide a precise yardstick for the admeasurement. They all deal with the question in general terms, and either express or imply that each case must be considered in the light of its own peculiar facts.

There are situations where it is palpable that a given organization is an association. There are others where the trust status predominates. Those offer no difficulty. But, as fixed investment trusts come and go (or at least, those of which I have some knowledge), the set-ups where a clean-cut, unqualified answer can be readily given, are in the hopeless minority. The larger part come into the realm of a sort

of "no man's" land. They are border-line cases, where one cannot be dogmatic or secure in an opinion without a thorough grasp of all the pertinent facts and their proper integration against a background of pre-determined or accepted principles that are to serve as a guide in the approach to the ultimate answer.

It is rather interesting, and somewhat anomalous that, in spite of the popularity of the investment trusts and the number of them extant, it was not until May 1931 that any ruling appeared concerning them; and even since that time there has been only one other, and that was in July 1931. With these two rulings of record, however, there is at least something available for comparative purposes, and I propose going about the solution to the basic question in that way. To do so, it is desirable to develop first a bit of the antecedents to these rulings, and the principles previously established, in order that the rulings may be viewed in their proper setting.

As previously mentioned, the statute itself is not of any help. The next recourse is therefore to the regulations issued pursuant to and under the law. There we find (Article 1312 of Regulations 74) that while an association is not defined, it is said to include projects that carry on their activities in organized capacities, and where the net income is distributed on the basis of shares, or on the basis of capital invested. In other words, an organization that smacks of a corporation, but is in fact unincorporated, would be embraced by the word "association" and be taxed as a corporation. We get a better idea of the set-up and activities that would bring an organization into the association class from the regulations that have to do with distinguishing a trust from an association (Article 1314, Regulations 74). There we learn that for an organization to qualify as a trust three requirements must be met:

(1) The trustee must hold the property merely to collect the income from it, and distribute it to the beneficiaries;

(2) The trustee must not, either alone or with the beneficiaries, be engaged in the carrying on of any business; and

(3) The beneficiaries must have no control over the trust.

These three requirements are recounted in the regulations in the conjunctive, so that they must all be present to accord with the regulations. The decisions of the Board of Tax Appeals and the Courts, however, incline of late towards placing more emphasis on the conjunctive character of the first two requirements, so that even if the third be absent, the organization may not necessarily lose its status as a strict trust.

The situation, broadly speaking, therefore, simmers down to about the following: An organization will be taxed as an association where it is organized to carry on, and does in fact devote itself to the conduct of a business enterprise in quasi-corporate form, whether or not (and this part is not conclusively determined yet) the beneficiaries are in control of the organization.

With these principles we are now ready to consider the two rulings to which we adverted previously. The first was promulgated by the Income Tax Unit of the Bureau of Internal Revenue under date of May 18 1931, and is cited as IT 2572-X-20-5062. That ruling held the particular investment trust that was there being considered taxable as an association. The second ruling appeared in the Internal Revenue "Bulletin" of July 27 1931, as IT 2583-X-30-5151. There the investment trust under consideration was held taxable as a strict trust.

It would be profitable to review the facts as to the trusts that gave rise to these rulings, and the principles upon which these decisions were expressly premised, as by more or less statistical comparison between the two investment trusts upon which the Bureau has already adjudicated, and any particular investment trust under inquiry, it may be feasible to make a reasonable prediction as to the attitude at least of the Bureau towards the trust. First, therefore, to the earlier ruling.

First Specific Ruling.

As the first ruling on the subject, the Unit evidently recognized the wisdom of discussing the matter at length. It set forth all the pertinent facts and gave a comprehensive summary of the legal principles that apply to the facts.

The ruling approaches the question from the aspect of the trichotomy we have previously considered, namely, a business enterprise in quasi-corporate form, with the beneficiaries in control, and it concludes that there is a sufficient manifestation of each of the elements to characterize the investment trust as an association.

(1) Business Enterprise.

From the point of view of a business enterprise, as distinguished from the mere collecting and distributing of the income, the ruling stressed several phases. It pointed out that the trust was interested not so much in the income as in the profit from appreciation, and that the very functions of the management of securities in themselves partook of business activities.

It pointed to a number of specific provisions in the trust agreement, and emphasized some of these. For instance, the right of the beneficiaries at any time to surrender their certificates of interest for their proportion of the trust property, thereby putting themselves in a position to realize upon the fluctuations in market prices, was said to give the trust a trading and profit atmosphere, rather than a passive income derivation. To the same effect was considered the provision that if the liquidating value of a share in the trust rose above a certain amount the depositor could require the trustee to publish notice of that fact for the beneficiaries' guidance.

The same conclusion was reached as to the provision that made it possible for the depositor to recommend to the trustee the elimination of certain stocks from the portfolio, and upon such recommendation, the trustee was to call a meeting of the beneficiaries, and if an affirmative vote of 60% of the beneficiaries was secured, the recommended eliminations were to be made. The ruling also placed emphasis on the provision that the term of the trust was only five and a half years, "the purpose in this connection apparently being to take advantage of a low market, await a rise in value, and then sell out."

Other provisions were mentioned, but those that have here been specifically called to attention were the ones upon which stress was laid. The far more interesting part of this entire presentation is not so much the conclusion of the Unit that these provisions had the aggregate effect of making the organization a vehicle for the conduct of a business enterprise, but rather the more sweeping reference that was made to investment trusts generally, when it was said "there is ground for arguing that even the most rigid investment trust was engaged in business."

Another and more significant quotation in this respect reads as follows: "There is therefore ground for arguing that the managerial duties involved in the ordinary fixed investment trust are sufficient to constitute a business irrespective of any profit-seeking purpose with respect to increase of value in the trust corpus."

It is to be noted that all the Unit declared was that "there was ground for arguing" these conclusions. As was pointed out in the later ruling, it did not say that the Unit would so hold. But at least the door was unlocked and the possibilities made known.

So much for the factor as to the existence of a business enterprise. We may now pass to the one concerning the conduct of the enterprise in a quasi-corporate form.

(2) Quasi-Corporate Structure.

The Unit's conclusion was adverse to the existence of a strict trust, premised largely on the following provisions of the trust agreement: The beneficiaries' interests were divided into shares, for which transferable certificates were issued. The trust was managed by the depositor and the trustee for the beneficiaries. The beneficiaries, the trustee, and the depositor were free from personal liability. The beneficiaries waived the right to compel the trustee to account.

These provisions were held to warp the functions and responsibilities of the ordinary trustee, and to promote that type of fiduciary relationship symbolical of stockholder, director, and corporation. However, the greatest stress of all, and perhaps conclusive, was the provision that the depositor or 25% of the beneficiaries could require the trustee to call a meeting to consider the termination of the trust at any time, and that with a 66 2/3% vote of the beneficiaries, the trust could be terminated. The beneficiaries were given the right to vote by proxy. The depositor and trustee had no vote, but they could propose a termination or amendment of the trust provisions. The beneficiaries could adopt their own rules of procedure for the meeting, and minutes were to be kept. This background was regarded almost as proof-positive of organized activity, and hence squarely within the realm of an association, and wholly differentiated from the popular conception of a strict trust.

Now as to the third and final element—that of control of the trust in the beneficiaries.

(3) *Control by the Beneficiaries.*

The provisions pointed to and emphasized in respect to control by the beneficiaries were the right of the beneficiaries to surrender their certificates and receive in exchange their pro rata of the trust property; the right of the beneficiaries to terminate the trust, as previously mentioned; the right of the beneficiaries to eliminate certain stocks from the trust, also as previously mentioned; and the right of the beneficiaries, by a two-thirds vote, to amend the trust terms. These were held to constitute control in the beneficiaries over the trust.

The ruling at the outset, and before the consideration of each of these three divisions, made reference to other provisions of the trust. Since, in the analysis of the case, these other provisions were not again referred to, they evidently were not regarded as carrying particular weight. It will not, therefore, be of any advantage to repeat them here. The important point is that, all things considered, the Unit concluded that the investment trust was an association; and this conclusion was maintained in spite of the fact that one of the provisions in the trust agreement was the express statement that the intent was to create only a strict trust, and not a partnership, or association of corporate structures.

Evidently, this, ruling, when promulgated, threw uneasiness into the ranks of fixed investment trusts, because of the sweeping character of some of the statements made in the ruling. Evidently, too, the Unit had not intended to go as far as the language employed made it appear. Occasion was taken to retrench somewhat, and allay any undue alarm, through the second ruling.

Second Specific Ruling.

Unfortunately, in the second ruling the Unit was not as meticulous in the presentation of the facts and trust provisions as it was in the first ruling, so that it is hard to derive very much concrete satisfaction from the second ruling.

Reference is merely made to the fact that in this second trust the depositor retained exclusive management powers; that the depositor directed the trustee on how to vote the stock in the portfolio; that the beneficiaries had no control over the trust, except that they could get the value of their certificates at any time or their proportionate part of the trust property. There was no general power of sale, but only in connection with a dissolution, reorganization, etc. On any such sale the proceeds became part of distributable funds. There was no indicated purpose to conduct the trust merely to make profits.

On these general facts the Unit held that the particular trust was a strict trust and not an association; and in formulating this conclusion, it took occasion to refer to the first ruling, and compose the atmosphere that might otherwise, have pervaded the statement about all fixed investment trusts being conducted for business purposes, by the supplement that while there was ground for so contending, it did not mean that the Unit would necessarily so hold. (I referred to this in analyzing the first ruling.)

Conclusion.

To determine the organization status, for tax purposes, of any particular trust, it should be a logical approach to compare provision by provision, trust terms with those of the two trusts whose status we already know, and see where the scales preponderate. Unfortunately, as to the second of the Trusts ruled upon, we have not been presented in the ruling with enough of its specific provisions to make a detailed or fruitful comparison. The only utility, therefore, that the second ruling can serve is through the principles it propounds. A comparison can, however, be made so far as the first trust ruled upon is concerned, and the results of that comparison, together with the principles of the second ruling, should make it possible for the answer to emerge.

Of course, a conclusion so reached would be premised upon the two rulings by the Unit. Whether these rulings are sound, whether they will be adhered to by the Unit as time goes on, whether they will be sustained, if adhered to, by superior tax authorities, such as the Board of Tax Appeals, or the Courts, will not, and to some extent obviously cannot, be considered.

The whole subject is far from certain. To the contrary, it is still a wide open one. Although I know of no rulings or decisions on fixed investment trusts, other than here referred to, there are decisions on associations and trusts

generally, that make the question a very close one. It is reasonable to expect, therefore, that borderline cases will in time provide a source for decisions, as a result of which greater clarification will be secured. I believe that the Unit itself would care to see its determination appealed from, where it holds a fixed investment trust to be an association in a border-line case, in order that a body of law on the subject may be developed.

The Course of the Bond Market.

While the bond market failed to respond to the various recent proposals for strengthening credit in as sharp and decisive a manner as did the stock market, its rise since Wednesday of last week has nevertheless been steady and impressive. Gains have been recorded by all sections of the list, with the most important advances noted in the case of United States Government bonds, as well as in the lower-rated corporate issues, particularly the second-grade rails. The computed price index for ten Baa carrier issues stood at 57.17 at Friday's close. This compares with 53.70 one week previous, showing an indicated rise of almost 3.5 points in the seven-day period. For the forty railroad bonds of different ratings, the price index is 71.77, against 69.31 one week ago.

Utilities and industrials were less active during the week, although both classifications scored appreciable increases and are now respectively 2.3% and 2.2% above their levels early in February. The foreign section of the market has recently been in a rather listless condition, indicating that the credit proposals, including the Glass-Steagall bill, have focused investment interest on domestic obligations.

Highest grade, or Aaa, domestic bonds are now selling to give an average return of 5.16%, as compared to 5.26% a week ago and 4.41% at the middle of February 1931.

Six changes have been made in the railroad list since last week, and the usual adjustments calculated. Substitutions were made as follows:

Bonds Removed.	Bonds Substituted.
Aaa Chicago R. I. & Pacific 4s, 1988	Chic. Burl. & Quincy 4s, 1958
Aa Great Northern 4 1/2s, 1976	Chicago Rock Island & Pac. 4s, 1988
Aa San Antonio & Ar. Pass 4s, 1943	Southern Pac. O. S. L. 4 1/2s, 1977
Aa Southern Pacific 4 1/2s, 1968	Southern Pacific 4s, 1955
A Colorado & Southern 4 1/2s, 1980	Great Northern 4 1/2s, 1976
A Kansas City Southern 5s, 1950	Southern Pacific 4 1/2s, 1981

The regular tables are given below:

MOODY'S BOND PRICES (Revised*).
(Based on Average Yields.)

1932 Daily Averages.	All 120 Domestic.	120 Domestic by Ratings.				120 Domestic by Groups.		
		Aaa.	Aa.	A.	Baa.	RR.	P. U.	Indus.
Feb. 19.....	74.46	93.70	81.54	71.77	58.32	71.77	79.56	72.45
18.....	74.15	93.11	81.42	71.38	57.98	71.67	79.11	72.06
17.....	73.85	92.68	81.30	71.19	57.70	71.48	78.66	71.96
16.....	73.65	92.53	80.84	71.09	57.37	71.29	78.32	71.57
15.....	73.25	92.53	80.37	70.71	56.97	70.81	77.88	71.38
13.....	73.05	92.25	80.14	70.62	56.77	70.71	77.71	71.00
11.....	72.16	91.67	79.50	69.77	55.55	69.31	77.11	70.62
10.....	76.67	91.39	79.91	69.49	54.37	68.31	76.78	70.24
9.....	71.77	91.53	80.03	69.68	54.43	68.67	76.67	70.33
8.....	71.87	91.67	79.91	69.86	54.61	69.13	76.67	70.24
6.....	72.26	91.81	80.37	70.05	55.11	69.59	76.89	70.52
5.....	72.65	91.81	80.49	70.62	55.73	70.15	77.44	70.71
4.....	72.95	91.96	80.72	70.62	56.32	70.62	77.88	70.81
3.....	73.05	91.96	80.72	70.90	56.45	70.90	77.77	70.90
2.....	73.15	92.10	80.84	70.81	56.64	71.19	77.77	70.90
1.....	73.05	92.25	80.60	70.62	56.45	70.81	77.77	70.90
Weekly—								
Jan. 29.....	72.95	92.25	81.07	70.52	55.99	70.71	77.66	70.81
22.....	74.36	93.40	82.90	72.06	57.17	72.06	80.14	71.48
15.....	74.77	93.70	82.87	73.15	57.30	72.16	81.54	71.19
Year Ago—								
Feb. 18 1931.....	93.26	105.72	101.31	91.96	78.10	94.58	94.58	90.55
Two Years Ago—								
Feb. 15 1930.....	93.55	100.98	97.94	92.39	84.22	95.93	93.26	91.53

*Note.—These prices are computed from average yields on the basis of one "ideal" bond (4 1/2% coupon, maturing in 31 years), and do not purport to show either the average level or the average movement of actual price quotations. They merely serve to illustrate in a more comprehensive way the relative levels and the relative movement of yield averages, the latter being the truer picture of the bond market.

MOODY'S BOND YIELD AVERAGES.
(Based on Individual Closing Prices.)

1932 Daily Averages.	All 120 Domestic.	120 Domestic by Ratings.				120 Domestic by Groups.			40 Foreign.
		Aaa.	Aa.	A.	Baa.	RR.	P. U.	Indus.	
Feb. 19..	6.72	5.16	6.08	6.99	8.63	6.99	6.25	6.92	12.86
18..	6.75	5.20	6.09	7.03	8.68	7.00	6.29	6.96	12.90
17..	6.78	5.23	6.10	7.05	8.72	7.02	6.33	6.97	12.94
16..	6.80	5.24	6.14	7.06	8.77	7.04	6.36	7.01	13.00
15..	6.84	5.24	6.18	7.10	8.83	7.08	6.40	7.03	13.02
13..	6.86	5.26	6.20	7.11	8.86	7.10	6.41	7.07	13.11
11..	6.95	5.30	6.23	7.20	9.05	7.25	6.47	7.11	13.23
10..	7.00	5.32	6.22	7.23	9.24	7.26	6.50	7.15	13.21
9..	6.99	5.31	6.21	7.21	9.23	7.32	6.51	7.14	13.15
8..	6.98	5.30	6.22	7.19	9.20	7.27	6.51	7.15	13.10
6..	6.94	5.29	6.18	7.17	9.12	7.22	6.49	7.12	13.02
5..	6.90	5.29	6.17	7.11	9.02	7.16	6.44	7.10	13.00
4..	6.87	5.28	6.15	7.11	8.93	7.11	6.40	7.09	12.94
3..	6.86	5.28	6.15	7.08	8.91	7.08	6.41	7.08	12.96
2..	6.85	5.27	6.14	7.09	8.88	7.05	6.41	7.08	13.17
1..	6.86	5.26	6.16	7.11	8.91	7.09	6.41	7.08	13.13
Weekly—									
Jan. 29..	6.87	5.26	6.12	7.12	8.98	7.10	6.42	7.09	13.22
*22..	6.73	5.13	5.98	6.96	8.80	6.96	6.20	7.02	13.12
15..	6.69	5.16	5.97	6.85	8.78	6.95	6.08	7.05	13.44
8..	6.94	5.18	6.17	7.12	9.30	7.38	6.12	7.34	13.85
2..	7.26	5.26	6.32	7.47	10.00	7.93	6.23	7.63	15.68
Yr. Ago—									
Feb. 18 '31	5.19	4.41	4.67	5.28	6.38	5.10	5.08	5.38	6.88
2 Years Ago—									
Feb. 15 '30	5.17	4.69	4.88	5.25	5.86	5.01	5.19	5.31	6.45

* Revised.

MONTHLY RANGE OF PRICES ON THE DETROIT STOCK EXCHANGE.

The three tables following show the range of prices for each month of the years 1931 and 1930 for all securities dealt in during that period on the Detroit Stock Exchange. The record is based entirely on actual sales, and is that of the Detroit Stock Exchange itself except that we have brought the figures for the different months together and combined them into a single statement, enabling the reader to trace the fluctuations for each security during the different months by casting the eye along a single line across the page. The table, it will be observed, covers stocks only, and is meant to include every sale made during the year. It also includes sales of bank and trust company shares:

MONTHLY RANGE OF PRICES ON DETROIT STOCK EXCHANGE FOR YEAR 1931

Table with columns for STOCKS, Par, and monthly price ranges (Low, High) for January through December 1931. Rows list various companies such as Airway Elec Appliance, Allen Industries, Alloy Steel class A, etc.

MONTHLY RANGE OF PRICES ON DETROIT STOCK EXCHANGE FOR YEAR 1931.

Table with columns for STOCKS, Par, and monthly price ranges (Low, High) from January to December 1931. Includes sections for BANKS and TRUST COMPANIES.

* No par value. x Ex-dividend. o Sold for cash.

MONTHLY RANGE OF PRICES ON DETROIT STOCK EXCHANGE FOR YEAR 1930.

Large table with columns for STOCKS, Par, and monthly price ranges (Low, High) from January to December 1930. Lists numerous individual stock entries.

MONTHLY RANGE OF PRICES ON DETROIT STOCK EXCHANGE FOR YEAR 1930 (Concluded).

Table with columns for STOCKS, Par, and monthly price ranges (Low, High) for January through December. Includes various stock categories like Mich Steel Tube Prod, National Grocer, etc.

* No par value. † Ex-dividend. ‡ Ex-rights.

YEARLY RANGE OF PRICES ON DETROIT STOCK EXCHANGE.

In addition to the foregoing monthly record, we also show on this and succeeding pages the high and low prices for each of the last two calendar years for every stock in which any dealings have taken place on the Detroit Stock Exchange during these two years, as well as the total volume of business during the year in each security.

HIGH AND LOW PRICES ON DETROIT STOCK EXCHANGE FOR CALENDAR YEAR 1931.

Table with columns for No. Shs., High, and Low prices for various stocks in 1931. Includes categories like INDUSTRIALS, Copeland Products, Inc., etc.

THE CLEVELAND STOCK EXCHANGE—STOCKS AND BONDS.

On this and the following pages we furnish a complete record of the high and low prices for both stocks and bonds made on the Cleveland Stock Exchange for each month of the years 1930 and 1931. The compilation is the work of the Cleveland Exchange itself and is, of course, based on actual sales, and covers these and nothing else.

For record of previous years see "Financial Chronicle" of Feb. 21 1931, page 1297; Feb. 15 1930, page 1035; Feb. 16 1929, page 959; Feb. 25 1928, page 1109; Feb. 26 1927, page 1133; Feb. 27 1926, page 1084; Feb. 28 1925, page 1019.

MONTHLY RANGE OF PRICES OF CLEVELAND STOCK EXCHANGE FOR 1931.

Table with columns for STOCKS, Par, and monthly price ranges (Low, High) for January through December. Rows include BANKS (Central United National, Cleveland Savings & Loan, etc.), MISCELLANEOUS (Aetna Rubber, Air Way preferred, etc.), and various industrial and utility stocks (Eaton Axle & Spring, Edwards (William) 6% pref., etc.).

MONTHLY RANGE OF PRICES ON CLEVELAND STOCK EXCHANGE FOR 1931 (Concluded).

Table with columns for STOCKS, Par, and monthly price ranges (Low High) from January to December 1931. Includes various stock categories like National Tool, Packard Electric, and various bonds.

MONTHLY RANGE OF PRICES ON CLEVELAND STOCK EXCHANGE FOR 1930.

Table with columns for BANKS, MISCELLANEOUS, and monthly price ranges (Low High) from January to December 1930. Includes American Savings Bank, Lorain Street Sav & Trust, and various miscellaneous stocks.

MONTHLY RANGE OF PRICES ON CLEVELAND STOCK EXCHANGE FOR 1930 (Continued).

Table with columns for STOCKS, Par, and monthly price ranges (January to December) for various companies like Cooper-Bessemer, Detroit-Cleveland Nav, etc.

MONTHLY RANGE OF PRICES ON CLEVELAND STOCK EXCHANGE FOR 1930 (Concluded).

STOCKS.	January		February		March		April		May		June		July		August		September		October		November		December	
	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low
Van Dorn Iron.....*																								
Preferred.....100																								
Vichek Tool.....*																								
Weinberger Drug.....*																								
New.....*																								
Wellman Seav Morg pref.....100																								
Wellman Engineering.....*																								
Preferred.....100																								
Western Res Inv Corp pf.....100																								
Wheeler Metal Products.....*																								
White Motor.....50																								
Preferred.....100																								
White Securities pref.....100																								
Wood Chemical "A".....*																								
Youngstown Sheet & Tube.....*																								
Preferred.....100																								
BONDS.																								
Canton & Akron 5s.....1933																								
City Ice gen mtge 6s.....1933																								
6s.....1936																								
Cleveland Ry 5s.....1941																								
Clev S W Ry & Lt Div Mtge 5s 7/8																								
Lake Shore Elec 1st con 6s 1933																								
N O T & L 5s.....1933																								
Steel & Tubes deb 6s.....1943																								
W B & A RR 5s.....1941																								
RIGHTS.																								
Miller Drug.....																								
Peerless Motor.....																								

* No par value.

THE CINCINNATI STOCK EXCHANGE.

In the following we furnish a monthly record of the high and low prices on the Cincinnati Stock Exchange for each of the twelve months ending Dec. 31 1931. The tables include all stocks in which any dealings occurred during 1931 and the prices are all based on actual sales.

MONTHLY RANGE OF PRICES ON CINCINNATI STOCK EXCHANGE FOR 1931.

STOCKS.	January		February		March		April		May		June		July		August		September		October		November		December	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Ahrens Fox B.....																								
Aluminum Industries.....																								
American Laundry Machinery.....																								
American Products preferred.....																								
American Rollins Mill.....																								
American Thermo Bottle A.....																								
Preferred.....																								
Amrad Corp.....																								
Baldwin.....																								
New 6% preferred.....																								
Biltmore Ero Mfg.....																								
Burger Bros.....																								
Carey (Philip) Mfg.....																								
Preferred.....																								
Central Brass A.....																								
Central Trust.....																								
Champ Coated Paper.....																								
First preferred.....																								
Special preferred.....																								
Champion Fibre pref.....																								
Churngold Corp.....																								
Cincinnati Ball Crank, pref.....																								
Cincinnati Car Corp B.....																								
Preferred.....																								
Cincinnati Gas & Electric pref.....																								
Cincinnati Mill Mach pref.....																								
C N & C Light & Traction.....																								
Preferred.....																								
C N O & T P Ry.....																								
Preferred.....																								
Cincinnati Street Ry.....																								
Cincinnati & Sub Bell Tel.....																								
Cinti Tobacco Warehouse.....																								
Cincinnati Union Stock Yards.....																								
Cin Union Terminal pref.....																								
City Ice & Fuel.....																								
Preferred.....																								
Coca Cola A.....																								
Cohen (Dan) Co.....																								
Col Ry Pr & Lt 1st pref.....																								
Series B preferred.....																								
Cooper Corp preferred.....																								
Crosley Radio.....																								
Crown Overall pref.....																								
Crystal Tissue.....																								
Dayton & Michigan guar.....																								
Preferred.....																								
Dow Drug.....																								
Preferred.....																								
Eagle Picher Lead.....																								
Preferred.....																								
Early & Daniel.....																								
Cumulative preferred.....																								
Egry Register A.....																								
Excelsior Shoe.....																								
Fenton preferred.....																								
Formica Insulation.....																								
Fyr Fyter A.....																								
General Machinery pref.....																								
Gerrard (S A).....																								
Gibson Art.....																								
Globe Wernicke preferred.....																								
Goldsmith (P) Sons.....																								
Goodyear 1st pref.....																								
Gruen Watch.....																								
Preferred.....																								
Hatfield Campbell.....																								
Preferred.....																								
Hobart Mfg.....																								
International Printing Ink.....																								
Preferred.....																								
Jaeger.....																								
Johnston Paint preferred.....																								
Julian & Kokene.....																								
Kahn (E) Sons 1st pref.....																								
Participating A.....																								
Kodel Electric & Mfg A.....																								
Kroger Grocery.....																								
Lazarus preferred.....																								
Leonard Custom Tailors.....																								
Lincoln National.....																								
Little Miami guaranteed.....																								
Special.....																								
Lunkenheimer.....																								

MONTHLY RANGE OF PRICES ON CINCINNATI STOCK EXCHANGE FOR YEAR 1931—(Concluded).

Table showing the monthly range of prices (Low and High) for various stocks from January to December 1931. Columns include Stock Name, Jan, Feb, Mar, Apr, May, June, July, August, September, October, November, and December prices.

RECORD OF PRICES ON CINCINNATI STOCK EXCHANGE.

We are indebted to Richard Seving, Secretary of the Cincinnati Stock Exchange, for the following compilations showing the high, low and closing prices on the Exchange for each of the last four calendar years—based on actual transactions.

For record of previous years see "Financial Chronicle" of Feb. 21 1931, page 1301; Feb. 15 1930, page 1040; Feb. 16 1929, page 963; Feb. 25 1928, page 1113; Feb. 26 1927, page 1135; Feb. 27 1926, page 1086; Feb. 28 1925, page 1020.

HIGH, LOW AND CLOSING PRICES ON CINCINNATI STOCK EXCHANGE FOR 1931, 1930, 1929 AND 1928.

Table showing high, low, and closing prices for listed securities across four calendar years (1928, 1929, 1930, 1931). Columns include Security Name and price data for each year.

HIGH, LOW AND CLOSING PRICES ON CINCINNATI STOCK EXCHANGE, 1931, 1930, 1929, AND 1928 (Concl.)

Table with columns for LISTED SECURITIES (Concl.), Calendar Year 1931, 1930, 1929, and 1928. Each year has sub-columns for High, Low, and Close prices.

a The 1930 prices are based on new stock; other years are based on old stock.

Valuations of Cincinnati Stock Exchange Securities for Tax Purposes.

As a guide for determining the amount of the tax on dividend-paying and non-dividend-paying securities listed on the Cincinnati Stock Exchange, under the new Ohio tax law, the following records may prove helpful.

The records herewith show the last previous sale and last previous bids and offers during the month of December 1931 on the Cincinnati Stock Exchange for non-dividend-paying stocks. In such non-dividend-paying stocks in which the last previous sales were recorded many months prior to the close of the year 1931, they do not represent the actual or fair market value. Therefore, in order to determine

the market value as of Dec. 31 1931 the members of the Cincinnati Stock Exchange most interested in these securities were consulted and the values given by them are set forth in the first column.

As to the dividend-paying securities, the second column shows the actual amount of dividends paid on all listed securities during the year 1931, on which amount the tax is based.

Table with columns: Prices as Determined by Brokers as of Dec. 31 1931., Actual Amount of Dts. Paid in 1931., COMPANY., Cincinnati Stock Exchange Quotations., Last Previous Sale., Last Previous Bids and Offers During Month of December 1931., Bid., Offer.

Table with multiple columns: COMPANY, Prices as Determined by Brokers as of Dec. 31 1931, Actual Amount of Div. Paid in 1931, Cincinnati Stock Exchange Quotations (Last Previous Sale, Last Previous Bids and Offers During Month of December 1931), and another set of the same columns for another group of companies.

* Note columns showing last previous sale recorded on Cincinnati Stock Exchange.

Indications of Business Activity

THE STATE OF TRADE—COMMERCIAL EPITOME.

Friday Night, Feb. 19 1932.

The feeling in this country is more optimistic, but there is no marked improvement, if indeed any at all, in general trade. The optimism in other words is not yet aggressive. Caution is still the word everywhere. Collections remain very slow. This, of itself, of course, tends to prevent any marked improvement in business. Yet the undertone is undoubtedly better. Hope is in the air. The stock market has been rising. Bonds have been conspicuously strong, some times capturing the rise in stocks. Secretary of the Treasury Mills estimates the maximum new currency at \$3,500,000,000 on the basis of the gold reserve. The Bank of England rate of discount has been reduced 1% to 5%. The Scandinavian bank rates have also been reduced in two instances. There are intimations that France may follow the example of this country in the matter of anti-deflation measures. As the case now stands the average business man has had so many disappointments he is inclined to go slow until it becomes perfectly plain that the trade of the country is headed for better times. In his present mood it seems almost too good to be true. Wholesale and jobbing business is still small. The retail trade would be better if temperatures were much lower in the Central West, and also for that matter here in the East. Buying is still of the hand-to-mouth order, though retail business is somewhat better than it was last week. Iron and steel are still very dull. Some advances are being asked for steel, but the

actual business as yet does not seem to increase. It will depend largely on the attitude of the automobile trade. The grain markets are all higher, under the stimulus of a rising stock market, and the expectation of more or less inflation. Also there has latterly been some improvement in the export trade for wheat, though it could be much better than it is. Cotton has advanced 30 to 40 points, with a persistent trade demand, home and foreign. China, Japan, India and Europe are all buying American cotton persistently. It is the favorite this year. It was under a cloud last year. The Far Eastern demand is predicated on the relative cheapness of American cotton and to some extent on its superior quality. China and Japan are buying the actual cotton at the South, it is said, quite freely. Sugar has declined 2 to 5 points, with nothing decided as to the coming crops in Cuba and Java. These are thorny points in the sugar trade. Coffee has been irregular, ending 22 points lower to 10 points higher, but in general lower, with the spot business dull. It does not appear that the Brazilian program of destroying so much coffee each month is being carried out. At least, that is the idea in some quarters. Rubber is 2 to 5 points lower and the actual rubber is below 4c., reaching new low levels in a dull time. Silver has advanced 45 to 56 points. Cocoa is up 25 points and silk down 4 to 8. Spot hides have been more active, but March delivery is off 43 points. In Chicago the feeling is much more cheerful. In New York City the sales of automobiles and tires are equal to

those of a year ago, and the collections on these lines are as prompt as they were then. In some of the larger cities, notably in the East, the department store trade has improved a little, but there has been no big demand for any one article. Women's clothing has sold rather more readily, but dry goods, men's clothing and house furnishings have been distinctly dull. Rochester, N. Y., reports that the stocks of sporting goods are large, owing to the unseasonably mild weather this winter. Radio goods are also in big supply, as the demand is only moderate in these times. Jewelry is still dull. Among the industries, shoe manufacturing makes the best showing. At most centers of the shoe trade the factories are working on full time. Cotton goods have latterly been more active and firmer here. Things are looking better at Charlotte, N. C. Ninety per cent of the gray cotton mills have agreed to keep their production within bounds to the end that stocks may be kept down. Wool in Boston and Philadelphia has in some cases declined. The leather trade is not so good as it was recently. And then it was nothing large. Machinery and tools are selling at lower prices. The tobacco industry is doing fairly well. Building is very quiet throughout the country, though with building wages lower in a number of cities, the building trade will make a better showing later on. The building permit values for January again decreased. Refined petroleum has been depressed with stocks increasing. There was less demand for kerosene. A determined effort is being made to prevent overproduction of crude oil and in the Mid-Continent section the situation is said to be somewhat better. The lumber trade is as dull as ever and most of the mills in the Pacific Northwest are not running. In Pittsburgh, the manufacture of plate glass is backward. Failures in the manufacturing world, however, show a marked decrease from the previous week.

In the stock market on Saturday, Feb. 13, on a notable outburst of activity the sales in two hours of excited trading partly on foreign buying ran up to some 2,600,000 shares and prices advanced 2 to 21 points. Traders greeted the advance with cheers. It was due to the U. S. Credit plan whereby some \$2,500,000,000 currency may be put into circulation and a halt called on deflation and depression. In two days \$7,000,000,000, it was figured, had been added to the market value of stocks traded in at the Stock Exchange here. Bears beat a hasty retreat. Union Pacific headed the rise with an advance of 12 $\frac{5}{8}$ points net, American Can rose 7 $\frac{1}{8}$, Allied Chemical 7 $\frac{3}{4}$, Western Union 6 $\frac{7}{8}$, Delaware & Hudson 16 $\frac{1}{2}$, Atchison 9 $\frac{3}{4}$, U. S. Steel common 5 $\frac{1}{8}$, Steel preferred 7 $\frac{3}{4}$, du Pont 5 $\frac{3}{4}$ and American Telephone 16. At times the ticker was six minutes behind the trading. It was the largest on a Saturday since May 3 1930. English operators caught short, it is understood, covered hastily. Bonds on heavy trading for a Saturday, advanced 1 to 9 points. German government bonds were the most active of the foreign issues. The 5 $\frac{1}{2}$ s advanced 2 $\frac{1}{4}$ and the 7s 2 $\frac{1}{4}$. Belgian advanced 1 to 2 points and French $\frac{3}{4}$ to 1 $\frac{3}{4}$. Japanese advanced. U. S. Government issues advanced 3-32 to 31-32.

On the 15th inst. stocks declined under the natural realizing after the swift rise of Thursday and Saturday. Some stocks declined 2 to 3 points with many declines only fractional. Toward the close most stocks regained some of the loss. London was active and higher. So was Paris. Bonds here were active and firmer and many domestic issues rose 1 to 6 points. United States Government bonds were higher with Liberty 4 $\frac{1}{4}$ s conspicuously active. Foreign bonds were irregular. German were active with prices in some cases $\frac{5}{8}$ to 1 $\frac{1}{2}$ points lower. Some other foreign issues advanced a point or more. Four large copper mining companies, three of which, compose the Kennecott Copper group, passed their dividends on common stock. They were the International Nickel Co. of Canada, Ltd., largest producer of nickel in the world; the Kennecott Copper Corp., one of the two largest copper companies in the world, and two companies dominated by the Kennecott, namely Utah and Nevada Consolidated. On the 16th inst. stocks for a time were hesitant but in the last hour rallied sharply with bonds strong and wheat up 2 $\frac{1}{2}$ to 3c. Stocks ended in many cases 2 to 6 points higher. A rise in United States Government bonds of 4-32 to 1 20-32 points made Wall Street prick up its ears, especially as it was reported that the anti-hoarding movement was meeting with some success. But apart from that, all sorts of bonds were in sharp demand and 1 to 2 points or more higher. This looked like building and from a strong foundation upward. Big buying of bonds was of course regarded as significant. And United States Government issues led the way upward. Net advances in stocks

included 4 $\frac{3}{4}$ in Union Pacific, 5 $\frac{7}{8}$ in Auburn, 5 $\frac{1}{2}$ in Amer. Telephone, 4 $\frac{1}{2}$ in Atlantic Coast Line, 3 $\frac{1}{8}$ in Westinghouse Electric and J. I. Case and 2 $\frac{5}{8}$ in American Can. Some called it a "creeping bull market" with not so much mere creeping either.

On the 17th inst. stocks advanced for a time and then felt the force of profit taking in an average decline of about 3 points. This was nothing surprising. The sales were some 2,185,000 shares. Reflective people are watching the bond market sharply. It stands inspection well. On the 17th inst. it was 3 to 7 points higher on some domestic issues, though in general the rise was small and some declined. But U. S. Government bonds were still the backbone of the bond market. They advanced 2-32 to 14-32 and five issues were at the highest thus far of the present year. Argentine issues led a general rise in South American bonds. Domestic railroad issues fell $\frac{1}{4}$ to 1 point, generally only a fraction. Stocks and bonds, especially bonds, act better than they did earlier in the year. They hold advances with greater tenacity. The big lurches downward have disappeared. London cabled that efforts of the United States to raise the level of prices may be copied by France and that it was the opinion there that a concerted anti-deflation policy by France and the United States would be the greatest single step possible to arrest falling of prices and turn the world toward prosperity. London thinks the American effort will be successful.

On the 18th inst. stocks were higher, especially in the last hour. The trading, it is true, was a little under 1,700,000 shares but the later tone was distinctly better. The New York Stock Exchange put a severe curb on short selling. After April 1 member firms must get the written consent of customers before lending stock. Frightened shorts had in the last hour some inkling of what was coming and covered heavily. The short account was large. Prices rose in some cases 3 to 4 points from the early lows. After the close New York shorts covered hastily in San Francisco and Los Angeles at rapidly rising prices. This attracted country-wide attention, even putting up the wheat market. Cotton advanced 12 to 15 points. The stocks most wanted by shorts in the later trading, both here and also on the Pacific Coast three hours after the New York closing, were United States Steel, American Telephone, General Motors, Southern Pacific, United States Industrial Alcohol, Allied Chemical and Bethlehem Steel. Southern Pacific, it is true, fell 5 $\frac{1}{2}$ points net on the passing of its dividend but this was merely an exception. The reduction of 1% of the Bank of England's rate of discount was considered significant. England as well as France may join the United States in a reversal of the deflationary trend that prevailed so long.

To-day stocks advanced 1 to 7 points on covering owing to the new rule at the Stock Exchange prohibiting houses from lending stock after April 1 without the customer's written consent. The sales were up to 2,400,000 shares, or 800,000 larger than yesterday's. Prominent in the rise were United States Steel, American Can, American Telephone, Allied Chemical, Eastman Kodak and J. I. Case. Steel common rose to 53 $\frac{3}{8}$, going above 50 for the first time since Dec. 9, and American Can went to 73 $\frac{3}{8}$ for the first time since last November. Many stocks reached new high levels for this movement. Later, after the urgent covering had simmered down, prices reacted and some even closed at a net decline. Steel preferred advanced 5 points early, closing at a net rise of only 1 $\frac{3}{4}$. American Telephone, for instance, ended 1 point net lower after an early advance of 3 points.

Fall River, Mass., reported a general improvement in the tone of the local cloth market, although the demand has been rather spotty. The improvement in tone recently was due mainly to the continued firmness of prices of both cotton and cloth and the fact that there are no distressed goods remaining in Fall River. At Charlotte, N. C., things are looking better. At Forest City, N. C., the Alexander Manufacturing Co. sold more goods in January 1932 than in any other month in its history. It was on full time last year and still is. The mill manufactures a high-grade of sheets and pillow cases. The Florence Mills are operating full time on a day and night schedule. At Rutherfordton, N. C., the Grace Cotton Mill Co. is operating part of the plant all the time as it finds the outlook for business better. At Avondale, N. C., the Cliffside Mills and Haynes plant are each running five days a week. These plants curtailed last summer and fall. Huntsville, Ala., wired that Plant No. 2 of the Dallas Manufacturing Co., which has been running on an irregular schedule for some weeks is on a regular five-

day a week schedule. The No. 1 mill of the company has been operating for some time on a five-day week schedule. At Lawrenceburg, Tenn., the establishment of an important shirt manufacturing industry appears to be certain. At Elkin, N. C., the Chatham Manufacturing Co. is maintaining an operating schedule of 24 hours a day in order to be able to fill their orders for woolen blankets.

London cabled Feb. 14: "At a meeting of Burnley cotton mill operatives to-day proposals that the strikers should resume work pending the results of the conferences between employers and workers were rejected and the strike continues." Manchester's trade has improved for both home and foreign account. Dress manufacturers in New York admitted that the trade unions have been successful in putting a stop to production in all of the larger and important shops. The production of shoes during January showed an increase of 4% over the output of January 1931 and a similar increase over last December. According to preliminary figures received by the New York Hide Exchange from Tanners' Council, the production last month amounted to 20,700,000 pairs against 19,556,000 pairs in December, and 19,889,000 in January 1931.

As to the weather, on the 14th inst. the temperatures were 27 to 43 degrees here, 24 in Chicago, 28 to 36 in Cincinnati, 30 to 32 in Kansas City, 30 to 42 in Seattle, and 2 to 20 at Winnipeg. Bismarck, N. D., wired Feb. 14th that heavy snows blocked prairie roads. On the 15th inst. New York had temperatures of 24 to 36; Chicago, 24 to 34; Cincinnati, 32 to 42; Cleveland, 22 to 26; Milwaukee, 18 to 30; Minneapolis, 8 to 22; Kansas City, 28 to 34; St. Louis, 34 to 42; Omaha, 18 to 30; Spokane, 8 below to 26 above zero and 4 below to 16 above at Winnipeg. On the 16th inst. it was 17 to 36 degrees here, the coldest day of the winter. At Boston it was 10 to 28; at Chicago, 34 to 40; Cincinnati, 36 to 48; Cleveland, 24 to 46; Detroit, 24 to 40; Kansas City, 34 to 54; Milwaukee, 30 to 35; St. Paul, 20 to 34; Montreal, 8 to 22; Omaha, 30 to 36; Philadelphia, 22 to 38; Seattle, 32 to 46; Spokane, 20 to 34; St. Louis, 40 to 50; Winnipeg, 12 to 20. On the 18th inst. it was 26 to 40 degrees here and at Boston it was 36 to 40; at Chicago, 18 to 36; Cincinnati, 22 to 42; Cleveland, 24 to 30; Detroit, 20 to 30; Kansas City, 28 to 46; Milwaukee, 12 to 36; St. Paul, 4 to 34; Montreal, 14 to 16; Omaha, 18 to 36; Philadelphia, 38 to 42; San Francisco, 42 to 60; Seattle, 32 to 46; Spokane, 8 to 32; St. Louis, 28 to 44, and Winnipeg, 2 below zero to 12 above. To-day the temperatures here were 22 to 39 degrees. At Chicago they were 30 to 36, and Kansas City, 30 to 46. The forecast here was fair and cooler for Saturday and fair and warmer for Sunday.

London cabled Feb. 15th that intense cold prevailed throughout most of Europe over the week-end with temperatures as low as 25 degrees below zero Fahrenheit, in the Balkans. Several deaths were reported in northern Italy, where temperatures of 15 degrees below zero occurred in many sections. At Serajevo, Jugoslavia, the temperature was 25 degrees below. Milk was frozen in the Belgrade market. The Danube was filled with ice floes, stopping navigation.

Annalist Weekly Index of Wholesale Commodity Prices—Slight Upward Movement.

The "Annalist" weekly index of wholesale commodity prices recovered slightly after 13 weeks of decline and stood at 92.2 on Feb. 16, compared with 92.0 (revised) the Tuesday previous [Feb. 9] and 111.0 a year ago. The "Annalist" continues:

Chiefly instrumental in the rise were advances in the grains, cotton and copper, with losses in steers and the meats only partially offsetting these gains.

The index continues very sensitive to outside factors. The downward trend that has been characterizing commodity prices in general continued until Thursday of last week, when the program of the Steagall-Glass bill for bank aid caused rallies in both the security and the commodity markets, which persisted into the early part of the present week.

THE ANNALIST WEEKLY INDEX OF WHOLESALE COMMODITY PRICES. (1913=100)

	Feb. 16 1932.	Feb. 9 1932.	Feb. 17 1931.
Farm products.....	76.3	76.0	101.0
Food products.....	94.7	94.9	114.7
Textile products.....	79.4	*79.4	102.8
Fuels.....	124.4	124.6	140.0
Metals.....	96.3	95.9	105.7
Building materials.....	107.7	*107.6	125.2
Chemicals.....	96.5	96.5	100.4
Miscellaneous.....	84.2	*82.3	88.9
All commodities.....	92.2	*92.0	111.0

*Revised.

Annalist Index of Business Activity for January—New Low Recorded.

The "Annalist" index of business activity for January records another new low at 62.8 (preliminary), as against 65.5 for December and 74.4 for January 1931. The "Annalist" further reports:

Of the nine components of the index for which January figures or estimates are available all but one showed declines from December, and the one exception, the adjusted index of steel ingot production, was unchanged. Declines were especially serious in the adjusted indices of freight car loadings, automobile production and electric power production.

Table I gives for the last three months the combined index and its components, each of which is adjusted for seasonal variation and where necessary for long-time trend. The adjusted index of electric power production for January is based on an estimated output of 7,700,000,000 kilowatt hours, as against the Geological Survey total of 7,791,000,000 kilowatt hours for December and 7,947,000,000 kilowatt hours for January 1931. The adjusted index of boot and shoe production for January is based on the Tanners' Council estimate of 20,700,000 pairs, as against a Department of Commerce total of 19,555,554 pairs in December and 19,888,869 pairs in January 1931. Table II gives the combined index by months back to the beginning of 1927.

TABLE I—THE ANNALIST INDEX OF BUSINESS ACTIVITY AND COMPONENT GROUPS.

	January.	December.	November.
Pig iron production.....	31.5	31.9	36.3
Steel ingot production.....	32.7	32.7	40.7
Freight carloadings.....	62.8	65.6	65.8
Electric power production.....	*75.0	77.1	76.2
Bituminous coal production.....	57.1	64.6	66.6
Automobile production.....	*45.4	59.7	33.4
Cotton consumption.....	70.3	72.1	72.8
Wool consumption.....	---	67.8	75.4
Boot and shoe production.....	*80.2	80.7	71.9
Zinc production.....	41.6	43.0	41.9
Combined index.....	*62.8	65.5	65.1

* Subject to revision.

TABLE II—THE COMBINED INDEX SINCE JANUARY 1927.

	1932.	1931.	1930.	1929.	1928.	1927.
January.....	*62.8	74.4	95.0	105.5	98.0	102.2
February.....	---	76.2	94.2	106.1	99.7	104.7
March.....	---	78.0	91.2	104.3	99.4	106.9
April.....	---	80.8	95.0	108.8	99.9	104.4
May.....	---	78.1	90.0	110.1	101.3	104.8
June.....	---	76.5	89.0	108.9	98.7	103.4
July.....	---	78.2	86.4	109.9	100.5	101.5
August.....	---	73.5	83.1	108.1	102.1	101.8
September.....	---	70.8	82.4	107.3	102.4	100.9
October.....	---	66.3	79.5	105.7	105.0	98.2
November.....	---	65.1	76.1	96.9	103.7	95.5
December.....	---	65.5	76.1	92.1	102.0	93.7

*Subject to revision.

Loading of Railroad Revenue Freight Improves But Continues Small.

Loading of revenue freight for the week ended on Feb. 6 totaled 574,756 cars, the car service division of the American Railway Association announced on Feb. 16. This was an increase of 13,599 cars above the preceding week, but 144,297 cars below the corresponding week in 1931 and 311,945 cars under the same period two years ago. Further particulars follow:

Miscellaneous freight loading for the week of Feb. 6 totaled 179,676 cars, a decrease of 4,142 cars below the preceding week, 69,683 cars under the corresponding week in 1931 and 131,599 cars under the same week in 1930. Loading of merchandise less than carload lot freight totaled 187,542 cars, a decrease of 437 cars below the preceding week, 27,897 cars below the corresponding week last year and 53,941 cars under the same week two years ago.

Grain and grain products loading for the week totaled 31,424 cars, 1,558 cars below the preceding week, 10,029 cars below the corresponding week last year and 12,345 cars below the same week in 1930. In the Western districts alone, grain and grain products loading for the week ended on Feb. 6 totaled 20,412 cars, a decrease of 8,076 cars below the same week last year.

Forest products loading totaled 18,333 cars, 638 cars below the preceding week, 18,094 cars under the same week in 1931, and 35,253 cars below the corresponding week two years ago.

Ore loading amounted to 1,971 cars, a decrease of 845 cars below the week before, 3,535 cars under the corresponding week last year, and 6,005 cars under the same week in 1930.

Coal loading amounted to 128,630 cars, an increase of 20,469 cars above the preceding week, but 10,086 cars below the corresponding week last year and 62,228 cars under the same week in 1930.

Coke loading amounted to 7,108 cars, 1,903 cars above the preceding week, but 2,248 cars below the same week last year, and 4,864 cars below the same week two years ago.

Live stock loading amounted to 20,072 cars, a decrease of 1,153 cars below the preceding week, 2,725 cars below the same week last year and 5,710 cars below the same week two years ago. In the Western districts alone, loading of live stock for the week ended Feb. 6 totaled 15,886, a decrease of 2,129 cars compared with the same week last year.

All districts reported reductions in the total loading of all commodities compared with the same week in 1931 and 1930.

Loading of revenue freight in 1932 compared with the two previous years follows:

	1932.	1931.	1930.
Four weeks in January.....	2,269,875	2,873,211	3,470,797
Week ended Feb. 6.....	574,756	719,053	886,701
Total.....	2,844,631	3,592,264	4,357,498

The foregoing, as noted, cover total loadings by the railroads of the United States for the week ended Feb. 6. In the table below we undertake to show also the loadings for the separate roads and systems. It should be understood,

however, that in this case the figures are a week behind those of the general totals—that is, are for the week ended Jan. 30. During the latter period a total of 17 roads showed

increases over the corresponding week last year, the most important of which were the Ft. Worth & Denver City Ry., Colorado & Southern RR. and Gulf Coast Lines.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS)—WEEK ENDED JAN. 30.

Main data table with columns: Railroads, Total Revenue Freight Loaded (1932, 1931, 1930), Total Loads Received from Connections (1932, 1931). Rows are categorized by Eastern, Group B, and Southern Districts.

x Previous figure. y Included in Baltimore & Ohio RR. z Estimated.

Col. Leonard P. Ayres of Cleveland Trust Co. Views Four Developments As Bettering the General Business Outlook—Reconstruction Finance Corporation, Lifting of War Clouds in Orient, Agreement for Lower Railroad Wages, and Proposed Redrafting of Glass Bill for Revision of Banking Laws Regarded Helpful—American Workers Better Off As to Wages Than Workers in Other Countries.

“Business activity has shown no real improvement in recent weeks, but there have been four developments that better the general outlook, and make the future prospects appear brighter,” says Col. Leonard P. Ayres, Vice-President of the Cleveland Trust Co., of Cleveland, Ohio, in the Company's Business Bulletin dated Feb. 15. In citing what he considers helpful developments, Col. Ayres says:
The first of these is the creation of the Reconstruction Finance Corporation which is organized to lend public funds to financial institutions and to railroads. Its purpose is prevention rather than cure. It is designed to prevent further suspensions of banks that are inherently solvent, but which have large holdings of assets that are not adequately

liquid. Besides this it will prevent railroad insolvencies through enabling the carriers to meet maturities that they might not be able to care for through banking channels.

The Corporation will not operate directly to cure the evils of the depression, but it will tend to restore public confidence because the people in general now have certain knowledge that quick and liberal credit is available to prevent breakdowns in our credit machinery. These dangers have now been averted, and a second group of perils have been rendered more remote by some lifting of the war clouds in the Orient. Wide expansion of the zone of conflict appears unlikely.

The third hopeful development is the agreement peacefully reached at Chicago to reduce the wages of railroad workers. The voluntary decrease of 10% which the railroad men accepted will enable a large number of railroads to meet their fixed charges in 1932, which otherwise would have been impossible. In addition some of the lines will be enabled to increase their maintenance expenditures. Moreover the new arrangement affords impressive evidence that people are accepting the changed economic orders imposed by the reduced levels of commodity prices, and are adapting themselves to the new, rather than striving to regain the old.

The last of the four hopeful developments is that the bill of Senator Glass, designed to bring about a sudden and drastic reform of our entire banking system, has been held up, and is being thoroughly redrafted by men who are competent, informed, and not impetuous. When they have done their work the bill will be less spectacular than it was before but far more prudent in its provisions. The Congress now in session has so far made a fine record in forwarding constructive legislation.

Some of the further comments by Col. Ayres in the Bulletin follows:

Industrial Production.

The volume of industrial production declined in 1931 from April through December. It rose during the first four months of the year. According to the index compiled by this bank, and based on the data of the Federal Reserve Board, the volume in January of last year was 27.4% below the computed normal level. From then to April industrial activity increased, and in that month the index stood at only 21.8% below normal. From April to December production declined, and at the end of the year the index stood at the record low of 39.4% below normal.

This is by far the lowest record that has been made. The index as carried back by this bank has only recorded volumes of production more than 20% below normal in three previous depressions. It did so in 1808, and again in the depression of the 90's, and once more in 1921. Before this depression the lowest figure recorded was that of 27% below normal in April of 1921.

The record for the past three years is shown by the black silhouette of the diagram [this we omit.—Ed.], and by the figures in the table that is a part of the diagram. About the only reassuring feature that it shows is that the rate of decline has been much less rapid in the past two months than it was earlier in the year. Preliminary estimates indicate that there may be a still further decline recorded for January of this year, but the definite figures are not yet available.

The most important declines from November to December were in the production of iron and steel, textiles, food products, and tobacco products. On the other hand important increases were recorded in the manufacturing of automobiles, and in the outputs of shoes and other leather articles. In mining there were decreases in bituminous coal and in petroleum, but increases in anthracite coal, zinc, silver and lead.

Dividend Reductions.

Dividend reductions always come tardily in periods of depression, and dividend increases are similarly slow in appearing when the depression has spent itself and recovery is under way. In this depression, as in previous ones, the reductions were late in getting under way, but during the past year they have been numerous. In the diagram the broken line represents the dividend changes of stocks listed on the New York Exchange as they have been recorded each month during the past three years. The line shows the number of changes, but not their amounts.

During the boom year of 1929 nearly all the changes were favorable ones. Their total in that year was 2,585 without counting 471 cases of stock dividends. During the same year the unfavorable changes were only 263, or about 10 favorable changes for each unfavorable one. The depression was well under way during 1930, but nevertheless the favorable changes still outnumbered the unfavorable ones, but not by any great margin. During 1931 these conditions were sharply reversed and the unfavorable changes have been by far the more numerous. It is interesting to note that in all three years the changes in December have been far more numerous than those in any earlier month.

The records of the numbers of favorable and unfavorable changes do not extend back far enough to make possible comparisons of conditions in this depression with corresponding ones in former similar periods. If we had the data they would probably show that dividend changes now are taking place in normal fashion. In the depression of 1903 the highest dividend payments of a group of representative stocks were made in the quarter just before prices reached their lowest levels of the bear market, and in the following bull market the lowest payments were recorded shortly before stock prices reached their peak. There were similar developments during and following the depressions of 1907-8 and 1914-15.

Iron and Steel.

The production of iron and steel followed a declining trend during all except the spring months of 1931. At the beginning of the year the percentage of available blast furnaces actively producing iron was 33. It rose to 38 by the end of March and then entered upon an unbroken decline that carried it down to 19 by the end of the year. At the close of January 1932, the percentage as reported by "Steel" was 20. During the entire history of this series running back for half a century the percentage has only once fallen below the level reached in this decline, and that was in the summer of 1921.

The changes in the uses of steel products in 1931 as compared with those of 1930 were not great. Building construction remained the largest consumer, taking about 17% of the total output. Automobiles were in second place, with the railroads a close third. Each of these industries took about 15% of the tonnage. In earlier years for a long time past the railroads were the best customers of the industry. The decrease in production has been accompanied by declining price trends for nearly all iron and steel products except rails, and the earnings of the steel companies have been sharply reduced.

The United States Steel Corp. reported the smallest monthly, quarterly, and annual earnings in its history. Its showing for its common stock was a deficit of \$12,000,000. Its net receipts were about \$46,000,000, which is not much more than half of their total in the depression year of 1903, and in the war depression year of 1914.

As we enter the new year the hope for the steel industry is in automotive production, which is getting away to a slow start. In 1931 the output of motor vehicles in this country was 2,390,000 units as compared with 3,356,000 in 1930, and 5,358,000 in 1929. January output was 122,000 this year, 172,000 last year, 273,000 the year before, and 471,000 in January 1929. The output in the first month of this year was little more than one-quarter of that of January 1929. Automobile makers have introduced many improvements to stimulate sales and render old cars obsolete. They are proceeding cautiously, with one anxious eye on the public, and the other on Mr. Ford.

Real Wages.

The American industrial worker who is employed appears to be far better off than the corresponding workers in other countries. This is not a new conclusion, but it is one that now has far better statistical evidence to support it than has been available heretofore. This new material comes from the so-called Ford wage report of the International Labor Office of the League of Nations. This report attempts to determine how much a worker in each of the European cities in which Ford has or plans to have factories would need to expend if his general standard of living were to be approximately equivalent to that of his Detroit counterpart.

The report affords by far the best material we have for making comparisons of the cost of living in different cities located in various countries, because it tells how much it would cost in each of them to buy the equivalents of those necessities and amenities of life that can be purchased in Detroit by the earnings of a Ford worker supporting a family. We also have data showing the daily earnings of machinists in the several cities, and by putting the two sets of figures together it is possible to find out for all these localities how much a machinist can buy with his day's

pay as compared with the purchasing power of the daily wage of the Detroit worker.

The results are shown in the upright columns of the diagram. [This we omit.—Ed.] The comparisons are for January of 1931. The purchasing power of the Ford worker in Detroit is considered as being 100, and is represented by the first and tallest column in the diagram. If the American worker can get 100 units of goods and services with his day's pay, the Englishman can buy 89 units of the same quality. The Dutchman, the Irishman, and the Dane are nearly on an equal level with purchasing powers of 83 and 82. Then there is a considerable step down to the standard of living of the Swede, the Pole, the Belgian, the German, and the Frenchman, with buying powers grading down from 66 to 59. Finally there is another large decline to that of the Spaniard and the Finn at 41 and 38.

Railroad Consolidations.

Arguments for and against the consolidation of the railroads of the Eastern Territory outside of New England into four great systems are now being presented at Washington in a series of hearings before the Inter-State Commerce Commission. Almost all existing railroads have been formed by earlier consolidations of smaller lines, so that the New Haven, for example, includes 203 formerly separate lines, and some of the present systems include two or three times as many.

The present merger projects are designed to carry forward this process of consolidation, but to do it in a more carefully planned manner so as to create well balanced competitive systems. The diagram at the foot of this page [this we omit.—Ed] shows the results of a study made to discover whether large railroads are in general more efficient and economical freight carriers than are smaller roads. It is based on the records of 133 Class I railroads for the past 10 months of 1931, and all the roads for which data are available have been included.

The curved dashed line shows the trend of freight charges as they are averaged for the smallest roads, for the next larger ones, for those still larger, and so on out to the systems of greatest size. The smallest roads, reporting less than two billion ton-miles of freight apiece, received on the average 1.49 cents for carrying one ton of freight one mile.

The roads of the next larger class, reporting from two to four billion ton miles, received 1.16 cents for the same service. When we come to the still larger roads, reporting from four to six billion ton-miles, we find them carrying the ton of freight for 1.02 cents. In the next class of larger roads, reporting from six to eight billion ton-miles, the average charge was only .95 cents. For the roads reporting from eight to ten billion ton-miles the cost fell to .86 cents.

There are only a few systems of still larger size, and if we group them all until we include the Pennsylvania System with over 30 billion ton-miles, we find that the cost is still about .87 cents. The general conclusion is clear that the cost of moving freight tends to decline as the size of the railroad system increases. Many individual exceptions exist, but the general rule remains.

It would be interesting, but not simple, to find out whether the great railroad systems are efficient because they are large, or whether they have grown large because they are efficient. Probably both factors are contributing elements. However that may be, the prospects are that if the merger projects now being considered receive approval the results will ultimately prove most beneficial to the industries of the Eastern Territory.

Seasonal Decrease Reported in Business Activity in Minneapolis Federal Reserve District Between December and January.

"The volume of business in the Ninth (Minneapolis) Federal Reserve District decreased, according to custom, between December and January, and in the latter month was smaller than in January a year ago," says the Federal Reserve Bank of Minneapolis in its preliminary summary of agricultural and business conditions in its district. The summary issued Feb. 15 also says:

Bank debits in January were 24% smaller than in January last year. The country check clearings index was 26% smaller than in January last year. Freight carloadings in the first three weeks of January were 26% smaller than in the corresponding weeks last year. Other decreases occurred in electric power consumption, postal receipts, building permits and contracts, flour and linseed products shipments, grain marketings, market receipts of cattle, calves and sheep and department store sales. Receipts of hogs and warranty deeds recorded in Hennepin and Ramsey Counties were larger in number in January than a year ago.

Farmers' cash income in the district from seven important items, as estimated by this office, was 38% smaller in January than in the corresponding month last year. Decreases occurred in income from wheat, flax, potatoes and hogs, and increases occurred in the income from dairy products and rye. Prices of bread wheat, durum wheat, barley and rye were higher in January than a year ago, but prices of all other important farm products in the Northwest were lower. The greatest decreases occurred in prices of livestock.

ESTIMATED VALUE OF IMPORTANT FARM PRODUCTS MARKETED IN THE NINTH FEDERAL RESERVE DISTRICT.

	January 1932.	January 1931.	% Jan. '32 of Jan. '31.
Bread wheat.....	\$882,000	\$5,949,000	15
Durum wheat.....	432,000	3,029,000	14
Rye.....	112,000	69,000	162
Flax.....	247,000	733,000	34
Potatoes.....	1,021,000	1,348,000	76
Dairy products.....	12,153,000	11,075,000	110
Hogs.....	6,394,000	12,157,000	53
Total of seven items.....	\$21,241,000	\$34,360,000	62

Trend of Employment in United States During December—Per Capita Weekly Earnings of Industrial Groups.

Supplementing the data given in our issue of Jan. 23, page 581, covering employment conditions in the United States during December, as made available by the Bureau of Labor Statistics of the United States Department of Labor, we give below additional statistics supplied in the Bureau's pamphlet report of December employment conditions:

Employment increased 0.7% in December 1931, as compared with November 1931, and payroll totals increased 0.3%.

The industrial groups surveyed, the number of establishments reporting in each group, the number of employees covered, and the total payrolls for one week, for both November and December, together with the per cents of change in December, are shown in the following summary:

SUMMARY OF EMPLOYMENT AND PAYROLL TOTALS, NOVEMBER AND DECEMBER 1931.

Indust. Group—	Estab-lish-ments	Employment.			P. C. of Ch'ge.	Payroll (1 Week).		P. C. of Ch'ge.
		Nov. 1931.	Dec. 1931.			Nov. 1931.	Dec. 1931.	
Manufacturing—	16,560	2,795,244	2,797,386	+0.2	58,166,184	58,125,551	-0.2	
Coal mining—	1,434	312,183	307,395	-1.5	6,611,283	6,422,377	-2.9	
Anthracite—	160	113,909	108,857	-4.4	3,146,911	3,101,869	-1.4	
Bituminous—	1,274	198,274	198,538	+0.1	3,464,372	3,320,508	-4.2	
Met'ferous mining—	246	32,546	31,565	-3.0	675,326	660,154	-2.2	
Quarrying & non-metallic mining—	787	26,403	23,998	-9.1	519,326	442,672	-14.8	
Crude petroleum producing—	274	15,766	15,926	+1.0	476,941	503,501	+5.6	
Public utilities—	11,933	665,218	658,515	-1.0	20,308,019	20,319,603	+0.1	
Telep. & teleg.—	8,066	294,208	292,772	-0.5	8,534,998	8,817,525	+3.3	
Power, lt. & wat.—	3,871	233,453	230,884	-1.1	7,459,048	7,292,200	-2.2	
Elec. rail'r d oper. & maint., excl. of car shops—	496	137,557	134,859	-2.0	4,313,973	4,209,878	-2.4	
Trade—	14,157	439,335	500,004	+13.8	10,513,974	11,295,705	+7.4	
Wholesale—	2,709	75,847	75,433	-0.5	2,284,814	2,229,337	-2.4	
Retail—	11,448	363,488	424,571	+16.8	8,229,160	9,066,368	+10.2	
Hotels—	2,338	147,939	144,820	-2.1	62,310,061	62,259,421	-2.2	
Canning & preserv'g—	889	37,507	25,145	-33.0	525,044	402,870	-23.3	
Laundries—	861	57,188	56,593	-1.0	1,015,844	996,147	-1.9	
Dyeing & cleaning—	362	11,934	11,241	-5.8	249,844	227,163	-9.1	
Total—	49,841	4,541,263	4,572,588	+0.7	101,271,846	101,655,164	+0.3	

RECAPITULATIONS BY GEOGRAPHIC DIVISIONS.

Geographic Div. c	Estab-lish-ments	Employment.			P. C. of Ch'ge.	Payroll (1 Week).		P. C. of Ch'ge.
		Nov. 1931.	Dec. 1931.			Nov. 1931.	Dec. 1931.	
New England—	8,105	514,515	512,713	-0.4	11,123,251	11,220,170	+0.9	
Middle Atlantic—	8,604	384,509	1,381,000	-0.2	33,041,356	32,924,811	-0.4	
East North Central—	10,309	1,558,860	1,999,940	+3.8	26,889,575	27,552,681	+2.5	
West No. Central—	5,252	290,874	293,300	+0.8	6,655,150	6,724,112	+1.0	
South Atlantic—	5,160	497,296	493,170	-0.8	8,750,966	8,583,762	-1.9	
East South Central—	2,678	193,738	190,823	-1.5	3,007,974	2,930,038	-2.6	
West South Central—	3,092	152,223	152,833	+0.4	3,261,144	3,265,093	+0.1	
Mountain—	1,977	96,229	92,743	-3.6	2,304,512	2,221,129	-3.6	
Pacific—	4,764	256,019	255,976	d	6,337,968	6,233,368	-1.6	
All divisions—	49,841	4,541,263	4,572,588	+0.7	101,371,846	101,655,164	+0.3	

^a Weighted per cent of change for the combined 54 manufacturing industries, repeated from Table 1, pamphlet report; the remaining per cents of change, including total, are unweighted. ^b The amount of payroll given represents cash payments only; the additional value of board, room, and tips can not be computed. ^c New England—Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont; Middle Atlantic—New Jersey, New York, Pennsylvania; East North Central—Illinois, Indiana, Michigan, Ohio, Wisconsin; West North Central—Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota; South Atlantic—Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia; East South Central—Alabama, Kentucky, Mississippi, Tennessee; West South Central—Arkansas, Louisiana, Oklahoma, Texas; Mountain—Arizona, Colorado, Idaho, Montana, New Mexico, Nevada, Utah, Wyoming; Pacific—California, Oregon, Washington. ^d Less than 1-10th of 1%.

Three of the 15 industrial groups included in the summary table above, reported increased employment, the retail trade group reporting an increase of 16.8%, reflecting the Christmas trade, while the crude petroleum and the bituminous coal mining groups reported increases of 1% and 0.1%, respectively. Increased payroll totals were also reported in three groups retail trade showing a gain of 10.2% over the month interval, crude petroleum reporting an increase of 5.6% in earnings, and the telephone and telegraph group reporting a gain of 3.3% in payroll totals, coupled with a decrease of 0.5% in employment.

The remaining 11 groups reported losses in both employment and earnings over the month interval. Decreases of 1% or less were reported in manufacturing, wholesale trade, and laundries, and declines ranging from 1.1% to 3% were shown in power, light, and water, electric-railroad operation, hotels, and metalliferous mining. Anthracite mining reported 4.4% fewer employees in December than in November, and the dyeing and cleaning group reported a decrease of 5.8% in number of workers over the month interval. Seasonal decreases in employment and payroll of 9.1% and 14.8%, respectively, were reported in quarrying and non-metallic mining, while the canning and preserving industry reported the usual large seasonal declines in number of workers and earnings in December.

The East and West North Central and the West South Central geographic divisions reported increases in both employment and payroll totals from November to December, and the New England division reported increased earnings coupled with a small decline in employment. The remaining five divisions reported a falling off in each item over the month interval.

PER CAPITA WEEKLY EARNINGS IN DECEMBER 1931 AND COMPARISON WITH NOVEMBER 1931, AND DECEMBER 1930.

Industrial Group.	Per Capita Weekly Earnings in December 1931.	Per Cent of Change December 1931, Compared with	
		November 1931.	December 1930.
		Manufacturing (54 industries)-----	\$20.74	(a)	-13.1
Coal mining-----	28.49	+3.3	-2.6
Anthracite-----	16.72	-4.3	-23.3
Bituminous-----	20.91	+0.8	-21.5
Metalliferous mining-----	18.45	-6.2	-19.7
Quarrying and non-metallic mining-----	31.62	+4.4	-5.4
Crude petroleum producing-----			
Public utilities-----			
Telephone and telegraph-----	30.12	+3.9	+0.9
Power, light and water-----	31.53	-1.2	-1.9
Electric railroads-----	31.22	-0.4	-2.4
Trade-----			
Wholesale-----	29.55	-1.9	-6.3
Retail-----	21.35	-5.6	-3.3
Hotels (cash payments only) ^b -----	15.60	-0.1	-8.4
Canning and preserving-----	16.02	+14.7	-2.7
Laundries-----	17.60	-1.0	-6.7
Dyeing and cleaning-----	20.21	-3.5	-8.3
Total-----	\$22.23	-0.4	-9.9

^a Less than 1-10th of 1%. ^b The additional value of board, room, and tips cannot be computed.

Per capita earnings for December 1931, given in the preceding table must not be confused with full-time weekly rates of wages; they are actual

per capita weekly earnings computed by dividing the total number of employees reported into the total amount of payroll in the week reported, and the "number of employees" includes all persons who worked any part of the period reported—that is, part-time workers as well as full-time workers. Comparisons are made with per capita earnings in November 1931, and with December 1930.

For convenient reference the latest data available relating to all employees, excluding executives and officials, on class I railroads, drawn from Inter-State Commerce Commission reports, are shown in the following statement. These reports are for the months of October and November instead of for November and December 1931; consequently, the figures can not be combined with those presented in the summary table.

EMPLOYMENT AND PAYROLL TOTALS, CLASS I RAILROADS.

Industry.	No. on Pay Roll.		P. C. of Ch'ge.	Amt. of Pay Roll Entire Mo.		P. C. of Ch'ge.
	Oct. 15 1931.	Nov. 15 1931.		January 1931.	November 1931.	
Class I railroads-----	1,210,426	1,154,540	-4.6	\$164,636,799	\$148,646,952	+9.7

The total number of employees included in this summary is 5,727,128 and their combined earnings in one week amount to approximately \$136,000,000.

Valuation of Construction Contracts Awarded as Computed by The F. W. Dodge Corporation Shows 63% Decline for January.

The valuation of construction contracts awarded in the 37 States east of the Rocky Mountains in the month of January 1932 was \$143,158,000 less than in January 1931, the figure for January of this year being only \$84,798,400, against \$227,956,400 in the same month of last year, a decline of 63%, as compared with a decline of 45% in December of 1931 in comparison with December of 1930.

Statisticians of F. W. Dodge Corp. do not find the \$84,798,400 total for the month surprising in view of the retarding influences at work in this as in all businesses.

Announcement of January construction contract totals by F. W. Dodge Corp. are accompanied by observations on wage adjustments now going forward, these being taken as a favorable sign.

"Recent action in New York City looking toward adjustment of union wage scales is an evidence that all departments of the industry are getting to the bedrock basis essential to recovery," the bulletin reads. "In a growing number of localities the question of building wage adjustments is being squarely faced. In fact, in about 15 cities of 100,000 or more inhabitants wage adjustments have already been amicably effected. In most of these cities other needed deflation has already taken place; hence these cities are likely to show first signs of revival."

The marked decline in the total for public works and utilities is, to quote the bulletin, "closely tied up with the current wave of budget-cutting on the part of municipalities and other public bodies. While this has a depressing effect on current operations, it is actually one of the last steps in the long chain of cost deflation, debt deflation and real estate deflation that the country has had to undergo. Since it appears necessary to go through these disagreeable operations, it is best to consider the process much as a dose of medicine, the sooner taken the better the patient's chances for recovery."

In the various districts comprising the 37 States, the largest total, although low when compared with previous Januarys was that for metropolitan New York, where \$20,436,800 in construction contracts was reported during the month. Contracts amounted to \$12,955,800 in the Middle Atlantic States. New England and the section known as the Pittsburgh territory (Western Pennsylvania, West Virginia, Ohio and Kentucky) were nearly even, with \$7,589,200 reported in the first named and \$7,517,600 in the latter. In both the Kansas City territory (Western Missouri, Kansas, Oklahoma and Nebraska) and in the St. Louis district a total of somewhat over \$4,000,000 was reported. The St. Louis territory is comprised of Southern Illinois, Eastern Missouri, Northeast Arkansas, Western Tennessee and Northwest Mississippi.

CONSTRUCTION CONTRACTS AWARDED—37 STATES EAST OF THE ROCKY MOUNTAINS.

Month of January—	No. of Projects.	New Floor Space (Sq. Ft.).	Valuation.	1932	1931
Non-residential building-----	1,481	5,378,600	33,237,700		
Public works and utilities-----	539	300,300	24,056,400		
Total construction-----	4,659	12,600,800	\$84,798,400		
1931—Residential building-----	4,056	12,235,100	54,375,500		
Non-residential building-----	1,866	11,767,100	76,820,000		
Public works and utilities-----	989	6,632,700	96,760,900		
Total construction-----	6,911	24,634,900	\$227,956,400		

CONTEMPLATED WORK REPORTED—37 STATES EAST OF THE ROCKY MOUNTAINS.

Month of January—	No. of Projects.	Valuation.	1932	1931
Non-residential building-----	2,237	61,609,000	2,967	162,022,900
Public works and utilities-----	1,037	80,308,400	1,938	193,755,900
Total construction-----	6,728	\$206,342,100	9,896	\$448,177,300

Chain Store Sales Lower in January.

According to a compilation by Merrill, Lynch & Co. of this city, 39 chain store companies, including three mail order concerns, show total sales for the month of January 1932, of \$239,086,379, against sales of \$266,641,749, in the corresponding period of 1931, a decrease of 10.33%. Three mail order companies alone show sales for January 1932, of \$33,082,282, against \$42,204,736 in January 1931, a decrease of 21.61%. Excluding the mail order concerns, thirty-six chain store companies show sales for January 1932 of \$206,004,097, against sales of \$224,437,013 in the same period of 1931, a decrease of 8.21%. A comparative table follows:

	January 1932.	January 1931.	Per Cent Decrease.
a Great Atlantic & Pacific Tea Co.....	\$68,966,599	\$78,814,870	12.5%
b Sears Roebuck & Co.....	19,008,449	23,042,271	17.5
c Safeway Stores Co.....	18,560,313	15,660,384	x18.5
F. W. Woolworth Co.....	17,990,630	19,239,840	6.5
Kroger Grocery & Baking Co.....	16,656,998	19,184,313	13.1
Montgomery Ward.....	12,028,054	16,620,238	27.6
American Stores.....	10,120,540	12,497,110	19.0
J. C. Penney Co.....	9,287,930	9,727,116	4.5
S. S. Kresge Co.....	8,845,394	9,824,933	9.9
c First National Stores.....	7,714,658	8,064,348	4.3
d National Tea Co.....	5,747,427	6,578,159	12.6
W. T. Grant.....	4,494,549	4,109,717	x9.3
S. H. Kress.....	4,273,984	4,399,821	2.9
Walgreen Co.....	4,217,260	4,451,343	5.2
Walton Co.....	2,932,008	3,401,091	13.8
McCrores Stores.....	2,919,317	2,902,503	x0.6
a H. C. Bohack.....	2,604,568	2,756,205	5.5
a Grand Union.....	2,420,269	2,601,232	6.9
e Dominion Stores.....	2,187,906	2,322,765	5.8
National Bellas Hess.....	2,045,779	2,542,227	19.5
J. J. Newberry.....	1,838,959	1,769,392	x3.9
Lerner Stores.....	1,539,319	1,723,236	10.6
Melville Shoe.....	1,457,061	1,655,873	12.0
Peoples Drug Stores.....	1,379,541	1,430,890	3.5
McLellan Stores.....	1,277,464	1,289,968	0.9
Waldorf System.....	1,225,222	1,295,567	5.4
G. C. Murphy Co.....	1,110,793	1,221,313	9.0
Interstate Department Stores.....	1,049,750	1,295,765	18.9
Lane Bryant, Inc.....	949,654	1,482,849	35.9
Neilsen Bros.....	842,092	1,035,384	18.6
Western Auto Supply Co.....	639,700	712,500	10.2
Bleekford's.....	634,155	670,749	5.4
Schiff Co.....	483,404	507,384	4.7
Winn & Lovett Grocery Co.....	467,105	465,212	x0.4
Exchange Buffet.....	414,752	512,147	19.0
Kline Bros.....	297,719	271,230	x9.8
Sally Frocks.....	269,567	380,162	29.0
M. H. Fishman.....	115,209	96,092	x19.8
Kaybee Stores.....	72,282	85,550	15.5
39 Chain store and mail order cos.....	\$239,086,379	\$266,641,749	10.33
Three mail order companies.....	33,082,282	42,204,736	21.61
36 Chain store companies.....	\$206,004,097	\$224,437,013	8.21

a Four weeks to Jan. 30. b Four weeks to Jan. 29. c Four weeks ended Jan. 30. d Four weeks and one day ended Jan. 30. e Five weeks ended Jan. 30. x Increase.

National Fertilizer Association's Weekly Index of Wholesale Prices for Week Ended Feb. 13 Shows Largest Decline in Several Weeks.

The wholesale price index of the National Fertilizer Association for the week ended Feb. 13 showed the largest decline in several weeks. Not only did a greater number of commodity prices move downward, but commodities showing price advances were fewer than for many weeks. The latest index number is 63.0, a record low point. A month ago the index number was 63.9, while a year ago it was 76.4. (The index number 100 represents the average for the three years 1926-1928). The Association further reports under date of Feb. 15:

Only one of the 14 groups comprising the index advanced during the latest week. Six groups declined and seven showed no change. The group of fats and oils advanced slightly. The six groups that declined were foods, grains, feeds and livestock, metals, textiles, fuel and fertilizer materials. The largest declines were shown in the groups of foods and grains, feeds and livestock. The losses in the other groups were comparatively small.

Only five commodities advanced during the latest week. This is the smallest number of advances reported in many weeks. Thirty-seven commodities showed price losses during the latest week. This is the largest number of price declines reported in several weeks. During the preceding week 17 commodities showed price gains, while 28 commodities showed price losses. The commodities that advanced were cotton, lard, butter, good cattle and coffee. The declining commodities included cheese, eggs, raw sugar, flour, apples, wheat, corn, oats, hogs, sheep, lambs, pig iron, copper, silver, gasoline, rubber, fallow, burlap, silk, gingham and woolen yarns.

The index number and comparative weight for each of the 14 groups are shown in the table below.

WEEKLY WHOLESALE PRICE INDEX—BASED ON 476 COMMODITY PRICES (1926-1928=100).

Per Cent Each Group Bears to the Total Index.	Groups.	Latest Week Feb. 13 1932.	Preceding Week.	Month Ago.	Year Ago.
23.2	Foods.....	65.5	67.3	66.1	78.3
16.0	Fuel.....	58.6	58.9	58.9	74.3
12.8	Grains, feeds and livestock.....	47.7	49.1	50.0	70.0
10.1	Textiles.....	49.4	49.7	49.8	66.0
8.5	Miscellaneous commodities.....	62.4	62.4	64.7	71.7
6.7	Automobiles.....	89.1	89.1	89.1	89.2
6.6	Building materials.....	72.4	72.4	72.3	83.1
6.2	Metals.....	71.7	72.4	73.9	81.3
4.0	House furnishings.....	82.2	82.2	82.2	92.7
3.8	Fats and oils.....	45.8	45.6	48.1	62.3
1.0	Chemicals and drugs.....	88.8	88.8	88.8	92.4
.4	Fertilizer materials.....	70.0	70.2	70.1	84.4
.4	Mixed fertilizer.....	79.1	79.1	79.1	91.9
.3	Agricultural implements.....	92.7	92.7	92.7	95.6
100.0	All groups combined.....	63.0	63.7	63.9	76.4

* Revised.

Electric Output in the United States During the Week Ended Feb. 13 1932 Fell Off 6.2% as Compared with the Same Period Last Year.

The production of electricity by the electric light and power industry of the United States for the week ended Saturday, Feb. 13, was 1,578,817,000 kwh., according to the National Electric Light Association. The Atlantic seaboard shows a decrease of 3.6% from the corresponding week last year, and New England, taken alone, shows a decrease of 4.2%. The central industrial region, outlined by Buffalo, Pittsburgh, Cincinnati, St. Louis and Milwaukee,

registers, as a whole, a decrease of 9.7%, while the Chicago district, alone, shows a decrease of 8.5%. The Pacific Coast shows a decline of 2.4% below last year.

Arranged in tabular form, the output in kilowatt-hours of the light and power companies for recent weeks and by calendar months for 1931, according to the National Electric Light Association, is as follows:

Weeks Ended.	1932.	1931.	1930.	1929.	1932 Under 1931.
Jan. 2.....	1,523,652,000	1,597,454,000	1,680,289,000	1,542,000,000	4.6%
Jan. 9.....	1,619,265,000	1,713,508,000	1,816,307,000	1,733,810,000	5.5%
Jan. 16.....	1,602,482,000	1,716,822,000	1,833,500,000	1,736,729,000	6.7%
Jan. 23.....	1,698,201,000	1,712,786,000	1,825,969,000	1,717,315,000	6.7%
Jan. 30.....	1,588,967,000	1,687,160,000	1,809,049,000	1,728,203,000	5.8%
Feb. 6.....	1,588,853,000	1,679,016,000	1,781,583,000	1,726,161,000	5.4%
Feb. 13.....	1,578,817,000	1,683,712,000	1,769,683,000	1,718,304,000	6.2%

Months.	1931.	1930.	1929.	1928.	1931 Under 1930.
January.....	7,439,388,000	8,021,749,000	7,585,334,000	6,637,064,000	7.3%
February.....	6,705,564,000	7,066,788,000	6,850,855,000	6,289,337,000	5.1%
March.....	7,381,004,000	7,580,335,000	7,380,263,000	6,632,542,000	2.6%
April.....	7,193,691,000	7,416,191,000	7,285,359,000	6,256,581,000	3.0%
May.....	7,183,341,000	7,494,807,000	7,486,635,000	6,552,575,000	4.2%
June.....	7,057,029,000	7,259,697,000	7,220,279,000	6,454,379,000	2.5%
July.....	7,222,869,000	7,363,730,000	7,484,727,000	6,570,110,000	1.9%
August.....	7,144,840,000	7,391,196,000	7,773,878,000	6,944,975,000	3.3%
September.....	7,042,783,000	7,337,106,000	7,523,395,000	6,724,148,000	4.0%
October.....	7,256,279,000	7,718,787,000	8,133,485,000	7,360,489,000	6.0%
November.....	6,913,615,000	7,270,112,000	7,681,822,000	7,174,145,000	4.9%
December.....	7,256,839,000	7,566,601,000	7,871,121,000	7,233,488,000	4.3%
Total year.....	85,797,742,000	89,467,099,000	90,277,153,000	80,829,833,000	4.2%

x Revised.
Note.—The monthly figures shown above are based on reports covering 92% of the electric light and power industry and the weekly figures are based on 70%.

No Change Noted in Wholesale Price Index of United States Department of Labor During Week Ended Jan. 30.

The Bureau of Labor Statistics of the United States Department of Labor announces that the index number of wholesale prices for the week ending Feb. 6 stands at 66.7 as compared with 66.7 for the week ending Jan. 30. The Bureau further said, Feb. 12:

This index number, which includes 784 commodities or price series, weighted according to the importance of each article and based on the average prices in 1926 as 100.0, shows that no change took place in the general average of all commodities for the week of Feb. 6, when compared with the week ending on the 30th of January.

The accompanying statement shows the index numbers by groups of commodities for the weeks ending Jan. 9, 16, 23, 30 and Feb. 6.

INDEX NUMBERS OF WHOLESALE PRICES FOR WEEKS OF JAN. 9, 16, 23, 30 AND FEB. 6.

	Week Ending—				
	Jan. 9.	Jan. 16.	Jan. 23.	Jan. 30.	Feb. 6.
Farm products.....	55.6	55.5	54.6	51.1	52.1
Foods.....	67.7	66.7	65.7	63.1	63.0
Hides and leather products.....	79.7	79.6	79.7	79.2	79.1
Textile products.....	60.4	59.6	60.1	60.1	60.0
Fuel and lighting.....	67.7	67.8	68.0	68.2	68.1
Metals and metal products.....	81.9	81.7	81.7	81.6	81.3
Building materials.....	75.2	74.7	74.9	74.7	73.8
Chemicals and drugs.....	76.2	75.8	75.8	75.8	75.8
Housefurnishing goods.....	78.5	78.7	78.7	78.7	78.7
Miscellaneous.....	66.6	66.0	65.5	65.0	64.9
All commodities.....	68.1	67.9	67.6	66.7	66.7

Los Angeles Chamber of Commerce Reviews Southwest Business Conditions—January Index of Industrial Employment at New Low Level.

The event of major interest and importance to Los Angeles business during January was the locating there of the Chrysler plant, which will give employment to a considerable number of people, and should create additional demand for supplies and materials," says the Los Angeles Chamber of Commerce in its "Southwest Business Review," which adds:

Following the regular January slowing up of all activity, due to first-of-the-year routine demands, such as starting new schedules, readjustments of programs, inventory taking and, often, change of executive personnel and policies, the month just closed shows decreases in practically all branches. This is not exceptional, the only reason for it appearing unusual is the low level which obtained prior to this slack period.

Building permits, both in number and value, were the lowest for a considerable period of time; Stock Exchange transactions also showed a decrease. Employment dropped eight points from the previous month. Bank debits, while lower than in December, were above those for November 1931. Postal receipts were also under the December total.

Major industries reflected the same slow period; wholesale and retail trade, agriculture, the livestock market and water commerce all marked time, returning total figures lower than recorded in December.

In spite of this, a steady tone seems to prevail in practically all industrial and commercial groups.

Building Permits.

Building activity during January was at new low levels with the months, total falling below anything seen during the past ten years. Noteworthy was the fact that only three days during the month saw over \$100,000 in permits, and only one of those three ran above \$200,000. Compared with a year ago, the decline in values was approximately 50%.

Another noticeable trend during the month was the comparatively low value per permit which was approximately \$1,200, a record low for city construction. The only conclusion is that not only are very few large struc-

tures being built, but a large number of the permits are apparently for remodeling, repairs and similar maintenance work.

Comparative figures are as follows: January 1932, \$1,862,171; January 1931, \$3,790,283.

Employment.

Seasonal weakness in several manufacturing lines brought the Chamber of Commerce index of industrial employment for January down to a new low level. This was caused by no excessive slump in one industry, but to a general recession in most of the ten groups.

Compared with last month, the principal declines took place in motion pictures and wearing apparel, with moderate declines in food products, printing and lithographing, clay products and rubber. Four industries remained practically the same—iron and steel, millwork, furniture, and petroleum.

Compared with a year ago, all lines, with one exception, are operating at lower levels. This one exception is food products which has, throughout the past three years, maintained a very even volume of production and consequently has retained a large part of its normal payroll.

Assuming little unusual change in business conditions during the next 60 days, we should see a seasonal improvement in employment conditions during the latter part of February and all of March, which might operate to bring the index figure back from six to eight points.

The comparative figures are as follows: January 1932, 59.0; December 1931, 67.4; January 1931, 80.0.

Consumption of Crude Rubber by Manufacturers in the United States Shows Seasonal Gain in January—Imports Fall Off—Inventories 54.1% Higher Than a Year Ago.

Consumption of crude rubber by manufacturers in the United States for the month of January amounted to 27,962 long tons as compared with 21,409 long tons for December 1931, and represents an increase of 30.6%, which is about seasonal, according to statistics released by the Rubber Manufacturers Association. Imports of crude rubber for the month of January amounted to 31,298 long tons, a decrease of 30.7% under the December figure and 15.6% below January a year ago.

The Association estimates total domestic stocks of crude rubber on hand Jan. 31 at 322,860 long tons, which compares with Dec. 30 stocks of 322,826. While January stocks show practically no change as compared with December, they were 54.1% above stocks the same date last year. Crude rubber afloat for the United States ports on Jan. 31 amounted to 77,244 long tons, as compared with 53,940 long tons on Dec. 31 and 56,188 long tons on Jan. 31 1931.

Production and Shipments of Pneumatic Casings and Tubes Declined During 1931—Inventories Continue to Fall Off.

According to figures estimated to represent 80% of the industry, as released by the Rubber Manufacturers Association, Inc., shipments of pneumatic casings and tubes during December 1931 continued to show an increase over production, while inventories fell to new low levels. During this period, according to these estimates, production amounted to 2,114,577 pneumatic casings—balloons and cords—and 10,272 solid and cushion tires, as against 2,251,269 pneumatic casings and 13,008 solid and cushion tires in the corresponding month in 1930 and 2,000,630 pneumatic casings and 9,317 solid and cushion tires in November 1931. Shipments during the month of December 1931 totalled 2,225,036 pneumatic casings and 10,705 solid and cushion tires as compared with 2,309,971 pneumatic casings and 10,120 solid and cushion tires in the preceding month and 2,688,960 pneumatic casings and 13,565 solid and cushion tires in the corresponding period in the previous year. Pneumatic casings on hand Dec. 31 1931 amounted to 6,219,776 as against 6,335,227 at Nov. 30 last and 7,202,750 at Dec. 31 1930.

Production of balloon and high pressure inner tubes during December 1931 totalled 2,077,704 as compared with 1,954,915 in the preceding month and 2,448,195 in December 1930. Shipments amounted to 2,213,261 tubes as compared with 2,729,973 tubes in the last month of 1930 and 2,075,716 tubes in November 1931. Inventories at Dec. 31 1931 totalled 6,337,570 tubes as against 6,495,708 tubes a month previous and 7,999,477 tubes a year earlier.

During the calendar year 1931, according to estimated figures received from 80% of the industry, there were produced a total of 38,992,220 pneumatic casings and 38,666,376 inner tubes, as compared with 40,772,378 pneumatic casings and 41,936,029 inner tubes in the preceding year. Shipments amounted to 40,048,552 pneumatic casings and 40,017,175 inner tubes in 1931 as against 42,913,108 pneumatic casings and 43,952,139 inner tubes during 1930. The Association further reports as follows:

According to figures based on the above estimates, shipments of pneumatic casings for the month of December 1931 for 100% of the industry amounted to 2,781,950 casings, a decrease of 3.7% under November 1931 and 17.2% below December 1930, according to the Association, which also reports production of pneumatic casings for December 1931 to be 2,643,221

units, an increase of 5.7% as compared with November 1931, but were 6.1% below December a year ago. Pneumatic casings on hand Dec. 31 amounted to 7,774,720 units, a decrease of 1.8% under November 1931 and 13.6% below Dec. 31 1930. Shipments of pneumatic casings for the year 1931 amounted to approximately 50,060,690, a decrease of 6.7% as compared with 1930 and 27.9% below 1929. Production of pneumatic casings for 1931 amounted to 48,740,275 casings, a decrease of 4.4% below 1930 and 29.1% under 1929.

PRODUCTION AND SHIPMENTS OF PNEUMATIC CASINGS (FROM FIGURES ESTIMATED TO REPRESENT 100% OF THE INDUSTRY).

	Shipments.	Production.	Inventory
December 1931.....	2,781,950	2,643,221	7,774,720
November 1931.....	2,887,464	2,500,788	7,919,034
December 1930.....	3,361,200	2,814,086	9,003,438

According to figures released by the Association and estimated to represent 100% of the industry, consumption of gasoline during 1931 reached a total of 16,941,750,000 gallons as compared with 16,200,894,000 in the previous year and 14,748,552,000 gallons in 1929. It is also estimated that there were produced in 1931 2,036,567 passenger cars and 435,784 trucks, as against 2,939,791 passenger cars and 569,271 trucks in 1930 and 4,811,107 passenger cars and 810,549 trucks in 1929.

The Association, in its bulletin dated Jan. 10 1932, gave the following data:

PRODUCTION AND SHIPMENTS OF PNEUMATIC CASINGS AND INNER TUBES (BY MONTHS).

[From figures estimated to represent 80% of the industry.]

	Pneumatic Casings.			Inner Tubes.		
	Inventory.	Output.	Shipments.	Inventory.	Output.	Shipments.
1931—						
January.....	7,165,846	2,939,702	2,995,479	7,551,503	2,898,405	3,249,734
February.....	7,628,520	3,188,274	2,721,347	9,936,773	3,132,770	2,720,135
March.....	8,011,592	3,730,061	3,297,225	8,379,974	3,559,644	3,031,279
April.....	8,025,135	3,955,491	3,945,525	8,330,155	3,693,222	3,708,949
May.....	8,249,856	4,543,003	4,332,137	8,438,799	4,329,731	4,224,594
June.....	8,357,768	4,537,970	4,457,509	8,403,401	4,286,467	4,317,543
July.....	7,935,565	3,941,187	3,969,526	7,671,801	3,964,174	4,664,964
August.....	7,117,037	3,124,746	3,967,987	7,019,217	3,548,335	4,240,403
September.....	6,526,762	2,537,575	3,145,488	6,476,191	2,759,431	3,320,103
October.....	6,640,062	2,379,004	2,281,322	6,656,913	2,461,578	2,200,494
November.....	6,335,227	2,000,630	2,309,971	6,495,708	1,954,915	2,075,716
December.....	6,219,776	2,114,577	2,225,036	6,337,570	2,077,704	2,213,261
Total.....		38,992,220	40,048,552		38,666,376	40,017,175
1930—						
January.....	9,539,353	3,588,862	3,525,404	10,163,267	3,685,410	3,885,717
February.....	9,928,838	3,644,606	3,356,104	11,428,968	3,707,066	3,469,919
March.....	10,010,173	3,890,981	3,773,865	10,543,026	3,952,921	3,781,789
April.....	10,461,208	4,518,034	4,071,822	11,027,711	4,408,030	3,878,697
May.....	10,745,389	4,573,895	4,173,177	11,081,523	4,428,367	4,068,847
June.....	10,621,634	4,097,808	4,234,994	10,889,444	3,959,972	4,212,082
July.....	9,449,518	3,193,057	4,357,836	9,325,602	3,151,107	4,684,182
August.....	8,678,164	3,332,459	4,139,900	8,589,904	3,836,880	4,668,856
September.....	7,849,411	2,692,355	3,524,141	8,052,121	3,053,244	3,632,458
October.....	7,842,150	2,865,933	2,799,440	8,413,578	3,161,048	2,777,965
November.....	7,675,786	2,123,089	2,267,465	8,250,432	2,143,609	2,230,654
December.....	7,202,750	2,251,269	2,688,960	7,999,477	2,448,195	2,729,973
Total.....		40,772,378	42,913,108		41,936,029	43,952,139

CONSUMPTION OF COTTON FABRICS AND CRUDE RUBBER IN THE PRODUCTION OF CASINGS, TUBES, SOLIDS AND CUSHION TIRES AND OUTPUT OF PASSENGER CARS AND TRUCKS.

	Consumption.			Production.	
	Cotton Fabrics (80%)	Crude Rubber (80%)	Gasoline (100%)	Passenger Cars (100%)	Trucks (100%)
Calendar years:					
1926.....	165,963,182	518,043,062	10,708,068,000	3,929,535	535,006
1927.....	177,979,818	515,994,728	12,512,976,000	3,093,428	486,952
1928.....	222,243,398	600,413,401	13,683,452,000	4,024,590	576,540
1929.....	208,824,653	598,994,708	14,748,552,000	4,811,107	810,549
1930.....	158,812,462	476,755,707	16,200,894,000	2,939,791	569,271
1931.....	151,143,715	456,615,428	16,941,750,000	2,036,567	435,784
Month of:					
Jan. 1931.....	12,738,467	36,318,980	1,127,832,000	144,878	33,521
Feb. 1931.....	12,002,161	36,651,119	1,097,208,000	189,264	39,975
Mar. 1931.....	14,040,803	41,850,638	1,303,302,000	241,728	47,696
April 1931.....	15,243,625	45,016,344	1,402,800,000	299,736	53,131
May 1931.....	18,009,764	53,417,709	1,499,904,000	280,041	47,812
June 1931.....	17,084,749	51,279,827	1,611,540,000	213,741	42,556
July 1931.....	15,139,769	46,696,925	1,657,446,000	186,258	36,923
Aug. 1931.....	11,745,425	36,231,633	1,667,446,000	158,851	32,890
Sept. 1931.....	9,584,599	29,854,183	1,543,500,000	111,336	31,876
Oct. 1931.....	9,262,999	28,371,957	1,472,142,000	59,176	22,406
Nov. 1931.....	8,360,534	25,921,535	1,286,880,000	49,998	20,118
Dec. 1931.....	7,930,820	25,004,578	1,282,218,000	98,305	25,660

x These figures include Canadian production and cars assembled abroad the parts of which were manufactured in the United States.
 Note.—With the exception of gasoline consumption and car and truck production; the figures shown above since January 1929 are estimated to represent approximately 80% of the industry as compared with 75% for prior years.

Building Trades in Chicago Agree to Wage Cut—20% Reduction Voluntarily Accepted by Unions Numbering 150,000 Members.

The 31 building trades in Chicago, representing a membership of 150,000, on Feb. 12 voluntarily accepted a 20% wage reduction for one year. A dispatch from Chicago, Feb. 12 to the New York "Times" said:

The agreement culminated negotiations of more than a year. The Building Construction Employers' Association originally requested acceptance of a reduction of 25%, pointing out that building was virtually at a standstill and its revival, with consequent increases in employment, could not be hoped for under the scales established during the most prosperous times.

The Building Trades Council rejected the proposal and joint arbitration boards held conferences. Announcement of the acceptance of the 20% reduction was made by E. M. Craig, Secretary of the Building Construction Employers' Association. Patrick J. Sullivan, President of the Building Trades Council, was the chief labor representative present when the agreement was signed.

Contractors expressed the opinion that building will be stimulated. Members of the Employers' Association said they had been unable to

complete with "cut rate" contractors under the existing wage scales, since such contractors could always underbid them. Another complaint was that contractors who paid the union scales demanded and received rebates from the workmen.

Most of the contracts between the trades and employees, it was said, do not expire until 1934, but the wage reduction is to become effective at once.

The action of the Building Trades Employers' Association in New York toward cutting wages 25 to 30% was noted in our issue of Feb. 13, page 1096.

Building Costs in 1931 Reached Low Level—Record Set in Latter Half of Last Year Will Stand for Long Time, Allen E. Beals Declares.

Cubic foot building cost compilations prepared for the current Dow Service Daily Building Reports by Allen E. Beals show that the net field cost of building in the metropolitan area of New York City touched the lowest levels in the last half of 1931 that may be expected for some years to come. The foregoing is from the New York "Times" of Feb. 15, which continued:

Most of the architects and builders in the area covered by the figures attribute the sags in construction cost to reductions in the prices of basic building materials, equipment and supplies and bartered wage rates for labor.

Comparing costs during the latter half of last year with those of other years, Mr. Beals said:

"Professional builders and architects defend their belief that the levels of the last half of 1931 will not be repeated for a long time to come by citing the fact that the proposed fair wage rate set up by the Building Trades Employers' Association to take effect May 1 is actually a raise, and not a reduction in current wages paid for the organized building trades craftsmen of New York City, and it is considered quite within the range of probability that whatever rates are set up by builders and leaders of organized labor in the suburbs will work out at levels considerably above the rates the men were willing to work for to keep their families fed during the worst of the economic depression in the last half of 1931.

"No one was found in the Eastern building material manufacturing industry who would say at this time that the cost of building materials had finally reached bottom. There were plenty of authorities, however, who said that if basic building materials slipped off another few fractional index figures between the last half of 1931 and the time when the definite turn finally sets in, the 15% rise in freight rates that the Interstate Commerce Commission recently granted to the railroad companies will make up for it and turn the curve line upward for a long time.

"As to the cost-cutting influence of the new building code in New York City and other near-by communities where revisions have been made, the New York City code first has to be accepted. Until then, it can have no influence upon costs, but by the time the Board of Aldermen gets through tinkering with it and the Mayor makes it law by his signature, the building trades will have discounted its benefits by anticipating its cost-saving possibilities in the projects they will seek bids for while material costs are still low."

Investing and Contracting Builders Association Endorses Proposal of Building Trades Employers on Wage Cut.

The proposal of the Building Trades Employers Association that the nominal wage scales in the building industry be materially reduced has been approved by the board of governors of the Investing and Contracting Builders Association, Inc., according to a statement issued Feb. 16 by Colonel A. Pearson Hoover, President of the Association. This organization consists of 35 of the largest builders and contractors in New York City, said the New York "Times," which gave the statement of the contractors' association as follows:

The builders believe that the proposed reduction is the minimum consistent with the welfare of the industry and the public interest. In practical effect it will result in a daily wage for skilled mechanics of from \$7 to \$12, in lieu of from \$9.35 to \$15.40.

The present wage scale was fixed in agreements which became effective in 1930, and was subsequently higher than wage scales in other industries for comparable work, and substantially higher than the levels theretofore prevailing in the building industry itself.

The proposed wage level, while lower than the 1930 wage-agreement basis, is substantially higher than actual wages now paid by contractors who for some time past have taken advantage of the necessities of labor to find employment at any pay it can get.

The responsible contractor, mindful of his obligations, is thus penalized in favor of the bootleg contractor and subcontractor.

The adjustment of the wage at a proper level and its maintenance at that level until Dec. 31 1933, will tend to stabilize the industry. While this will not encourage investment building until economic conditions have materially improved, it will stimulate needed public and institutional improvements and enable the industry to more intelligently plan for the immediate future.

The reduction of obtainable rent revenues which has taken place during the last two years warrants a substantially greater cut in wages. Actually in many types of construction, a 25% reduction in wages permits a reduction of less than 5% in the rent roll. The actual reductions registered since 1929 are in excess of 5%.

Cincinnati Building Trades Accept Reduction in Wage Scale.

Press advices from Cincinnati, Feb. 11 stated:

All wage board building trades unions here have accepted a reduction in hourly wage scale of approximately 20% from the average scale paid to each craft in 11 representative cities as of Aug. 23 1931. Approximately 5,000 workers are affected.

New scale will become effective Feb. 21 and will continue until March 21 1933. Rate of reduction asked by employers was 21 1/2%, but through compromise the reduction was changed to 20%.

New Ford Models to Aid Employment—30,000 to 35,000 Men to Be Added to Force—Will Make 8-Cylinder Car.

An increased employment of 30,000 to 35,000 is in prospect when the Ford Motor Co. begins production of its line of new four and eight-cylinder cars said a Detroit dispatch Feb. 12 to the New York "Journal of Commerce," from which the following is also taken:

The estimate was made to-day by a spokesman for the company. About 60,000 men are now on the pay roll.

"Our peak employment was near 120,000," he said. "We do not expect to reach that mark. The entire plan hinges, of course, on the public's reception of the cars."

Production of the cars, with only former employees considered for jobs, is slated "within a week or ten days."

Leaders Comment

Comments by industrial, business and financial leaders follow:

Alvan Macauley, President of the Packard Motor Car Co.: "Mr. Ford's statement is welcome. The extent of his employment of labor and the movement of materials for the car is of great importance in its effect on general business. Everything which helps sell an automobile helps us, for it helps all business."

Roy D. Chapin, Chairman of the board, Hudson Motor Car Co.: "The Ford announcement shows that he, in common with the rest of the automobile industry, is making unprecedented efforts to produce quality automobiles at prices which make it essential that the automobile owners buy a new car. A radical increase in the automobile industry is bound to have a stimulating effect on all business in all parts of the country."

S. W. Utey, President, Michigan Manufacturers Association: "Ford's announcement is an encouraging sign. The new operations will mean an immense quality of materials, produced not only in Detroit, but in every section of the country."

Walter L. Dunham, President, Detroit Savings Bank: "Ford's plans are especially important to Detroit because he employs such a tremendous number of persons, and a large portion of his costs go directly into purchasing power. Banks and merchants feel the effect almost immediately."

James L. Walsh, Exec. Vice-President, Guardian Detroit group of banks: "The Ford announcement will be hailed all over the country as another stirring indication of faith in the future from a great automobile manufacturer."

Harvey Campbell, Vice-President and Secretary, Detroit Board of Commerce: "We feel sure the announcement will have an outstanding effect on the economic situation. The effect not only will be found in the Ford organization itself, but will be felt, and has been for a month, tremendously in the plants with which the Ford company does business. It will trickle through the entire economic structure. This is the biggest news since the depression."

New Finance Plan by Ford Reported—Reduced Down Payments and Smaller Monthly Commitments Included—Time Limits Extended.

A revised retail financing plan, calling for a reduced down payment of \$100 and monthly payments of only from \$12 to \$17 has been evolved by the Ford Motor Co. through its affiliate, the Universal Credit Corp., it was reported at Detroit on Feb. 17, according to the New York "Evening Post," whose Detroit advices also said:

Company officials declined to comment on the report which received considerable credence in trade and banking circles. The reported move is viewed as an attempt by Henry Ford to stabilize and broaden the domestic market, from which he has been absent for some time in preparing new models.

The plan is believed to involve extension of payments for from one to three years, according to the price of the model, instead of the mandatory one-year period now in operation. The \$100 down payment also is a departure from the one-third list price down payment now in vogue.

In addition to the easier terms, the plan is said to require purchasers to make monthly calls at Ford dealers for inspection and needed servicing. This phase is regarded as an effort to maintain cars in the best possible condition, both for highway safety and for protection of dealers in the event repossession becomes necessary. Likewise, it would tend to improve parts and servicing business.

A 6% interest charge on the unpaid balance, which would include nominal insurance for dealers' protection, is said to be the only financing charge.

Bankers are divided on the accuracy of reports that Ford has contributed a substantial sum to Universal Credit to insure its adequate functioning under the new plan. Universal was founded by Ford in May 1928 with a capital of \$21,500,000. It is believed by some bankers that Universal since has not been able to obtain sufficient profits to permit its operation under the new plan without additional funds. Mr. Ford, it is reported, has contributed as much as \$100,000,000 to Universal Credit from his personal funds to insure its operation.

Mr. Ford's confirmatory statement recently on the revised A and V-8 models, and his remark that production would get underway presently, has given rise to belief in some trade circles that a pre-announcement showing of the new cars would be made at almost any time now. It is expected also that a general showing may be made in the first half of March.

Lumber Production Remains at Low Levels.

Lumber production during the week ended Feb. 13 remained at the low levels of recent weeks, according to reports received by the National Lumber Manufacturers' Assn., from regional associations covering operations of 707 of the principal hardwood and softwood mills. There was, however, an increase of about 13,000,000 feet in the combined output, and shipments were 38% and orders 33% larger than the cut. The week before 679 mills reported a production of 91,506,000 feet, with shipments 48% larger, and orders 62% more than production. The disparity between new business and current production is considered promising for future stabilization. Comparing identical

mills of the softwood group for the past week and the corresponding week a year ago, production, 442 mills, is reported 46% less than it was then, shipments 37% less and orders 42% less. A similar comparison for hardwoods covering 194 mills, shows that production is off 46%, shipments 18% and new business 38% from a year ago.

Lumber orders reported for the week ended Feb. 13 1932, by 496 softwood mills totaled 121,073,000 feet, or 32% above the production of the same mills. Shipments as reported for the same week were 123,842,000 feet, or 35% above production. Production was 91,577,000 feet.

Reports from 232 hardwood mills give new business as 16,220,000 feet, or 39% above production. Shipments as reported for the same week were 18,118,000 feet, or 55% above production. Production was 11,660,000 feet. The Association, in its report, further states:

Unfilled Orders.

Reports from 423 softwood mills give unfilled orders of 463,686,000 feet on Feb. 13 1932, or the equivalent of 12 days' production. This is based upon production of latest calendar year—300-day year—and may be compared with unfilled orders of 526 softwood mills on Feb. 14 1931, of 753,694,000 feet, the equivalent of 15 days' production.

The 388 identical softwood mills report unfilled orders as 450,705,000 feet on Feb. 13 1932, or the equivalent of 12 days' average production, as compared with 683,591,000 feet, or the equivalent of 18 days' average production on similar date a year ago. Last week's production of 442 identical softwood mills was 87,162,000 feet, and a year ago it was 161,679,000 feet; shipments were respectively 118,096,000 feet and 187,254,000; and orders received 117,219,000 feet and 200,396,000. In the case of hardwoods, 194 identical mills reported production last week and a year ago 10,222,000 feet and 18,772,000; shipments 16,052,000 feet and 19,515,000; and orders 14,193,000 feet and 22,994,000.

West Coast Movement.

The West Coast Lumbermen's Association wired from Seattle the following new business, shipments and unfilled orders for 217 mills reporting for the week ended Feb. 13:

NEW BUSINESS.		UNSHIPPED ORDERS.		SHIPMENTS.	
Feet.		Feet.		Feet.	
Domestic cargo delivery	26,656,000	Domestic cargo delivery	113,820,000	Coastwise and intercoastal	27,879,000
Export	13,204,000	Foreign	80,063,000	Export	11,094,000
Rail	20,505,000	Rail	66,145,000	Rail	18,597,000
Local	3,728,000			Local	3,728,000
Total	64,092,000	Total	260,028,000	Total	61,299,000

Production for the week was 56,956,000 feet.

For the year to Feb. 6 171 identical mills reported orders 26% above production, and shipments were 21.1% above production. The same number of mills showed a decrease in inventories of 3.5% on Feb. 6, as compared with Jan. 1.

Southern Pine.

The Southern Pine Assn. reported from New Orleans that for 128 mills reporting, shipments were 31% above production, and orders 19% above production and 10% below shipments. New business taken during the week amounted to 26,355,000 feet, (previous week 25,389,000 at 134 mills); shipments 29,148,000 feet, (previous week 26,712,000); and production 22,187,000 feet, (previous week 20,465,000). Orders on hand at the end of the week at 110 mills were 61,026,000 feet. The 114 identical mills reported a decrease in production of 46%, and in new business a decrease of 41%, as compared with the same week a year ago.

Western Pine.

The Western Pine Association reported from Portland, Ore., that for 122 mills reporting, shipments were 178% above production, and orders 157% above production and 8% below shipments. New business taken during the week amounted to 27,829,000 feet, (previous week 32,645,000 at 121 mills); shipments 30,143,000 feet, (previous week 29,425,000); and production 10,839,000 feet, (previous week 10,293,000). Orders on hand at the end of the week at 122 mills were 165,065,000 feet. The 99 identical mills reported a decrease in production of 58%, and in new business a decrease of 42%, as compared with the same week a year ago.

Northern Pine.

The Northern Pine Manufacturers of Minneapolis, Minn., reported no production from 7 mills, shipments 1,954,000 feet and new business 1,694,000 feet. The same number of mills reported a decrease of 13% in new business, compared with the corresponding week of 1931.

Northern Hemlock.

The Northern Hemlock and Hardwood Manufacturers Assn., of Oshkosh, Wis., reported production from 21 mills as 882,000 feet, shipments 1,087,000 and orders 1,058,000 feet. The 18 identical mills reported a 62% decrease in production and a 15% decrease in new business, compared with the same week last year.

Hardwood Reports.

The Hardwood Manufacturers Institute, of Memphis, Tenn., reported production from 211 mills as 9,941,000 feet, shipments 16,205,000 and new business 14,615,000. The 176 identical mills reported production 42% less and new business 35% less than for the same week last year.

The Northern Hemlock and Hardwood Manufacturers Assn., of Oshkosh, Wis., reported production from 21 mills as 1,719,000 feet, shipments 1,913,000 and orders 1,605,000. The 18 identical mills reported production 60% less and new business 57% less than for the same week a year ago.

We also give below the report of the National Lumber Manufacturers' Association for the week ended Feb. 6:

Limited production of lumber at levels approximating the low output of the recent holidays, and orders exceeding this cut by approximately 61%, marked the week ended Feb. 6, it is indicated in telegraphic reports to the National Lumber Manufacturers' Association from regional lumber manufacturers' associations covering the operations of 694 leading hardwood and softwood mills. Shipments were 48% above the cut, which for these mills aggregated 90,464,000 feet. A week earlier reports covering 679 mills showed shipments 51% above and orders 67% above a production of 96,604,000 feet. Comparison by identical mill figures for the latest week, with the equivalent period a year ago; shows, for softwoods, 438 mills, production 53% less, shipments 41% less and orders 37% less than for the week in 1931; for hardwoods, 181 mills, production 49% less, shipments 26% less and orders 23% less than the volume for the week last year.

Lumber orders reported for the week ended Feb. 6 1932 by 492 softwood mills totaled 129,499,000 feet, or 60% above the production of the same mills. Shipments as reported for the same week were 116,895,000 feet, or 45% above production. Production was 80,789,000 feet.

Reports from 215 hardwood mills give new business as 16,460,000 feet, or 70% above production. Shipments as reported for the same week were 17,153,000 feet, or 77% above production. Production was 9,675,000 feet.

Unfilled Orders.

Reports from 422 softwood mills give unfilled orders of 466,570,000 feet on Feb. 6 1932, or the equivalent of 12 days' production. This is based upon production of latest calendar year—300-day year—and may be compared with unfilled orders of 515 softwood mills on Feb. 7 1931, of 759,791,000 feet, the equivalent of 16 days' production.

The 390 identical softwood mills report unfilled orders as 452,752,000 feet on Feb. 6 1932, or the equivalent of 12 days' average production, as compared with 678,816,000 feet, or the equivalent of 18 days' average production, on similar date a year ago. Last week's production of 438 identical softwood mills was 76,564,000 feet, and a year ago it was 162,989,000 feet; shipments were respectively 111,363,000 feet and 188,615,000; and orders received 123,912,000 feet and 195,509,000. In the case of hardwoods, 181 identical mills reported production last week and a year ago 8,459,000 feet and 16,705,000; shipments, 14,743,000 feet and 20,002,000; and orders 14,678,000 feet and 19,010,000.

West Coast Movement.

The West Coast Lumbermen's Association wired from Seattle the following new business, shipments and unfilled orders for 217 mills reporting for the week ended Feb. 6:

NEW BUSINESS.		UNSHIPPED ORDERS.		SHIPMENTS.	
Feet.		Feet.		Feet.	
Domestic cargo delivery	24,097,000	Domestic cargo delivery	115,305,000	Coastwise and intercoastal	26,623,000
Export	19,993,000	Foreign	78,234,000	Export	9,720,000
Rail	20,552,000	Rail	64,372,000	Rail	17,689,000
Local	3,973,000			Local	3,973,000
Total	68,525,000	Total	257,911,000	Total	58,015,000

Production for the week was 49,381,000 feet.

For the year to Jan. 30, 171 identical mills reported orders 24.4% above production and shipments 19.5% above production. The same number of mills showed a decrease in inventories of 2.6% on Jan. 30 as compared with Jan. 1.

Southern Pine.

The Southern Pine Association reported from New Orleans that for 134 mills reporting, shipments were 31% above production and orders 24% above production and 5% below shipments. New business taken during the week amounted to 25,389,000 feet (previous week 24,591,000 at 107 mills); shipments, 26,712,000 feet (previous week 21,609,000); and production 20,465,000 feet (previous week 15,906,000). Orders on hand at the end of the week at 113 mills were 65,247,000 feet. The 117 identical mills reported a decrease in production of 55% and in new business a decrease of 44% as compared with the same week a year ago.

Western Pine.

The Western Pine Association reported from Portland, Ore., that for 121 mills reporting shipments were 186% above production and orders 217% above production and 10% above shipments. New business taken during the week amounted to 32,645,000 feet (previous week 33,991,000 at 119 mills); shipments, 29,425,000 feet (previous week 33,654,000); and production 10,293,000 feet (previous week 10,921,000). Orders on hand at the end of the week at 121 mills were 168,435,000 feet. The 98 identical mills reported a decrease in production of 62% and in new business a decrease of 35% as compared with the same week a year ago.

Northern Pine.

The Northern Pine Manufacturers of Minneapolis, Minn., reported no production from seven mills, shipments 2,273,000 feet and new business 2,140,000 feet. The same number of mills reported new business 28% less than for the same week last year.

Northern Hemlock.

The Northern Hemlock & Hardwood Manufacturers' Association of Oshkosh, Wis., reported production from 13 mills as 650,000 feet, shipments 470,000 and orders 800,000 feet. The 12 identical mills reported production 56% less and new business 28% less than for the corresponding week of 1931.

Hardwood Reports.

The Hardwood Manufacturers' Institute of Memphis, Tenn., reported production from 202 mills as 8,546,000 feet, shipments 15,768,000 and new business 15,121,000. The 169 identical mills reported production 46% less and new business 24% less than for the same week last year.

The Northern Hemlock & Hardwood Manufacturers' Association of Oshkosh, Wis., reported production from 13 mills as 1,129,000 feet, shipments 1,385,000 and orders 1,339,000. The 12 identical mills reported a decrease of 68% in production and a decrease of 13% in orders compared with the corresponding week of 1931.

Newsprint Service Drops Publication of Operating Figures—Decides Percentages No Longer Give True Picture of State of Industry.

It was stated in the New York "Herald Tribune" of Feb. 18 that the Newsprint Service Bureau announced on Feb. 17, that it will no longer carry capacity figures and operating percentages for the newsprint industry, for the reason that such figures no longer coincide with the facts of operation. The paper from which we quote also said:

This is the second important body of an industry to take such a step. At the height of the copper curtailment controversy last year the American Bureau of Metals and Statistics suspended publication of production and inventory figures.

"Based upon operating records during the best times over a period of years, and with the addition of new machines, a total of 19,000 tons daily capacity for the North American newsprint industry was calculated in the early part of 1931," the Bureau says.

"Now the picture is changed. Not only are there no more machines building, but it is also obvious that some machines cannot be operated at present price levels. In other words, the capacity of the industry for practical purposes cannot be determined simply by compiling the possible speeds and trims of all existing machines—whether they are running or not—but is definitely limited by a multitude of economic factors."

Shipments of newsprint from the United States and Canadian mills in January were slightly in excess of production, resulting in a slight reduction

in stocks, both in the United States and in Canada. Production, however, continued substantially under that of January last year in both countries. Production amounted to 171,321 tons in Canada, 94,247 tons in the United States and 265,568 tons for both countries, against 183,073 for Canada, 101,194 tons for the United States and 284,267 tons for both countries in January last year.

The following table compares monthly production of newsprint by various North American countries:

1932—	Canada.	United States.	Newfound-land.	Mexico.	Total.
January 1931—	171,321	94,247	23,991	1,255	290,814
December	165,173	93,861	24,514	1,224	284,772
November	175,643	94,149	23,987	826	294,605
October	184,252	97,117	26,614	1,413	309,396
September	178,412	91,241	24,901	1,410	295,964
August	165,124	88,544	24,402	1,351	279,221
July	182,731	99,548	25,631	1,257	309,167
June	193,971	101,086	25,220	1,453	321,730
May	202,607	101,202	24,396	1,236	329,441
April	205,838	102,450	23,016	1,165	332,469
March	187,005	100,590	23,643	1,455	312,693
February	164,552	88,788	23,073	1,318	277,731
January	183,073	101,194	23,991	1,255	310,940

Shipments of newsprint from the United States and Canadian mills in January totaled 266,393 tons, compared with 281,373 in January 1931. Stocks of newsprint for both countries at the first of February were 86,089 tons, compared with 74,453 tons on Feb. 1 1931.

World Consumption of Cotton in First Half of Current Season Greater Than Same Period Last Year.

World consumption of all kinds of cotton in the first half of the current cotton season was approximately 11,475,000 bales, compared with 10,929,000 in the corresponding period last season, according to the New York Cotton Exchange Service. Accordingly, it states, the world used about 536,000 more bales of all growths of cotton in the first half of this season than in the same period last season, or on the basis of 1,072,000 increase in the full season. The Exchange Service on Feb. 16 also said:

Consumption of American cotton is tentatively put at 5,975,000 bales in the first half of this season against 5,377,000 last season, an increase of 598,000 bales. Consumption of foreign growths, on the other hand, is estimated at 5,500,000 bales in the first half of this season against 5,562,000 last season, a decrease of 62,000 bales. Hence all of the increase this season over last season is in American cotton.

Smaller Cotton Stocks in Great Britain—British Mills Take More Cotton.

The stocks of cotton in the British ports at the end of January were smaller than at the beginning of the cotton season on Aug. 1 and smaller than at the end of January last year, according to a report received by the Department of Commerce from the Liverpool Cotton Association. The Department, under date of Feb. 13, added:

The total stocks amounted to 888,000 bales, which is 63,000 bales less than on Aug. 1 and 192,000 bales less than at the end of January 1931. The stocks of American cotton at the end of January, amounting to 442,000 bales, were 17,000 bales larger than on Aug. 1 but 160,000 bales smaller than at the end of January 1931. The stocks of foreign cotton, amounting to 446,000 bales, were 80,000 bales smaller than on Aug. 1 and 32,000 bales smaller than at the end of January 1931.

It is to be observed that the accumulation of stocks from the beginning of this season were substantially smaller than last season. Thus, the accumulation of American cotton from Aug. 1 to the end of January amounted to only 17,000 bales, whereas the accumulation during the corresponding period of last season was 312,000 bales. On the other hand, the stocks of foreign cotton decreased 80,000 bales from those at the beginning of the season while last season they decreased 49,000 bales. Thus the total stocks showed a decrease of 63,000 bales from the beginning of the season this year while last year they showed an accumulation of 263,000 bales.

The following further announcement was issued Feb. 13 by the Department of Commerce:

The deliveries of cotton to British mills during the first half of the current cotton season, amounting to 1,306,000 bales, showed an increase of 325,000 bales over the deliveries for the first half of the 1930-31 season, according to a report received by the Department of Commerce from the Liverpool Cotton Association.

The deliveries of American cotton amounted to 622,000 bales, showing an increase of 155,000 bales, while the deliveries of foreign cotton, amounting to 684,000 bales, showed an increase of 170,000 bales.

The deliveries of Argentine cotton amounted to 61,000 bales, or 31,000 bales more than during the first half of last season. Deliveries of Egyptian were 161,000 bales, or 49,000 bales more, while the deliveries of Sudan and other African cotton were 61,000 and 51,000 bales, registering an increase of 34,000 and 12,000 bales, respectively, over the deliveries for the first half of last season. The deliveries of Peruvian cotton, amounting to 81,000 bales, were the same as during the first half of last season, while the deliveries of Brazilian cotton, amounting to 56,000 bales, showed a decrease of 27,000 bales.

Production, Sales and Shipments of Cotton Cloths During January As Reported by the Association of Cotton Textile Merchants of New York.

Statistical reports of production, shipments and sales of carded cotton cloths during the month of January 1932, made public Feb. 15 by the Association of Cotton Textile Merchants of New York is regarded as confirming optimistic predictions of the best start in many years. The figures cover a period of four weeks. Production during January amounted to 232,707,000 yards, or at the rate of 58,177,000 yards per week, according to the Association which further reports:

Improved market conditions distinguished the largest average weekly sales recorded in any month since September 1929. Sales for January 1932

amounted to 338,010,000 yards, or 145.2% of production. Shipments during the month were substantial, amounting to 268,899,000 yards, or 115.5% of production.

A sharp reduction in stocks during the month, amounting to 12.5%, brings this total down to 254,056,000 yards, or approximately 100,000,000 yards less than the figure reported as of the end of January 1931.

Unfilled orders at the end of the month were 391,150,000 yards—an increase of 21.5% during the month.

These statistics are compiled from data supplied by 23 groups of manufacturers and selling agents reporting to the Association of Cotton Textile Merchants of New York and the Cotton-Textile Institute, Inc. These groups report on more than 300 classifications of Carded Cotton Cloths and represent the major portion of the production of these fabrics in the United States.

Production Statistics—January 1932.

The following statistics cover upwards of 300 classifications or constructions of carded cotton cloths, and represent a very large part of the total production of these fabrics in the United States. This report represents yardage reported to our Association and the Cotton-Textile Institute, Inc. It is a consolidation of the same 23 groups covered by our reports since October 1927. The figures for the month of January cover a period of four weeks.

	January 1932. (4 Weeks).
Production	232,707,000 yards
Sales	338,010,000 yards
Ratio of sales to production	145.2%
Shipments	268,899,000 yards
Ratio of shipments to production	115.5%
Stocks on hand Jan. 1	290,248,000 yards
Stocks on hand Jan. 31	254,056,000 yards
Change in stocks	Decrease 12.5%
Unfilled orders, Jan. 1	322,039,000 yards
Unfilled orders, Jan. 31	391,150,000 yards
Change in unfilled orders	Increase 21.5%

Census Report on Cottonseed Oil Production During January.

On Feb. 11 the Bureau of the Census issued the following statement showing cottonseed received, crushed, and on hand, and cottonseed products manufactured, shipped out, on hand and exported for six months ended Jan. 31 1932 and 1931:

COTTON SEED RECEIVED, CRUSHED AND ON HAND (TONS).

State.	Received at Mills* Aug. 1 to Jan. 31.		Crushed Aug. 1 to Jan. 31.		On Hand at Mills Jan. 31.	
	1932.	1931.	1932.	1931.	1932.	1931.
Alabama	300,448	360,726	243,013	314,656	58,104	46,336
Arizona	41,181	62,152	34,691	50,685	6,539	11,713
Arkansas	450,842	246,567	306,823	212,417	134,616	37,200
California	72,637	114,726	58,504	76,047	15,333	46,819
Georgia	313,561	559,159	258,277	512,301	56,663	47,587
Louisiana	217,764	197,682	184,493	175,340	33,923	23,012
Mississippi	619,314	538,652	430,872	449,739	189,523	98,888
North Carolina	193,833	252,571	153,021	223,135	41,819	29,800
Oklahoma	358,408	244,539	284,411	214,471	72,792	32,350
South Carolina	154,111	220,244	145,235	207,694	9,781	12,944
Tennessee	423,507	252,026	244,040	208,396	179,696	46,225
Texas	1,499,700	1,192,227	1,154,347	1,031,416	358,565	177,514
All other States	71,409	63,121	49,603	54,363	21,857	8,760
United States	4,716,775	4,304,392	3,547,330	3,730,660	1,179,210	619,148

* Includes seed destroyed at mills but not 24,784 tons and 45,434 tons on hand Aug. 1, nor 29,547 tons and 51,560 tons reshipped for 1932 and 1931, respectively.

COTTONSEED PRODUCTS MANUFACTURED, SHIPPED OUT AND ON HAND.

Item.	Season.	On Hand Aug. 1.	Produced Aug. 1 to Jan. 31.	Shipped Out Aug. 1 to Jan. 31.	On Hand Jan. 31.
Crude oil	1931-32	28,086,071	1,105,491,652	1,018,925,516	613,628,955
(pounds)	1930-31	7,893,957	1,126,889,184	1,048,237,157	127,826,502
Refined oil	1931-32	527,836,530	589,759,267	—	555,210,975
(pounds)	1930-31	301,609,092	916,189,056	—	463,107,422
Cake and meal	1931-32	146,888	1,591,303	1,520,525	217,666
(tons)	1930-31	55,352	1,688,531	1,398,699	345,184
Hulls	1931-32	47,723	997,548	827,126	218,145
(tons)	1930-31	28,495	1,030,766	909,776	149,485
Linters	1931-32	175,904	561,712	428,891	308,725
(running bales)	1930-31	135,220	647,128	440,987	341,361
Hull fiber	1931-32	3,564	21,607	13,131	12,040
(500-lb. bales)	1930-31	2,659	35,416	30,987	7,088
Grabbots, notes, &c. (500-lb. bales)	1931-32	12,475	17,378	10,368	19,485
	1930-31	12,776	25,722	15,611	22,887

a Includes 3,267,812 and 12,482,899 pounds held by refining and manufacturing establishments and 3,011,849 and 32,773,501 pounds in transit to refiners and consumers Aug. 1 1931 and Jan. 31 1932, respectively.

b Includes 4,207,734 and 3,088,365 pounds held by refiners, brokers, agents and warehousemen at places other than refiners and manufacturing establishments and 3,585,902 and 5,707,510 pounds in transit to manufacturers of lard substitute, oleomargarine, soap, &c., Aug. 1 1931 and Jan. 31 1932, respectively.

c Produced from 953,221,736 pounds of crude oil.

EXPORTS OF COTTONSEED PRODUCTS FOR FIVE MONTHS ENDED DECEMBER 31.

Item—	1931.	1930.
Oil—Crude, pounds	2,444,065	2,237,623
Refined, pounds	2,638,335	7,084,359
Cake and meal, tons of 2,000 pounds	146,882	15,734
Linters, running bales	43,631	51,122

Census Report on Cotton Consumed in January.

Under date of Feb. 13 1932 the Census Bureau issued its report showing cotton consumed in the United States, cotton on hand, active cotton spindles and imports and exports of cotton for the month of January 1932 and 1931. Cotton consumed amounted to 435,337 bales of lint and 50,241 bales of linters, compared with 415,517 bales of lint and 44,491 bales of linters in December 1931 and 450,117 bales of lint and 50,688 bales of linters in January 1932. It will be seen that there is a decrease from January 1931 in the total lint and linters combined of 34,853 bales, or 3.1%. The following is the official statement:

JANUARY REPORT OF COTTON CONSUMED, ON HAND, IMPORTED AND EXPORTED, AND ACTIVE COTTON SPINDLES. (Cotton in running bales, counting round as half bales, except foreign, which is in 500-pound bales.)

Year	Cotton Consumed During—		Cotton on Hand Jan. 31—		Cotton Spindles Active During Jan. (Number).
	Jan. (bales)	Six Months Ended Jan. 31 (bales)	In Consuming Establishments (bales)	In Public Storage & at Compresses (bales)	
United States.....	1932 435,337	2,631,272	1,637,139	10032,322	25,013,750
	1931 450,117	2,460,250	1,617,840	7,938,817	25,628,284
Cotton-growing States.....	1932 358,527	2,158,232	1,303,585	9,621,620	16,910,894
	1931 355,419	1,960,008	1,210,918	7,541,808	16,980,850
New England States.....	1932 63,150	381,925	276,527	198,984	7,127,488
	1931 81,469	415,600	337,050	140,881	7,797,500
All other States.....	1932 13,660	91,115	57,027	211,718	975,368
	1931 13,229	84,642	69,872	256,128	849,934
Included Above—					
Egyptian cotton.....	1932 6,731	39,196	28,960	12,656	-----
	1931 7,782	51,913	68,245	25,745	-----
Other foreign cotton.....	1932 2,483	23,875	25,861	7,264	-----
	1931 5,761	37,006	27,130	18,514	-----
American-Egyptian cotton.....	1932 1,083	7,680	7,327	15,208	-----
	1931 1,472	6,078	6,990	11,177	-----
Not Included Above—					
Linters.....	1932 50,241	333,257	262,226	51,404	-----
	1931 50,688	335,961	266,791	86,333	-----

Country of Production.	Imports of Foreign Cotton (500-Lb. Bales).			
	January		6 Mos. End. Jan. 31.	
	1932.	1931.	1932.	1931.
Egypt.....	3,889	2,541	16,654	3,582
Peru.....	233	-----	943	20
China.....	1,279	6,793	3,847	12,931
Mexico.....	5,456	-----	16,324	868
British India.....	1,731	1,722	8,269	12,220
All other.....	140	243	670	591
Total.....	12,718	11,299	46,707	30,212

Country to Which Exported.	Exports of Domestic Cotton, Excluding Linters (Running Bales—See Note for Linters)			
	January		6 Mos. End. Jan. 31.	
	1932.	1931.	1932.	1931.
United Kingdom.....	131,758	57,395	719,529	800,144
France.....	39,460	79,169	200,116	718,630
Italy.....	66,666	37,266	389,867	315,124
Germany.....	145,206	82,575	925,653	1,147,438
Other Europe.....	73,952	66,678	449,367	458,915
Japan.....	306,253	158,607	1,299,294	636,405
All other.....	156,043	51,131	970,646	402,701
Total.....	919,338	532,821	4,954,472	4,479,357

Note.—Linters exported, not included above, were 13,471 bales during January in 1932 and 12,876 bales in 1931; 57,102 bales for the six months ended Jan. 31 in 1932 and 63,998 bales in 1931. The distribution for January 1932 followed: United Kingdom, 1,354; Netherlands, 1,532; Belgium, 155; France, 1,786; Germany, 5,992; Italy, 145; Canada, 1,647; Japan, 800; South Africa, 50.

WORLD STATISTICS.

The world's production of commercial cotton, exclusive of linters, grown in 1930, as compiled from various sources was 25,304,000 bales, counting American in running bales and foreign in bales of 478 pounds lint, while the consumption of cotton (exclusive of linters in the United States) for the year ended July 31 1931 was approximately 22,402,000 bales. The total number of spinning cotton spindles, both active and idle is about 162,000,000.

Shoe Production in United States During 1931 4% Above 1930.

The United States during the calendar year 1931 manufactured 316,239,809 pairs of boots and shoes (other than rubber) an increase of 4.0% over the 1930 output (304,169,748 pairs), according to Arthur B. Butman, Chief, Shoe and Leather Manufacturers Division, Department of Commerce; the latter under date of Feb. 12, said:

The production included: Boots and shoes, men's, 77,419,567 pairs; boys' and youths', 20,047,251 pairs; women's, 112,603,023 pairs; misses, and children's, 34,308,377 pairs; and all other, slippers, sandals, &c., 71,861,591 pairs.

As compared with 1930 there was only a slight variation in the quantities of footwear manufactured for men, boys and youths, women and misses and children, but the output of all-fabric (satin, canvas, &c.) shoes increased from 6,229,197 to 4,749,835 pairs or 83.2%; all leather slippers from 6,629,556 to 8,598,088 pairs or 29.7%; and miscellaneous footwear, from 5,953,234 to 8,186,197 pairs or 37.5%. Of the total quantity manufactured in 1931 shoes for women constituted 35.6% and shoes for men 24.5%.

Shoe production in the United States rose steadily from 313,230 pairs in 1924 to 361,402,000 pairs in 1929 after which the output declined sharply through 1930. In February 1931 there began an upward slant which continued through August (33,475,000 pairs). The seasonal decline followed with a slight pick-up in December.

Five-Day Week to be Inaugurated by American Telephone and Telegraph Co.—Workers in Long Lines Department Will be Affected by New Schedule to be Effective March 1.

The long-lines department of the American Telephone and Telegraph Co. is placing all workers on part-time so that by March 1 these employes will work in general the equivalent of five days a week, it was announced Feb. 8, according to the New York "Times" of Feb. 9, which adds:

The measure will be taken because of the reduced volume of work. For some time the operators and construction crews have been working part time and the extension of this practice to others is to divide the work available and avoid lay-offs.

The plan also assures an experienced force adequate to meet an increase in work requirements as business picks up, the announcement said, and is in line with action already taken in other branches of the Bell System where

the work available has not been sufficient to provide full employment for regular forces.

Increase in World's Visible Supply of Coffee.

According to figures released by the New York Coffee and Sugar Exchange on Feb. 17, the world's visible supply of coffee on Feb. 1 amounted to 37,259,510 bags as against 37,245,599 bags on Jan. 1, and 32,134,234 bags on Feb. 1 1931. The Exchange says:

These figures include the coffee stored in "interior warehouses" in Brazil and also the coffee owned and controlled by the Sao Paulo Government. It was also stated that 1,001,000 bags of the present Santos crop of this year was moved from plantations into interior warehouses during January making the total moved for the seven months of the crop year 15,419,350 bags against 8,085,330 bags for a similar period in 1931 and 15,218,199 bags two years ago.

Union Tile Setters in Baltimore Accept Wage Cut.

According to Baltimore advices to the "Wall Street Journal" The Tile Setters' Union of Baltimore, which is a member of the National Bricklayers' Organization, has voluntarily reduced daily pay rate to \$10 from \$12, effective immediately.

Price of Milk Cut in St. Paul.

Associated Press advices from St. Paul, Feb. 16 said: St. Paul dealers to-day reduced the price of milk one cent a quart, making the retail price six cents. This is the lowest here since 1917. One dealer said the reduction was made in an effort to increase the use of milk in homes. The price of pints was not affected.

Petroleum and Its Products—Martial Law Continues in East Texas Pending Appeal to United States Supreme Court on Federal Decision Outlawing Control — Six-Day Week Abandoned — Railroad Commission Ready to Assume Charge.

Governor Ross Sterling will continue martial law rule in the east Texas oil fields to curtail production within prescribed limits, he announced yesterday in making public his decision to appeal to the United States Supreme Court against the verdict of the three-judge Federal Court which on Thursday had rendered its decision in the suit of independent operators. The Court made permanent a temporary injunction restraining Governor Ross, Brigadier-General Jacob Wolters, in charge of the National Guard troops in the field, and Adjutant-General W. W. Sterling from interfering with production of wells owned by the plaintiffs.

The Governor was quoted by J. F. Lucey, prominent independent oil official, as having stated that "regardless of the present adverse Court decision he would not withdraw the troops from the area." Mr. Lucey pointed out the mysterious opening of certain wells and tanks in east Texas this week as an indication of what could be expected should the field be again thrown open to unrestrained production. Warnings have been uttered in east Texas to the effect that violence would certainly follow withdrawal of strict control.

The Railroad Commission, which has for several weeks been getting in readiness to reassume control of the field in the event of such an adverse decision, has begun drafting an emergency order for east Texas which can be placed into immediate effect. This will continue the present per-well allowable of 75 barrels per well per day, it is said.

However, on the question of per-well allowable in east Texas, it is significant that the Magnolia Petroleum Co. has decided to abandon the one-day per week complete shutdown of producing and refining operations. Its statement to this effect follows: "Effective 7 a. m. Feb. 21, and until further notice, the Magnolia Petroleum Co. will abandon its Sunday shutdown program in the east Texas oil field and will produce 65 barrels per well seven days a week from its own leases and will purchase on the same basis. This will be an increase over the quantity we are now taking weekly."

It is thought that Magnolia's action will lead to a reduction of the allowable throughout the field to the same basis. The one-day shutdown was voluntarily made effective on Dec. 20 of last year. Martial law has been in force since last Aug. 17.

The Federal Court, which rendered the martial law decision, declared that civil authority, under the United States Government, was supreme over military power. It asserted that Governor Sterling, General Wolters and Adjutant Sterling "have been without warrant of law interfering with and illegally depriving the plaintiffs of their undoubted right to operate their own properties in a prudent and reasonable way and in accordance with the laws of the State."

It was the east Texas field which last summer disrupted the entire petroleum structure of the country by gushing forth a production of about 1,000,000 barrels daily. Prices in both Texas and Oklahoma were forced down to ridiculously low levels, in some instances to as low as 5c. per barrel. It was the drastic action taken by Governor Sterling in Texas and Governor Murray in Oklahoma which prevented what might have well been the complete disintegration of the industry.

There have been no price changes in crude as yet, but the Texas situation is being watched closely, as the first sign of unbridled production will undoubtedly have a depressing influence on the entire market, including both crude and refined stocks.

Prices of Typical Crudes per Barrel at Wells.
(All gravities where A. P. I. degrees are not shown.)

Bradford, Pa.	\$1.35	Eldorado, Ark., 40.....	\$0.63
Corning, Pa. ....	.80	Rusk, Texas, 40 and over.....	.68
Illinois.....	.80	Salt Creek, Wyo., 40 and over.....	.85
Western Kentucky.....	.60	Darst Creek.....	.60
Mid-Continent, Okla., 40 and above.....	.85	Sunburst, Mont.....	1.05
Hutchinson, Texas, 40 and over.....	.66	Santa Fe Springs, Calif., 40 and over.....	.75
Spindletop, Texas, 40 and over.....	.66	Huntington, Calif., 26.....	.72
Winkler, Texas.....	.71	Petrolia, Canada.....	1.75
Smaekover, Ark., 24 and over.....	.55		

REFINED PRODUCTS—JERSEY STANDARD CUTS RETAIL PRICE BUT TANK WAGON IS UNCHANGED—DEMAND QUIET THROUGHOUT LIST WITH OTHER QUOTATIONS STABLE.

Effective on Wednesday, Feb. 17, the Standard Oil Co. of New Jersey reduced the retail price of gasoline 1/2c. per gallon throughout its territory with the exception of Delaware. The tank-wagon price structure remains unchanged, and dealers in the area affected will be granted an additional discount of 1/2c. per gallon.

This was the only price change of importance made in refined products during the week, all others remaining stable in the face of a quiet demand, which moved stocks in a routine manner. Some quarters reported that United States Motor gasoline could be had this week at 5 1/2c. per gallon, tank car, but all quotations for 65 octane or above ranged between 6c. and 6 1/2c., unchanged from last week. Bulk deliveries are mainly against existing contracts.

Chicago reports continuing quiet in bulk gasoline, but with immaterial price fluctuations. Gasoline of 57 octane and below is moving within a range of 2 3/4 to 3c. per gallon, while 57 to 64 octane is quoted at 3 3/8 to 3 3/4c. per gallon.

No important developments have been noted this week in the export situation. Several inquiries were reported this week from European sources, but no volume contracts were closed.

Domestic consumption continues to hold up well in gasoline, as well as in the heavier fuels. Grade C bunker fuel oil is steady at 60c. per barrel, at refinery, and Diesel is quiet and unchanged at \$1.30 per barrel, same basis.

Water white kerosene 41-43 tank car holds its range of from 5 1/4c. to 5 1/2c. with demand stagnant. A slight improvement in consumption has been reported from up-State and throughout New England, but this has had no appreciable effect on the bulk markets as yet.

Pennsylvania lubricants are in stronger demand, but quotations remain as posted heretofore.

Price changes follow:

Feb. 17.—Standard Oil Co. of New Jersey reduces retail price of gasoline 1/2c. per gallon throughout territory, with exception of Delaware. Tank-wagon price not affected. Reduction brought about by additional discount of 1/2c. to dealers in territory affected.

Gasoline, Service Station, Tax Included.

New York.....	\$1.43	Cincinnati.....	\$1.15	Kansas City.....	\$1.19
Atlanta.....	.195	Cleveland.....	.16	Minneapolis.....	.162
Baltimore.....	.154	Denver.....	.19	New Orleans.....	.118
Boston.....	.17	Detroit.....	.131	Philadelphia.....	.11
Buffalo.....	.148	Houston.....	.12	San Francisco.....	.17
Chicago.....	.15	Jacksonville.....	.19	St. Louis.....	.129

Kerosene, 41-43 Water White, Tank Car Lots, F.O.B. Refinery.

N. Y. (Bayonne) \$05 1/4-.05 1/2	Chicago.....	\$.02 3/4-.03 1/4	New Orleans, ex.....	\$.03 1/4	
North Texas.....	.03	Los Ang., ex.....	.04 1/4-.06	Tulsa.....	.04 1/4-.03 1/2

Fuel Oil, F.O.B. Refinery or Terminal.

N. Y. (Bayonne).....	California 27 plus D.....	Gulf Coast "C".....	\$.55-.65
Bunker "C".....	.....	Chicago 18-22 D.....	.42 1/2-.50
Diesel 28-30 D.....	1.30	New Orleans "C".....	.55

Gas Oil, F.O.B. Refinery or Terminal.

N. Y. (Bayonne).....	Chicago.....	Tulsa.....	
28 D plus.....	\$.03 1/4-.04	32-36 D Ind.....	\$.01 1/4-.02

Gasoline, U. S. Motor, Tank Car Lots, F.O.B. Refinery.

N. Y. (Bayonne).....	New York.....	New Orleans, ex.....	\$.05-.05 1/4
Stand. Oil, N. J.....	Colonial-Beacon.....	Arkansas.....	.04-.04 1/4
Stand. Oil, N. Y.....	Crew Levick.....	California.....	.05-.07
Tide Water Oil Co.....	z Texas.....	Los Angeles, ex.....	.04 1/4-.07
Richfield Oil (Cal).....	Gulf.....	Gulf Ports.....	.05-.05 1/4
Warner-Quin, Co.....	Continental.....	Tulsa.....	.04 1/4-.05
Pan-Am, Pet. Co.....	Republic Oil.....	Pennsylvania.....	.05 1/4
She I Eastern Pet.....	Chicago.....		

Weekly Refinery Statistics for the United States.

Reports compiled by the American Petroleum Institute for the week ended Feb. 13 1932, from companies aggregating

3,665,600 barrels, or 95.2% of the 3,852,000 barrel estimated daily potential refining capacity of the United States, indicate that 2,128,900 barrels of crude oil were run to stills daily, and that these same companies had in storage at refineries at the end of the week, 43,430,000 barrels of gasoline, and 128,225,000 barrels of gas and fuel oil. Reports received on the production of gasoline by the cracking process indicate that companies owning 95.6% of the potential charging capacity of all cracking units, manufactured 3,196,000 barrels of cracked gasoline during the week. The complete report for the week ended Feb. 13 1932 follows:

CRUDE RUNS TO STILLS, GASOLINE STOCKS AND GAS AND FUEL OIL STOCKS, WEEK ENDED FEB. 13 1932.
(Figures in barrels of 42 gallons)

District	Per Cent Potential Capacity Reporting	Crude Runs to Stills	Per Cent Oper. of Total Capacity Report.	Gasoline Stocks. a	Gas and Fuel Oil Stocks
East Coast.....	100.0	2,975,000	67.1	5,676,000	7,110,000
Appalachian.....	91.8	673,000	69.0	1,765,000	1,314,000
Ind., Ill., Kentucky.....	98.9	1,932,000	64.0	5,329,000	4,818,000
Okla., Kans., Missouri.....	89.6	1,515,000	49.7	3,855,000	3,338,000
Texas.....	91.3	3,408,000	63.6	9,402,000	10,656,000
Louisiana-Arkansas.....	98.9	1,062,000	65.8	1,357,000	4,100,000
Rocky Mountain.....	89.4	232,000	23.1	1,982,000	721,000
California.....	97.1	3,105,000	49.9	14,064,000	96,168,000
Total week Feb. 13.....	95.2	14,902,000	58.1	43,430,000	128,225,000
Daily average.....		2,128,900			
Total week Feb. 6.....	95.2	14,783,000	57.6	41,376,000	128,705,000
Daily average.....		2,111,900			
Total Feb. 14 1931.....	95.7	15,479,000	61.9	64,198,600	130,316,000
Daily average.....		2,211,300			
c Texas Gulf Coast.....	99.8	2,537,000	68.2	7,505,000	7,861,000
d Louisiana Gulf Coast.....	100.0	742,000	71.9	1,193,000	3,282,000

a Stocks at refineries, except in California district, which includes stocks of finished gasoline and engine distillate at refineries, water terminals and sales distributing stations and amounts in transit thereto. b This figure is not entirely comparable with current stocks due to revisions made since original publication of this figure, for which revisions the basic information is not available by weeks. If it were possible to have made the revision, the new figure would reflect somewhat lower stocks. c Included in above table for week ended Feb. 13 1932.

Note.—All figures follow exactly the present Bureau of Mines definitions. Crude oil runs to stills include both foreign and domestic crude. In California, stocks of heavy crude and all grades of fuel oil are included under the heading "Gas and fuel oil stocks."

Bulk Terminal Stocks of Gasoline and Gasoline in Transit.

The American Petroleum Institute below presents the amount of gasoline held by refining companies in bulk terminals and in transit thereto, by Bureau of Mines' refining districts, East of California. The Institute's statement follows:

It should be borne definitely in mind that comparable quantities of gasoline have always existed at similar locations as an integral part of the system of distribution necessary to deliver gasoline from the points of manufacture to the ultimate consumer. While it might appear to some that these quantities represent newly found stocks of this product, the industry itself and those closely connected with it, have always generally known of their existence. The report for the week ended Aug. 22 1931 was the first time that definite statistics had ever been presented covering the amount of such stocks. The publication of this information is in line with the Institute's policy to collect, and publish in the aggregate, statistical information of interest and value to the petroleum industry.

For the purpose of these statistics, which are issued each week, a bulk terminal is any installation, the primary function of which is to supply other smaller installations by tank cars, barges, pipe lines or the longer haul tank trucks. The smaller installations referred to, the stocks of which are not included, are those whose primary function is to supply the local retail trade.

Up to Aug. 22 1931, statistics covering stocks of gasoline East of California reflected stocks held at refineries only, while for the past several years California gasoline stocks figures have included, and will continue to include, the total inventory of finished gasoline and engine distillate held by reporting companies wherever located within continental United States, that is, at refineries, water terminals and all sales distributing stations including amounts in transit thereto.

District	Gasoline at "Bulk Terminals," Figures End of Week.			Gasoline "In Transit," Figures End of Week.		
	Feb. 13 1932.	Feb. 6 1932.	Feb. 14 1931.	Feb. 13 1932.	Feb. 6 1932.	Feb. 14 1931.
East Coast.....	8,390,000	8,303,000	8,247,000	1,213,000	1,040,000	2,045,000
Appalachian.....	334,000	268,000	335,000	.....	.....	.....
Ind., Ill., Ky.....	2,539,000	2,679,000	1,420,000	35,000	11,000	.....
Okla., Kans., Mo.....	712,000	773,000	.....	.....	.....	.....
Texas.....	191,000	215,000	156,000	.....	62,000	32,000
Louisiana-Arkan.....	350,000	223,000	560,000	11,000	105,000	.....
Rocky Mountain.....	.....	.....	.....	.....	.....	.....
Total east of Calif.....	12,516,000	12,461,000	10,718,000	1,259,000	1,218,000	2,078,000
Texas Gulf.....	159,000	183,000	128,000	.....	43,000	32,000
Louisiana Gulf.....	316,000	206,000	517,000	.....	91,000	.....

Crude Oil Output in the United States Showed a Further Falling Off During the Week Ended Feb. 13 1932, but Continued Higher than a Year Ago.

The American Petroleum Institute estimates that the daily average gross crude oil production in the United States for the week ended Feb. 13 1932, was 2,138,300 barrels, as compared with 2,152,700 barrels for the preceding week, a decrease of 14,400 barrels. Compared with the output for the week ended Feb. 14 1931 of 2,127,700 barrels per day, the current figure represents an increase of 10,600 barrels

daily. The daily average production East of California for the week ended Feb. 13 1932 was 1,634,800 barrels, as compared with 1,653,000 barrels for the preceding week, a decrease of 18,200 barrels. The following are estimates of daily average gross production, by districts:

Weeks Ended—	Feb. 13 '32.	Feb. 6 '32.	Jan. 30 '32.	Feb. 14 '31.
Oklahoma.....	404,900	396,100	412,750	474,250
Kansas.....	98,850	98,050	98,400	119,250
Panhandle Texas.....	48,800	50,350	51,600	53,700
North Texas.....	48,400	48,350	48,650	59,350
West Central Texas.....	23,950	25,300	25,100	24,150
West Texas.....	173,250	176,700	174,150	245,500
East Central Texas.....	50,300	49,600	50,050	42,900
East Texas.....	327,500	349,250	345,350	12,150
Southwest Texas.....	52,900	51,400	51,600	81,100
North Louisiana.....	28,700	28,350	28,850	44,550
Arkansas.....	33,550	33,500	34,500	49,850
Coastal Texas.....	111,900	114,350	114,000	158,900
Coastal Louisiana.....	28,300	29,950	30,350	26,100
Eastern (not incl. Michigan).....	108,600	105,050	106,200	99,500
Michigan.....	14,300	15,300	16,050	9,250
Wyoming.....	34,350	34,900	34,500	43,900
Montana.....	7,050	7,300	6,400	9,000
Colorado.....	3,600	3,650	3,450	4,350
New Mexico.....	37,600	35,550	35,750	41,350
California.....	503,500	499,700	503,100	528,600
Total.....	2,138,300	2,152,700	2,170,800	2,127,700

The estimated daily average gross production for the Mid-Continent Field, including Oklahoma, Kansas, Panhandle, North, West Central, West, East Central, East and Southwest Texas, North Louisiana and Arkansas, for the week ended Feb. 13, was 1,291,100 barrels, as compared with 1,306,950 barrels for the preceding week, a decrease of 15,850 barrels. The Mid-Continent production, excluding Smackover (Arkansas) heavy oil, was 1,268,200 barrels, as compared with 1,284,050 barrels, a decrease of 15,850 barrels.

The production figures of certain pools in the various districts for the current week, compared with the previous week, in barrels of 42 gallons, follow:

Oklahoma—	—Week Ended—		Southwest Texas—	—Week Ended—	
	Feb. 13.	Feb. 6.		Feb. 13.	Feb. 6.
Bowlegs.....	12,150	10,600	Chapman-Abbot.....	1,600	1,600
Bristow-Slick.....	10,960	11,300	Dart Creek.....	16,600	15,450
Burbank.....	11,050	11,000	Lullin.....	7,350	7,300
Carr City.....	17,650	18,550	Salt Flat.....	7,800	7,900
Earlsboro.....	12,550	11,400	North Louisiana—		
East Earlsboro.....	12,100	9,850	Sarepta-Carterville.....	900	850
South Earlsboro.....	4,000	4,500	Zwolle.....	6,050	6,300
Konawa.....	4,650	5,100	Arkansas—		
Little River.....	17,800	17,000	Smackover, light.....	2,950	2,950
East Little River.....	1,950	1,850	Smackover, heavy.....	22,900	22,900
Maud.....	2,050	2,100	Coastal Texas—		
Mission.....	6,650	6,000	Barbers Hill.....	20,900	22,500
Oklahoma City.....	31,250	78,000	Raccoon Bend.....	4,800	4,800
St. Louis.....	17,750	18,500	Retard County.....	11,650	13,150
Searight.....	3,300	3,200	Sursarland.....	9,900	9,950
Seminole.....	10,950	10,000	Coastal Louisiana—		
East Seminole.....	1,100	1,000	East Hackberry.....	3,400	4,300
Kansas—			Old Hackberry.....	600	600
Ritz.....	12,500	10,650	Wyoming—		
Sedgewick County.....	15,200	15,100	Sait Creek.....	20,900	21,050
Voshell.....	8,200	9,300	Montana—		
Panhandle Texas—			Kevin-Sunburst.....	4,100	4,100
Gray County.....	30,600	30,600	New Mexico—		
Hutchinson County.....	12,150	13,150	Hobbs High.....	31,450	30,000
North Texas—			Balance Lea County.....	4,100	3,850
Areher County.....	10,500	11,000	California—		
North Young County.....	5,600	5,700	Elwood-Goleta.....	17,000	16,400
Wilbarger County.....	10,100	9,650	Huntington Beach.....	22,300	21,000
West Central Texas—			Inglewood.....	13,900	13,400
South Young County.....	3,250	2,950	Kettleman Hills.....	59,400	61,000
West Texas—			Long Beach.....	77,700	79,000
Crane and Upton Cos.....	19,400	19,800	Midway-Sunset.....	50,400	49,300
Ector County.....	5,400	5,400	Playa Del Rey.....	20,200	20,900
Howard County.....	22,300	22,750	Santa Fe Springs.....	66,400	66,000
Reagan County.....	27,400	25,850	Seal Beach.....	13,200	13,300
Winkler County.....	30,600	33,200	Ventura Avenue.....	39,500	39,300
Yates.....	55,300	56,800	Pennsylvania Grade—		
Balance Pecos County.....	2,600	2,300	Allegheny.....	8,050	7,350
East Central Texas—			Bradford.....	27,800	27,000
Van Zandt County.....	43,450	42,800	Kane to Butler.....	6,250	6,800
East Texas—			Southeastern Ohio.....	5,200	5,550
Rusk Co.: Joiner.....	109,050	116,250	Southwestern Penna.....	3,000	2,900
Kilgore.....	103,500	110,450	West Virginia.....	12,800	11,960
Gregg Co.: Longview.....	114,950	122,550			

Gasoline Bootleggers Cheat Kansas.

From the New York "Times" we take the following from Topeka Feb. 11:

Kansas is having trouble with gasoline bootleggers, and it is estimated that the State has lost more than \$150,000 in tax revenue. A representative of the American Petroleum Institute found that some dealers had raised the figures on thousands of motor fuel tax exemption certificates. These are for fuel used in farm operations, and the practice makes the farmers parties to the fraud. Border-line fuel runners, bootleggers and blind-tank operators have been marketing thousands of gallons of gasoline on which no tax was paid. Trucks camouflaged as moving vans carry Oklahoma gasoline into Kansas and deliver it to unscrupulous dealers.

States to Stop Gas Tax Evasion—Bootlegging of Gasoline Costs Loss of \$40,000,000 Yearly to Highway Funds.

According to the Portland Cement Association, another form of bootlegging has eaten its way into the public pocket-book. The Association says:

That is the bootlegging of gasoline which, claim the most conservative estimators, steals \$40,000,000 yearly from highway funds, enough to build, at present low prices of labor and materials, some 1,500 or 2,000 miles of concrete highway.

That bootlegging of gasoline has existed for some little time has been known, but not until quite recently was it discovered that it has become so widespread that about 1-15th of all gasoline used in automobiles is sold in such a way that the prescribed gasoline taxes are not paid to the States.

Several States, when they became aware that many an unsuspecting motorist's dollar was making "successful" business men out of crooks, launched campaigns that have a two-fold purpose; the placement of bootleggers behind the bars and of gasoline tax money in the proper receptacle, the State treasury.

Gasoline bootlegging, which is found in nearly every State, regardless of the size of the gasoline tax rate, can be stopped and at a profit. In Illinois, for instance, the 1931 July-October collections were \$728,000 more than in 1930, even though less gasoline was sold. Further, 50 tax evaders have been indicted and more will be soon. Pennsylvania is also playing a winning hand. In September 1931, that State collected one-third more gasoline tax money than in the same month in 1930. Pennsylvania has more than 600 gasoline tax evasion cases pending in the criminal courts.

To curb gasoline tax evasion States must co-operate with each other, and reputable gasoline distributors and dealers must work together even to the extent of forming combative organizations. In some cases, it will be necessary for States to tighten up laws. Fraudulent entries in books, the carting of untaxed gasoline across State lines, the operation of dummy companies, all can be eliminated.

At any rate, gasoline bootlegging can be stopped, for gasoline can't be manufactured in the quiet of the kitchen or basement. It must come from large sources of supply, which makes it comparatively easy for Government and private agencies to call a halt. Motorists have permitted themselves to be taxed for the reason that they benefit through road construction, therefore Government is morally responsible for all gas tax money.

Metropolitan Gasoline Dealers Fear New York May Be Invaded by Gasoline Bootleggers—Danger in Increased Tax Plan.

From the New York "World-Telegram" of Feb. 11 we take the following:

Fear that New York State will be invaded by gasoline bootleggers if the proposals to increase the gas tax go through, was expressed to-day by the Metropolitan Gasoline Dealers' Association.

It pointed out that in every State where the tax had been increased beyond 2 cents a gallon, tax evasion was rife and a thoroughly organized illicit traffic in gasoline flourished.

"This was accompanied by graft and corruption on an alarming scale," the Association reported. "The result, of course, was that Government authorities were defrauded and legitimate gasoline dealers who paid their taxes were at a serious economic disadvantage owing to undercutting of prices by the bootleggers."

Texas Oil Curb Ruled Illegal—Court Restrains Troops from Interference—Effect of Decision in Doubt—Militia Commander Says He Will Limit Production—Texas Governor to Appeal to United States Supreme Court.

Oil proration by military order in the gigantic east Texas field has been declared by a Federal Court as illegal, said Associated Press accounts from Tyler, Tex., Feb. 19, which we quote from the New York "Sun," of last night as follows:

This decision was made yesterday by a three-Judge court in making permanent a temporary injunction restraining the Texas Governor, Ross S. Sterling, Brig.-Gen. Jacob Wolters in charge of National Guard troops in the field, and Aft.-Gen. W. W. Sterling from interfering with production of wells owned by the plaintiffs, Eugene Constatin, J. E. Wither and other independent operators.

The immediate result of the decision was in doubt. Governor Sterling declined to state what action he would take until he had studied the decision. Some operators expressed belief the Governor could maintain martial law, in force since last Aug. 17, pending an appeal while others believed lifting of military rule at once was mandatory.

Asked for Protection.

The Overton Refining Co., one of the original plaintiffs, and the Arrow Refining Co. asked Gen. Wolters to assign troops to protect their properties, asserting they feared they might be destroyed and some of their wells opened.

Gen. Wolters, who already had been cited for contempt for refusing to obey the temporary injunction, replied he would give the protection, but would not allow the wells to produce in excess of the 75 barrels daily authorized under martial law. He said the Overton Refining Co. had told him it planned to "open up" its wells as a result of the decision.

C. V. Terrell, Chairman of the State Railroad Commission, which normally supervises operation of State laws regulating natural resources, said that body was prepared to assume supervision of the field in an emergency.

Members of the court were Judges Randolph Bryant of Sherman, Tex.; J. C. Hutcheson, Houston, Tex., and William I. Grubb of Birmingham.

Declares Civil Law Supreme.

In its decision, the court declared civil authority, under the United States Government, was supreme over military power.

"We cannot have a military force that is not and will not be subordinate to the civil authorities," the opinion read. "The military cannot in any State or case take the initiative or assume to do anything independent of the civil authorities.

"Ours is a Government of civil, not military, forces. The militia in active service, and in every emergency that arises in such service, is subordinate to the civil powers. The soldier and the citizen stand alike under the law. Both must obey its commands."

It asserted that Gov. Sterling, Gen. Wolters and Aft.-Gen. Sterling "have been without warrant of law interfering with and illegally depriving the plaintiffs of their undoubted right to operate their own properties in a prudent and reasonable way and in accordance with the laws of the State."

Blamed for Price Upset.

The east Texas pool last summer, because of its great production, which mounted to approximately 1,000,000 barrels a day, was credited with unsettling the price structure of the entire petroleum industry. After the Railroad Commission had failed to curb the output, Gov. Sterling sent in the troops to avert what he termed threatened "riot and insurrection," growing out of "reckless and wasteful" production in the field.

Troops were also ordered to close all the wells. Subsequently the wells were allowed to produce fixed amounts per well under military supervision. The most recent order set the allowance per well at 75 barrels and production recently was estimated at about 350,000 barrels daily for the entire field.

The number of troops in the field has fluctuated, but is estimated at present at about 150.

From the "Wall Street Journal" of last night (Feb. 19) we take the following from Austin, Tex.:

Governor Ross Sterling states that he and the other defendants in the case involving enforcement of martial law in east Texas oil field, which has been enjoined by the three-judge Federal court sitting at Tyler, will take an immediate appeal from the decision to the United States Supreme Court. Regardless of the present adverse court decision, Governor Sterling will not withdraw the troops from the area, the Governor was quoted by Captain J. F. Lucey, prominent independent oil official, as having told him.

"The recent mysterious opening of some wells and tanks in east Texas," Captain Lucey said, "is only an indication of what could be expected should the field be thrown open again. There are many persons in east Texas who feel very strongly on this matter, and violence would certainly follow withdrawal of strict control."

The Railroad Commission, in which administration of the oil and gas conservation statute is vested, has begun drafting an emergency order for east Texas which is intended to be placed into immediate effect. The order is said to fix the same per well allowable output as that now in effect under martial law, 75 barrels daily. It is stated an early hearing will be called to consider a change in the allowable.

Credit Move Buys Non-Ferrous Metals—Copper Shows Rise—Zinc, Tin and Silver Gain.

The general chorus of approval which met the Administration's move to ease the credit situation by broadening the basis of Federal Reserve currency had its reflection in increased activity in the metal markets during the week, "Metal and Mineral Markets" reports under date of Feb. 18, adding:

Copper rose a quarter of a cent to 6¼c. Connecticut Valley bas. Foreign sales were good, although domestic demand showed comparatively little improvement. Lead sales were better than average. The lead statistics were disappointing, however, and the St. Louis market was unsettled. Zinc, tin and silver all gained slightly during the week.

The attempt to bolster United States banking resources had the curious effect of greatly increasing foreign demand for copper, while the domestic market remained quiet. On Monday, all domestic transactions were on a 6¼c. basis. Foreign sales were comparatively heavy, with the result that the official export price was established on Tuesday 6½c. a pound, c.i.f. basis.

At the close of business yesterday these two prices were still obtaining. Foreign sales fell off somewhat, but the total for February to date is in excess of 20,000 long tons, compared with 6,500 tons a week ago, indicating sales in the last week of about 14,000 tons.

With a tariff on British imports of copper definitely in prospect producers here are redoubling their efforts for an American tariff on the metal. Canadian producers are understood to object to the British tariff, even though it means preference for them in that market. They fear retaliation here and they also realize that when Rhodesian production grows to the point where it can meet British demands, Canadian copper will probably have to look elsewhere for a market.

One indication that neither buyers nor sellers of copper are certain of the future price trend of the metal can be found in the fact that most of the sales last week were transacted for shipment by June. In the recent demoralized state that has characterized the copper market, some sales had been made as far ahead as the fourth quarter. Disappearance of offerings for distant future delivery may be a healthy sign.

Export Copper Price Raised ¼-Cent a Pound—Foreign Demand Boosts Price to 6½-Cents.

A heavy demand for copper from abroad Feb. 16 resulted in an increase of the official price of Copper Exporters, Inc., from 6¾c. a pound to 6½c. More than 10,000,000 pounds have been sold since Saturday, says the New York "World-Telegram" of Feb. 16, which adds:

Most of the metal was sold by custom smelters, producers being unwilling to accept orders at the low prevailing price. Custom smelters, who usually undersell Copper Exporters, now are unwilling to sell below 6¼c., with some of the group demanding the official price for the metal.

Katanga Will Not Shut Down.

The following from Brussels is from the "Wall Street Journal" of Feb. 19:

The Government is unwilling to shut down Katanga copper production, if Americans should propose a world-wide shutdown, because the life of the Province of Katanga, and to a lesser degree of the entire colony, depends upon the activity of Union Miniere du Haut Katanga. It is stated that Union Miniere is still producing at a profit and is unwilling to consent to further sacrifices.

Belgian Copper Men Here Parley on Permanent Rules for Export Group Expected.

In its Feb. 18 issue the New York "Times" said:

Discussions looking to the adoption of permanent rules governing the operations of Copper Exporters, Inc., are expected to begin soon, following the arrival here Tuesday of Camille Gutt and Fernand Pisart, representatives of the Union Miniere du Haut Katanga, important copper producer of the Belgian Congo.

For several weeks Copper Exporters has been functioning under temporary rules, which were to have expired on Feb. 1 but have been extended until March 1.

The presence here of Katanga's representatives has given rise also to reports of a renewal of conversations looking to more drastic curtailment of production of copper. Owing to the steady accumulation of surplus stocks of the metal since the beginning of the year, many authorities feel that a temporary shutdown would be advisable.

Leading Pittsburgh Companies Advance Sheet Steel Prices.

The New York "Evening Post" according to Pittsburgh advices, Feb. 16, states that leading companies have es-

tablished new minimum sheet steel prices which, in most instances, represent an advance. No. 24 hot rolled annealed sheets have a minimum of \$2.20 a pound, galvanized sheets \$2.85 and automobile body sheets \$2.90. The account adds:

Blue annealed sheets remain unchanged at \$1.85, while long ternes unassorted are higher at 3c. a pound. No. 24 hot rolled, formerly had a range of \$2.15 to \$2.25; galvanized sheets of \$2.70 to \$2.80, and automobile body sheets of \$2.75 to \$2.90.

January Production of Portland Cement Exceeds Shipments—Inventories Higher.

The Portland cement industry in January 1932 produced 4,989,000 barrels, shipped 3,363,000 barrels from the mills and had in stock at the end of the month 25,568,000 barrels, according to the United States Bureau of Mines, Department of Commerce. Production of Portland cement in January 1932 showed a decrease of 24.4% and shipments a decrease of 28.3%, as compared with January 1931. Portland cement stocks at the mills were 7.9% lower than a year ago.

In the following statement of relation of production to capacity the total output of finished cement is compared with the estimated capacity of 165 plants both at the close of January 1932 and of January 1931. The estimates include increased capacity due to extensions and improvements during the period.

RELATION OF PRODUCTION TO CAPACITY.

	Jan. 1931.	Jan. 1932.	Dec. 1931.	Nov. 1931.	Oct. 1931.
The month.....	29.5%	22.0%	26.4%	37.2%	47.4%
The 12 months ended....	60.6%	45.9%	46.5%	44.4%	48.6%

PRODUCTION, SHIPMENTS AND STOCKS OF FINISHED PORTLAND CEMENT, BY DISTRICTS, IN JANUARY 1931 AND 1932 (IN THOUSANDS OF BARRELS).

District.	Production.		Shipments.		Stocks at End of Month.	
	1931.	1932.	1931.	1932.	1931.	1932.
Eastern Pa., N. J. & Maryland.....	1,617	1,511	1,084	1,073	5,546	5,212
New York & Maine.....	420	279	206	199	1,988	1,423
Ohio, Western Pa. & W. Va.....	504	246	367	239	3,709	3,477
Michigan.....	45	164	220	121	2,915	2,099
Wis., Ill., Ind. & Ky.....	804	540	354	237	3,955	3,120
Va., Tenn., Ala., Ga., Fla. & La.....	646	425	679	404	1,766	1,817
East. Mo., Iowa, Minn. & S. Dak.....	854	534	288	142	3,069	823
W. Mo., Neb., Kan., Okla. & Ark.....	450	530	321	194	2,218	1,817
Texas.....	322	338	340	241	782	823
Colo., Mont., Utah, Wyo. & Ida.....	123	39	50	33	410	486
California.....	624	336	643	413	831	1,154
Oregon & Washington.....	186	47	140	67	570	640
Total.....	6,595	4,989	4,692	3,363	27,759	25,568

PRODUCTION, SHIPMENTS AND STOCKS OF FINISHED PORTLAND CEMENT, BY MONTHS, IN 1931 AND 1932 (IN THOUS. OF BARRELS).

Month.	Production.		Shipments.		Stocks at End of Month.	
	1931.	1932.	1931.	1932.	1931.	1932.
January.....	6,595	4,989	4,692	3,363	27,759	25,568
February.....	5,920	---	5,074	---	28,612	---
March.....	8,245	---	7,192	---	29,676	---
April.....	11,245	---	11,184	---	29,715	---
May.....	14,010	---	14,200	---	29,554	---
June.....	14,118	---	16,077	---	27,602	---
July.....	13,899	---	15,545	---	25,934	---
August.....	13,549	---	15,172	---	24,313	---
September.....	12,092	---	13,671	---	22,736	---
October.....	10,762	---	12,360	---	21,218	---
November.....	8,161	---	7,156	---	22,219	---
December.....	a5,974	---	4,142	---	a23,942	---
Total.....	a124,570	---	126,465	---	---	---

a Revised. Note.—The statistics above presented are compiled from reports for January received by the Bureau of Mines from all manufacturing plants except three, for which estimates have been included in lieu of actual returns.

Steel Operations Slightly Downward—Prices Unchanged.

Remedial measures now being taken at Washington and the announcement of the Ford Motor Co.'s plans for early resumption of volume production have improved business sentiment, but the steel industry has become reconciled to the probability that a sizable gain in orders and plant operations will be slow to materialize and may be deferred until the second quarter, according to the "Iron Age" of Feb. 18, which further goes on to say:

Although the new Ford four-cylinder cars are to be shown early next month, it is doubtful whether volume production of this model will be attained before late March, while output of the eight-cylinder car must await the completion of a retooling program. The Ford company has not placed any large steel orders, notwithstanding that some material will require two or three weeks to produce.

No broadening of demands for steel has come from any of the important consuming channels beyond some rail tonnage, which has permitted a rail mill at Chicago to resume operations. On the contrary, the curtailment of purchasing by the automobile trade generally has thrown into bold relief the fact that most of the recent mild improvement came about mainly through the January stepping up of motor car manufacturing schedules.

In virtually all steel-producing districts except Pittsburgh the rate of operations is slightly downward, the average for the entire country being estimated at 27% against 28% last week.

A price stabilization program inaugurated by manufacturers of sheets and strip steel probably will receive its first severe test upon receipt of the forthcoming Ford inquiries. The plain intimation from Mr. Ford that an

Increase in prices of materials at this time might "throttle" the efforts of motor car manufacturers to increase production has not deterred the sheet mills from carrying out plans to raise prices, although the advances finally announced are smaller than were originally contemplated, amounting only to \$1 or \$2 a ton on some grades, with a reduction of \$1 a ton on hot-rolled sheets, one of the leading products of the continuous mills. Hot-rolled strip is to be stabilized at 1.40c., Pittsburgh, for wide material and 1.50c. for narrow, the recent open quotations, from which concessions had been given in some instances. An extra charge of \$5 a ton is to be made for less-carload lots of galvanized sheets.

Whether the Ford Company and other automobile makers will pay the higher prices this quarter is still open to question. The situation is admittedly involved, since the reduced prices to be quoted for Ford cars will undoubtedly precipitate a battle for supremacy in the low-price car field, into which the steel industry will be drawn through efforts of car makers to obtain materials at the lowest possible costs.

Chicago mills have been unable to maintain a recent advance of \$2 a ton on bars, plates and shapes in view of the fact that such an increase was not followed at Pittsburgh, which left a \$4 a ton spread between the two producing districts, sufficient to permit Pittsburgh and Youngstown mills to ship more freely into the Western district. Another important price change is a reduction of about \$4 a ton on wrought iron pipe.

The tinplate situation continues to be disturbed by purchases of Welsh plate, which are said to have totaled about 250,000 boxes. Although the large American can companies have not bought foreign material, some of the canneries have done so and have contracted with can factories to make the cans. The American Can Co. has given specifications to the American Sheet & Tin Plate Co. against its long-term contract.

Aside from the placing of orders by the Nickel Plate for 19,000 tons of rails, railroad purchases of steel are small and scattered. The steel industry has somewhat revised its expectations regarding railroad buying in the near future, realizing now that purchases will be restricted until the revenues of the carriers show increases. Lettings of structural steel for construction work have gained slightly, but are much below normal for this time of year, with comparatively little new work in sight. Even some Federal Government projects, long contemplated, are slow in reaching the contracting stage. The farm implement industry has sharply curtailed its steel orders.

Steel scrap, often a dependable barometer of a prospective gain in steel-making activity, gives no indication of strength, although prices, already at record low levels, have receded no further. Steel mills are doing no important buying.

Pig iron markets are generally dull. The Woodward Iron Co., whose operations in Alabama were completely suspended on Dec. 15, has resumed the operation of one blast furnace.

Machine tool orders in January, as reported by the National Machine Tool Builders' Association, fell below those of December, but were slightly above the October and November totals.

The "Iron Age" composite prices are unchanged this week. Finished steel is 2.037c. a lb., pig iron is \$14.48 a gross ton and steel scrap \$8.23 a gross ton. A comparative table follows:

Finished Steel.		Based on steel bars, beams, tank plates, wire, rails, black pipe and sheets. These products make 87% of the United States output.	
Feb. 16 1932, 2.037c. a Lb.	2.037c.	High.	Low.
One week ago	2.037c.	1932	2.052c. Jan. 5
One month ago	2.037c.	1931	2.142c. Jan. 13
One year ago	2.142c.	1930	2.302c. Jan. 7
		1929	2.412c. Apr. 2
		1928	2.391c. Dec. 11
		1927	2.453c. Jan. 4
		1926	2.453c. Jan. 5
		1925	2.560c. Jan. 6

Pig Iron.		Based on average of basic iron at Valley furnace and foundry irons at Chicago, Philadelphia, Buffalo, Valley and Birmingham.	
Feb. 16 1932, \$14.48 a Gross Ton.	\$14.48	High.	Low.
One week ago	\$14.65	1932	\$14.79 Jan. 5
One month ago	14.65	1931	15.00 Jan. 6
One year ago	15.71	1930	18.21 Jan. 7
		1929	18.71 May 14
		1928	18.59 Nov. 27
		1927	19.71 Jan. 4
		1926	21.54 Jan. 5
		1925	22.50 Jan. 13

Steel Scrap.		Based on heavy melting steel quotations at Pittsburgh, Philadelphia and Chicago.	
Feb. 16 1932, \$8.23 a Gross Ton.	\$8.23	High.	Low.
One week ago	\$8.33	1932	\$8.50 Jan. 12
One month ago	8.33	1931	11.33 Jan. 6
One year ago	11.08	1930	15.00 Feb. 18
		1929	17.58 Jan. 29
		1928	16.50 Dec. 31
		1927	15.25 Jan. 11
		1926	17.25 Jan. 5
		1925	20.83 Jan. 13

"Steel" of Cleveland, in its summary of the iron and steel markets on Feb. 15 stated:

Henry Ford's commitment to the manufacture of an eight as well as a four-cylinder car, inferentially beginning in March, is helping to stem bearish sentiment in steel generated by the continued dearth of railroad, automobile and structural business, but arrives too late to arrest a decline in production.

After wavering two weeks at 28 1/2%, steel-making operations eased to 27% last week. Mill schedules for the current week indicate a further drop to 26%, a surrender of all improvement since the second week of January. A slight gain at Pittsburgh this week is contrary to the general trend.

In December Ford took quotations on a substantial tonnage of finished steel, but weakness which has developed since—ascrived in part to the lack of Ford business—necessitates new tenders. This inquiry by Ford, expected shortly, may impose a severe strain on the current effort to stabilize steel prices.

It will be March, at the earliest, before steel again moves to Ford in volume, but with the Ford competition known other low-price car manufacturers can more accurately gauge their markets and steel requirements. The Ford announcement, while not accompanied by actual orders, has measurably cleared the atmosphere at Detroit and encouraged all material suppliers.

Railroad demands are being shaped up, but extremely slowly. New York takes bids Feb. 19 on 5,360 tons of rails. Western Maryland has distributed 2,000 tons. The Colorado and Tennessee companies doubtless will share the 20,000 tons for the Southern Pacific. Repairs to 100 hoppers are sought by the Belt Ry. of Chicago. Such large Eastern systems as the Pennsylvania and New York Central are slow to inquire.

Activity in steel pipe is slightly more pronounced. Pasadena, Calif., is buying 9,000 tons; San Diego, Calif., 4,000 to 5,000 tons; Minneapolis, 2,500 tons, and the Anderson-Pritchard Oil Corp., Oklahoma City, Okla., 5,000 to 6,000 tons.

Structural shape awards in the week, 8,100 tons, are little more than half the tonnage in the preceding week. In Chicago and Western cities 15,000 to 20,000 tons are represented in proposed new work; bids for 15,000 tons for the Detroit Post Office will be taken Feb. 15. For a dam at Rock Island, Ill., 5,000 tons of reinforcing bars have been awarded Illinois Steel Co.

After several weeks of revived pig iron demand sales have tapered sharply, though shipments continue well ahead of the January rate. Lake Superior iron ore producers are hopeful of delaying the opening of the market and a test of prices, believing a stronger situation will develop in April or May. Scrap is weaker, with a further reduction of 25c. a ton in heavy melting steel at Chicago.

More scrap is being purchased for Japanese account; otherwise the Sino-Japanese disturbance is without effect upon the steel markets. Imports of foreign material, however, are more numerous and inimical to prices in the East. A cargo of 3,000 tons of Dutch iron landed at Bridgeport, Conn., supplements the recent arrival of 5,000 tons at Providence, R. I. Welsh tin plate is offered at \$3, or \$1.75 below the domestic price. Foreign concrete bars are moving into Boston.

More remunerative price levels are being sought through the medium of stabilization rather than the imposition of actual advances. On some grades of sheets, mills are attempting to eliminate irregularities and establish minimums generally \$3 a ton above recent extreme concessions. This policy is expected to apply throughout the entire price structure.

Due to reductions in pig iron, "Steel's" iron and steel composite is down 3c. to \$29.57; the finished steel composite is unchanged at \$46.62, while the steel works scrap composite is off 4c. to \$7.85.

Steel ingot production in the week ended Feb. 15, is placed at about 26 1/2% of theoretical capacity, according to the "Wall Street Journal" of Feb. 17. This compares with 27% in the preceding week and 26 1/2% two weeks ago. The "Journal" adds:

U. S. Steel is estimated at 26 1/2%, against 27 1/2% in the week before and a little under 27% two weeks ago. Leading independents also are at 26 1/2%, unchanged from the preceding week and contrasted with 26% two weeks ago.

At this time last year the industry was at 50 1/2%, with U. S. Steel slightly under 52% and independents at 49%. Two years ago the average was 81%, U. S. Steel being between 85% and 86% and independents around 77%. In the corresponding week of 1929 the average was 88%, with U. S. Steel at 90% and independents at 86%, while in the like period of 1928 the industry ran at 84%, U. S. Steel being at 90% and independents above 78%.

Receipts of American and Foreign Anthracite by Retail Coal Dealers in Massachusetts.

According to data received by the Department of Labor and Industries of the Commonwealth of Massachusetts from retail coal dealers in that State, receipts of American anthracite during the four months ended Nov. 30 1931 totaled 1,053,000 net tons as compared with 1,451,622 tons in the corresponding period in 1930. Receipts of foreign anthracite amounted to 118,000 tons as against 126,356 tons in 1930.

Receipts of American anthracite during the eight months ended Nov. 30 last year fell off to 2,243,000 net tons as compared with 2,670,234 tons in the same period in 1930. Receipts of foreign anthracite totaled 243,000 tons as against 223,778 tons in the eight months ended Nov. 30 1930. Stocks on hand of American and foreign anthracite as of Dec. 1 1930 amounted to 613,000 net tons as compared with 630,125 tons a year previous.

DOMESTIC-SIZED ANTHRACITE STATISTICS TO DEC. 1 1931. (IN NET TONS.) [The Commonwealth of Massachusetts.]

	1930.	1931.
Stocks on hand, April 1	346,384	361,281
Receipts—April to November, inclusive	2,894,012	2,486,000
Total	3,250,396	2,847,281
Stocks in dealers' yards, Dec. 1	630,125	613,000

Delivered to consumers, April to Nov., incl. (8 months) .. 2,620,271 x2,234,281 x Subject to slight revision (includes American and foreign anthracite.)

MEMORANDUM RELATIVE TO FUEL SITUATION AS OF DEC. 1 1931, REPORTED BY RETAIL COAL DEALERS IN THE COMMONWEALTH OF MASSACHUSETTS (NET TONS).

Receipts—	American Anthracite.	Foreign Anthracite.	Total Anthracite.
Four months ended Nov. 30 1931	1,053,000	118,000	1,171,000
Four months ended Nov. 30 1930	1,451,622	126,356	1,577,978
Eight months ended Nov. 30 1931	2,243,000	243,000	2,486,000
Eight months ended Nov. 30 1930	2,670,234	223,778	2,894,012
Deliveries (all anthracite):			
Eight months ended Nov. 30 1931			2,234,281
Eight months ended Nov. 30 1930			2,620,271
Deliveries (coke, to householders):			
Four months ended Nov. 30 1931			114,101
Four months ended Nov. 30 1930			87,101
Bag coal sales (25-lb. bags):			
August, September, October and November 1931			bags 3,247,859

Production of Bituminous Coal During 1931 Declined 19.1% as Compared with the Preceding Year—Anthracite Output Fell Off 14.2%.

According to estimated figures released by the United States Bureau of Mines, Department of Commerce, 378,110,000 net tons of bituminous coal and 59,531,000 tons of Pennsylvania anthracite were produced during the calendar year 1931. This represents a decrease of 19.1% and 14.2%, respectively, from the final figures for the year 1930, when output amounted to 467,526,000 tons of bituminous coal

and 69,385,000 tons of Pennsylvania anthracite. A comparative table follows:

PRODUCTION OF COAL, BY STATES, FOR CALENDAR YEARS. Table with columns for State, Year (1931-1932), and Production (1929-1932). Includes sub-totals for Total bituminous and Pennsylvania anthracite.

a This group is not strictly comparable in the several years. b Estimated.

Note.—The estimates for 1931 are based upon reports of coal and beehive coke loaded by originating railroads and waterways, and are subject to revision on receipt of complete detailed reports from the producers. For certain States, the estimates above given, which are based on the latest available data, differ slightly from the sum of the current weekly and monthly figures already published in the weekly coal reports.

Bituminous Coal Output Passes 7,000,000-Ton Mark—Anthracite Production Shows Improvement.

According to the United States Bureau of Mines, Department of Commerce, there were produced during the week ended Feb. 6 1932 an estimated total of 7,233,000 net tons of bituminous coal, as against 6,411,000 tons in the preceding week and 7,833,000 tons in the corresponding period last year. The latter figure compares with 8,037,000 tons during the week ended Jan. 31 1931.

Output of Pennsylvania anthracite during the week ended Feb. 6 1932 amounted to 1,063,000 net tons as compared with 808,000 tons in the week ended Jan. 30 last and 1,454,000 tons in the week ended Feb. 7 1931.

During the coal year to Feb. 6 1932 production of bituminous coal totaled 309,419,000 net tons as against 385,687,000 tons during the coal year ended Feb. 7 1931. The Bureau's statement follows:

BITUMINOUS COAL.

Production of bituminous coal has again passed the seven-million-ton mark—the first time in any week since Dec. 19 1931. The total output during the week ended Feb. 6 1932, including lignite and coal coked at the mines, is estimated at 7,233,000 net tons, an increase of 822,000 tons, or 12.8% over the preceding week. Production during the week in 1931 corresponding with that of Feb. 6 amounted to 7,833,000 tons.

Estimated United States Production of Bituminous Coal (Net Tons).

Table showing estimated production of bituminous coal by week ended for 1931-1932 and 1930-1931. Columns include Week, Coal Year to Date, and Coal Year to Date.

a Minus one day's production first week in April to equalize number of days in the two years. b Revised since last report. c Subject to revision.

The total production of soft coal during the present coal year to Feb. 6 1932 (approximately 262 working days) amounts to 309,419,000 net tons. Figures for corresponding periods in other recent coal years are given below:

Summary table of total production of soft coal for 1930-31, 1928-29, and 1927-28.

As already indicated by the revised estimate above, the total production of soft coal for the country as a whole during the week ended Jan. 30 1932, the latest week for which detailed figures are available, amounted to 6,411,000 net tons. Compared with the output in the preceding week, this shows

an increase of 28,000 tons, or 0.4%. The following table shows the source of the tonnage, by States, and gives comparable figures for other recent years:

Estimated Weekly Production of Coal by States (Net Tons).

Table showing estimated weekly production of coal by states for 1929-1932. Columns include State, Week Ended (Jan. 30, 32, Jan. 23, 32, Jan. 31, 31, Feb. 1, 30), and Average.

a Average weekly production for the entire month. b Includes operations on the N. & W. C. & O., Virginia, K. & M. and B. C. & G. c Rest of State, incl. Panhandle.

PENNSYLVANIA ANTHRACITE.

Production of Pennsylvania anthracite increased sharply in the week ended Feb. 6. The total output is estimated at 1,063,000 net tons. Compared with the preceding week, this shows a gain of 255,000 tons, or 31.6%. Production during the week in 1931 corresponding with that of Feb. 6 amounted to 1,454,000 tons.

Estimated Production of Pennsylvania Anthracite (Net Tons).

Table showing estimated production of Pennsylvania anthracite by week ended for 1932 and 1931. Columns include Week, Daily Avg., and Week.

BEEHIVE COKE.

The total production of beehive coke during the week ended Jan. 30 1932 is estimated at 20,700 net tons, a decrease of 1,000 tons from the output in the preceding week. The following table apportions the tonnage by region and gives figures for comparable periods in 1932 and 1931:

Estimated Weekly Production of Beehive Coke (Net Tons).

Table showing estimated weekly production of beehive coke by region for 1932 and 1931. Columns include Region, Week, and Daily Avg.

a Minus one day's production first week in January to equalize number of days in the two years.

Anthracite Shipments Fell Off During January 1932.

Anthracite shipments for the month of January 1932 as reported to the Anthracite Bureau of Information Philadelphia amounted to 3,052,219 gross tons. This is a decrease as compared with shipments during the preceding month of December 1931 of 706,998 tons and when compared with January 1931 shows a decrease of 2,002,600 tons. Shipments by originating carriers (in tons) are as follows:

Table showing anthracite shipments by carrier for Jan. 1932, Dec. 1931, Jan. 1931, and Dec. 1930.

New Edition of Kimber's Record of Government Debts.

Revised to include changes up to the end of 1931, the 15th annual edition of Kimber's record of Government Debts, this year comprising the record number of 1,200 pages, is now being distributed to subscribers throughout the civilized world. The price remains unchanged at \$15 delivered. Overseas Statistics, Inc., New York, and London General Press, London, England, are the publishers and European distributors, respectively.

The book contains the usual complete credit and financial information about all governments and their securities, as well as financial and debt details of all foreign States, municipalities and political subdivisions who have external debts, particularly those financed by bankers in the United States. Also are included foreign corporation bonds bearing Governmental guarantee.

A feature of the new edition is the inclusion of data respecting the Hoover Moratorium and its effect upon the various nations, as well as summaries of special develop-

ments during the past year in countries like Australia, Brazil, Austria and others, with reference details of such incidents as the visits of Sir Otto Niemeyer to some distressed

countries. The book is largely used in financial reference libraries as well as by all actively interested in foreign securities as bankers or traders.

Current Events and Discussions

The Week with the Federal Reserve Banks.

The daily average volume of Federal Reserve bank credit outstanding during the week ended Feb. 17, as reported by the Federal Reserve banks, was \$1,795,000,000, a decrease of \$12,000,000 compared with the preceding week and an increase of \$855,000,000 compared with the corresponding week in 1931. After noting these facts the Federal Reserve Board proceeds as follows:

On Feb. 17 total Reserve bank credit amounted to \$1,781,000,000, an increase of \$2,000,000 for the week. This increase corresponds with an increase of \$14,000,000 in unexpended capital funds, non-member deposits, &c., and a decrease of \$34,000,000 in monetary gold stock offset largely by decreases of \$17,000,000 in money in circulation and \$1,000,000 in member bank reserve balances and an increase of \$28,000,000 in Treasury currency, adjusted.

Holdings of discounted bills increased \$9,000,000 at the Federal Reserve Bank of San Francisco, \$7,000,000 at New York \$6,000,000 at Philadelphia and \$27,000,000, at all Federal Reserve banks. The System's holdings of bills bought in open market declined \$23,000,000 and of Treasury certificates and bills \$6,000,000, while holdings of United States Treasury notes increased \$6,000,000.

Beginning with the statement of May 28 1930, the text accompanying the weekly condition statement of the Federal Reserve banks was changed to show the amount of Reserve bank credit outstanding and certain other items not included in the condition statement, such as monetary gold stocks and money in circulation. The Federal Reserve Board's explanation of the changes, together with the definition of the different items, was published in the May 31 1930 issue of the "Chronicle" on page 3797.

The statement in full for the week ended Feb. 17, in comparison with the preceding week and with the corresponding date last year, will be found on subsequent pages, namely, pages 1232 and 1233.

Changes in the amount of Reserve bank credit outstanding and in related items during the week and the year ended Feb. 17 1932, were as follows:

	Increase (+) or Decrease (-)		
	Since		
	Feb. 17 1932.	Feb. 10 1932.	Feb. 18 1931.
	\$		
Bills discounted.....	846,000,000	+27,000,000	+646,000,000
Bills bought.....	146,000,000	-23,000,000	+52,000,000
United States securities.....	741,000,000	-----	+141,000,000
Other Reserve bank credit.....	47,000,000	-1,000,000	+36,000,000
TOTAL RESERVE BANK CREDIT.....	1,781,000,000	+2,000,000	+876,000,000
Monetary gold stock.....	4,369,000,000	-34,000,000	-292,000,000
Treasury currency adjusted.....	1,792,000,000	+28,000,000	+14,000,000
Money in circulation.....	5,609,000,000	-17,000,000	+1,049,000,000
Member bank reserve balances.....	1,904,000,000	-1,000,000	-476,000,000
Unexpended capital funds, non member deposits, &c.....	429,000,000	+14,000,000	+25,000,000

Returns of Member Banks for New York and Chicago Federal Reserve Districts—Brokers' Loans.

Beginning with the returns for June 29 1927, the Federal Reserve Board also commenced to give out the figures of the member banks in the New York Federal Reserve District as well as those in the Chicago Reserve District on Thursday, simultaneously with the figures for the Reserve banks themselves, and for the same week, instead of waiting until the following Monday, before which time the statistics covering the entire body of reporting member banks in the different cities included cannot be got ready.

Below is the statement for the New York member banks and that for the Chicago member banks for the current week, as thus issued in advance of the full statement of the member banks, which latter will not be available until the coming Monday. The New York statement, of course, also includes the brokers' loans of reporting member banks. The grand aggregate of brokers' loans the present week records an increase of \$13,000,000, the amount of these loans on Feb. 17 1932 standing at \$499,000,000. The present week's increase is the first gain recorded in these figures since Sept. 2 1931, when the amount of these loans stood at \$1,366,000,000. The low figure of \$486,000,000 on Feb. 10 1932, compares with the record low of \$473,438,000 on Jan. 25 1918. Loans "for own account" increased during the week from \$401,000,000 to \$418,000,000, but loans "for account of out-of-town banks" decreased from \$78,000,000 to \$74,000,000, while loans "for account of others" remain unchanged at \$7,000,000. The amount of these loans "for account of

others" has been reduced the past 14 weeks due to the action of the New York Clearing House Association on Nov. 5 1931 in restricting member banks on and after Nov. 16 1931 from placing for corporations and others than banks loans secured by stocks, bonds and acceptances.

CONDITION OF WEEKLY REPORTING MEMBER BANKS IN CENTRAL RESERVE CITIES.

	New York.		
	Feb. 17 1932.	Feb. 10 1932.	Feb. 18 1931.
	\$		
Loans and investments—total.....	6,603,000,000	6,638,000,000	7,953,000,000
Loans—total.....	4,289,000,000	4,292,000,000	5,456,000,000
On securities.....	2,112,000,000	2,124,000,000	3,114,000,000
All other.....	2,177,000,000	2,168,000,000	2,342,000,000
Investments—total.....	2,314,000,000	2,346,000,000	2,497,000,000
U. S. Government securities.....	1,496,000,000	1,520,000,000	1,365,000,000
Other securities.....	818,000,000	826,000,000	1,132,000,000
Reserve with Federal Reserve Bank.....	633,000,000	646,000,000	804,000,000
Cash in vault.....	41,000,000	50,000,000	43,000,000
Net demand deposits.....	4,735,000,000	4,744,000,000	5,785,000,000
Time deposits.....	743,000,000	757,000,000	1,274,000,000
Government deposits.....	201,000,000	219,000,000	14,000,000
Due from banks.....	103,000,000	99,000,000	101,000,000
Due to banks.....	815,000,000	819,000,000	1,308,000,000
Borrowings from Federal Reserve Bank.....	20,000,000	15,000,000	-----
Loans on secur. to brokers & dealers:			
For own account.....	418,000,000	401,000,000	1,229,000,000
For account of out-of-town banks ..	74,000,000	78,000,000	267,000,000
For account of others.....	7,000,000	7,000,000	276,000,000
Total.....	499,000,000	486,000,000	1,772,000,000
On demand.....	384,000,000	369,000,000	1,365,000,000
On time.....	115,000,000	117,000,000	407,000,000

	Chicago.		
	Feb. 17 1932.	Feb. 10 1932.	Feb. 18 1931.
	\$		
Loans and investments—total.....	1,499,000,000	1,499,000,000	2,003,000,000
Loans—total.....	1,035,000,000	1,036,000,000	1,355,000,000
On securities.....	588,000,000	595,000,000	785,000,000
All other.....	447,000,000	441,000,000	570,000,000
Investments—total.....	464,000,000	463,000,000	648,000,000
U. S. Government securities.....	251,000,000	250,000,000	345,000,000
Other securities.....	213,000,000	213,000,000	303,000,000
Reserve with Federal Reserve Bank.....	140,000,000	144,000,000	187,000,000
Cash in vault.....	17,000,000	17,000,000	13,000,000
Net demand deposits.....	971,000,000	979,000,000	1,270,000,000
Time deposits.....	392,000,000	390,000,000	624,000,000
Government deposits.....	7,000,000	9,000,000	10,000,000
Due from banks.....	85,000,000	89,000,000	159,000,000
Due to banks.....	234,000,000	234,000,000	373,000,000
Borrowings from Federal Reserve Bank.....	3,000,000	3,000,000	2,000,000

Complete Returns of the Member Banks of the Federal Reserve System for the Preceding Week.

As explained above, the statement for the New York and Chicago member banks are now given out on Thursday, simultaneously with the figures for the Reserve banks themselves and covering the same week, instead of being held until the following Monday, before which time the statistics covering the entire body of reporting member banks in 101 cities cannot be got ready.

In the following will be found the comments of the Federal Reserve Board respecting the returns of the entire body of reporting member banks of the Federal Reserve System for the week ended with the close of business on Feb. 10:

The Federal Reserve Board's condition statement of weekly reporting member banks in leading cities on Feb. 10 shows decreases for the week of \$194,000,000 in loans and investments, \$76,000,000 in net demand deposits, \$22,000,000 in time deposits, \$63,000,000 in Government deposits and \$20,000,000 in borrowings from Federal Reserve banks.

Loans on securities declined \$48,000,000 at reporting member banks in the New York district, \$12,000,000 in the Chicago district and \$70,000,000 at all reporting banks. "All other" loans declined \$13,000,000 in the New York district, \$10,000,000 in the Boston district, \$6,000,000 in the San Francisco district and \$44,000,000 at all reporting banks.

Holdings of United States Government securities declined \$74,000,000 in the New York district and \$72,000,000 at all reporting banks, while holdings of other securities declined \$6,000,000 in the New York district and \$8,000,000 at all reporting banks.

Borrowings of weekly reporting member banks from Federal Reserve Banks aggregated \$472,000 on Feb. 10, the principal changes for the week being a decrease of \$16,000,000 at the Federal Reserve Bank of New York and of \$6,000,000 at Chicago.

A summary of the principal assets and liabilities of weekly reporting member banks, together with changes during the week and the year ending Feb. 10 1932, follows:

	Increase (+) or Decrease (-)		
	Feb. 10 1932.	Feb. 3 1932.	Feb. 11 1931.
	\$	\$	\$
Loans and investments—total	19,785,000,000	-194,000,000	-2,874,000,000
Loans—total	12,716,000,000	-114,000,000	-2,889,000,000
On securities	5,504,000,000	-70,000,000	-1,815,000,000
All other	7,212,000,000	-44,000,000	-1,074,000,000
Investments—total	7,069,000,000	-80,000,000	+15,000,000
U. S. Government securities	3,053,000,000	-72,000,000	+498,000,000
Other securities	3,216,000,000	-8,000,000	-483,000,000
Reserves with F. R. banks	1,442,000,000	-18,000,000	-344,000,000
Cash in vault	235,000,000	+15,000,000	+1,000,000
Net demand deposits	11,090,000,000	-76,000,000	-2,582,000,000
Time deposits	5,724,000,000	-22,000,000	-1,451,000,000
Government deposits	390,000,000	-63,000,000	+310,000,000
Due from banks	898,000,000	-22,000,000	-880,000,000
Due to banks	2,305,000,000	-50,000,000	-1,521,000,000
Borrowings from F. R. banks	472,000,000	-20,000,000	+404,000,000

Edgar Speyer Dies in Berlin.

Edgar Speyer died in Berlin on Feb. 17 after a brief illness following an operation. He was a brother of James Speyer of this city and was born in New York in 1862. He was educated in Frankfort on the Main, Germany. In 1884 he became a member of the Frankfort, London and New York Speyer firms, three years later he established his residence in London and became a British subject and head of the firm of Speyer Brothers. He was created a Baronet in 1906 and a Privy Councillor in 1909. In 1914, shortly after the outbreak of the World War, he withdrew from the firm of Speyer & Co. in New York. When the firm of Speyer Brothers, London, dissolved in 1922, Edgar Speyer withdrew from business. He has since resided in New York City, and took an active interest in musical and artistic efforts. In 1902, he married Mrs. Leonora Howland, nee Comtesse von Stosch, born in Washington. She and three daughters, the Countess Moy, Mrs. Herbert H. Goldschmidt and Mrs. Gunther von Wolff, survive him.

Bank of England Reduces Rate from 6% to 5%—Stocks React Favorably—Industrialists Greet Action as Tonic to Business.

Referring to the action on Feb. 18 of the directors of the Bank of England in reducing the bank rate from 6% to 5%, a London message on that date to the New "York Times" said:

It was the first reduction since the momentous Sunday in September when Britain went off gold and the first reduction as big as 1% since August 1914, just after the declaration of war. Downward movements in the British bank rate seldom have been more than ½ of 1% at a time.

Enthusiasm on Stock Exchange.

The Stock Exchange greeted the news with enthusiasm. Cheers rang through the building this morning when the indicators flashed "Bank rate 5%" and members were knocked over in the excited rush to the telephones. There was an instant bidding for shares. Nearly all leading industrialists rallied sharply and the market for gilt-edged securities remained buoyant throughout the day.

The news was generally interpreted as a gesture of confidence warranted by the improved internal position of Britain since last Autumn. There has been nothing approaching inflation since the departure from the gold standard. Prices have not risen appreciably and the currency in circulation is less than when the gold standard was suspended. The pound, too, has behaved with unexpected steadiness and rose to-day, although a reduction in the bank rate is usually a signal for a decline in the pound.

An important factor in the eyes of the directors of the Bank of England was the budgetary position of Britain. By means of ruthless economies and increased taxation there is every likelihood that Neville Chamberlain, Chancellor of the Exchequer, will present a balanced budget to the House of Commons this spring. Although unemployment still is high, there was an impression in financial London to-night that the most intense phase of Britain's financial hurricane had blown over.

New American Policy Welcomed.

Changes in the Federal Reserve policy in the United States helped indirectly to make to-day's decision possible. It was recognized here that America's new departure was purely a domestic matter, but by stimulating confidence across the Atlantic it had a bracing effect here as well.

Industrialists were especially heartened by the news of the bank rate drop and greeted it as a tonic to British business. The news of the reduction was received with cheers at the annual meeting of the British Chamber of Shipping.

"It will encourage British industry generally and be a great help to our own branch of it," said R. S. Dalglish, President of the Chamber.

British Balance Off £110,000,000 for 1931—Estimates on Adverse Payments Show Huge Drop in Income for Foreign Services—Balance Shifted £200,000,000 Against England Since 1929.

From the New York "Times" we quote the following London cablegram Feb. 17:

Britain's adverse balance of payments for 1931 was officially estimated to-night to be £110,000,000 (nearly \$550,000,000 at par), against a surplus of £28,000,000 for 1930 and £103,000,000 for 1929. The net income from shipping was shown to have fallen by £25,000,000 to £80,000,000 and from overseas investments by £55,000,000 to £165,000,000. The income from short interest and commission was nearly halved, declining from £55,000,000 to £30,000,000.

There was a net export of gold in 1931 of £35,000,000, following a net import of £5,000,000 in 1930 and a net loss of £15,000,000 in 1929.

However, the financial editor of the London "Times" emphasizes that the figures are purely estimates, and points out that the trade returns for January showed an improvement in the visible trade balance, compared with the average monthly figures for last year, at the rate of £98,500,000 a year.

As the decline in foreign travel by Britons must also have reduced the volume of invisible imports, he says, it may be doubted whether the figures for 1931 have any close relation to the current balance of payments.

A cablegram to the same paper from London Feb. 5 said:

Much interest was taken this week by financial London in the statement by the Chancellor of the Exchequer that Government estimates show Great Britain's adverse balance on account of foreign payments in 1931 to have been £113,000,000. The similar total account of visible and invisible items in foreign payments produced in 1929 a favorable balance of considerably more than £100,000,000.

It would therefore appear that during this two-year period the net foreign balance has moved against England to the extent of at least £200,000,000. Even allowing for the fall in prices since 1929, it is thought here that the actual volume of trade has shifted during the period very heavily against Great Britain.

Gold Sovereigns Bought by London Brokers—Resold in France.

The following (United Press) from London is from the "Wall Street Journal" of Feb. 17:

Gold sovereigns, ordinarily worth 20s., were bought by brokers at 30s. to-day. The majority of the gold is being resold in France. Most transactions were for amounts from £3 to £300 and the sellers were office workers and laborers. It was estimated that £250,000 (\$850,000) worth of gold trinkets had been melted and sold recently.

Neville Chamberlain, Chancellor of British Exchequer, Tells House of Commons He Will Not Take Up Question of Default of Southern States.

Under date of Feb. 11 a wireless message from London to the New York "Times" said:

Neville Chamberlain, Chancellor of the Exchequer, told the House of Commons to-day he would not raise the question of the defaulting Southern States of the United States when the time came to discuss the next British debt payments to Washington.

Brig.-Gen. Geo. E. L. Spears, a Conservative, reminded him that the defaulting States now owe almost \$400,000,000. He asked if the Chancellor of the Exchequer would not consider acquiring Southern States bonds held by British subjects and set off the sum due on them against the amount due the United States.

"I see no advantage in pursuing this question," Mr. Chamberlain answered.

Anglo-French Debt Negotiations in Paris Reported So Stormy That Lord Tyrrell Threatened to Resign.

A London cablegram Feb. 11 reports that it was learned that day that the negotiations leading to the Anglo-French "agreement" on reparations reported from Paris were so stormy that at one time Lord Tyrrell, the British Ambassador, threatened to resign in exasperation at the unyielding attitude of both the British and French negotiators. The London cablegram to the "Times" went on to say:

It was only after a visit to London and consultation with Cabinet Ministers that Lord Tyrrell succeeded in averting a breakdown of the negotiations. The accord now reached is merely an "agreement to disagree," like the recent compromise whereby the British Cabinet saved itself from a break-up.

The British and French financial authorities have agreed merely to abandon their search for a reparations formula until after the French elections in May, when the abortive Lausanne conference can be held in the first days of June.

For some time the British Treasury, prompted by the Bank of England and financial interests here, had been anxious to obtain French consent to the publication of a joint declaration of the creditor powers which, by establishing security for Germany against demand for cash payments after next July, would give confidence to the stock exchanges and supply a fillip to the upward movement of prices.

The French Government, although reluctant to engage itself in this policy, appreciated the British needs and expressed its consent in principle.

Tedious negotiations followed, with the British Treasury and the French Ministry of Finance playing an apparently endless game of battledore and shuttlecock with the formula defining the nature of the new moratorium. The French proposal to prolong the Hoover moratorium on its present terms was rejected by the British as unsatisfactory. Instead, the British Treasury tried to bind the French to promise the complete and unconditional suspension of all payments by Germany.

Lord Tyrrell played a conspicuous part in these negotiations, smoothing difficulties which were constantly reappearing. Finally, a fortnight ago, the clash of opposing views became so violent that not without reason rumors were circulated of his wish to resign, as his efforts for compromises had been unappreciated by either side.

When Lord Tyrrell returned from his consultations in London, he proposed that all further discussions be deferred until the Spring, and the acceptance of this proposal is the basis of the reports of an "agreement" now emanating from Paris.

Great Britain's Unemployment Reaches New Peak.

Unemployment during January, 1932, forced Great Britain's statistics of unemployments to the highest mark for that month since records have been kept, according to a cablegram to the Department of Commerce from Commercial Attache William L. Cooper, London. In indicating this the Department on Feb. 12 added:

As of January 25, unemployment records showed 2,738,000 on the rolls, representing an increase of 218,000 over the previous month and an increase of 136,000 over January 1930.

While the increase was largely seasonal, the rise in the figures was also partly occasioned by the lowered industrial activity of Great Britain during the period under review, it was stated, which has affected all important industrial areas.

The pottery, boot and shoe industries are the only major ones to show any upswing, the report pointed out.

Alexander D. Noyes Criticizes Those Who Would Advocate Abandonment of Gold Basis—Argument That Action Would Bring Recovery is "Pure Childishness," He Says—Recalls Germany in 1918—Greatest Price Fluctuation Then in History.

Belief in some quarters that price fluctuation would be stopped by suspension of the gold standard was termed "pure childishness" by Alexander D. Noyes, financial editor of the New York "Times," in an address before the Philadelphia Association of Security Salesmen at the Penn Athletic Club in Philadelphia on Feb. 10:

Mr. Noyes criticized those holding the theory that this country would at once undergo an economic recovery if we followed England's example and went off the gold standard. The foregoing is from the "Times" from which we also take the following:

"There never was such wild fluctuation of prices in this country as occurred when the United States was off the gold standard in the 14 years after the Civil War," he declared. "There never was such fluctuation in the history of the world as occurred when Germany tried the experiment on a large scale between 1918 and 1924."

Mr. Noyes said that the country learned last Fall whether such action could be forced upon it.

Cites Strength Shown in Fall.

"In the face of an unprecedented raid on our gold holdings by all Europe," he continued, "the Federal Reserve handed over all the gold to which Europe could establish any legitimate claim, announced with calmness its purpose of continuing to do so, and emerged the pillar of strength in a storm-tossed economic world. This would surely be a singular occasion to choose for abandoning gold payments voluntarily; for shutting up the bank after the run has been met successfully.

"Why are we urged to do this? The answer is usually given plainly—because England, under peculiar circumstances of the most trying kind, has done so.

"But since when did we shape this country's public policy in order to imitate the confessedly humiliating action of another country whose misfortunes had driven it to such recourse?"

"It was this country's resumption of gold payments that gave the signal for the great American revival following the depression of 1873. The gold standard act of 1900 put the seal of certainty on recovery after the depression following 1893 and ushered in the great prosperity of the next six years. Our war panic of 1914 was stopped instantly by New York's courageous decision to maintain at any cost gold payments to the outside world, even with all the rest of the world suspending gold payments."

Hoarding is Called Lunacy.

After reviewing the bond market situation since the 1929 market crash, the speaker said the greater part of the community "has pretty nearly gone mad during this past season in its ideas about investments," and added:

"If the capitalistic system has hopelessly broken down, what is to replace it? If the gold standard has failed and all countries ought to abolish it, why in the world should frightened citizens, having sold out their tangible investments, hoard gold or Federal Reserve notes in their safe deposit boxes?"

"If gold is to be repudiated by the world, as they insist, they might quite as well hoard silver or copper or dead leaves. If gold payments are to be repudiated what is to prevent reserve notes from depreciating as rapidly as deposits in a defaulting bank? What the panic-stricken hoarders ought to hide away is pots, kettles, clothing, furniture—anything that will always have actual value. But they are the very things that our mentally disordered community refuses to buy at all. The whole proceeding is a picture of mingled nonsense and lunacy."

Mr. Noyes saw encouragement in the Government's remedies, which he said had been applied "belatedly."

Gold Standard Abandonment Inconceivable, Says Fred I. Kent—Gold Has No Part in Depression.

Chaos in the world for an indefinite period would follow abandonment of the gold standard, but such action is not conceivable, either in the United States or throughout the world, Fred I. Kent declared in an article in the February number of the Journal of the American Bankers Association. Mr. Kent is Chairman of the Association's Commerce and Marine Commission which conducts its investigations in international trade and finance. Mr. Kent says:

"It is quite impossible to carry on international trade in this century on a basis of barter, and if there were no common standard in which all commodities could be measured, starvation would be rampant in the world. When Great Britain took action to preserve the gold in the Bank of England until the crisis had passed, and as a result sterling exchange dropped, there was an entire stoppage of international trade in every country where prices for export and import had been figured in pound sterling on a gold basis, and this continued until a new method of arriving at gold values through the French franc, the American dollar, or otherwise, was found.

"The measure of the gold standard is required for the protection of our civilization and must be continued until something else as effective has not only been provided but can be put into force at the same time that gold might be abandoned as a common measure. At present gold is serving its purpose perfectly as a commodity price measure for the exchange of goods between nations."

Mr. Kent, citing talk about the lack of balance in the distribution of the world's gold supply as being responsible for the difficulty of the depression declares that actually such

distribution has absolutely nothing to do with the depression. He says:

"It does, however, measure what has occurred in the past that has resulted in gold seeking its present resting place. One would think from what we often hear that every country should have such a supply of gold that it could go on importing without exporting the equivalent and be able to pay balances in gold indefinitely. Such an idea is so absurd when so simply stated that it is hard to conceive of any one believing such a situation as being either possible or desirable. It goes without saying that no country can borrow and import in excess of its exports constantly year in and year out without reaching the breaking point, and that if it undertakes such an economic progression in trade such gold as it has will naturally disappear and it will ultimately find itself unable to continue its unbalanced trade."

We must come to the conclusion, Mr. Kent says, that it is the unwise acts of men, in governmental extravagance, in excessive taxation, in raising trade embargoes, in over-borrowing, and in the exercise of bad and unfortunate politics that has caused the great depth and length of the depression through which we are passing. "Gold has no part in it, although it does measure with great vividness the results of the mistakes of mankind," he adds. "If, however, men wish to see chaos in the world for an indefinite period during which life itself will be a veritable burden, all they need to do is to abandon the gold standard. It is not conceivable that this will be done in the United States of America nor throughout the world."

France Continues to Pile Up Gold—American \$20 Pieces Sold to Hoarders for \$21.

From the New York "Sun" we take the following (United Press), from Paris, Feb. 11:

Gold reserves of the Bank of France mounted this week to a new record of 72,563,082,971 francs (\$2,858,985,369), the weekly statement showed to-day. The increase during the week was 938,039,887 francs. It brought the gold coverage of currency to a new high of 65 1/4%.

Coincident with the growing reserves the private hoarding of gold increased as a troublesome problem. Because of the hoarding the mint does not want to stamp and circulate new gold coins and the Bank of France is unwilling to release gold to hoarders.

Only the high price which European hoarders place on gold coins make it really profitable to import American gold at the present value of the dollar, which closed to-day at 25.4 francs to the dollar, compared with a par of 25.5, only a slight premium. The ordinary profit of importing the dollar would not meet the cost of transport, insurance, guarding and loss of interest during six or more days of travel.

The American \$20 gold pieces, however, are being sold in Paris for \$21, which gives the importer a net profit of about 3 1/2%. That is fairly safe commerce and many small banks and money lenders have gone into it on a big scale.

Hoarding is as old as currency in France and has gone on for centuries. During the war the Government called on patriots for gold and it began to appear from mattresses, chimneys, kitchen floors and garden burial places.

Now the hoards are filling up again. American gold coins, being well stamped, attractive and easy to stack and handle, are in great demand. Bankers estimate at least \$3,000,000 of American gold coins are hidden away.

Almost daily reports are heard of treasure hoards found in the provinces. The latest comes from the Alps region, where Alcide Demerelli took down a picture to have the frame repaired. It broke and 4,000 gold coins of the Napoleon I reign rolled on the floor. He bought the picture several years ago for 400 francs (about \$15).

Sweden Extends to May 15 Period of Suspension of Gold Standard.

According to Associated Press cablegrams from Stockholm, Feb. 15, the Swedish Government has indicated its intention to extend until May 15 the suspension of the gold standard, according to to-day's newspapers. The present suspension order expires Feb. 29.

The suspension of gold payments by Sweden, on Sept. 27, was noted in our issue of Oct. 3, page 2185. The original period, Nov. 30, is understood to have been prolonged for three months.

Gold Standard in Europe—Opinions Vary Somewhat As to Countries Which Still Maintain It.

A cablegram, as follows, from Amsterdam, Feb. 12, to the New York "Times," said:

The Dutch guilder has lately become firm again in terms of the pound sterling, the French franc and the mark. The prevalent feeling now is that there is no longer danger of further abandonment of the gold standard in Europe.

The countries which still retain gold payments are in a relatively stable position and there is therefore less reason for further flight of capital to other and stronger countries.

Belgium Determined to Maintain Gold Standard—Lottery Loan Proposed to Attract Hoarded Currency.

From the Brooklyn "Daily Eagle" we take the following from Brussels, Feb. 5:

Belgium is determined to maintain the gold standard, and stability of the franc is in no danger whatever, according to a statement by Finance Minister Houtart.

Increasing difficulties attending exporting is prompting some demand for the abandonment of convertibility, but the Government believes such a

step could only produce a temporary remedy for which a heavy price would have to be paid later.

The Finance Minister declared that currency is not in danger. Exports practically equal imports and balance of payments is favorable. There is no risk of a massive withdrawal of foreign credits, because these are virtually non-existent. Long-term debts abroad are being reduced rapidly through Belgian purchasing in New York and London.

Although national finances are feeling the strain of the world crisis, the Government is opposed to any borrowing from the National Bank and is taking measures to restore budget equilibrium by reducing expenditures by 500,000,000 francs and increasing taxation in the same proportion. Once this is accomplished the Government proposes to issue a lottery loan of 2,000,000,000 francs which is expected to attract hoarded currency and finance reproductive public works.

Transvaal Gold Output—January Production Second Largest in District's History.

A London cablegram, Feb. 12, to the New York "Times," said:

Production of gold in the Transvaal during January was 936,784 ounces. This compares with 923,353 ounces produced in December and 914,576 in January of 1931.

The high record monthly output in the history of the Transvaal was 945,113 last October, but the figure for this January comes second on the record.

British Queues Form at Banks to Turn in Gold—Price of Yellow Metal Rises from 85 to 120 $\frac{3}{4}$ Shillings: Sovereign Premiums 37 $\frac{1}{2}$ %—Foreign Balances Reduced—Flood of Coinage Helps Government to Relieve Stress.

In its issue of Feb. 14 the New York "Herald Tribune" published the following (copyright) from London Feb. 13:

France has the second largest store of gold in the world and still is sucking in the precious metal from all parts of the globe. Nevertheless, it is reported that nervous Frenchmen, distrustful of all paper currency, including that of their own country, are paying premiums to obtain gold coinage which is stowed away in safe deposit boxes or stockings. Jewelers, it is said, are buying gold bars from the Bank of France and sawing them into chunks for those who prefer to lay up their treasure in this form.

In London there is a gold rush also, but one of an entirely different kind. For although Britain is off the gold standard, with incontrovertible paper currency, and subject, theoretically at least, to inflation, the common people here are standing in queues to rid themselves of the yellow metal. This phenomenon is not due to patriotism, but to sound business instinct. Before this country went off the gold standard gold was worth about 85 shillings an ounce; to-day it is quoted at 120 $\frac{3}{4}$ shillings. The gold sovereign, nominally 20 shillings, can be sold to a bullion broker for 27 $\frac{1}{2}$ shillings; that is to say, at a premium of 37 $\frac{1}{2}$ %.

Twenty Shillings Still Twenty Shillings.

To an American, suspension of the gold standard means that 20 shillings no longer is equivalent to nearly \$5, but to only \$3.50. To Englishmen 20 shillings is still 20 shillings, since prices have not risen. Hence the premium on gold offers a fine profit to those who, for sentimental or other reasons have been holding on to gold coins.

At the outbreak of the war minting of gold stopped here and the bulk of coins in circulation gradually found their way into the Bank of England. When the gold standard was restored in 1925 the public, completely reconciled to paper currency which in many ways was more convenient than coins, made no protest at the continued exclusion of gold coins from domestic circulation. Coins, indeed, were so much a thing of the past that many young people to-day would not recognize a sovereign if they saw one. Nevertheless, there is a considerable amount of this gold coinage still hidden away up and down the country. Some of it belongs to old-fashioned folk who distrust banks or to misers to whom wealth means nothing unless they possess it in tangible form.

Even Lucky Pieces Go.

In addition there are innumerable people who have kept a few sovereigns "for luck." Probably even the present premium will not be sufficient inducement to misers to disgorge, but others are bringing their coins to the counters of the bullion brokers eagerly. Gold in every form, rings, cups, jewelry, medals, watches, even artificial teeth, is being sold at the new high price. But the sale of these treasures often is disappointing since they frequently prove to be anything but 100% pure gold.

In the first three months after Britain went off the gold standard the public did not realize that although it was illegal to melt down sovereigns it was both possible and legal to sell them. The trade, therefore, at first was carried on in a rather hole-and-corner fashion by enterprising middlemen who went around saloons and other likely spots making tempting offers.

Ottawa Gold Holdings.

Canadian Press advices from Ottawa, Feb. 12, to the Montreal "Gazette" said:

The total value of gold held by the Minister of Finance on Jan. 31, was \$69,009,022, which was \$4,897,740 in excess of statutory requirements. The total amount of Dominion notes in circulation was \$170,382,805.

De Beers Diamond Mines Closing Down, Others in South Africa Reported Likely to Follow Suit.

According to a Cape Town cablegram to the New York "Times" it was officially announced on Feb. 18, that the De Beers diamond mines, the most famous in the world, were closing down. The cablegram continued:

The Premier and Jagersfontein mines are certain to follow suit.

The reason given was the dismal state of the diamond trade, but it is also known that there has been a considerable leakage of illicit diamonds from other African fields, which has operated against the recovery of the market. There are also rumors of a deal by the government with a company to work its holdings in competition with the De Beers syndicate.

Direct consequences to Kimberley must follow and South Africa is expected to feel a heavy blow through an increase in unemployment, loss of revenue and drop in railway earnings.

The directors of the mines announce that as many men as possible will be kept on half pay, which many have been on for months, but however, mitigated, the blow will be great.

It is stated confidently, though as yet not confirmed officially, that the government has contracted with I. Schlesinger, the South African film magnate, to take over the government's diamond-cutting factory at Kimberley, which is also on the point of closing down, and other cutting factories which have proved unprofitable. These factories are a favorite project of the government, to which their failure would be a severe blow.

As Mr. Schlesinger's price for assuming responsibility for them, it is said that he will be allowed to work diamonds in several rich properties in Namaqualand. If this is done and the stones are sold in competition with those of the diamond syndicate, the risk of price-cutting will be imminent.

It is generally believed that there is the closest connection between the reported Schlesinger government bargains and the closing down of the

Lausanne Conference on Reparations to Be Held in June—Paris Still Insists Young Plan Be Kept—Full Moratorium Barred.

Announcement was made at Geneva on Feb. 12 that the postponed conference on reparations, which was to have been held on Jan. 25, is to take place at Lausanne in June. The decision to postpone the conference was noted in our issue of Jan. 23, page 592. In a Paris cablegram Feb. 11, copyright by the New York "Herald Tribune," it was stated:

The basis of a Franco-British accord on reparations procedure, which would permit the convening of an intergovernmental conference at Lausanne the first week in June is reported to have been reached here to-night. This coincides with new conversations between Premier Pierre Laval and Philippe Berthelot for the French and Lord Tyrrell and the First Secretary of the British Embassy, held at the Quai d'Orsay to-day.

It was the first direct contact between the Premier and the British Ambassador since Jan. 25, when the Paris and London thesis as to the manner of relief for Germany after the Hoover moratorium expires on July 1 emerged as widely divergent. Since then, technicians of the two nations have continued to exchange views through diplomatic channels and these now appear to have met agreement.

The basis of accord, it is reported, lies in the recognition by both governments that "Germany cannot pay during the first full year from July 1 any more than she paid under the Hoover holiday year." It is agreed, in other words, that it is necessary to give Germany at least one more year to complete her relief from political debt.

It is admitted in well informed circles, however, that the Franco-British accord still is vague as to details and more negative than positive. Presumably, France's cherished "principle of maintenance of reparations payments" is intact, but considerable difficulty over the details of approach to reparations settlements is expected. The British all along have insisted on at least three years of complete relief for Germany, including the waiving of the entire unconditional annuity, which the French have determined to maintain in form, if not in substance.

To-day's development, at any rate, offers more hope for progress on the reparations issue than at any time in the last three weeks.

Under date of Feb. 12 a Paris message to the New York "Times" had the following to say:

The Foreign Office here and the British Embassy refused to-day to divulge the terms of the reparations agreement which has been submitted to the representatives of the various interested Powers at Geneva to-day, but in authoritative quarters it was confirmed that its object is to postpone vital issues to the new conference.

There have been no developments in Paris the last few days to contradict the understanding cabled two days ago that no real progress has been made between the French and British on the reparations issue, and their viewpoints are still poles apart. But both sides have agreed on the procedure to be followed and feel there is a good chance to reach an agreement before the present moratorium ends. They desire especially to placate opinion in financial circles, where even a normal accord is certain to be welcomed.

Geneva advices to the effect that, after a conference between Andre Tardieu and Sir John Simon and the adhesion of other interested States, it had been decided to hold a reparations conference in June brought no official statement here, but it was announced that a communique would be issued here and in London to-morrow morning. This communique will contain the text of the agreement concerning the conference. As framed to-day, it obtained the approval of the German, Belgian, Japanese and Italian governments.

It is stated that on the way home from Geneva Sir John Simon will halt in Paris to confer with the Premier on reparations and other matters.

The British Foreign Office at London issued on Feb. 13 with reference to a communique stating the postponed conference giving at the same time the communique. From the New York "Times" we quote from a London cablegram Feb. 13:

This decision was taken by agreement of the governments of Belgium, France, Germany, Italy, Japan and Great Britain.

These States are all specifically named in the official announcement for the definite purpose of showing the world the agreement is multilateral, not merely an arrangement between the French and British governments, whose representatives have been chiefly associated in the public mind with the recent conversations resulting in to-day's action.

"The object of the conference," says the communique, "will be to agree on a lasting settlement of the questions raised in the report of the Basle experts and on measures necessary to solve the other economic and financial difficulties which are responsible for and may prolong the present world crisis. This decision has been reached by the above governments in the hope it will ease the international situation."

One of the key words in this communique is "lasting." The Basle experts used the same word in the following paragraph of their December report, which is particularly relevant to to-day's communique.

"Again the adjustment of all inter-governmental debts (reparations and other war debts) to the existing troubled situation in the world—and this adjustment should take place without delay if new disasters are to be avoided—is the only lasting step capable of re-establishing the confidence which is the very condition of economic stability and real peace."

Other outstanding words in to-day's Foreign Office announcement, to which London attaches great significance, are, "measures necessary to solve other economic and financial difficulties." This is interpreted here as an

assurance that the delegates at Lausanne in June will consider not only reparations, but the whole question of war debts, and that this will have to lead to some joint program with which the European debtor countries may approach the United States with some reasonable hope it will be accepted by Washington as a sound basis for readjustment all along the line.

With regard to an official statement issued at Berlin Feb. 13 we take the following from a cablegram (copyright) to the "Herald Tribune":

In substance, the reparations conference, which at first was to have been held almost three weeks ago, is intended to give effect to the report of the Basle experts (Young Plan Advisory Committee) who reported on Dec. 23 1931 that Germany was unable to pay her unconditional annuity of \$157,000,000 in full, and completely unable to transfer her conditional annuity of \$268,000,000.

The German announcement of the conference said:

"The task of the conference will be to agree concerning a lasting settlement of the questions raised in the report of the Basle experts and concerning methods to be used to solve other economic and financial difficulties which have caused the present world crisis and could prolong it."

Officials said that the German Government "has attained its objective in calling the Lausanne conference with this agreement," but that the Government had hoped that such a parley could be summoned for an earlier date.

In diplomatic circles here the view is expressed that the text of the communique announcing agreement upon calling the reparations conference represents a victory for the German viewpoint, not so much in what it says, but what it omits significantly to say.

The Wilhelmstrasse consistently has fought the view that either the Hoover moratorium could be extended after the first of July or that the Young plan could be prolonged. It is pointed out here that the fact that the communique contains no reference either to the Hoover moratorium or the Young plan means that the reparations conference is free to consider the German point of view.

The following from Paris Feb. 13 is from the New York "Times":

With the publication of the agreement to hold the Lausanne reparations conference in June, a dark cloud has been lifted from the French political and financial world. The dragging on of the unsettled reparations matter for months has been causing extreme nervousness in almost every sphere of activity in France, and although it is realized that nothing has been agreed upon except a determination to try to settle matters at the June meeting, that is enough to arouse great hopes and to bring immense relief here.

What Paris is talking about most is the communique is the word "lasting," referring to the settlement of the reparations question. It is evident already that the French and British mean different things by it. In the French text the word is "durable," and it is not interpreted to mean "permanent" or "definite," two things which the British would like to have read into the communique.

That has been one of the great stumbling blocks in the recent weary weeks of negotiations, and neither side has yet altered its original stand. However, the French consent to allow the word "lasting" to be employed intimates a willingness to agree to a fairly long moratorium which is more than they were willing to do at first.

The French, nevertheless, still refuse to grant a complete moratorium, insisting on the retention of the Young plan.

The finishing touches were put on the present agreement on reparations by a conversation late to-night between Sir John Simon, the British Foreign Secretary and Premier Laval. Sir John arrived at 10 o'clock from Geneva, where he obtained an agreement on the part of the other countries interested including France, but he had had no chance to talk over matters with M. Laval on his way to Geneva Sunday night.

It is interesting to note that to-day's agreement caused a substantial rise in quotations on the Young and Dawes loans on the Bourse, where even reports of a coming accord during the past few days had lent a buoyancy to the market.

United States Not to Participate in Lausanne Reparations Conference.

It was stated in a dispatch to the New York "Herald Tribune" that Henry L. Stimson, Secretary of State, announced on Feb. 13 in response to questions that the United States Government would not participate in the economic conference which is to meet in Lausanne in June. The dispatch further said:

Secretary Stimson was reticent about discussing the subject. He said he did not recall that the State Department had been notified about the meeting, but he added that the position of this government with regard to European economic conferences where reparations and war debts are part of the agenda was unchanged.

It was apparent to Washington observers that the Lausanne conference was postponed particularly with the hope that the United States would participate.

Engineers Ask Advisory Law for Foreign Loans—Tell Senate Finance Committee That Technical Advice Would Avoid Losses—Point to Latin America—Bond Sales of \$930,000,000 for Public Works Said to Have Been Unwisely Planned.

Legislation providing for consultation with engineers before bankers make foreign loans for public works abroad was suggested to the Senate Finance Committee at Washington on Feb. 15 by the American Institute of Consulting Engineers of New York. This is learned from a Washington dispatch to the New York "Times," which reported that a statement signed by officers of the institute, including Col. Frederic A. Molitor, retiring President, said in part:

A recent investigation by the Latin-American Bondholders Association indicates that of some 60 issues to 5 countries of Latin America which total some \$390,000,000, about \$140,000,000 were definitely allocated to public works and some \$530,000,000 were stated to be allocated in part for public works.

So far as is publicly known, there has been an almost complete absence of competent reports by independent engineers on these projects, and little, if any, supervision by such engineers of the expenditure of these funds.

The Institute reported that there was "every evidence that these public works, and especially the development of transportation—on which all other development depends—have not been wisely planned or efficiently executed and that this is responsible, at least in part, for the losses from which the investors are now suffering."

The statement cited Bolivia, with an estimated total debt of \$70,600,000, "incurred principally for the construction of railroads and other public works," adding that "probably not more than one-third of this amount and certainly not more than half of it has been spent profitably on any public works."

"The recent history of foreign loans," the statement added, "has shown that the mere sound legal form of contracts is of little use when economic conditions prevent their fulfillment. The Institute believes, however, that if the advice of responsible, well informed engineers had been uniformly obtained, it is practically sure that some of the foreign investments would not have been made during the past 10 years."

Paris Press Nervous Over Glass-Steagall Emergency Banking Bill—Press Sees "America Gone Mad."

A cablegram as follows from Paris, Feb. 12, is taken from the New York "Times":

Once again the United States dollar comes in for wide comment in the Paris press to-day, but thus far on the whole the attitude is the reasonable one of wait and see. There is no denying, however, that in French financial circles the keen interest is somewhat mixed with nervousness over the Glass-Steagall emergency banking bill, now under discussion in Washington.

The fact that the dollar took a sharp drop from 25.40 francs to 25.3525 to-day was not ascribed except slightly to accusations about inflation, since the chief reason is that the Bank of France announced its intention to raise the charge for minting gold from 20 to 40 francs a kilogram, which had affected all exchanges one way or the other.

The press of the extreme Right, which has been attacking United States financing for months, made the most of to-day's occasion. "Liberte" prints an editorial headed "America Gone Mad," predicting that the "great debacle of the dollar is beginning."

Financial circles naturally are trying to ignore such attacks, but it is generally admitted they are having a deplorable effect on public opinion, which may make the dollar a political issue here. The chief object of the Right press is to try to induce the Bank of France to withdraw quickly all its gold balances from the Federal Reserve Banks. The Bank of France authorities, however, continue to assert they are in perfect accord with the Federal Reserve and will do nothing to embarrass American finances.

French Financier Lucien Lamoureux Thinks Inflation Through Broadening of U. S. Federal Reserve Discount Privileges May Involve Dangers.

From Paris, Feb. 13, Associated Press accounts stated:

Lucien Lamoureux, prominent financier and reporter for the Budget Committee in the Chamber of Deputies, to-day described the new American proposal to broaden the rediscount basis of the Federal Reserve System as "fruitful inflation."

"In normal times this would not present any danger," he said. "First, because the proposal does not change the legal Federal Reserve gold coverage; second, because this inflation will be guaranteed by a supplementary gold reserve in proportion to the legal coverage; third, because advances to banks will be guaranteed for the treasury by collateral demanded with each advance, and fourth, because this inflation would not be made to aid the Federal budget."

But in a period of economic and financial crisis and of a budgetary deficit the American proposals can present certain psychological dangers for American money, M. Lamoureux felt.

"From the economic standpoint the bill seems useful," he said. "As I understand it, it opens credit to banks, which in turn will pass it on to industrial and commercial clients."

"The present crisis, for various reasons, is characterized by restricted credits, which paralyze business. It is against this condition that the American measure apparently is directed."

"In this respect the measure means inflation, but fruitful inflation, and I think all countries should follow the results closely."

Germans Acclaim United States Credit Move—Experts See Chance for World Improvement in Glass-Steagall Emergency Banking Bill—Gold Reserves Stressed—Rejection of Wagemann Proposal.

The Glass-Steagall emergency credit expansion bill in the United States is the topic of the day in German financial circles (said a Berlin cablegram, Feb. 12, to the New York "Times"). Some economists already sensing the dawn of a new boom and even the more conservative ones being inclined to see a chance for improvement throughout the world if the bill is adopted. The cablegram continued:

The scheme of Professor Ernst Wagemann, head of the Federal Statistical Bureau, which was recently put forward and which also provided for modification of currency coverage requirements, has been rejected with rare unanimity in Germany, but it is asserted that the American bill is a different matter, as the United States can afford more liberal policies in view of its large gold reserves.

The "Vossische Zeitung" leads the chorus of those who acclaim the initiative of the United States Government without restraint. The paper regards the bill as conclusive evidence that President Hoover is determined to make an end to the depression, and it has no doubt that the President, with the enormous American reserves at his disposal, will be successful in this attempt. What he failed to achieve through his debt moratorium, due to French sabotage, the paper holds, he will now carry through on a national basis.

See Success Likely.

"And if the world does not resist, the attempt of the United States to raise the price level not only in the United States but throughout the world must succeed," the paper declares. "A determined turning away from deflation in the rich countries of the world must mean the beginning of recovery."

According to the "Deutsche Tageszeitung," the United States is the only courageous and sensible nation of the world, as it does not shrink from measures as being inflationary only because they are anti-deflationary. Germany, the paper holds, keeps on trying to escape from the burning

house through the front entrance, which is barred by the flames, instead of using the fire-escape, which is merely harder to find.

Dr. Gustav Stolper, editor of "Der Deutsche Volkswirt," leading economic weekly, said that with the information at hand it could not be definitely decided how through the American measures would be.

He maintained, however, that the successful attempt of the United States to prolong prosperity in 1927 for two years by the extension of credit facilities warranted the hope that the new bill would be the turning point, at least as far as the United States was concerned.

In 1927 this policy was wrong, Dr. Stolper held, as the depression would not have been so severe if the boom had not been prolonged artificially, but now similar measures might speed up natural developments.

Holds Problem Bigger To-Day.

"It all depends on whether the low point of the depression has already been reached and liquidation has proceeded far enough," he said. "It is clear that the problem to-day is much bigger than when the Hoover moratorium was declared, for in the meantime the international credit crisis has complicated the issue, whose solution depends largely on political questions.

"Whether Germany will directly benefit from the extension of American domestic credit depends on whether the rise in the prices of raw materials will be made up by an increase of exports at reasonable prices."

The "Deutsche Allgemeine Zeitung" declares that it would be a great mistake to acclaim the American plan as the end of the world depression. Holding that natural liquidation of the crisis has not yet been concluded, it declares that the proposed action of the Federal Reserve System will only stretch the process of this liquidation over a longer period, thereby modifying the pressure of deflation.

Theoretically the American plan will not have to be carried out completely in order to have beneficial effects, the paper says as the slightest stimulus to prices will mobilize a huge amount of hoarded notes.

Stocks and bonds which are being sold while the Stock Exchanges are still closed rallied markedly on the news of the American bill, and banking circles generally are optimistic as to further developments. It is believed that initiative along the lines of the bill is just what is needed at the present moment.

Drive to End Hoarding As Europe Sees It—Movement in United States Approved, but Skepticism Is Felt Regarding Important Results.

The following Amsterdam cablegram, Feb. 12, is from the New York "Times":

The American measures against hoarding are considered here to have been very advisable, although their complete success is doubted. Total hoarding of cash in the whole of Europe is estimated here at 1,000,000,000 guilders, or \$400,000,000.

There is a feeling that, although this hoarding is at present an admittedly unfavorable factor, it will indirectly become a help to business revival as soon as fundamental influences are improving, because then a great mass of purchasing power will be suddenly drawn into the field of commodities.

New French Ships Get \$4,400,000 State Aid—Work Resumed on Champlain and 70,000-ton Super-Liner After Treasury Grants Loan.

Having obtained a loan of 110,000,000 francs (\$4,400,000) from the French Treasury before the capitulation of the Laval Government, the French Line headquarters here announced on Feb. 17 that work is again going ahead on the 28,000-ton cabin liner Champlain, and the huge 70,000-ton de luxe express passenger steamship at the St. Nazaire shipyards. Noting this, Paris advices to the New York "Times" continued:

Barring any unforeseen hitch, the construction program for delivery of the Champlain for trial cruises is expected in May and the vessel should be commissioned in the Havre-New York service in June. She will be the largest cabin liner in the French Line fleet, being 2,000 tons greater displacement than the Lafayette. The Champlain will be 650 feet long, 86 feet beam and will carry a total of 1,053 passengers. Her engines will develop 24,000 horsepower.

Minting Fee Raised by France.

From its Paris bureau the "Wall Street Journal" of Feb. 13 reported the following:

The Bank of France has decided to raise its minting fee on the purchase of gold to 40 francs a kilogram from the present 20 francs. The gold point of entry, which will be affected two or three points by the forthcoming increase in shipping charges from New York, will thus be lowered about two more points to about 25.35 francs to the dollar. In terms of dollars, the franc will have to advance to about \$.03944 before gold can be shipped, as compared with the present rate of about \$.03939.

The fee was originally fixed at 40 francs by the stabilization law, but was reduced shortly afterward by decree. The present move by the bank is apparently dictated solely by considerations of profit because of the large gold flow. No coinage of gold is yet being contemplated.

French Bank Draws on Foreign Credits—Week's Heavy Decrease of Balances Abroad Reflected in Large Gold Import—Some Gold Distributed—American Coin Believed to Be in Demand in Continental Countries for Hoarding Purposes.

The following from Paris Feb. 12 is from the New York "Times":

The rise of 936 million francs in the gold reserve of the Bank of France during the week covered by Thursday's statement brings the ratio of cover against the note issue to the high record figure of 65.06%. It compares with 63.39% in the preceding week. The increase in the gold reserve was offset by a decrease of 700 millions in foreign exchange holdings against sight balances abroad, which the Bank of France is continuing to liquidate. Bills bought abroad decreased 850 million francs.

In practice, this liquidation of foreign credits can take place under present conditions only through gold imports. The lowering of the purchase price of gold by the bank is merely return to the normal price fixed by statutes,

which represents the theoretical parity of gold after including refining and coining costs. The Bank departed from these absolute conditions to assist the Bank of England some time ago, and to prevent the weakness in sterling which prevailed at that moment from increasing. The present action regarding gold has the effect of lowering the gold export point from America about four centimes.

Concerning imports of American gold, which still seems to be demanded in Europe for purposes of public hoarding, it should be remarked that the gold eagles arriving in France from New York are to a great extent being redistributed to other European countries. Naturally, those countries whose foreign exchange position appears to be most in danger are those in which the public is hoarding most heavily. Nevertheless, despite the British propaganda in favor of general abandonment of the gold standard, the ancient and universal custom which considers gold as the absolute standard of value is not likely to disappear.

The opinion in the best financial quarters here is that no country now adhering to the gold standard will abandon it unless absolutely forced to do so, and that the countries which are most inconvenienced in making foreign payments are preparing to restrict exchange transactions rather than to abandon actual gold payments.

Belgium Cuts Debts—Purchases in London and New York Reducing Commitments.

The New York "Evening Post" reported the following from Brussels Feb. 6:

Belgium is rapidly reducing her long-term debts abroad by purchases in New York and London, Finance Minister Houtart stated.

Although the national finances are feeling the strain of the world crisis, he continued, the Government is opposed to any borrowing from the National Bank, and is taking measures to restore budget equilibrium by reducing expenditures by 500,000,000 francs and increasing taxation in the same proportion.

Once this is accomplished, the Government proposes to issue a lottery loan of 2,000,000,000 francs, which is expected to attract hoarded currency and finance reproductive public works.

President von Hindenburg of Germany Accepts Renomination.

President von Hindenburg of Germany made known on Feb. 15 his decision to become a candidate for re-election; a statement issued by him said:

After earnest deliberation, conscious of my responsibility for the fate of the Fatherland, I have decided to place myself at the people's disposal for re-election. The circumstance that the appeal did not come to me from a party but from the broad masses of the people makes me regard it a duty to declare myself in readiness.

If I am elected I shall continue faithfully and conscientiously to serve the country with all my strength in order to help it obtain freedom and equality of rights abroad and unity and progress at home. If I am not elected, I will be spared the reproach of having voluntarily left my post in difficult times.

For me there is only one truly National aim, the uniting of our people in their struggle for existence and the dedication of every German unreservedly in the strenuous effort to preserve the Nation.

From a Berlin cablegram Feb. 15 to the "Times" we quote the following:

President von Hindenburg's decision follows a fortnight of agitation by Nationalist and Fascist groups led by Dr. Alfred Hugenberg and Adolf Hitler in the hope of breaking down the President's resistance to demands which he believes inimical to the interests of the Nation and an affront to his personal integrity. In accepting renomination as the "people's candidate," Marshal von Hindenburg has brought confusion to the reactionary and Fascist forces, and competent political observers predict he will be re-elected in the first balloting on March 13.

The opposition has no candidate strong enough to outdistance the Field Marshal, who is credited with the ability to poll more than half the votes cast in the first balloting. It is assumed that in a total vote of 38,000,000 the opposition candidates, including the Communists, could obtain only 17,000,000 under the most favorable conditions.

In Associated Press advices from Berlin Feb. 14 it was stated that Germany's republicans, including the Social Democrats, who embrace most of the laboring class, indicated at a national conference that day that President von Hindenburg would have their support if he agreed to become a candidate for re-election.

We also give the following Associated Press account from Berlin, Feb. 15:

The National Socialist (Nazi) Headquarters in Munich announced to-night its opposition to President von Hindenburg's candidacy for re-election because he had changed front against those who supported him in the 1925 election by identifying himself with the "black-red parties of collapse."

"If President von Hindenburg had chosen to march shoulder to shoulder with the great majority of the nation to put an end to the system of decline, then we should be with him," the statement said.

"The Nazis asserted the President had been ill-advised and that their party had left nothing undone in an effort to save him from the 'sad consequences' of the course he had pursued."

"A storm will rage over Germany when the signal to attack is given to sweep away the corrupt and old, who rose through a system based on treason, and to clear the path for the young Germany that will follow its leader against whomever he calls," the statement said.

German Stock Exchanges to Re-Open Shortly.

In Associated Press accounts from Berlin, Feb. 16 it was stated that German stock exchanges will re-open soon at a date to be announced later, but there will be no official quotations and the status will remain as at present except that bank-to-bank transactions will be transferred to the Boerse buildings. A Berlin cablegram Feb. 16 to the New York "Times," said:

The Prussian Minister of Commerce informed the board of the German Stock Exchanges to-day that he agreed to the reopening of the Exchanges, stipulating that the publication of security quotations should remain prohibited for the time being.

The Stock Exchanges closed when Great Britain went off the gold standard last September. It is assumed they will reopen within a week.

In order to prevent an immediate slump the Minister decreed that sales of securities given as collateral for debts should be permitted only with his assent.

The same paper in Berlin advices Feb. 13 had the following to say regarding the unofficial market there:

The unofficial Berlin stock market ended the week under the influence of the new American credit proposals and Wall Street's response to it. Early in the week prices receded, particularly for bank and potash shares. The general advance which began Thursday, however, continued on Friday with only temporary reaction. The volume of professional trading increased, but the general public participated little. Talk of plans for reducing the gold value of the mark depressed bonds early in the week, but later the Reich loans recovered and on Friday the general market was firm and active.

Prices compare as follows with the close of last week and two weeks ago.

	Feb. 12.	Feb. 5.	Jan. 29.
Reichsbank	108	107	102
Hamburg-American	21	22	20
Bereinigte Stahlwerke	18	18	19
Mannesmann Tubes	42	43	40
Siemens & Halske	131	128	124
General Electricity	30	34	32
Farbenindustrie	98	97	94
Ascherledden Potash	83	85	79

Deutsche Bank shares closed at 41, Deutsche Erdoel 58, AKU Rayon 40, Dessauer Gas 86, Schultheiss Brewery 47.

Germany to Go to Aid of Leading Banks—Will Submit Sweeping Relief Bill Covering Four Institutions to Reichstag on Feb. 23—Must Mobilize New Funds—Deutsche Bank und Disconto-Gesellschaft, Commerce-und-Private Bank, Dresdner Bank and Danat Bank Said to Be Those Which Would Write-Off Frozen Assets.

The following Berlin cablegram Feb. 17 is from the New York "Times":

A solution of the problem of the German banks, which have been virtually paralyzed since the crisis last summer, will be attempted by means of sweeping relief action by the Government which is energetically pressing the matter and intends to decide this week upon the exact nature of the measures to be taken, so that a bill can be submitted to the Reichstag when it meets next Tuesday.

Chancellor Bruening was in session all afternoon with his committee of experts, but it was agreed that the new proposals should be submitted to him to-morrow.

The fundamental purpose of the new scheme, which promises to be another of those sweeping actions with which the Government recently intervened in economic life, is the mobilization of new means for four of the leading banks to enable them to write off frozen and doubtful assets which otherwise will have to be carried into the new year if their annual balance sheets are not to show a serious illiquidity.

The Government is also confronted with the extremely difficult task of settling the future status of the Dresdner Bank and the Darmstaedter und Nationalbank (Danat Bank), which were braced with public funds against a threatening collapse last summer.

The four banks involved in the relief scheme are the Deutsche Bank und Disconto-Gesellschaft, the Commerz- und Privat-Bank, the Dresdner Bank and the Danat Bank. Two other big banks, the Reichskredit-Gesellschaft and the Berliner Handels-Gesellschaft, which were comparatively little affected by the crisis, will be left out.

It is still intended to merge the Dresdner and Danat Banks, but strong criticism has been expressed lately against the creation of such a "mammoth bank," which would be dominated by the Reich.

The original plan to merge the Danat Bank with the Commerz- und Privat-Bank has been dropped, as the latter refused to take over the burden of the Danat Bank without obtaining large new means.

It is this problem of mobilizing new funds which has thus far delayed urgently needed Government measures to free the banks tied down by frozen assets.

The Deutsche Bank und Disconto-Gesellschaft and the Commerz- und Privat-Bank will materially reduce their stock capital. There is talk in financial circles that their capital, which, excluding stock held by the banks themselves, amounts to 240,000,000 and 45,000,000 marks respectively (the mark is worth 23.8 cents), will be reduced by one-third and that the stock owned by the two banks, amounting to about 45,000,000 and 30,000,000 marks respectively, will not be resold. The capital reductions of the Dresdner and Danat Banks will be even more extensive.

German Reichsbank's Effort to Acquire Exchange—Bank Rate Said to Be Kept Up to Avoid Drain on Holdings.

In a Berlin message Feb. 12 to the New York "Times" it was stated that among other numerous causes, the Reichsbank's power to acquire foreign exchange has been injuriously affected by importation into Germany of marks with which, under present regulations, foreign exchange may be bought. The account continued:

The government is planning restrictions against this last-named practice. It is believed that the exchange position has improved somewhat in the last few days.

If the foreign exchange balance were in favor of Berlin, the Reichsbank could immediately reduce its discount rate; but under present conditions such reduction would cheapen home credit relative to foreign credit and would thereby encourage short-term debtors to make repayment to foreign banks. Under the Stillstand agreement, such voluntary repayment cannot be prevented. The Reichsbank can merely discourage it by refusing domestic credit to the parties making such repayment.

Germany Grants Aid to Shipping Lines—Total of 20,000,000 Marks Loaned, Most of it to Lloyd and Hamburg-American.

The following from Berlin, Feb. 17 is from the New York "Evening Post":

Credits totalling 20,000,000 marks have been advanced by the German Government to shipping lines, according to a report to-day in the Frankfurter Zeitung.

The North German Lloyd received 8,000,000 marks, the Hamburg-American 8,000,000, and others shared 4,000,000 marks. The credits are repayable April 1.

The Government is understood to be unwilling to prolong the credits as it is dissatisfied with the pooling agreement. According to the London "Times" the Hamburg-American cargo receipts last year fell by 40,000,000 marks.

Germany's Trade Falls to Low of 31 Years—January Exports on Level of 1926, Imports Same as in 1898—Tariffs Blamed—Gold Control Tightened—Government May Lower Dollar Quotation.

The curve of German foreign trade, under the pressure of protective measures throughout the world, dropped in January to a point which was probably the lowest in this century.

Exports were on the level of the monthly average of 1926 and imports on the level of 1898. A Berlin cablegram Feb. 15 to the New York "Times" went on to say:

The export surplus, which, in view of the continuing losses of gold by the Reichsbank, would have undoubtedly grown if economic forces had had free play, declined by more than 46% as compared with December and more than 70% against the record surplus of last October.

Including reparations in kind, the export surplus for January amounted to \$28,000,000, while the average surplus in 1931, on which the calculations of Germany's capacity to pay off private and political debts were chiefly based, was \$57,000,000.

The foreign trade statistics for January show clearly that the decline was largely the result of the open and hidden barriers erected in many countries of Europe and elsewhere.

German imports in January, totaling \$101,000,000, dropped off about 10% as compared with December.

Exports in January totaled \$129,000,000, as compared with \$209,000,000 last October. This represents a drop of 23% against December. The reparation deliveries included in this figure amounted to about \$3,000,000.

The decline in the export surplus makes it imperative for the government to take all possible steps for the adequate protection of the gold reserves on hand. It has been discovered that many business men circumvented the net of foreign exchange control measures by buying commodities abroad and obtaining the necessary exchanges by declaring they were to be imported. The commodities, however, were left abroad and resold, with the proceeds deposited in banks abroad.

Henceforth exchange will be released by the Reichsbank only against affidavits that the goods concerned will actually be imported within the month.

This rush to acquire as much exchange as possible has also prevented the Reichsbank so far from lowering the official German quotation on the dollar in accordance with its weakness abroad. A plan is now under consideration to quote the dollar against the mark at 4.212 instead of 4.213, as it has been quoted since last May.

Government-Owned Bank in Germany Cuts Dividend from 7 to 4%—Net Profits Drop from 5,000,000 to 3,100,000 Marks.

The following (United Press) from Berlin Feb. 13 is from the New York "Herald Tribune":

The government-owned Reichskredit Gesellschaft issued its annual report for 1931 to-day and declared a dividend of 4% compared with 7% in 1931.

The bank, first of the large institutions to report for the year, is expected to be the only one to pay a dividend. Gross profits for the year amounted to rms. 10,800,000, compared to rms. 12,000,000 in 1930.

Net profits for 1931 totaled rms. 3,100,000 against rms. 5,000,000 in 1930, while the bank's total turnover was rms. 48,000,000,000, against rms. 73,000,000,000. Deposits at the end of 1931 amounted to rms. 482,000,000, compared to rms. 579,000,000 at the end of 1930. Deposits with other banks dropped from rms. 106,000,000 to rms. 25,000,000.

German Reichsbank May Change Dollar Rate.

From Berlin the "Wall Street Journal" of Feb. 15 reported the following (United Press):

The Reichsbank is contemplating lowering the official quotation on the dollar to forestall an unusual offering of dollars after the decline of the dollar in Paris and Amsterdam. The official quotation fixed may be 4.213 marks to the dollar, which would make the mark worth 23.736 cents, compared with par of 23.82.

Finance Writers Fear Germany's Default on Debt Payments—Warn Export Balance Drop Will Imperil Reichsbank's Reserves—May Restrict Transfers—Government Might Curb Certain Movements of Capital to Protect Currency.

A cablegram as follows from Berlin Feb. 16 is taken from the New York "Times":

With Germany's export balance destined to show a further slump, the question of the Reich's ability to meet service charges or her foreign indebtedness is becoming an acute problem. This is the opinion of some financial writers who pointed out that the Reichsbank's reserves will be indisputably imperiled if the hitherto favorable surplus is wiped out in the ratio reflected by figures for January.

At present the surplus of exports over imports no longer suffices to cover the interest charges of foreign credits, says the "Deutsche Allgemeine Zeitung," which asserts that whereas the monthly export average in the second semester in 1931 showed an excess of about \$75,000,000, the January, 1932, surplus slumped to about \$25,000,000. The causes of this, say the newspapers, is commercial warfare now being waged with recourse to various reprisals and customs barriers which cannot fail to force the debtor nation into an intolerable position.

Present estimates place reserves which the Reichsbank is able to mobilize to meet foreign indebtedness at barely \$50,000,000, and when these are exhausted there remain about \$200,000,000 coverage of assets, of which \$100,000,000 is due foreign Central Banks for rediscount credit.

While the development thus foreshadowed must not be construed as representing a peril to German currency, it nevertheless threatens to force the Reichsbank and the Government into a situation where it will become imperative to restrict such capital transfers abroad as are involved in Germany's long-term debts as well as in the service of the Dawes and Young loans. Although this is not an ideal situation politically, it nevertheless, in the opinion of the "Deutsche Allgemeine Zeitung," may become a necessity if the National currency and parity rights of foreign creditors are to be safeguarded.

Responsibility for such a development, says this newspaper, would then be laid at the doors of those who forced the world economy into a state of liquidation by destroying the international credit system.

Austria to Resort to Import Quotas—Will Replace the Restrictions on Exchange—Hopes Powers Won't Take Reprisals.

The following from Vienna Feb. 16 is from the New York "Times":

The Austrian Government to-day addressed to the Ministers of Britain, France, Italy and Germany a note pointing out Austria's need for wider markets and deploring the impossibility of obtaining them by agreement with her neighbors.

The note announced that import restrictions must now be substituted for the exchange restrictions, which had failed to accomplish their purpose, and expressed the hope that this move would not be interpreted as a hostile step inviting reprisals.

The note seems to be a despairing eleventh-hour protest against the necessity of imposing a system of import quotas, thus taking a step which, although it appears to be dictated by the immediate necessity of protecting the value of the schilling, corresponds "neither with the intentions of the Government nor the needs of Austria, whose economy cannot develop through reciprocal restrictions, but needs the greatest freedom of movement."

The hope expressed in the final phrases of the note that Austria's neighbors will appreciate the necessities which prompt the new steps she must take, and help her to take them, is not likely to be fulfilled, since they, like her, have already imposed or are considering the regulation of their import trade by quotas to protect their trade balances and thus their currencies. Both Italy and Czechoslovakia already have such restrictions.

The exchange regulations, which were first hailed as a means of putting an embargo on imports without technically violating existing trade treaties, have failed to fulfill that purpose, and now Austria, like Bulgaria, must proceed to the direct quota system.

Move Made to Oust Premier Karolyi of Hungary—Deputy Charges Premier Will Gain by Payment of Gold Into the Optants' Fund.

A motion to unseat Premier Julius Karolyi on the ground he and his family would benefit largely from the payment into the so-called optants' fund of 600,000 gold francs by the Government, which at the same time says it has no foreign exchange with which to pay Hungary's foreign creditors, was introduced in Parliament on Feb. 11, according to a cablegram from Budapest to the New York "Times" which also said:

Despite stormy opposition from the Government benches the President of the Chamber agreed to refer the question to a committee.

The Social Democratic Deputy Eiztergalyos, who made the motion, declared the Prime Minister, with 3,300 acres of land, and his family with 40,000, would benefit considerably under the fund. This was created to reimburse the Hungarians who, "opting" to remain Hungarian citizens, suffered the confiscation of their lands in the changes of States after the war.

He contrasted the payment of this sum in foreign exchange with Hungary's declaration of a transfer moratorium.

Foreign Minister Ludwig Valko replied that the sum was not 600,000 gold francs, but 290,000 gold crowns; and said that in return Hungary would receive ten times as much in foreign exchange paid in by other States.

Dutch Negotiate With Hungary for Foreign Exchange Clearing House.

An Amsterdam message Feb. 16 to the New York "Times" said:

Negotiations here with Hungary are expected to bring about a foreign exchange clearing house, through which Dutch exports to Hungary would be paid for by Dutch concerns importing from Hungary. Thus payment difficulties that otherwise arise for exporters in the two countries whose finances are crippled would be obviated.

It is fairly certain that the arrangement with Hungary will be put through soon, as well as corresponding arrangements with other countries of Central Europe.

Italy's Unemployed Up 69,000 in Month—Total of 1,051,000 on Jan. 31 Largest in History—Improvement in Sight.

From Rome (Italy) the New York "Times" reported the following under date of Feb. 15:

The number of unemployed in Italy increased 69,000 during January, which was somewhat less than had been generally expected. The total of 1,051,000 on Jan. 31 is the largest in the nation's history.

A further increase in the number of idle is expected during February. Then, with the resumption of intensive agricultural work, a decrease is looked for.

Of those out of work, only 254,000 receive unemployment insurance benefits. The remainder are provided for by the Fascist party and private charities. The unemployed include 802,000 men and 249,000 women.

Rumanian Finance Minister Said to Have Been Forced to Abandon Debt Conversion.

A Bucharest message as follows Feb. 17 is from the New York "Times":

With almost all the Rumanian political parties declaring themselves opposed to the conversion of agricultural debts by means of forced loans, as proposed by Minister of Finance Argetoianu, he has been forced to abandon the scheme.

In the Chamber to-day, Mr. Argetoianu announced that the bill had been withdrawn and said that the Government would initiate debate on the subject of the conversion of the farmers' debts to the banks, but without proposing any financial remedy. This heavy burden, he added, it would leave to the incoming government.

Dino Grandi, Italian Foreign Minister, at Geneva Disarmament Conference Says Italy Would Abolish Capital Ships, Artillery, Warfare Weapons, &c., and Revise Laws to Protect Civilians—Views on International Police Force.

Foreign Minister Dino Grandi, chief of the Italian delegation, told the World Disarmament Conference at Geneva on Feb. 10 that Italy rejected the French theory of the necessity of security to precede disarmament and that his Government was willing to abolish capital ships, submarines, aircraft carriers, heavy artillery, tanks, bombing aircraft and chemical warfare weapons, and to revise the laws of war to protect civilian populations. Associated Press accounts from Geneva went on to say:

The black-bearded 36-year-old Foreign Minister, probably the youngest delegate at the conference, told his elders:

"Without disarmament there can be no security." By innuendo he characterized the French theory as "a sophistry of disarmament."

Accepts Proposal of Ambassador Gibson.

He accepted the proposal made yesterday by Ambassador Hugh S. Gibson of the United States to prolong the Washington and London naval agreements.

"I am firmly convinced of the need of completing the London naval agreements," he said. "The negotiations between France and Italy have been interrupted, but I need hardly repeat that my country is always willing to do all in its power to bring them to a successful conclusion."

Signor Grandi also accepted the German demand, voiced yesterday by Chancellor Heinrich Bruening, that other nations disarm in the same proportion as Germany is forced to do under the Treaty of Versailles.

"The peace treaties," he said, "were not intended to place the defeated nations in a condition of permanent inferiority, but, as the president of the peace conference solemnly declared, they presented 'the first steps toward that general reduction of and limitation of armaments which the allied and associated powers seek to bring about as one of the most fruitful preventives of war.'"

"This," Signor Grandi added, "was not, therefore, a pledge taken by one group of States toward another group. It was a reciprocal undertaking of each of us toward all the others."

Speaking in French, he reaffirmed the two principal points of the Italian policy on disarmament laid down by Premier Mussolini. These were "the equality of rights between all States and the equalization of armaments at the lowest levels."

International Police Force.

Commending on the French proposal for an international police force, he said: "My country certainly would not hesitate to consider any proposal tending to fortify the institutions of the League of Nations, provided it would lead to an effective reduction of armaments. But on the other hand, it would regard it as vain to do so if the capital problem of disarmament were not to find therein the adequate solution."

"Let us then leave theories aside and look the facts in the face. The facts show that without disarmament there can be no security. We are, I fear, on a slope leading to a new armaments race, a phenomenon all the more alarming if it is viewed in the light of the economic depression now afflicting all our countries."

He pointed out that in 1925 the world spent on armaments \$3,497,000,000; in 1930, \$4,128,000,000.

"I must, however, call your attention," he said, "to the fact that this race for armaments has been intensified at the very time when we were elaborating those legal instruments of security known as the Treaty of Locarno, the pact for the renunciation of war and the general treaty of arbitration."

"This fact seems to me clearly to show that the reinforcement of security cannot of itself reduce competition in armaments or destroy the system of armed peace."

He said he viewed the present conflict in the Far East not with the tragic irony the others view it but as a "warning to us all."

"It admonishes us," he said, "of the road ahead of all countries in the world should this disarmament conference fail in its efforts."

The task of the conference, he continued, was to ascertain whether the progressive acceptance of international justice was not guaranteed by equally progressive renunciation of the forces capable of bringing pressure to bear on the administration of that justice. Any military preponderance, he said, must inevitably make its pressure felt on the whole body of international relations.

Peace Treaties Practical Examples for Limitation of Armaments.

"It would be vain," he said, "to believe that such pressure would always be placed at the service of justice. On the contrary, it is to be feared that, since justice would be blunted in those who would wield the force, confidence in that justice would certainly weaken in countries living under a permanent threat of the force. Our task is to fortify justice, not to justify force."

Joint action by the League of Nations in case of aggression, he said, would remain a dead letter as long as the members of the League main-

tained such powerful military forces that any desire to undertake joint action met with the alternative of failure or war.

The peace treaties, he said, formed a practical example for the reduction and limitation of armaments.

"The limits laid down in Part V for Germany and her former allies comply with the conception of depriving the armed forces of those States of the means of carrying on a war of distinctly aggressive character," he said. "This was done precisely with a view to the future international organization of peace then under consideration."

Signor Grandi received a great ovation as he returned to his seat. While he spoke, Andre Tardieu, the French War Minister, sat engrossed in a study of Signor Grandi's address.

Forced Loan Planned by Bucharest Regime—Proceeds of Five-year Tax Will Be Used to Amortize Debts of Farmers.

The Rumanian Government decided on Feb. 15 to raise a forced loan in the form of a new tax on immovable property, which will be used to finance the conversion of agrarian debts. This is made known in a Bucharest message to the New York "Times", which continued:

A 1% tax which will be imposed each year for the next five years on all real property is expected to realize about \$63,000,000, which will be repaid to the "lenders" in 30 years.

Small farmers are exempted from the tax, as it is imposed to finance the Government's conversion scheme and thus is in their interests.

Under the conversion scheme, instead of owing short-term debts to the provincial banks at high rates of interest, the farmers will be allowed to transform them into a 30-year debt to the State at 4½%, the State collecting amortization and interest and remitting to the creditors. The conversion scheme, like the forced loan by which it is to be financed, is opposed by the Liberal Party on behalf of the banks and the National Peasant Party because it does not wish the Government to entrench itself politically with the farmers, whose support it hitherto has claimed. The likelihood, however, is that both measures will pass, although perhaps in amended form.

Decree Issued at Madrid Prohibits Foreigners From Purchasing Land in Spain Without Permission of Cabinet.

Under date of Feb. 17 Associated Press advices from Madrid said:

Minister of Justice Alvaro Albornoz to-day published a decree prohibiting foreigners from purchasing land in Spain without permission of the Cabinet. Such permission would be withheld, except for founding or expanding industrial, commercial, agricultural or mining enterprises.

Aiming to prevent powerful foreign groups from acquiring extensive land holdings in Spain, the decree also prohibited foreigners transferring mortgage obligations without permission.

In case of future acquisition of holdings without permission, the decree provided for their sale at public auction, unless such holdings were disposed of within a month, and the proceeds would go to the Foreign Office.

Meatless Days Decried in Greece to Restrict Meat Imports and Aid in Maintaining Drachma.

Associated Press advices from Athens, Greece, Feb. 14, said:

Measures proposed by the Government to maintain the drachma, Greek monetary unit, were revealed to-day as including a regulation prescribing three meatless days weekly to restrict the importation of meat.

Under the plan, permission to exchange moneys abroad would be refused except to students holding scholarships, and further export of currency would not be allowed except in payment for prime necessities such as food and raw materials.

Oppose Moratorium on Bulgarian Debts—League of Nations Commissioners Find Banks in Good Shape—Confidence in Currency—Premier Insistent Bulgaria Cannot Pay.

The three Commissioners sent out by the League of Nations recently to study the financial situation in Bulgaria ended their survey on Feb. 13 with a decision that the country does not require a moratorium. Advices to this effect were contained in Sofia messages Feb. 13 to the New York "Times", which also said:

The Commission, which consisted of the League Commissioner for Bulgaria, Rene Charron; the Secretary of the League Finance Committee, J. van Walre de Bordes, and Dr. Paul Kemptner, a Berlin banker, is understood to view Bulgaria's financial situation in a rather more favorable light than it had been regarded by the Government.

Its currency coverage is 37%, and the currency enjoys the full confidence of the people. All inland bills have been discounted by the National Bank at a satisfactorily low level, and the private banks are all liquid.

Bulgaria's greatest difficulty, according to the commission, comes from the exchange restrictions of its neighbors, and it is understood that a tightening of Bulgaria's regulations, which will radically reduce imports, will be recommended.

Reference to the demand by a Cabinet Council for a moratorium on Bulgaria's foreign debts was made in our issue of Jan. 16, page 420.

Further Sofia advices to the "Times" (Feb. 16) stated:

To judge by the statement of Premier Muchanoff to newspapermen to-day on his return from Geneva, a remarkable difference of opinion exists between the Government and the League of Nations commissioners and foreign creditors regarding Bulgaria's ability to continue to discharge her foreign obligations. M. Muchanoff explained he had assured the League of Nations that Bulgaria must be granted a revision of the agreement concerning payment of prewar debts, reduction in the service of postwar loans, suspension for short and middle term loans by foreign bankers, and repayment of commercial debts in foreign currencies in installments.

Should Bulgaria's creditors not agree to all these demands, said Mr. Muchanoff, it would be impossible for her to continue to pay foreign debts after March 15. He said he had given notice to this effect and the creditors must make up their minds after hearing the report of the three League commissioners who on Saturday finished a five days' investigation of Bulgaria's financial situation.

Since M. Muchanoff's statements contrast strongly with the optimistic tone reported in the findings of the League commissioners it remains to be seen whether the threat to cease payment on foreign debts after the middle of March will be carried out. Up to 1930 the United States lent \$14,000,000 to Bulgaria, but this amount has probably been increased by short-term bankers' loans meanwhile.

Court of International Justice Rules Against Poland—Danzig Is Upheld in Its Refusal of Special Treatment for the Polish Minority.

Court of International Justice at The Hague on Feb. 4 delivered an advisory opinion on the Poland-Danzig controversy over the treatment of Poles in Danzig territory. A cablegram from The Hague to the New York "Times" further reported:

Under the Treaty of Versailles, the Convention of Paris and the Polish-Danzig Convention of 1920, Polish nationals and persons of Polish origin in Danzig territory were safeguarded against differential treatment.

Poland interpreted these provisions to entitle the Poles to entire equality of rights with the German majority, to national development and to use of the mother tongue in education, internal administration and the administration of justice.

Danzig opposed this, treating the Poles on the same footing as other minorities, according to provisions similar to those Poland applies in its own territory.

The opinion was pronounced a vote of 9 to 4 against Poland. Judges Gustavo Guerrero, Michael Rostworowski, Henri Fromageot and Francisco Jose Urrutia delivered a dissenting opinion, while Sir Cecil Hurst disagreed regarding the ground on which the pronouncement was based.

Polish Parliament Approves Budget.

Associated Press advices from Warsaw, Poland, Feb. 13 stated:

The Polish Parliament approved the national budget to-day for the year beginning April 1, calling for expenditures of 2,446,000,000 zlotys (about \$270,000,000) and an income of 2,372,000,000 zlotys (about \$261,000,000), the deficit to be met out of Treasury reserves.

From the New York "Times" a Warsaw cablegram Feb. 13 said:

The Sejm passed the budget for 1933 on third reading to-night, setting the total revenues at 2,372,000,000 zlotys and expenditures at 2,447,000,000—approximately the same sums as last year.

Since the revenue for January was only 175,000,000 zlotys, it is held evident that the year's revenue will not reach the expected amount and that further drastic economies will be necessary to balance the budget, or at least, not to increase the expected deficit of 75,000,000 zlotys.

All State investments have already been suspended and the salaries of State officials have been cut 15%, but further reductions are foreseen. For one thing, economies are sought in pensions.

Secretary of State Stimson in Letter to Senator Walsh Says Reports Received by Department Regarding Foreign Bonds Are Transmitted to Commerce Department—State Department Cannot Venture Opinion As to Resumption of Payments on Defaulted South American or Other Bonds.

The Federal Government has no means of affording relief to private investors in foreign securities on which defaults have occurred, according to a letter from the Secretary of State, Henry L. Stimson, read in the Senate Feb. 4, at the instance of Senator Walsh (Dem., Mont.). The foregoing is from the "United States Daily" of Feb. 5, which went on to say:

The only recourse which such investors have, the letter declared, is to the banking house that acted as fiscal agent for the particular issue. Predictions by the Department of State as to the likelihood of resumption of interest payments or restoration of the securities to good standing are outside of its province since it has no machinery by which it can ascertain the facts.

Senator Walsh, in presenting the Secretary's letter along with a letter from Joseph Moriarity, of Livingston, Mont., seeking information about defaulted bonds, said the communications disclosed the necessity for the investigation which occurred under the resolution (S. Res. 19) by Senator Johnson (Rep.), of California.

"I think the Senator from California should be commended for the highly important work he has done and is doing in this connection," Senator Walsh said. "The methods employed by the banking houses that sold these securities should be exposed. It is the only way in which investors may be protected.

"Here is a typical case of which there must be thousands. This man invested his savings of a life time in foreign securities. He put the money in foreign bonds because they paid a higher rate of interest than our own.

"Some criticism may attach to him for having done that. But he certainly is not to be criticized in the same way and to the same extent as the bankers who sold those bonds here, because he had no way of knowing what the facts were and they had the facilities for satisfying themselves the issues were proper."

The letter of Secretary Stimson to Senator Walsh follows:

Department of State,
Washington, Feb. 1 1932.

The Hon. Thomas J. Walsh,
United States Senate.

My Dear Senator Walsh:

I have your letter of Jan. 30 1932 enclosing a letter from Mr. Joseph Moriarity regarding his holdings of Bolivia and Antioquia, Bogota and Hungarian consolidated municipalities bonds. The Department of State

can, of course, express no opinion on the likelihood of the resumption of payments on Mr. Moriarity's securities, nor does it have information available for distribution regarding foreign securities.

Reports received by the department from its representatives abroad regarding commercial and financial conditions in foreign countries are regularly transmitted to the Department of Commerce, which is charged with the dissemination of commercial information, and which has established a finance and investment division within the Bureau of Foreign and Domestic Commerce.

The Department of State does not duplicate the work of the Department of Commerce in this regard.

As to information regarding individual loans, inquiries should be addressed to the fiscal agents of the loan in this country, or to the bankers who floated it in the United States. Mr. Moriarity encloses letters from the fiscal agents of Bolivia and Antioquia bonds. The Department's information indicates that Dillon, Read & Co., New York, are fiscal agents for the City of Bogota bonds and Speyer & Co., New York, for the Hungarian consolidated municipalities bonds.

I may say that it is understood, and has recently been reported in press dispatches from Bogota, that certain proposals for the payment in scrip of interest on Colombian State and municipal bonds are in contemplation.

However, the only safe source for information regarding matters of this kind is the fiscal agent of the individual loan in which the inquirer is interested.

The Department of State in no way ever expressed approval or favorable judgment of the bonds in which Mr. Moriarity invested. If Mr. Moriarity has any evidence of representation to this effect made to him by the sellers of these securities he might have legal recourse against them.

I return Mr. Moriarity's letter and inclosures as you request.

Sincerely yours,

H. L. STIMSON.

Secretary of State Stimson in Letter to Senator Smoot Declares Untrue Allegation of Georges N. Leger That United States Government Forced Haiti to Accept Loan.

Henry L. Stimson, Secretary of State, stated on Feb. 16 that testimony by Georges N. Leger to the effect that the American Government forced Haiti to accept a loan from an American banking concern was untrue. Mr. Leger, representing the Haitian Minister, Dantes Bellegarde, made his charges before the Senate Finance Committee, and Secretary Stimson denied them in a letter to Chairman Reed Smoot (Utah) of the Committee, made public Feb. 16.

The charges of Mr. Leger were referred to in our issue of Feb. 13, page 1121. Regarding Secretary Stimson's answer thereto we quote the following Associated Press accounts from Washington Feb. 16:

In reply to Leger's charge that the American High Commissioner, General Russell, prevented President Dartiguenave's election in 1922 because of differences over an American loan. The Secretary said he had been informed that General Russell had nothing to do with the election. Mr. Stimson added that Russell did not later control President Borno, as Leger claimed, by "holding over his head" the fact that Borno did not legally hold office because he was not born of a Haitian father as the Haitian law requires.

Leger's appearance before the Senate committee was arranged by the Haitian Minister to answer previous testimony before it that commissions are generally paid to the Governments of Latin-America contracting loans in the United States.

The Haitian Minister regarded this as a reflection on governments which have made loans in this country and particularly upon Haiti.

Mr. Stimson's letter said Leger's testimony failed to show he was concerned with this phase of the matter.

The Secretary said Leger did not go into commissions other than to say that President Mitchell of the National City Bank of New York testified of the profit made by his bank.

Secretary Stimson categorically denied Leger's statement before the committee that Haiti was not in default on any loans when the reorganization of its finances took place in 1915.

He wrote that Haiti's credit had been exhausted both at home and abroad when the American administration took over.

Mr. Stimson also said Leger's statement "that a continued state of martial law had existed in Haiti since American occupation was not a fact."

National Mortgage Bank of Argentina Has Largest Reserve Fund in History Although Agricultural Year Was Unsatisfactory.

Press advices from Buenos Aires Feb. 3 stated that the National Mortgage Bank of Argentina, which issues and controls the 6% mortgage bonds, Argentina's most popular gilt-edged securities, closed the year 1931 with the largest reserve fund in its history, although the last year was an unsatisfactory one to agriculture. The press accounts added:

The annual report submitted to the Minister of Finance gives the reserve fund at the end of 1931 as 210,000,000 paper pesos, or \$54,600,000 at the current rate of exchange. The highest previous total had been 197,000,000 pesos, at the end of 1929.

The report says the mortgage bank undoubtedly felt the effects of the agricultural crisis in 1931, as the values of land fell sharply and arrears of interest payments by land owners, suffering from low price levels for agricultural products, increased. The mortgage bank modified its usual loan policy and restricted lending to cases where proprietors are working their own land or to encourage subdivision of large holdings.

Regulation of Argentine Markets Urged—Statistical Director Sees Means of Preventing Heavy Drops on Grain Exchanges.

Important recommendations for regulating trading on the Buenos Aires and Rosario Grain Exchanges were made on

Feb. 13 in a report by Julio Urien, Director of the National Statistical Department, who has just completed an investigation of grain futures trading in the two principal Argentine markets. A cablegram from Buenos Aires Feb. 13 went on to say:

Senor Urien's report stresses the regulation effective in Argentina, whereby the buyer of futures must accept delivery on the first of the contract month, while the seller is allowed 25 days to effect delivery. His investigation revealed that large grain exporting firms were heavy and constant sellers of futures, but purchased spot deliveries only. According to his thesis, the buyers of futures, being forced to accept quick deliveries, are compelled to sell, with the result that prices drop under heavy offerings. This situation, he points out, is habitually taken advantage of by the big grain exporters who thus virtually control the market, buying spot grain from producers and selling futures in the market.

Another important point is that, while for instance futures trading in the United States is restricted to 1,000,000 bushels a day for a dealer, there are companies in Argentina which trade more than 4,000,000 bushels a day between Buenos Aires and Rosario.

Senor Urien recommends permanent government supervision of grain market operations and limitations of the quantity wherein any single dealer can operate. He observes that during the recent official investigation into grain market activities, operations dropped off to a most remarkable degree. In addition to recommending legislative action which would correct the absurd situation whereby the logical buyers of the country's grain act principally as sellers, he also suggests the establishment of trading by standardized grades, elevator construction, the introduction of the warrant system in grain trading and expansion of co-operative activity.

Argentine Paper Urges United States to Limit Loans Inquiry—"La Prensa" Asks Queries Be Restricted to Economical Aspects Involved.

The following (United Press) from Buenos Aires, Jan. 31, is from the New York "Herald Tribune":

The United States Senate committee investigating foreign loans was urged editorially by the newspaper "La Prensa" to restrict its inquiries to the economic aspects involved and not to stress the matter of illicit commissions paid to intermediaries. Such commissions, "La Prensa" declares, are outside the province of the Senate and they concern only the countries affected. The newspaper cites the questions addressed the Chilean Ambassador in Washington by the committee concerning the working of the Chilean Nitrate Co. (Cosach).

The necessity of defending "the material and spiritual sovereignty," "La Prensa" stated in conclusion, "must not be forgotten by the powers of the Northern Republic."

Profits Tax Lifted to Relieve Santiago—Other Action Taken to Relieve Financial Situation Following Earthquake.

The following Havana cablegram Feb. 9 is from the New York "Times":

The House of Representatives this afternoon unanimously approved legislation to exempt from payment the profits tax of 1½% of the gross sales tax during the period January to July of this year all merchants and industrialists of the city of Santiago which was almost destroyed by earthquake on Feb. 3.

Three other bills designed to relieve the financial situation of the victims of the earthquake were passed at last night's session of the House. They provide a year's moratorium in collection of all judicial reclamations established for forcing payment of industrial and mercantile mortgage credits; suspension of all legal periods prescribed by the civil law or criminal suits being tried by the courts of Santiago, and the suspension of collection of all fines imposed on litigants or officials for failure to act within the prescribed term. It also provides the government should lend the Santiago municipality \$278,000, to be used for the payment of employees' back salaries. These laws will be sent to the Senate immediately and prompt action is expected.

Reports from Santiago to-day state approximately 7,000 persons are being fed from soup kitchens established by Government funds and private donations. Obligatory vaccination has been ordered and the authorities are doing everything possible to prevent any outbreak of disease.

Public works employees continue to raze buildings which are considered dangerous and likely to collapse. The Archbishop of Santiago was to-day notified the old cathedral must be demolished. The walls of several damaged buildings along the waterfront crashed to-day as the result of slight tremors. No building permits have yet been issued to start rebuilding.

Proposal in Chile for Comptroller General of Unemployment—Fund Would Be Created Through Increase in Income Tax—Would Also Provide for Treasury Note Issue.

Some form of national council which will direct attention to the problem of unemployment is planned in official circles in Chile, according to Commercial Attache Ralph Ackerman, Santiago, in a report to the Department of Commerce. The Chamber of Deputies now has a bill under discussion looking in that direction, the Department reported Feb. 2, its advices continuing:

The bill under discussion would provide for a national council formed by the Minister of Social Welfare, the Inspector General of Labor, the Director of Public Works, the Director of Mines and Petroleum, officials of the Internal Revenue Board, Ministry of Lands and Colonization, Ministry of Agriculture, two representatives of employees, two representatives of labor, a representative of the National Manufacturing Association, the National Agricultural Association, the National Mining Association, the Central Chamber of Commerce and by a newly created official known as the Comptroller General of Unemployment, who would act as managing director.

All unemployed desirous of receiving benefits from the activities of this council must inscribe their names in a register created for that purpose.

A special fund would be created by increasing the rate of taxation on the income tax law, postal charges, telegrams and cables, licenses, stamp

taxes, the tax on transportation, on hotel invoices, on private automobiles, on wines, on imports of petroleum and by establishing new taxes on wages greater than 120 pesos per month, on pensions above stated minimums, on sales of items of luxury and by assessing quotas from the national budget and the budgets of municipalities. Also a tax of 5% would be placed on deposits of foreign currency in banks.

The collection of these funds would be effected by the Bureau of Internal Revenue.

For the immediate financing of this law, the President would be authorized to issue 50,000,000 pesos in treasury notes.

The law would be effective for a period of one year from the date of its publication in the "Diario Oficial."

As with all of the proposals made for the relief of the unemployed, there exists the supposition that special funds can be created by the imposition of additional taxation. The experiences of the past six months show that many taxpayers are not meeting the obligations already imposed upon them by tax laws, and trade associations, industrial groups and others are pressing the government for reductions in taxation affecting their respective activities. Under such circumstances, it appears that hopes for a substantial volume of funds by increased taxation rest upon collection from these individuals and concerns who are not now evading normal impositions, further burdening them at a time when their economic position is weakened by the general crisis through which they are passing.

This summary is transmitted for the information and guidance of the Bureau. There is no assurance that this law will be enacted even though it passes both Houses of Congress as it must be evident to the Executive that it is extremely faulty and may defeat the purpose of raising funds for the ordinary conduct of governmental affairs. However, it seems evident that legislative action of some type will be undertaken in an effort to centralize relief for the unemployed.

Co-operation Between Chambers of Commerce in North, Central and South America Planned by Committee on Inter-American Relations.

Co-operation on a wide scale between chambers of commerce in North, Central and South America is being planned by the Committee on Inter-American Relations. A sub-committee to be known as the "Committee on Inter-American Commerce" has been formed to carry out the project. John L. Merrill, President of the Pan-American Society, Inc., and of the All-America Cables, Inc., has been named Chairman of the sub-committee. The other members are:

James S. Carson, of the Electric Bond & Share Co., Vice-Chairman.

Francisco P. de Hoyos of the National Railways of Mexico.

Rafael Montoya, merchant of the Republic of Colombia.

Henry L. Jones of the United States Steel Corp.

A. Stuart Durrant of the International General Electric Co.

This executive committee will name a general committee of from 25 to 30 members, consisting of prominent North American and Latin American business men, all resident in the United States. Among those who have accepted appointment on the General Committee are:

Silas H. Strawn, President of the Chamber of Commerce of United States.

John P. Gregg, Secretary of the American Section of the International Chamber of Commerce.

E. L. Bacher, Manager of the Foreign Commerce Department of the Chamber of Commerce of the United States.

It is announced that the principal aims of the new work will be to attain an actual and permanent contact between business men of the 21 republics of the Western Hemisphere. Up to date no organized effort to accomplish this has been undertaken. All questions affecting inter-American business will clear through this general committee. Wade H. Everhart has been elected Executive Secretary of the Committee. A statement issued Feb. 15 by the committee on Inter-American Relations also says:

Besides the principal aim of serving as a clearing house for matters connected with inter-American commerce the Committee will, as one of its important functions, co-operate with the Director General of the Pan-American Union when requested, in matters of commerce, industry and business, and, with that official, follow up resolutions of Pan-American Commercial Conferences and other bodies relating to inter-American commerce, and help formulate plans for future Pan-American conferences.

The plan has been submitted to H. D. Sharpe, Chairman of the Foreign Commerce Department Committee of the Chamber of Commerce of the United States, and that committee has approved it in principle. This means that more than 1,000 chambers of commerce throughout the United States and several hundred in the various countries of Latin America will gradually establish working contacts that will aid in the arbitration of commercial disputes and generally stimulate trade and business understanding throughout the Western Hemisphere.

The work will also be closely linked with that of the National Foreign Trade Council, of which J. A. Farrell, President of the U. S. Steel Corp. is the head, which is sponsoring it together with the Committee on Inter-American Relations. It is hoped that ultimately this link can be more closely extended to the International Chamber of Commerce so that the business bodies throughout Latin America can participate with North Americans and Europeans in those conferences which discuss world economic trends. The ex-officio chairman of this new movement will be General Palmer E. Pierce of the Standard Oil Co. of New Jersey.

Sao Paulo Realization Plan—Remittances Received and in Transit for Seven Months Ended Jan. 31 1932.

Speyer & Co. and J. Henry Schroder Banking Corp., U. S. A. fiscal agents for the State of Sao Paulo 7% coffee realization loan of 1930, report that, while seven months' interest and sinking fund on the outstanding bonds require \$9,253,000, remittances received and in transit for seven months (ended Jan. 31 1932) of the second year of the coffee

realization plan's operation amounted to \$10,046,000 (including £574,641 converted at \$3.45 per pound). The total amount receivable from the sale of pledged coffee and from the special tax was equal to \$10,833,000; the balance of \$787,000 has been deposited with the bankers' agents in Sao Paulo in milreis, at the rate of 16 milreis per dollar, and its remittance is expected in the near future.

Colombia Cuts Rates of Interest on Loans—Delay in Foreclosure Sales Ordered and Aid to Mortgage Banks Decried.

President Enrique Olaya Herrera issued an executive decree on Feb. 17 reducing interest rates for three years and protecting debtors against foreclosure. A cablegram from Bogota Feb. 17 to the New York "Times," authority for the foregoing, continued:

The decree may be extended for two years if considered necessary at the expiration of the three.

The decree establishes a maximum interest rate below the prevailing rate on all classes of private and business loans in effect or to be made; it suspends amortization service on the private mortgage bank's outstanding cedulas, the banks to issue five-year cedulas to replace those that expire during the three-year period, and directs the mortgage banks to extend to double their present life outstanding long-term loans, providing the new terms do not exceed 20 years.

Postponement at the debtor's election until the end of 1932 of auction sales in foreclosure and attachment suits is provided; the Government will deposit 300,000 pesos of the national funds in each of the two private mortgage banks without interest, to be repaid in four annual installments, the first at the end of five years.

The decree relieves the private mortgage banks of the obligation, decreed on Oct. 31 1931, to deposit in the Bank of the Republic bank notes equivalent to the service on their foreign cedulas if the control board does not permit the transfer of service payments abroad. This clause is regarded as the probable forerunner of default on the service of the cedulas and the alternative of issuance of mortgage bank scrip to cover the defaulted interest.

Colombia Peso Reduction Denied.

The following is from the "Wall Street Journal" of Feb. 13:

Colombian news depatches referring to a proposed economic conference in Bogota, of representatives from the various departments, to discuss the monetary situation of the country and particularly the reduction of the peso to a lower value, have been discredited by the Government of Colombia, according to a cable received from President Olaya by the consul general of Colombia here, which reads:

"There is no foundation whatsoever in news that Government is considering the change of monetary unit or project to depreciate currency."

Fund to Help Colombian Banks.

From the New York "Herald Tribune" we take the following from Bogota, Colombia, Feb. 6:

Establishment of a special fund to aid Colombian banks threatened with closure by frozen credits was decided upon at a meeting here recently of managers of national and foreign branch banks. An initial fund of \$5,000,000 furnished by the participating banks was set up.

Colombia Saves \$1,800,000—Salary Cuts Enable Reduction of Budgeted Expenditures.

Under date of Jan. 28 a Bogota cablegram to the New York "Times" said:

Salary reductions have made possible a cut of about \$1,800,000 in the budgeted ordinary expenditures of the national government, exclusive of additional savings from reductions in the diplomatic and consular service.

Economies have been made in the newly decreed pension regulations and cuts in the national executive payrolls. The pay of Congressmen at the next session will be reduced from 20 to 15 pesos a day [a peso is worth 97.33 cents at par].

New Income, Stamp Taxes, &c., Inaugurated in Colombia.

Regarding the taxation measures designed to relieve Colombia's financial distress inaugurated on Jan. 21, under a decree made public by President Enrique Olaya Herrera, Associated Press accounts state:

All persons receiving an income of \$600 or more yearly must file income tax returns. Bachelors earning an annual income of \$600 and married men receiving \$900 must pay taxes. A \$200 exemption will be allowed for each dependent.

Stamp taxes on legal documents, money transfers, legal advertisements, customs ladings, steamship and aviation tickets and various official papers generally were increased.

A reference to the new taxation measures appeared in our issue of Jan. 23, page 599.

Bogota Debt Service Only 15% of Budget—With Interest Only Being Paid, President Olaya Insists It Must Be Kept Up.

The following Bogota cablegram Jan. 24, is from the New York "Times":

Apparently the continued agitation for a complete moratorium on all foreign debt services led President Enrique Olaya Herrera to give the press his statement yesterday explaining the present situation and position of the government.

The statement points out that interest on the national debt is now the sole service unsuspended and that amounts annually to only \$3,877,000

on the consolidated debt and \$600,000 on the short-term bank loan. Since the total of these sums is only 15% of the 1932 \$35,000,000 budget the government deems imprudent and unjustified a moratorium on this interest service while the gold reserves in the Bank of the Republic, now nearly 75% of outstanding circulation, permit the transfer of funds to meet the payments. However, cash service payments on State and municipal foreign loans will continue to be suspended and the National Government will offer its notes to such bondholders in exchange for matured interest coupons.

Foreign loan service funds deposited in the Bank of the Republic in accordance with the foreign exchange control decree since Nov. 1 amounted to nearly \$1,500,000 on Jan. 16.

The newspaper El Tiempo disagrees with the government's viewpoint that there is no justification for a moratorium on the national foreign debt service, arguing that present budget estimates are unreliable and undoubtedly inflated.

Colombia Reduces Budget.

Colombia's 1932 budget has been fixed at \$35,800,000, the Administration announced on Jan. 27, said Associated Press advices from Bogota (Colombia) which added:

This is a reduction of nearly \$2,000,000 from the tentative figure fixed last month and of more than \$4,000,000 from last year's budget which resulted in a deficit of about \$5,000,000.

Colombia to Issue Scrip for Payment of Interest on Foreign Debt.

Associated Press advices from Bogota Feb. 7 said:

Finance Minister Esteban Jaramillo announced to-day that all departments and municipalities of Colombia with foreign debts had agreed to the Government's plan for payment of interest in governmental scrip.

The Government thus becomes guarantor that the interest will be paid at a future date. Most of the holders of departmental and municipal bonds are in the United States.

Senor Jaramillo said the scrip plan would conserve the gold reserves of the nation, for under it internal bond-issuing entities must continue to pay their interest into the Bank of the Republic. The annual interest payments on departmental or provincial and municipal debts, he said, was \$5,796,000 and the annual amortization charges \$2,479,000.

Further advices from Bogota (Feb. 8) are quoted as follows from the New York "Times":

A contract whereby all Colombian States and cities carrying foreign loans, except Barranquilla, agree with the National Government for the Government to issue 6% scrip exchangeable for maturing interest coupons of the cities' and States' foreign bonds, was approved by a Presidential decree on Feb. 4, according to the text partly published in to-night's press.

The first series of the scrip will expire on June 1 1933, but is extendible for 18 months thereafter at the Government's option. Hallgarten & Co. may be named fiscal agents to handle the scrip.

The same decree suspends amortization payments on the foreign debt of the nation, States and cities until the situation as to the country's metallic reserves improves.

Transfers of funds to service the Mortgage Bank's foreign debts continue to occupy the Exchange Control Board.

The Finance Minister, in a press statement to-day, outlines a plan for the organization and functions of the proposed new credit corporation with broad powers under a 10-year government concession to take over frozen loans of domestic and foreign banks operating in Colombia and issue up to 20 times its paid-in capital in bonds discountable with the Bank of the Republic up to 25% of the Bank of Republic's paid-in capital and reserves.

A cablegram as follows from Bogota, Colombia, Jan. 29 is from the New York "Times":

The Bogota Municipal Council agreed to-day to accept conditionally, with three other cities and six states, an offer of the National Government to exchange 6% scrip for maturing interest coupons on a total of \$82,000,000 outstanding in foreign bonds.

The scrip of the National Government is due in eighteen or, if extended, in thirty-six months after issue. The conditions the Council provides are that the agreement shall lapse if the creditors do not accept the scrip and that the government obtain a suspension of the sinking fund payments without prejudicing the city under the guarantee clauses of the loan contracts of 1924 and 1927.

The annual interest on the foreign loans concerned amounts to \$5,750,000 and the scrip plan apparently contemplates the expenditure of such funds by the debtor states and cities for public works if released by the depository bank to the National Government in exchange for matured interest coupons paid for in scrip.

Associated Press accounts from Bogota on Jan. 23 stated:

President Olaya Herrera announced to-day that his government had agreed to pay in scrip the interest on foreign debts of various departments and municipalities. The bonds affected are held principally in the United States.

The President's statement reiterated his stand against a national moratorium.

"In order to guard her future, aside from ethical and moral obligations, Colombia is interested in the highest degree in making every possible effort to fulfill honorably and in the fullest measure of fiscal and economic possibilities the obligations contracted with its creditors," the President said.

"If the country is to develop and elevate its standard of living, it must in the near future ask the backing of more foreign capital, which it could not easily obtain, even though the financial world returns to normal, unless it demonstrates that it has made every possible effort in times of depression to meet its obligations."

Payments hitherto were being made only on the national debt, he said; the country owed \$3,877,000 annually in interest on its consolidated debt and the Banco de Republica owed \$1,600,000 more.

Officials of the national banks met to-day to consider plans for a national credit corporation to handle frozen assets and collect debts owed to the national banks. The idea is based on President Hoover's similar plan.

Former President of Uruguay Exonerated From Responsibility in Uprising Last October.

Associated Press advices from Asuncion, Paraguay, Jan. 27 stated:

The Chamber of Deputies exonerated former President Jose Guggiari to-night of responsibility for the uprising in which he was overthrown last

October and placed the blame for the disorders on opponents of his administration. As a result, he is expected soon to return to the presidency which he relinquished after the outbreak in which twelve persons were killed. The dominant Liberal party retained control of the government.

Republic of Uruguay Temporarily Suspends Sinking Fund Operation on External Debt—Provision Made for Interest Payments During 1932.

Jose Riehling, Charge d'Affaires A.I., Oriental Republic of Uruguay, under instructions from his Government, issued the following statement on Feb. 16 concerning the external debt of the Republic, consisting of Uruguay external debt 5% gold bonds of 1915, 25-year 8% sinking fund external gold bonds due Aug. 1 1946, 6% sinking fund gold bonds due May 1 1960, and 6% sinking fund gold bonds due May 1 1964:

Interest and sinking fund charges on the external funded debt of the Republic would require, during the current year, 8,255,311 Uruguayan gold pesos of a par value of \$1.0342.

Uruguayan currency has depreciated so severely that this burden on the National budget has more than doubled at a time when Uruguay is feeling the full effects of the world economic crisis. Hitherto the Government has been able to maintain loan service payments in full by gold shipments of 3,000,000 pesos and by utilizing foreign exchange available through the Bank of the Republic, which had dollar exchange on hand through the external issue made in 1930. The Government feels, however, that it cannot continue depleting the Bank's gold reserves indefinitely at the risk of great economic disturbances and consequent lack of confidence within the country, where the notes of the Bank are the principal medium of circulation.

After careful consideration, the Government has decided that, in order to reduce its foreign exchange requirements to an amount consistent with the necessities of Uruguayan trade and economic life, it will be necessary to have recourse again to a measure adopted in 1914 with the assent of bondholders resident in Europe, viz.: To suspend temporarily sinking fund operation in connection with issues of external bonds of the Republic. The Government regrets the necessity for this step but believes that holders of its bonds, resident in the United States and Europe, will appreciate that this action is necessary to assure absolutely the prompt and full payment of interest charges of all issues held abroad.

The Government has made definite and appropriate provision for the payment during 1932 of all maturing interest coupons of its external bonds. While the Government believes that there will be foreign exchange cover available in Montevideo sufficient to supply its requirements of 6,258,826 Uruguayan gold pesos for interest payments, special provision has been made by law authorizing the Bank of the Republic to export, if necessary, up to 3,900,000 Uruguayan gold pesos. This will assure to the Government the foreign exchange it may require from time to time, even though a temporary shortage of foreign exchange cover in Montevideo might develop. Furthermore, the Government has decided to pay in Uruguayan pesos (and not in dollars as heretofore) coupons on \$7,240,000 of the 6% Dollar Bonds owned by the Bank of the Republic, whereby exchange requirements are reduced in the amount of 419,630 Uruguayan gold pesos. This decision will materially assist in making remittances abroad. Accordingly, a law was duly enacted legalizing the procedure outlined above.

From the New York "Times" of Feb. 17 we take the following:

The American Dollar Bonds of the Republic involved are the 8s, due in 1946, outstanding in an amount of slightly less than \$7,000,000; the 6s, due in 1960, of which slightly more than \$28,000,000 are outstanding, and the 6s, due in 1964, outstanding to the extent of slightly less than \$17,500,000. The sinking funds of these issues call for the retirement annually of \$300,000, \$150,000 and \$175,000, respectively.

Heretofore, announcements of inability to meet foreign debt service made by other South American republics, have included obligations of Bolivia, Brazil, Chile and Peru, with the Republic of Colombia admittedly experiencing difficulty owing to adverse foreign exchange conditions.

Central Bank Head Warns Ecuador on Money—Threatens to Quit if Sound Currency Is Menaced.

In advices from Guayaquil (Ecuador) to the New York "Times" Jan. 28, it was stated that President Baquerizo has been warned by President Cueva of the Central Bank that the economic situation would be much worse without sound money, Senor Cueva announcing he would resign rather than approve action contrary to his convictions and the banking laws. The cablegram added:

El Telegrafo supports Senor Cueva editorially, and El Comercio wants the government to control imports restricting automobiles, flour and lard. "Otherwise we must demand more money from the government and credit institutions, money which the country needs for primary interchange," the paper adds.

President Baquerizo Opposes Export Ban on Ecuador's Gold—Indicates, However, Willingness to Supervise Transactions—Proposed Issuance of Bonds.

A cablegram as follows from Guayaquil (Ecuador) Jan. 28 is taken from the New York "Times":

President Baquerizo sums up the situation in regard to the exhaustion of Ecuador's gold reserves in a letter to President Cueva of the Central Bank, in which he expresses concern over the conversion of sucres into foreign exchange. He says the bank upholds the gold standard by strictly considering on their merits all discounts, but it exercises no such censorship on drafts sold. He intimates the willingness of the government to co-operate in control of sales of drafts to private individuals to avoid the export of gold, but would not advise any measure tending to avoid the exchange of sucres for gold coin.

El Comercio says the bankers' conference at Quito is considering a proposal of the Minister of Finance to pay the Central Bank 6,000,000 sucres of the funds earmarked for the foreign bond service, thereby reducing the government debt to the bank to 8,400,000 sucres, the bank undertaking to lend the government, according to the needs of the budget, up to

9,000,000 sucres at 3%. The Bank would lend at once 3,000,000 sucres, with which the government would reimburse the bank for its 2,000,000 loss in the drop of sterling.

The government proposes to issue bonds up to 50% of the reserves of member banks, which these could rediscount at the Central Bank at ninety days.

Additional Peruvian Credits of Nearly \$100,000 to Juan Leguia Revealed by Senate Finance Committee—Exhibits Furnished by J. & W. Seligman & Co. Showing Commissions Paid.

Additional credits of nearly \$100,000 to Juan Leguia, son of the former President of Peru, from the National City Bank, the Chase National Bank, and the Royal Bank of Canada were revealed by the Senate Finance Committee on Feb. 18, according to Associated Press dispatches from Washington on that date, which also said:

In connection with its recent investigation of foreign loans, the Committee made public Juan Leguia's checking account with J. & W. Seligman & Co. of New York, through which, it was previously shown, he received \$415,000 to negotiate \$100,000,000 in loans to Peru.

The account showed credits to Mr. Leguia of \$60,956 from the National City Bank; \$10,000 from the Chase National Bank, \$4,000 from the Equitable Trust Co., and affiliate of Chase, and \$22,700 from the Royal Bank of Canada.

No explanation of the credits was made by Seligman & Co. in submitting the account to the Committee. Before the close of the investigation officials of the Chase Bank were asked to explain the \$10,000 given to Mr. Leguia by their institution.

The account showed that Juan Leguia frequently was overdrawn in his account with the Seligman company. At one time, the account showed, he was overdrawn to the extent of \$187,848. The company reported to the Committee he was allowed to overdraw only when he submitted adequate security.

The Committee also made public exhibits furnished by the Seligman company showing it paid commissions, such as those paid to Leguia, in a number of other foreign bond negotiations.

A commission of \$3,000 was paid to Antonio Borda, a citizen of Colombia, in connection with a \$3,000,000 loan to the Mortgage Bank of Bogota in 1928. The company paid \$33,981.64 to him for arranging a \$12,000,000 loan to the Department of Cundinamarca, Colombia, in 1928.

P. J. Eder, a New York lawyer, received \$42,000 in commissions for arranging bond issues totaling \$4,000,000 to the Department of Cauca Valley, Colombia.

F. J. Alvarado of Costa Rica received \$38,677 on an \$8,000,000 loan to that Republic.

George A. Helfert, an American doing business in Peru, received \$7,500 as commission on a \$1,500,000 loan to the Province of Callao, Peru.

Marc Wilenkin of London received \$60,000 for arranging a \$12,000,000 loan to the Mortgage Bank of Jugoslavia. Mr. Wilenkin shared this with Nicholas Kagan, who was not identified.

Death of Former President Leguia of Peru.

Augusto Leguia, former President of Peru, whose administration recently was under discussion before a committee of the United States Senate investigating foreign loans, died at Lima, Peru, on Feb. 6 at the Naval Hospital at Bellavista, where he had been cared for by an American physician since he was transferred from Lima Penitentiary. Associated Press accounts from Lima on Feb. 6 said:

Peru's "Leguia problem" was solved automatically with the passing of the former President and dictator, according to political observers here. Many persons, during recent months, have expressed the opinion that he should be released, believing he had served long enough and citing his growing old age, but no one in authority in the governments which have preceded the present regime of Luis Sanchez Cerro thought it proper to grant him his freedom.

His son Juan is still in prison.

Leguia was operated on last November, but was reported doing well after the operation. A short time previously he was taken from prison and removed to the naval hospital in Callao, suffering from bronchial pneumonia. Later a bomb was reported to have exploded in the garden of the hospital.

After having ruled 11 years as President, he fled the country in August 1930, after a military revolt overthrew his administration. Most of the time since then he had been ill. He collapsed aboard a warship two days after the fall of his government. He was detained aboard the warship pending trial for alleged irregularities and imprisoned on an island at Callao later.

Afterward he was taken to the penitentiary here. With six relatives, he was tried in November 1930, on charges of "illegal enrichment." A large quantity of jewels, including a gold crown, were found when his safes and deposit boxes were opened. He and his sons were fined \$7,625,000 as reimbursement for alleged improper transactions during his regime.

Last December the Peruvian Congress asked that he be tried as a traitor and a resolution recommending a trial for treason was approved by the National Assembly.

During the Senate committee investigation at Washington last month Frederick Strauss of the J. & W. Seligman Co. of New York told the Committee a commission of \$415,000 was paid to former President Leguia's son, Juan Leguia, for promoting \$100,000,000 in loans to Peru which are now in default.

Rail Wages Cut in Peru.

From the New York "Times" we take the following from Lima Feb. 5:

Dispatches from Arequipa report that because of the completion of the Arica-La Paz Railroad and the transportation of freight from Arequipa to Mollendo by trucks, the Southern Railways have notified their employees of a reduction of eight working hours weekly.

It is said the reduction affects all employees and if not accepted it will mean the discharge of 60 employees. Delegations of employees have expressed willingness to accept four hours' reduction weekly. The matter still is under discussion.

Francisco Echenique Named President of Agricultural Bank in Peru.

A Lima (Peru) cablegram to the New York "Times" stated that Francisco Echenique was named President of the Agricultural Bank on Feb. 6. He succeeds Dr. A. Solf y Mura.

Tax Increases in Cuba—Cigarettes, Matches, Gasoline, Coffee and Other Articles Put on a Higher Basis.

The following from Havana Jan. 23 is from the New York "Times":

Tax increases on many items and new imposts on others will go into effect Monday under a new law signed last night by President Machado.

The cigarette tax is raised from three-quarters of a cent on boxes of 16 and 1½ cents on boxes of 12 and 1½ cents on boxes of 16. This tax has been protested strongly by both tobacco manufacturers and workers, who assert it will ruin the tobacco industry of the island. Tobacco will pay from 25 to 75 cents a bale.

The tax on matches is made 1 cent on those of domestic manufacture and 2 cents on the imported boxes of 50. A new tax of \$2 a year is put on mechanical lighters. Two cents a gallon extra has been levied on gasoline, making the impost on this product approximately 14 cents a gallon.

The present 2% tax on the value of consular invoices is jumped to 4%. A cent a pound is imposed on coffee. The President has power to substitute for the present 1½% gross sales tax, a tax on imports up to 10% of their value.

Authorization is given to the President to limit immigration if he deems such a measure advisable, with express prohibition of the entry of foreign contract laborers who have heretofore been employed in the sugar industry.

Cuban Loan Extended.

The following from Havana is from the "Wall Street Journal" of Feb. 13:

Chase National Bank has extended for 90 days the \$20,000,000 loan made to the Cuban Government.

Bolivian Currency Bill Passed.

Under date of Feb. 7 United Press advices from La Paz, Bolivia, to the New York "Herald Tribune" said:

A bill sponsored by the Ministry of Finance authorizing the Central Reserve Bank to issue sufficient currency to meet the deficit in the budget was approved by the Chamber of Deputies early to-day after several days of heated debate.

Gold Talk Worries Chile—Business Views Gravely Possible Abandonment of Standard.

Under date of Feb. 12 a cablegram from Santiago, Chile, to the New York "Times" said:

Following a meeting of the Central Chamber of Commerce, called to discuss the insistent campaign carried on in the capital designed to obtain abandonment of the gold standard, public opinion centres on this most important possibility in the economic field since the new government came into power. For the most part business circles consider the possible abandonment in a grave light. Anxiety already has been caused reflecting the abnormal state of commerce as a result of the existing discussions in Congress and the press.

It is also said, but unconfirmed, that the Central Bank of Chile no longer will be compelled to adhere to the exchange standard of 6 pence to a peso, but that a changing rate of exchange will be fixed periodically by a commission.

Despite denials in official circles, there are insistent rumors that some changes in the present state of affairs are being considered.

Business Men Ask Former Policy for Bank of Mexico—Seek Return to Its Operations With Private Parties.

Business men are working now for the return of the Bank of Mexico to the status it held before recent legislation converted it into a central institution of credit, according to Mexico City advices Feb. 12 to the New York "Times," which went on to say:

Formerly the Bank dealt directly with private individuals, discounting paper and granting loans, but now its operations are limited to the rediscounting of paper presented by other banks and the issuance of bank-notes in accordance with the rediscounting operations effected.

Virtually all of the chambers of commerce in Mexico hold that this step will be necessary to alleviate the critical situation resulting from the lack of currency in circulation, because of the abstention of the other banks from discounting paper and, in consequence, from making loans.

To such a stage has the tightening of credit advanced that there are hundreds of businesses, with first-class commercial paper and collateral of all kinds, which are unable to obtain funds for their most pressing necessities. The resulting situation is regarded as almost a vicious circle, with no one in a position to pay and no one receiving.

The situation affects not only national commerce but the business of Americans with Mexico.

The newspaper El Universal said this morning the matter had been studied by the Minister of Finance, but without results, and that the Chamber of Commerce had accordingly addressed a message to former President Plutarco Elias Calles, in his capacity as President of the Bank of Mexico.

Mexican Ex-Minister of Finance in New York to Study Federal Reserve System.

Luis Montes de Oca, former Mexican Minister of Finance, said in New York on Feb. 8, according to The Associated Press, he had accepted a commission from President Ortiz

Rubio to study the Federal Reserve System of the United States for possible application in Mexico. This is learned from the New York "Times" which also stated:

Senor Montes de Oca, who left Mexico two weeks ago and learned en route to New York that President Ortiz Rubio had accepted his resignation of the Finance portfolio and formed a new Ministry, has been in New York on a vacation from nine years of public service. It is expected that Senor Montes de Oca and Alberto J. Pani, coming from the Ambassadorship in Madrid to take up the Finance Ministry in Mexico City, will meet here when the liner Europa docks to-day from Europe.

"If we meet," Senor Montes de Oca said last night, "it will be as friends. We have been friends for 20 years. I know of no official business between us."

Oil Permit Granting Suspended by Mexico—President Acts "for Public Good"—Exploitation Under Way Not Affected But Will Be Studied.

The following Associated Press advices from Mexico City Feb. 13 are from the New York "Times":

President Pascual Ortiz Rubio has announced a Presidential decree which suspends until further notice the granting of government permits for the exploitation of petroleum throughout Mexico. The decree was issued "for the public good," the President stated.

It also orders the Department of Industry to proceed at once to study all existing petroleum permits in order to make recommendations on what fixed basis future permits will be issued.

The decree, regarded as extremely important, has the effect of halting all petroleum exploitation in Mexico which is not now in process or for which permits have not been granted. It does not affect production or exploitation for which permits have already been granted, however.

The decree states that there is a great lack of uniformity in the exploitation of the national petroleum reserves and that this "anarchy" is highly prejudicial for the public interest.

Opening of Oaxaca Bank of Agricultural Credit in Mexico.

The following from Mexico City is from the "Wall Street Journal" of Jan. 26:

The Oaxaca Bank of Agricultural Credit, another link in the chain of regional agricultural banks being opened in various States by the National Bank of Agricultural Credit, has begun business. Its initial capital is 200,000 pesos.

Mexican Foreign Debt Moratorium in Effect.

Supplementing the item in our issue of Jan. 16, page 426, we quote the following from Mexico City Jan. 28 to the New York "Times":

The recently enacted legislation extending the suspension of Mexico's foreign debt payments until Jan. 1 1934 went into effect. A deposit of \$5,000,000 held in readiness for the next payment is likely to be used as cover for a note issue.

Australia Announces Transmission of Funds to London and New York to Pay Interest Obligations of New South Wales—Commonwealth Will Compel State to Pay—Premier Offers Bill to Seize State Revenues for Service of Foreign Debts.

It was announced in Canadian Press advices from Canberra, Australia, Feb. 16 that the Australian Government would forward on Feb. 17 to London and to New York the amounts necessary to meet interest payments on bonds of the State of New South Wales which were defaulted by the State Government on Feb. 1. The press accounts from Canberra added:

The Commonwealth has initiated steps to recover from the State the amounts disbursed, roughly £400,000 in London and £200,000 in New York.

The Government of Australia is withholding about £250,000 due every month to the State under the provisions of the Prime Minister's plan.

An item in the matter appeared in our issue of Feb. 13, page 1121.

Under date of Feb. 17 a cablegram from Canberra to the New York "Times" said:

Prime Minister Lyons announced at the opening of the new Australian Parliament to-day that the Federal Government would fulfill immediately its promise to pay interest due on the debts of New South Wales.

"We recognize that the default of New South Wales cannot be allowed to continue and become a default of the Commonwealth," he said. It is understood Premier Lang of New South Wales will provide £380,000 [\$1,311,000 at to-day's exchange], as originally offered, toward the interest due, with the Commonwealth finding £50,000 [\$172,500 at to-day's exchange].

Mr. Lyons also gave notice of a bill "to provide for carrying out the financial agreement between the Commonwealth and the States by the parties thereto." This was the first hint of legislative action compelling Mr. Lang to adhere to the agreement.

New South Wales's default figured largely in a speech from the throne, with which Governor General Sir Isaac Isaacs opened Parliament.

"The effect of the failure of the New South Wales Government to meet its public obligations has been most serious," he said. "While unhesitatingly condemning a policy that has led to public default by the New South Wales Government my advisors feel impelled in the interests of the nation's credit to honor the obligations of that government. My Minister will take steps to compel repayment of these moneys to the Commonwealth by the New South Wales Government."

Further advices from Canberra Feb. 18 (Canadian Press) are quoted as follows:

"This bill is the answer to our critics," declared Prime Minister Joseph Lyons to-day as he introduced in the House of Representatives a bill which

empowers the Commonwealth to seize the revenue of any State defaulting its debt payments.

The bill is a sequel to the action of the State of New South Wales defaulting interest payments due in London and New York, payments which the Commonwealth is meeting and in turn endeavoring to recover from the State.

Explaining the procedure under the new bill, the Prime Minister said that when any State defaulted the auditor general would issue a certificate of such default and the high court would then issue a declaration. Both Federal houses would then pass a resolution and the bill would be operative.

The bill empowers bondholders to sue the Commonwealth. On the issue of a proclamation State taxes would become payable to the Commonwealth Government and the taxpayers would be liable to imprisonment if he paid the State.

The Commonwealth would also have power to retain monies borrowed on behalf of a defaulting State and to seize the State's deposits in banks.

Council of League of Nations Calls Upon Japan to Cease Hostilities in China.

The Council of the League of Nations published at Geneva on Feb. 17 an appeal "to the supreme sense of honor of Japan" asking her to cease hostilities in China. The communication which was given to Naotake Sato, Japanese delegate to the Council, for transmission to the Government of Tokio follows, according to Associated Press advices from Washington:

1. The President of the Council, on behalf of his colleagues, pointed out in an appeal addressed on Jan. 29 to both parties that "good relations between States could only be secured by co-operation and mutual respect and that no permanent solution could be achieved by force, whether military or merely economic, and that the longer the present situation continued the wider the breach between the two peoples would become and the more difficult the solution would be, with all the disasters that would mean not only to the two nations directly involved but to the world in general."

2. The 12 members of the Council, other than the Chinese and Japanese representatives, feel constrained to-day to make a pressing appeal to the Government of Japan to recognize the very special responsibility for forbearance and restraint which devolves upon it in the present conflict in virtue of the position of Japan as a member of the League of Nations and a permanent member of its Council.

3. The situation which has developed in the Far East during the last months will be fully studied by the commission appointed with the consent of both parties. But since the commission was set up there have occurred and are still occurring events in the region of Shanghai which have intensified public anxiety throughout the world, which endanger the lives and interests of the nationals of numerous countries, add to the unexampled difficulties with which the world is faced during the present crisis and threaten to throw new and serious obstacles in the path of the disarmament conference.

4. The 12 members of the Council are far from disregarding the grievances advanced by Japan and throughout all these months have given her the full confidence which they owe to an associate of long standing who had ever been punctilious in the fulfillment of all her obligations and duties as a member of the community of nations. They cannot but regret, however, that she has not found it possible to make full use of the methods of peaceful settlement provided in the Covenant; and recall once again the solemn understanding of the Pact of Paris that solution of international disputes shall never be sought by other than peaceful means. The 12 members of the Council cannot but recognize that from the beginning of the conflict which is taking place on her territory, China has placed her case in the hands of the League and agreed to accept its proposals for a peaceful settlement.

5. The 12 members of the Council recall the terms of Article X of the Covenant by which all members of the League have undertaken to respect and preserve the territorial integrity and existing political independence of other members. It is their friendly right to direct attention to this provision, particularly as it appears to them to follow that no infringement of the territorial integrity and no change in the political independence of any member of the League brought about in disregard of this article ought to be recognized as valid and effectual by the members of the League of Nations.

6. Japan has an incalculable responsibility before the public opinion of the world to be just and restrained in her relations with China. She has already acknowledged this responsibility in most solemn terms by becoming one of the signatories to the nine-power treaty of 1922 whereby the contracting powers expressly agreed to respect the sovereignty, the independence and the territorial and administrative integrity of China. The 12 members of the Council appeal to Japan's high sense of honor to recognize the obligations of her special position and of the confidence which the nations have placed in her as a partner in the organization and maintenance of peace.

Manchurians Form a Separate State—Government Under Dominance of Japan Headed by Chang Ching-hui—Ankuo Name Selected.

Regarding the formation of a separate Manchurian State, a cablegram Feb. 18 to the New York "Times" said:

Manchurian leaders last night constituted themselves a Northeastern Executive Council to act as the central government of Manchuria. Chang Ching-hui, who resigned the Chairmanship of Heilungkiang Province in favor of Ma Chen-shan, is Chairman and the other members are Tsang Shi-yi of Jehol.

Tang Yu-lin has not appeared at Mukden but has apparently given some sort of assurance he will join the new State. All Japanese observers agree on the principle of a life appointee to head the new State, but his name has not yet been publicly mentioned by Mukden.

From Mukden (Manchuria), Feb. 17 Associated Press accounts said:

The new State of Manchuria will be known as "Ankuo," "Land of Peace," and its national emblem will be the discarded Chinese five-barred flag emblazoned with the rising sun of Japan.

It will have a republican form of government ruling under what is generally regarded as Japanese direction and will be headed by a dictator whose identity is persistently linked with that of Henry Pu-yi, former "boy Emperor" of China.

Leading Chinese officials, prompted by Japanese advisers, so decided to-day in continuing their labors to set up a stable government in place of the military command of the army of occupation. Chief among them was General Ma Chen-shan, former commander of the Chinese forces in Northern

Manchuria and once a stubborn obstacle to Japanese subjugation of the "three Eastern Provinces."

Five fundamental principles will be embodied in the projected constitution according to reliable information.

They are: Vesting of sovereignty in the people, autonomy of the State, equality of races, co-operation among racial elements and maintenance of the "open door" policy.

Mayor Chao Hsin-po of Mukden, known as a staunch friend of Japan, was selected by the committee to draft a proclamation announcing the formation of the new State, which may include the provinces of Jehol and Outer Mongolia. He may act to-morrow.

Organization of the government will signalize the completion of Japan's military conquest of Manchuria, which began five months ago with the seizure of Mukden, and will mean the end of the regime of (former Marshal Chang Hsialo-liang.

Tokio Orders Ultimatum to Chinese Troops, Demanding Withdrawal From Shanghai Area.

From Tokio Feb. 17 a wireless message to the New York "Times" said:

The Government authorized Lieut.-General Uyeda at Shanghai yesterday to deliver an ultimatum to General Tsai Ting-Kai demanding that the Chinese 19th Route Army withdraw 20 kilometers (about 13 miles) from the boundary of the International Settlement.

The time for presenting the ultimatum and the time to be allowed the Chinese to retire are left to General Uyeda.

The Japanese will accept foreign participation in the negotiations if there are any.

Minister Shigemitsu at Shanghai stated that all hope of obtaining the Chinese withdrawal peacefully had been abandoned, but he thought it preferable to issue an ultimatum rather than begin a battle immediately. The Japanese know the risks involved in a battle on the edge of the International Settlement.

A statement by Minister of War Araki about the possible need to send two or three more divisions is taken to indicate that if serious fighting seems likely Japan will send an overwhelming force.

The ultimatum applies only to the division "attacking" the Japanese, not to Chiang Kai-shek's troops.

Japanese Bond Issue.

From the Wall Street Journal" of Feb. 16, we take the following from Tokio:

Announcement has been made of the first Japanese Government bond issue to be made since the embargo was placed on gold exports in December. The issue will amount to 42,000,000 yen bearing a 5% coupon. Issue price will be 95.25 and maturity has been fixed at 1939. Proceeds will be used for conversion of the 39,000,000 yen issue maturing March 15.

In financial circles here it is thought that the new issue will not succeed as another Government issue, maturing in 1939, is selling at 93.80. Consequently, it is believed that the Bank of Japan will probably take the bulk of the issue.

The Japanese press understands that the Government intends to redeem the £12,000,000 South Manchurian Ry. issue, which matures in July, through a domestic issue with the maturities to be paid in cash. The railway company is responsible for half of the issue and the Government for half.

100 American in Shanghai Appeal to Senator Borah Against Japan's "Inhumanity and Stupidity."

The following (Associated Press) from Shanghai, Feb. 13, is from the New York "Times":

A group of 100 American residents of Shanghai cabled United States Senator William E. Borah at Washington to-day protesting against what they said was Japanese violence against non-combatant civilians and property in Shanghai.

The signers of the cablegram included scores of missionaries, the principal of an American school, general secretaries of the Young Men's and Young Women's Christian Associations and the editor of a local American newspaper.

"We greatly fear," it said, "that if Japan is successful in the present aggression, world reliance will again be placed on armed force and the disarmament cause will lose all the progress it has gained since the World War."

Rev. Emory Lubbock, American pastor of the Shanghai Community Church, said:

"The American community here as far as I know, is unanimous and indignant in condemning the stupidity and inhumanity that have characterized Japan's entirely misnamed 'defense' of Shanghai.

"There had been for some time a general acceptance of the fact that anti-Japanese activities in this area included criminal offenses for which the Japanese were entitled to redress and to guarantees that were not forthcoming.

"Had Japan's resentment found expression in saner and more civilized ways and had there been the slightest inclination toward the international co-operation that is now so emphasized in Japanese official statements, Japan would have received considerable support from many Americans. Indeed, a sizable section of the American community regrets that Japan has made international co-operation impossible.

"It is widely felt that the future status of the International Settlement, the Chinese attitude toward foreigners generally and China's respect for her international obligations are all involved in the present conflict and many Americans wish that the cleavage between Japan and other foreign nations had not been made necessary. There is too much at stake."

Equality for All Plan in Manchuria—State Independent of China to Discourage "Nationalistic Consciousness," It is Stated.

Under the above head a cablegram published in the New York "Times" from Mukden, Feb. 12, said:

Japan evidently intends to develop Manchuria as an area open to all nationalities willing to abide by nominal Chinese rule directed by Japanese advisers.

It is announced that "nationalistic consciousness will be discouraged among the 30,000,000 inhabitants" and all races placed on an equal footing in a State independent of China to be founded by an early conference among Tsang Shih-yi, Governor of Mukden Province; Hsi Hsia, Governor

of Kirin Province, and Chang Ching-hui, Governor of Heilungkiang Province.

The "principles of democracy" will be adopted with a written Constitution, friendly relations with all the powers will be cultivated, the Open Door and quality of opportunity will be stoutly maintained, industries will be encouraged, and "efforts will be made to contribute to world economics."

The program also aims at perfecting the judicial system to safeguard the rights of all races and nationalities residing in Manchuria, according to semi-official Japanese announcements.

Chinese Leaders Urge That "No Ground Be Yielded"—Wang Ching-wei Says Nation Will Always Resist.

The following from Loyang (China), Feb. 15 (Associated Press), is from the New York "Times":

The Kuomintang, the Nationalist party of China, to-day urged that "no ground be yielded to the Japanese."

The Central Executive Committee of the party sent an urgent telegram to the executive Yuan and the military council at the temporary capital here declaring that the Japanese proposal to demilitarize the principal ports of China was made with a view to subjugating the nation. The proposal, the telegram said, was absolutely unacceptable.

Nanking dispatches said that Wang Ching-wei, President of the Nationalist Government's Executive Department, had just arrived from Loyang and in a message addressed to the nation and the world had declared "our armies may be defeated but the nation will not be conquered."

Pointing out that China's military and economic advancement had lagged during the past decade, Mr. Wang declared that "nevertheless, Japanese military aggression will be resisted by a determined nation."

"They may occupy our cities," he said, "but every man, everywhere, will resist. Japan may send millions of troops, but shall find it impossible to subjugate China. Our position in international relations is supported by strong arguments and facts. We will not make concessions until Japan gives up the idea of forcing China by armed aggression to surrender our territorial and administrative sovereignty. There shall not and there cannot be direct Sino-Japanese negotiations."

He said other powers were sympathetic with China, but that Japan knew the powers were unable to interfere because of their economic depression and other domestic troubles.

28,000 Japanese Live in Shanghai.

A Tokio cablegram as follows, Feb. 12, appeared in the New York "Times":

According to statistics given out by the Foreign Office to-day, Japanese residents in Shanghai number 28,000, of whom 18,000 reside in Chapel, Japanese property interests are estimated as worth \$189,500,000. Nine thousand Japanese refugees left Shanghai between Feb. 1 and 11.

Inouye, Former Japanese Minister of Finance, Assassinated.

A Tokio cablegram (copyright), Feb. 9, to the New York "Herald Tribune," said in part:

Junnosuke Inouye, Minister of Finance in the Yamamoto, Hamaguchi and Wakatsuki Cabinets, was shot by an assassin in here this evening as he arrived to address a political meeting, and died five minutes after being taken to the Imperial University Hospital. He was 63 years old, a leader of the Minseitō opposition party and an advocate of moderation in Japan's army and navy and in her policy toward China. Once before he had been threatened with assassination by extremists, a bomb exploding in his home on Feb. 5 1931.

Mr. Inouye was one of the most discussed figures of the preceding Cabinet. During his tenure of office as Finance Minister he abided by two principles—maintenance of the gold standard and retrenchment coupled with a "no-loan" policy. Both principles were scrapped by the Seiyukai party when it came into power, with Tsuyoshi Inukai as Premier and Korekiyo Takahashi as Finance Minister. The policies of Mr. Inouye were generally regarded by big business as sound.

Joseph Grew Appointed United States Ambassador to Japan.

Joseph C. Grew, of New Hampshire, was named by President Hoover, on Feb. 9, to be Ambassador to Japan. He is now Ambassador to Turkey. At Tokio he will succeed W. Cameron Forbes, of Massachusetts.

Secretary of State Stimson Blocks Embargo on Arms—House Group Shelves Fish Resolution.

At the urgent suggestion of Secretary Stimson, the House Foreign Affairs Committee on Feb. 9 shelved the Fish resolution to prohibit shipment of arms and ammunition to warring countries. Associated Press advices from Washington on that date, as given in the New York "Evening Post," said:

Chairman Lathicum said Secretary Stimson had asked that action be deferred by the committee pending the receipt of further information regarding treaties between the United States and foreign countries.

The Committee declined to hear about 100 men and women representing pacifist organizations, who waited for two hours to testify in favor of the resolution, while the group debated behind closed doors on the Secretary's request.

Finally a majority gathered and decided to postpone consideration of the measure.

Tokio Reported to Have Set Aside \$21,000,000 for Operations at Shanghai.

A cablegram, as follows, from Tokio, Feb. 8, is from the New York "Times":

Japan has appropriated 60,000,000 yen (more than \$21,000,000 at yesterday's rate of exchange) for the Shanghai expedition.

The Government to-day appropriated 40,000,000 yen to be added to the 20,000,000 which had been appropriated previously.

It is estimated that this sum will cover the cost of the naval and military expenditures in this area until the end of March.

China's Bankers Aid Army—Give 200,000 Silver Dollars to Troops Defending Shanghai.

As an expression of "gratitude and good-will," the Chinese Bankers' Association announced on Feb. 16 that it had presented the Nineteenth Route Army, defending Shanghai, with 200,000 silver dollars, equivalent to about \$1 in gold to each man. We quote from Shanghai Associated Press accounts, Feb. 16, to the New York "Times," which also said:

The Peace Preservation Committee, a patriotic organization of Shanghai residents, also launched a campaign for "a national salvation fund for armed resistance to Japanese invasion of Chinese territory."

"While the military men are risking their lives and abandoning their families," the Committee said, "it is time for every citizen to pledge financial support to the campaign, which is for the good of the country."

Chinese Government, According to Statement Given Out by Legation at Washington to Continue to Resist Japan's Attacks.

The Chinese Government, in a statement given out on Feb. 12 by the Chinese Legation at Washington, challenged the contentions and allegations put forth by Japan in its recent statement explaining its position and the declaration that its purpose was to insure tranquility and peace in the Far East. A Washington dispatch, Feb. 12, to the New York "Herald Tribune," authority for the foregoing, in giving the text of the statement, went on to say:

The Chinese statement answers the Japanese declaration in detail, iterates hope for peace, but "solemnly declared to the world that she will continue to resist in self-defense against Japan's attacks at all points and with all forces at its command."

The statement concludes by emphasizing a "desire to settle the issues" in "pursuit of interested Powers and in accordance with the principles guaranteeing the world peace and the sovereignty, independence and territorial and administrative integrity of China."

The statement of the Chinese Government follows:

"With the full realization of its responsibility to the civilized world and willingness to submit the accuracy of these statements to an impartial international inquiry and adjudication, the Chinese National Government presents the following summary of the Sino-Japanese imbroglio from its inception:

"At no time since the Russo-Japanese War has the Chinese Government doubted the purpose of Japan to seize Manchuria whenever an opportune occasion arose. At the conclusion of the Russo-Japanese War, which was fought chiefly on China's soil against China's protest, Japan put strong pressure on China to implement Japan's gains from Russia and to grant Japan additional special privileges impairing China's sovereignty and contravening the Open Door policy in Manchuria. China resisted those demands to the utmost of her ability.

"When the World War arose, Japan took advantage of the preoccupation of the powers and China's military weakness to present the 21 Demands which, if conceded, would have destroyed China's sovereignty, not only in Manchuria but in other parts of China as well. Under Japan's ultimatum, China was forced to concede some of those demands, which she did under protest and so notified all friendly powers.

Rights Guaranteed by Treaty.

"At the Paris Peace Conference, at the Washington Conference and before the League of Nations, China reiterated her protests to those exactions of Japan and repudiated them on all suitable occasions. At the Washington Conference China refused to conduct separate negotiations with Japan and insisted that the Sino-Japanese questions must be discussed in purview of the whole conference. By signing the Nine-Power Treaty at Washington, China's territorial integrity and administrative autonomy was guaranteed by all the powers and it was definitely stated that Manchuria was an integral part of China's territory. That treaty also provided for appeal to the signatory powers in the event of disagreement in the interpretation of the treaty and infraction of its terms.

"Subsequent to the signing of the Nine-Power Treaty, the Chinese government has invariably in its relations with Japan and other powers insisted on observing the terms of the principles of that treaty, but, owing to Japan's continuously trying to step outside the treaty and insist on having special rights in China, especially in Manchuria, the Chinese government has been unable to avoid disputes and frictions with Japan which, when serious, China tried to refer to the League of Nations and the Court of International Justice. China gladly became a party to the Kellogg-Briand pact renouncing force as a means to settle international disputes and obtain political objectives, and has associated herself with all similar plans to secure peace. On several occasions China sought without success to invoke the provisions of the League of Nations Covenant that obsolete and unsatisfactory treaties might be revised.

Charges Usurpation at Mukden.

"That, broadly, was the situation last September when, without any provocation justifying such action, the Japanese troops attacked the Chinese at Mukden and usurped the control there. A careful analysis shows without doubt that Japan's military coup was premeditated and carefully planned. Dispositions were commenced days before September 18.

"It is hardly necessary to review the events in Manchuria since then. By using various pretexts the Japanese army has overturned Chinese authority in Manchuria and taken control of almost the whole of those provinces, while China appealed in vain to the League of Nations and other peace pacts.

"At times since the Mukden attack Japan has tried to draw the Chinese government into separate negotiations, but China, following the precedents set at Paris, Washington and Geneva, has refused to negotiate without the presence or participation of neutral powers, knowing full well that she cannot singly resist Japan's pressure backed by its unbridled military force, which aims at the annexation of Manchuria.

"Those tactics failing to frighten the Chinese government, Japan decided to carry military action into the heart of China, showing her contempt and indifference to the world's opinion, with the purpose of convincing the Chinese that it was hopeless to appeal for outside help.

Indignation at Highest Pitch.

"During four months of continuous Japanese military aggression, the indignation of the Chinese people was aroused to the highest pitch, while the Chinese government, already harassed by natural calamities, was faced with the task of dealing with an invasion from without and restraining popular feeling within.

"Having sent naval forces to Shanghai with the stated purpose to protect the Japanese residents' property there, the Japanese government presented through the Japanese Consul General certain demands to the Chinese local authorities at Shanghai, requiring complete acquiescence by 6 o'clock p.m. on Jan. 28. At 2 o'clock that afternoon the Chinese replied, fully accepting Japan's demands, and were assured by the Japanese Consul General that the reply was satisfactory. Nevertheless, at midnight the Japanese naval forces advanced into the Chinese territory and attacked the Chinese police and garrison troops. The Chinese government has no doubt that disinterested foreigners on the scene have more or less correctly informed the world of the events at Shanghai since Jan. 28, but the Chinese government wishes to emphasize the following points:

"The Japanese naval and military forces have used the International Settlement at Shanghai both as a base for their attacks on the Chinese police and troops and as a sanctuary where they can retire when repulsed and for recuperation and resupply.

Unable to Reply Effectively.

"The Chinese troops defending China's soil from the ruthless invaders have been unable to reply effectively to the Japanese attacks without endangering the lives and property of thousands of friendly neutral foreigners residing in the International Settlement and surrounding suburbs, and have been unable to pursue their Japanese attackers without risking a conflict with friendly neutral foreign police and troops protecting the Settlement.

"The Japanese naval and military forces have used river front docks within the International Settlement to land their troops, artillery and supplies. The Japanese warships anchored in the Whangpoo River alongside the International Settlement fired over the Settlement at the Chinese forces resisting the Japanese attacks in the Chinese territory outside the Settlement, and the Chinese artillery cannot reply effectively without gravely endangering scores of neutral vessels in the port. The Japanese flagship with the Japanese admiral and staff directing attacks lies alongside the wharf near the center of the Settlement.

"The Japanese airplanes bombed all parts of the Chinese sections at Shanghai and also parts of the International Settlement and then withdrew over the mid-section of the International Settlement.

"The Japanese military forces and civilian ununiformed elements have killed and injured presently an incalculable number of Chinese peaceable, unarmed men, women and children—estimated between 1,000 and 2,000—and imprisoned and maltreated many others, and executed many without trial.

"Japanese bombings and fires started by bombs already have destroyed property roughly estimated to be hundreds of millions of dollars.

"The Japanese government excuses these atrocities by alleging military peril due to the proximity of the Chinese troops. The Chinese government solemnly declares that excuse as a transparent pretext. It is impossible to send Japanese troops anywhere in China without being surrounded by Chinese population and near Chinese troops occupying their regular stations. The Japanese military forces have pushed forward into China's territory, always making the excuse that nearby the Chinese troops constitute a menace. It is evident that such reasoning provides an excuse for the complete conquest of China by Japan.

"When the United States, Great Britain and France, supported by Germany and Italy, recently presented to Japan and China a note in five categories, designed to end the hostilities and bring about a liquidation of this situation worse than war, the Chinese government without hesitation accepted the proposals of the powers in full.

"Closing Avenues to Peace."

"In flatly turning down at first the proposals of the International Shanghai Defense Committee, the powers' five proposals and, more recently still, British Admiral Kelly's scheme, Japan is thus closing every avenue to peace, leaving China no alternative but to continue to adopt appropriate measures of self-defense to the best of her ability.

"The Chinese government asks the world to contrast the known facts on Japan's acts in China during the last few months with the Japanese government's latest statement that 'It is the immutable policy of the Japanese government to insure tranquility in the Far East.'

"Also contrast Japan's statement that 'her troops are in China only to discharge international duty' with the efforts of the League of Nations and the Washington treaty powers to induce Japan to withdraw her troops from China and cease warfare.

"Also contrast Japan's frequent declarations that she has no territorial ambitions vis-a-vis China with her refusal to submit Manchuria and other Sino-Japanese questions before a conference of treaty powers.

"Also contrast Japan's acts at Shanghai, causing an immense destruction of property of all nationals and loss of lives, with her statement that she has acted at Shanghai only to protect the lives and property.

"Also contrast Japan's latest statement that she has acted at Shanghai in co-operation with other foreign defense forces and foreign municipal authorities with the latest statement of the Shanghai foreign municipal council that Japan is solely responsible for acts of the Japanese armed forces in Shanghai.

Deny Violating Truce.

"The Chinese government positively denies that the Chinese have violated the temporary truce arranged on Jan. 29. Because of the suddenness of the armistice it was not possible to get orders to all outposts, resulting during the night in desultory firing between the outposts of both sides. The Japanese command resumed attacks at daybreak on January 30.

"Since Japan's astounding action at Mukden in last September it has been the unswerving policy of the Chinese government to avoid by all means at its command an outright state of war, and to that end endured intense humiliation, risked its own existence in the face of popular feeling in the hope that world-wide pacific measures might check Japan's reckless course.

"Despite the failure of our pacific agencies the Chinese government adheres to its faith in world justice, but cannot passively submit to Japan's invasion into Chinese territory and the slaughter of Chinese people, and therefore solemnly declares to the world that she will continue to resist in self-defense against Japan's attacks at all points and with all forces at its command.

"The Chinese government further declares that it is China's desire to settle the issues in connection with the present crisis in purview of interested powers and in accordance with the principles guaranteeing the world peace and the sovereignty, independence and territorial and administrative integrity of China."

Federal Farm Board Funds Opposed at Hearing—Acts and Policies Criticized by D. H. Williams of Gastonia, S. C., as Harmful to Farmers.

Declaring that the "acts and policies of the Federal Farm Board since it has been in operation have been particularly harmful to the farmers of the Nation," Dameron H. Williams of Gastonia, N. C., representing the American Cotton Shippers Association, on Feb. 15 opposed the proposed appropriation of \$1,880,000 for the Federal Farm Board, before the subcommittee of the House Committee on Appropriations on the independent offices appropriation bill. From the "United States Daily" of Feb. 16, we also take the following:

"In the South the cotton farmer not only faces an actual financial loss due to the activity of the Board but a situation has developed whereby the foreign cotton has been rapidly taking the place of American-grown cotton," he said.

"These acts and policies have contributed to the accumulation of a tremendous surplus of cotton and grain; textile manufacturers have suffered losses of enormous proportions and the taxpayers of the Nation have been called upon to face an additional loss of from \$300,000,000 to \$500,000,000 in a time of depression.

"The operations of the Board in spot cotton and in the handling of thousands of bales on the future market have been entirely of a speculative nature. The magnitude of this speculation is without equal."

Pointing to the large number of proposals now before the House for either the abolition or transfer of the activities of the Farm Board to the Department of Agriculture, and others for a thorough investigation into the policies and activities of the Board, Mr. Williams urged that the appropriation be held in abeyance until such an investigation can be undertaken.

House Committee Hears Argument for Federal Farm Board—President Moser, of Co-operative Council, Declares Leading Agriculturists Are Against Abolition.

"A great army of the most progressive, intelligent and conservative farmers" of all sections of the country are back of the Agricultural Marketing Act and the Federal Farm Board, C. C. Moser, Vice-President of the National Co-operative Association, New Orleans, and President of the National Co-operative Council, Washington, testified before the House Committee on Appropriations Feb. 16, according to the "United States Daily" of Feb. 17 which also had the following to say:

He appeared, he said, to support that law and the Board and he challenged various statements that have been made, including statements by representatives of the American Cotton Shippers Association and the Texas Cotton Ginners Association.

Organized Attack Claimed.

Mr. Moser said the country now is going through the acid test of meeting the organized attack of cotton, grain and produce trades, and the exchanges which they control, who without shame, he said, boast of the enormous slush fund they are spending to influence public opinion and members of Congress against the Farm Board and the co-operatives.

"The Federal Farm Board," he said, "has directly or indirectly helped financially more than 3,600 struggling farmer co-operatives. It has given encouragement and hope to millions of farmers and their families. The task has not been easy in the face of the organized opposition of the agricultural trades."

"The record of its operating expense, as compared with the Federal appropriations for its maintenance," he said, "clearly demonstrates the safety of providing an adequate appropriation for its needs, now pending before the Committee. From its appropriation of \$1,500,000 in 1930, it returned to the Treasury \$430,000; from its appropriation of \$1,900,000 in 1931, it is estimated it will return \$300,000; and it now asks \$1,880,000, with which to meet the growing demand of hundreds of new co-operatives of improperly organized or inadequately financed ones, to give them a fair chance to succeed in these days of difficult credit and other unbalanced financial and business conditions."

Represents 206,749 Farmers.

Mr. Moser said that in appearing before the House Committee in support of the Act and the Board he directly represented 206,749 cotton farmers, who market their cotton through cotton co-operatives of every important cotton producing State and the National Co-operative Council, composed of co-operatives embracing more than 1,000,000 farmers who market co-operatively more than \$1,000,000,000 worth of agricultural products.

He said in fact more than 2,500,000 farmers are committed to the support of the Agricultural Marketing Act and the Federal Farm Board.

Agricultural Loans Increased for Year—Credit Extended by Federal Farm Loan Bureau Gained 11%.

An increase of 11% in the credit extended to agriculture and related activity was made during 1931 by the three institutions under the management of the Federal Farm Loan Bureau, namely, the Federal Land banks, the Joint Stock Land banks, and the Federal Intermediate Credit banks according to the quarterly statement issued Feb. 10. The "United States Daily" of Feb. 11, from which we quote, added:

During the year the loans made by these three organizations aggregated more than \$307,123,000, increasing \$35,242,000 over the 1930 total, according to the report. Additional information made available in the report follows:

The increase of loaning activity which marked the year as a whole was reversed in the last quarter when total loans fell approximately \$6,500,000 under those of the same period in 1930, due chiefly to curtailed activity on the part of the Federal Land banks which loaned \$12,700,000 during

the last quarter of 1930 and only \$6,500,000 between September and December 1931.

For the year as a whole, the Federal Intermediate Credit banks were the most active, lending \$259,700,000 of the total \$307,400,000. Federal Land banks loaned \$42,015,300, and Joint Stock Land banks \$5,675,422. The Federal Land banks were the only ones to end the year with fewer loans made than in 1930, while the Intermediate Credit banks showed the heaviest rise, \$40,758,000.

Half of Federal Loans to Farmers in Drouth Sections Repaid.

Repayments of Federal loans to farmers in drouth areas on Feb. 5 reached 48.5% of the total amount loaned, collections totaling nearly \$1,500,000 in the week ended on that date, according to statistics made available Feb. 12 by the Farmers Seed Loan Office, Department of Agriculture. The "United States Daily" of Feb. 13 also said:

The repayments as of Feb. 5 represented a gain in two weeks of more than 10% of the total loans, according to the tabulations. Louisiana leads in percentage of repayment of loans, having repaid \$2,156,168, or 67.4% of the amount borrowed. Alabama has repaid \$1,693,207, or 63.1%, and Arkansas, in third place in percentages, has repaid \$5,624,352, or 61.1%.

Opposition to Further Use of Federal Funds in Effort to Stabilize Price of Farm Products Opposed by New York State Grange—Repeal of Old Age Pension Law Urged—Against Cancellation of War Debts—Tariff Changes Advocated.

The New York State Grange placed itself on record on Feb. 5 for economy and elimination of unnecessary expenditures in Government, for equalization of the tax burden on real estate, and for tariff changes to protect the American farmer. We quote from the "Knickerbocker Press" of Albany, from which the following is also taken:

The Grange opposed further use of Federal funds in attempts to stabilize the price of farm products. It declared that the Government had expended more than \$300,000,000 in such attempts, and that prices of agricultural commodities were lower than ever.

The delegates at the closing session of the State Grange's 59th annual meeting in Albany favored imposition of a 2-cent increase in gasoline tax if it is used "to get farmers out of the mud." They urged that the cost of highway rights-of-way be paid for by the State rather than by the county, as roads are for general public use and the present system is a local burden.

Opposes Debt Cancellation.

The Grange opposed cancellation of war debts as an injustice to the American people, urged disarmament, peaceful settlement of international differences, and American adherence to the World Court.

It favored abolition of unnecessary public offices, 10% reduction in salaries of public officials provided no reduction to be less than \$2,000 annually, and opposed mandatory salary increases. It declared itself against payment of 1% fees to supervisors for State funds allotted in aid of schools.

Resolutions adopted would bar importations of wood from foreign countries where there is a possibility of its production by forced labor, and urged protection of American poultrymen against importation of frozen eggs.

Reiterates Dry Stand.

The Grange reiterated its stand in support of the 18th Amendment and for law enforcement, for electoral apportionment on the basis of citizen population, opposing daylight saving, and opposing objectionable billboard advertising on the public highways.

The delegates differed with the Court of Appeals on slot machines. It declared for confiscation as evidence of gambling. The Court has held that proof of gambling is necessary.

Dairy League Is Fostered.

The Dairymen's League was recommended to dairymen as a medium for co-operation and improvement of the dairy industry by Kenneth Ward of Steuben County, reporting for the Committee on Co-Operation and Trade. The committee recommended that no milk from uninspected dairies be offered for sale.

Resolutions adopted included, in addition to those mentioned: Opposing proposed transfer of rural free delivery from present system to a contract basis.

Opposing daylight saving. Urging action to lower utility rates in accordance with lowered price ranges.

Urging repeal of the old age security law in its present form. Declared that present law encourages dishonesty and imposes a burden on the taxpayers.

Favoring semi-annual collection of taxes. Opposing payment of 1% fee to supervisors on State school moneys.

Urging efficiency upon the part of the Bar in the clearing of court calendars.

Urge Short Term Auto Plates.

Favoring issuing of automobile licenses for shorter terms than one year in the case of farmers who use such cars only part of year.

Urging Federal and State co-operation in the speedy development of the St. Lawrence River power project.

Favoring development of farm-to-market highways. Opposing the fixing of salary increases by mandate.

Urging that the State Highway Department take over all highway construction and maintenance in the State.

Favoring returning to the former system of having property owners responsible for cutting bush along the highways as a move to reduce public expense.

Favoring reduction of taxes on real estate to not more than 40% of total tax burden. Declared that real estate constitutes but 40% of State's total wealth, but at present bears 70% of the tax load.

Flat Tax of \$5 on Trucks.

Favoring flat tax of \$5 on farm trucks which are used only part of time.

Favoring heavier tax on trucks in proportion to destruction of roads caused by such trucks.

Favoring free syphoning of water from Barge Canal for farm use.

Favoring town primaries upon petition of 20% of voters.
 Opposing parking fee in State parks as costing more to collect than it returns and discouraging use of parks.
 Opposing any legislation that would bar sale of grade A milk.
 Urging use, as far as possible, of New York fruits and vegetables in State institutions in welfare work.

New York Stock Exchange Adopts New Strictures Affecting Short Selling—Lending by Members of Securities Held on Margin for Customers Prohibited Unless Written Consent of Latter Is Obtained.

New strictures against short selling are to be put into force by the New York Stock Exchange on April 1, when members will be prohibited from lending, "either to themselves as brokers, or to others, securities held on margin for customers unless they shall have obtained separate authorization in writing permitting the lending of such securities." The new ruling was adopted by the Governing Committee on Feb. 18, as to which we quote the following from the New York "Times" of Feb. 19:

The new rule, announced by the Governing Committee of the Exchange last night, imposes severe restrictions upon bearish speculators and will, in the opinion of brokers, reduce short selling possibly to the extent of 50% unless means of circumventing the regulation are discovered. In some quarters the Exchange's action is believed to sound the death knell of large-scale operations for the decline in the New York market.

Rumors of the impending action by the Exchange governors were partly responsible for a lively rally in the stock market between 2 and 3 o'clock yesterday afternoon. Terrified shorts who did not learn of the proposed rule until after the close of trading here turned to the markets in San Francisco and Los Angeles, which profited handsomely from the urgent covering movement.

Leading issues which are believed to harbor a large short interest rose sharply, some of them as much as 3 or 4 points, as the frightened shorts sought to cover their contracts rather than risk the uncertainties of to-day's market in New York. United States Steel, American Telephone & Telegraph, General Motors, Southern Pacific, United States Industrial Alcohol, Allied Chemical and Bethlehem Steel were among the stocks which Eastern shorts bid for frantically on the Pacific Coast. Trading goes on there after the close of the New York markets. Brokers said last night they also had orders to buy heavily in London before the opening here.

The Stock Exchange announcement of the ruling follows:

NEW YORK STOCK EXCHANGE

Feb. 18 1932.

To the Members of the Exchange:

At a meeting of the Governing Committee held on Feb. 18 1932, the following resolutions were adopted:

"WHEREAS, it has been stated that customers in some instances do not appreciate that the usual form of customers' agreement permits brokers to lend securities purchased on margin, and it has also been stated that some customers are not aware of the fact that they have the right to revoke any authorization to lend securities which they may have previously given to their brokers; it was

Resolved, that members of the Exchange shall not, on and after April 1 1932, lend, either to themselves as brokers or to others, securities held on margin for customers unless they shall have obtained separate authorization in writing permitting the lending of such securities; it was

Further Resolved, that no general form of customer's agreement, even though it includes specifically the right to lend securities, shall be deemed sufficient compliance with this resolution, but such right shall be evidenced by a separate authorization in writing; it was

Further Resolved, that in the case of the accounts of all new customers opened after the date hereof the requirement of such separate authorization in writing for the lending of securities shall apply; and it was

Further Resolved, that the Committee on Business Conduct may, at its discretion, require that members shall at stated periods bring to the attention of all customers their right to revoke any authorization theretofore given for the lending of securities."

ASHBEL GREEN, Secretary.

In addition to the extract further above from the "Times" we also quote the following from the same paper:

Under the resolutions which the governors of the Exchange adopted yesterday, the indiscriminate lending of stock out of "long accounts" will be prohibited and the so-called "hypohectation clause," under which member firms have been accustomed to obtain a sweeping but general authorization from their customers, will no longer be considered valid so far as lending stock is concerned.

Under Consideration for Some Time.

The Exchange issued the resolution without comment. It was understood, however, that the plan had been under consideration for some time. In brokerage circles, where the substance of the resolution was generally known late in the afternoon, the move was interpreted as an effort by the Exchange to remove all reasonable grounds for criticism of its policy of short selling. That institution, through its President, Richard Whitney, has been actively defending the short sale as a legitimate market function.

Previously, however, the Exchange had not taken cognizance of what is perhaps the most persistent objection on the part of critics of short selling—that brokers, under blanket authority given to them by margin customers, are permitted to lend to shorts stock that was bought in the hope of an advance in higher prices. The argument against this practice has been that shorts have been able, only by borrowing stock out of "long accounts," to conduct campaigns to depress prices. The effect of this, it has been contended, is to make the stock of margin holders a weapon to be turned against them.

Interpretations of Ruling.

The new rule is variously interpreted, but as brokers understand it they will not be obliged to obtain specific authority of the customer to lend any particular lot of stock; a single written authority will be sufficient in the case of each customer. In spirit, the purpose appears to be to require explicit permission in writing, but not in every individual lending transaction. Some brokers, however, are inclined to proceed on the theory that there will have to be a separate written authority every time a lot of stock is lent to protect short accounts. The Exchange may be requested by its members to clarify this point. The rule reads that the

right to lend a customer's securities "shall be evidenced by a separate authorization," but this apparently contemplates special permission from the customer, apart from the existing agreement under which a margin trader gives his broker very broad privileges.

From the New York "Journal of Commerce" of Feb. 19 we take the following:

Brokers received the announcement of the Exchange action with mixed feelings. It was regarded by some as an interference with the maintenance of a free and open market, and by discouraging short selling it was thought likely to reduce commission earnings. Any effect on prices, it was argued in many quarters, would be quite temporary, and would be limited to a sharp reduction of the short interest presently outstanding. The new ruling goes into effect April 1, it is pointed out, thus avoiding a rush to cover.

After the close yesterday a marked reduction in the borrowing demand for stocks was reported from the floor of the New York Stock Exchange. The hurried covering operations in the final minutes of trading yesterday were held responsible. United States Steel was quoted flat for the first time in weeks, and the stocks that continued to lend at premiums were quoted at materially lower rates.

Stock Exchange Buying Orders Sent West Following Issuance of Ruling Affecting Short Selling—San Francisco Exchanges Nearly Overwhelmed After Closing Here.

The following San Francisco advices Feb. 18 are from the New York "Times":

Buying orders from Eastern markets nearly overwhelmed the San Francisco Stock and Curb Exchanges after to-day's closing hour in New York and other trading centres in the East.

Westinghouse advanced 3½, American Telephone 3¼, United States Steel 3½, Pacific Telephone 3, du Pont and Southern Pacific 2, Standard Oil of California 1½, Pacific Gas 1½, United Aircraft 1½, General Electric and Southern California Edison 1 and General Motors 1½.

Transamerica went through a comparatively quiet session, ending at 5¼, a gain of ¾, and Goldman Sachs showed a similar rise to \$3.35. Only 46,000 shares of Transamerica turned over exclusive of odd lots.

Ten new high marks for the year were recorded on the Stock Exchange, and of the thirty-nine stocks traded twelve issues were up 1 or more points, while only one loss was recorded. The Curb Exchange had a turnover of 20,263 shares, the largest since April 27 1931, while the market value of \$866,066 was the greatest since 1930.

It is the belief here that Eastern traders, taking advantage of the difference in time between San Francisco and New York, after receiving word of the new ruling that the New York Exchange would prohibit short selling, had sent a flood of buying orders to the San Francisco exchanges.

George B. Compton Attacks "False" Short Sales—Deals for Next Day's Delivery Unfair, He Says in Radio Debate with E. B. Cobb.

The daily publication of all short sales of each stock listed on the New York Stock Exchange and "the abolition of false short sales," were recommended by George Brokaw Compton, lawyer and former New York inheritance tax appraiser, in the course of a debate over the radio on Feb. 14 with Ernest B. Cobb, a member of the New York State Board of Certified Public Accountant Examiners. The New York "Times" of Feb. 15, in its advices to this effect went on to say:

The debate, "Resolved, That short selling as practiced on the New York Stock Exchange benefits the investing public," was broadcast through radio station WOR. The affirmative was taken by Mr. Cobb, who advocated short selling on the ground that it stabilized prices and established a free and open market, while Mr. Compton, for the negative, favored abolition of short sales except under certain conditions.

Mr. Compton defined short selling for immediate delivery, that is delivery on the following day, as "false" short selling. He characterized as "true" short selling, sales for delayed delivery. He held that in the abolition of "false" short selling, brokers would be prevented from lending stock owned by customers to a short seller to make delivery on a short sale. This he contended would prevent the borrowed shares from being used as a club to drive down the price of all shares of that stock, which he said, "is clearly against the interest of the owner of the shares loaned and unfair to him."

"True" short selling appears to be an essential factor in legitimate speculation," he said. "It is responsible to the law of supply and demand, which is generally recognized as the only sound regulator of prices."

Mr. Cobb argued that the short seller was not in a position to smash prices, for that could be accomplished only by dumping of accumulated long commitments, "the former bull turned bear." He declared short selling tended to prevent extreme fluctuations in prices and to preserve an orderly market.

H. G. Aron Before House Committee Expresses Conviction That Short Selling Contributed to Country's Present Distress—Takes Issue with President Whitney of New York Stock Exchange—Declares 20 Men Dominate Short Selling to Recoup Losses Suffered in 1929—Jackson Martindell Would Outlaw It and Margin Deals—Stock Exchange Reaction to Proposed Change in Rediscount Privileges of Federal Reserve System.

Short selling in the securities market was denounced on Feb. 15 as one of the major causes for the present economic crisis, as the House Judiciary Committee opened hearings on legislation designed to outlaw or severely regulate the practice. Bills proposing both methods are before the Committee for consideration, said a Washington dispatch Feb. 15

to the New York "Herald Tribune" which in indicating what Mr. Aron had to say continued:

Harold G. Aron, New York banker and lawyer, assailing Richard S. Whitney, President of the New York Stock Exchange, for defending short selling in a recent radio address, charged that a group of 20 men had dominated short selling on the Exchange in a "ruthless effort" to recoup losses suffered in the 1929 collapse. He described short-selling practices of the last two years as illegal. Mr. Whitney will have an opportunity to reply when he testifies before the Committee on Feb. 27.

La Guardia Also a Witness.

Jackson Martindell, New York economist, and Representative Fiorello H. La Guardia (Rep., N. Y.), who has a bill before the Committee giving the Federal Trade Commission extreme regulatory powers over short-selling operations, and Representative Adolph J. Saboth (Dem., Ill.), also were witnesses as the hearings opened.

"I am convinced," Mr. Aron said, "that short selling contributed as much as anything else to the present distress of the country and am of the opinion that as it is practiced on the New York Stock Exchange it is illegal. It is my unpleasant duty to charge that the official defense of short selling is special pleading, and misleading in its attempted conclusions.

"Short selling has not flourished on the New York Stock Exchange as an economic safeguard to the Nation's welfare. It has been in the last two years, the ruthless efforts of unscrupulous professional speculators to recoup the fortunes lost by over-staying the bull market.

Called Playing with Loaded Dice.

"The President of the New York Stock Exchange asserts of short selling 'there can be no doubt that it is a lawful practice' and cites a decision of Justice Holmes in the United States Supreme Court. I am a lawyer; the President of the New York Stock Exchange is not. I challenge this assertion, if by short selling is meant as practiced on the New York Stock Exchange. It has not even been gambling; it has been playing for huge stakes with loaded dice.

"For 30 years there has been a commonplace saying in stock speculative circles that any one can talk 'em down, but it takes money to buy 'em up. Since October 1929, any reasonably observant person has been aware that there was not sufficient buying power to resist any organized effort to drive stock prices down, if for no other reason than the glut of undigested securities put out during 1928 and 1929. No court has passed on the legitimacy of organized short selling under such conditions.

Denies Short Selling Is Stabilizer.

"Continuing the defense, this statement was made unequivocally: 'Competent and impartial economic students, both here and abroad, have long declared that short selling, by restraining inflation and cushioning sharp declines tends to stabilize fluctuations of prices.' Where was the restraint in 1929, where was the cushion in 1930, where was the stability in 1931? The entire power of the New York Stock Exchange cannot produce a single economic student who will give any such characterization to the practices of short selling here under inquiry.

"We have seen within the last week the intimate anatomical relationship between the stock market and governmental policies in the present financial situation. The carefully worked-out plans for your Reconstruction Corporation found no response in the stock markets. On Wednesday it was known in Wall Street that the rediscount powers of the Federal Reserve Board were to be liberalized. This was the policy which certain influences in the financial world have long favored. When that was promised it resolved its power into plaudits in the most spectacular upward movement of the market in many months."

Mr. Martindell said short selling and margin business in the markets both should be outlawed. He declared the margin operations, "not only usurp a commercial banking function but make the vicious aspects of short selling possible. Short selling, he added, nearly always has been "the direct cause for markets running away. Hedge selling in the markets, he told the Committee, should be permitted but under strict regulatory laws.

Mr. Martindell submitted a lengthy written statement containing specific recommendations. Among them were prohibitions against brokers lending on securities belonging to customers. Brokers' loans on any securities and margin business loans should be permitted, he said, only by recognized banking institutions, which are supervised by law.

Representative La Guardia said the bill was designed "to stop gambling." Gambling in the stock market, he said, affects not only the two individuals interested in the deal but the industry whose stocks are concerned as well. Transactions are carried on, he said, by speculators who do not have a cent in the industry concerned.

In printing the above the "Herald Tribune" said:

Aron Ran for Comptroller in 1929.

Harold G. Aron, who appeared yesterday before a House Judiciary Subcommittee in behalf of legislation prohibiting short selling, was the Republican-Fusion candidate for Comptroller in 1929. He first became prominent in N. Y. City politics in 1925, when he was campaign manager for Frank D. Waterman, Republican candidate for mayor.

He has served as special counsel for the Federal Land Bank during its organization, and for the Emergency Fleet Corporation. In 1920, he was a member of the State Senate Committee on Taxation and Retrenchment and an advisory counsel to the Lockwood Committee on rent legislation.

Since the Waterman campaign against Mayor Walker in 1925, Mr. Aron has been a critic of Tammany administration. He was one of the organizers of the International Germanic Trust Co., now the International Trust Co., and affiliated with the International Germanic Co., Ltd. of which he is President.

**Montreal Curb Market Freed of All Restrictions—
Montreal Stock Exchange Removing Minimum Prices.**

In the Montreal "Gazette" of Feb. 15, it was stated that the local Curb Market is now completely free of all restrictions, and, it added, effective Feb. 15, the free list on the Stock Exchange, is increased by some 16 issues, it was announced after the close on Saturday, Feb. 13. The "Gazette" of Feb. 15 continued:

The sole exception to complete freedom on the Curb Market was Catelli Macaroni pref. A., and this issue joins the free list at the opening this morning. On the Stock Exchange, minimum prices on the following stocks are being removed: Bruck Silk, Canada Cement, common and preferred; Canada Foundries & Forgings A, Canada Steamships pref., Canadian

Car & Foundry, common and pref.; Canadian Celanese, Donnacona Paper, Enamel & Heating, Gypsum, Hamilton Bridge, International Power, Lake of the Woods pref., Ontario Steel Products, and Wabasso Cotton.

On Feb. 18 Canadian Press accounts from Montreal said:

The Montreal Stock Exchange has announced its intention to remove the minimum prices from the following stocks: Bell Telephone, National Steel Car, Steel of Canada, British Columbia Power A and B, Southern Canada Power, Canada Wire & Cable A and B, Dominion Textile, Montreal Cottons and Calgary Power. Reductions are to be made in the minimum prices of Canada Northern Power, Celanese pref., Canada Bronze, Eastern Dairy, Charles Gurd, Pennmans, H. Simon & Sons, J. S. Mitchell common, Canadian Hydro-Electric pref. and Atlantic Sugar.

It is expected these changes will become effective on Monday.

Earlier in the month (Feb. 4) Canadian Press accounts from Montreal stated:

The minimum prices for bank stocks listed on the Montreal Stock Exchange will be reduced to-morrow. The low limit for Banque Canadienne Nationale will be 4¼ points down at 155½, while for Bank of Commerce at 186, Dominion Bank at 189, Imperial Bank at 188 and Bank of Nova Scotia at 269, it will be reduced 5 points. The limits for Bank of Montréal at 215, Royal Bank at 211 and Bank of Toronto at 193, will be 10 points below their previous minimums.

A previous item regarding the removal of minimum prices on the Montreal Stock Exchange appeared in these columns Jan. 30, page 771.

Toronto Stock Exchange Removes Minimum Price Restrictions.

A Canadian Press dispatch from Toronto Feb. 14 reported:

Nine stocks listed on the Toronto Stock Exchange, which have been "pegged" in price for some months, will appear to-morrow on the free list. A fixed minimum price was set for these and other stocks last fall after Great Britain went off the gold standard. The restriction has already been removed from several other issues. The nine stocks are: Canada Cement, common and preferred; Canadian Car & Foundry, common and preferred; Canada Steamships, preferred; Gypsum; Canada Forgings, A; Ontario Steel Products; Lake of the Woods, preferred.

Howard T. McKee, President of the New York Cocoa Exchange, Declares Latter Is Not Interested in Plans to Merge or Consolidated with Any Other Exchange.

In a statement issued Feb. 15, Howard T. McKee, President of the New York Cocoa Exchange, said:

In answer to reports that consolidation of five commodity exchanges is contemplated, I wish to state that the New York Cocoa Exchange is not interested in such a plan. The New York Cocoa Exchange is not planning and never has planned to merge or consolidate with any other commodity exchange.

Both the New York Cocoa Exchange and the New York Cocoa Clearing Association are in excellent financial condition. The Exchange is housed in very desirable quarters. The personnel is highly efficient. The equipment is of the highest order.

Prominent economists have pointed to the New York Cocoa Exchange as an ideal example of a successfully conducted commodity exchange. It is the accepted world market for cocoa and is used by producers, importers, merchants, brokers, consumers, and by leading commission houses. Prices quoted on the New York Cocoa Exchange accurately reflect the consensus of world opinion in respect to values of cocoa. It is a broad market and is steadily growing.

In the New York "World-Telegram" of Feb. 11 it was stated that consolidation of five of the commodity futures exchanges into one central market was contemplated in a plan practically completed and shortly to be submitted to the boards of governors of the separate exchanges.

Plea Denied for Dismissal of Indictment Against Joseph A. Broderick, New York State Superintendent of Banks—Trial Postponed Until Feb. 23.

Joseph A. Broderick, New York State Superintendent of Banks, must stand trial on the indictment charging him with neglect of duty in failing to close the Bank of United States before he took it over in December, 1930. The New York "Herald Tribune" of Feb. 17 reporting this said:

Judge George L. Donnellan so ruled in General Sessions yesterday afternoon in denying a motion by Martin Conboy, attorney for Mr. Broderick, to dismiss the indictment. Judge Donnellan postponed the trial until next Tuesday.

In his decision, Judge Donnellan noted that Mr. Broderick had been indicted for a violation of Section 1857 of the penal law, being charged with "the crime of wilfully omitting to perform a duty enjoined by law upon him as a public officer."

The court agreed with defense counsel that "the defendant as State Superintendent of Banks has wide discretion in connection with most of his duties," but added that "if the defendant knew it to be his duty to close the bank by reason of the character of the violations," then he would have no discretion and it would be mandatory upon him to close the bank.

"Although this motion is in the nature of a demurrer," said Judge Donnellan, "it differs from a demurrer in that no appeal lies from an order made upon it. An order dismissing the indictment would be final (Section 518, Code of Criminal Procedure) and should not be made unless the question is absolutely free from doubt."

On Feb. 15, Judge G. Donnellan adjourned until Feb. 23 the trial of Superintendent Broderick, which, as noted in our issue of Feb. 6 (page 963) had been scheduled for Feb. 15. According to the New York "Evening Post" of Feb. 17 the Judge explained that he had informed counsel that he had

been so busy last week he lacked time to decide the motion for dismissal made by the defense. He also said that one of the briefs filed with the motion had not been submitted to him until Feb. 11.

Banking Moratorium in Jefferson City, Mo.

A banking moratorium in Jefferson City, Missouri, announced on Feb. 14, effective the following day, and continuing until Feb. 23, was announced. A Jefferson City dispatch Feb. 14 to the St. Louis "Globe-Democrat" said:

During that time no banking business will be transacted, except checks on any of the four banks here to be honored for Exchange National Stock.

United Press accounts Feb. 14 from Jefferson City in the New York "Herald Tribune" stated:

A week-long banking moratorium, declared to enable the First National Bank to straighten out its affairs, becomes effective tomorrow in Missouri's capital city.

The holiday, declared by Mayor Henry Asel on recommendation of 300 business leaders, affects not only the First National but the Cole County Bank, the Exchange National Bank and the Central Missouri Trust Co.

During the week financial leaders will work to reorganize the First National. Known as the richest institution in the city, bank examiners ordered officials to charge off \$300,000 assets. Executives feared the action would force the bank to shut down after a run. The moratorium was suggested to work out a reorganization plan and restore public confidence. The bank was said to have deposits of more than \$300,000,000.

Financial leaders, it was known, were considering one plan to merge the Exchange National with the First National, which holds about \$250,000 in public funds and \$300,000 in state money.

According to the dispatch in the "Globe-Democrat" the Exchange National is to take over the First National.

On Feb. 16 United Press accounts from Jefferson City said:

Optimistic business men to-day were predicting that the week's bank moratorium, declared yesterday by Mayor Henry C. Asel, would end far ahead of schedule, for trade felt but slightly his decree closing the city's four banks after the First National, the oldest one in town, was found affected by depreciated securities. Evidence of fraud was not found by examiners.

Seven-Day Business Moratorium in Clinton, Mo.

From the New York "World-Telegram" we take the following (United Press) from Clinton, Mo. Feb. 16:

Clinton was under a seven-day business moratorium to-day, declared by Mayor S. A. Poague and the City Council to save the city's one remaining financial house against a threatened run.

Three weeks ago the People's National Bank was closed, leaving only the Brinkerhoff-Paris Trust & Savings Co. Withdrawals were heavy on Saturday.

Similar business suspensions were noted in our issue of Jan. 30, page 785.

Savings Institutions Hold 34% of All Bank Deposits in State.

From the New York "Times" of Feb. 18 we take the following:

Depositors in mutual savings banks in New York State hold 34% of all the bank deposits in the State, although the average deposit amounts to only \$855.38 and in no case does any depositor have more than \$7,500, the legal maximum. Savings depositors, numbering 5,564,693, represent 44% of the 12,588,066 people in the State.

Deposits in all the banks of the State amount to \$14,915,654,000, of which \$5,118,083,969 represents mutual savings bank deposits. The highest average savings bank deposits are in the Albany district, where the figure is \$1,544.30; the lowest is the Elmira district, which has an average of \$129.50. In the New York district the average is \$592.67.

Gain of \$10,751,097 in Savings Deposits During January Reported by Savings Banks Association of State of New York.

From the Feb. 12 issue of the "News Bulletin" of the Savings Banks Association of the State of New York we take the following:

Reports for January for the State show a gain of 41,574 in accounts and a loss of \$10,751,097 in deposits during the month.

	Accts. Opened.	Accts. Closed.	Deposits.	Withdrawals.	No. of Open Accounts Jan. 31 1932.	Amount Due Depositors Jan. 31 1932.
I.....	8,701	6,667	\$11,301,560	\$11,665,220	470,522	\$359,099,239
II.....	7,006	5,819	8,973,181	8,879,350	349,451	223,962,576
III.....	6,501	5,749	10,871,663	13,161,448	410,841	336,797,270
IV.....	74,078	44,579	113,374,494	114,625,891	2,730,580	2,880,188,962
V.....	38,602	30,500	52,993,639	59,933,725	1,603,299	1,318,035,922
	134,888	93,314	\$197,514,537	\$208,265,634	5,564,693	\$5,118,083,969

a One bank not reporting. b Four banks not reporting.

As bearing on the above the New York "Herald Tribune" of Feb. 14 had the following to say:

Deposits in New York savings banks declined \$10,751,097 in January, the Savings Bank Association reported yesterday. This figure is arrived at by comparing deposits of \$197,514,537 with withdrawals of \$208,265,634. A comparison of the amount due depositors at the end of January with the end of December, however, indicates a decline of \$78,016,583 last month.

Even though deposits declined, the number of accounts continued to gain, with the increase last month amounting to 41,574, leaving the number of open accounts at a new high record of 5,564,693. There were 134,888 new accounts opened during the month and 93,314 closed.

It was the fourth consecutive month in which savings deposits declined. After increasing for 10 out of 11 months, savings deposits decreased \$14,940,365 in October, while in November a decline of \$7,494,623 occurred and in December one of \$7,690,212. The four declines have aggregated \$40,876,297, but the reduction in the amount due depositors from the end of September to the end of January was \$54,072,701.

The \$10,751,097 decline in deposits last month compared with the record-breaking increase of \$95,567,037 in January 1931. A year ago deposits of savings banks in New York State were increasing rapidly, in part as a sequel to commercial banking difficulties.

Net change in savings deposits by months since the beginning of 1929, together with the amount due depositors at the end of each month, are given in the following table:

1929.	Gain or Loss in Deposits.	Amount Due Depositors at End of Month.	1930.	Gain or Loss in Deposits.	Amount Due Depositors at End of Month.
Jan.....	\$8,719,828	\$4,351,809,537	Jan.....	+ 19,901,842	\$4,532,324,129
Feb.....	5,122,133	4,364,837,685	Feb.....	+ 25,069,015	4,602,586,116
March.....	767,887	4,408,236,848	March.....	+ 4,351,028	4,595,433,745
April.....	27,675,641	4,381,020,065	April.....	+ 6,790,271	4,606,753,648
May.....	22,621,919	4,359,814,520	May.....	+ 7,796,764	4,732,643,349
June.....	7,173,510	4,401,348,197	June.....	+ 15,521,500	5,097,298,447
July.....	27,677,013	4,375,641,791	July.....	+ 2,326,198	5,090,230,571
Aug.....	19,901,942	4,532,324,129	Aug.....	+ 21,197,888	5,143,495,559
Sept.....	85,332,552	4,371,218,364	Sept.....	+ 17,263,806	5,172,156,670
Oct.....	85,244,288	4,286,552,813	Oct.....	+ 14,940,365	5,157,962,545
Nov.....	41,152,590	4,247,465,515	Nov.....	+ 7,494,623	5,153,645,189
Dec.....	10,041,772	4,306,377,772	Dec.....	+ 7,690,212	5,196,100,552
1930.			1931.		
Jan.....	\$25,485,496	\$4,359,811,681	Jan.....	+ \$95,567,037	\$4,828,572,851
Feb.....	19,985,192	4,377,198,556	Feb.....	+ 40,170,729	4,868,655,185
March.....	28,955,444	4,440,552,130	March.....	+ 45,669,712	4,958,785,152
April.....	2,143,786	4,447,958,955	April.....	+ 41,413,183	5,000,279,647
May.....	4,259,548	4,446,342,775	May.....	+ 22,092,778	5,023,813,176
June.....	3,343,397	4,499,975,811	June.....	+ 15,521,500	5,097,298,447
July.....	12,297,817	5,512,674,760	July.....	+ 2,326,198	5,090,230,571
			Aug.....	+ 21,197,888	5,143,495,559
			Sept.....	+ 17,263,806	5,172,156,670
			Oct.....	+ 14,940,365	5,157,962,545
			Nov.....	+ 7,494,623	5,153,645,189
			Dec.....	+ 7,690,212	5,196,100,552
			1932.		
			Jan.....	-\$10,751,097	\$5,118,083,969

In the last year the amount due depositors by mutual savings banks in this State increased \$289,511,118, while in the last two years the increase has been \$758,272,288.

New Offering of \$60,000,000 or Thereabouts of 91-day Treasury Bills—Tenders Received \$196,183,000.

Announcement was made by Secretary of the Treasury Mills on Feb. 16 of a new issue of 91-day Treasury bills to the amount of \$60,000,000 or thereabouts, tenders for which were received at the Federal Reserve banks and their branches up to 2 p. m. Eastern standard time yesterday (Feb. 19). The new issue is to replace a like amount of Treasury bills which mature Feb. 24. The latest issue will be dated Feb. 24, and will mature on May 25 1932. The face value of the bills will be payable on the maturity date without interest. The bills are sold on a discount basis to the highest bidders. They will be issued in bearer form only, in amounts or denominations of \$1,000, \$10,000, \$100,000, \$500,000 and \$1,000,000 (maturity value). The announcement of Secretary Mills follows:

The Secretary of the Treasury gives notice that tenders are invited for Treasury bills to the amount of \$60,000,000, or thereabouts. They will be 91-day bills, and will be sold on a discount basis to the highest bidders. Tenders will be received at the Federal Reserve banks, or the branches thereof, up to 2 p. m., Eastern standard time, on Friday, Feb. 19 1932. Tenders will not be received at the Treasury Department, Washington.

The Treasury bills will be dated Feb. 24 1932, and will mature on May 25 1932, and on the maturity date the face amount will be payable without interest. They will be issued in bearer form only, and in amounts or denominations of \$1,000, \$10,000, \$100,000, \$500,000 and \$1,000,000 (maturity value).

It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by the Federal Reserve banks or branches upon application therefor.

No tender for an amount less than \$1,000 will be considered. Each tender must be in multiples of \$1,000. The price offered must be expressed on the basis of 100, with not more than three decimal places, e.g., 99.125. Fractions must not be used.

Tenders will be accepted without cash deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by a deposit of 10% of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour for receipt of tenders on Feb. 19 1932, all tenders received at the Federal Reserve banks or branches thereof up to the closing hour will be opened and public announcement of the acceptable prices will follow as soon as possible thereafter, probably on the following morning. The Secretary of the Treasury expressly reserves the right to reject any or all tenders or parts of tenders, and to allot less than the amount applied for, and his action in any such respect shall be final. Those submitting tenders will be advised of the acceptance or rejection thereof. Payment at the price offered for Treasury bills allotted must be made at the Federal Reserve banks in cash or other immediately available funds on Feb. 24 1932.

The Treasury bills will be exempt, as to principal and interest, and any gain from the sale or other disposition thereof will also be exempt, from all taxation, except estate and inheritance taxes. No loss from the sale or other disposition of the Treasury bills shall be allowed as a deduction, or otherwise recognized, for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

Treasury Department Circular No. 418, as amended, and this notice prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or branch thereof.

Secretary Mills Friday night announced receipt of applications totaling \$196,183,000 for the \$60,000,000 tender of 91-day Treasury bills maturing May 25. The highest bid was 99.377, equivalent to an annual interest rate of about 2.46. The lowest bid accepted was 99.307.

Subscriptions to \$75,000,000 93-day Treasury Bills \$211,872,000—Amount Accepted \$75,689,000—Average Price 2.76%.

We are giving herewith the details of the results of the offering on Feb. 8 of the issue of \$75,000,000 or thereabouts of 93-day Treasury bills, mention of which was made in these columns Feb. 13, page 1129. The tenders received to this offering were \$211,872,000, and the total amount of bids accepted was \$75,689,000. The average price of the bills to be issued is 99.287, the average rate on a bank discount basis being 2.76%. Secretary Mellon announced the result of the offering on Feb. 11 as follows:

Secretary of the Treasury Mellon announced to-day that the tenders for \$75,000,000, or thereabouts, of 93-day Treasury bills dated Feb. 15 1932, and maturing May 18 1932, which were offered on Feb. 8, were opened at the Federal Reserve banks on Feb. 11.

The total amount applied for was \$211,872,000. Except for one bid of \$10,000 at the rate of about 1.55%, the highest bid made was 99.400, equivalent to an interest rate of about 2.32% on an annual basis. The lowest bid accepted was 99.267, equivalent to an interest rate of about 2.84% on an annual basis. The total amount of bids accepted was \$75,689,000. The average price of Treasury bills to be issued is 99.287. The average rate on a bank discount basis is about 2.76%.

The previous offering of Treasury bills—\$75,000,000 or thereabouts (93 days)—on Jan. 31, brought total tenders of \$196,873,000, while the amount of bids accepted was \$76,399,000; the average price of the bills issued was 2.65%. This offering was referred to in the "Chronicle" of Feb. 6, page 957.

Ogden L. Mills Takes Oath of Office As Secretary of Treasury—Former Secretary Mellon Sworn in As Ambassador to Great Britain—A. A. Ballantine Assumes Office As Under-Secretary—Mr. Mellon's Letter of Resignation and President Hoover's Acceptance.

Ogden L. Mills, formerly Under-Secretary of the Treasury, was sworn in on Feb. 12 as Secretary of the Treasury, succeeding Andrew W. Mellon, who at the same time took the oath as Ambassador to the Court of St. James. The new Under-Secretary, Arthur L. Ballantine, previously Assistant Secretary of the Treasury, likewise took the oath of office on the 12th. The brief ceremonies were held in the reception room of the Secretary's office, the oaths being administered by F. A. Birgfeld, Chief Clerk of the Treasury. Treasury employees and officials were present during the ceremonies. From the Washington dispatch, Feb. 12, to the New York "Times" we take the following:

New Officials Hold Reception.

Among those witnessing the ceremony at the Treasury were General Charles G. Dawes, President of the Reconstruction Finance Corporation; Governor Eugene Meyer of the Federal Reserve Board, and other directors of the Corporation; Lawrence Ritchie, a secretary to the President; Mrs. Ruth Pratt, member of Congress from Mr. Mills's district; Mrs. Ballantine and Mrs. Mills; Paul Bestor, commissioner of the Federal Farm Loan Board and other members of that Board and Seymour Lowman, Assistant Secretary of the Treasury.

The new Ambassador and Treasury officials received the congratulations of a crowd of Government officials and others who were present in addition to the Treasury force. The assemblage formed a line and offered individual good wishes to Mr. Mellon, Mr. Mills and Mr. Ballantine, who then posed for photographers and a talking news reel.

With the swearing in of the officials, the White House made public the letter of resignation of Mr. Mellon and President Hoover's acceptance. Mr. Mellon's letter to the President follows:

THE SECRETARY OF THE TREASURY.

Washington, Feb. 8 1932.

Dear Mr. President:

I hereby tender my resignation as Secretary of the Treasury, to take effect at your convenience or at such time as you may desire me to assume my duties as Ambassador to Great Britain.

It has been nearly 11 years since I came to the Treasury. I have found it a period of absorbing interest and count it the highest privilege to have had this opportunity for public service. I am leaving the Treasury with the greatest respect for its organization and for the many able men whose support and assistance to me have been so invaluable.

I am also leaving with the highest regard for you and for your administration, of which I have had the honor of being part. In going to London, I shall miss particularly the pleasant daily association with you here and regret the severance of the ties which have grown up during the long period we have been together in Washington.

Faithfully yours,

A. W. MELLON, *Secretary of the Treasury.*

The President,
The White House.

The following is President Hoover's letter in reply:

THE WHITE HOUSE.

Washington, Feb. 12 1932.

The Hon. Andrew W. Mellon,
Washington, D. C.

My Dear Mr. Mellon:

I am in receipt of your resignation as Secretary of the Treasury, which I, of course, accept.

There is little need for me to comment in appreciation of the 11 years of service you have given to our country. I know of no more magnificent

tribute that has come to a public servant than the universal expressions of the press and the public toward you during the past few days.

I am in hopes that your new and important responsibilities will prove congenial, and I am well aware of the extent of the burdens which you are undertaking out of a sense of patriotic duty.

I wish to take this occasion to again express the feeling of personal loss I have after these years of association in the Cabinet.

Yours faithfully,

HERBERT HOOVER.

The Associated Press notes:

Mr. Mellon is the third man to leave the Hoover Cabinet; Mr. Mills the thirteenth to enter it. The death of James W. Good caused Patrick Hurley to be made Secretary of War; James J. Davis resigned the Labor portfolio to enter the Senate, and William N. Doak succeeded him.

Reference to the nomination of Mr. Mellon as Ambassador and Mr. Mills as Secretary of the Treasury, was made in these columns Feb. 6, page 958 and Feb. 13, page 1128.

J. H. Douglas Jr. Named Assistant Secretary of Treasury Succeeding A. A. Ballantine.

On Feb. 18 President Hoover named James H. Douglas Jr. of Chicago to be Assistant Secretary of the Treasury, taking the place of Arthur A. Ballantine. The vacancy was created when Ogden L. Mills advanced to Secretary of the Treasury and his post as Under-Secretary was filled by Mr. Ballantine. Mr. Douglas is the son of a Chicago manufacturer, connected with a prominent cereal manufacturing concern and also with sugar and packing interests.

Impeachment Proceedings Against Secretary of Treasury Mellon Formally Dropped by House Committee.

The House on Feb. 13 formally dropped the impeachment charges brought by Representative Patman (Dem.), of Texarkana, Tex., against the then Secretary of the Treasury, Andrew W. Mellon, newly appointed Ambassador to Great Britain. We quote from the "United States Daily" of Feb. 13, which also said:

The House action was the adoption of a report submitted from the Judiciary Committee by its Chairman, Representative Sumners (Dem.), of Dallas, Tex., recommending that "the charges be discontinued."

Mr. Sumners told the House he had been directed to make the report and he added that attached were minority views signed by four members of the Committee. The minority views were as follows, in full text:

"We cannot join in the majority views and findings. While we concur in the conclusions of the majority that Section 243 of the Revised Statutes, upon which the proceedings herein were based, provides for action in the nature of ouster proceedings, it is our view that the Hon. Andrew W. Mellon, the former Secretary of the Treasury, having removed himself from that office, no useful service would be served by continuing the investigation of the charges filed by the Hon. Wright Patman.

"We desire to stress that the action of the undersigned is based on that reason alone, particularly when the prohibition contained in said Section 243 is not applicable to the office now held by Mr. Mellon."

Those who signed these minority views were Representatives La Guardia (Rep.), of New York City; Browning (Dem.), of Huntington, Tenn.; Condon (Dem.), of Pawtucket, R. I., and Tarver (Dem.), of Dalton, Ga.

Reference to the action of the House Committee in voting to discontinue the impeachment charges was made in our issue of Feb. 13, page 1141.

House Suspends Rules and Passes Glass-Steagall Banking Bill Broadening Rediscount Provisions of Federal Reserve Act—Measure Also Passes Senate—Government Securities to Be Substituted for Gold As Part Security for Reserve Notes—Frees Banks Says Eugene Meyer.

The rapidity with which the Glass-Steagall banking bill has been engineered through the House and Senate this week has been no less marked than the sudden and unexpected announcement only 10 days ago (Feb. 10) that the new legislation had been agreed upon by President Hoover and Congressional leaders. Reference thereto appeared in these columns Feb. 13, pages 1131-1133. Designed to broaden the base of credit facilities of the Federal Reserve System, and to increase the effectiveness of the System's gold reserves, the bill was introduced in both branches of Congress on Feb. 11—in the House by Representative Steagall (Dem.) and in the Senate by Senator Carter Glass (Dem.). Further below we give details of the action of the House on Feb. 15 when, over-riding every parliamentary action, it suspended its rules and passed the bill by a vote of 350 to 15.

The Senate passed the bill late yesterday (Feb. 19). On motion of Senator Thomas, Democrat, of Oklahoma, and by a vote of 46 to 18, the Senate unexpectedly increased to two years the limit within which individual banks in "exceptional and exigent circumstances" may receive loans, and within which Government securities be used as partial collateral for Federal Reserve note issues. The original limit in the Senate bill was one year, but those conversant with the measure, including Senator Walcott, Republican, of

Connecticut, agreed that the change was advisable, and seemed satisfied that the House conferees would accept the provision. A Banking and Currency Committee amendment, raising to \$2,000,000 the capital of "needy" banks which could obtain the benefit of individual loans, was accepted without a record vote. The Senate bill as written would have refused these loans to banks with capital of more than \$500,000. The alteration will place all member banks of the Federal Reserve System, except 136, within the scope of the particular section.

On Feb. 12 the Banking and Currency Committee of both the Senate and House voted favorable reports on the bill, the Committee action being indicated in the following from the Washington account (Feb. 12) of the New York "Times":

Introduced only yesterday, substantially in the form recommended by the Hoover Administration, the bill emerged from the committees to-day with a few amendments, offered primarily in an attempt to make the central banking system more useful to the smaller financial institutions of the country.

Action by the Senate Banking Committee followed an hour's executive session. The favorable vote in the House Banking and Currency Committee was unanimous, with one member reserving the right to oppose the measure on the floor if he should see fit to do so.

Leaders in both committees moved for speedy action on the floor. Finding the Senate adjourned when the Committee had finished its work, Senator Glass announced that he would present the bill Monday (Feb. 15). Representative Steagall of Alabama, Chairman of the House Committee, announced that he would take the favorable report to-morrow and seek a special order, either by rule or by suspension of the rules, to bring it up Monday.

Urge Action on Committee.

Ogden L. Mills, Secretary of the Treasury; Eugene Meyer, Governor of the Federal Reserve Board, and Charles G. Dawes, President of the Reconstruction Finance Corporation, appeared before the House Committee to advocate favorable action.

Secretary Mills declared the measure would loosen about \$750,000,000 in gold now held by the Federal Reserve System above the 40% requirements of the currency reserve. Governor Meyer emphasized the benefits to be derived by the smaller banking institutions by expanding their borrowing privileges.

Mr. Dawes asked for a short executive meeting of the Committee, and behind closed doors banged on the table, waved his arms and in truly "hell-n-Maria Dawes" language acquainted the Representatives with the tenacity of the present business situation.

Designed to thaw credit as opposed to inflation of the currency, the bill was framed to make it easier for responsible, although possibly "unliquid" institutions to avail themselves of the benefits of the Federal Reserve System.

It proposed to give the Federal Reserve Board power to extend loans to groups of five or more member banks upon their time or demand promissory notes, and provides that in "exceptional and exigent circumstances" a single member bank may, on affirmative action by not less than six members of the Federal Reserve Board, obtain credit accommodations on its own notes secured to the satisfaction of the district Reserve bank.

It also provides that at any time within 12 months the Federal Reserve Board may authorize the substitution of direct government obligations for gold as a basis for Federal Reserve notes.

Amendments by Committees.

Amendments made in the short Committee sessions would make it necessary that groups of banks applying for credit on their notes shall have exhausted their supply of eligible and acceptable assets, and would limit the benefits under the "exceptional and exigent circumstances" clause to institutions with a capital of \$500,000 or less. A third amendment would expand the provisions to include all member banks, National or State, in the new benefits.

Governor Meyer described to the House Committee a situation in which about \$3,500,000,000 of gold and eligible paper is held by member banks of the Reserve System, but is kept out of use because of the fear that depositors might make demands, which would cause the institutions to seek immediate liquidation of this paper. He expressed the opinion that enactment of the Glass-Steagall bill would loosen the "frozen" condition by letting the banks know that they can get money from a ready source on their own notes in case of emergencies. He declared that many banks had actually failed because of "unliquidity."

"This will stop them from falling from that cause," he said. "It cannot stop the failures that result from insolvency."

Representative Busby of Mississippi asked Mr. Meyer if the holding of eligible paper in inactivity were not in reality the "hoarding" of bank assets, comparable to the hoarding of currency against which President Hoover has launched a national campaign. Mr. Meyer replied that the banks had to look out for their depositors first of all, and hence could not be blamed for holding to liquid resources.

Deny Threat from France Regarding Gold—Secretary Mills Would Make Bill Permanent Part of Federal Reserve.

Although advocating passage of the measure by an emergency act, Secretary Mills told the Committee that the bill might well be made a permanent part of the Federal Reserve structure. He was speaking with particular reference to the provision which would allow government securities to be substituted for gold above the 40% reserve requirement as a basis for currency.

Rumors had reached the Committee that this provision was drafted in the bill because of a threat of the Bank of France to withdraw its gold deposits in this country. The rumors were denied emphatically by Mr. Steagall and other members of the Committee. They insisted that the whole proposal was one for domestic relief, and had nothing to do with the foreign situation.

Mr. Mills told the Committee that the United States is in a position to meet all its demands for gold. He insisted that the gold reserve behind Reserve note issues was far in excess of the ratio contemplated by law, being 80% instead of the statutory requirement of 40%.

He said that \$750,000,000 in gold could be released through enactment of the part of the Glass-Steagall bill which would allow use of government securities to supplement eligible paper as a currency base. He pointed out that the 40% in gold was required by the Federal Reserve Act itself and could not be diminished.

The accumulation of gold in the currency reserves resulted from the lack of eligible paper offered for rediscount, Secretary Mills said, and

the latter situation resulted from the era of deflation through which the country has been passing.

"The time has come to arrest this deflationary process," he said, "and this bill is, to my mind, the way to do it."

Insists on Practical Benefits.

The proposed legislation would increase the resources of the Federal Reserve System and, he added, it was hoped that enactment would start the upward movement in business activity that the country is looking for.

One of the Committee members asked Mr. Mills if the release of \$1,000,000,000 in gold would furnish \$10,000,000,000 in credit, and he replied that theoretically that might be so. He emphasized, however, that the important point was not what might theoretically be possible but the practical benefits to be obtained from the bill, which he termed sound, conservative and constructive. He said that enactment would make it possible for banks with sound assets to obtain the relief needed.

Gold Deposits in Foreign Countries.

Representative McFadden of Pennsylvania asked Mr. Mills about the gold deposits of foreign countries in the banks of the United States. The Secretary replied that he had no way of ascertaining such figures, but reiterated that whatever the foreign deposits were they could be met and paid in gold. As to "earmarked" gold, he explained that it was not figured upon at all, just as though it had been sent out of the country.

Senator Walsh, Democrat of Massachusetts, expressed gratification to-night that the Administration had adopted the plan of authorizing currency on the basis of Government obligations above the required gold reserves. He contended, however, that his own bill dealing with the subject was more direct than the Glass-Steagall measure.

Senator Glass, co-author of the measure, reiterated to-night that every safeguard had been put into the bill and again remarked that the program did not contemplate excessive currency inflation. The Senator is reported to consider aid to smaller banks the main object of the measure.

Senator Explains Amendments.

It was after an executive session of an hour that the Senate Banking and Currency Committee authorized Senator Glass to report the bill to the Senate with three major amendments. He will prepare a report and submit it with the bill Monday.

A member of the Committee explained the three amendments as follows: The first amendment provides that groups of five or more member banks which would receive advances from a Federal Reserve bank on their promissory notes must first exhaust their eligible and acceptable assets.

The second amendment expands the provision authorizing National banks to obligate themselves in accordance with the proposed sections of the law to include all member banks in the Reserve System.

The third amendment provides that only banks with a capital of \$500,000 or less can take advantage of the section authorizing the Reserve Board in "exceptional and exigent circumstances" to permit Reserve banks to advance money to any individual bank on promissory notes.

Originally, the Senate Committee contemplated rewriting the section concerning banks in "exceptional and exigent circumstances" to limit the benefits to institutions in cities of a certain size, but it was decided that the limitation of capital would be sufficient.

Maximum Capitalization Stands.

An attempt was made to limit the capitalization to \$350,000, but Senator Glass, it was stated, insisted on \$500,000. As the bill stood yesterday, committeemen said, the benefits covered in this section might have applied to all banks, whereas the real purpose was to aid smaller institutions.

Efforts were made in the Committee to necessitate a vote of six of the eight members of the Federal Reserve Board before authorization could be given to use government bonds as collateral for Reserve notes, instead of the commercial papers now specified. However, this proposal was lost on a tie vote and the bill stipulates that a "majority" of the Board must make the decision.

While Senator Glass would not discuss the Committee meeting, it was understood that he asserted behind the closed doors that member banks now hold billions of available assets which have not been rediscounted and thus the immediate need for the bill might be disputed. Nevertheless, he agreed to go through with the program of making other paper eligible for rediscount.

On Feb. 13 Senate and House leaders sidetracked all other legislation to give right of way to the banking bill and measures on economic relief. On that date the "Times", in its Washington account (Feb. 13), said:

Senate leaders placed the Glass-Steagall bill next on the schedule to the Costigan-LaFollette relief measure which, it is expected, will be disposed of Monday.

Senator Glass announced the purpose to-day to call up his proposal Monday afternoon if action on the other measures does not come too late.

In the House, Democratic helmsmen were considering use of Congress's most drastic procedure, that of suspending the rules, to force action on the measure Monday. Under this plan debate would be limited to 40 minutes and no opportunity would be given for offering amendments.

Passage under such procedure would require a two-thirds vote of those present, but leaders were confident to-day of an overwhelming vote.

If the House leaders decide not to resort to this extreme course Chairman Steagall of the Banking and Currency Committee, and co-author of the bill, will ask unanimous consent for its consideration the first thing Monday. Should that fail, he will immediately seek a special rule, forcing action not later than Tuesday or Wednesday.

With the suspension of the rules by the House on Feb. 15, and its adoption of the bill by the overwhelming vote of 350 to 15, the "Times" had the following to say:

The measure was acted upon under the most drastic procedure known to Congress, and passage came after a debate of only three hours. The bill will be sent to the Senate to-morrow, where plans were made to-day to call it up for action before another day has passed.

Republican Senators were hopeful to-night that the Senate would adopt the exact wording of the House bill, but Senator Glass, co-author of the measure, revealed that he will insist on his own amendment to insure greater benefits to banks of \$500,000 capital or less.

Reiterating that the measure was intended chiefly to make the credit reservoirs of the Federal Reserve System more accessible to small banks, Senator Glass said to-night that the effects of the bill had been grossly exaggerated, resulting in another "riot of speculation" on the stock market. He said that many people who were uninformed as to the nature of the bill stood to lose millions because of these "exaggerated" reports.

Charges of "Gag Rule" Made.

Charges of "gag rule" and "no time to study the bill" were made in the House. Many critics of the procedure voted for the bill, however,

leaving a small group of insurgent Republicans, some Democrats and one Administration follower, Representative Tinkham of Massachusetts, to vote against it.

Others voting in the negative were Representatives Howard of Nebraska, Blanton, Patman, Sanders and Williams of Texas, and Shannon and Romjue of Missouri, Democrats, and Baldrige of Nebraska, Amlie, Peavey, Schneider and Withrow of Wisconsin, McFadden of Pennsylvania and La Guardia of New York, Republicans.

The international debt question was referred to by Representative Goldsborough, Democrat, of Maryland, who declared that a man "high in European politics" had told him that France might withdraw all of her gold from America if her debts to this country were not revised downward.

"I told this gentleman," Mr. Goldsborough continued, "that before the end of this week Congress would have enacted a bill to furnish all the gold we need and France could take her gold and go to hell with it."

Mr. Goldsborough argued that the clause in the bill providing that, for a year, the Federal Reserve agent may accept direct government securities as a basis for note issues would free \$750,000,000 in gold and afford a supply for all contingencies.

Steagall Sees Many Benefits.

Debate also centered on the provision for extending further credit to member banks after they have exhausted all of their rediscountable paper. Banks in groups of five or more are authorized to borrow directly from the Reserve banks on pooling their time or demand promissory notes backed by adequate security. A single bank would be permitted "in exceptional and exigent circumstances" to borrow on its own note. This is the benefit that Senator Glass seeks to have limited to institutions with capital of \$500,000 or less.

"These are not cure-alls," declared Mr. Steagall, "but I do believe they will enlarge and extend the service of the Federal Reserve System and bring that great agency into the full part it was intended from the start to take in the credit machinery and banking system of this country.

"Our banking system has drifted into unhappy days. Some of us for years have warned the country of what was taking place and have pleaded with those in power to change the policies under which we were operating. Now a much larger task confronts us as a result of vicious and unsound banking practices, which apparently were condoned by those responsible for the Federal Reserve System. They have diverted and debased that System into the present state of chaos. Small banks have been strangled and choked to death and confidence has been destroyed."

Asks About Dawes' Remarks.

Representative Shannon of Missouri asked Mr. Steagall to relate, "without the profanity," what Charles G. Dawes, President of the Reconstruction Finance Corporation, had told the Banking and Currency Committee leaders at the White House conference to cause the bill to be so rushed.

"The gentleman knows that there are certain delicacies about these matters that cannot be published to the world," Mr. Steagall replied. "We had the President of the Reconstruction Finance Corporation in to tell us of conditions of which he knew. He discussed individual cases, telling of conditions in certain enterprises. Does the gentleman think that the facts relative to these individual instances should be published here?"

"Why, certainly," Mr. Shannon replied. "Anything that pertains to the American people should be brought out here."

This remark was "boomed" from the Republican side.

Representative Strong of Kansas declared that the bill was needed to break the "reign of fear" throughout the country.

La Guardia Calls It Inflation.

"If inflation is necessary, call it inflation," Representative La Guardia of New York insisted. "But I say to you that in this instance the entire burden of the inflation will be put upon the wage earners of this country. It will cost them billions of dollars.

"The last 12 months has been a systematic drive to deflate wages. Now that wages have been deflated and commodity prices have come down, you want to inflate the currency. If you do, then declare all wage agreements off and raise wages to make up the difference. And I say to you, too, that it's no step in the restoration of confidence to withhold information about measures that are framed in secret conferences."

Representative McFadden of Pennsylvania also termed the bill a move "simply for inflation," demanded by speculators.

"You are going to give the Federal Reserve Board full authority to issue currency," he said. "You are going to take the lid off. This is not at the call of business and commerce. It will be placed at the disposal of speculators, and in this connection I ask you to recall what happened in 1929 at the end of the greatest inflation this country has ever seen. You are releasing gold belonging to the people of the United States that is now back of your Federal Reserve notes. You are destroying the liquidity of the Federal Reserve System."

"If this is deflation that we have been going through then give us inflation with emphasis on the 'IN,'" remarked Representative Stevenson of South Carolina.

"There has been constant complaint about Congress being too slow," Mr. Stevenson added, addressing those who had complained of "steam-roller" tactics. "It is regrettable that members of this House are so mentally weak that they cannot understand a simple bill. I think all this cry of haste is just because you can't talk as much as you like."

Representative Sabash, Democrat, of Illinois, retorted to other critics of haste that "this is no time to quibble about procedure."

Representative Busby of Mississippi supported the bill, but with some misgivings as to the ultimate benefit to small banks.

Senators Seek Agreement.

In the meantime informal conferences were held by members of the Senate Banking and Currency Committee in the hope of reaching an agreement that would prevent a fight on the Senate floor. Senator Walcott and Senator Glass were together for a long time, but no information as to a definite agreement was obtainable.

Senator Glass, in charging that false reports were circulated as to the effect of the bill, added:

"I think the people who have sent out these exaggerated reports about this bill and started another riot of speculation on the Stock Exchange are very culpable and are causing the loss of many millions of dollars to persons who have been utterly misinformed as to the requirements of this bill."

Consideration of the measure will begin in the Senate to-morrow if the Costigan-LaFollette measure is disposed of.

The fight will revolve chiefly around the amendment in the Senate bill which limits borrowing by individual banks to those having a capital of \$500,000 or less. Reports were heard that Senator Glass may agree to enlarge the capitalization limitation to \$1,000,000. An effort also is

being made to obtain a compromise simplifying the procedure by which larger banks may obtain loans.

The bill passed by the House, which does not limit individual loans to banks of small capitalization, is acceptable to the Administration.

468 Banks Would Be Left Out.

Administration leaders who conferred with President Hoover last night were confident that the Senate would modify the Glass amendment dealing with capitalization. They presented figures to-day to show that 468 banks in 187 cities would not be covered by the bill if the amendment prevailed. Among them are 288 National banks and 180 State banks. In the New York Federal Reserve District, 95 banks in 32 cities would be excluded. The excluded banks in the other Reserve districts and the number of cities affected are:

District—	Banks.	Cities.
Boston.....	42	17
Philadelphia.....	46	18
Cleveland.....	42	16
Richmond.....	33	12
Atlanta.....	31	16
Chicago.....	68	30
St. Louis.....	20	6
Minneapolis.....	9	4
Kansas City.....	18	8
Dallas.....	28	12
San Francisco.....	36	16

"This bill, as it stands, reflects my views or I would not have introduced it," Senator Glass said, declining to admit that he would consent to the compromises that will be offered on the floor by Senator Walcott.

Walcott Hopes for Compromise.

Senator Walcott expressed the hope that a compromise acceptable to Senator Glass would be agreed upon. He said that it was of the utmost importance that the legislation should become a law without delay.

"The bill is intended to promote a complete recovery of commercial banking, which has partially broken down through a lack of confidence," said Senator Walcott. "By extending or broadening the base of eligibility—that is, allowing other assets held by the banks than those assets now eligible for rediscount in the Federal Reserve banks—it will immediately strengthen the cash position of the banks.

"This gives both the banks and their depositors renewed confidence by dispelling fear. It is the small banks which suffer most from a shortage of eligible paper, and provision in this new bill will allow the Federal Reserve System to give added strength to smaller banks.

"While it is essential that the smaller banks get additional relief at this time and promptly, it is also essential to maintain the morale of the larger banks by allowing them to borrow as individuals where groups are not possible, just as the smaller banks are allowed to borrow."

Those who voted in the House against the bill are (we quote from the New York "Herald Tribune"):

Republicans.—John C. Allen, Illinois; Malcolm Baldrige, Nebraska; Fiorello H. La Guardia, New York; Louis T. McFadden, Pennsylvania; Hubert H. Peavey, Wisconsin; George J. Schneider, Wisconsin; George H. Tinkham, Massachusetts; Gardner R. Withrow, Wisconsin.

Democrats.—Thomas L. Blanton, Texas; Edgar Howard, Nebraska; Wright Patman, Texas; Milton A. Romjue, Missouri; Morgan Sanders, Texas; Joseph B. Shannon, Missouri; Guinn Williams, Texas.

Elsewhere we give the reports on the bill of the House and Senate Banking Committees, and statements by Senator Glass and Representative Steagall. Late at night on Feb. 16, the Senate (which passed the bill Feb. 19) cleared the way for the consideration of the bill; the first amendment agreed upon on that day by Senators Glass, Walcott and others concerned the provision for extending further credit to groups of five or more Federal Reserve System banks, after they have exhausted their rediscountable paper. With regard thereto the Washington account Feb. 16 to the "Times" said:

The amendment, it was stated, would clarify the clause, so that the proceeds of the advance would be receivable only by those within the group that have divested themselves of eligible assets.

The bill now provides that the advances may be made to the groups "provided such banks have no adequate amounts of eligible and acceptable assets to obtain sufficient accommodation through discounting at the Federal Reserve Bank."

The proposed amendment reads:

"Provided the bank or banks which receive the proceeds of such advances as herein provided have no adequate amounts of eligible or acceptable assets available to enable such bank or banks to obtain sufficient credit accommodations from the Federal Reserve Bank through rediscounts or advances other than in Section 10 (b)."

Would Set Limit at \$2,000,000.

Section 10 (b), to which the amendment refers, provides that single banks "in exceptional and exigent circumstances," and without further eligible and acceptable assets, may obtain individual loans, at a rate 1% higher than other discount rates, but only if these single banks are capitalized at \$500,000 or less.

This limitation of \$500,000 or less capital was to-day increased, under the agreement, to \$2,000,000, and an amendment to that effect will be offered.

On Feb. 17 Carter Glass expounded the provisions of the bill, and it was observed in that day's dispatch to the "Times":

Real opposition failed to manifest itself and indications were that any delay to the bill would come from insistence on several amplifying amendments offered late this afternoon.

Senator Brookhart offered one which would make the present "group" section of the bill apply to individual banks. Another by Senator Blaine would bar use of the loans for stock market speculation, while one by Senator Thomas of Oklahoma would make the "individual bank benefit" section apply permanently instead of for one year.

Relating the birth of the bill, Mr. Glass said that banking officials had "revealed a situation, if not menacing, at least distinctly disturbing" and that as a consequence he and his colleagues of the Senate Banking and Currency Sub-committee had agreed to proposals they did not altogether favor, "for fear of being placed in an attitude of obstinacy in the face of these more or less alarming representations."

On Feb. 18, it was stated that while no opposing vote was raised, the speeches of those advocating the bill precluded a vote until the following day. A letter by Secretary Mills was introduced stating that the Reserve banks under existing law would be able to meet a demand for only \$430,000,000 of new currency, or release that amount of gold for export, whereas the proposed legislation would release \$1,400,000,000 and permit the issuance of \$3,500,000,000 in Federal Reserve notes. Regarding yesterday's action (Feb. 19) by the Senate on the bill, we quote the following from the Washington dispatch to the New York "Evening Post":

The Senate this afternoon accepted an amendment to the Glass-Steagall emergency banking bill raising to \$2,000,000 the capitalization of banks eligible to rediscount securities individually under the bill, thus paving the way to passage of the bill before the day is over.

Senator Glass, sponsor of the measure, said that he would accept the amendment, but did so reluctantly. Its acceptance was in accordance with an agreement to make this change in the bill in order to avoid a fight on the floor between Administration forces and Senator Glass over insertion of the first proposal to restrict such individual action to banks whose capital was \$500,000 or less.

The Republicans wanted no restrictions at all upon individual action, but consented to compromise on \$2,000,000 which excludes only 136 banks in the whole country.

Later in the day the Senate passed the bill, as we note above.

House of Representatives Passes Resolution Abolishing "Lame Duck" Session of Congress—Would Eliminate Short Sessions.

A resolution proposing to the States a constitutional amendment to abolish the "lame duck" session of Congress was adopted by the House of Representatives on Feb. 16 by a vote of 335 to 56. It was approved by a two-thirds vote as required for a proposed constitutional amendment. Having already been approved by the Senate on Jan. 6 by a vote of 63 to 7, it goes to conference for the adjustment of slight differences. Associated Press advices Feb. 16 from Washington said:

By not fixing a limit on the second annual session, the Democratic House terminated a 10-year-old controversy between the two branches.

The resolution must be ratified by three-fourths of the States within seven years. It provides that a new Congress shall meet two months after the November elections, instead of 13 months later as at present. Terms of Congressmen would begin on Jan. 4 and of the President and Vice-President on Jan. 24.

As the measure was adopted by the Senate, Congress would convene Jan. 15.

Those who voted "no" on the resolution were:

Democrats.—Bland, Blanton, Bulwinkle, Larsen, Montague, Tucker, Woodrum—7.

Republicans.—Aldrich, Allen, Andrew of Massachusetts, Bachmann, Bacon, Beck, Beers, Brumm, Burdick, Chipperfield, Cole of Iowa, Coyle, Darrow, Depriest, Doutrich, Eaton of Colorado, Erk, Evans of California, Finley, Foss, French, Golder, Hawley, Hess, Hollister, Houston, Kahn, Kinzer, Looftbourov, Murphy, Parker of New York, Ransley, Rich, Rogers of Massachusetts, Sanders of New York, Seiberling, Shott, Shreve, Stokes, Taber, Temple, Tilson, Tinkham, Treadway, Underhill, Watson, Welsh of Pennsylvania, Wigglesworth and Wolfenden—49; grand total—56.

House Committee Report on Glass-Steagall Banking Bill Broadening Credit Base of Federal Reserve System—Statement by Representative Steagall.

In addition to the formal report of the House Banking and Currency Committee on the Glass-Steagall emergency banking bill, filed by Representative Steagall on Feb. 13, Mr. Steagall also issued on the same date a statement bearing on the new legislation. In his statement Representative Steagall said:

The Committee on Banking and Currency ordered a favorable report on the bill, which has been filed to-day. The report is unanimous, with the exception of one member, who gave notice that he might oppose the bill in the House.

It is expected that some plan will be adopted for the passage of the bill Monday, or certainly early next week. The bill will be taken up by unanimous consent, by special rule or under suspension of the rules.

The purpose of the measure is to broaden the credit facilities of the Federal Reserve System to afford relief from the distressing conditions that now exist. Provision is made for loans to a group of member banks, not less than five in number, who find themselves without collateral now eligible at Federal Reserve banks. The loans may be made upon time or demand promissory notes.

Groups of banks applying for loans are required to put up with a trustee selected by them such collateral as they may agree upon. No such loans may be made upon foreign securities nor for a longer period than one year and must bear a rate of interest not less than 1% in excess of the prevailing rate.

It is thought that this will afford a practical method by which banks may merge their collateral and their credit resources and obtain relief for temporary emergencies.

Another provision of the bill authorizes loans to individual member banks that have not sufficient security eligible under existing law upon such collateral as may be satisfactory to the Federal Reserve bank.

The interest rate must not be less than 1% in excess of the prevailing rate and no loans may be made after a period of one year after the passage of this Act. No such loans may be made upon foreign securities.

This will make available for banks any sound collateral on hand that cannot now be used because of ineligibility. Banks that feel required out of a sense of responsibility to their depositors to carry sufficient liquid paper

to meet any demand will be enabled to realize upon other kinds of collateral large amounts of cash which may be used by their customers in business pursuits and along lines calculated to stimulate general improvement in economic conditions.

The third provision of the bill simply attempts to carry out the original purpose of the Federal Reserve law, which required only 40% of gold to be maintained, in addition to collateral eligible as basis for Federal Reserve notes.

It was never contemplated nor was it considered desirable that more than 40% of gold should be carried as protection for currency. A situation has developed, however, in which we find that it is necessary to maintain about 80% of gold against notes issued by the banks. This results from a shrinkage in eligible collateral brought about by the depression.

There are outstanding nearly \$3,000,000,000 in currency secured by \$900,000,000 of eligible paper and \$2,000,000,000 of gold. By permitting the use of Government bonds as a basis for the issue of currency, as provided in the bill, we release about \$750,000,000 in gold. This will strengthen our financial position for all purposes by increasing the amount of free gold available.

The bill meets a widespread demand for liberalization of our credit and currency. This demand has grown day by day among members of Congress. The members of the Banking and Currency Committee have been giving it much thought and consideration with a purpose of passing some such legislation during the present session of Congress.

The Administration has found it desirable as supplementary to the Reconstruction Finance Corporation Act. The bill will unquestionably pass at an early date.

The House Committee's report follows:

Report of House Committee.

First, the bill provides that loans may be made to groups of member banks independently owned and not less than five in number in any Federal Reserve district upon time or demand promissory notes.

Banks receiving such loans are authorized to distribute the proceeds of the same in such manner and upon such collateral as may be agreed upon. The banks are required to select a suitable trustee to receive deposit of the individual notes of the bankers forming the group, together with such security as may be agreed upon.

Such loans shall only be made upon the approval of the majority of the Federal Reserve Board and when such banks have no adequate amount of eligible and acceptable assets to obtain sufficient rediscount at the Federal Reserve bank.

It is further required that any Federal Reserve bank making such advances shall charge interest or discount not less than 1% above the prevailing discount rate. Such loans are to be made only in urgent and extraordinary circumstances, and for not more than one year after the passage of this Act.

It is further provided that no loans shall be made upon foreign obligations or securities.

Section 2 of the bill provides that for a period of one year any individual member bank that is unable to offer security eligible under existing law may obtain loans from a Federal Reserve bank on satisfactory security.

Such loans may only be made upon the approval of a majority of the Federal Reserve Board, and when the security offered is satisfactory to the Federal Reserve bank. Every such note must bear interest at a rate not less than 1% higher than the highest discount rate prevailing at the time, and no notes accepted for such loans shall be eligible as security for Federal Reserve notes.

No foreign obligations or securities shall be accepted as collateral for any such loans.

Section 3 of the bill provides that for a period of one year the Federal Reserve Board shall be authorized to use direct obligations of the United States as a basis for the issue of currency. Federal Reserve notes issued under this authority must be protected by a gold reserve of 40%.

Federal Reserve notes now outstanding have something like 80% of gold held against them for the reason that commercial paper which may be used as a basis for Federal Reserve notes has shrunk to a point that requires this excess of gold.

It was never contemplated that more than 40% of gold should be required in support of Federal Reserve notes. The substitution of Government obligations for commercial paper simply carries out the policy expressed in the original Federal Reserve Act.

The purpose is to afford a means of relief to banks that find themselves in urgent need of accommodations when willing to enter into joint liability. It is believed that this bill, without undue expansion, will result in easier credits which will aid in ending bank failures and in improvement of business conditions generally.

Senator Glass, in Report on Emergency Bill Broadening Credit Base of Federal Reserve Banks, Says Measure Is Not Intended to Be Used for "Undue Inflation."

In a report on the Glass-Steagall banking bill which would enlarge the credit base of the Federal Reserve System, Senator Carter Glass stated that "the bill is not intended nor should it be used for undue inflation of the currency." The report, which was submitted to the Senate on Feb. 15 by Senator Glass, follows:

The Committee on Banking and Currency, to which was referred the bill (S3616) to improve the facilities of the Federal Reserve System for the service of commerce, industry and agriculture; to provide means for meeting the needs of member banks in exceptional circumstances, and for other purposes, having considered the same, report favorably thereon with the recommendation that the bill do pass, with the following amendments:

Page 2, line 4, after the comma, strike out "the" and insert the following: "Provided such banks have no adequate amount of eligible and acceptable assets to obtain sufficient accommodation through rediscounting at the Federal Reserve bank. The."

Page 2, line 5, strike out "to" where it first appears, and insert in lieu thereof "must."

Page 3, strike out lines 5 to 8, inclusive, and insert in lieu thereof the following: "Member banks are authorized to obligate themselves in accordance with the provisions of this section."

Page 3, line 15, after the word "bank" insert a comma and the following: "having a capital of \$500,000 or less."

Page 3, line 21, strike out "holding office at the time."

Page 5, line 7, strike out "holding office at the time."

Not Intended for "Undue Inflation."

The bill is not intended nor should it be used for undue inflation of the currency. One important temporary provision, covering a period of 12 months after approval of the Act, authorizes, for that time, the Federal Reserve Board, should it deem such action to be in the public interest, to use the direct obligations of the United States as a basis for currency issues, against which there must be a gold reserve of 40%.

This will enable the Federal Reserve banks to maintain a desirable volume of what is known as "free gold," which means gold in excess of the 40% statutory requirement and not including "ear-marked" gold. This would fortify the gold status of the Federal Reserve banks in this period of extraordinary disturbance.

It is suggested, and is altogether probable, that the Federal Reserve banks may not find it necessary to make use of this authorization.

Another provision of the bill taken textually from what is known as the "Glass bill," now in process of consideration by the Senate Banking and Currency Committee, with a modification of the specific rate of interest which may be charged organized groups of banks desiring rediscount facilities on other than eligible paper and securities, is intended to provide a permanent reserve for groups of banks in periods of great distress.

Federal Reserve Board to Determine Discount Rate.

The discount rate is left to the determination of the Federal Reserve Board; but in no event shall it be less than 1% higher than the prevailing rate of discount at the Federal Reserve bank of any district using this facility.

There must be joint action by not less than five banks in any one group, and the great probability is that there will be a great many more should circumstances ever require the use of this facility. These banks must first have exhausted their eligible assets before getting access to Federal Reserve securities not ordinarily eligible.

A third provision of the bill authorizes, for a period of one year from approval of the Act, any single member bank in exigent circumstances to get accommodation at a Federal Reserve bank on satisfactory security not now permitted by existing law; but it may do this only after it has used all of its available eligible commercial assets and United States securities and is in immediate need of help, which it may not otherwise obtain to avert failure.

The two provisions relating to unusual rediscount operations are so carefully safeguarded, the Committee thinks, as to make it improbable that there can be any unwholesome inflation of the currency unless we may assume that the Federal Reserve banks, with the approval of the Federal Reserve Board, will be unwise and improvident enough so to administer the law as to bring about dangerous expansion. This would be difficult under the terms of the bill.

It should be very definitely understood, as it is explicitly agreed by the proponents of this measure, that the bill is not intended to displace the so-called Glass bill now before the Senate Banking and Currency Committee for consideration.

Senator Glass Tells Senate of Gold Raid Threat—Emergency Credit Expansion Bill Will Make Us Impregnable Should France Act as He "Conjectures"—Timidity Laid to Bankers—Says They Have More Than \$8,000,000,000 of Securities Eligible for Rediscount—New Bill to Spur Them.

The Glass-Steagall credit expansion bill, centre of debate in the Senate on Feb. 17, was advocated by Senator Glass as a measure which would accomplish the double purpose of inspiring American bankers with courage to assist business and place this nation in an impregnable defensive position against threatened gold raids from abroad. According to a Washington account to the New York "Times" it was an unusually intent Senate that heard the Democratic co-author of the measure (Senator Glass), who opened the debate. Member banks of the Federal Reserve System were ruled by "cowardice," the Virginian charged, with the declaration that although they have \$8,561,648,000 of rediscountable assets in their portfolios they have discounted only \$465,711,000 of this eligible commercial paper and government securities. The "Times" dispatch continued:

Emphasizing his view that the banks have been "frightened to death," he demanded that they use their acceptable assets to stimulate trade and commerce and thus help to end the depression.

For more than an hour Senator Glass described the machinery and purposes of the measure. The charge was made that attempts had been made to break down the safeguards it provides, and he turned to the Senate with a plea for approval of the program, which, he said, "will do more in ten minutes to stimulate redeposits than all the mass meetings in the world."

Sees Threats of Gold Raids.

France and other foreign nations, he declared, had threatened raids upon this country's gold reserves, it being his "conjecture" that France desired to "affect our situation with respect to reparations and her indebtedness to the United States." Officials of the Bank of France have "outwitted" officials of the Federal Reserve System, he contended.

Throughout the debate both Senator Glass and Senator Reed of Pennsylvania emphasized that no matter how heavy French gold withdrawals might be this country would not be seriously affected.

Senator Glass's remarks on France were made in connection with that section of the bill dealing with gold reserves of the banking system.

"They express the hope that they may never have to use that provision," he said. "I am not misled by that sort of optimism. I think it very likely they will have to use it."

"I suppose I may, without exceeding the caution which ought to be observed, say that the Reserve System has been threatened with raids upon its gold supply by foreign nations, notably by France. I would not have said that here, but it has been publicly said elsewhere, so I repeat it here. There has been that threatening situation, the conjecture—and it is a conjecture—being that that country wanted to affect our situation with respect to reparations and with respect to her indebtedness to the United States. I do not make that assertion; I say that is a conjecture."

To Replenish Our Gold Supply.

"The officials of the Bank of France have simply outwitted the officials of the Federal Reserve System of this country, and they have them in that position. The real purpose of this section of the bill is to put foreign

nations upon notice that if they, in conjunction with their business men, want to raid the gold supply over here, this is a method of replenishing it."

It was due to his own "intellectual integrity and past record," Mr. Glass commented, that he be permitted to say he did not want to be "stampeded."

"I have not wanted to appropriate to myself the terrific fear with which some people seem to have been seized about these matters," he said. "I particularly have contested from the beginning the assertions that there was any urgent need for these devices, except the last one, by reason of a paucity of eligible assets in the portfolios of the member banks of the Federal Reserve System."

"There is a great deal of talk elsewhere about the Federal Reserve System having broken down. It has not broken down. The member banks of the Federal Reserve System, the banking community of the United States, have ceased to function through cowardice. That is where the breakdown is."

Sees "Memento of Folly."

Senator Glass denounced those who, he declared, had tried to widen the benefits of the bill unduly.

"They put into my hands from responsible sources documents I intend to preserve as a memento of folly," he exclaimed. "They would have destroyed the Federal Reserve System and taken us in the way Germany and Continental Europe have gone."

The Glass speech and an argument by Senator Walcott, who helped to draw the bill, appeared to have convincing effect on the Senate. Real opposition failed to manifest itself, and indications were that any delay to the bill would come from insistence on several amplifying amendments offered late this afternoon.

Senator Brookhart offered one which would make the present "group" section of the bill apply to individual banks. Another by Senator Blaine would bar use of the loans for stock market speculation, while one by Senator Thomas of Oklahoma would make the "individual bank benefit" section apply permanently instead of for one year.

Relating the birth of the bill, Mr. Glass said that banking officials had "revealed a situation, if not menacing, at least distinctly disturbing," and that as a consequence he and his colleagues of the Senate Banking and Currency Sub-committee had agreed to proposals they did not altogether favor, "for fear of being placed in an attitude of obstinacy in the face of these more or less alarming representations."

As to "Group Benefit" Clause.

Objection has been raised against the "group benefit" section of the bill, Senator Glass admitted, adding:

"The objection that strong banks will not assist the weaker banks in any Federal Reserve district is a statement which, to me, involves an imputation of incredible selfishness on the part of the banking community; to think that as many as five banks in any considerable community may not be willing to organize themselves in a group to avert the failure and consequent disaster of one or more other banks in that community is to assume that the bankers of the country have not even an intelligent selfishness, because the failure of any one of the weaker banks in any given community has its reactionary effect upon the stronger banks, and it is readily conceivable might bring disaster to them also."

Discussing the stipulation that banks must divest themselves of all eligible paper before using the now ineligible assets, he said, his sub-committee "did not entertain for a moment the idea that the banks might retain their eligible paper in their portfolios and unload on the Federal Reserve Banks their cats and dogs, their ships and whetstones, their utterly unliquid and in many, if not in most instances, worthless assets."

Thirty-Eight "Speculative Institutions."

It was first suggested, he stated, that the capitalization of single banks that wished to borrow in "exceptional and exigent circumstances" should be limited to \$500,000 or less capital.

Now, he continued, large banks "stimulated by inspired telegrams from certain sources" demand that all banks be able to accept this benefit. This, he stated, "simply reveals to me that somebody who never had any great solicitude for the small banks would return us to a situation, recently revealed, that amounts to a public scandal."

He meant, he explained, that "38 great banks easily identified as speculative institutions with large extensions on the Stock Exchange were borrowing two-thirds of the outstanding loans of the Federal Reserve Banking System."

Responding to "tremendous pressure from various sources upon those who seem to be in charge of the measure," Mr. Glass stated, he agreed to increase the capitalization to \$2,000,000. This, he added, was done "in the face of a terrific drive by people who have always sought to conduct banking business at liberty and without restraint and who were clamoring for no limitation at all." However, he continued, this limitation would now exclude only 136 banks from relief under this section.

Big Lending Power Seen Now.

Offering an analysis of the assets of the Reserve System, the Senator said he possessed authoritative statements that the "Federal Reserve Banks are in position today to make additional loans to those outstanding under the statute, including the gold reserve requirement of \$4,000,000,000."

"Who will say that if we might expand today to the extent of \$4,000,000,000, the situation would not be cured," he queried, turning his slight figure from one side of the chamber to the other.

"The Federal Reserve member banks have in their portfolios eligible paper which would not only absorb the \$4,000,000,000 which the Federal Reserve Banks might loan, but four billion and a half dollars more they have in their portfolios," he resumed.

"Note these figures: \$2,997,167,000 of quick commercial paper, within \$3,000,000 of \$3,000,000,000 of commercial assets. In addition to that, they have on hand \$5,564,461,000 of United States securities eligible and usable for rediscount purposes. The twelve Federal Reserve Banks, therefore, have usable paper to the immense volume of \$8,561,628,000 which may be used for rediscount purposes."

The following figures were used by Senator Glass to show that the Federal Reserve member banks have \$8,561,648,000 of eligible assets, and have rediscounted only \$465,711,000:

District—	Eligible Com- merc'l Paper.	United States Securities.	Total Assets.	Reds- counted.
Boston.....	\$212,501,000	\$330,321,000	\$542,822,000	\$25,277,000
New York.....	940,151,000	2,195,881,000	3,136,032,000	95,764,000
Philadelphia.....	208,060,000	365,901,000	573,961,000	72,309,000
Cleveland.....	173,861,000	567,449,000	741,310,000	67,250,000
Richmond.....	141,104,000	154,417,000	295,521,000	35,000,000
Atlanta.....	131,526,000	160,517,000	292,043,000	34,409,000
Chicago.....	328,991,000	664,147,000	993,000,000	27,144,000
St. Louis.....	138,746,000	152,731,000	291,477,000	19,254,000
Minneapolis.....	164,332,000	121,997,000	286,329,000	4,699,000
Kansas City.....	192,398,000	199,625,000	392,023,000	15,398,000
Dallas.....	156,034,000	131,590,000	287,624,000	16,817,000
San Francisco.....	209,423,000	519,857,000	729,280,000	51,370,000

Senator Glass based his contention that only ninety-one banks out of the 7,600 in the Federal Reserve System have actually exhausted their eligible assets on the following figures:

District—	Banks Without Eligible Paper.	District—	Banks Without Eligible Paper.
Boston.....	353	Chicago.....	960
New York.....	876	St. Louis.....	500
Philadelphia.....	740	Minneapolis.....	597
Cleveland.....	698	Kansas City.....	844
Richmond.....	448	Dallas.....	645
Atlanta.....	363	San Francisco.....	545

The Senator said that on April 30 1932, the lending power of the member banks over and above their outstanding loans was:

District—	Lending Power in Excess of Loans.	District—	Lending Power in Excess of Loans.
Boston.....	\$232,000,000	Chicago.....	\$831,000,000
New York.....	1,206,000,000	St. Louis.....	102,000,000
Philadelphia.....	198,000,000	Minneapolis.....	75,000,000
Cleveland.....	300,000,000	Kansas City.....	98,000,000
Richmond.....	121,000,000	Dallas.....	52,000,000
Atlanta.....	94,000,000	San Francisco.....	190,000,000

Sees Psychological Advantage.

The situation, Mr. Glass proceeded, did not greatly impress him with the need of broadening the rediscount base for eligible commercial paper, but, nevertheless, he prepared the section of the bill allowing use of now ineligible paper, after the acceptable assets have been used up.

"The trouble is that the banking community of the country is frightened to death," he said. "The banks have ceased to function. They have discarded the ideas, without warrant, that the Federal Reserve System was intended for a situation like this. They do not seem to realize that they can and should get this accommodation. But it is not within the province of the Congress to compel a bank to borrow money if it will not borrow money."

"The chief psychological advantage of this measure—and it is perhaps a valuable psychological advantage—is that it gives assurance to these frightened and timid bankers throughout the country that if they will only respond to the requirements of commerce, if they will only help in relieving themselves and the country from this depression and in doing so exhaust their eligible assets, then and only then may they make use of their ineligible assets."

He warned the Senate of "covert and powerful influences," seeking to defeat the bill.

Treasury Explains Bank Law Revision—Practical Elimination of Failures Looked For in Broadening of Credit Base.

Bank failures will be practically stopped by the system of loans contemplated under the proposed changes in the Federal Reserve Act, according to oral statements made Feb. 11 at the Treasury Department. The "United States Daily" of Feb. 12 from which we quote, also said:

Under the temporarily revised regulations of the Act, institutions with sound investments will have a source of strength upon which to draw if pressure is put on them, according to the oral statements. Additional oral information made available follows:

Strict definitions of the new classes of paper to be made eligible for discount and rediscount have not been arrived at, but probably the Federal Reserve Board will be allowed to exercise its discretion and base its actions on the intrinsic value of securities offered. Much of this discretionary power may have to be delegated to the Board of the 12 Regional Banks where the applications for loans on rediscount will be received.

The revisions of the Act may include some provision under which member banks in the Federal Reserve System will be allowed to discount paper from nonmember banks and, in turn, rediscount it with the Reserve banks. Relief would thereby be extended outside the confines of the Reserve System, which embraces between 7,000 and 8,000 banks, or more than a third of the Nation's total.

Industries and persons probably would encounter less difficulty in obtaining loans from banks if the Reserve Act were temporarily slackened in its discount provisions. Banks, which are now insisting upon holding cash to remain liquid, would be more willing to lend their money if they knew they could discount their investments in case of need.

At the same time bank failures, the great stimulus to hoarding, would be eliminated. Underlying most of the bank failures is a situation in which the bank has an abundance of intrinsically valuable securities in its portfolio but finds that they are ineligible as a basis of discount loans from the Federal Reserve banks. Therefore, these sound securities are of no help to a bank when withdrawal of depositors depletes its cash reserves.

A bank which failed three or four months ago furnishes an example. Because withdrawals exhausted its cash resources, the bank had to close, yet in approximately 90 days its liquidation has paid depositors 50% on their money because of the gilt-edged securities held by the bank. Under the revisions such a bank would not be forced to close its doors.

At present the Federal Reserve banks can discount notes, drafts and bills of exchange which mature in 90 days and agricultural paper maturing in nine months. They are specifically forbidden to handle "a note, draft or bill of exchange the proceeds of which have been used or are to be used for permanent or fixed investments of any kind, such as land, buildings or machinery, or for any other capital purpose." Real estate mortgages are one of the classes of paper considered sound and probably to be included as rediscountable under the revisions.

Early Repayment of Interior Loans to City Banks Expected—Smaller Institutions Are Likely to Shift Borrowings to the Reconstruction Corporation on Easier Terms—Loans by Metropolitan Banks Strongly Secured.

According to the New York "Journal of Commerce" of Feb. 16 a gradual reduction in the large volume of loans and other credit arrangements made by New York banks and institutions in other large financial centers to interior banking institutions is expected with the organization of the Reconstruction Finance Corporation and the passage of the Glass-Steagall banking bill. Such loans have expanded to

unusually large amounts, owing to considerable withdrawals of deposits in the interior. The item went on to say:

Aid advanced by New York banks to smaller institutions throughout the country takes two forms, it is pointed out. First, loans are made on collateral, permitting many interior banks to realize in part on assets which are not eligible for rediscount at the Federal Reserve banks. In the second place a considerable volume of funds is secured by them through selling their better bonds to the New York and other large city correspondents under repurchase agreements. This latter type of operation, which was resorted to on an enormous scale at the end of last year, is usual for "window dressing" purposes and usually involves a shorter advance than the loan.

The New York banks in many cases would prefer to have such advances continue undisturbed. In the first place, the bulk of them is considered very well secured. Secondly, they pay relatively an attractive rate, many bearing interest at the rate of 6%. The borrowing banks, on the other hand, both because of the insistence upon very strong security and the higher rates paid, are believed likely to shift many such loans to the Reconstruction Finance Corporation and the Federal Reserve banks, especially with the passage of the Glass-Steagall bill.

The National Credit Corporation was not available as a substitute for the large city banks in inter-bank borrowings, it is pointed out, because of difficulty of getting other local institutions in the credit association to underwrite such loans. On the other hand, the Reconstruction Finance Corporation, when it gets fully under way, is held friendly to such advances. Some question exists in the minds of many bankers here as to the policy of the Federal Reserve authorities toward such loans after the passage of the Glass-Steagall bill.

It was pointed out that banks themselves in many cases would prefer to borrow from New York city correspondents rather than the National Credit Corporation. In securing the indorsements of neighboring banks the borrowing institution would be compelled to reveal its portfolio to banks which compete for the same business. This would prevent any substantial transfer of loans from New York banks to the National Credit Corporation. On the other hand borrowers would in many cases prefer to borrow from the Reconstruction Corporation and the Reserve Bank than from metropolitan correspondents.

Advances to interior banks through the sale of high grade bonds under repurchase contracts have been issued on a strong percentage basis, it was stated in informed quarters. For example, such temporary sales would include high grade municipal bonds on which the amount of the advance would be no more than 70% of the value of the bonds.

Broadening of Emergency Banking Bill Urged to Extend Benefits of Rediscount Privileges of Reserve Systems to Finance Companies.

The contention was made here in Chicago, on Feb. 12, that the new emergency banking bill does not take fullest advantage of opportunities to increase the nation's consumer credit. In stating this Associated Press advices from Chicago quoted C. C. Hansch, General Manager of the National Association of Finance Companies as saying:

The bill to broaden eligibility of paper discountable by Federal Reserve banks will be helpful, but its benefits would be increased many fold by providing directly for use of the soundest class of paper in the portfolios of banks—notes of finance companies.

"Notwithstanding adverse credit conditions in 1930 and 1931," he said, "finance companies advanced \$5,000,000,000 in the purchase of installment paper, which means," he added, "that they financed the sale of nearly \$7,000,000,000 worth of merchandise."

"What we want to do is facilitate consumer credit still further," Mr. Hansch declared, "and if this Glass-Steagall bill were amended to make finance company notes eligible for rediscount, probably \$1,000,000,000 worth of such notes would become available."

Under the bill's present provisions, such notes might be used as collateral for loans only when groups of five or more banks in any district combined to request loans on the security of sound collateral which may include finance company notes.

But this method is so difficult that comparatively few banks are likely to take advantage of it, despite the fact that finance company notes are safer and more liquid than most commercial paper.

The financing industry believes the bill should be amended to make these notes eligible on the same basis as other commercial paper, with or without the provisions that they may be made the basis for issuance of Federal Reserve currency.

Letter of Secretary of Treasury Mills to Senator Vandenberg Regarding Freeing of \$1,400,000,000 in Gold Under Glass-Steagall Bill.

During the debate in the Senate on Feb. 18, a letter was introduced from Ogden L. Mills, Secretary of the Treasury, revealing that under the existing law the Federal Reserve banks would be able to meet a demand for only \$430,000,000 in new currency or release that amount of gold for export. The proposed legislation, Secretary Mills wrote, would free \$1,400,000,000 in gold and would permit the issuance of \$3,500,000,000 in Federal Reserve notes. The letter, as given in the New York "Times" follows:

"My dear Senator Vandenberg:

"I wish to acknowledge receipt of your letter of Feb. 12, in which you inquire about the effects of Section 3 of the pending bill—S-3,616—on the power of the Federal Reserve banks to issue currency.

"The total volume of Federal Reserve notes that the Federal Reserve banks can issue is limited by the requirement that a 40% gold reserve must be maintained against such notes. On the basis of the existing volume of excess reserves, which is \$1,400,000,000, the Federal Reserve banks can issue \$3,500,000,000 of Federal Reserve notes. There is nothing in the pending bill to change this maximum amount.

"Under existing law, however, the Federal Reserve banks will be able to meet only about \$430,000,000 of additional demands for currency or for gold for export without making it necessary for member banks to increase their indebtedness at the Federal Reserve banks.

\$900,000,000 in Paper Is Held.

"This is for the reason that the law requires that Federal Reserve notes issued by the Federal Reserve agents be covered up to 100% either by

eligible paper or by gold. At the present time the total amount of eligible paper in the hands of the Federal Reserve banks is about \$900,000,000 and the total amount of Federal Reserve notes outstanding is \$2,900,000,000, so that about \$2,000,000,000 of the Federal Reserve notes have to be covered in gold.

"When allowance is made for the 35% reserve required against deposits and for the amount of gold required in the redemption fund in the Treasury this leaves about \$430,000,000 of gold that is not required either as reserve or collateral against notes. It is only upon this amount that the Reserve banks can meet either an internal or external drain without forcing the member banks further into debt. When this amount of free gold is distributed among the 12 Federal Reserve banks, it is clear that the available margin is narrow.

Member Banks' Indebtedness.

"It is evident that it would be highly undesirable in the existing circumstances, with member bank indebtedness already over \$800,000,000, to increase this indebtedness particularly so long as this increase is not caused by a revival of business but either by further domestic hoarding or by gold exports. It is, in order to meet this situation that the proposed amendment authorized the Federal Reserve banks to use United States Government obligations as collateral against Federal Reserve notes.

"This will make it possible for the Reserve banks to meet additional demands upon them without putting member banks further into debt and thus exerting a contracting influence on the credit situation.

"At the present time every effort must be made to encourage banks to resume the normal financing of the requirements of trade and industry, and the necessity of increasing their burden of indebtedness must be avoided. It is for these reasons that I urge the adoption of the section in S-3,616 which authorizes the use of direct obligations of the United States as collateral against Federal Reserve notes."

H. J. Allen Named Assistant to President Dawes of Reconstruction Finance Corporation—Latter Devoting Its Attention to Small Banks—Also Relieving Railroads.

Henry J. Allen, former Republican Senator from Kansas, has been appointed assistant to Charles Gates Dawes, President of the Reconstruction Finance Corporation. In reporting this under date of Feb. 18, Associated Press accounts from Washington said:

After a conference with General Dawes to-day, Mr. Allen said he would assume his duties to-morrow morning. The Kansan did not know what his new duties would be. He has for the last several months been working at the State Department in connection with the St. Lawrence waterway.

The corporation in a statement said Mr. Allen's title will be "Assistant to the President." Mr. Dawes explained that he desired Mr. Allen's help to relieve himself of some of the pressure of work during these early days of the organization period. The plan is for Mr. Allen to give, at present, only part of his time, due to his State Department duties.

Millions upon millions of dollars have been poured into the foundations of the American business structure during the last two weeks by the Corp.

Working quietly, day and night, the huge credit organization has devoted its first attention to small banks. These institutions, which might have been forced to close their doors had not credit been extended, have resumed their normal functions, according to reports reaching the corporation. The total already distributed is reliably estimated at more than \$100,000,000, exclusive of the \$50,000,000 turned over to the Department of Agriculture.

Sizeable loans have gone to hard pressed railroads, the Wabash, already in the hands of a receiver, and the Missouri Pacific.

Additional Agencies Set Up by Reconstruction Finance Board—Increases Number to 22—District Advisers on Loans—George W. Davison Chairman of Committee for New York Agency.

In addition to the 17 regional loan offices to be set up by the Reconstruction Finance Corporation, as indicated in our issue of Feb. 13, page 1138, five more agencies were announced at the offices of the Corporation in Washington on Feb. 10. The "United States Daily" of Feb. 11, indicating this, said:

The new offices are at Minneapolis, Minn., with Joseph W. Chapman as manager; Denver, Colo., with J. E. Olsen in charge; Omaha, Neb., L. H. Earhart, manager; Oklahoma City, Okla., C. E. Danial, manager, and Detroit, Mich., with Charles F. Fisher, as manager.

Offices in Reserve Bank Cities.

Offices are now established in each of the 12 Federal Reserve Bank cities and in 10 branch bank cities, and all offices have application blanks for loans to circulate upon request, according to information made available at the offices of the corporation. The offices are in the respective Federal Reserve Bank buildings.

On Feb. 14 the appointment by the Reconstruction Finance Corporation of advisory committees for its loan agencies throughout the country was announced. The committee, which will assist the management of the New York Loan Agency recently established, will be headed by George W. Davison, President of the Central Hanover Bank & Trust Co. With regard to the appointment of the advisory committees, we quote the following to the New York "Times" from Washington, Feb. 14:

Members of Advisory Committees.

The advisory committees chosen for its loan agencies by the Reconstruction Finance Corporation included in some instances advisory subcommittees for particular States. For example, Maine, New Hampshire, Vermont, Rhode Island and Connecticut will have advisory subcommittees acting in co-operation with the Boston loan agency. The committees include:

New York Loan Agency.

Chairman—George W. Davison, New York City.
Members—Percy H. Johnston, New York City; George V. McLaughlin, Brooklyn; A. H. Titus, White Plains; Frederick McDonald, Albany; A. B. Merrill, Syracuse; Samuel G. H. Turner, Elmira; Raymond M. Ball,

Rochester; Lewis G. Harriman, Buffalo; Harry H. Pond, Plainfield, N. J.; Julius S. Rippel, Newark, N. J., and Edmund S. Wolf, Bridgeport, Conn.

Philadelphia Loan Agency.

Chairman—Howard A. Loeb, Philadelphia.
Members—F. Morse Archer, Camden, N. J.; Joseph Wayne Jr., Philadelphia, and C. S. Newhall, Philadelphia.

Boston Loan Agency.

Members—Wilmot R. Evans, Boston, alternate; Harry T. Van Huysen, Philip Stockton, Boston, alternate; Charles E. Spencer, Roger Pierce, Boston; Walter S. Bucklin, Boston, alternate; George E. Pierce, Thomas P. Beal, Boston, alternate; R. M. De Cormis, Robert D. Brewer, Boston, alternate; George B. Bacon, Samuel H. Walcott, Boston; Herbert K. Halllett, Boston, alternate, and George S. Mumford.

Sub-Advisory Committee for Maine.

Members—W. S. Wyman, Portland; Henry W. Cushman, Bangor; Edward W. Cox, Portland; Rypert H. Baxter, Bath; Judson C. Briggs, Caribou; Ernest Saunders, Lewiston, and W. W. Thomas, Portland.

Sub-Advisory Committee for New Hampshire.

Members—Arthur M. Heard, Manchester; Burns P. Hodgman, Concord; W. H. McCarten, Lancaster; George A. Tanney, Claremont; L. F. Thurber, Nashua; E. H. Trickey, Rochester, and W. C. Walton, Portsmouth.

Sub-Advisory Committee for Vermont.

Members—W. C. Johnson Jr., Barre; G. H. V. Allen, Fairhaven; E. E. Clarkson, Burlington; C. G. Staples, Brattleboro, and J. E. McCarter, Newport.

Sub-Advisory Committee for Rhode Island.

Members—G. B. Hibbert, Providence; George W. Gardiner, Providence; Earl G. Batty, Providence; W. F. Farrell, Providence; V. H. Frazier, Providence; H. L. Wilcox, Providence, and Albert R. Plant, Providence.

Sub-Advisory Committee for Connecticut.

Members—W. P. Curtiss, New Haven; A. D. Johnson, Hartford; D. L. Chamberlain, New Haven; N. D. Prince, Hartford; Earle W. Stamm, New London; Lewis S. Reed, Waterbury, and R. B. Newell, Hartford.

Cleveland Loan Agency.

Chairman—Harris Creech, Cleveland.
Members—W. Baldwin, Cleveland; J. A. House, Cleveland; C. E. Sullivan, Cleveland; L. T. Williams, Cleveland; F. F. Brooks, Pittsburgh, Pa.; E. W. Edwards, Cincinnati; B. G. Huntington, Columbus; H. L. Thompson, Toledo, and J. H. McCoy, Marietta.

Richmond Loan Agency.

Chairman—John M. Miller, Richmond.
Members—Julien H. Hill, Richmond; Oliver J. Sands, Richmond; N. W. Phelps, Roanoke; Charles E. Rjeman, Baltimore, Md.; A. H. S. Post, Baltimore, Md.; Robert V. Fleming, Washington, D. C.; John L. Dickinson, Charleston, W. Va.; George M. Moore, Clarksburg, W. Va.; Robert M. Hanes, Winston-Salem, N. C.; W. H. Wood, Charlotte, N. C.; W. S. Ryland, Greensboro, N. C.; B. M. Edwards, Columbia, S. C.; W. J. Roddey, Rock Hill, S. C., and A. L. M. Wiggins, Hartsville, S. C.

Chicago Loan Agency.

Chairman—George M. Reynolds, Chicago.
Members—Melvin A. Traylor, Philip K. Clarke, William C. Cummings and J. B. Gallagher, Chicago.

Sub-Advisory Committee for Illinois.

Members—Wayne Hummer, La Salle; W. R. McGaughy, Decatur; George L. Luthy, Peoria; Omer H. Wright, Belvidere, and J. H. Holbrook, Springfield.

Sub-Advisory Committee for Indiana.

Members—E. W. Stout, John P. Frenzel, Arthur V. Brown, Evans Wooten and F. C. Stoinaker, all of Indianapolis.

Detroit Loan Agency.

Chairman—Wilson Mills, Detroit.
Members—Robert O. Lord, H. L. Chittenden, Detroit; James E. Davidson, Bay City; Herbert S. Reynolds, Jackson; John C. Hicks, St. John's, B. P. Sherwood, Grand Haven, and William Alden Smith, Grand Rapids.

St. Louis Loan Agency.

Chairman—W. L. Hemingway, St. Louis.
Members—Richard S. Hawes, W. J. Bramman, Tom K. Smith, A. H. Reller, St. Louis; H. B. McDaniel, Springfield, and Charles Boeschstein, Edwardsville, Ill.

Louisville Loan Agency.

Chairman—W. R. Cobb, Louisville.
Members—R. C. Gifford, Noel Rush, J. E. Huhn, W. J. Rahil, W. E. Smith, Louisville; W. C. Montgomery, Elizabethtown, and L. L. Persise, Salem, Ind.

Chairmen of other loan agencies were named as follows:

- | | |
|----------------------------------|-------------------------------|
| R. S. Hecht, New Orleans. | W. R. Herstein, Memphis. |
| Thomas F. Wallace, Minneapolis. | W. Dale Clark, Omaha. |
| Ned Holman, Oklahoma City. | James Ringold, Denver. |
| Nathan Adams, Dallas. | C. N. Bassett, El Paso. |
| John T. Scott, Houston. | Reagan Houston, San Antonio. |
| F. L. Lipman, San Francisco. | John T. Cooper, Los Angeles. |
| Paul S. Dick, Portland, Ore. | D. W. Twohy, Spokane. |
| W. H. Parson, Seattle. | E. O. Howard, Salt Lake City. |
| Walter S. McClucas, Kansas City. | |

Alabama Opinion Holds Assets of Banks Closed by State May Be Pledged by Receivers in Borrowing from Reconstruction Finance Corporation.

The State Superintendent of Banks of Alabama has authority under section 6306 of the Code, where a bank has come into his hands as Superintendent, to borrow money and pledge the assets of the bank as security, whenever, in good faith, it is his judgment that such a course is necessary to conserve its assets and business. This is learned from Montgomery (Ala.) advices Feb. 13 to the "United States Daily," from which the following is also taken:

This ruling is contained in an opinion forwarded from the office of Attorney-General Thomas E. Knight Jr., to Deputy State Superintendent of Banks D. F. Green.

The ruling of the Attorney-General, quoting the letter of inquiry from Mr. Green, follows in full text:

Dear Sir: Receipt of your letter of Feb. 8 1932, is acknowledged. You write as follows:

Assets Must Be Carried.

On Jan. 30 1932, Congress passed an Act creating the Reconstruction Finance Corporation, and Section 5 of the Act provides in part that the said Reconstruction Finance Corporation might lend money to certain organizations and corporations "including loans secured by the assets of any bank that is closed, or in the process of liquidation, to aid in the reorganization or liquidation of such banks upon the application of the receiver, or liquidating agent, of such bank and any receiver of any National bank is hereby authorized to contract for such loans and to pledge any assets of the bank for securing the same."

A number of State banks in the hands of the State Superintendent of Banks for liquidation have loans secured by mortgages on real estate, which appear to be ample in anything like ordinary times, but right now to foreclose these mortgages and sell the real estate for anything like it

reasonable value is impossible, and so it may be necessary for these assets to be carried for a time and give the mortgagors time to refinance and pay the mortgages when they shall have made additional crops. In addition many of these banks own considerable real estate, which can not now be sold for cash for anything like its value and to sacrifice these assets would, in your opinion, be a great detriment to the depositors and creditors of those banks. To try to liquidate these frozen assets would, at this time, create confusion and suffering, which would be inexcusable.

In view of the facts as stated, you ask my opinion whether under Section 6306 or Section 6307 of the 1923 Code of Alabama, the Superintendent of Banks, by the approval of the Court, would have authority to borrow money to pay some dividends to the creditors of these closed banks and to pledge the assets, or part of the assets, to Finance Corporation as security therefor. Section 6306 of the 1923 Code of Alabama reads as follows:

"Upon taking possession of any of the property and business of any bank or individual banker, the Superintendent may collect moneys due to such corporation or individual banker and do such other acts as are necessary to conserve its assets and business, and shall proceed to liquidate the affairs thereof as hereinafter provided. The Superintendent shall collect all debts due and claims belonging to the bank."

Borrowing Held Necessary.

In reply will say that, in my opinion, under the facts stated, if, in the opinion of the Superintendent of Banks, after having taken possession of the property and business of any bank, it is necessary to conserve the assets and business of such bank, to borrow money by pledging the assets of such bank as security, section 6306 is authority for such a course. Of course, all such authority must be exercised in good faith for the conservation of the assets and business of such bank. In my opinion, the borrowing of money, in good faith, in promotion of the purposes set out in your letter, would, as nearly as any one could judge, be necessary to conserve its assets and business.

Of course, this opinion goes only to your authority as State Superintendent of Banks to borrow money. The question of making a loan, on the showing made by you, is with the Reconstruction Finance Corporation.

I am unable to see that section 6307 of this Code of Alabama has any bearing on the matter inquired about.

Reconstruction Finance Corporation Makes First Loans—Group Aids Banks and Wabash Ry.

The following is from the "United States Daily" of Feb. 15: The first loans made by the \$2,000,000,000 Reconstruction Finance Corporation have been extended to "banks in various sections of the country" and to the receivers of the Wabash Ry., it was stated orally at the office of the Corporation Feb. 14.

The Corporation also announced the establishment of its 28th regional loan agency and is preparing to announce the advisory committees for all the branch offices. The statements issued by the Corporation announcing its loans and its new regional offices follow in full text:

"The Reconstruction Finance Corporation to-day announced that it has made or authorized a number of loans to banks in various sections of the country. The Corporation also announced that it has approved a loan to the receivers of the Wabash Ry. Co., part of which is for the purpose of paying the principal and interest of equipment trust certificates of the company now in arrears and maturing prior to June 1 1932.

"The Reconstruction Finance Corporation to-day announced that it had established a loan agency at Louisville, Ky., and appointed Frank D. Rash manager of the agency."

Regulations Governing Crop Production Loans Under Reconstruction Finance Corporation—\$50,000,000 Allocated for Farm Loans—Secretary Hyde to Deny Loans for Crop Expansion.

The regulations governing crop production loans in 1932, to be made by the Secretary of Agriculture under the provision of the Reconstruction Finance Corporation Act authorizing the allocation of \$50,000,000 for these loans, were made public by Secretary of Agriculture Hyde on Feb. 11. These regulations provide that loans may be made by representatives of the Secretary of Agriculture, in all States except Connecticut and Pennsylvania, to farmers who cannot obtain crop production credit from other sources. In Connecticut and Pennsylvania the State laws make no provision for the taking of crop liens, the security for loans which the Act requires. The announcement issued Feb. 11 by the Department of Agriculture also says:

The amount of each loan will be based on the acreage of specific crops to be planted by the borrower in the spring of 1932 and on the requirements of individual borrowers for supplies necessary in the production of these crops. For instance, some borrowers will have feed for workstock but will need to purchase seed. Others will have seed but need funds to purchase fuel and oil for tractors. The maximum loan to any borrower will be \$400, and the total of loans to the tenants of any land owner in any one county will be \$1,600. The interest rate in all cases will be 5½%.

Loans for financing the planting of cotton and tobacco will be made on acreage not more than 65% of the acreage devoted to these crops in 1931, if the owner, share cropper, or tenant planted more than 10 acres of cotton or more than three acres of tobacco last year.

In counties in which fertilizer is not commonly used the maximum loan per acre will be \$3 for all crops except truck crops, including potatoes and sweet potatoes, on which a maximum rate of \$12 is allowed. Where fertilizer is necessary for crop production the maximum rates are \$6 for all crops except tobacco and truck crops, the rate for tobacco being \$10 and that for truck crops \$20. Not to exceed \$1 per acre of loans made at any of these rates may be used for repairs and miscellaneous expenses of crop production other than seed, fertilizer, feed for workstock and fuel and oil for tractors.

Special provision is made for additional loans for the purchase of materials to protect crops from insects and plant diseases where spraying or dusting is necessary. These loans will be at rates not to exceed \$2 for cotton and tobacco and \$4 for truck crops. Fruit growers may borrow not to exceed \$25 per acre for fertilizer and spraying materials for orchards and vineyards. All loans for these purposes are included in the limit of \$400 on the individual loan.

Loans will not be made to persons who did not engage in farming in 1931, nor to minors. Loans for summer fallowing are not authorized. The money loaned from this appropriation may not be used for the purchase of livestock, the feeding of livestock other than workstock, the purchase of machinery, or for payment of taxes, debts, or interest on debts.

Any farmer who desires to obtain a loan will make application on a form provided by the Secretary of Agriculture and at the same time will execute a note in the amount of his loan and will give as security a first mortgage on his crop to be produced in 1932. Application blanks and other necessary forms will be sent, as soon as they can be printed, to county seed loan advisory committees to be set up in each county. These committees will make recommendation to the Secretary of Agriculture with reference to the individual applicant. On completion of the county committee certificate on the back of the application, all papers in connection with the loan will be sent to one of the several field offices to be established by the Secretary for the convenient handling of applications.

Location of Offices.

The offices for the making of crop production loans recently authorized by Congress will be in Washington, Minneapolis, St. Louis, Memphis, Dallas, Salt Lake City, Spokane and Grand Forks, N. Dak. The offices in Washington, St. Louis, Memphis and Grand Forks are already functioning, and made loans in 1931. The offices in Minneapolis, Dallas, Salt Lake City and Spokane will be established within the next few days.

The Washington office will receive applications for loans from farmers in Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, New York, New Jersey, Michigan, Ohio, Maryland, Delaware, West Virginia, Virginia, North Carolina, South Carolina, Georgia and Florida.

The office in Minneapolis will make loans in Wisconsin, Minnesota, Iowa, South Dakota and Nebraska. The office in Grand Forks will handle applications from North Dakota and Montana where the drought of 1931 was especially severe and from which States, it is expected, many applications will be received.

The St. Louis office will operate in Indiana, Illinois, Kentucky, Missouri, Kansas and Oklahoma; and the Dallas office in Texas, New Mexico and Arizona. The Memphis office will serve Tennessee, Arkansas, Alabama, Mississippi and Louisiana, the same territory as in 1931. Loans in Colorado, Wyoming, Utah, southern Idaho, Nevada and California will be handled from Salt Lake City; and those in northern Idaho, Washington and Oregon from Spokane.

On Feb. 12 the Washington correspondent of the New York "Journal of Commerce," commenting on the above regulations, said in part:

Restriction of loans under the \$50,000,000 allocation to agriculture in the Reconstruction Finance Corporation Act, in an effort to prevent over-production and to curtail crop acreage, was indicated in regulations prescribed by Secretary of Agriculture Arthur M. Hyde governing this credit.

Farm leaders here see this move as a furtherance of the two-year stand of the Federal Farm Board toward acreage reduction in the domestic crops burdened with surplus.

Definite prevention of the use of money borrowed under this Act for expansion of acreage in the great surplus crops—wheat, cotton and tobacco—is seen in the rules laid down by Secretary Hyde, which hold that: Loans will not be made for a total acreage of crops in excess of the average acreage planted by the borrowers in 1930-31; no loans will be made to any applicant that did not operate a farm in 1931; and loans for financing cotton and tobacco planting will be made on an acreage of not more than 65% of the acreage devoted to these crops in 1931, in more than 10 acres of cotton or three acres of tobacco were planted last year.

Effect of Provisions.

It is understood that the second of these provisions will effectively prevent any "back to the farm" movements being financed with Government funds. The third provision effects a reduction of 35% in tobacco and cotton acreage of all borrowers except smaller growers.

Although restricting production loans to former acreage was used by the department in its seed and food loans in the drought area of the Northwest last year, this is the first time credit limitations have been used to bring about actual reduction or to prevent expansion.

A circular issued by Secretary Hyde detailing the regulations incident to farm loans under the Act creating the Reconstruction Finance Corporation was quoted as follows in the "United States Daily" of Feb. 12:

This circular defines the procedure relative to granting of loans for crop production during the year 1932 out of the appropriation authorized under the Act of Congress approved Jan. 22 1932, entitled "An Act to provide emergency financing facilities for financial institutions, to aid in financing, agriculture, commerce, and industry, and for other purposes." (Public No. 2, 72nd Congress.)

Section 2 of this Act provides in part as follows:

That \$50,000,000 of the amount so subscribed, and the expansion of same through the notes, debentures, bonds, or other obligations as set out in section 9 shall be allocated and made available to the Secretary of Agriculture, which sum, or so much thereof as may be necessary, shall be expended by the Secretary of Agriculture for the purpose of making loans or advances to farmers in the several States of the United States in cases where he finds that an emergency exists as a result of which farmers are unable to obtain loans for crop production during the year 1932:

Provided further, That the Secretary shall give preference in making such loans or advances to farmers who suffered from crop failures in 1931. Such advances or loans shall be made upon such terms and conditions and subject to such regulations as the Secretary of Agriculture shall prescribe. A first lien on all crops growing or to be planted and grown, shall, in the discretion of the Secretary of Agriculture, be deemed sufficient security for such loan or advance.

All such loans or advances shall be made through such agencies as the Secretary of Agriculture may designate, and in such amounts as such agencies, with the approval of the Secretary of Agriculture, may determine. Any person who shall knowingly make any material false representation for the purpose of obtaining an advance or loan, or in assisting in obtaining such advance or loan under this section shall upon conviction thereof, be punished by a fine of not exceeding \$1,000 or by imprisonment not exceeding six months, or both.

Loans for crop production will be made in the several States of the United States where the Secretary of Agriculture has determined that an emergency exists as a result of which farmers are unable to obtain loans for crop production during the year 1932 from any other sources. These loans may be made to such individuals in such States as are found by the Secretary of Agriculture to have acreage fit for seeding and who are without means to purchase the supplies necessary for crop production during the year 1932.

Limit of \$400 Placed on Amount of Loans.

No loans for crop production in 1932 will be made to any applicant in excess of \$400. The total amount of loans to the tenants of any one land owner in a single county shall not exceed \$1,000. Loans for crop production in counties where fertilizer is not commonly used will be made at rates per acre based on the approximate cost of the supplies required, but in no case in excess of \$3 per acre, except for truck crops, including potatoes and sweet potatoes, for which loans will be made in amounts not in excess of \$12 per acre.

Loans for the purchase of fertilizer will be made only in those counties where its use is deemed necessary by the representatives of the Department of Agriculture. Loans in such counties will be based on the approximate cost of all the supplies necessary for crop production, including fertilizer, but in no case in excess of a total amount of \$6 per acre, except for tobacco, on which the maximum rate is \$10 per acre, and truck crops, including potatoes and sweet potatoes, on which the maximum rate is \$20 per acre.

Not to exceed \$1 per acre of loans for crop production made at any of the foregoing rates on the acreage of crops included in the mortgage or crop lien given to the Secretary of Agriculture as hereinafter provided may be used for repairs and miscellaneous expenses of crop production other than seed, fertilizer, feed for work stock, and fuel and oil for tractors used in crop production. In addition to the foregoing, loans will be made in amounts not to exceed \$2 per acre for the purchase of materials for spraying and dusting to protect cotton and tobacco from insects and plant diseases; \$4 per acre for spraying and dusting truck crops; and \$25 per acre for fertilizer and spraying and dusting materials for bearing fruit trees and vineyards.

The right is reserved to make loans at rates lower than the foregoing maximum allowances. Applicants must agree to use seed and methods approved by the Department of Agriculture through its local representatives. Applicants must also agree to plant a garden for home use and a sufficient acreage of feed crops to supply feed for their livestock.

Restrictions Adopted for Issuance of Credit.

No loans will be made to any applicant who has a means of livelihood other than farming, nor to a minor. No loan will be made to any applicant who did not operate a farm in 1931. No loans will be made for summer following. Loans will not be made for a total acreage of crops in excess of the average of the acreage planted by the borrower in 1930 and 1931. Loans will not be made for the purchase of machinery, or livestock, or for the feeding of livestock other than work stock used in crop production, or for the payment of taxes, debts, or interest on debts.

No loan will be made to any individual or to the tenants or share croppers of any landlord to finance or assist in financing the planting of an acreage of cotton or tobacco in excess of 65% of the acreage of such crops planted by such individual or by the tenants or share croppers of such landlord in the spring of 1931, and unless such individuals of landlord agrees that he will not have any interest whatsoever in any such crops in excess of 65% of the acreage of such crops to which he had an interest in 1931: Provided, That the foregoing shall not apply to the farmer, tenant or share cropper who, in 1931, planted not more than 10 acres of cotton or three acres of tobacco.

Application for loans for crop production purposes during the year 1932 shall be made on the official form of application prescribed and furnished by the Secretary of Agriculture and shall describe the particular acreage to be sown or on which the fertilizer is to be applied. Such application shall be investigated by the Secretary of Agriculture through such agencies as he may determine, but the approval or disapproval of the application shall be by his authorized representative. Approval may be for a less amount than that applied for.

List of Requirements for Applicants.

The amount approved for loan pursuant to these regulations will be paid by a temporary special disbursing agent to the applicant, upon receipt and approval by the designated representative of the Secretary of Agriculture of the following documents:

(a) Application on the form previously specified in this circular signed by the applicant and verified by the designated representatives of the Secretary in the county in which the applicant is located.

(b) Promissory note, fully executed by the applicant, for the amount of the loan, payable to the Secretary of Agriculture, on or before Nov. 30 1932, with interest at the rate of 5½% per annum, in the form prescribed and furnished by the Secretary of Agriculture. Applicants in North Dakota, Minnesota and Montana who apply for loans for both seed and feed and/or fuel and oil for tractors will execute two notes, one in the amount requested for seed and one in the amount requested for feed and/or fuel and oil for tractors.

(c) Crop pledge in Louisiana; seed lien in Minnesota, Montana, North Carolina, North Dakota and Virginia; promise and authority in Colorado, Delaware, Illinois, Kansas, Kentucky, Maryland, Massachusetts, Nebraska, New York, Ohio, Rhode Island and Wisconsin; and crop mortgage in Alabama, Arizona, Arkansas, California, Florida, Georgia, Idaho, Indiana, Iowa, Maine, Michigan, Mississippi, Missouri, Nevada, New Hampshire, New Jersey, New Mexico, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Vermont, Washington, West Virginia and Wyoming, upon the crop growing or to be grown on the land described in the application for 1932, in favor of the Secretary of Agriculture, duly executed by the applicant in such manner as to entitle it to filing, and securing payment of the above-mentioned note, and containing a provision authorizing the Secretary of Agriculture, through a representative designated by him, in the event the applicant fails to protect and at the proper time to harvest the crop mortgaged, to enter upon the premises and harvest the same, and to sell the crop to satisfy the lien of said mortgage and expenses incurred thereunder from the proceeds of the crop.

Effects of Limitations in Certain States.

Crop mortgages, pledges, or liens shall be executed on forms supplied by the Secretary of Agriculture and shall be filed in the proper office under the State laws applicable. These instruments shall be prepared and signed in duplicate, except in North Dakota, South Dakota, Montana and Minnesota, the original being fully executed and both copies transmitted with the application. In the four States mentioned the proper document must be prepared in triplicate, one copy to be retained by the applicant.

As the laws of Colorado, Delaware, Illinois, Kansas, Kentucky, Maryland, Massachusetts, Nebraska, New York, Ohio, Rhode Island and Wisconsin require that a crop must be planted and growing before a legal crop mortgage can be given, applicants living in those States must sign an agreement to execute and deliver a crop mortgage on growing crops at the proper time. The crop mortgage, therefore, is not required from applicants for loans in such States at the time the application is filed.

If the applicant for a loan is a tenant, or is farming land under contract for deed or so-called crop contract, or has given a prior mortgage on his 1932 crop, he must secure the waivers of the actual owners of the land, his landlord, and/or all prior mortgage holders in the space provided on the mortgage form for the purpose. If the applicant is the owner of the land and farms it with tenants or share croppers, waivers of such tenants or share croppers must be secured in the space provided on the mortgage form for the purpose.

If the applicant leases the land from another and in turn operates it with tenants or share croppers, waivers of both the actual owner of the leased land (unless the rental of said land has been paid) and of said

tenants or share croppers must be secured in the space provided on the mortgage form.

In all cases where waivers are required the person waiving must certify that at the time of signing such waiver he is in actual possession and owner of any rent note, mortgage, land sales contract, or other paper, and must enter into an agreement on this form that he will not assign, transfer, hypothecate, or sell such security without first having secured the written consent of the duly authorized representative of the United States; and further, that in the event advances are made in compliance with pertinent regulations of the Secretary of Agriculture, for the purpose of harvesting and marketing the said crops, it is agreed that the money so advanced may be repaid from the proceeds derived from the sale thereof prior to the satisfaction of any lien, claim or interest of the signor.

Right Reserved to Make Payment in Installments.

(d) By a voucher form supplied by the Department of Agriculture and signed by the applicant.

The right is reserved to make payment of the loan in installments, the amount of each installment to be determined by the Secretary of Agriculture. Initial payment will be made at the time the loan is approved and subsequent installments will follow at stated intervals only after expenditure of the initial payment is shown to have been properly made by a report on a card furnished by the Secretary of Agriculture. Interest on the entire loan from the dates of the several installments to the maturity date of the note will be conducted from the final installment.

Applications for loans under these regulations must be mailed in time to be received by the designated representative of the Secretary of Agriculture at the Farmers' Seed Loan Office, not later than April 30 1932.

The right is reserved to make further supplemental or amendatory regulations relative to loans for crop production purposes during the year 1932 or to withdraw these regulations at any time.

American Bankers Association Requests Delay in Creating Home Loan Bank System—Other Witnesses at Senate Hearing Point to Need of Additional Credit as Aid to Owners of Homes.

Need for the proposed home loan banking system was presented at a hearing, Feb. 16, before the sub-committee of the Senate Banking and Currency Committee which is considering the legislation, but at the same time statements were filed with the committee advocating delay in launching such a program.

The interim committee of the American Bankers Association filed a statement asking that the committee withhold action until it can be determined whether the Reconstruction Finance Corporation will meet requirements of the situation, while outright opposition to the legislation was expressed in a statement from Jay Morrison, President of the Savings Bank Division of the Association. In its account the "United States Daily" of Feb. 7, added:

Available Credit.

While the Morrison views objected to any claim that there was a lack of credit facilities for home financing, two witnesses, Galvin L. Payne, of Indianapolis, Ind., and John Emery, of Grand Rapids, Mich., Past National Commander of the American Legion, maintained the opposite to be true. Both witnesses spoke with the background of active building and loan association connections, and a third witness, John C. Hall, of St. Louis, testified concerning the need for an even flow of currency.

Senator Watson (Rep.), of Indiana, subcommittee chairman and sponsor of the bill (S. 2959), asked Mr. Emery: "Suppose that we do not pass this bill and let things go on as they are. What will happen to the building and loan associations?"

Effect on Home Ownership.

"The building and loan associations will continue to be subjected to the effects of depressions, to the recurring difficulties that have been experienced and the small home ownership movement will suffer with them," Mr. Emery replied.

"This business of buying homes is not a fad. Nothing is needed so much as confidence, and the building and loan associations must have the confidence of their customers, or our economic structure is going to feel the effects of it."

"I heard a question asked here a minute ago, 'How long will the depression last?' I cannot answer that, but I can tell you when the depression will end. That time is when bankers are able to quit telling their customers, 'Sorry, but we can not loan any money on real estate.'"

Mr. Morrison stated the legislation was based on "the dubious assumptions of a shortage of real estate credit and a shortage of residential property." The statement added that "notwithstanding our sympathy for the aims of the plan, we oppose it as unsound."

New Facilities Opposed by A. B. A.

The interim committee of the American Bankers Assn. voiced the belief that additional banking facilities should not be created by the Federal Government. Its statement follows in full text:

"That the A. B. A. takes the position that action by Congress on the proposed home loan bank will be deferred until it can be ascertained how successful the Reconstruction Finance Corp. will be in dealing with the problems involving accumulated mortgages."

"This for the reason that the Reconstruction Finance Corp. can give the needed relief, with the exception of stimulating the building of new homes which it would seem inadvisable to encourage at this time, the present need being to render assistance to existing home ownership; and for the further reason that it is unwise public policy for the Federal Government to create additional banking corporations of a permanent character."

Vacancies in Housing.

Mr. Payne told the Committee that prior to his departure from Indianapolis for Washington, he had been advised that the Mortgage Bankers Assn. of American had telegraphed its members, urging them to communicate with their Representatives and Senators in opposition to the home loan bank bill. He said the mortgage bankers asked also that the association members tell the members of Congress the number of vacancies in housing.

"I know there are vacancies," he continued. "There are many of them in every city in the country, but it is not because people do not want better housing. It is because of the depression that families are doubled up, or trebled up in quarters comparable to the conditions of the early Victorian era where hard times forced people to live in a way that white persons ought never live."

"When conditions are better than now, a large percentage of the housing vacancies are going to be used up. People will spread out again as they are accustomed to living just as soon as jobs are available."

Financing Ability.

On the other side of the question, however, Mr. Morrison's statement declared that most savings bankers and mortgage loan agencies are of the opinion that real estate is suffering now from an overextension of credit during good times. Residential property, it was asserted, suffers at this time from a lack of demand for the property by purchasers who have ability to pay for it.

The ability of the system to finance itself during periods of adversity which it said the Federal Farm Loan System had experienced.

"Further," the statement continued, "organization of the home loan banks will result in a new source of tax exempt bonds. The income from mortgages to be pledged as collateral to the home loan bank bonds is now taxable. The income from the bank bonds will be tax exempt.

Declared Inflationary.

"To summarize the plan for Federal home loan banks is based upon dubious assumptions of a shortage of real estate credit and a shortage of residential property. The plan will be conducive to unsound banking in permitting savings banks and building and loan associations to borrow money in the normal course of their business, thus using their depositors' money to margin a larger volume of financing. It will be inflationary through its call upon the United States Treasury for a portion of the initial capital of the banks and through the issuance of bonds as security for public and other moneys.

"It will increase taxation because it will relieve from taxation some income from mortgages which is now taxable. It will not prevent a recurrence of collapse of real estate credit because when a credit crisis arises, the Federal home loan bank will be unable to sell bonds just as the Federal Land bank is now unable to sell its bonds.

"The plan has been devised with an earnest desire to find a way out of one of the most serious depressions ever encountered by the American people. Like most other plans to extricate us from our difficulties, it is based upon a further extension of credit. America is now suffering from an excess of credit rather than from a deficiency of credit."

Claims Discrimination.

At the afternoon session Charles H. Mylander, Vice-President of the First National Bank of Cincinnati, appeared as a representative of the Council of Administration of the Ohio Bankers' Association. He objected to calling the proposed institutions Federal Home Loan banks. The Ohio association, he said, regards it as undesirable for building and loan associations to make use of the word "bank" in their advertising, as might be done in making known their membership in the regional institutions.

Mr. Mylander protested against discrimination in the bill against some types of financial institutions and favoritism for others. All building and loan associations would be admitted to membership, he pointed out, while banks would be required to meet certain specific tests.

The advertising of building and loan associations in Ohio, Mr. Mylander said, had induced the belief that certificate holders could withdraw their deposits on demand. The associations, he charged, have been practically conducting a banking business. They have diverted more funds into the building field than should have been applied to that purpose, he added.

Asked by Senator Morrison (Dem.) of North Carolina whether depositors in banks or building and loan associations had suffered greater losses in recent years, Mr. Mylander replied that it was impossible to tell. When banks are unable to meet the demand of their depositors for funds, they must admit insolvency and close, whereas building and loan associations may always refuse payment on demand and exercise the right of asking 30 or 60 or 90 day notice of intention to withdraw their funds, he said.

The home loan banks, if created, the Ohio banker said, should not be permitted to accept deposits from its members. Neither should they be permitted, he said, as in his belief the bill now authorizes, to make commercial loans as "investments" under regulations of the home loan bank board.

The Ohio Bankers Association, Mr. Mylander said, is not opposed to the proposal of President Hoover that some method be devised for financing home ownership, but they do oppose the Watson bill.

Favors Passage of Bill.

Charles W. Thompson, President of the Aetna Building & Loan Association, followed Mr. Mylander on the witness stand. He described the situation in the building and loan association field in Kansas. Conditions would be materially helped, he testified, by the passage of the bill and great hardships will result if it is not enacted, particularly to many persons who now need their savings to live on.

Endorses Plan.

F. S. Cannon, an Indianapolis building and loan official, testified that 10% of the borrowers from his association are in need of help and that he would be in better position to give them aid if the home loan bank bill became law. He favored the measure as an emergency proposal and also as a permanent set-up. Mr. Cannon discounted the danger of "a building inflation." No injury would result to commercial banks, he said.

Spokesmen for Building and Loan Associations Rally to Home Loan Bank Bill Before Senate Subcommittee.

Emphatic support of the Home Loan Bank bill, which would provide \$150,000,000 of Federal funds for rediscounting mortgages on houses, was voiced on Feb. 15 by building and loan association spokesmen and real estate men before a sub-committee of a Senate Banking and Currency Committee. From the New York "Times" we quote the following from Washington, Feb. 15:

William E. Best of Pittsburgh, President of the United States Building and Loan League, testified that the only opposition comes from mortgage brokers and "two-year loan men." The principal benefit, he contended, would be the "release" of house owners from short-term loans with bonuses payable for each renewal.

Walter S. Schmidt of Cincinnati, for the National Association of Real Estate Boards, said that first mortgage funds "have practically disappeared" in the tightening of business.

Judson Bradway of Detroit, also representing the National Association of Real Estate Boards, challenged statements that there has been overbuilding in residences.

"In spite of the overbuilding talk at present, which is greatly exaggerated," he said, "Detroit now has a dwelling vacancy of only 3.8%,"

which is considered by business economists as well as real estate men to be a healthy condition, presaging necessary new building."

The bill would provide for the establishment of 12 Federal banks in each Reserve district, financed through the sale of bonds, which would deal only with the business of rediscounting home mortgages.

United States Senate Rejects \$750,000,000 Costigan-La Follette Bill Proposing Federal Aid for Unemployed.

On Feb. 16, by a vote of 48 to 35, the United States Senate rejected the Costigan-La Follette bill, appropriating \$750,000,000 for the relief of unemployed. From the Washington account Feb. 16 to the New York "Times" we take the following:

This measure, frequently referred to as the "dole bill," and the first offered in Congress, went down after numerous substitute proposals and amendments had been beaten; thus the net result was that the Senate went on record as being opposed at this time to any direct relief legislation.

The Costigan-La Follette proposal was originally for distribution of \$375,000,000 to charitable agencies by a Federal bureau. It was amended by Senator Norris, Republican, of Nebraska, to authorize \$375,000,000 in road-building funds also.

Two weeks of debate closed with the Democratic minority of the Senate as badly torn apart on the question as were the Republicans, among whom such conservatives as Senators Davis of Pennsylvania and Jones of Washington cast their vote for the bill.

In the closing debate, which began in mid-afternoon and lasted until 7:15 p.m., Senators Costigan, Democrat, of Colorado, and La Follette, Republican, of Wisconsin, co-authors of the measure, aided by Senator Norris and Senator Copeland, Democrat, of New York, attempted to break down the opposition voiced for the majority of the Democrats by Senator Black of Alabama. Mr. Black was principal author of the Democratic substitute bill, replacing the gift provisions with loans to States, which was defeated yesterday, 48 to 31.

La Follette Assails Three Foes.

Senator La Follette centred his final attack on three men who had spoken against his bill, Senators Fess of Ohio, Reed of Pennsylvania and Walsh of Massachusetts, the last named a Democrat.

Kindred Measures Also Lose.

Prior to the final vote, the Senate rejected by 76 to 7 a substitute offered by Senator Couzens to dispense with the road-building funds and allocate the \$375,000,000 as gifts to State governments rather than to charitable organizations.

Another substitute, proposed by Senator Walsh of Montana, to eliminate the gift provision entirely and authorize \$375,000,000 solely for road work, was killed, 58 to 28.

Also voted down were an amendment by Senator Thomas, Democrat, of Oklahoma, authorizing \$250,000,000 for public buildings, and another by Senator Trammell, Democrat, of Florida, to cut the proposed building authorization to \$100,000,000.

A motion by Senator Gore, Democrat, of Oklahoma, to recommit the Costigan-La Follette bill to the Committee on Manufactures was defeated overwhelmingly in a viva voce vote which demonstrated the determination of the Senate to dispose conclusively of this pending legislation.

President Hoover in Lincoln Day Message—Confident of Resources, Power and Courage of People "To Triumph Over Any National Difficulty."

In an address commemorating the birthday of President Lincoln, broadcast Feb. 12 to the Lincoln Day dinner of the National Republican Club in New York, President Hoover declared that "we celebrate his (Lincoln's) birthday as the most significant for any American after Washington. In its celebration we find renewed courage and strength. Our obligation to Lincoln is to be resolute in our determination to maintain the principles which Washington forged from the fires of revolution and which Lincoln strengthened in the fires of civil strife." Referring to "the difficulties of this day" the President asserted that "the forces with which we are contending are far less tangible than those of Lincoln's time. They are invisible forces, yet potent in their powers of destruction. We are engaged in a fight upon a hundred fronts just as positive, just as definite and requiring just as greatly the moral courage, the organized action, the unity of strength and the sense of devotion in every community as in war." The President added "I am confident of the resources, the power and the courage of our people to triumph over any National difficulty." The President's address delivered from the Lincoln study of the White House, follows:

I deeply regret that public duties make it impossible for me to be present with you at your Lincoln Day dinner this evening. It is, however, a privilege and obligation for every American to join even for a few moments in a tribute to Abraham Lincoln.

I gave a brief address from this room in the White House a year ago to-night. I stated then that it was the room in which a long line of Presidents from Adams to Roosevelt have labored for the single purpose of their country's welfare. It was in this room from which I am speaking that Lincoln labored incessantly day and night for the preservation of the Union. No one can enter here without being sensitive to those invisible influences of the men who have gone before.

It was from this window that for five years Lincoln looked across the Potomac upon a flag under which embattled forces threatened our national unity. Unafraid, he toiled here with patience, with understanding, with steadfastness, with genius and courage that those wounds of a distraught nation might be healed, and that that flag which waved over this house might be restored as the symbol of a united country.

We rightly look back upon that time as the period of the greatest strain and stress which has threatened our country. But its wounds have long

since healed and its memories are of the glorious valor and courage of our race, both North and South. They bring into bold relief memories of a great son of America who freed the country from slavery, preserved the solidarity of the Union, revitalized the nation, re-inspired the people with a new purpose and set for them a new destiny.

While we are in the midst of the difficulties of this day we may well entertain the feeling that history will record this period as one of the most difficult in its strains and stresses upon the timbers of the Republic that has been experienced since Lincoln's time. There are enduring principles and national ideals to be preserved against the pressures of to-day.

The forces with which we are contending are far less tangible than those of Lincoln's time. They are invisible forces, yet potent in their powers of destruction. We are engaged in a fight upon a hundred fronts just as positive, just as definite and requiring just as greatly the moral courage, the organized action, the unity of strength and the sense of devotion in every community as in war.

I am confident of the resources, the power and the courage of our people to triumph over any national difficulty. They are rallying to their responsibilities. They are thus doing more than serving their immediate needs. They are buttressing the very foundations of self-government. They are defending the very principles of liberty and freedom. They are showing the patience and the steadfastness of Abraham Lincoln.

Ours is a Government of political parties. Lincoln was the leader of a party whose traditions and tenets are precious to all those who adhere to it. But we do not celebrate the birth of Lincoln as a political event. Instead we celebrate his birthday as the most significant for any American after Washington. In its celebration, we find renewed courage and strength. Our obligation to Lincoln is to be resolute in our determination to maintain the principles which Washington forged from the fires of revolution and which Lincoln strengthened in the fires of civil strife.

Lincoln deservedly shares with Washington the distinction of a nationally commemorated anniversary. To-day, as throughout recent decades, his vision sets the guide posts of American conscience and American ideals. This humble man of the wilderness who labored over grub-hoe and axe in his youth never saw a city until he was 20 years old, never opened a grammar until after he had attained his majority. Yet he became one of the new masters of the English language. There are no nobler utterances, no greater inspirations to people than his many appealing statements culminating with his Gettysburg speech. A race is fortunate that can contribute a voice calling to order and to conscience in the world which shall be heard above the froth and immaterial substance of everyday life. It comes to few men to become that voice to their generation. Still fewer are they whose voices resound through the life of a people.

Abraham Lincoln more than any other man gave expression to the heart and the character and the faith of our race. Washington was indeed the father of our country. Lincoln was its greatest son.

Shops Reopened by New York Central RR. Recalling 1,200 Men.

Cleveland, Ohio, advices dated Feb. 8 to the New York "Times" said as follows:

The New York Central RR. has called 1,200 men back to work in the Collinwood locomotive shops, effective Feb. 15. The order, issued Feb. 8, is regarded as a move toward carrying out the employment promise made in the rail wage reduction agreement.

Employees of Canadian Pacific Ry. Accept 10% Wage Cut.

According to Associated Press advices from Montreal, Feb. 18, a 10% wage cut was accepted Feb. 18 by union railway clerks, freight handlers, checkers and station employees of the Canadian Pacific Ry.

American Institute of Accountants Inaugurates New Publishing Program in Behalf of Accountants—New Bookstore Established in Cedar Street.

Under the new name of American Institute Publishing Co., Inc., substituted for the name, The Journal of Accountancy, Inc., the publishing department of the American Institute of Accountants has embarked on a new publishing program designed to round out the services which it already renders to professional accountants throughout the country. The announcement in the matter says:

Each year a vast quantity of material on accounting and allied subjects is submitted to the Institute for consideration for publication. The enlargement of the scope of its publishing department now makes it practicable to increase considerably the amount of such material handled. It is planned during the current year to select at least six books of outstanding merit for publication. One of the first volumes to be published will be a book entitled "Law for Laymen," by Harold Dudley Greeley, particularly designed to meet the requirements of students preparing for accounting examinations, but also adapted to the use of practicing accountants and business executives.

To provide an outlet for its own stock, as well as for technical books of other publishers, the Institute will on or about Feb. 1 open a bookstore on the ground floor of its headquarters (135 Cedar Street, New York). A mail order service in connection with the bookshop will further facilitate the securing of technical publications by accountants in all parts of the United States.

The new program is an important step in the perfecting of the Institute's plans to equip itself to serve the profession of accountancy adequately in all its branches, and the combination of publishing, book selling and library service is regarded as an ideal one for the production and dissemination of accountancy literature.

E. G. Buckland of New York New Haven & Hartford RR. Reviews Progress of Loans to Railroads—Tells How the Two Credit Corporations Are Working Together—Rail Group Meets in New York—Considers Applications from Six Lines.

Means by which the Railroad Credit Corporation and the Reconstruction Finance Corporation are working together

to meet the financial needs of the railroads were described informally on Feb. 17 by E. G. Buckland, Chairman of the New York New Haven & Hartford RR. and President of the Railroad Credit Corporation. He spoke after a meeting of the railway organization in the New Haven's offices here, said the New York "Times," which also had the following to say:

The Railroad Credit Corporation's funds are to be derived from freight surcharges authorized by the Inter-State Commerce Commission in January. The proceeds from these surcharges will not materialize until about March 15. Meanwhile, Mr. Buckland said, the Railroad Credit Corporation is issuing to applying roads certificates to show what they may receive from future funds accruing to the railway organization and the roads are discounting these certificates with the Reconstruction Finance Corporation. Mr. Buckland said several such transactions had been carried through by the two organizations.

The Railroad Credit Corporation is empowered to make loans to railroads solely to meet interest charges. The Reconstruction Finance Corporation may make loans for maturities and other purposes.

The Railroad Credit Corporation yesterday considered six applications for loans, but Mr. Buckland said that the names of applicants would not be made public by his organization. It is known, however, that the Denver & Rio Grande Western, Western Pacific, Pittsburgh & West Virginia, Missouri Pacific and the St. Louis-San Francisco have applied for loans. Other roads which are reported to have considered applying are the Chicago North Western, the Nickel Plate and the Erie.

Applications to the Reconstruction Finance Corporation by railroads become public because the Inter-State Commerce Commission must pass upon such applications. However, the decision of the Reconstruction Finance Corporation on such approved applications would not become public unless the railroad made the announcement.

Personnel of Railroad Credit Corporation.

While we gave in our issue of Jan. 25 (page 780) the names of those directing the Railroad Credit Corporation, we are giving herewith the following with regard to the Corporation which has since come to us officially:

The Railroad Credit Corporation formed by the railroads for the purpose of collecting, receiving and administering through loans to needy rail carriers funds growing out of the increase in freight rates allowed by the Inter-State Commerce Commission in ex parte 103, announced the following permanent organization:

President—E. G. Buckland, Chairman of the board of the New York New Haven & Hartford RR.
 Vice-President and Comptroller—E. R. Woodson, Washington, D. C.
 Secretary—William J. Kane, Washington, D. C.
 Assistant Secretary—M. K. Dugan, New Haven, Conn.
 Treasurer—Arthur B. Chapin, Boston, Mass.
 Counsel—Daniel Willard Jr., Baltimore, Md.

Mr. Buckland has been Chairman of the board of the New York New Haven & Hartford RR. since 1929, prior to which time he was Vice-President and General Counsel.

Mr. Woodson, who was born in Roanoke, Va., has been Secretary and Treasurer of the Railway Accounting Officers Association since 1914. He originally entered railway service as a stenographer in the Superintendent's office of the Norfolk & Western Ry. Mr. Woodson is President of the Kiwanis Club in Washington and Chairman of the international committee on vocational guidance of that organization.

Mr. Kane formerly was connected with the car service division of the American Railway Association and is a practicing attorney.

Mr. Chapin is well known in New England, having formerly been President of the American Trust Co. of Boston. When that company merged with the First National Bank of Boston Mr. Chapin became General Manager of the New York office of the Whiting Paper Co. at Holyoke, Mass. He was formerly State Treasurer of Massachusetts from 1903 to 1908 and Bank Commissioner of Massachusetts from 1909 to 1912. Mr. Chapin also has been President of the Massachusetts Bankers' Association and the Massachusetts Trust Co. Association.

Mr. Willard is a graduate of Yale University and of the Harvard Law School and is assistant to the General Counsel of the Baltimore & Ohio RR. Mr. Willard has been serving as Secretary of the Railroad Credit Corporation during the period of organization.

Mr. Dugan comes from New Haven, Conn., and is assistant to Mr. Buckland.

Elisha Lee of Pennsylvania RR. Says Services of Railroads Reduce to Myth Any Belief that Highways Are Capable of Superseding Railways—Appeals for Support in Application for Loan from Reconstruction Finance Corporation.

Declaring that the services of the railroads to the nation are "indispensable and irreplaceable," Elisha Lee, Vice-President of the Pennsylvania RR., at Pittsburgh on Feb. 16, reduced to a myth any belief that the highways may be capable of superseding the railways. In an analysis presented to the Pittsburgh Chamber of Commerce at a luncheon meeting, he showed that the freight handled daily over the Pennsylvania's Pittsburgh division alone, even in the present depressed state of traffic, would fill a fleet of heavy motor trucks which would monopolize a stretch of highway longer than from Pittsburgh to Philadelphia.

Emphasizing the importance of railway employment, he pointed out that in 1931, "perhaps the most difficult and discouraging business year that any of us can remember, the payroll of the Pennsylvania RR. in this one industrial centre—the Pittsburgh district—amounted to \$25,500,000, and was distributed among 16,500 employees."

Incident to the Pennsylvania's current program of changes and betterments in seaboard territory, Mr. Lee stated his road "has bought, or contracted for, over \$19,000,000 worth of equipment, materials and supplies from the Pittsburgh

industries." Pleading for assistance in the form of temporary loans from the Reconstruction Finance Corporation, to permit continuance of this work "until it is again practicable to finance railroad betterments in a normal way," Mr. Lee asserted that "such use of the Corporation's funds would be a most effective means of helping the restoration of confidence by giving employment and permitting useful buying to proceed."

The seriousness of unregulated highway competition against the railroads, Mr. Lee said, though great, "falls very far short of warranting the assumption that it would be practicable, or even possible, to shift the great bulk of railroad freight traffic to rubber tires and the cement road." He continued:

The loading of the average freight train on the Pennsylvania Railroad in 1930 was 960 tons. To handle such a train required an engine and train crew of five or six men. The same tonnage transported by motor trucks, at an average loading of five tons per truck, would require the employment of 192 trucks, with 192 truck drivers. The tonnage mentioned is the average, considering all classes of freight trains. Many of our coal and ore trains handle six or seven times this volume of tonnage.

The Pittsburgh Division of the Pennsylvania Railroad between Pittsburgh and Altoona, and the New York Division between Philadelphia and New York, are each, even in these very dull times, moving between their terminals well over 100,000 tons of freight a day. If this freight were all transferred to five-ton trucks, each of which was carefully loaded to its maximum capacity, more than 20,000 such trucks would be required to do the work of either division.

Now, let us imagine the Pittsburgh Division traffic transferred to the William Penn Highway. Of the minimum of 20,000 trucks, about 14,000 would be running eastbound and 6,000 westbound. Allowing a reasonably safe running distance between the trucks, the eastbound caravan would stretch from Pittsburgh to Philadelphia and some miles beyond. The westbound line would cover 150 to 160 miles of the highway. Assuming that the movement both ways was distributed over the 24 hours, a truck either east or westbound would pass any given point, on the average, approximately every four and one-third seconds.

It is obvious, of course, that if the William Penn Highway were turned over to this traffic, it would be useless for any other purpose, and would be almost impossible to cross, either on foot or in a vehicle.

Such comparisons, without taking the passenger traffic into consideration at all, ought to settle the question that the country needs its railroads and cannot get along without them, and that they are plainly in no danger of going the way of the canal, that is, drying up because something better has been found. The real danger lies in the fact that the railroads are completely unregulated, while the trucks are almost completely unregulated. Hence the trucks are free to pick and choose between the kinds of traffic they shall accept, and as a consequence are continually skimming off the cream of the business—the highest paying and most profitably handled freight—and accepting loads only to points which suit the convenience of their operators. The railroads, on the other hand, as common carriers, must, and do, accept any traffic offered, from feather pillows and straw hats to turbines and electric dynamos, and to any and all points. The injustice of this situation is perfectly obvious.

If the railroads are necessary to the life and industry of this country, as they undoubtedly are, then the public in its own interest should see that they are protected from wasteful and discriminatory competition, when they are prevented by present regulation, from effectively combatting it. The remedy is to place the trucks, and the buses as well, under proper Governmental regulation. Unsoundly low charges should be guarded against by applying the principle of minimum rates, and something in the nature of a certificate of public convenience should be required from everyone before engaging in highway transport business of any kind. Such regulation should be helpful to motor transport itself and bring order out of chaos.

After sketching the improvement and the speeding up of both freight and passenger service on the Pennsylvania RR. in recent years, Mr. Lee said in conclusion:

We realize that the challenge of the times is good service at low cost, through the employment of the most efficient agency to provide an economical result. We, on the railroads, accept this challenge. We know that to successfully meet the issue we must adapt to a common end the best in each transportation enterprise. I have complete faith in the ability and ingenuity of railroad managers to meet this situation, and, given a fair measure of freedom, they will have the power to make co-ordination of these enterprises effectual. We are, in fact, doing this now, to the extent that any man can do so with one hand tied behind his back.

We ask no favors, but with sympathetic treatment of these facts by the public, I assure you that when the country emerges from the storms and shodows of the present, we will be prepared to offer to you a co-ordinated, efficient and economical service without parallel in the history of transportation.

The Pennsylvania RR.'s application for a loan from the Reconstruction Finance Corporation was referred to in our issue of Feb. 6, page 965.

Bancamerica-Blair Holds Old Position—Success of Giannini Interests in Transamerica Control Not Likely to Cause Change—Name Seen as Asset.

The Bancamerica-Blair Corp., which is controlled by the Transamerica Corp. through the ownership of 63% of its capital stock, is expected (said the New York "Times" of Feb. 17) to continue to do business as the securities affiliate of the holding company under its present title as a result of control of Transamerica obtained by the Giannini interests at the stockholders' meeting on Monday. The "Times" went on to say:

At the time of the announcement last October of the merger plans of the Bank of America with the National City Bank it was intimated that the Bancamerica-Blair Corp. might revert to its original name of Blair & Co.

It is now understood that A. P. Giannini, the new Chairman of Transamerica, and his allies desire to keep the name Bancamerica alive in New

York in order to link up the California banking interests of the holding company, which include the Bank of America of California. Blair & Co., an old-time banking house, was merged with the Bancamerica Corp. in May, 1929, as the Bancamerica-Blair Corp.

No announcement regarding the Bancamerica-Blair Corp. is expected to be made before the new directors elected on Monday (Feb. 15) meet in San Francisco next Wednesday (Feb. 24). Bancamerica-Blair took an active part recently in the offering of the \$100,000,000 New York City special corporate stock notes, being one of the 15 banking houses asked to assist the city-wide syndicate of banks in distributing the offering.

From the New York "World-Telegram" of Feb. 16 we take the following:

Amadeo Peter Giannini's victorious return to control of the Transamerica Corp. suggested to Wall Street to-day the possibility that Elisha Walker and his associates may eventually be eliminated from the management of the Bancamerica-Blair Corp., securities distributing affiliate of the holding company.

Approximately 63% of the stock of Bancamerica-Blair Corp. is now owned by Transamerica, the investment company having increased its interest in the underwriting organization considerably since the consolidation of Blair & Co. with the Bancamerica Corp. in 1929, when 49.6% of the 1,417,012 outstanding shares was in the Transamerica portfolio.

With a reorganization of Bancamerica-Blair reported in prospect, it was said that Mr. Walker and his associates of the original Blair & Co. might be forced to step aside, just as they relinquished yesterday the management of Transamerica.

Divorced from Bank.

Last September Mr. Walker, speaking for the board of directors of Transamerica, announced that certain changes would be made in the policies of the corporation which would provide for the company to confine itself to minority holdings in the banking field in amounts not involving controlling influence.

To that end a merger was arranged between the Bank of America, N. A., of New York, with the National City Bank, and the Bancamerica-Blair Corp. was entirely divorced from the bank.

Through this merger Transamerica became the owner of approximately a 9% interest in the National City Bank in place of the 63% of the stock of Bank of America, N. A., which it had previously owned.

The shares of Bancamerica-Blair Corp. were thus separated from the bank, and Transamerica received separate certificates evidencing its ownership of approximately 63% of the corporation's stock, the annual report for 1931, recently made public revealed.

Policy Causes Break.

According to reports in Wall Street it was the ultimate plan of the Walker board to divorce the Bancamerica-Blair Corp. from the Transamerica Corp. This would have been in line with the board's announced policy of bringing about a separation of the Bank of America, N. T. & S. A. (California), from control of Transamerica.

It was this policy which brought about the break between Mr. Walker and Mr. Giannini and which in turn precipitated the fight which ended yesterday in Giannini's return to power as chairman of the board of Transamerica and the election of John M. Grant as the corporation's new President along with an entire new board of directors.

Midwinter Conference of Savings Banks Association of State of New York in New York Feb. 25.

The Savings Banks Association of the State of New York is to hold a midwinter conference at the Roosevelt Hotel in New York on Feb. 25. The Association says:

This is a new departure and every member bank is urged to be represented. It will be a one-day meeting in the nature of a combined group meeting, for the purpose of discussion of problems of vital interest to the savings banks of the State.

A number of people have commented that the annual meeting at Niagara Falls was so well worth while because there was an unusual number of interesting subjects to be discussed. There have been many developments since then which warrant the calling of this midwinter meeting and which insure that it will be an important and interesting one.

There will be a morning session, a business luncheon at which there will be one speaker, and an afternoon session. No plans are being made for the evening, leaving the delegates free to return to their homes or to make their own plans if they stay over in New York.

This meeting will replace the usual midwinter meeting of the up-State groups. There will be legislative reports, and such subjects as interest rates, the mortgage liquidity fund plan and the proposed central bank, as well as the general savings bank situation, liquidity reserves and investment problems will occupy a large part of the program.

Election of Officers of Trust Companies Association of State of New York.

At the annual meeting of the Trust Companies Association of the State of New York held on Feb. 18 at the Lawyers' Club, 115 Broadway, the following officers were elected for 1932:

President, C. R. Dewey, Vice-Chairman of Board, First Citizens Bank & Trust Co., Utica, N. Y.
 Vice-Presidents, Merrel P. Callaway, Vice-President, Guaranty Trust Co. of New York, New York City; Edward H. Letchworth, Vice-President and General Counsel, Marine Trust Co., Buffalo, N. Y.
 Treasurer, L. Floyd Smith, Vice-President, First Citizens Bank & Trust Co., Utica, N. Y.
 Secretary, Henry L. Servoss, Vice-President, Chemical Bank & Trust Co., New York City.

The elections to the Executive Committee were as follows:

Class of 1933.

A. A. Tilney, Vice-Chairman, Bankers Trust Co., New York City.
 F. J. Fuller, Vice-President, Central Hanover Bank & Trust Co., New York City.
 James G. Blaine, President, Marine Midland Trust Co. of New York, New York City.

Class of 1934.

Harold K. Downing, President, Troy Trust Co., Troy, N. Y.
 George C. Cutler, Vice-President, Guaranty Trust Co. of New York, New York City.
 J. O. Traphagen, President, Bank of New York & Trust Co., N. Y. City.

Class of 1935.

James H. Perkins, President, City Bank-Farmers Trust Co., N. Y. City.
A. B. Merrill, President, First Trust & Deposit Co., Syracuse, N. Y.
Artemus L. Gates, President, the New York Trust Co., N. Y. City.

A. P. Giannini Regains Control of Transamerica Corporation at Annual Meeting in Wilmington, Del.—He is Appointed Chairman of the Board and John M. Grant of San Francisco, President—Elisha Walker, Former Head of Holding Company, Wishes Success to New Regime.

A. P. Giannini, founder and former Chairman of the Board of the Transamerica Corp., won a decisive victory in his struggle to regain control of the holding company at the annual meeting of the stockholders held in Wilmington, Del., on Monday of this week, Feb. 15, defeating by a large majority the group headed by Elisha Walker, who had held the Chairmanship since Mr. Giannini's retirement in 1929. Mr. Giannini was elected Chairman of the Board and will serve without compensation, thus saving the company, it is claimed, \$100,000 a year, which Mr. Walker had been receiving as salary, and John M. Grant, Manager of the London office of Transamerica, was made President of the Corporation at a yearly salary of \$20,000. Mr. Grant succeeds I. A. Bacigalupi in the Presidency, who, it is stated, received a salary of \$60,000. A dispatch from Wilmington to the New York "Journal of Commerce," on Feb. 15, from which we have quoted above in the matter, went on to say in part:

Proxies representing 15,371,578 shares of the Corporation's 24,453,900 shares outstanding were presented by Mr. Giannini, compared with about 9,000,000 shares produced by the opposing faction. The shares of stock produced by Mr. Giannini were represented by proxies for over 200,000 of the Corporation's 250,000 stockholders, the majority of whom live on the Pacific Coast.

The following directors were elected: A. P. Giannini, Charles de Y. Elkus, Theodore M. Stuart, A. J. Scampini, J. Ed. McClellan, John M. Grant, Herbert H. Salinger, George Buck, J. C. Jury, Frank J. McCarthy, Edward I. Barry, Ivan Culbertson, R. C. Springer, Alexander N. Nichols, Edwin D. Steel Jr., Edwin D. Stayton.

Associated Press advices from Wilmington, reporting the meeting, stated that besides the Chairman and the President of the Corporation, the only other officers chosen by the new Board were J. A. Crooks of New York as Secretary and Assistant to the Treasurer, and James F. Cavagnaro of New York as Vice-President. L. A. Woolams, Treasurer, was retained. The Board then adjourned to meet again in San Francisco on Feb. 24. We quote furthermore, in part, from this dispatch as follows:

After the meeting Mr. Walker said: "As Transamerica's largest stockholder, I wish the new management every possible success."

After the meetings Mr. Giannini said that he wanted to make it clear that the fight for control would be forgotten. He added:

"We are going to run this Corporation for the best interests of all. The permanent Board of Directors will be chosen without regard to what faction they may have been with."

In a formal statement, later, Mr. Giannini said:

"It is not with a feeling of jubilation, but of great responsibility, that I consider the important task ahead. I have told the stockholders many times that their destiny is in their own hands, but they must continue to exercise eternal vigilance to preserve their rights.

"This decisive battle which has been fought and won by Transamerica stockholders against the most formidable financial forces which Wall Street could assemble is inspiring and instructive. It shows, after all, that right is might and that, when stockholders have right on their side, they should not be too cowed to fight.

"Very deeply and sincerely do I appreciate the cheering messages which I have received from thousands of stockholders and their vote of confidence in me.

"I shall do my level best for the stockholders, but I am neither a miracle man nor a superman, and I am relying upon the continuous co-operation and enthusiastic active support of the stockholders, executives, employees and friends of Transamerica and our splendid institutions."

A spokesman, at the conclusion of the Board meeting, said that no major move would be undertaken by the Company or assets sold without the consent of stockholders.

With reference to the policies of the new President of the holding company, John M. Grant, a dispatch from San Francisco to the New York "Times," on Feb. 15, contained the following:

"Honesty, economy and efficiency will be the policy of the Transamerica Corp., and all else will be subordinate," John M. Grant, the new President of the Company, said to-day on his arrival here to take office. "All the cards will be placed on the table and stockholders will be told the best and the worst."

Mr. Grant added that it was the shareholders who owned the Corporation and not its officials. There would be a reduction in overhead expenses but there probably would be no changes in personnel for a few days.

Mr. Grant was formerly Vice-President of the American Trust Co. in San Francisco and later was in charge of the international banking department of the Bank of America. Subsequently he was representative of Transamerica in London and in charge of its European business. He received his early training in Scotch and Canadian banks.

ITEMS ABOUT BANKS, TRUST COMPANIES, &c.

Arrangements were made this week for the sale of four New York Stock Exchange memberships at \$161,000, \$156,000, \$175,000 and \$160,000, respectively.

Arrangements were reported for the sale of two New York Curb Exchange memberships; one for \$36,000 and the other for \$40,000.

Two New York Cotton Exchange memberships were reported sold this week; that of George A. Garrett to Herman Philips for another for \$14,500, and that of Edwin H. Muir to John C. Botts for another for \$13,000.

At a special meeting of the Governing Committee of the New York Stock Exchange, held Feb. 17, the petition of the members to close the Exchange to-day, Saturday, Feb. 20, was not granted. If the petition had been granted the Exchange would have been closed three days, including Monday next, Washington's birthday.

Edward M. McMahon, Second Vice-President of the Chase National Bank of New York, died on Feb. 13. After graduating from the University of Wisconsin, Mr. McMahon joined the Northwestern Mutual Life Insurance Co. in 1910. Later, he became manager of the Madison, Wis., Chamber of Commerce and General Manager of the St. Paul Chamber of Commerce. Mr. McMahon in 1920 organized the Northwestern Casualty & Surety Co. of Milwaukee, becoming its Vice-President and General Manager. Following the merger of the Chase National Bank and the Equitable Trust Co. in June 1930, he became Second Vice-President of the Chase National Bank.

The Emigrant Industrial Savings Bank New York, on Feb. 11 elected William F. Heide a member of the Board of Trustees. Mr. Heide succeeds his father, the late Henry Heide. At the same meeting, Myles J. Tierney was elected Second Vice-President. Mr. Tierney's father was a member of the Board from Feb. 8 1894 until his death on Jan. 13 1921. He also served as First Vice-President from 1911 until 1921.

At a meeting of the Board of Trustees of the Title Guarantee & Trust Co. on Feb. 16, Henry Sillocks was elected a Trustee. Mr. Sillocks is a member of the law firm of Tanner, Sillocks & Friend.

Clarence M. Fincke, formerly Vice-President of The Bank of America N. A., has been appointed assistant to the President of the Greenwich Savings Bank of New York.

The New York State Banking Department approved on Feb. 9 the agreement filed by the Empire City Safe Deposit Co. and the Manufacturers Trust Co., both of New York, for the merger of the former into the latter under the name of "Manufacturers Safe Deposit Company." The Banking Department at the same time granted authority to the Manufacturers Safe Deposit Co. to open a branch office at each of the following locations in the City of New York:

122 Bowery, 350 Fifth Avenue, 121 Lenox Avenue, 530 Seventh Avenue, 3515 Broadway, 711 Fifth Avenue, 79 Eighth Avenue, 2760 Broadway, 67 West 125th St., all in the Borough of Manhattan, and 29-28 Forty-first Avenue, Long Island City, Borough of Queens. (These are not new locations but those formerly occupied by the Empire City Safe Deposit Co.)

At a meeting of the directors of Sterling National Bank & Trust Co., of New York, on Feb. 18, G. Y. Kaufman was elected Vice-Chairman of the board and John McGrath a Vice-President. Mr. Kaufman started his banking career in 1919 with the Chatham Phenix National Bank & Trust Co. of which his father, Louis G. Kaufman, was President. During the five years preceding the merger of the Chatham Phenix with the Manufacturers Trust Co., he was a Vice-President and director of the institution, in charge of its office at Fifth Avenue and 30th Street, subsequently removed to the Empire State Building. Mr. Kaufman is also Vice-President and a director of the Marquette County Savings Bank of Marquette, Mich. He will make his headquarters at the bank's 42nd Street and Lexington Avenue office. Mr. Kaufman also goes to the Sterling National from the Chatham Phenix, having served that institution for the last six years as Vice-President in charge of the 39th Street and Seventh Avenue office. He is widely known in the textile industries. Mr. McGrath will make his headquarters at the bank's Broadway and 39th Street office. He is a trustee of the Queensboro Savings Bank and President of the Seventh Avenue Association, which he helped to organize.

At the meeting of the board of directors of the Banca Commerciale Italiana, head office, in Milan (Italy) it has been decided to propose, at the general meeting of the shareholders, to be held on Feb. 28, a dividend for the year 1931 of Lire 40 per share, equal to 8%, and to carry over as undivided profits Lire 34,250,000. The board of directors has further decided to propose to the company's shareholders the merger of Banca Commerciale Triestina (of Trieste, Italy) with Banca Commerciale Italiana.

Harry E. Finley of New York has been appointed Comptroller of the Worcester Bank & Trust Co. and affiliated banks, Worcester, Mass., a newly created office, according to Associated Press advices from Worcester on Feb. 17. Mr. Finley, the dispatch went on to say, had charge of the reorganization and modernization of banking of the Bank of Bogota, Colombia, in 1929 and was later affiliated with the Bankers Development Corporation of New York.

James P. Philip, President of the Catskill National Bank & Trust Co. of Catskill, N. Y., died at his home in that place after a prolonged illness. Mr. Philip, who was 70 years of age, entered Rutgers College, at New Brunswick, N. J., when he was 16 and was graduated in 1882. After graduation he taught for two years at Lancaster, Pa., and then practiced law in Brooklyn, N. Y., where he became Assistant Director of the Title Trust Co. In 1904 he succeeded his father-in-law, Isaac Pruyn, as President of the Catskill National Bank.

Howard J. Castle was recently elected President of The Torrington National Bank & Trust Co. of Torrington, Conn. He succeeds John H. Seaton, who resigned the Presidency a short time ago and is no longer connected with the institution in any capacity.

At the annual meeting of the directors of the Industrial Bank of Hartford, Conn., on Feb. 5, Dudley Carlton, Treasurer of the institution, was given the additional office of Secretary, succeeding George L. Hunt, who declined re-election because of his recent appointment as Vice-President of the New England Mutual Life Insurance Co., according to the Hartford "Courant" of Feb. 6. The bank's other officers were re-appointed as follows: Allen H. Newton, President and Judge Arthur L. Shipman, J. W. MacMorris and Franklin A. Morley, Vice-Presidents. The "Courant" also stated that the directors be declaring a dividend of 50 cents a share, payable Mar. 1 to stockholders of record Feb. 5, have placed the stock on an annual dividend basis of 8%.

Referring to the affairs of the Boston-Continental National Bank, Boston, Mass., which closed its doors Dec. 17 last, a plan for the reorganization of the institution was submitted to the depositors by the reorganization committee last week. Briefly, the plan contemplates the handling of the affairs of the old bank so that a new banking institution will be formed with capital and surplus of \$1,000,000, at least one half of which will be new money and the balance furnished by means of depositors' subscriptions. The Boston "Herald" of Feb. 7, from which the foregoing is learned, goes on to say:

The new banking institution will credit on its books to the depositors of the old bank a minimum of 50% in cash which will be made available upon its opening. Depositors' subscriptions to stock in the new institution will be by means of an assignment of 10% or more of their deposits. The remaining assets of the bank will be placed in the hands of approved trustees for liquidation and distribution.

The plan further provides that the remainder, after the payment in full to depositors, shall be distributed to the old stockholders.

The closing of this important Boston bank together with its affiliate, the Plymouth County Trust Co. of Brockton, Mass., was noted in our Dec. 19 issue, page 4103.

The Plainfield National Bank of Plainfield, N. J., with which the Guaranty Trust Co. of Plainfield, was consolidated on Feb. 6, on Saturday, Feb. 13, formally opened its recently remodelled bank building at 119 West Front Street. Much admiration was expressed by the guests for the convenient and beautiful arrangements offered by the remodelled structure. The main banking room is spacious and unusually well lighted and attractive. In the rear commodious booths and conference rooms are supplied for the patrons of the vault department. The consolidated institution reports deposits of \$1,609,505.93 and total resources of \$2,092,509.09. The union of the Plainfield National Bank

and the Guaranty Trust Co. (both affiliates of the Plainfield Trust Co.) was noted in our issue of last week, page 1148.

The directors and officers of the Plainfield Title & Mortgage Guaranty Co. of Plainfield, N. J., announce the removal of their offices from 214 Park Ave. to the new Plainfield National Bank Building, where the company has leased a portion of the ground floor of the building. Modern appointments are furnished for the convenience of the customers and for increased efficiency in the conduct of the business. A public reception was held on the afternoon and evening of Feb. 13 in the new quarters and much appreciation of the new surroundings was expressed by the many visitors. The Plainfield Title & Mortgage Guaranty Co. is controlled by the commercial banks of Plainfield, N. J. and is one of the leading companies in its field in the State. The officers are as follows: President, Harry H. Pond; Vice-Presidents, DeWitt Hubbell, Charles E. Loizeaux and Abiel D. Edgar; Secretary, Frank E. Chobot; Treasurer and Assistant Secretary, F. Irving Walsh, Assistant Treasurer, H. Douglas Davis; Counsel, Andrew L. McDonough, and Title Officer, Peter J. McDonough, Jr. The combined capital and surplus of the company is over \$600,000.

Associated Press advices from Trenton, N. J., on Feb. 61 stated that Frank H. Smith, State Commissioner of Banking and Insurance for New Jersey, on that day rejected a proposal to reopen the South River Trust Co. at South River and urged Chancery Court approval of payment of a first dividend of 33% to depositors. Continuing the dispatch said:

Representatives of a depositors committee asked the Commissioner to suspend further liquidation of the bank, taken over last June, and approve a proposal providing for depositors' acceptance of stock and release of deposits over a period of a year.

The Commissioner said the proposed liquidating dividend would make \$400,000 available to-morrow (Feb. 17) and the proposal to reopen offered no assurance of being the better course. Counsel for the Commissioner said additional dividends would probably be paid during the year.

Reference was made to the closing of the South River Trust Co. in our June 20 1931 issue, page 4529.

Seymour R. Smith, President of the Hackettstown National Bank of Hackettstown, N. J., for the past 41 years, died on Feb. 14 in a hospital at Morristown. He was 81 years old. Immediately after his graduation from Rutgers College in 1868, Mr. Smith started working in the bank, of which his father was then President. In 1872 he became a director and in 1876 Vice-President. Mr. Smith was also a director of the North Ward National Bank of Newark, N. J.

The business of the Northwestern Trust Co. of Philadelphia (which was taken over by the Pennsylvania State Banking Department on July 17 of last year) has been ordered liquidated by Dr. William D. Gordon, Secretary of the Department, according to the Philadelphia "Ledger" of Feb. 11.

The Farmers' Deposit National Bank of Pittsburgh, Pa. on Monday of this week, Feb. 15, celebrated the 100th anniversary of its founding. Organized during the administration of President Andrew Jackson, the institution has grown from a country bank with capital of \$5,000 to its present position among the 100 largest banks in the United States, with combined capital and surplus of \$12,000,000 and resources of more than \$70,000,000. Pittsburgh was a village when the institution was established as the Pittsburgh Savings Fund Co. by a group of people. Nine years later its name was changed to the Farmers' Deposit Bank of Pittsburgh, and in 1864, after the establishment of the national banking system, it was chartered under its present title. The Pittsburgh "Post-Gazette" of Feb. 15, from which the above information is obtained, continuing said:

It had nine Presidents during its lifetime. Within the memory of generations now living, two of these have presided over its affairs—the incumbent, A. E. Braun, and before his election, the late T. H. Given, who served from 1892 to 1919.

Given gave the bank its distinctive trade-mark—the picture of the dog which appears on the bank's stationery and advertisements, on its windows and on the granite above the Fifth Avenue entrance. The pictures are a tribute to the faithfulness of "Prince," a white bull terrier that Given purchased from a traffic officer downtown while he was the cashier of the bank. The dog was a familiar sight to all patrons of the bank, strolling about the banking rooms and lying on guard at the entrance to the vault at night. He disappeared in 1898 during the excitement attending a reception for troops on their way to the Spanish-American war. It was thought he went with the soldiers.

The 24 story building of the Farmers' Bank at Fifth Avenue and Wood Street was completed in 1903.

That effective Feb. 8, the Merchants' & Miners' Bank of Luzerne, Pa., an institution with resources of \$400,000, would be taken over by the Luzerne National Bank, a \$2,000,000 institution, was indicated in Wilkes-Barre, Pa., advices on Feb. 7, printed in the Philadelphia "Ledger." William J. Parry is President of the Luzerne National Bank, and Ziba F. Schooley is (former) President of the absorbed bank, the dispatch stated.

Arthur William Schreiber, Cashier and a director of the Carnegie National Bank of Carnegie, Pa., died at his home in Carnegie on Feb. 11. Mr. Schreiber, who was 51 years of age, had been associated with the Carnegie National Bank for almost 30 years. He was a member and director of the Carnegie Chamber of Commerce.

Wallace M. Ruth, a Vice-President of the First National Bank of Scranton, Pa., and one of the most widely known banking men of Northwestern Pennsylvania, was found dead in his home in that city on Feb. 9. Death was due to asphyxiation. Mr. Ruth, who was sixty years of age, had been in ill health for some time, and did not report at his office on the day of his death. The deceased banker was also Treasurer of the Green Ridge Coal Co.

Associated Press advices from Hurlock, Md., on Feb. 16 stated that the Citizens' Bank of that place, with resources of more than \$300,000, had failed to open for business on that day, and that officials had immediately begun a search for Marion C. Smith, the Cashier, who had disappeared from his home Feb. 14. The dispatch furthermore said:

An official of the State Banking Department was called here from Baltimore to make an examination of the institution's affairs. The announcement of the closing gave no reason. The Citizens Bank was one of the oldest on the Eastern Shore and one of two banks here.

The Hancock Bank at Hancock, Md., which had been closed since last fall, has resumed business under a depositors' limited withdrawal plan, according to Baltimore advices on Feb. 17 to the "Wall Street Journal". The proposed reopening of this institution was noted in our issue along with several closed Maryland banks under an agreement to leave from 25% to 50% of their deposits in the institutions, was indicated in our issue of Nov. 21 1931, page 3371.

It is learned from a dispatch to the Cincinnati "Enquirer" from New Lexington, Ohio, on Feb. 4, that a new institution—the Peoples' National Bank—has been organized in New Lexington to replace the Citizens' National Bank, the closing of which was reported in the "Chronicle" of Nov. 14 last, page 3201. The dispatch said:

Following a meeting with William Taylor, National Bank Examiner, and C. A. Jones, receiver for the Citizens' National Bank, this city, organization of the Peoples' National Bank, successors to the Citizens' National Bank was effected. Officials announced the opening of the bank on Feb. 15. The bank closed on Nov. 9. The new bank will assume all obligations of the former Citizens' National Bank. Reorganization was effected by the sale of \$75,000 capital stock locally.

Regarding the affairs of the Union Savings & Trust Co. of Warren, Ohio, which closed last October, a dispatch Feb. 5 from that place by the Associated Press, contained the following:

A plan for reopening the closed Union Savings & Trust Co. with a capital and surplus of \$330,000 was being worked out to an early conclusion to-day. Committee was set up to receive subscriptions by present stockholders for new stock at \$30 a share, with \$20 par value. The \$10 difference goes to the surplus fund.

The Comptroller of the Currency on Feb. 11 issued a charter for the Peoples National Bank of New Lexington, Ohio, capitalized at \$75,000. A. Garlinger heads the new institution and B. G. Davis is Cashier.

That the Richland Trust Co. of Mansfield, Ohio, an institution which closed the early part of November 1932 (as noted in our Nov. 14 issue, page 3201) had reopened for business on Monday of this week, was reported in Associated Press advices from Mansfield on Feb. 16, which also said:

Hundreds of persons, panicky three months ago, indicated complete confidence and during the day the bank took in \$94,000. Approximately \$39,000 was paid out in routine business. The bank was reorganized under plans worked out by the State Banking Department and a local committee.

A dispatch from Columbus, Ohio, on Feb. 11 to the Cleveland "Plain Dealer," in reporting the then approaching opening of the institution, said in part:

At the time of its closing, due to heavy withdrawals, the bank had resources of \$2,828,000. It will reopen with \$300,000 capital, \$60,000 surplus

and \$12,578.26 in undivided profits. Ten per cent of all deposits will become immediately available.

The personnel of the bank will remain unchanged with H. C. Hughes as President.

The First National Bank of Cannelton, Ind., with capital of \$25,000, went into voluntary liquidation, effective Jan. 13 last. The institution was absorbed by the Cannelton National Bank of the same place, which later (Feb. 8) changed its name to the First-Cannelton National Bank.

Hiland B. Noyes has been elected Cashier of Central Republic Bank & Trust Co. of Chicago to fill the vacancy caused by the election of Charles C. Haffner Jr., to the office of Executive Vice-President last October. Mr. Noyes has been serving as Comptroller of the bank. He went to Chicago in April 1923 and began work with the old National Bank of the Republic of Chicago. He was promoted to Assistant Auditor in 1926 and Auditor in 1928. He left that institution in 1928 to join the present staff. Mr. Noyes is a graduate of the University of Nebraska, and a certified public accountant of Illinois. William E. Harrison, who has been Assistant Comptroller of the bank, succeeds Mr. Noyes as Comptroller. Mr. Harrison has been identified with Chicago banking for 16 years, having advanced step by step from a junior clerkship at the beginning to his present new position.

On Feb. 12 a charter was issued by the Comptroller of the Currency for the First National Bank in Blandinsville, Blandinsville, Ill., with capital of \$25,000. Sepsus Keys is President and Willis Craig, Cashier, of the new institution.

The Rockford National Bank of Rockford, Ill., the largest bank in that city, was closed by its directors on Feb. 10, according to a dispatch by the United Press from Rockford which added:

The last statement, Dec. 31 1931, gave deposits of \$5,152,134, total resources of \$7,569,436, capital of \$750,000, surplus of \$750,000 and undivided profits of \$210,608.

The State Bank of Niles, Ill., a Chicago suburb, was closed on the morning of Feb. 6, when the Cashier of the institution, George Krejsa, committed suicide in the basement of the bank building. An examination of the bank was in progress at the time. Mr. Krejsa had confessed to peculations of \$3,750, according to Fred Edgerton, Chief Bank Examiner. The institution had combined capital and surplus of \$70,000 and deposits of \$100,000. The Chicago "Post" in its report of the matter, furthermore said in part:

Immediately following the Cashier's suicide, the State's Auditor's Office closed the bank, while a complete investigation of its books and the possibility of more extensive irregularities on the part of Krejsa could be made.

The audit of the bank was begun yesterday as a part of the regular routine of the State Auditor's office. Edgerton did not say what results yesterday's examination showed, but did reveal that Krejsa last night confessed peculations of \$3,750.

This morning, before the bank opened, Krejsa came down from his apartment on the second floor of the bank building. He greeted Fred Mau, the President. After opening the vault he walked rapidly down to the basement. A few minutes later Mau heard a shot.

That the Romulus State Bank of Romulus, Mich., which has been closed since Sept. 18 1931, is expected to reopen for business during the first week in March, according to Charles H. Schultz, the receiver, was indicated in the Detroit "Free Press" of Feb. 10. The paper mentioned said in part:

A depositors' committee, headed by F. W. Miank, of Romulus, is circulating a depositors' agreement which will make possible the opening of the bank under a five-year moratorium. The agreement has been approved by the State Banking Department and the opening is certain if enough depositors sign it to make 95% of the deposits available, Mr. Schultz said.

The plan was approved at a meeting of the stockholders and a meeting of the depositors has been called for Feb. 24 at Grange Hall, Romulus, where details of the project will be explained.

Sentiment in favor of the reopening of the bank is pronounced, Mr. Schultz declared, and the success of the plan is almost assured. The bank closed voluntarily because of withdrawals by depositors, depreciation in bonds and frozen assets.

As of Jan. 19 last, the First National Bank of Gorman, W. Va., capitalized at \$25,000, went into voluntary liquidation. It was taken over by the Bayard National Bank at Bayard, W. Va.

Two North Carolina banks, both in Alexander County, the Bank of Alexander at Taylorsville and the Bank of Stony Point at Stony Point, were closed on Feb. 13, as reported in the Raleigh "News & Observer" of the next day, from which we quote further as follows:

The bank had combined deposits of about \$215,000.

The Bank of Stony Point, of which N. F. Steele was President, had no bills payable, its last call statement showed, and had total resources of \$97,152.22. It was capitalized at \$8,650, had a surplus of \$616.43 and deposits of about \$83,000.

The Bank of Alexander was capitalized at \$50,000; had total resources of \$263,724 and deposits of about \$131,000. It had bills payable of \$81,159 shown on its last statement. R. A. Adams was President and H. T. Kelly Cashier.

The Sedalia National Bank of Sedalia, Mo., was closed on Monday of this week, Sept. 15, making the third bank to close in that city within recent months. Advices from Sedalia to the St. Louis "Globe-Democrat," from which the above information is obtained, said:

The possibility of a new State bank being organized in Sedalia, with those interested buying the liquid assets of the now closed Citizens' National Bank and the Sedalia Trust Co., was made known here to-day (Feb. 15) by a group of business men. The new bank may also take over the liquid assets of the Sedalia National Bank, which closed to-day.

John McGrath, one of the directors and principal stockholder in the Sedalia Trust Co., which closed Feb. 8, led the stock subscription for the proposed new bank with \$75,000, stating that he would increase that amount to \$100,000 if needed. Additional subscriptions are being made.

The new bank will have a capital stock of \$100,000 and a surplus of \$100,000.

The business men, leaders in civic affairs, realize that Sedalia needs another banking institution, and realize also that it will release more than \$2,500,000 tied up in three closed banks in Sedalia.

The closing of the Citizens' National Bank on Nov. 2 1931, was noted in the "Chronicle" of Nov. 14, page 3203, while the failure of the Sedalia Trust Co. was indicated in our issue of last week, Feb. 13, page 1149.

Effective Nov. 12 1931, the First National Bank of Elkader, Iowa, with capital of \$50,000, went into voluntary liquidation. The institution was succeeded by the Central State Bank & Trust Co. of Elkader.

Effective Jan. 21 last, the Citizens National Bank of Knoxville, Iowa, capitalized at \$100,000, was placed in voluntary liquidation. The institution was absorbed by the Knoxville National Bank & Trust Co. of the same place, which subsequently changed its name to the Knoxville-Citizens National Bank & Trust Co.

The Citizens' National Bank at Great Bend, Kan., was reported closed in a dispatch by the United Press from Topeka on Feb. 16.

The State Banking Department for Kansas on Feb. 11 announced the closing of the Home State Bank of Goff, a small institution, according to the Topeka "Capital" of Feb. 12, which went on to say:

The Bank's Dec. 31 statement showed \$10,000 capital, \$6,000 surplus, \$44,096 deposits, \$21,670 borrowed money, \$66,826 loans, and \$82,348 resources. George K. Meier, Deputy Bank Commissioner, was placed in charge.

The resignation of Harry H. Rogers as Chairman of the Board of the Exchange National Bank of Tulsa, Okla., and the appointment of John Markham, Jr., as his successor, and of Horace G. Bernard, as chairman of the Executive Committee of the bank, was indicated in the following dispatch from Tulsa on Feb. 4 to the Dallas "News." At the same time Mr. Rogers retired as a director and officer of the bank's affiliated organizations, the Exchange Trust Co. and the Exchange National Co. We quote from the dispatch in part as follows:

At the meeting of the Board which accepted Mr. Rogers' resignation John Markham Jr., was elected Chairman of the Board and Horace G. Barnard, Chairman of the Executive Committee. Both are close associates of Mr. Rogers and have been numbered among his intimate friends for many years.

Mr. Rogers' decision to retire for a long period of rest and recuperation was forced upon him by his physicians' orders.

Advices from Athens, Tex., on Feb. 4 to the Houston "Post" stated that a new banking institution, the Plainview State Bank, owned principally by Athens citizens, had been opened in Plainview. The new bank is capitalized at \$50,000. Officers were named in the dispatch as follows: Dan M. Royall, President; John W. Murchison, Vice-President; George Shriber, Cashier; J. C. Wilson, Assistant Cashier, and Miss. Correne Boyd, Secretary.

The First National Bank of Rockdale, Tex., and the Rockdale State Bank of the same place were merged recently under the title of the latter, according to a dispatch from that place on Feb. 4 to the Dallas "News". J. W. Gardner formerly President of the First National Bank, has become a Vice-President of the enlarged institution, it was stated.

The Planters National Bank of Whitewright, Tex., was placed in voluntary liquidation as of Feb. 10 1932. This institution, which was capitalized at \$100,000, was absorbed by the First National Bank at Whitewright, as noted in the "Chronicle" of Jan. 9 last, page 251.

The taking over by the Security National Bank of Salt Lake City, Utah, of the Deseret National Bank of that city, and the closing of the latter's affiliated institution, the Deseret Savings Bank, were announced simultaneously late Feb. 14, according to Associated Press advices from Salt Lake City, which went on to say:

W. H. Hadlock, State Bank Commissioner, said depreciation of assets and heavy withdrawals caused the savings bank directors to decide not to open to-day. The bank listed deposits of \$6,150,000 and resources of \$6,900,000.

The acquisition makes the Security National an institution with capital, surplus and undivided profits of \$1,250,000 and deposits of \$10,000,000.

As of Dec. 15 1931, the First National Bank of Centralia, Wash., capitalized at \$100,000, went into voluntary liquidation. It was succeeded by the First Farmers-Merchants Bank & Trust Co. of Centralia.

The First National Bank of Pendleton, Ore., capitalized at \$250,000, was placed in voluntary liquidation on Feb. 1 1932. The institution was succeeded by the First Inland National Bank of Pendleton. Reference was made to the merger of the First National Bank and the Inland Empire Bank (forming the new organization) in our Nov. 14 1931 issue, page 3204.

G. E. Zoller was recently elected President of the Citizens Bank of Sacramento, Cal., of which he has been a director for the past eight years. Mr. Zoller, who is 38 years of age, entered the banking field 22 years ago. For the past 20 years he has been connected with the Capital National Bank of Sacramento, becoming an officer of the institution 12 years ago.

Raoul Hector Foa has been elected Deputy Chairman of Barclays Bank (Dominion, Colonial and Overseas), London, Eng., in the place of the late Sir Herbert Hambling, Bart.

The net profit of the Swiss Bank Corporation (head office Basle, Switzerland) for the year ended Dec. 31 1931, (including the carry-forward of Frs. 1,025,434 from the previous year) amounts to Frs. 13,633,955 against Frs. 17,081,678 (including a carry-forward of Frs. 1,019,242) for 1930. At the annual general meeting to take place on Feb. 25, the Board will recommend the allocation of Frs. 500,000 to the Pension Fund, the payment of a dividend of 7% and the carrying forward of Frs. 1,523,103.

THE WEEK ON THE NEW YORK STOCK EXCHANGE.

The New York Stock Market has shown marked improvement the present week and while there have been several reactionary periods due to realizing and short selling, the trend, on the whole, has been toward higher levels. Trading has been heavier all along the line. Tobacco shares have generally been stronger and so have the industrial issues, United States Steel reaching its peak for the year on Tuesday as it crossed 50 with a net gain of 2½ points. One of the outstanding happenings of the week was the failure of the Southern Pacific to declare its usual dividend. This is the first time since 1905 that the company failed to declare a dividend when due. Another event of more than passing interest was the reduction of the Bank of England rate from 6% to 5%, the biggest reduction, at any one time, since August 1914. Call money renewed on Monday at 2½%, and remained unchanged at that rate on each and every day of the week.

Thursday's brisk advances were sharply extended as the market resumed operations on Saturday following the Lincoln's Birthday holiday. The advances were largely in high grade stocks and the gains ranged from 2 to 20 or more points. An accumulation of orders was responsible to some extent for the many striking increases, though the completion of the plans by Congress to rush through emergency legislation to liberalize the credit facilities of the Federal Reserve System was also a strong factor in speeding the market advances. Railroad stocks were in excellent demand and displayed gains of 2 or more points. New York Central, for instance, shot upward, on sales amounting to 20,000 or more shares, 2½ points during the first half hour; Atchison climbed 9¼ points to 87¼; Baltimore & Ohio moved ahead 1 point to 19; New Haven, 3½ points to 29;

Norfolk & Western, 9 points to 133; Union Pacific, 12½ points to 88½, and Southern Pacific, 3¼ points to 35. United States Steel started with a fractional gain and surged upward 5½ points to 49. Other noteworthy gains were Air Reduction, 5½ points to 57; Allied Chemical & Dye, 7¾ points to 77; American Tel. & Tel., 14½ points to 132¾; American Tobacco, 5 points to 78½; Auburn Auto, 13¾ points to 123½; General Electric, 3½ points to 24; Western Union, 6½ points to 45½; Woolworth, 3¼ points to 44, and General Motors, 1½ points to 23½. The market closed strong and very active with prices near their tops for the day.

Realizing and renewed short selling were the chief characteristics of the stock market on Monday, though new buying came in on recessions which kept the losses within moderate limits. The turnover approximated 2,000,000 shares as compared with 2,600,000 shares on Saturday. In the early trading most of the active issues were slightly down from the preceding close, the range being between 2 and 3 points, and while many made some recovery before the close, the gains were generally fractional. The market was reactionary most of the day and moved upward and downward without definite trend. The principal changes on the side of the decline were Air Reduction 2¼ points to 54¼, Allied Chemical & Dye 2½ points to 74½, Amer. Tel. & Tel. 4½ points to 128½, Auburn Auto 4¼ points to 119¼, Delaware & Hudson 6½ points to 83, Electric Power & Light 3½ points to 47, United States Steel 1¼ points to 47½ and Woolworth 2 points to 42½.

The market took another sharp upward turn on Tuesday, which wiped out practically all of the losses of the preceding day. United States Steel sold up to 50, with a gain of 2¼ points, registering a new top for the current year. Amer. Tel. & Tel. shot ahead over 5 points to 133¼ and Union Pacific forged ahead 4¾ points to 91. The market encountered considerable resistance in the way of selling pressure as it approached the higher levels, but this was generally absorbed by the sharp buying that lasted during most of the afternoon. Aside from those already indicated, the best gains included Air Reduction, 3¼ points to 58; Allied Chemical & Dye, 3½ points to 78; Aetehison, 4 points to 88¾; Atlantic Coast Line, 4½ points to 35½; Auburn Auto, 5½ points to 125½; Brooklyn Union Gas, 3 points to 85; J. I. Case, 3½ points to 38¼; Homestake Mining, 4 points to 114; McKeesport Tin, 4½ points to 58½; Westinghouse, 3½ points to 32½; Reading, 4½ points to 36; Pere Marquette, 3 points to 11; Ingersoll-Rand, 2½ points to 36; American Can, 2½ points to 69¼; Detroit Edison, 4½ points to 116, and Eastman Kodak, 2½ points to 78. On Wednesday, the early gains were followed by a sharp downturn that carried most of the leading issues downward from 2 to 6 or more points. Practically every section of the market was effected, though the largest losses were among the utilities, industrial shares and railroad issues. Considerable liquidation was apparent as many speculators took their profit on the advances of the preceding day, though the turnover, on the whole, was lower than on the previous day. The changes on the side of the decline included among others, Worthington Pump, 2 points to 20½; Westinghouse, 2¼ points to 30½; United States Steel, 2½ points to 47; Union Pacific, 4 points to 47; Reading, 3 points to 23; Air Reduction, 3¾ points to 54¼; American Can, 3½ points to 66½; Amer. Tel. & Tel., 5½ points to 128¼; Auburn Auto, 8 points to 117½; J. I. Case, 2½ points to 35¼, and Eastman Kodak, 2½ points to 75½. The railroad shares displayed considerable weakness in the early trading on Thursday, due to the failure of Southern Pacific to declare a dividend, but the trend again turned upward as the day progressed and most of the early losses were cancelled. Public utilities and industrials led the upward swing and a number of substantial advances were recorded at the close. The outstanding gains included such active market favorites as Air Reduction, which surged upward 3¼ points to 57¾; American Can, which soared upward 3½ points to 39¼; Amer. Tel. & Tel., which improved 5½ points to 133¼; Westinghouse, which gained 2½ points to 33½; Western Union, which climbed 3½ points to 47½, and Southern Pacific, which surged upward 5½ points to 28½.

The market skyrocketed to new high levels on Friday following the announcement that the New York Stock Exchange had ruled that brokers may not use their customer's stocks for loaning purposes without their express permission. The advances were not maintained, however, and in the final hour the trend was again downward. In the morning trading, larger blocks of stocks changed hands

than during any recent period. United States Steel was a typical instance and moved up 3 points on the purchase of a block of 5,000 shares. American Can moved ahead 3¾ points on a sale of 10,000 shares, and New York Central moved up 1½ points on a sale of 7,000 shares. Among the speculative favorites closing on the side of the advance were such active issues as American Tobacco, which gained 2½ points to 79½; Coca Cola, which surged upward 3¼ points to 117¼; Norfolk & Western, which closed at 134 with a 2 point gain; Eastman Kodak, which improved 2 points to 80, and Brooklyn Union Gas, which moved ahead 2¾ points to 65. The market was weak at the close, though trading was fairly active and with most of the market leaders little changed from the previous close.

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

Week Ended Feb. 19 1932.	Stocks, Number of Shares.	Railroad and Miscell. Bonds.	State, Municipal & For'n Bonds.	United States Bonds.	Total Bond Sales.
Saturday	2,626,200	\$5,350,000	\$2,400,000	\$1,662,500	\$9,412,500
Monday	1,976,164	6,281,000	3,163,000	4,925,000	14,369,000
Tuesday	2,502,180	6,209,000	2,690,000	3,636,500	12,535,500
Wednesday	2,185,798	6,130,000	3,226,000	3,414,500	12,710,500
Thursday	1,681,935	4,430,000	2,452,500	4,000,500	10,883,000
Friday	2,430,612	5,913,000	2,575,000	2,681,000	11,169,000
Total	13,402,889	\$34,313,000	\$16,506,500	\$20,320,000	\$71,139,500

Sales at New York Stock Exchange.	Week Ended Feb. 19.		Jan. 1 to Feb. 19.	
	1932.	1931.	1932.	1931.
Stocks—No. of shares.	13,402,889	17,402,227	59,793,699	84,421,018
Bonds.				
Government bonds	\$20,320,000	\$3,317,500	\$110,179,750	\$31,954,400
State & foreign bonds	16,506,500	13,683,000	108,871,500	104,051,500
Railroad & misc. bonds	34,313,000	31,691,000	237,103,000	262,118,000
Total	\$71,139,500	\$48,691,500	\$456,154,250	\$398,123,900

DAILY TRANSACTIONS AT THE BOSTON, PHILADELPHIA AND BALTIMORE EXCHANGES.

Week Ended Feb. 19 1932.	Boston.		Philadelphia.		Baltimore.	
	Shares.	Bond Sales.	Shares.	Bond Sales.	Shares.	Bond Sales.
Saturday	41,518	\$6,000	23,407	\$6,000	956	\$3,000
Monday	35,889	20,000	28,972	17,502	1,416	2,500
Tuesday	49,896	2,000	30,967	25,500	975	2,000
Wednesday	37,280	5,000	29,569	23,000	1,118	2,400
Thursday	34,922	9,000	19,433	28,000	743	13,000
Friday	8,953	3,000	8,020	-----	1,713	1,000
Total	208,458	\$45,000	151,368	\$100,002	6,921	\$23,900
Prev. week revised	136,128	\$27,000	129,452	\$121,600	4,750	\$3,400

a In addition, sales of rights were: Saturday, 100; Monday, 115; Tuesday, 25; Wednesday, 100.

COURSE OF BANK CLEARINGS.

Bank clearings this week will again show a decrease as compared with a year ago. Preliminary figures compiled by us, based upon telegraphic advices from the chief cities of the country, indicate that for the week ended to-day (Saturday, Feb. 20), bank exchanges for all the cities of the United States from which it is possible to obtain weekly returns will be 33.1% below those for the corresponding week last year. Our preliminary total stands at \$5,948,525,730, against \$8,898,067,090 for the same week in 1930. At this center there is a loss for the five days ended Friday of 35.3%. Our comparative summary for the week follows:

Clearings—Returns by Telegraph. Week Ending Feb. 20.	1932.	1931.	Per Cent.
New York	\$3,190,151,106	\$4,932,646,081	-35.3
Chicago	214,637,125	370,155,997	-42.0
Philadelphia	259,000,000	364,000,000	-28.5
Boston	211,000,000	319,000,000	-33.9
Kansas City	63,090,113	82,113,416	-23.2
St. Louis	61,500,000	84,900,000	-27.6
San Francisco	106,501,000	137,675,000	-22.6
Los Angeles	No longer will report clearings		
Pittsburgh	76,099,779	125,217,186	-39.2
Detroit	66,913,582	117,540,709	-43.1
Cleveland	66,164,522	93,279,138	-29.1
Baltimore	54,198,899	65,496,326	-17.2
New Orleans	29,289,066	39,303,696	-25.5
Twelve cities, 5 days	\$4,398,545,192	\$6,671,327,549	-34.1
Other cities, 5 days	558,726,250	747,032,000	-25.2
Total all cities, 5 days	\$4,957,271,442	\$7,418,359,549	-33.2
All cities, 1 day	991,254,288	1,479,707,541	-33.0
Total all cities for week	\$5,948,525,730	\$8,898,067,090	-33.1

Complete and exact details for the week covered by the foregoing will appear in our issue of next week. We cannot furnish them to-day, inasmuch as the week ends to-day (Saturday) and the Saturday figures will not be available until noon to-day. Accordingly, in the above the last day of the week has to be in all cases estimated.

In the elaborate detailed statement, however, which we present further below, we are able to give final and complete results for the week previous—the week ended Feb. 13. For that week there is a decrease of 44.1%, the aggregate of clearings for the whole country being \$4,286,852,264, against \$7,667,867,680 in the same week of 1931. Outside of this city there is a decrease of 36.3%, the bank clearings at this

THE CURB EXCHANGE.

Continuing last week's upward movement prices on Saturday last rose sharply on a heavy demand. Profit-taking thereafter caused some irregularity and slight lower range of values until to-day when many issues sold at their highest in some time. The close was somewhat quieter and under the best prices for the day. Among the industrial and miscellaneous issues Aluminum Co., com. rose from 53 to 58 but reacted finally to 54 1/8. Aluminum, Ltd., com. sold up from 16 to 22. American Cigar, com. on few transactions advanced from 133 3/4 to 145. Deere & Co. gained about 2 points to 11 and dropped back to 9 3/8. Glen Alden Coal sold down from 16 1/2 to 14 5/8 and ended the week at 14 7/8. Mead, Johnson & Co. advanced from 48 to 55 and finished to-day at 54 7/8. Parker Rust Proof improved from 38 to 45 3/4 with the final transactions to-day at 45. Singer Mfg. gained 12 points to 132. A. O. Smith Corp., com. sold down from 47 7/8 to 40 and recovered finally to 46 1/4. Public utility issues showed moderate gains. Amer. Gas & Elec., com. from 34 1/4 reached 37 5/8 and reacted finally to 35 1/2. Commonwealth-Edison improved from 106 1/8 to 113 and sold finally at 110. Electric Bond & Share was active and sold up from 11 1/2 to 13 1/4 and down to 10 3/4 with the close to-day 10 3/8. Northern States Power, com. A, on few transactions gained 5 points to 81. Oils showed only slight changes. Chesebrough Mfg. improved 2 points to 85. Humble Oil & Refg. advanced from 45 to 46 1/4 and closed to-day at 45 1/2. Indiana Pipe Line gained a point to 7 1/2, while National Transit rose from 9 to 10 1/2. South Penn Oil moved up from 9 3/4 to 12 3/8 and South West Pa. Pipe Lines from 33 to 37. Standard Oil (Neb.) was up from 17 to 18 1/2.

DAILY TRANSACTIONS AT THE NEW YORK CURB EXCHANGE.

Table with columns for Week Ended Feb. 19 1932, Stocks (Number of Shares), Bonds (Par Value) Domestic, Foreign Government, Foreign Corporate, Total. Includes sub-table for Sales at New York Curb Exchange.

THE ENGLISH GOLD AND SILVER MARKETS.

We reprint the following from the weekly circular of Samuel Montagu & Co. of London, written under date of Feb. 3 1932:

GOLD.

The Bank of England gold reserve against notes amounted to £120,763,338 on the 27th ultimo, as compared with £120,762,514 on the previous Wednesday.

The SS. "Comorin" which sailed from Bombay on Jan. 30th carries gold to the value of about £1,600,000. About £380,000 of bar gold was available in the open market yesterday and was purchased for France at the fixed price of 119s. 7d. per fine ounce. Quotations during the week:

Table with columns for Date (Jan. 28, Jan. 29, Jan. 30, Feb. 1, Feb. 2, Feb. 3, Average), Per Fine Ounce, Equivalent Value of £ Sterling.

The following were the United Kingdom imports and exports of gold registered from mid-day on the 25th ultimo to mid-day on the 1st instant:

Table with columns for Imports (Netherlands, British India, Australia, New Zealand, British South Africa, Uruguay, Other countries), Exports (Netherlands, France, United States of America, Switzerland, Belgium, Other countries), Values in £.

SILVER.

The market ruled very quiet during the first part of the week but moderate buying for the Continent raised prices from 19 1-16d. for cash and 19 1/2d. for two months on the 28th ultimo to 19 15-16d. and 19 3/4d. for the respective deliveries on the 30th ultimo. On Feb. 1st, the next working day, the news from Shanghai of the serious development in the situation between China and Japan caused sellers to hold back; there was a sharp upward movement, both prices being fixed 11-16d. higher at 20d. and 20 3-16d. owing to some speculative demand on the poorly supplied market.

The rise was not justified by the amount of business transacted and proved overdone. America offering freely in the afternoon. Both prices fell 1/2d. yesterday to 19 1/2d. and 19 13-16d. on small sales by China and the Indian Bazaars, whilst to-day, in the absence of support, the cash quotation is 3/4d. lower at 19 1/4d., and that for two months 7-16d. lower at 19 1/4d.

Although the situation in China adds uncertainty to the market, silver prices would appear sufficiently high in view of the poor offer.

The following were the United Kingdom imports and exports of silver registered from mid-day on the 25th ultimo to mid-day on the 1st instant:

Table with columns for Imports (United States of America, Australia, Canada, New Zealand, Other countries), Exports (Germany, Belgium, British India, Other countries), Values in £.

Quotations during the week:

Table with columns for Location (IN LONDON, IN NEW YORK), Date (Jan. 28, Jan. 29, Jan. 30, Feb. 1, Feb. 2, Average), Values in £ and Cents per Fine Ounce.

The highest rate of exchange on New York recorded during the period from the 27th ultimo to the 3rd instant was \$3.47 1/2 and the lowest \$3.44.

The stocks in Shanghai on the 30th ultimo consisted of about 55,700,000 ounces in sycee, 169,000,000 dollars and 6,120 silver bars, as compared with about 55,700,000 ounces in sycee, 169,000,000 dollars and 5,700 silver bars on the 23rd ultimo.

Statistics for the month of January last are appended:

Table with columns for Highest price, Lowest, Average, Bar Silver per Oz., Standard (Delivery) Cash, 2 Mos., Bar Gold Per Fine Ounce, Values in £.

PRICES ON BERLIN STOCK EXCHANGE.

The Berlin Stock Exchange is closed.

New York quotations for German and other foreign unlisted dollar bonds as of Feb. 19:

Table with columns for Bond Name, Bid, Asked, listing various German bonds like Anhalt 7s to 1945, Bavaria 6 1/8s to 1945, etc.

PRICES ON PARIS BOURSE.

Quotations of representative stocks on the Paris Bourse as received by cable each day of the past week have been as follows:

Table with columns for Date (Feb. 13, Feb. 15, Feb. 16, Feb. 17, Feb. 18, Feb. 19, 1932), Stock Name, Price in Francs, listing various French stocks like Bank of France, Canal de Suez, Cie Distr d'Electricite, etc.

ENGLISH FINANCIAL MARKET—PER CABLE.

The daily closing quotations for securities, &c., at London, as reported by cable, have been as follows the past week:

Table with columns for days of the week (Sat., Mon., Tues., Wed., Thurs., Fri., Feb. 19) and various securities like Silver, Gold, Consols, British 5%, French Renten, etc.

The price of silver in New York on the same days has been:

Table showing silver prices in New York for Feb. 19, 1931, with columns for per oz. (sts.) and various grades.

Commercial and Miscellaneous News

Breadstuffs figures brought from page 1402.—All the statements below regarding the movement of grain—receipts, exports, visible supply, &c., are prepared by us from figures collected by the New York Produce Exchange.

Table with columns for Receipts at—Flour, Wheat, Corn, Oats, Barley, Rye. Rows include Chicago, Minneapolis, Duluth, Milwaukee, Toledo, Detroit, Indianapolis, St. Louis, Peoria, Kansas City, Omaha, St. Joseph, Wichita, Sioux City, and weekly totals.

Table with columns for Since Aug. 1—1931, 1930, 1929, showing cumulative figures for various commodities.

San Francisco Stock Exchange.—Record of transactions at San Francisco Stock Exchange, Feb. 13 to Feb. 19, both inclusive, compiled from official sales lists:

Large table listing San Francisco stock transactions with columns for Stocks—Par., Friday Last Sale Price, Week's Range of Prices, Sales for Week, and Range Since Jan. 1.

Los Angeles Stock Exchange.—Record of transactions at the Los Angeles Stock Exchange, Feb. 13 to Feb. 19, both inclusive, compiled from official sales lists:

Table listing Los Angeles stock transactions with columns for Stocks—Par., Friday Last Sale Price, Week's Range of Prices, Sales for Week, and Range Since Jan. 1.

St. Louis Stock Exchange.—Record of transactions at St. Louis Stock Exchange, Feb. 13 to Feb. 19, both inclusive, compiled from official sales lists:

Table listing St. Louis stock transactions with columns for Stocks—Par., Friday Last Sale Price, Week's Range of Prices, Sales for Week, and Range Since Jan. 1.

National Banks.—The following information regarding national banks is from the office of the Comptroller of the Currency, Treasury Department:

Table listing national banks with columns for bank name, capital, and other details. Includes sections for Charters Issued, Application to Organize, and Voluntary Liquidations.

Table of financial transactions and company information, including entries for The Citizens National Bank of Knoxville, Iowa, and The First National Bank of Elkader, Iowa.

Auction Sales.—Among other securities, the following, not actually dealt in at the Stock Exchange, were sold at auction in New York, Boston, Philadelphia and Buffalo on Wednesday of this week:

By Adrian H. Muller & Son, New York:

Table listing auction sales details, including 'Shares, Stocks' and 'Bonds' with descriptions of securities and their values.

By Wise, Hobbs & Arnold, Boston:

Table listing auction sales details for Boston, including 'Shares, Stocks' and 'Bonds'.

By R. L. Day & Co., Boston:

Table listing auction sales details for R. L. Day & Co., including 'Shares, Stocks' and 'Bonds'.

By Barnes & Lofland, Philadelphia:

Table listing auction sales details for Philadelphia, including 'Shares, Stocks' and 'Bonds'.

By A. J. Wright & Co., Buffalo:

Table listing auction sales details for Buffalo, including 'Shares, Stocks'.

By Baker, Simonds & Co., Detroit, on Thursday, Feb. 11:

Table listing auction sales details for Detroit, including 'Bonds'.

DIVIDENDS.

Dividends are grouped in two separate tables. In the first we bring together all the dividends announced the current week. Then we follow with a second table, in which we show the dividends previously announced, but which have not yet been paid.

The dividends announced this week are:

Large table of dividend information, organized by 'Name of Company', 'Per Cent.', 'When Payable', and 'Books Closed, Days Inclusive'. Includes sections for Railroads (Steam), Public Utilities, and Miscellaneous.

Table with 13 columns representing Federal Reserve Districts and 20 rows of financial data including Resources, Liabilities, and Deposits.

FEDERAL RESERVE NOTE STATEMENT.

Table with 13 columns representing Federal Reserve Districts and 15 rows of financial data for Federal Reserve Notes.

Weekly Return for the Member Banks of the Federal Reserve System.

Following is the weekly statement issued by the Federal Reserve Board, giving the principal items of the resources and liabilities of the reporting member banks from which weekly returns are obtained.

Beginning with the statement of Jan. 9 1929, the loan figures exclude "Acceptances of other banks and bills of exchange or drafts sold with endorsement, and include all real estate mortgages and mortgage loans held by the bank.

PRINCIPAL RESOURCES AND LIABILITIES OF ALL REPORTING MEMBER BANKS IN EACH FEDERAL RESERVE DISTRICT AS AT CLOSE OF BUSINESS FEB. 10 1932 (in millions of dollars).

Table with 13 columns representing Federal Reserve Districts and 25 rows of financial data for member banks.

Condition of the Federal Reserve Bank of New York.

The following shows the condition of the Federal Reserve Bank of New York at the close of business Feb. 17 1932, in comparison with the previous week and the corresponding date last year:

Table with 4 columns for dates (Feb. 17 1932, Feb. 10 1932, Feb. 18 1931) and 25 rows of financial data for the Federal Reserve Bank of New York.

NOTE.—Beginning with the statement of Oct. 17 1925, two new items were added in order to show separately the amount of balances held abroad and amounts due to foreign correspondents.

Bankers' Gazette.

Wall Street, Friday Night, Feb. 19 1932.

Railroad and Miscellaneous Stocks.—The review of the Stock Market is given this week on page 1322.

The following are sales made at the Stock Exchange this week of shares not represented in our detailed list on the pages which follow:

Table of stock transactions with columns for Stock Name, Shares, Price, and Date. Includes sections for Railroads, Industrials, and Miscellaneous.

* No par value.

Quotations for United States Treasury Certificates of Indebtedness, &c.

Table of Treasury certificates with columns for Maturity, Int. Rate, Bid, Asked, and other details.

Foreign Exchange.—

Text describing current exchange rates for sterling, Paris, and Amsterdam, including weekly ranges and bank-specific rates.

United States Liberty Loan Bonds and Treasury Certificates on the New York Stock Exchange.—

Below we furnish a daily record of the transactions in Liberty Loan and Treasury certificates on the New York Stock Exchange. The transactions in registered bonds are given in a footnote at the end of the tabulation.

Detailed table of Liberty Loan and Treasury certificate transactions with columns for date, price, and total sales.

Note.—The above table includes only sales of coupon bonds. Transactions in registered bonds are given in a footnote at the end of the tabulation.

The Curb Exchange.—The review of the Curb Exchange is given this week on page 1325.

A complete record of Curb Exchange transactions for the week will be found on page 1351.

CURRENT NOTICES.

Announcement regarding the organization of the United States Advertising Corp. with offices in New York, Chicago, Toledo, Milwaukee and Indianapolis.

Advertisement for G. B. Guillems, Inc., highlighting their services in securities and investment management.

Notice regarding the formation of Wilmerding & Co., Inc., a firm specializing in municipal and corporate bonds.

Editorial text discussing the Federal Reserve Act, the Glass-Steagall bill, and the impact of government financing on the stock market.

FOR SALES DURING THE WEEK OF STOCKS NOT RECORDED IN THIS LIST, SEE SECOND PAGE PRECEDING.

Main table with columns: HIGH AND LOW SALE PRICES—PER SHARE, NOT PER CENT., Sales for the Week, STOCKS NEW YORK STOCK EXCHANGE, PER SHARE Range for Year 1932, PER SHARE Range for Previous Year 1931. Rows list various stocks like Amalgamated Copper, American Cyanamid, etc.

* Bid and asked prices; no sales on this day. x Ex-dividend. y Ex-rights.

FOR SALES DURING THE WEEK OF STOCKS NOT RECORDED IN THIS LIST, SEE THIRD PAGE PRECEDING.

Main table with columns for days of the week (Saturday to Friday), stock names, and prices. Includes sub-sections for 'HIGH AND LOW SALE PRICES—PER SHARE, NOT PER CENT.' and 'STOCKS NEW YORK STOCK EXCHANGE'.

* Bid and asked prices; no sales on this day z Ex-dividend. y Ex-dividend and ex-rights.

FOR SALES DURING THE WEEK OF STOCKS NOT RECORDED IN THIS LIST, SEE FOURTH PAGE PRECEDING.

HIGH AND LOW SALE PRICES—PER SHARE, NOT PER CENT.

Table with columns for days of the week (Saturday Feb. 13, Monday Feb. 15, Tuesday Feb. 16, Wednesday Feb. 17, Thursday Feb. 18, Friday Feb. 19) and rows for various stock prices per share.

Table with columns for 'Sales for the Week', 'STOCKS NEW YORK STOCK EXCHANGE', 'PER SHARE Range for Year 1932', and 'PER SHARE Range for Previous Year 1931'. Rows list various companies and their stock prices.

* Bid and asked prices no sales on this day. x Ex-dividend. y Ex-rights. d Ex-dividends.

FOR SALES DURING THE WEEK OF STOCKS NOT RECORDED IN THIS LIST, SEE FIFTH PAGE PRECEDING.

Table with columns for High and Low Sale Prices (Saturday Feb. 13 to Friday Feb. 19), Sales for the Week, and Per Share data for various stocks (Indus. & Miscell., NEW YORK STOCK EXCHANGE, PER SHARE Range for Year 1932, PER SHARE Range for Previous Year 1931). Includes stock names like Hamilton Watch pref., Hanna pref new, and various industrial and utility stocks.

* Bid and asked prices; no sales on this day z Ex-dividend. y Ex-rights.

FOR SALES DURING THE WEEK OF STOCKS NOT RECORDED IN THIS LIST, SEE SIXTH PAGE PRECEDING.

HIGH AND LOW SALE PRICES—PER SHARE, NOT PER CENT.

Table with columns for days of the week (Saturday to Friday) and 'per share' prices. Includes a 'Sales for the Week' column.

STOCKS NEW YORK STOCK EXCHANGE

Table listing various stock companies and their share prices, including Indus. & Miscell. (Con.) Par, Mathleson Alkali Works No par, etc.

Table with columns for 'PER SHARE Range for Year 1932' (Lowest, Highest) and 'PER SHARE Range for Previous Year 1931' (Lowest, Highest). Lists stock prices for various companies.

* Bid and asked prices; no sales on this day. b Ex-dividend and ex-rights. z Ex-dividend. g Ex-rights.

FOF SALES DURING THE WEEK OF STOCKS NOT RECORDED IN THIS LIST, SEE SEVENTH PAGE PRECEDING.

Main table with columns: HIGH AND LOW SALE PRICES—PER SHARE, NOT PER CENT. (Saturday Feb. 13, Monday Feb. 15, Tuesday Feb. 16, Wednesday Feb. 17, Thursday Feb. 18, Friday Feb. 19), Stocks New York Stock Exchange (Indus. & Miscell. (Con.), Par, Shares), PER SHARE Range for Year 1932 (Lowest, Highest), PER SHARE Range for Previous Year 1931 (Lowest, Highest).

* Bid and asked prices; no sales on this day. Ex-dividend. Ex-rights.

FOR SALES DURING THE WEEK OF STOCKS NOT RECORDED IN THIS LIST, SEE EIGHTH PAGE PRECEDING.

Table with columns for dates (Saturday Feb. 13 to Friday Feb. 19), Sales for the Week, STOCKS NEW YORK STOCK EXCHANGE, PER SHARE Range for Year 1932, and PER SHARE Range for Previous Year 1931. The table lists numerous stocks with their respective prices and shares.

* Bid and asked prices no sales on this day. x Ex-dividend. y Ex-rights.

Main table containing bond listings with columns for Bond Type, Price, Week's Range, Range Since, and various bond descriptions.

Cash sale Deferred delivery

Table of bond listings under 'BONDS N. Y. STOCK EXCHANGE. Week Ended Feb. 19.' with columns for Bid, Ask, Price, Range, and various bond descriptions.

Table of bond listings under 'BONDS N. Y. STOCK EXCHANGE. Week Ended Feb. 19.' with columns for Bid, Ask, Price, Range, and various bond descriptions.

c Cash sale. s Deferred delivery.

Main table containing bond listings with columns for Bond Description, Interest Period, Price (Friday Feb. 19), Week's Range or Last Sale, Bonds Sold, Range Since Jan. 1, and various other details. Includes sections for N.Y. Stock Exchange and Industrials.

• Cash sale / • Due May / • Due August / • Deferred delivery

Table of New York Stock Exchange bonds, Week Ended Feb. 19. Columns include Bond Name, Price (Friday Feb. 19), Week's Range or Last Sale, Bonds Sold, and Range Since Jan. 1.

Table of New York Stock Exchange bonds, Week Ended Feb. 19. Columns include Bond Name, Price (Friday Feb. 19), Week's Range or Last Sale, Bonds Sold, and Range Since Jan. 1.

c Cash sale s Deferred delivery

Outside Stock Exchanges

Boston Stock Exchange.—Record of transactions at the Boston Stock Exchange, Feb. 13 to Feb. 19, both inclusive, compiled from official sales lists:

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week (Shares), Range Since Jan. 1. (Low, High). Includes sections for Railroads, Miscellaneous, and Mining.

* No par value. z Ex-dividend.

Chicago Stock Exchange.—Record of transactions at Chicago Stock Exchange, Feb. 13 to Feb. 19, both inclusive, compiled from official sales lists:

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week (Shares), Range Since Jan. 1. (Low, High). Includes various stock listings.

Table with columns: Stocks (Continued), Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week (Shares), Range Since Jan. 1. (Low, High). Includes various stock listings.

Table of financial data for various stocks and bonds, including columns for Par., Friday Last Sale Price, Week's Range of Prices, Sales for Week, and Range Since Jan. 1.

Toronto Stock Exchange.—Record of transactions at the Toronto Stock Exchange, Feb. 12 to Feb. 19, both inclusive, compiled from official sales lists:

Detailed table of Toronto Stock Exchange transactions, listing various stocks like Abitibi Pr & Paper com, Bell Telephone, and various bonds, with their respective prices and sales.

Toronto Curb.—Record of transactions at the Toronto Curb, Feb. 12 to Feb. 19, both inclusive, compiled from official sales lists:

Table of Toronto Curb transactions, listing stocks like Brewing Corp and Canada Bud Brewer com with their prices and sales.

Philadelphia Stock Exchange.—Record of transactions at Philadelphia Stock Exchange, Feb. 13 to Feb. 19, both inclusive, compiled from official sales lists:

Detailed table of Philadelphia Stock Exchange transactions, listing various stocks like American Stores, Bell Tel Co of Pa pf, and various bonds.

Baltimore Stock Exchange.—Record of transactions at Baltimore Stock Exchange, Feb. 13 to Feb. 19, both inclusive, compiled from official sales lists:

Table of Baltimore Stock Exchange transactions, listing various stocks like Appalachian Corp, Arundel Corp, and various bonds.

Table with columns: Stocks (Concluded) Par., Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week (Shares), Range Since Jan. 1. (Low, High). Includes entries like Penna Water & Power, U S Fidelity & Guar new, West Md Dairy Inc pref.

* No par value. Pittsburgh Stock Exchange.—Record of transactions at Pittsburgh Stock Exchange, Feb. 13 to Feb. 19, both inclusive, compiled from official sales lists:

Table with columns: Stocks— Par., Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week (Shares), Range Since Jan. 1. (Low, High). Includes entries like Allegheny Steel, Arkansas Nat Gas Corp pf 10, Armstrong Cork Co.

* No par value. Cleveland Stock Exchange.—Record of transactions at Cleveland Stock Exchange, Feb. 13 to Feb. 19, both inclusive, compiled from official sales lists:

Table with columns: Stocks— Par., Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week (Shares), Range Since Jan. 1. (Low, High). Includes entries like Aetna Rubber com, City Ice & Fuel, Cleve-Cliffs Iron pref.

Table with columns: Stocks (Concluded) Par., Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week (Shares), Range Since Jan. 1. (Low, High). Includes entries like Std Textile Prod A pref, Union Trust, Youngstown S&T pref.

* No par value. Cincinnati Stock Exchange.—Record of transactions at Cincinnati Stock Exchange, Feb. 13 to Feb. 19, both inclusive, compiled from official sales lists:

Table with columns: Stocks— Par., Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week (Shares), Range Since Jan. 1. (Low, High). Includes entries like Amer Laund Mach com, Amer Rolling Mill com, Amer Thermos Bottle A.

* No par value. New York Produce Exchange Securities Market.—Following is the record of transactions at the New York Produce Exchange Securities Market, Feb. 13 to Feb. 19, both inclusive, compiled from official sales lists:

Table with columns: Stocks— Par., Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week (Shares), Range Since Jan. 1. (Low, High). Includes entries like Admiralty Alaska Gold, Bancamerica Blair, Pasin Montana A.

* No par. z Ex-dividend. San Francisco Stock Exchange.—See page 1326. Los Angeles Stock Exchange.—See page 1326. St. Louis Stock Exchange.—See page 1326.

New York Curb Exchange—Weekly and Yearly Record

In the following extensive list we furnish a complete record of the transactions on the New York Curb Exchange for the week beginning on Saturday last (Feb. 13 1932) and ending the present Friday (Feb. 19 1932). It is compiled entirely from the daily reports of the Curb Exchange itself, and is intended to include every security, whether stock or bonds, in which any dealings occurred during the week covered.

Table with columns: Week Ended Feb. 19, Stocks— Par., Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week (Shares), Range Since Jan. 1. (Low, High). Includes entries like Indus. & Miscellaneous, Abbott Laboratories com, Aero Supply Mfg of B.

Stocks (Concluded) Par.	Friday Last Sale Price.		Week's Range of Prices.		Sales for Week. Shares.	Range Since Jan. 1.		Friday Last Sale Price.	Week's Range of Prices.		Sales for Week. Shares.	Range Since Jan. 1.				
	Low.	High.	Low.	High.		Low.	High.		Low.	High.						
Utility & Indust Corp com*	3 3/8	2 1/8	3 1/8	1,800	1 1/2	Jan	3 1/2	Feb	1 1/4	1 1/8	5,600	1 1/4	Jan	1 3/4	Jan	
Preferred	11 3/4	9 3/8	11 3/4	1,600	8	Jan	11 1/2	Feb	5	3	100	3	Jan	5	Jan	
Van Camp Packing com.*	1	1	1 1/8	1,500	7	Feb	2	Jan	98	98	30	96	Jan	100	Jan	
Vick Financial Corp.	5	4 3/4	5 1/4	2,200	3 1/2	Jan	4 1/4	Jan	2 1/2	2 1/2	8,927	2	Jan	3 1/2	Jan	
Wagner Electric com.*	15	10 1/2	10 1/2	200	10 1/2	Feb	10 1/2	Feb	10	12 1/2	400	8 1/4	Jan	13 1/2	Jan	
Walt & Bond class A.*	11	11	11	100	10 1/2	Jan	11 1/2	Jan	50	50 1/4	100	43	Jan	60	Jan	
Walgreen Co com		10 1/2	11	300	10	Feb	11 1/2	Jan								
Walker(Hiram Gooderham & Worts com)	23	2 1/4	3 1/4	3,400	2	Jan	3 1/4	Feb								
Watson (Jno Warren) Co.*		2 1/2	2 1/2	600	1 1/2	Feb	3	Jan	33	33	100	33	Feb	35	Jan	
Wayne Pump		2 1/2	2 1/2	30	1 1/2	Feb	3	Jan	83	85	300	75	Jan	85	Feb	
West Md Ry 1st pref.	100	20 1/8	22 1/8	30	20	Feb	26 1/4	Jan	30	30	50	23	Jan	30	Feb	
West Va Pulp & Pap pf100		85 1/4	85 1/4	25	85 1/4	Feb	85 1/4	Feb	45 1/2	45	46 1/4	1,900	42 1/2	Feb	46 1/4	Jan
Wil-low Cafeterias com.*		2 1/2	2 1/2	400	1 1/2	Jan	2 1/2	Jan	8 1/4	8 1/4	2,400	7 1/4	Jan	8 1/4	Jan	
Preference	20	19 3/4	20	125	15 1/2	Feb	20	Feb	8 1/2	8 1/2	100	8	Jan	8 1/2	Jan	
Woolworth (F W) Ltd		8 1/2	8 1/2	1,600	7 1/2	Jan	8 1/4	Jan	6 1/2	7 1/2	2,100	6 1/2	Jan	7 1/2	Feb	
Amer dep rets for ord shs		8 1/2	8 1/2						10 1/2	9	1,100	6 1/2	Jan	10 1/2	Jan	
N Y Transit new		3 1/4	4	300	3	Jan	4	Jan	3 1/4	4	300	3	Jan	4	Feb	
Northern Pipe Line new		4 1/4	4 1/4	1,600	3 3/4	Feb	4 1/4	Jan	4 1/2	4 1/2	100	3 3/4	Feb	4 1/4	Jan	
Ohio Oil 6% pref.	10	26 1/4	26 1/4	300	1 1/2	Feb	27 1/4	Jan	26 1/4	26 1/4	100	26	Jan	27 1/4	Jan	
Southern Pipe Line	10	9 1/2	10	200	9 1/2	Jan	10	Jan	9 1/2	9 1/2	200	9	Jan	10	Feb	
South Penn Oil	25	12 1/2	12 1/2	1,200	9 1/2	Jan	12 1/2	Jan	12 1/2	12 1/2	1,200	9 1/2	Jan	12 1/2	Feb	
Southwest Pa Pipe Line	50	33	37	100	32	Jan	37	Jan	33	37	100	32	Jan	37	Feb	
Standard Oil (Indiana)	25	15 1/4	16 1/2	29,800	14	Jan	16 1/2	Jan	15 1/4	16 1/2	29,800	14	Jan	16 1/2	Jan	
Standard Oil (Ky)	25	13 1/4	14	2,600	12	Jan	14	Jan	13 1/4	14	2,600	12	Jan	14 1/4	Jan	
Standard Oil (Neb)	25	17	18 1/2	300	15 1/2	Jan	19	Jan	17	18 1/2	300	15 1/2	Jan	19	Jan	
Standard Oil (O) com	25	23 1/2	26	800	23 1/2	Jan	26	Jan	23 1/2	26	800	23 1/2	Feb	28 1/4	Jan	
Swan Finch Oil pref	25	11 1/2	11 1/2	50	11 1/2	Feb	11 1/2	Jan	11 1/2	11 1/2	50	11 1/2	Feb	15	Jan	
Public Utilities (Conc.)																
Alabama Power 57 pref.	89 1/4	89 1/4	89 1/4	11	87	Jan	93	Jan								
Allegheny Gas Corp.		2 1/2	3 1/4	300	1 1/2	Feb	3 1/4	Jan								
Amer Cities P & L com A 50	25	25	25	200	22 1/2	Jan	26	Jan								
Common B	2	2	2 3/8	4,200	1 3/8	Jan	2 1/8	Jan								
Am Com'wth Pow com A*	3	3	3 3/8	900	3	Jan	1	Jan								
Common class B		3	3 3/8	500	3	Jan	1	Jan								
Amer & Foreign Pow warr	4 1/2	4	4 3/4	11,500	3 1/4	Feb	4 1/4	Jan								
Amer Gas & Elec com	35 1/2	34 1/4	37 1/2	27,500	31 1/2	Feb	39 1/4	Jan								
Amer L & Tr com	25	19 1/4	21	4,300	17 1/2	Jan	24	Jan								
Amer Superpower Corp com	20 1/2	19 1/4	21	43,000	17 1/2	Jan	24	Jan								
1st pref	60	59 1/4	60	120	52	Jan	60	Jan								
\$6 cum pref		35	37	300	34	Feb	42	Jan								
Appalachian Gas com.*	5-16	1-16	1-16	600	1-16	Jan	1-16	Jan								
Warrants		85	85	10	79 1/2	Jan	87 1/4	Jan								
Arkansas P & L \$7 pref.		5	6 1/2	1,000	4 1/2	Feb	6 1/2	Jan								
Assoc Gas & Elec com		4 1/2	4 1/2	13,300	3 3/4	Feb	4 1/2	Jan								
Class A		3 1/2	3 1/2	1,000	3	Jan	4 1/4	Jan								
\$8 int bear allot ctfns	43 1/4	39 1/4	43 1/4	1,000	38	Jan	46	Jan								
\$1.60 int bear allot ctfns		9 1/2	10 1/2	1,300	9 1/2	Feb	10 1/2	Feb								
Warrants		3	3-16	3,600	3 1/4	Jan	4 1/4	Jan								
Associated Tel & Tel A		5 1/4	5 1/4	250	5 1/4	Feb	5 1/4	Feb								
Associated Teleg Util		6 1/8	6 1/8	100	6	Feb	11 1/2	Jan								
Bell Teleg of Can		96 1/4	96 1/4	25	95	Jan	98	Jan								
Brazilian Tr Lt & Pr ord.	12 1/4	11 1/4	12 1/2	14,100	8 1/4	Jan	12 1/2	Jan								
Buff Ntag & East Pr pf. 25		22 1/4	22 1/4	500	20 1/2	Jan	22 1/2	Jan								
1st pref		79	80	300	79	Jan	82	Jan								
Cables & Wireless Ltd		1 1/2	1 1/2	1,300	3/4	Jan	3/4	Jan								
Am dep rets B ord shs fl		16	16	100	15	Jan	16	Jan								
Canadian Marconi-See M arconi		1 1/2	1 1/2	300	1 1/2	Feb	4	Jan								
Cent Hud G & E com v t c *		1 1/2	1 1/2	900	1 1/2	Jan	3 1/2	Jan								
Cent Pub Serv com		1 3/4	1 3/4	8,200	1 1/2	Jan	2 3/8	Jan								
Class A		2 1/2	2 1/2	500	2 1/2	Jan	30	Feb								
Cent States Elec com		2 3/8	2 3/8	1,300	2 1/2	Jan	3 1/2	Jan								
Cleve Elec Illum com		29	30	500	23 1/2	Jan	30 1/2	Feb								
Columbia G & E 5 1/2 pref.	84 1/2	78	87	1,300	77	Feb	83 1/2	Jan								
Commonwealth Edison 100	110	106 1/2	113	1,300	101	Feb	122	Jan								
Com'wth & Sou Corp		63	65	2,000	59	Jan	65	Feb								
Warrants		65	65	25	55	Jan	76	Jan								
Consol G & E L & P Balt com*	63	60	65	500	59	Jan	65	Feb								
Cont G & E 7% pr pf. 100		70	70	50	63	Jan	73 1/2	Jan								
Duke Power Co		3-16	3-16	1,000	3/4	Jan	3/4	Jan								
Duquesne Gas com		8 1/2	8 1/2	2,000	7 1/2	Feb	8 1/2	Jan								
East Gas & Fuel Assoc		8 3/4	8 3/4	1,000	7 3/4	Feb	8 3/4	Jan								
East States Pow com B		8 1/2	8 1/2	2,000	7 3/4	Feb	8 1/2	Jan								
\$6 preferred B		18	19	125	17 1/2	Jan	17 1/2	Jan								
East Util Assoc conv stock*		3 1/2	3 1/2	200	3	Feb	3 1/2	Jan								
Elec Bond & Share com		10 1/2	10 1/2	824,900	9 1/4	Jan	13 1/2	Jan								
\$6 cum preferred		60 1/2	60 1/2	1,600	52 1/2	Jan	62	Jan								
\$5 cum pref		54	50 1/2	200	44	Jan	54	Jan								
Elec Pow & Lt 2nd pfid A		40	40	50	40	Feb	40	Feb								
Warrants		4 1/4	4 1/4	4,400	4 1/4	Feb	6	Feb								
Empire G & E 7% pf100		43 1/4	45	200	42 1/4	Feb	46 1/4	Jan								
Empire Pub Serv com A		500	500	400	5 1/2	Jan	3 1/2	Jan								
European Elec class A	10	2 1/2	2 1/2	800	2 1/2	Feb	3	Jan								
Option warrants		3 1/2	3 1/2	400	3	Jan	3 1/2	Jan								
Gen G & E 6% pref B		19 1/2	20	150	16	Feb	25	Jan								
Gen Pub Serv \$6 pref.		50	50	20	45	Jan	50	Feb								
Hamilton Gas com v t c *		61 1/2	61 1/2	75	45	Jan	61 1/2	Jan								
Illinois P & L \$6 pref		20 1/4	20 1/4	25	17	Jan	23 1/2	Feb								
Int Hydro-EI \$3.50 pf.		10	10	100	9	Feb	10	Feb								
Internat Super Power		6 1/2	6 1/2	400	5	Feb	7	Jan								
Internat Util class A		2 1/2	2 1/2	9,900	1 3/4	Jan	3	Jan								
Class B		1 1/4	1 1/4	700	1 1/4	Jan	1 1/4	Jan								
Warr for class B stock		44</														

Table with columns for Bond types, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week, and Range Since Jan. 1. (Low, High). The table is organized into two main columns: Bonds (Continued) and Bonds (Continued).

Main table with columns: Bonds (Continued), Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range Since Jan. 1., and Bonds (Concluded) with similar columns. Includes various bond listings like Nat Public Service, Nebraska Power, and Texas Power.

* No par value. † Correction. ‡ Sold under the rule. § Sold for cash. ¶ Deferred delivery. † Ex-rights and bonus. w When issued. z Ex-dividend. y Ex-rights.

e See alphabetical list below for "Under the Rule" sales affecting the range for the year.
Bulova Watch pref., Feb. 2, 10 at 12 1/4.
Citrus Service, pref. B, Jan. 11, 10 at 5.

z See alphabetical list below for "Deferred Delivery" sales affecting the range for the year
Acetol Prod conv A, Jan. 6, 100 at 6.
Associated Gas & Elec. deb. 5s, 1956, Feb. 10, \$3,000 at 3 1/4.

Quotations for Unlisted Securities

Public Utility Bonds.

Table of Public Utility Bonds with columns for Bid, Ask, and security descriptions like Am Com'th P 5 3/8 '53 M&N, Amer S P S 5 3/8 1948 M&N, etc.

Investment Trusts (Concluded).

Table of Investment Trusts with columns for Bid, Ask, and security descriptions like Public Service Trust Shares, Representative Trust Shares, etc.

Public Utility Stocks.

Table of Public Utility Stocks with columns for Par and security descriptions like Alabama Power \$7 pref., Arizona Power 7% pref., etc.

Industrial Stocks.

Table of Industrial Stocks with columns for Bid, Ask, and security descriptions like Adams Mills \$7 pref., Aeolian Co \$7 pref., etc.

Investment Trusts.

Table of Investment Trusts with columns for Bid, Ask, and security descriptions like A B C Trust Shares ser D, Series B, etc.

Telephone and Telegraph Stocks.

Table of Telephone and Telegraph Stocks with columns for Bid, Ask, and security descriptions like Am Dist Tel of N J \$4, 7% preferred, etc.

Chain Store Stocks.

Table of Chain Store Stocks with columns for Bid, Ask, and security descriptions like Bohack (H O) Inc com., Butler (James) common, etc.

* No par value. d Last reported market. d New stock. z Ex-dividend. y Ex-rights.

Quotations for Unlisted Securities—Concluded—Page 2

Sugar Stocks.

Table with 3 columns: Par, Bid, Ask. Includes Fajardo Sugar, Haytian Corp Amer, Savannah Sugar com, 7% preferred.

New York Bank Stocks.

Table with 3 columns: Par, Bid, Ask. Includes Bank of Yorktown, Chase, Chatham-Ph Nat Bk & Tr, City (National), Columbus Bank, etc.

Trust Companies.

Table with 3 columns: Par, Bid, Ask. Includes Banca Comm Italiana Tr, Bank of Sletly York, Bank of New York & Tr, etc.

Chicago Bank Stocks.

Table with 3 columns: Par, Bid, Ask. Includes Central Republic, Chic Bk of Commerce, Continental Ill Bk & Tr, etc.

Industrial and Railroad Bonds.

Table with 3 columns: Par, Bid, Ask. Includes Adams Express 4s '47 J&D, American Meter 6s 1946, Am Tobacco 4s 1951 F&A, etc.

Insurance Companies.

Table with 3 columns: Par, Bid, Ask. Includes Aetna Casualty & Surety, Aetna Fire, Aetna Life, Agricultural, American Alliance, etc.

Realty, Surety and Mortgage Companies.

Table with 3 columns: Par, Bid, Ask. Includes Bond & Mortgage Guar, Empire Title & Guar, Franklin Surety, etc.

Aeronautical Stocks.

Table with 3 columns: Par, Bid, Ask. Includes Alexander Indus 8% pref, American Airports Corp, Aviation Sec of New Engl, etc.

Quotations for Other Over-the-Counter Securities

Short Term Securities.

Table with 3 columns: Bid, Ask. Includes Allis-Chal Mfg 6s May 1937, Alum Co of Amer 6s May '52, Amer Metal 5 1/4s 1934 A&O, etc.

Railroad Equipments.

Table with 3 columns: Bid, Ask. Includes Atlantic Coast Line 6s, Baltimore & Ohio 6s, Equipment 4 1/2s & 5s, etc.

Water Bonds.

Table with 3 columns: Bid, Ask. Includes Alton Water 5s 1956, Ark Wat 1st 5s A 1956 A&O, Ashtabula W W 5s 1958 A&O, etc.

Investment Trust Stocks and Bonds.

Table with 3 columns: Bid, Ask. Includes American & Continental, Bankers Nat Invest com A, Beneficial Indus Loan pref, etc.

* No par value. a And dividend. d Last reported market. z Ex-dividend. y Ex-rights.

Current Earnings—Monthly, Quarterly and Half Yearly.

CUMULATIVE INDEX COVERING RETURNS IN PRESENT AND PREVIOUS ISSUE.

Below will be found all returns of earnings, income and profits for current periods, whether monthly, quarterly or half-yearly, that have appeared the present week. It covers all classes of corporate entities, whether railroads, public utilities, industrial concerns or any other class and character of enterprise or undertaking. It is all inclusive in that respect, and hence constitutes an invaluable record.

The accompanying index, however, is not confined to the returns which have come to hand the present week. It includes also some of those given in the issue of Feb. 13. The object of this index is to supplement the information contained in our "Monthly Earnings Record," which has been enlarged so as to embrace quarterly and semi-annual statements as well as monthly reports. The "Monthly Earnings Record" was absolutely complete up to the date of issue, Feb. 11, embracing every monthly, semi-annual and quarterly report which was available at the time of going to press.

The index now given shows the statements that have become available in the interval since then. The figures in most cases are merely for a month later, but there are also not a few instances of additions to the list, representing companies which had not yet made up their returns when the February number of the "Monthly Earnings Record" was issued.

We mean to continue giving this current index in the "Chronicle" each week, furnishing a reference to every return that has appeared since the last preceding number of the "Monthly Earnings Record." The latter is complete in and by itself, and for most persons will answer all purposes. But to those persons who are desirous of seeing the record brought down to date every week, this further and supplementary index in the "Chronicle" will furnish an invaluable addition. The "Chronicle" index in conjunction with the "Monthly Earnings Record" will enable any one at a glance to find the very latest figures of current earnings and income, furnishing a cumulative record brought down to date each and every week—an absolutely unique service. A further valuable feature is that at the end of every return, both in the "Chronicle" and the "Monthly Earnings Record," there is a reference line showing by date and page number the issue of the "Chronicle" where the latest complete annual report of the company was published.

Name of Company—	Issue of Chronicle When Published. Page	Name of Company—	Issue of Chronicle When Published. Page	Name of Company—	Issue of Chronicle When Published. Page.
Air Reduction Co.	Feb. 13. 1185	Detroit & Canada Tunnel Co.	Feb. 13. 1201	Montour RR	Feb. 20. 1359
Alaska Juneau Gold Mining Co.	Feb. 13. 1185	Detroit Edison Co.	Feb. 20. 1361	Mount Royal Hotel Co., Ltd.	Feb. 20. 1386
Allen Industries, Inc.	Feb. 20. 1372	Detroit Street Ry.	Feb. 20. 1360	(P. E.) Myers & Bro., Inc.	Feb. 20. 1361
Allegheny Steel Co.	Feb. 13. 1197	Detroit Toledo & Ironton RR	Feb. 13. 1191	Nashville Chart. & St. Louis Ry.	Feb. 20. 1367
Alliance Investment Corp.	Feb. 20. 1372	Diamond State Telephone Co.	Feb. 20. 1370	National Distillers Products Corp.	Feb. 13. 1208
Alton RR	Feb. 20. 1364	(W. S.) Dickey Clay Mfg. Co.	Feb. 13. 1201	National Republic Investment Trust	Feb. 20. 1386
Alton & Southern	Feb. 20. 1359	Drug, Inc.	Feb. 20. 1379	National Transit Co.	Feb. 20. 1386
American Bakeries Corp.	Feb. 20. 1373	Durham Hosiery Mills, Inc.	Feb. 13. 1202	Nevada Consolidated Copper Co.	Feb. 20. 1361
American Bank Note Co.	Feb. 20. 1373	East Kootenay Power Co.	Feb. 13. 1186	New Haven Water Co.	Feb. 13. 1195
American Brake Shoe & Foundry Co.	Feb. 13. 1197	Elgin Joliet & Eastern Ry.	Feb. 20. 1366	New Jersey Bell Telephone Co.	Feb. 20. 1370
American Can Co.	Feb. 20. 1373	Equitable Office Building Corp.	Feb. 13. 1186	New Orleans Sugar Co.	Feb. 13. 1209
American Capital Corp.	Feb. 20. 1373	Eureka Pipe Line Co.	Feb. 20. 1380	New Orleans Public Service Inc.	Feb. 20. 1361
American Express Co.	Feb. 13. 1197	Eureka Vacuum Cleaner Co.	Feb. 20. 1380	New York Auction Co., Inc.	Feb. 20. 1387
American Seating Co.	Feb. 13. 1197	Exeter Oil Co., Ltd.	Feb. 20. 1380	New York Central RR.	Feb. 20. 1359
American Snuff Co.	Feb. 13. 1197	Federated Capital Corp.	Feb. 13. 1202	New York Chicago & St. Louis RR.	Feb. 20. 1367
American Steel Foundries.	Feb. 13. 1198	Federated Metals Corp.	Feb. 20. 1380	Norfolk & Western Ry.	Feb. 20. 1368
American Surety Co. of N. Y.	Feb. 20. 1375	Fidelity & Guaranty Fire Corp.	Feb. 20. 1380	North American Co.	Feb. 20. 1361
American Woolen Co., Inc.	Feb. 20. 1375	Finance Co. of America at Balt.	Feb. 20. 1381	North American Investment Corp.	Feb. 13. 1209
Arrow-Hart & Hegeman Electric Co.	Feb. 13. 1198	First National Stores, Inc.	Feb. 20. 1361	Pacific Telephone & Telegraph Co.	Feb. 13. 1186
Atchison Topeka & Santa Fe Ry.	Feb. 20. 1364	Fonda Johnstown & Gloversville RR.	Feb. 20. 1359	Pacific Investing Corp.	Feb. 20. 1387
Atlanta Birmingham & Coast RR.	Feb. 20. 1365	Foreign Power Securities Corp., Ltd.	Feb. 13. 1194	Paraffine Cos., Inc.	Feb. 20. 1362
Atlantic City Sewerage Co.	Feb. 13. 1193	Formica Insulation Co.	Feb. 20. 1381	Pennsylvania Dixie Cement Corp.	Feb. 13. 1210
Atlantic Coast Line RR. Co.	Feb. 20. 1365	Forstoria Pressed Steel Corp.	Feb. 13. 1203	Pennsylvania Power & Light Co.	Feb. 20. 1362
Atlantic Ice Mfg. Co.	Feb. 20. 1376	Galland Mercantile Laundry Co.	Feb. 13. 1203	Pennsylvania RR.	Feb. 20. 1368
Baldwin Co.	Feb. 13. 1197	General Printing Ink Corp.	Feb. 20. 1382	Peoples Gas Light & Coke Co.	Feb. 13. 1188
Baldwin Locomotive Works	Feb. 20. 1363	General Steel Castings Corp.	Feb. 13. 1208	Perth Amboy Ry.	Feb. 20. 1368
Baltimore & Ohio RR.	Feb. 20. 1365	Giant Portland Cement Co.	Feb. 20. 1382	Pittsburgh & Lake Erie RR.	Feb. 20. 1359
Baltimore Tube Co., Inc.	Feb. 20. 1376	Glen Alden Coal Co.	Feb. 13. 1204	Purdell & Alexander, Inc.	Feb. 20. 1388
Bangor Hydro-Electric Co.	Feb. 20. 1360	Globe-Wernicke Co.	Feb. 13. 1186	Public Service Corp. of New Jersey	Feb. 20. 1362
Bastian-Blessing Co.	Feb. 20. 1376	(Adolf) Gobel, Inc.	Feb. 20. 1361	Public Utility Holding Corp. of Am.	Feb. 13. 1187
Bell Telephone Co. of Pa.	Feb. 13. 1193	Goodyear Tire & Rubber Co.	Feb. 13. 1204	Reading Co.	Feb. 20. 1368
Benson & Hedges	Feb. 20. 1376	Gotham Silk Hosiery Co., Inc.	Feb. 13. 1204	Rio Grande Valley Gas Co.	Feb. 13. 1195
Best & Co.	Feb. 13. 1198	Gould Coupler Co.	Feb. 13. 1186	Riverside & Dan River Cotton Mills.	Feb. 20. 1389
Birmingham Electric Co.	Feb. 20. 1360	Great Northern Ry.	Feb. 20. 1366	Riverside Silk Mills, Ltd.	Feb. 20. 1389
(Sidney) Blumenthal & Co., Inc.	Feb. 20. 1376	Green Bay & Western RR. Co.	Feb. 20. 1366	Royal Theaters Corp.	Feb. 13. 1210
Boston Elevated Ry.	Feb. 20. 1369	Guardian Investors Corp.	Feb. 13. 1205	Royal Weaving Co.	Feb. 20. 1389
Boston & Maine RR.	Feb. 13. 1181	Gulf Mobile & Northern RR.	Feb. 20. 1366	Rutland RR.	Feb. 20. 1389
Brillo Mfg. Co.	Feb. 13. 1185	Hancock Brown Shoe Co.	Feb. 20. 1382	St. Joseph Lead Co.	Feb. 20. 1389
British Columbia Power Corp., Ltd.	Feb. 13. 1195	Hartford Electric Light Co.	Feb. 13. 1194	St. Louis-San Francisco Ry.	Feb. 11. 1192
Brooklyn & Queens Transit System	Feb. 20. 1360	(George W.) Helme Co., Inc.	Feb. 13. 1205	St. Louis-Southwestern Ry. Lines.	Feb. 20. 1368
Brooklyn Manhattan Tran it System	Feb. 20. 1360	Heywood Wakefield Co.	Feb. 13. 1205	Sierra Pacific Elec. Co., Reno, Nev.	Feb. 13. 1187
Buffalo & Susquehanna RR. Corp.	Feb. 13. 1185	Houston Lighting & Power Co.	Feb. 20. 1361	Sioux City Gas & Electric Co.	Feb. 20. 1362
Butte Copper & Zinc Co.	Feb. 13. 1199	Idaho Power Co.	Feb. 20. 1361	Southern Bell Tel. & Tel. Co.	Feb. 20. 1362
Calumet & Hecla Consol. Copper Co.	Feb. 13. 1185	Illinois Bell Telephone Co.	Feb. 13. 1186	Southern Canada Power Co., Ltd.	Feb. 13. 1186
Can. Nat. Lines in New England.	Feb. 13. 1185	Indian Motorcycle Co.	Feb. 13. 1206	Southern Canada Power Co., Ltd.	Feb. 20. 1362
Carolina Power & Light Co.	Feb. 20. 1360	Indiana Harbor Belt RR.	Feb. 20. 1359	Southern Pipe Line Co.	Feb. 20. 1389
Central of Georgia Ry.	Feb. 20. 1365	Indianapolis Water Co.	Feb. 13. 1184	Southern Railway Co.	Feb. 20. 1368
Central National Corp.	Feb. 20. 1377	Industrial Rayon Corp.	Feb. 20. 1383	Southeastern Express Co.	Feb. 20. 1362
Central RR. Co. of N. J.	Feb. 13. 1191	Insuranshares Corp. of Del.	Feb. 13. 1206	South West Pennsylvania Pipe Lines	Feb. 20. 1390
Central Vermont Ry., Inc.	Feb. 20. 1359	International-Great Northern RR.	Feb. 20. 1366	Stamford Gas & Electric Co.	Feb. 13. 1196
Century Shares Trust	Feb. 13. 1199	International Ry. Co. (Buffalo)	Feb. 13. 1194	Standard Brands, Inc.	Feb. 20. 1362
Chesapeake & Ohio Ry.	Feb. 20. 1365	Investment Corp. of Phila.	Feb. 20. 1383	Standard Cap & Seal Corp.	Feb. 20. 1390
Chicago Burlington & Quincy RR.	Feb. 20. 1365	Iowa Public Service Co.	Feb. 20. 1361	State Street Investment Corp.	Feb. 13. 1211
Chicago & Eastern Illinois Ry.	Feb. 13. 1191	Jewel Tea Co.	Feb. 13. 1206	(John B.) Stretson Co.	Feb. 13. 1212
Chicago Electric Mfg. Co.	Feb. 20. 1377	Kansas City Southern Ry. Co.	Feb. 20. 1359	Superheater Co.	Feb. 13. 1212
Chicago Great Western RR.	Feb. 20. 1366	Kroger Grocery & Baking Corp.	Feb. 20. 1363	Superior Steel Corp.	Feb. 20. 1362
Chicago Indianapolis & Louisville	Feb. 13. 1191	Laclede Gas Light Co.	Feb. 13. 1194	Sutherland Paper Co.	Feb. 13. 1212
Chic. St. Paul Minn. & Omaha Ry.	Feb. 20. 1365	Lawrence Portland Cement Co.	Feb. 20. 1384	Symington Co.	Feb. 13. 1187
Childs Co.	Feb. 13. 1189	Lehigh Coal & Navigation Co.	Feb. 20. 1384	Tampa Electric Co.	Feb. 13. 1196
Chrysler Corp.	Feb. 20. 1360	Lehigh & Hudson River Ry.	Feb. 13. 1191	Telautograph Co.	Feb. 13. 1212
Cities Service Co.	Feb. 13. 1194	Lehigh & New England Ry.	Feb. 13. 1191	Texas & Pacific Ry.	Feb. 13. 1192
Clarion River Power Co.	Feb. 20. 1360	Lima Locomotive Works, Inc.	Feb. 13. 1207	Thatcher Mfg. Co.	Feb. 13. 1212
Colorado & Southern Ry.	Feb. 20. 1366	Lehigh Navigation Coal Co.	Feb. 20. 1384	Texas Gulf Sulphur Co.	Feb. 20. 1391
Columbia Gas & Electric Corp.	Feb. 20. 1360	Lindsay Light Co.	Feb. 13. 1207	Thompson-Starrett Co., Inc.	Feb. 20. 1362
Commercial Discount Corp.	Feb. 20. 1378	Louisiana Power & Light Co.	Feb. 20. 1361	Toledo Edison Co.	Feb. 20. 1371
Commercial Investment Trust.	Feb. 13. 1187	Louisville & Nashville RR.	Feb. 20. 1367	Toledo Peoria & Western RR.	Feb. 20. 1368
Commonwealth Edison Co.	Feb. 13. 1193	(Arthur G.) McKee & Co.	Feb. 13. 1207	Toronto Hamilton & Buffalo Ry.	Feb. 20. 1359
Community Power & Light Co.	Feb. 20. 1360	Maine Central RR.	Feb. 13. 1192	Transamerica Corp.	Feb. 13. 1189
Conemaugh & Black Lick	Feb. 20. 1359	(H. R.) Mallinson & Co.	Feb. 20. 1384	Trunk Pork Stores	Feb. 13. 1212
Congoleum Naira, Inc.	Feb. 20. 1378	Manchester Electric Co.	Feb. 13. 1195	Twin City Rapid Transit Co.	Feb. 20. 1372
Connecticut Power Co.	Feb. 13. 1193	Manufacturers' Finance Co.	Feb. 20. 1385	Underwood Elliott Fisher Co.	Feb. 20. 1362
Consolidated Laundries Corp.	Feb. 20. 1359	Mapes Consolidated Mfg. Co.	Feb. 13. 1207	Ungerleider Financial Corp.	Feb. 20. 1391
Consumers Co.	Feb. 13. 1200	Massachusetts Investors Trust	Feb. 20. 1385	Union Storage Co.	Feb. 20. 1391
Continental Can Co.	Feb. 20. 1378	Matheson Alkali Works.	Feb. 13. 1207	Union Tobacco Co.	Feb. 20. 1391
Continental Securities Corp.	Feb. 13. 1200	Memphis Power & Light Co.	Feb. 20. 1361	United Electric Coal Cos.	Feb. 20. 1362
Continental Steel Corp.	Feb. 13. 1200	Michigan Bell Telephone Co.	Feb. 20. 1370	U. S. & British Internat. Co., Ltd.	Feb. 13. 1213
Counselors Securities Trust.	Feb. 13. 1201	Minneapolis & St. Louis RR.	Feb. 20. 1367	United States Foil Co.	Feb. 20. 1392
Cream of Wheat Corp.	Feb. 13. 1200	Mississippi Power & Light Co.	Feb. 20. 1361	U. S. Hoffman Machinery Corp.	Feb. 13. 1213
Credit Utility Banking Corp.	Feb. 13. 1201	Missouri-Kansas-Texas Lines	Feb. 20. 1367	Viking Pump Co.	Feb. 20. 1392
Cushman's Sons, Inc.	Feb. 20. 1360	Missouri-Pacific RR.	Feb. 20. 1367	Warner Co.	Feb. 13. 1214
Dallas Power & Light Co.	Feb. 20. 1360	Mohawk Carpet Mills	Feb. 20. 1385	Western Reserve Investing Co.	Feb. 13. 1187
Delaware & Hudson RR. Corp.	Feb. 20. 1366	Mohawk Investment Corp.	Feb. 13. 1208	Westvaco Chlorine Products Corp.	Feb. 13. 1187
Del. Lack. & Western Coal Co.	Feb. 13. 1201			Yellow & Checker Cab Co. (Consol.)	Feb. 13. 1214

Latest Gross Earnings by Weeks.—We give below the latest weekly returns of earnings for all roads making such reports:

Name—	Period Covered.	Current Year.	Previous Year.	Inc. (+) or Dec. (-) \$	Name—	Period Covered.	Current Year.	Previous Year.	Inc. (+) or Dec. (-) \$
Canadian National	2d wk of Feb	2,657,691	3,303,797	-646,106	Mobile & Ohio	1st wk of Feb	149,104	208,341	-59,237
Canadian Pacific	2d wk of Feb	2,072,000	2,617,000	-545,000	Southern	1st wk of Feb	1,960,144	2,649,302	-683,158
Georgia & Florida	1st wk of Feb	17,500	23,900	-6,400	St Louis Southwestern	2d wk of Feb	275,000	367,887	-92,887
Minneapolis & St Louis	1st wk of Feb	144,099	193,053	-48,954	Western Maryland	1st wk of Feb	244,300	289,839	-45,538

We also give the following comparisons of the monthly totals of railroad earnings, both gross and net (the net before the deduction of taxes), both being very comprehensive. They include all the Class I roads in the country.

Table with 6 columns: Month, Gross Earnings (1931, 1930, Inc. (+) or Dec. (-)), Length of Road (1931, 1930). Rows include January through December.

Table with 6 columns: Month, Net Earnings (1931, 1930, Amount, Per Cent.), Inc. (+) or Dec. (-). Rows include January through December.

Net Earnings Monthly to Latest Dates.

Summary table for various railroads including Alton & Southern RR, Central Vermont, Conemaugh & Black Lick, and Montour, showing monthly net earnings for 1931, 1930, 1932, and 1929.

Other Monthly Steam Railroad Reports.—In the following we show the monthly reports of STEAM railroad companies received this week as issued by the companies themselves, where they embrace more facts than are required in the reports to the Inter-State Commerce Commission, such as fixed charges, &c., or where they differ in some other respect from the reports to the Commission.

Central Vermont Ry., Inc.

Financial report for Central Vermont Ry., Inc. showing monthly earnings, ratios, and taxes for 1931, 1930, 1932, and 1929.

Fonda Johnstown & Gloversville RR. Co.

Financial report for Fonda Johnstown & Gloversville RR. Co. showing monthly earnings and ratios for 1931, 1930, 1929, and 1928.

Indiana Harbor Belt RR.

Financial report for Indiana Harbor Belt RR. comparing 1931-3 Mos. and 1930-12 Mos. for revenues, expenses, and net income.

Kansas City Southern Ry. Co. (Texarkana and Fort Smith Ry.)

Financial report for Kansas City Southern Ry. Co. comparing 1931-3 Mos. and 1930-12 Mos. for revenues, expenses, and net income.

New York Central RR. (Including all leased lines.)

Financial report for New York Central RR. comparing 1931-3 Mos. and 1930-12 Mos. for revenues, expenses, and net income.

Pittsburgh & Lake Erie RR.

Financial report for Pittsburgh & Lake Erie RR. comparing 1931-3 Mos. and 1930-12 Mos. for revenues, expenses, and net income.

Rutland Railroad Co.

Financial report for Rutland Railroad Co. comparing 1931-3 Mos. and 1930-12 Mos. for revenues, expenses, and net income.

Toronto Hamilton & Buffalo Ry.

Financial report for Toronto Hamilton & Buffalo Ry. comparing 1931-3 Mos. and 1930-12 Mos. for revenues, expenses, and net income.

INDUSTRIAL AND MISCELLANEOUS COS.

Consolidated Laundries Corp. (Including Subsidiaries)

Financial report for Consolidated Laundries Corp. comparing 1931-3 Mos. and 1930-12 Mos. for revenues, expenses, and net profit.

Bangor Hydro-Electric Co.

Table with 5 columns: Period (1931, 1930, 1931, 1930), Gross earnings, Oper. expenses & taxes, Net income, Dividends on preferred stock, Balance, Retirement reserve appropriation.

Last complete annual report in Financial Chronicle Feb. 20 '32, p. 1369

Birmingham Electric Co.

(National Power & Light Co. Subsidiary)

Table with 5 columns: Period (1931, 1930, 1931, 1930), Operating revenues, Oper. exps., incl. taxes, Net rev. from oper., Other income, Gross corporate inc., Dividends on preferred stock, Balance, Retirement reserve appropriation.

* Before dividends and retirement (depreciation) reserve appropriation.

Brooklyn-Manhattan Transit System.

(Including Brooklyn & Queens Transit System.)

Table with 5 columns: Period (1931, 1931, 1932, 1932), Total operating revenues, Total operating expenses, Net rev. from operat'n, Taxes on oper. properties, Operating income, Net non-oper. income, Gross income, Total income deductions, Net income.

* Of which sums there accrues to minority interests of the B. & Q. T. Corp.

x Excludes figures of Brooklyn Bus Corp. (temporary operation).

Last complete annual report in Financial Chronicle Sept. 5 '31, p. 161

Brooklyn & Queens Transit System.

Table with 5 columns: Period (1932, 1931, 1932, 1931), Total operating revenues, Total operating expenses, Net rev. from oper'ns, Taxes on oper. properties, Operating income, Net non-oper. income, Gross income, Total income deductions, Net income.

* Excludes figures of Brooklyn Bus Corp. (temporary operation).

Last complete annual report in Financial Chronicle Sept. 5 '31, p. 1610

Carolina Power & Light Co.

(National Power & Light Co. Subsidiary)

Table with 5 columns: Period (1931, 1930, 1931, 1930), Operating revenues, Oper. exps., incl. taxes, Net revs. from oper., Rent for leased property, Balance, Other income, Gross corporate inc., Dividends on preferred stock, Balance, Retirement reserve appropriation.

* Before dividends and retirement (depreciation) reserve appropriation.

Last complete annual report in Financial Chronicle June 13 '31, p. 4407

Cities Service Co.

Table with 5 columns: Period (1932, 1931, 1932, 1931), Gross earnings, Expenses, Net earnings, Int. & disc't. on debts, Net to stocks and res., Divs. pref. stock, Net to com. stk. & res., Number of times preferred dividends, Net to common stock and reserves on average number shares of common stock outstanding.

Last complete annual report in Financial Chronicle April 18 '31, p. 2955 and May 9 '31, p. 3514.

Cushman's Sons, Inc.

Table with 5 columns: Period (13 Weeks Ended Jan. 2 '32, Dec. 27 '30, Jan. 2 '32, Dec. 27 '30), Net profit after deprec., Interest & Fed. taxes.

Columbia Gas & Electric Corp.

(And Subsidiary Companies.)

Table with 5 columns: Period (1931-3 Mos, 1930, 1931-12 Mos, 1930), Gross revenues, Operating expenses, Prov. for renewals, replacements & deplet., Taxes, Net operating rev., Other income, Gross corp. income, Int. on secur., of subs. in hands of public, &c., Prof. divs. of subs. to public & earnings applicable to min. com. stocks, Bal. applic. to Columbia Gas & El. Corp., Inc. of other subs. applic. to C. G. & E. Corp., Total earns. of subs. apply. to C. G. & E. Corp., Net rev. of C. G. & E. Corp. (incl. divs. on pref. stock of Columbia Oil & Gasoline Corp.), Combined earns. appl. to fixed charges of C. G. & E. Corp., Int. charges, &c., of C. G. & E. Corp., Bal. applic. to capital stocks of C. G. & E. Corp., Preferred dividends paid, Common dividends paid, Balance, deficit, Common shares outstanding Dec. 31, Earnings per share on com. shares outstanding.

Last complete annual report in Financial Chronicle Feb. 28 '31, p. 1609

Community Power & Light Co.

(And Controlled Companies.)

Table with 5 columns: Period (1931, 1930, 1931, 1930), Consol. gross revenue, Oper. exps., incl. taxes, Bal. avail. for int., amort., deprec., Fed. inc. taxes, divs. & surplus.

Dallas Power & Light Co.

(Electric Power & Light Corp. Subsidiary)

Table with 5 columns: Period (1931, 1930, 1931, 1930), Operating revenues, Oper. exps., incl. taxes, Net rev. from oper., Other income, Gross corp. income, Int. on long term debt., Other int. & deductions, Balance a, Dividends on preferred stock, Balance b, a Before transfers to accident, maintenance and depreciation and surplus reserves in accordance with franchise provisions and before dividends, b Before transfers aggregating \$882,729 made during the 12 months ended Dec. 31 1931, to accident, maintenance and depreciation, and surplus reserves in accordance with franchise provisions.

Detroit Street Rys.

Table with 5 columns: Period (1932, 1931, 1932, 1931), Operating Revenues, Railway oper. revenues, Coach oper. revenues, Total oper. revenues, Operating Expenses, Railway oper. expenses, Coach oper. expenses, Total oper. expenses, Net operating revenue, Taxes assignable to oper., Operating income, Non-operating income, Gross income, Deductions, Interest on funded debt, Construction bonds, Purchase bonds, Add'n & bet'ts bds., Equip. & exten. bonds, Replace. & impt. bds., Purchase contract, Bond antcipa'n notes, Loan (City of Det.), Total interest, Other deductions, Total deductions, Net income, Disposition of Net Income, Sinking funds, Construction bonds, Purchase bonds, Add'n & bet'ts bds., Equip. & exten. bonds, Replace. & impt. bds., Purchase contract, Bond antcipa'n notes, Loan (City of Det.), Total sinking funds, Residue (deficit), Total.

(The) Detroit Edison Co.

(And Subsidiary Utility Companies)

	1932.	1931.
12 Months Ended Jan. 31—		
Total electric revenue	\$46,295,263	\$49,911,251
Steam revenue	2,013,945	2,549,200
Gas revenue	460,953	457,099
Miscellaneous revenue	Dr4,057	Dr12,318
Total operating revenue	\$48,766,103	\$52,905,233
Non-operating revenue	48,824	77,773
Total revenue	\$48,814,927	\$52,983,006
Operating & non-operating expenses	31,539,183	36,113,814
Interest on funded & unfunded debt	5,766,570	5,662,484
Amortization of debt discount & expense	192,094	312,121
Miscellaneous deductions	39,802	38,542
Net income	\$11,277,278	\$10,856,046

Last complete annual report in Financial Chronicle Jan. 23 '32, p. 668

First National Stores, Inc.

	1931-3 Mos.—	1930.	1931-9 Mos.—	1930.
Period End. Dec. 31—				
Operating profit	\$1,595,691	\$1,442,104	\$4,826,946	\$4,383,667
Depreciation	222,170	206,451	665,624	591,462
Federal taxes	173,670	154,679	531,823	459,623
Net profit	\$1,199,850	\$1,080,973	\$3,629,500	\$3,332,583
Shares com. stock outstanding (no par)	813,786	819,800	813,786	820,699
Earnings per share	\$1.37	\$1.21	\$4.13	\$3.74

Last complete annual report in Financial Chronicle June 6 '31, p. 4250

(Adolf) Gobel, Inc.

(And Subsidiaries)

	Jan. 23 '32.	Jan. 24 '31.
12 Weeks Ended—		
Net loss after depreciation, interest, divs., &c.	\$19,086	\$164,612

Last complete annual report in Financial Chronicle Dec. 26 '31, p. 4336

Houston Lighting & Power Co.

(National Power & Light Co. Subsidiary)

	Month of December—	12 Mos. End. Dec. 31—	1930.	1931.
1931.				
Operating revenues	\$743,630	\$714,479	\$8,567,692	\$8,789,687
Oper. exps., incl. taxes	384,106	365,670	3,957,734	4,593,788
Net rev. from oper.	\$359,524	\$348,809	\$4,609,958	\$4,195,899
Other income	2,978	3,046	38,963	52,434
Gross corporate inc.	\$362,502	\$351,855	\$4,648,921	\$4,248,333
Int. on long-term debt	108,125	86,679	1,164,871	1,022,927
Other int. & deductions	7,226	8,996	96,681	85,111
Balance	\$247,151	\$256,180	\$3,387,369	\$3,140,295
Dividends on preferred stock			330,000	328,833
Balance			\$3,057,369	\$2,811,462
Retirement (deprec.) reserve appropriation			1,334,005	1,277,704
Balance			\$1,723,364	\$1,533,758

Last complete annual report in Financial Chronicle June 13 '31, p. 4409

Idaho Power Co.

(Electric Power & Light Corp. Subsidiary)

	Month of December—	12 Mos. End. Dec. 31—	1930.	1931.
1931.				
Operating revenues	\$333,596	\$346,720	\$4,344,870	\$4,153,121
Oper. exps., incl. taxes	186,418	179,090	2,108,378	1,984,526
Net rev. from oper.	\$147,178	\$167,630	\$2,236,492	\$2,168,595
Other income	25,837	8,584	96,298	84,773
Gross corp. income	\$173,015	\$176,214	\$2,332,790	\$2,253,368
Int. on long-term debt	54,167	54,167	650,000	650,000
Other int. & deductions	6,953	6,934	69,508	72,021
Balance a	\$111,895	\$115,113	\$1,613,282	\$1,531,347
Dividends on preferred stock			407,052	385,518
Balance			\$1,206,230	\$1,145,829
Retirement (deprec.) reserve appropriation			300,000	230,000
Balance			\$906,230	\$915,829

a Before dividends and retirement (depreciation) reserve appropriation.

Louisiana Power & Light Co.

(Electric Power & Light Corp. Subsidiary)

	Month of December—	12 Mos. End. Dec. 31—	1930.	1931.
1931.				
Operating revenues	\$459,739	\$515,793	\$6,151,524	\$6,113,273
Oper. exps., incl. taxes	245,368	267,893	3,075,077	3,220,489
Net revs. from oper.	\$214,371	\$247,900	\$3,076,447	\$2,892,784
Other income	11,073	23,514	65,815	98,661
Gross corp. income	\$225,444	\$271,414	\$3,142,262	\$2,991,445
Int. on long-term debt	73,057	60,417	843,477	665,555
Other int. & deductions	3,649	23,631	52,383	138,843
Balance a	\$148,738	\$187,366	\$2,246,402	\$2,187,047
Dividends on preferred stock			357,366	345,000
Balance			\$1,889,036	\$1,842,047
Dividends on 2nd preferred stock			180,000	195,000
Balance			\$1,709,036	\$1,647,047
Retirement (deprec.) reserve appropriation			348,564	452,554
Balance			\$1,360,472	\$1,194,493

a Before dividends and retirement (depreciation) reserve appropriation.

Memphis Power & Light Co.

(National Power & Light Co. Subsidiary)

	Month of December—	12 Mos. End. Dec. 31—	1930.	1931.
1931.				
Operating revenues	\$607,456	\$680,139	\$6,904,791	\$6,821,058
Oper. exps., incl. taxes	340,582	395,394	4,008,002	4,013,347
Net revs. from oper.	\$266,874	\$284,745	\$2,896,789	\$2,807,711
Other income	3,107	15,939	121,617	256,838
Gross corporate inc.	\$269,981	\$300,684	\$3,018,406	\$3,064,549
Int. on long-term debt	61,448	63,285	737,376	740,690
Other int. & deductions	13,386	7,451	139,105	81,415
Balance *	\$195,147	\$229,948	\$2,141,925	\$2,242,444
Dividends on preferred stock			395,549	355,188
Balance			\$1,746,376	\$1,887,256
Retirement (depreciation) reserve appropriation			687,365	647,340
Balance			\$1,059,011	\$1,239,916

* Before dividends and retirement (depreciation) reserve appropriation.

Last complete annual report in Financial Chronicle July 25 '31, p. 641

Iowa Public Service Co.

(Controlled by American Electric Power Corp.)

	Month of January—	12 Mos. End. Jan. 31—	1930.	1931.
1932.				
Gross earnings	\$381,507	\$427,816	\$4,334,121	\$4,528,166
Oper. expenses and taxes	197,573	230,295	2,376,020	2,714,261
Net earnings	\$183,934	\$197,521	\$1,958,101	\$1,813,905
Bond interest			845,161	805,567
Other deductions			64,660	55,424
Balance			\$1,048,280	\$952,914
First preferred dividends			250,471	224,354
Balance (before provision for retirement reserve)			\$797,809	\$728,560

Last complete annual report in Financial Chronicle Apr. 11 '31, p. 2761

(F. E.) Myers & Bro. Co.

	1932.	1931.
Quarter Ended Jan. 31—		
Manufacturing profit	\$298,503	\$482,309
Expenses	164,484	204,414
Operating profit	\$134,019	\$277,895
Other income	15,359	14,189
Total income	\$149,378	\$292,084
Depreciation, &c.	40,038	32,745
Federal taxes	15,350	33,000
Net profit	\$93,990	\$226,339
Preferred dividends	22,500	22,500
Common dividends	100,000	100,000
Deficit	\$28,510	sur\$103,839
Earn. per sh. on 200,000 shs. com. stock (no par)	\$0.35	\$1.02

Last complete annual report in Financial Chronicle Dec. 5 '31, p. 3799

Mississippi Power & Light Co.

(Electric Power & Light Corp. Subsidiary)

	Month of December—	12 Mos. End. Dec. 31—	1930.	1931.
1931.				
Operating revenues	\$448,707	\$444,644	\$4,999,534	\$5,066,892
Oper. exps., incl. taxes	271,455	276,612	3,122,803	3,325,935
Net rev. from oper.	\$177,252	\$168,632	\$1,876,731	\$1,740,957
Other income	8,244	22,516	132,952	228,068
Gross corp. income	\$185,496	\$191,148	\$2,009,683	\$1,969,025
Int. on long term debt	68,560	68,163	818,122	602,933
Other int. & deductions	12,456	18,976	147,423	347,054
Balance x	\$104,480	\$104,009	\$1,044,138	\$1,019,038
Dividends on preferred stock			405,327	429,485
Balance			\$638,811	\$725,553
Dividends on 2nd preferred stock			210,000	210,000
Balance			\$428,811	\$515,553
Retirement (deprec.) reserve appropriation			130,962	152,282
Balance			\$297,849	\$363,271

x Before dividends and retirement (deprec.) reserve appropriation.

Nevada Consolidated Copper Co.

(And Subsidiaries)

	1931-3 Mos.—	1930.	1931-12 Mos.—	1930.
Period End. Dec. 31—				
Oper. loss (cop. prod.)	\$713,058	\$630,494	\$2,698,770	\$1,749,697
Val. of precious metals	143,943	163,225	1,366,353	647,344
Miscell. revs. & income	187,430	300,028		1,316,589
Total oper. loss	\$384,685	\$167,240	\$1,332,417	\$3,713,630
Depreciation		441,562		1,792,578
Net deficit before deplet'n & Fed. taxes	\$384,685	\$608,802	\$1,332,417	\$1,921,052
x Profit				

Last complete annual report in Financial Chronicle April 11 '31, p. 2786

New Orleans Public Service Inc.

(Electric Power & Light Corp. Subsidiary)

	Month of December—	12 Mos. End. Dec. 31—	1930.	1931.
1931.				
Operating revenues	\$1,442,024	\$1,596,687	\$17,357,426	\$17,646,557
Oper. exps., incl. taxes	890,437	980,958	11,006,959	11,362,420
Net revs. from oper.	\$551,587	\$615,729	\$6,350,467	\$6,284,137
Other income	2,866	2,808	24,160	23,825
Gross corp. income	\$554,453	\$618,537	\$6,374,627	\$6,307,962
Int. on long term debt	235,053	236,036	2,826,440	2,836,038
Other int. & deductions	13,417	22,301	221,327	326,769
Balance x	\$305,983	\$360,200	\$3,326,860	\$3,145,155
Dividends on preferred stock			554,243	554,243
Balance			\$2,772,617	\$2,590,912
Retirement (deprec.) reserve appropriation			2,040,000	1,980,000
Balance			\$732,617	\$610,912

x Before dividends and retirement (deprec.) reserve appropriation.

North American Co.

(And Subsidiaries)

	Preliminary Consolidated Income Statement (Including Subsidiaries).	y1931.	y1930.	1929.	1928.
12 Mos. End. Dec. 31—					
Gross earnings	\$117,921,860	\$133,751,380	\$147,779,869	\$135,551,899	
Op. exp. maint. & taxes	62,792,738	69,838,439	76,451,594	71,152,647	
Net income	55,129,122	63,912,941	71,328,275	64,399,252	
Other income	x8,077,480	x7,461,528	4,553,757	4,290,936	
Total income	63,206,602	71,374,469	75,882,032	68,690,188	
Interest charges	15,411,757	16,975,758	18,630,754	18,243,609	
Prof. divs. of subs.	8,452,411	9,437,285	10,463,967	9,961,982	
Minority interests	1,563,304	1,864,133	2,360,812	1,807,180	
Res. for depreciation	13,506,180	14,274,173	15,619,678	14,274,664	
Net income	24,272,950	28,823,120	28,806,824	24,402,753	
Preferred dividends	1,820,034	1,820,034	1,820,034	1,820,032	
Common dividends	8,133,290	5,947,487	5,353,019	4,806,550	
Total surplus after all divs. and reserve	14,319,626	21,055,598	21,633,771	17,776,172	
Shs. of com. outst. (nopar)	6,825,417	6,185,384	5,603,839	5,011,960	
Earns. per sh. on com.	\$3.29	\$4.36	\$4.82	\$4.50	

Paraffine Cos., Inc.

Table with 4 columns: Item, 1931, 1930, and another 1931 column. Rows include Net profit after deprec., Fed. taxes, &c.; Shares common stock outstanding; Earnings per share.

Last complete annual report in Financial Chronicle Aug. 22 '31, p. 1300

Pennsylvania Power & Light Co.

(Lehigh Power Securities Corp. Subsidiary)

Table with 4 columns: Item, 1931, 1930, and another 1931 column. Rows include Operating revenues, Oper. exps., Net rev. from oper., Other income, Gross corporate income, Int. on long-term debt, Other Int. & deductions, Balance, Dividends on preferred stock, Retirement (deprec.) reserve appropriation, Balance, Before dividends and retirement (depreciation) reserve appropriation.

This is a statement of earnings (from dates of acquisition only) of properties owned and operated by the Pennsylvania Power & Light Co. and does not include any operating earnings of controlled companies. Income received from controlled companies is included in other income of Pennsylvania Power & Light Co.

Public Service Corp. of New Jersey.

Table with 4 columns: Item, 1932, 1931, 1930, and another 1931 column. Rows include Gross earnings, Oper. exp., taxes and depreciation, Net income from oper., Other net income, Total, Income deductions, Bal. for divs. & surplus.

Last complete annual report in Financial Chronicle Feb. 28 '31, p. 1636

Sioux City Gas & Electric Co.

(Controlled by American Electric Power Corp.)

Table with 4 columns: Item, 1932, 1931, 1930, and another 1931 column. Rows include Gross earnings, Oper. expenses and taxes, Net earnings, Bond interest, Other deductions, Balance, Preferred dividends, Balance, Before provision for retirement reserve.

Last complete annual report in Financial Chronicle May 2 '31, p. 3383

Southern Bell Telephone & Telegraph Co., Inc.

Table with 4 columns: Item, 1932, 1931, 1930, and another 1931 column. Rows include Telep. oper. revenues, Telep. oper. expenses, Net telep. oper. rev., Uncoll. oper. revenues, Taxes assign. to oper., Operating income.

Last complete annual report in Financial Chronicle Mar. 7 '31, p. 1800

Southeastern Express Co.

Table with 4 columns: Item, 1931, 1930, 1931, and 1930. Rows include Revenues (Express, Miscellaneous), Charges for transport'n, Revenue from transport'n, Expenses (Maintenance, Traffic, Transportation, General), Operating expenses, Net oper. revenue, Uncoll. rev. from transport., Express taxes, Operating income.

Superior Steel Corp.

Table with 4 columns: Item, 1931-3 Mos., 1930, 1931-12 Mos., 1930. Rows include Net sales, Costs & expenses, Operating loss, Other income, Loss, x Int., depr., tax, &c., Net loss, x Includes inventory and other adjustments.

United Electric Coal Cos.

Table with 4 columns: Item, 1931-3 Mos., 1930, 1931-6 Mos., 1930. Rows include Gross profit, Royalties, deprec. and depletion, Int., Fed. tax, &c., Net profit, Shs. com. stk. outstand. (no par), Earnings per share.

Last complete annual report in Financial Chronicle Oct. 3 '31, p. 2279

Southern Canada Power Co., Ltd.

Table with 4 columns: Item, 1932, 1931, 1932, and 1931. Rows include Gross earnings, Operating expenses, Net earnings.

Last complete annual report in Financial Chronicle Dec. 5 '31, p. 3790

Thompson-Starrett Co., Inc.

Table with 4 columns: Item, 1932, 1931, 1932, and 1931. Rows include Net profit after charges & taxes, Shs. com. stk. outstand'g, Earnings per share.

Last complete annual report in Financial Chronicle June 13 '31, p. 4431

Underwood Elliott Fisher Co.

Table with 4 columns: Item, 1931, 1930, 1929, and 1928. Rows include Operating profit, Other income, Total income, Depreciation, Federal taxes, Net income, Shs. com. stock outst'd., Earnings per share.

Last complete annual report in Financial Chronicle Feb. 20 '32, p. 1391

FINANCIAL REPORTS

Standard Brands, Inc.

(Annual Report—Year Ended Dec. 31 1931.)

The annual report for the fiscal year ended Dec. 31 1931 is given in the advertising pages of this issue. The report includes the remarks of President Joseph Wilshire, together with the income account and balance sheet as of Dec. 31 1931.

CONSOLIDATED INCOME ACCOUNT FOR CALENDAR YEARS.

Table with 4 columns: Item, c1931, c1930, d1929. Rows include Gross profit after deducting mfg. and other costs of goods sold, Selling, administrative & gen. exps., Net profit from operations, Other income credits, Gross income, Income charges, Net income before charging Federal and foreign income taxes, Federal and foreign income taxes, Amt. applic. to minor, int. in pref. & common stocks of sub. company, Extraordinary charges, Net inc. applic. to parent company, Profit and loss credits, Surplus arising through acquisition, Miscellaneous, Adj. of prop. val. & related deprec. res'v applic. to prior years (net), Total surplus, Profit and loss charges, Provision for gen. insur. reserve, Miscellaneous, Prem. on pref. stock purch. & retired, Write-down of U. S. and Can. Govt. and other securities, Surplus for year before dividends, Surplus Jan. 1, Surplus before charging dividends, Preferred dividends, Common dividends, Surplus Dec. 31 1930, Shs. common stock outst'g (no par), Earnings per share, After charging depreciation of \$2,625,425 in 1931, \$2,773,863 in 1930 and \$796,412 in 1929.

CONSOLIDATED BALANCE SHEET DEC. 31.

Includes German and South African subsidiaries of Royal Baking Powder Co. as of Oct. 31 for both years, and Brazilian subsidiary of company and English subsidiaries of Royal Baking Powder Co. as of Nov. 30 '31.]

Table with 4 columns: Item, 1931, 1930, 1931, and 1930. Rows include Assets (Cash, Bankers' accept's, U. S. Treas. bills, British Treas. bills, U. S. & Canadian Govt. bonds, State & mun. bds, Other mktble. bds, Accrued int. rec'le, Notes & collateral loans receivable, Accts receivable, Inventories, Stks. & bds. (incl. co.'s com. stock), Real estate mtgs, Board of Trade memberships, Life insur. policies, Total gen. ins. fd., Land, bldgs., machinery & equip., Incl. deliv. eq., Deferred charges, Trade marks, pats. and good-will), Liabilities (Accounts payable, Accrued payrolls, taxes & expenses, Accrued Federal & foreign income taxes, Reserves, Gen. Insur'ee fund account—Appropriated surp. set aside to meet contingencies, Minor, int. in sub. company, Preferred stock, Common stock, Surplus).

Total After reserve for depreciation of \$26,522,893. b Represented by 96,757 shares of no par value. c Represented by 12,644,313 no par shares. d After reserves of \$521,216. x At market. y At cost.—V. 134, p. 1211.

Baldwin Locomotive Works.

(21st Annual Report—Year Ended Dec. 31 1931.)

George H. Houston, President, says in part:

Operations were carried on during the year at lower volume than for many years past, consolidated sales having totaled for the year \$20,436,343 as compared with \$49,872,456 for the year before.

Operations for the year resulted in a loss of \$4,122,759 after providing for depreciation reserves of \$1,800,190, and interest charges of \$1,140,599.

The Federal Steel Foundry business has been acquired from this company by the Standard Steel Works Co., which has thus procured an increased volume of steel casting products of desirable character, including ship castings and parts for hydraulic turbines.

The acquisition of these properties will give Baldwin-Southwark Corp. a number of new products of value to its future development.

The equipment and business of Cramp Brass & Iron Foundries Co. have been removed to Eddystone and consolidated with the iron and brass foundry business of this company.

Company acquired in 1929 an investment in the George D. Whitcomb Co., consisting of all of its class A preferred stock and a minority interest in its common stock.

It has been considered advisable to increase the reserve for losses from bad debts, &c., by the sum of \$1,400,000 which has been taken from surplus.

CONSOLIDATED INCOME STATEMENT, YEARS ENDED DEC. 31.

Table with columns for years 1931, 1930, 1929. Rows include Sales, Cost of sales, Provision for depreciation, Operating profit, Other income, Total income, Equity of minority stockholders, Net profit, Previous surplus, Sundry additions, Increase of capital, Total surplus, Dividends on preferred stock, Dividends on common stock, Reserve for contingencies, Other deductions, Add'l res. for losses from bad debts, Surplus at Dec. 31, Earnings per share, and a note about surplus of \$10,398,209.

CONSOLIDATED BALANCE SHEET DEC. 31.

Table with columns for years 1931, 1930. Rows include Property, plant & equipment, 1st mortgage bond sinking fund, Gen. Steel Castings Corp. com. stk., Notes & stock of Bald. Lo. Wks., Other Investments, Notes & other non-current credit instruments, Cash in banks and on hand, U. S. Treas. secur., Sundry securities, Notes & oth. credit instruments receiv., Acc'ts receivable, Inventories, Deferred charges, and Total assets.

a After deducting depreciation of \$20,780,472. b Including foreign government railway notes of \$2,338,188. c Represented by \$43,000 no par shares.—V. 134, p. 1198.

Kroger Grocery & Baking Co., Cincinnati, Ohio.

(Annual Report—Year Ended Jan. 2 1932.)

A digest of the report for the year 1931 follows:

Company reports net income of \$2,731,128 for year ended Jan. 2 1932, equal to \$1.46 a share on the 1,813,486 shares of common stock outstanding, after deducting preferred dividends.

Sales for 1931 totaled \$244,371,147, against \$267,094,345 for 1930, a decline of 7%, which includes allowance for four less days of operation in 1931.

Average number of Kroger stores in operation during 1931 was 4,980 as compared with 5,302 in 1930, an average decrease of 6%, while average sales per store per week in 1931 were \$941 against \$954 in 1930, a decline of only 1%.

In his remarks to stockholders, Albert H. Morrill, President, says of sales: "It is instructive to note that while our sales per store per week for 1931 declined an average of \$13 as compared with 1930, the commodity price decline in 1931 amounted to \$162 per store per week."

"Analysis of our sales figures shows the decline was due to three major causes: The general retail food price decline of 17%; the severity of the depression in five large industrial centres where we do about one third of our total business; and an unprecedented crop and consequent low prices in the territory we serve of fruits and vegetables, which in the past have constituted a large percentage of our sales."

The consolidated balance sheet as of Jan. 2 1932 shows current assets of \$26,474,277, against current liabilities of \$6,195,970, a ratio of 4.2 to 1. This compares with a ratio of 3.1 to 1 in the preceding year. Cash and U. S. Government securities totaling \$7,884,339 were more than current liabilities and represent an increase of \$1,296,584 over the figure reported for 1930.

Highly Wiggly Corp., 99% of whose outstanding stock is owned by Kroger, had in operation on Dec. 31 1931 2,558 licensed stores as compared with 2,767 on Dec. 31 1930.

"During the past year 33 new contracts were signed with established and experienced operators requiring the opening of 1,261 new stores during a period of years. There has been a modernization of store layouts during the past year. Wesco Foods Co., a produce buying operation, is making satisfactory progress."

The outstanding accomplishments of the Kroger Food Foundation since its establishment have been the preparation of tested recipes, now appearing on an entirely new set of modernized labels of foods of Kroger manufacture; the preparation of practical cost budgets, with menus for every meal, over 10,000,000 of which have been distributed through stores and 21,647 delivered by mail to housewives and institutions which have requested copies.

CONSOLIDATED INCOME ACCOUNT.

Table with columns for years 1931, 1930, 1929. Rows include Sales, Cost of sales, Gross profit, Interest, Discount on purchases, Accr. earnings of affil. co., Gross income, Store expense, Depreciation, Administrative expenses, Interest, Federal income taxes, Net profit, Previous surplus, Fed. inc. tax prior periods, Unexpended surp. appro. for stock dividend, Total surplus, 1st pref. 6% dividends, 2d pref. 7% dividends, Divs. on pref. stk. of subs., Com. stk. dividends, Com.—stock dividend, Adjust. in val. of invest. in stock of affil. co., Cost of good will & business acquired, Sundry other adjustments, Disburs. incident to pay. to stockholders of cash, Res. for rent losses, &c., Earned surplus, Shs. com. stk. outstand., Earnings per share, x As adjusted.

COMPARATIVE CONSOLIDATED BALANCE SHEET.

Table with columns for years 1931, 1930, 1929. Rows include Cash, Marketable secur., Accounts & dividends rec., Office. & employees, Claims & advances, Inventories, Inv. and advances, Com. stock held for sale to employees, Land buildings, Equip. & fixtures, Def. claims rec., Cash surpl. value, Preferred stock of subsidiaries, 1st preferred stock, 2d preferred stock, Common stock, Paid-in surplus, Earned surplus, and Total assets.

a Represented by 1,813,486 no par shares.—V. 134, p. 1206.

Chrysler Corporation.

(Annual Report—Year Ended Dec. 31 1931.)

Walter P. Chrysler, Chairman of the Board, says in part:

Sales of passenger and commercial cars and other products of the corporation in 1931 totaled 272,118 units to the value of \$183,805,105, as compared with 269,899 units to the value of \$207,789,338 sold in 1930.

The results for the year were accomplished notwithstanding the continued depression during 1931 and adverse business conditions more pronounced even than in 1930, their effect on retail purchases of automobiles as well as other manufactured products and commodities in general.

In 1931, not only were more Chrysler Corp. cars sold at retail than in the preceding year, but the corporation increased its profit on a smaller dollar volume of business, and also improved its relative position in the industry to a very substantial degree. Sales of the corporation's cars at retail in 1931 constituted 16.6% of all such sales, by members of the National Automobile Chamber of Commerce, as compared with 14.3% in 1930. The total number of automobiles of all makes sold at retail in the United States in 1931 was 27.3% less than in 1930.

Comparison of unit sales for the two years in relation to dollar sales reflects the larger percentage which the lower-priced cars bear to the total number and the importance of the corporation's more aggressive entrance into the lower-priced field, undertaken with the introduction of the Floating Power Plymouth last July. Obviously, fuller realization of the corporation's possibilities in this direction depends upon the restoration of more normal business. The results thus far indicate the company's unusual strength, actual and potential, in this volume market.

Increased effect was given during the year to the corporation's continuing policy of economy in every phase of its operations, which, with efficiencies in manufacturing resulting from improved methods, rearrangement and consolidation of operating facilities and the closest scrutiny of all expenditures, enabled the corporation last year to make a material reduction in administrative, engineering, selling, advertising, service and general expenses. These items in 1931 amounted to \$20,944,952, as compared with \$23,729,032 in 1930, a reduction of \$2,784,080, or 11.7%.

A non-recurring charge of \$642,946 has also been made against income to reflect the lower foreign exchange rates prevailing as of Dec. 31 1931. As in previous years and in accordance with the corporation's consistent practice, all expenses incident to the creation of new models were charged against current operations.

The balance sheet as of Dec. 31 1931, shows a substantial improvement in the corporation's financial condition as compared with that of the previous year-end.

Cash and marketable securities amounted to \$50,232,836 at the close of the year, an increase for the year of \$8,588,434, while current liabilities amounted to \$11,327,696, practically the same as at the end of 1930. Total cash and marketable securities were not far short of enough to cover all liabilities, including the remaining amount of the Dodge Brothers debentures outstanding. Marketable securities are all short-term notes of bankers' acceptances, with one minor exception of approximately \$100,000 and mature within the year 1932. While their indicated market value as of Dec. 31 1931, was less than cost by \$103,562, largely occasioned by quoted prices of short-term United States Treasury certificates, this indicated loss will disappear during the year as these holdings are retired. Cash accounts do not include deposits in closed banks, which are not carried as current assets and for which adequate provisions have been made against anticipated loss. The gross amount of the corporation's deposits in closed banks was \$237,455, of which \$37,454 has already been collected.

Net current assets as of Dec. 31 1931, were \$64,992,414, an increase of \$2,418,152 over net current assets at the close of the preceding year. This increase, occurring in a year in which the corporation purchased \$3,171,500 of Dodge Brothers debentures, and in which dividend disbursements exceeded net income, is striking evidence of the soundness and conservatism of the financial and accounting policies which have been followed since the corporation was established. All the net assets (except permanent assets) of the corporation's foreign subsidiaries are valued on the basis of exchange rates prevailing as of Dec. 31 1931. The depreciated book values of plant assets and operating facilities declined \$8,659,296 during the year, due to the fact that charges for depreciation and amortization greatly exceeded expenditures on new facilities. Depreciation and amortization charges against income for 1931 aggregated \$14,296,852, as compared with \$15,292,893 for 1930, the decrease being largely due to lower tool costs. The corporation's policies with respect to depreciation and amortization are unchanged from the preceding year and continue to reflect the maximum amounts allowable under Internal Revenue Department regulations.

As the stockholders were previously advised, in view of the fact that the Chrysler Management Trust, which comprises about 80 of the ranking executives in the corporation's employ (other than the Chairman), had purchased an initial block of stock from the corporation at a price much above prices now prevailing, the corporation sold at cost to the Chrysler Management Trust, on a deferred payment plan, a block of its shares which the corporation purchased in the open market for that purpose. These proceedings are in accordance with authority granted by the stockholders at the last annual meeting, and the present amount of the corporation's transactions with the Trust is reflected in the balance sheet. In addition to the stock purchased for the Trust, the various employees savings funds and profit-sharing groups acquired, as usual, common stock of the corporation on the market. The corporation itself acquired an additional 10,952 shares at an average price not in excess of current market prices, which stock

is held in the treasury. It is the corporation's policy to treat all shares of its own stock owned as a reduction of the outstanding shares and capital stock liability, and not to carry them as an asset on the company's books.

The amount of the 6% gold debentures of Dodge Brothers outstanding Dec. 31 1931 was \$44,411,500. The maximum sinking fund requirements under this issue are \$500,000 semi-annually until the due date on May 1 1940. Interest charges on the present amount outstanding are \$2,664,690. Earnings for the year before interest, income taxes and provision for foreign exchange fluctuations were 1.3 times such interest requirement, and in addition, the excess of depreciation charges above expenditures for new plant assets provided available cash greatly in excess of the total requirements under this issue.

From the standpoint of the corporation's products, the outstanding event of the year was the perfection and introduction of an entirely new engineering principle, floating power engine mounting, the result of years of research and experimentation in the Chrysler engineering research laboratories. Applied first to the four-cylinder Plymouth, completely eliminating the vibration heretofore regarded as inevitable in four-cylinder automobiles, it had the effect not only of greatly increasing the corporation's business in the lowest-price field, but also of materially aiding the sales of its other lines. The development of this new engineering principle has been recognized as the most important advance in automobile construction in recent years. This principle has now been applied to all of the corporation's passenger automobiles, and it is interesting to record that at the automobile shows held since the first of this year, floating power engine mounting installed in all Plymouth, Chrysler, Dodge and De Soto cars has been accorded unusual interest and recognition on the part of the public. As a matter of fact, this method of engine mounting, combined with Chrysler Corp.'s application of free wheeling and the automatic clutch, has enabled it to attain smoothness of operation and simplicity of driving that are unmatched in any other automobiles on the market.

CONSOLIDATED INCOME ACCOUNT YEARS ENDED DEC. 31.

Table with 4 columns: 1931, 1930, 1929, and 1928. Rows include Sales of autos and parts, Cost of sales, Gross profit, Other income, Total income, Admin. selling, adv. & general expenses, etc.

CONSOLIDATED BALANCE SHEET DEC. 31.

Table with 4 columns: 1931, 1930, 1931, 1930. Rows include Assets (Cash, Marketable sec., Drafts, etc.) and Liabilities (Accts. payable, Accrued ins., taxes, etc.).

General Corporate and Investment News.

STEAM RAILROADS.

Rail Men Prepare to Cut Expenses.—The advisory council of the Association of Railway Executives took steps at a meeting to act on the suggestions for reductions in railway expenditures made by the I-S. C. Commission in its decision authorizing the freight rate surcharges put into effect in January.—N. Y. "Times," Feb. 19, p. 27.

Ask Rail Rate Cuts in Fight on Trucks.—The Pennsylvania, Reading and Central of New Jersey railroads have applied to the I-S. C. Commission for permission further to lower freight rates between Jersey City and Philadelphia to meet motor truck competition. Reductions in the rates were made in November, but they failed to bring the amount of traffic expected.—N. Y. "Times," Feb. 14, p. 9, Sec. II.

Matters Covered in the "Chronicle" of Feb. 13.—(a) Gross and net earnings of United States railroads for the month of December, p. 1087; (b) Instructions issued by Reconstruction Finance Corporation regarding applications for loans in behalf of railroads, p. 1137; (c) Grenville Clark on railroad situation—Aid from Reconstruction Finance Corporation of temporary and emergency character—Sees constructive plan in I-S. C. Commission's decision of last October in 15% rate case, p. 1144; (d) Railroads earned 1.98% on their investment in 1931, p. 1146.

Surplus Freight Cars.—Class 1 railroads on Jan. 31 had 741,864 surplus freight cars in good repair and immediately available for service, the car service division of the American Railway Association announced. This was an increase of 939 cars compared with Jan. 14, at which time there were 740,925 surplus freight cars. Surplus coal cars on Jan. 31 totaled 283,440, an increase of 11,702 cars above the previous period, while surplus box cars totaled 380,777, a decrease of 10,871 compared with Jan. 14. Reports also showed 31,549 surplus stock cars, an increase of 331 above the number reported on Jan. 14, while surplus refrigerator cars totaled 15,939, an increase of 184 for the same period.

Alleghany Corp.—Transfers Erie, Pere Marquette and Nickel Plate Stocks to Chesapeake & Ohio Ry.—See latter company below.—V. 134, p. 1019.

Arkansas Valley Interurban Ry.—Proposed Construction Approved.—

The I-S. C. Commission on Feb. 4 issued a certificate authorizing the company to construct and operate an extension of its line of railroad in the City of Hutchinson, Reno County, Kan.

The application of the Hutchinson & Northern Ry. for authority to construct and operate an extension of its line in the same city, such extension to be approximately 3.1 miles in length, including the re-location of an existing track, was denied.

Alton RR.—Earnings, July 19 to Dec. 31 1931.—

Table with 2 columns: 1931, 1930. Rows include Railway operating revenues, Railway operating expenses, Railway tax accruals, etc.

Atchison Topeka & Santa Fe Ry.—Preliminary Earnings.

Table with 4 columns: 1931, 1930, 1929, 1928. Rows include Calendar Years—Railway oper. revenues, Railway oper. expenses, etc.

Atlanta Birmingham & Coast RR.—Prelim. Report.—
Calendar Years— 1931. 1930. 1929. 1928.
Railway oper. revenues \$3,327,527 \$4,098,580 \$4,719,692 \$4,798,169

Atlantic Coast Line RR.—Preliminary Report.—
1931. 1930. 1929. 1928.
Railway oper. revenues \$4,088,005 \$63,019,957 \$72,371,894 \$71,393,174

Baltimore & Ohio RR.—Preliminary Report.—
Calendar Years— 1931. 1930. 1929. 1928.
Railway oper. revenues 158,474,627 206,660,435 245,418,776 236,818,680

Hearings Resumed on Railroad Merger.—
Hearings on the plans of Eastern Trunk Line roads to divide the rail properties in eastern territory into four major competitive systems, to be built around the Pennsylvania, the Chesapeake & Ohio, the New York Central, and the Baltimore & Ohio roads, reopened before the I. S. C. Commission Feb. 15.—V. 134, p. 672.

Bangor & Aroostook RR.—Common Dividend Reduced.—
The directors on Feb. 16 declared a quarterly dividend of 50c. per share on the outstanding \$7,089,600 common stock, par \$50, payable April 1 to holders of record Feb. 29, thus placing this issue on a \$2 annual basis, as compared with \$3.50 per share previously paid. The last distribution at the latter rate (87c. per share) was made on Jan. 1 1932. Record of distributions made on the common stock follows:

Burlington-Rock Island RR.—Assumption of Receivers' Certificates.—
The I. S. C. Commission on Feb. 5 authorized the company to join with its receiver in extending to July 1 1935 the maturity dates of \$1,492,469 of outstanding Trinity & Brazos Valley Ry. receiver's certificates, and to assume obligation and liability in respect of the certificates as extended.

Canadian National Ry.—Cut in Directors' Fees.—
The directors on Feb. 16 voted in favor of a 10% reduction in their fees.—V. 134, p. 1191.

Chesapeake & Ohio Ry.—Buys Alleghany Corp. Holdings of Pere Marquette—Gets Option on Erie, Nickel Plate.—
The company has purchased 46,200 shares of Pere Marquette Ry. common stock at \$11 a share and has secured a four-year option to purchase

215,000 shares of Erie RR. common stock and 167,300 shares of New York Chicago & St. Louis common stock, both at \$13.25 a share, from the Alleghany Corp. The purchase was, it is stated, made by Chesapeake & Ohio Ry. through issuance of \$3,950,000 in 6% notes dated Feb. 1 1932 and maturing Jan. 31 1934. In connection with the purchase the "Wall Street Journal" further states:
At the close of 1930 Chesapeake & Ohio held 266,200 shares of Pere Marquette common and the purchase of additional shares brings its holdings of this stock to 312,400 of the 450,460 common shares outstanding.

Virginia Transportation Corp., wholly owned investment affiliate of the Chesapeake & Ohio, owned 660,300 shares of Erie common at the close of 1930. With its option on 215,000 shares, Chesapeake & Ohio and Virginia Transportation between them control 875,300 shares of Erie common of the 1,511,167 shares outstanding, or roughly 58% of the total. Its option on the Nickel Plate common gives it control of roughly 49% of the 337,104 Nickel Plate common shares outstanding.
Furtherance of the C. & O.'s interest in the Pere Marquette has been sanctioned in the past by the I. S. C. Commission, through granting the road permission to pay up to approximately \$133 a share for the stock. The C. & O.'s option on the Nickel Plate and the Erie obviously is a move toward furthering its plans for consolidation under the four-party plan.

Preliminary Earnings for Calendar Years.
1931. 1930. 1929. 1928.
Railway operating revenues \$119,552,170 \$137,173,037 \$150,667,975 \$156,672,975

Central of Georgia Ry.—Preliminary Report.—
Calendar Years— 1931. 1930. 1929. 1928.
Railway oper. revenues \$17,076,488 \$21,082,420 \$25,033,991 \$25,132,966

Chicago Burlington & Quincy RR.—Preliminary Rept.
Calendar Years— 1931. 1930. 1929. 1928.
Railway oper. revenues 111,218,959 141,379,422 162,409,925 162,891,409

Chicago St. Paul Minneapolis & Omaha Ry.—Earnings.
Calendar Years— 1931. 1930. 1929. 1928.
Gross \$18,586,905 \$24,436,288 \$27,218,998 \$27,063,502

Chicago Great Western RR.—Preliminary Report.—

Table with 4 columns (1931, 1930, 1929, 1928) and rows for various financial items like Railway oper. revenues, expenses, dividends, etc.

Chicago, Milwaukee, St. Paul & Pacific RR.—To Spend \$5,500,000 for Improvements in 1932.—

The improvement budget for 1932 will involve \$5,500,000. The rail program will take \$1,938,000; ballast, \$681,000; bridges, \$860,000; grade separations, \$923,000, including \$500,000 for jobs in Milwaukee and Evanston, Ill.; track elevation, \$280,000, and miscellaneous improvements, \$870,000.—V. 134, p. 1019, 841.

Colorado & Southern Ry.—Preliminary Report.—

Table with 4 columns (1931, 1930, 1929, 1928) and rows for financial items like Railway oper. revenues, equipment rents, dividends, etc.

Consolidated Railroads of Cuba.—Preferred Dividend Reduced.—

The directors on Feb. 18 declared a dividend of 1/2 of 1% on the 6% cum. pref. stock, par \$100, payable April 1 to holders of record March 10. Previously, regular quarterly payments of 1 1/2% each were made on this issue. A statement issued by the company declared the above action was taken because, while its subsidiary companies are fully covering their bond interest and fixed charges, it is felt the parent company should be in a position until the economic situation in Cuba improves, to assist with its current and reserve funds any possible contingency which might face its subsidiaries. The Cuba RR. Co. declared the regular quarterly dividend of \$1.50 per share on the pref. stock, payable May 2 to holders of record April 15.—V. 133, p. 3461.

Delaware & Hudson RR. Corp.—Preliminary Report.—

Table with 4 columns (Year Ended Apr. 1 '30, Dec. 31 '31, Dec. 31 '30) and rows for financial items like Railway operating revenues, expenses, dividends, etc.

Wage Issue to be Fought Out.—

Albany press dispatches Feb. 16 state that representatives of the Big Four have announced that they were planning a fight against the company's proposals for a monthly payment of flat sums to some department employes. The Brotherhood representatives said they intended to ask the United States Board of Mediation to send a mediator to Albany. Failing an agreement through the mediator, the brotherhoods will carry their fight to the Federal courts, their representatives said.—V. 134, p. 1019.

Elgin Joliet & Eastern Ry.—Preliminary Report.—

Table with 4 columns (1931, 1930, 1929, 1928) and rows for financial items like Railway oper. revenues, expenses, dividends, etc.

Fulton Chain Ry.—Abandonment.—

The I.-S. C. Commission on Feb. 4 issued a certificate authorizing the company (1) to abandon, as to inter-State and foreign commerce, its entire line of railroad extending from Thendara easterly to Old Forge, a distance of 2.21 miles, all in Herkimer County, N. Y.; and (2) abandonment by the New York Central RR. of operation of the line.—V. 123, p. 3178.

Great Northern Ry.—Preliminary Report.—

Table with 4 columns (1931, 1930, 1929, 1928) and rows for financial items like Railway oper. revenues, expenses, dividends, etc.

Green Bay & Western RR.—Earnings.—

Table with 4 columns (1931, 1930, 1929, 1928) and rows for financial items like Calendar Years—Gross earnings, operating expenses, net revenue, etc.

Comparative Balance Sheet Dec. 31. Table with 4 columns (1931, 1930) and rows for Assets and Liabilities.

Gulf Mobile & Northern RR.—Preliminary Report.—

Table with 4 columns (1931, 1930, 1929, 1928) and rows for financial items like Railway oper. revenues, expenses, dividends, etc.

Indiana Harbor Belt RR.—Earnings.—

For income statement for 3 and 12 months ended Dec. 31 see "Earnings Department" on a preceding page.—V. 133, p. 3963.

International-Great Northern RR.—Prelim. Report.—

Table with 4 columns (1931, 1930, 1929) and rows for financial items like Railway operating revenues, expenses, dividends, etc.

Long Island RR.—Trackage Use of Pennsylvania Station.

The I.-S. C. Commission on Feb. 8 issued a certificate authorizing the continued operation by the company, under trackage rights, over the railroad of the Pennsylvania Tunnel & Terminal RR. between Harold Ave., in Sunnyside yard, and the Pennsylvania Station, New York City including the joint use of said yard, station, and appurtenant facilities. The decision is something of a compromise and makes a heavy cut into the rental basis originally proposed by the two carriers to succeed the contract which expired in 1923 and has been the subject of contention ever since. The commuters protested insistently to the I.-S. C. Commission that increased charges against the Long Island were designed as a vehicle for increasing commutation fares to those who live on Long Island. Many changes have been made in various proceedings before the Commission which exercises jurisdiction in the case though the State Transit Commission denied such jurisdiction. The Commission, the State and the commuters fought any increase.

The conditions of approval set out are as follows:
 In ascertaining currently the rental payable, additions and betterments to the Pennsylvania Station building and service plant made subsequent to July 1 1928 shall be excluded; the terms of the aforesaid agreement shall be five years with provisions of its extension from year to year unless terminated by at least six months' notice by either party to the other; the rate of interest to be applied on the investment cost of all jointly used property and facilities, according to the provisions of said agreement which are not otherwise affected by the changes herein prescribed, shall be 5% per annum and the joint accounts of the parties shall be credited currently with all revenues from rents, privileges and concessions within zones 2 and 3.
 "It is ordered, that if within 60 days from the date hereof the Long Island RR. and the Pennsylvania RR. shall jointly file with this Commission written notice of the acceptance by them of the foregoing conditions, this certificate shall take effect and be in force from and after 30 days from the filing of said acceptance.
 The proposed agreement between the carriers submitted in November 1928 and disapproved by the Commission as not just and reasonable would have increased the Long Island rental by approximately \$1,500,000. On the present basis the Long Island would pay a rental of \$2,913,197 for the year 1930. On the proposed basis of the Commission's order the amount would be \$3,930,225.

In its report the Commission said:
 "In an effort to meet our criticisms the applicants prepared and submitted the modified agreement of Dec. 23 1930. The station building and its service are therein omitted from the facilities for which the Long Island is to pay rental insofar as interest on investment and taxes are concerned. The operating cost of these facilities, however, would be shared, the Long Island paying 1-5th of such cost monthly. To support the fairness of this proposition the applicants introduced statements showing a distribution of the time of station employees of all classes.
 "No credit to the Long Island is proposed to be allowed for privileges, rents and concessions in the station on the theory that such an allowance would be unwarranted when the Long Island is not required to bear any part of the interest and taxes on the building. In 1930 the gross revenues to the Pennsylvania from concessions in the station and zone 1 exceeded \$1,000,000, of which approximately 1-3rd was from concessions in the Long Island Concourse.
 "With respect to the track level facilities in all zones and the power and distribution system the latest agreement provides that the Long Island shall pay a wheelage proportion of the interest at 5.75% per annum on the investments as of July 1 1928, together with the same proportion of operating expenses, maintenance and taxes."

Whitestone Branch Discontinued.
 Effective midnight, Feb. 15, the company discontinued service on its Whitestone branch.—V. 134, p. 1020.

Louisville & Nashville RR.—Preliminary Report.

Calendar Years—	1931.	1930.	1929.	1928.
Railway oper. revenues	\$87,019,791	\$112,440,985	\$133,328,457	\$135,638,457
Railway oper. expenses	72,384,608	92,493,837	105,672,237	106,231,041
Railway tax accruals	5,485,518	6,233,951	7,612,563	7,605,176
Uncoll. railway revs.	20,599	16,422	23,811	20,214
Equipment rents—Cr.	1,052,536	1,095,521	1,345,657	793,069
Joint facility rents—Dr.	662,278	785,382	490,749	370,042
Net ry. oper. income	\$9,519,324	\$14,006,913	\$20,874,749	\$22,205,563
Other income	2,369,142	3,722,859	4,024,730	3,251,675
Total income	\$11,888,466	\$17,729,772	\$24,899,480	\$25,457,238
Total interest accrued	10,450,330	10,556,913	10,701,249	10,763,745
Other deductions	398,190	566,777	475,464	369,761
Net income	\$1,039,946	\$6,606,082	\$13,722,767	\$14,323,219
Dividends	5,265,000	8,190,000	8,190,000	8,190,000
Income balance—def	\$6,304,946	\$1,583,918	\$5,532,767	\$6,133,219
Earns. per sh. on cap.stk.	\$0.88	\$5.65	\$11.73	\$12.24

Maine Central RR.—Defers Preferred Dividend.—The directors on Feb. 18 voted to defer the quarterly dividend of 1 1/4% due March 1 on the \$3,000,000 5% cum. non-voting pref. stock, par \$100. The last regular quarterly payment on this issue was made on Dec. 1 1931.—V. 134, p. 1192.

Maryland & Delaware Coast Ry.—Foreclosure Sale.

The Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia will sell at public auction at the main office of the company at Denton, Md., on March 21 the entire property of the company.—V. 133, p. 795.

Minneapolis & St. Louis RR.—Preliminary Report.

Calendar Years—	1931.	1930.	1929.	1928.
Total oper. revenues	\$10,294,963	\$12,725,671	\$14,700,506	\$14,450,531
Railway oper. expenses	9,297,810	10,827,661	11,831,007	12,381,933
Railway tax accruals	534,619	751,538	791,852	789,788
Uncoll. railway revs.	3,187	4,763	2,222	3,833
Hire of equip.—net (Dr.)	27,750	485,333	95,371	643,179
Jt. facil. rent—net (Dr.)	75,891	109,677	113,038	109,470
Net ry. oper. income	\$111,706	\$546,695	\$1,867,015	\$522,276
Non-operating income	97,772	141,191	150,932	136,663
Gross income	\$209,478	\$687,886	\$2,017,948	\$658,939
Interest on funded debt	3,034,548	2,050,162	2,467,725	2,005,738
Int. on unfunded debt		130,201	158,629	160,046
Miscell. income charges	138,161	198,364	339,685	213,563
Net deficit	\$2,963,231	\$1,690,844	\$948,091	\$1,720,408

Missouri-Kansas-Texas RR. Lines.—Prelim. Report.

Calendar Years—	1931.	1930.	1929.	1928.
Railway oper. revenues	\$34,172,963	\$45,948,859	\$56,024,439	\$56,549,118
Railway oper. expenses	24,419,125	30,225,003	37,456,340	38,933,818
Railway tax accruals	2,446,507	2,356,929	3,289,868	3,074,029
Uncoll. railway revenues	21,044	13,551	17,103	17,358
Railway oper. income	\$7,286,287	\$13,353,376	\$15,261,129	\$14,523,915
Equipment rents	1,643,080	2,070,236	2,099,230	1,694,031
Joint facility rents	703,654	633,060	595,807	625,412
Net ry. oper. income	\$4,939,553	\$10,650,081	\$12,566,092	\$12,204,471
Other income	603,223	1,358,882	1,074,967	938,765
Total income	\$5,542,776	\$12,008,963	\$13,641,059	\$13,143,236
Rent for leased roads			4,668	
Total interest accrued	4,901,502	4,914,775	5,099,118	5,623,791
Other deductions	12,992	11,641	11,032	15,483
Net income	\$628,282	\$7,082,547	\$8,526,240	\$7,496,263
Preferred dividends	3,501,944	4,644,643	4,402,894	3,763,870
Common dividends		2,427,426		
Income balance—def	\$2,873,662	\$10,479	\$4,123,348	\$3,732,393
Shares com. stock outstanding (no par)	808,934	808,819	808,701	808,495
Earnings per share	Nil	\$3.01	\$5.09	\$4.61

Economies to Help Future Earnings—Road in No Need of Financing.

M. H. Cahill, Chairman, is quoted as follows: "With traffic this year equal to that of 1931, earnings of the M-K-T. Lines would make a far more favorable showing than last year. Rigid economies in the last half of 1931 enabled our road to earn its fixed charges and it is in no need of financing."
 —V. 134, p. 842.

Missouri Pacific RR.—I.-S. C. Commission Sanctions \$1,500,000 Loan from Reconstruction Finance Corporation.
 See under "Current Events" on a preceding page.

Official Cites Bankers' Refusal to Co-operate with Reconstruction Board—Bankers Insist on \$11,700,000 Liquidation.

The New York "Times," Feb. 17 had the following:
 Unwillingness of J. P. Morgan & Co. to co-operate with the Reconstruction Finance Corp. in a plan enabling the Missouri Pacific RR. to liquidate its indebtedness was cited in correspondence between an official of the road and the I.-S. C. Commission, made public by that body Feb. 16.
 The correspondence was in connection with an application by the road to the corporation for a loan of \$23,250,000. Among other amounts covered in the application, one was for the liquidation of \$11,700,000 which had been called for payment on April 1 by J. P. Morgan & Co.
 The Commission authorized an immediate loan of \$1,500,000, but before further action was taken it was suggested that the road's representatives ascertain whether or not the bankers would carry half of the indebtedness for as long a time as the Reconstruction Finance Corp. would carry the other half.
 The reply of the bankers was that they were unwilling, and that the loan must be repaid on April 1, according to a letter from William Wyer, Secretary and Treasurer of the road. It was addressed to Director Sweet of the Commission's Bureau of Finance and read:
 "Referring to this company's application to Reconstruction Finance Corp. for loans aggregating \$23,250,000, and particularly to that portion of the application requested for the purpose of paying off bank loans amounting to \$11,700,000 and to Mr. Haley's suggestion that we ascertain the reaction of the holders of these bank loans to a proposition whereby the Reconstruction Finance Corp. would pay off half of these bank loans on the understanding that the bankers would agree to carry the remainder for as long a time as Reconstruction Finance Corp. carried their half of this accommodation:
 "As I advised Mr. Haley and Mr. Howard yesterday, J. P. Morgan & Co., the bankers, who hold these notes have indicated that they are unwilling to agree to such a proposition and believe that the notes should be paid on April 1 1932, as of which date they have been called."
 Both Mr. Haley and Mr. Howard are members of the Commission's Bureau of Finance.

The Commission, meanwhile, has taken into consideration the request for the additional amounts.
 It was also brought out that the Missouri Pacific, a Van Sweringen holding, had filed an application with the Railroad Credit Corp. for a loan of \$6,800,000 with which to meet its fixed interest charges.
 The application set forth that efforts to borrow the money other than from the corporation had failed and that the Allegheny Corp. which controls 51% of the railroad's stock, was without funds available for such purposes.
To Lay 35 Miles of New Rail on Texas Properties.

Authority has been granted for laying 35 miles of new rail on Texas properties of the Missouri Pacific Lines at a cost of approximately \$400,000, according to announcement by President L. W. Baldwin. Materials for the improvements now are being assembled and the work will be rushed to completion as quickly as possible, Mr. Baldwin said.
 The largest portion of the project, 25 miles, is on the south end of the line between Houston and Brownsville. Another eight miles is on the north end of the International-Great Northern, while the remaining two miles is located on the San Antonio Uvalde & Gulf.

Preliminary Earnings for Calendar Years.

	1931.	1930.	1929.	1928.
Railway oper. revenues	\$95,268,193	\$120,187,689	\$139,807,914	\$131,576,525
Railway oper. expenses	70,540,153	89,009,547	102,903,441	99,091,201
Railway tax accruals	3,748,471	5,428,990	6,200,444	5,813,251
Uncoll. railway revenues	22,674	33,664	38,430	38,106
Railway oper. income	\$20,956,895	\$25,715,488	\$30,615,599	\$26,633,967
Equip. rents—Dr.	2,733,091	3,495,698	4,650,594	3,828,348
Joint facility rents—Dr.	1,414,346	1,429,754	1,411,060	1,458,083
Net ry. oper. income	\$16,809,458	\$20,790,036	\$24,554,185	\$21,347,536
Other income	5,239,065	4,952,459	5,447,205	4,037,602
Total income	\$22,048,523	\$25,742,495	\$30,001,390	\$25,385,139
Rent for leased roads	127,217	127,571	132,890	163,845
Total interest accrued	20,360,955	18,778,773	17,506,386	15,595,750
Other deductions	164,597	122,538	144,350	112,851
Net income	\$1,395,754	\$6,713,611	\$12,217,763	\$9,512,691
Div. approp's. pref.	2,659,159	3,545,546	4,609,196	1,950,038
Balance, surplus—df	\$1,263,405	\$3,168,065	\$7,608,567	\$7,562,652
Shs. com. out. (par \$100)	828,395	828,395	828,395	828,395
Earns. per sh. on com. c.	Nil	\$3.82	\$10.46	\$7.15

Nashville Chattanooga & St. Louis Ry.—Prelim. Earnings.

Calendar Years—	1931.	1930.	1929.	1928.
Railway oper. revenues	\$15,140,254	\$19,317,453	\$23,203,724	\$23,333,033
Railway oper. expenses	13,580,865	16,343,711	17,397,378	18,127,193
Railway tax accruals	590,550	767,557	1,081,000	978,923
Uncoll. railway revenues	2,383	4,993	1,058	2,139
Railway oper. income	\$966,456	\$2,201,212	\$4,724,288	\$4,226,778
Equipment rents—Dr.	461,532	373,893	167,332	258,708
Joint facility rents—Cr.	317,291	284,969	288,845	264,826
Net ry. oper. income	\$822,215	\$2,112,288	\$4,845,801	\$4,232,896
Other income	355,995	439,382	420,006	469,150
Total income	\$1,178,210	\$2,551,670	\$5,265,807	\$4,702,046
Rent for leased roads	806,506	806,506	806,506	806,506
Total interest accrued	734,257	748,994	762,829	849,442
Other deductions	56,872	74,122	72,522	73,428
Net income	df. \$419,425	\$922,136	\$3,623,948	\$2,972,668
Common dividends	1,023,892	x1,359,911	1,120,000	1,120,000
Balance, surplus—df.	\$1,443,317	df. \$437,775	\$2,503,948	\$1,852,668
Shs. cap. stk. outstanding (\$100 par)	256,000	256,000	160,000	160,000
Earnings per share	Nil	\$3.60	\$22.64	\$18.58

x Does not include stock dividend of 60% (\$9,600,800) issued Feb. 15 1930.—V. 134, p. 502.

New York Central RR.—Earnings.

For income statement for 3 and 12 months ended Dec. 31 see "Earnings Department" on a preceding page.—V. 134, p. 1192.

New York Chicago & St. Louis RR.—Prelim. Report.

Calendar Years—	1931.	1930.	1929.	1928.
Railway oper. revenues	\$36,551,359	\$46,533,186	\$56,385,456	\$52,876,520
Railway oper. expenses	28,317,786	35,111,798	39,896,885	37,866,536
Railway tax accruals	2,476,821	2,567,618	3,055,400	2,981,124
Uncoll. railway revenue	6,514	11,974	5,025	8,305
Railway oper. income	\$5,750,237	\$8,841,795	\$13,428,146	\$12,020,555
Equip. rents—Dr.	2,703,983	2,714,066	2,707,462	2,317,997
Joint facility rents—Dr.	504,156	478,975	248,685	145,661
Net ry. oper. income	\$2,542,098	\$5,648,754	\$10,471,999	\$9,556,897
Other income	5,082,997	6,675,247	3,215,835	2,760,608
Total income	\$7,625,095	\$12,324,001	\$13,687,833	\$12,317,505
Rent for leased roads	211,111	258,331	3,904	1,458
Total interest accrued	7,543,316	7,605,918	6,090,685	5,780,432
Other deductions	\$1,081	63,006	203,201	156,902
Net income	df. \$210,413	\$4,396,744	\$7,390,442	\$6,378,710
Preferred dividends	1,081,545	2,163,087	2,022,421	1,971,969
Common dividends	1,012,231	2,022,541	2,162,872	2,112,076
Income bal. transferred to profit and loss—df.	\$2,304,189	\$211,116	\$3,204,749	\$2,294,665
Shares of common outstanding (par \$100)	319,544	337,104	337,087	337,061
Earns. per sh. on com. c.	Nil	\$6.62	\$15.50	\$12.65

—V. 133, p. 3963.

New Orleans Texas & Mexico Ry.—Excess Earnings.
The I.-S. C. Commission has issued a tentative report covering the excess income of the Gulf Coast Lines over the years 1920 to 1923 inclusive. The report found that for the last four months of 1920 the Gulf Coast Lines had \$153,645 excess income, none in 1921, \$381,860 in 1922 and \$1,252,256 in 1930, of which one-half is payable to the Government.—V. 134, p. 1192.

Norfolk & Western Ry. Co.—Preliminary Earnings.

Calendar Years—	1931.	1930.	1929.	1928.
Railway oper. revenues	\$79,854,748	\$100,530,458	\$117,631,751	\$106,947,111
Railway oper. expenses	50,594,814	59,675,725	66,051,247	66,521,695
Railway tax accruals	8,150,000	9,850,000	10,300,000	9,200,000
Uncoll. railway revenues	5,308	5,437	34,158	7,271
Railway oper. income	\$21,104,626	\$30,999,296	\$41,246,346	\$31,218,145
Equipment rents—Cr	1,909,864	2,590,238	2,972,902	3,018,143
Joint facility rents—Dr	36,984	51,325	11,052	32,230
Net ry. oper. income	\$22,977,506	\$33,640,859	\$44,208,196	\$34,204,056
Other income	3,125,280	3,578,032	2,935,716	1,901,826
Total income	\$26,102,786	\$37,218,890	\$47,143,912	\$36,105,884
Rent for leased roads	100,453	99,901	100,380	99,840
Total interest accrued	4,524,292	4,955,871	4,958,320	4,980,421
Other deductions	151,857	346,349	298,749	298,576
Net income	\$21,326,184	\$31,816,765	\$41,786,461	\$30,727,043
Common dividends	16,877,796	16,877,796	16,874,536	14,020,370
Preferred dividends	919,692	919,692	919,692	919,692
Balance	\$3,528,696	\$14,019,277	\$23,992,233	\$15,786,981
Com. shares outstanding (par \$100)	1,406,508	1,406,843	1,406,483	1,402,883
Earn. per share on com.	\$14.51	\$21.97	\$29.05	\$21.24

—V. 134, p. 323.

Pennsylvania RR.—Preliminary Report.

Calendar Years—	1931.	1930.	1929.	1928.
Railway oper. revenues	448,090,279	570,485,360	682,702,931	650,567,316
Railway oper. expenses	352,865,931	427,183,151	493,150,592	480,171,634
Railway tax accruals	29,969,737	35,661,756	40,518,596	37,846,357
Uncoll. ry. revenues	87,880	147,256	88,726	88,002
Railway oper. income	65,166,731	107,473,167	148,945,017	132,461,323
Equipment rents Dr	12,612,332	13,340,018	14,116,524	14,047,210
Joint facility rents Dr	1,498,593	1,951,592	1,688,867	1,116,427
Net ry. oper. income	51,055,806	92,181,557	133,139,626	117,297,686
Other income	48,036,336	55,266,677	48,791,500	44,535,658
Total income	99,092,142	147,448,234	181,931,126	161,833,345
Rent for leased roads	48,854,937	49,791,721	50,442,830	48,585,352
Total interest accrued	28,271,970	27,257,762	28,654,082	29,266,268
Other deductions	2,023,736	1,588,933	1,455,696	1,474,111
Net income	19,941,499	68,809,817	101,378,518	82,507,613
Dividend	36,161,805	52,030,987	46,835,965	38,171,621
Income balance—def	16,778,306	17,078,831	54,542,553	44,335,992
Shares capital stock	13,162,699	13,038,711	11,495,128	11,233,479
Earn. per share	\$1.51	\$5.28	\$8.82	\$7.35
x Includes West Jersey & Seashore RR. earnings for last six months.				

—V. 134, p. 1192.

Pere Marquette Ry.—Preliminary Report.

Calendar Years—	1931.	1930.	1929.	1928.
Railway operating revenues	\$27,246,681	\$37,216,378	\$48,468,439	\$48,468,439
Railway operating expenses	23,132,174	29,030,270	34,345,301	34,345,301
Railway tax accruals	1,745,196	1,942,719	2,962,195	2,962,195
Uncoll. railway revenues	7,140	10,805	10,534	10,534
Equipment rents	538,034	971,033	1,124,369	1,124,369
Joint facility rents	637,573	720,386	752,624	752,624
Net railway operating income	\$1,284,564	\$4,541,164	\$9,273,417	\$9,273,417
Other income	606,826	560,752	877,372	877,372
Total income	\$1,891,390	\$5,101,916	\$10,150,786	\$10,150,786
Rent for leased roads	98,878	92,165	85,282	85,282
Total interest accrued	3,596,037	2,932,399	2,563,963	2,563,963
Other deductions	59,556	62,336	28,262	28,262
Net income	def\$1,863,081	\$2,015,016	\$7,473,279	\$7,473,279
Preferred dividends	886,088	1,181,450	1,181,450	1,181,450
Common dividends	675,690	3,603,680	3,603,680	3,603,680
Balance	def\$3,424,859	def\$2,770,114	sur\$2,688,149	sur\$2,688,149

—V. 134, p. 323.

Pittsburgh & Lake Erie RR.—Earnings.
For income statement for 3 and 12 months ended Dec. 31 see "Earnings Department" on a preceding page.—V. 133, p. 3462.

Reading Co.—Preliminary Earnings.

Calendar Years—	1931.	1930.	1929.	1928.
Ry. operating revenues	\$70,614,089	\$86,922,614	\$97,196,955	\$96,454,889
Ry. operating expenses	59,025,460	72,160,861	75,929,796	74,199,435
Railway tax accruals	2,286,225	2,292,960	4,439,921	4,837,406
Uncoll. ry. revenues	1,580	4,711	2,928	14,205
Ry. operating income	\$9,300,824	\$12,464,082	\$16,824,310	\$17,403,843
Equipment rents	\$9,506,013	\$8,526	\$8,526	\$8,526
Joint facility rents, Cr—	199,892	171,899	136,572	109,260
Net ry. oper. income	\$8,994,703	\$12,644,507	\$17,196,521	\$17,736,926
Other income	3,858,434	4,921,498	6,953,343	6,552,709
Total income	\$12,853,137	\$17,566,005	\$24,149,865	\$24,289,635
Rent for leased roads	3,271,861	3,287,831	3,337,245	3,280,966
Total interest accrued	5,601,435	5,177,595	4,713,075	4,905,541
Other deductions	664,913	637,952	690,803	637,308
Net income	\$3,314,928	\$8,462,627	\$15,508,741	\$15,485,820
Common dividends	4,899,237	5,599,128	5,599,128	5,599,128
Preferred dividends	2,798,474	2,798,474	2,798,474	2,798,474
Balance, surplus	df\$4,382,783	\$65,025	\$7,111,139	\$7,088,218
Sbs. com. outst. (par \$50)	1,400,000	1,399,782	1,399,782	1,399,782
Earn. per share of com.	\$0.37	\$4.05	\$9.08	\$9.06

—V. 134, p. 1192.

Rutland Railroad Co.—Earnings.
For income statement for 3 and 12 months ended Dec. 31 see "Earnings Department" on a preceding page.—V. 133, p. 3462.

St. Louis-San Francisco Ry.—Seeks Aid from Credit Pool.
The company has applied to the Reconstruction Finance Corp. and the Railroad Credit Corp. for two loans totaling \$13,700,000. E. N. Brown, Chairman of the board of the Frisco, has announced. The larger portion of the total has been sought from the Reconstruction Finance Corp., although the exact amount of each application has not been made known.
The purpose of the loans, whose receipt would be spread out over the entire year, is to meet equipment trust payments and for other corporate purposes. An equipment trust maturity of \$539,000 falls due on April 1.—V. 134, p. 1192.

Seaboard Air Line Ry.—To Issue Receivers' Notes—Court Orders Refunding of Equipment Trust Certificates.
An order approving an application of the receivers to issue \$15,000,000 in receivers' certificates in a refunding more designed to take care of the road's obligations for the next three years has been entered by Judge Luther B. Way in U. S. District Court at Richmond, Va. Under the new plan interest will be paid only on the receivers' certificates.

Holder of about \$32,000,000 of underlying divisional mortgage bonds, under the plan approved by Judge Way, are to forego interest until Feb. 1, 1935, and also agree not to file foreclosure proceedings except in certain contingencies stipulated in the plan.

The \$15,000,000 refunding program will retire approximately \$4,000,000 of receivers' certificates due on May 1, and equipment trust obligations for 1932, 1933 and 1934 amounting to approximately \$10,000,000.
Judge Way's order paves the way for Leigh R. Powell Jr. and Ethelbert W. Smith, the receivers, to meet still other obligations of the road amounting to approximately \$1,000,000.
Under the plan approved by the court outstanding Seaboard equipment trust certificates, both prior and subordinate lien, maturing between Oct. 15, 1931, and Feb. 1, 1935, are to be exchanged for a receivers' certificate maturing Feb. 1, 1935. The holders of the 4 1/4% and 5% equipment trusts will receive 5 1/4% interest on the new obligation and the rate of the 5 1/4% and 6% trusts will remain unchanged.—V. 134, p. 1192.

St. Louis Southwestern Ry. (Lines)—Prelim. Report.

Calendar Years—	1931.	1930.	1929.	1928.
Railway oper. revenues	\$17,950,372	\$21,881,362	\$25,929,565	\$25,575,765
Railway oper. expenses	12,659,230	16,944,380	20,114,769	19,330,633
Railway tax accruals	1,063,385	1,071,846	1,171,373	1,239,500
Uncoll. railway revenues	6,865	2,749	5,091	3,312
Railway oper. income	\$4,220,922	\$3,862,387	\$4,638,332	\$5,002,320
Equipment rents	1,211,720	1,250,322	727,919	581,237
Joint facility rents	401,826	392,738	374,221	397,550
Net ry. oper. income	\$2,607,346	\$2,219,328	\$3,536,192	\$4,093,436
Other income	125,577	183,197	203,040	319,845
Total income	\$2,732,923	\$2,402,525	\$3,739,232	\$4,413,308
Total interest accrued	3,002,779	2,825,858	2,609,209	2,623,087
Other deductions	22,061	22,146	25,179	30,859
Net income	def\$291,917	def\$445,481	\$1,104,843	\$1,759,362
Preferred dividends	---	746,010	994,682	994,682
Balance	def\$291,917	df\$1,191,491	\$110,161	\$764,680

—V. 134, p. 1192.

Southern Pacific Co.—To Omit April 1 Distribution—Further Consideration Will Be Taken in May.
The directors on Feb. 17 decided to omit the quarterly dividend ordinarily payable April 1 on the outstanding \$372,381,806 capital stock, par \$100. On Jan. 2 last a distribution of \$1 per share was made as compared with quarterly payments of \$1.50 per share from Oct. 1 1907 to and incl. Oct. 1 1931.
The following statement was issued following the meeting of the board:

At the regular meeting of the board of directors held on Feb. 17 no action was taken upon the quarterly dividend usually payable on April 1 of each year. It was decided in view of the continued decline in the revenues of the company resulting from the reduction in the volume of freight and passenger traffic to postpone consideration of further dividend declaration until the regular meeting of the board in May, by which time it is hoped that a better understanding of the trend of traffic for the remainder of the year can be reached.—V. 134, p. 842, 673.

Southern Ry.—Bonds Authorized.—Prelim. Earnings.
The I.-S. C. Commission on Feb. 6 authorized the company to issue not exceeding \$42,769,000 of develop. & gen. mtge. 4% gold bonds, the bonds or any part thereof to be pledged and repledged from time to time to and incl. Dec. 31 1933 as collateral security for any note or notes which the applicant may issue within the limitations of Section 20a (9) of the Inter-State Commerce Act.
The report of the Commission says in part:
The applicant filed a statement showing its cash on hand on Jan. 1 1932 and a forecast of its cash receipts and disbursements from Jan. 1 to July 1 1932. The statement indicates that for the period given the cash resources, after the reservation of necessary working capital, will fall to cover the disbursements by \$5,555,140. It is stated in substance that the deficiency may exceed this amount, and that, while no attempt has been made to exceed resources, to meet its cash requirements as the need arises, the applicant proposes to issue short-term notes under Section 20a (9) of the Act.
The applicant desires authority to pledge, as collateral security for the short-term notes which it proposes to issue, the whole or any part of \$42,769,000 of its develop. & gen. mtge. 4% gold bonds, which are now in its treasury. Of these bonds, \$10,675,000 was drawn down prior to the effective date of Section 20a, and the remaining \$32,094,000 was drawn down subsequent thereto.
At the present time these bonds are quoted at approximately 50, but the quotations within the past few weeks have been as low as 27. In view of this, it is necessary for the applicant to have available for pledge a greater principal amount of bonds than would ordinarily be required.

Preliminary Earnings for Calendar Years.

	1931.	1930.	1929.	1928.
Ry. operating revenues	97,715,111	118,868,608	143,183,948	144,116,452
Ry. operating expenses	79,783,959	89,162,916	102,701,568	101,887,718
Railway tax accruals	7,311,318	8,383,821	9,320,686	9,579,113
Uncoll. ry. revenues	20,340	11,518	28,577	19,267
Ry. operating income	\$10,599,494	\$21,310,353	\$31,133,117	\$32,630,354
Equipment rents	1,260,785	624,311	107,150	\$32,987
Joint facility rents	1,057,603	977,879	994,981	954,812
Net ry. oper. income	\$8,281,106	\$19,708,163	\$30,030,977	\$30,842,555
Other income	3,547,690	7,236,159	5,785,191	6,382,900
Total income	\$11,828,796	\$26,944,322	\$35,816,168	\$37,225,455
Rent for leased roads	2,730,099	2,601,920	2,698,169	2,890,670
Total interest accrued	14,538,126	14,811,320	14,588,025	14,656,796
Other deductions	170,384	404,569	401,886	410,856
Net income	def\$5,609,813	\$9,126,513	\$18,128,788	\$19,267,133
Sbs. com. stk. (par \$100)	1,298,197	1,298,200	1,298,200	1,298,167
Earnings per share	Nil	\$4.72	\$11.65	\$12.53

—V. 134, p. 673.

Toledo Peoria & Western RR.—Preliminary Report.

Calendar Years—	1931.	1930.	1929.	1928.
Railway oper. revenues	\$1,612,972	\$1,992,631	\$2,273,630	\$2,179,189
Railway oper. expense	1,322,132	1,496,861	1,691,104	1,643,700
Railway tax accruals, &c.	51,441	66,291	82,292	63,388
Railway oper. income	\$239,399	\$429,478	\$500,235	\$472,101
Equipment rents—Dr	116,256	142,380	171,500	177,088
Joint facility rents—Cr—	21,151	24,808	30,959	13,734
Net ry. oper. income	\$144,294	\$311,906	\$359,695	\$308,748
Other income	14,379	16,150	15,561	9,965
Total income	\$158,673	\$328,057	\$375,256	\$318,713
Total interest accrued	90,738	97,224	92,234	73,082
Other deductions	504	3,563	1,730	3,048
Balance, surplus	\$67,431	\$227,269	\$281,293	\$242,582

—V. 132, p. 4405.

Toronto Hamilton & Buffalo Ry.—Earnings.
For income statement for 3 and 12 months ended Dec. 31 see "Earnings Department" on a preceding page.—V. 133, p. 3462.

Ulster & Delaware RR.—Interim Distribution to Bondholders.
The committees representing the first consolidated mortgage 5% bonds and the first refunding gold mortgage 4% 50-year bonds of the company are notifying bondholders that an interim distribution of the funds in their

hands resulting from the sale of the properties of the Ulster & Delaware to the New York Central is available. This interim distribution amounts to \$570 in respect of each \$1,000 principal amount of consolidated bonds represented by certificates of deposit and \$360 in respect of each \$1,000 principal amount of refunding bonds represented by certificates of deposit.

Wabash Ry.—I.-S. C. Commission Sanctions \$7,173,800 Loan from Reconstruction Finance Corporation.—See under "Current Events" on a preceding page.

Receivers Authorized to Issue \$7,173,800 Certificates of Indebtedness.—

The receivers have been authorized by Federal Judge Davis to issue certificates of indebtedness not to exceed \$7,173,800 of a total issue of \$8,750,000, to be used for payment on account of principal and interest of equipment trust obligations and various debts of the company. Certificates will be dated Feb. 1, to be payable Feb. 1 1933, and bear 6% interest, payable semi-annually.

The petition was filed by Nat. S. Brown, general counsel to the receivers, and stated in part:

"It is proposed to extend credit up to \$7,173,800, of which \$2,173,800 will pay principal and interest on equipment trust obligations now in arrears or maturing prior to June 1 1932, and \$5,000,000 will pay debts of Wabash accrued within six months prior to Dec. 1 1931, which are of a character ordinarily treated as preferential in railroad receivership proceedings."—V. 134, p. 1020, 844.

Wheeling & Lake Erie Ry.—Would Cut Passenger Service. The company has petitioned the Ohio Utilities Commission for authority to abandon all its intrastate passenger service in Ohio. The road declared that passenger service had fallen far below the necessary requirements for maintaining adequate service. In 1902, the petition states, the company carried 1,209,213 passengers, while in 1930 there were only 70,563.—V. 134, p. 1021.

PUBLIC UTILITIES.

PUBLIC UTILITY INDEX.

Matters Covered in the Chronicle of Feb. 13.—(a) Production of electricity in the United States during the week ended Feb. 6 1932 declined 5.4% as compared with corresponding period in 1931, p. 1096.

American Telephone & Telegraph Co.—New Director—Regular Quarterly Dividend Declared.—

W. Cameron Forbes has been elected a director, succeeding Jeremiah Smith Jr., resigned. The directors on Feb. 17 declared the usual quarterly dividend of 2 1/4% on the capital stock, par \$100, payable April 15 to holders of record Mar. 12.—V. 134, p. 1193.

Associated Gas & Electric Corp.—Output Falls Off.— For the week ended Feb. 13 1932, the Associated System reports electric output, excluding sales to other utilities, of 51,176,965 units (kwh.), a decrease of 6.0% under the corresponding week of 1931. Residential sales of electricity continue to show a small increase, but this increase is more than offset by the decreased use of power this year by industrial customers. Gas output for this week totaled 340,692,000 cubic feet, a decrease of 12.9% under the same week of last year. The decreases in gas output are due to a large extent to the warmer weather and to general industrial curtailment.

Gains 29,150 New Line Customers.— Extension of electric lines and gas mains and the wiring and piping of old and new houses on existing lines added 29,150 new customers to the number served by the Associated System, it is revealed in the 1931 report of the System's new business department. Of these new customers, 23,711 use electricity, 5,439 gas. The total of System customers at Nov. 30 1931 was 1,443,706.

Activities of the new business department during the year secured an additional estimated annual revenue of \$5,839,328 for the System in sales of electricity and gas. New electric sales of \$4,910,705 are derived from the following sources: use of domestic appliances, better lighting and new customers, \$1,625,659; industrial heat, light and power, \$1,672,545; commercial heat, light and power, \$1,436,043; street lighting, \$176,458. Gas sales of \$928,621 come from use of new domestic appliances and new customers, \$446,936; industrial use, \$86,462; house heating, \$190,691; commercial, \$204,532. The increases in revenues during 1931 as a result of these sales were offset to a large extent, however, by decreases in industrial consumption due to widespread curtailment of manufacturing activities.

The sales of appliances, including refrigerators, water heaters and ranges was \$6,169,515.—V. 134, p. 1193, 1021.

Bangor Hydro-Electric Co.—Earnings.

Calendar Years—	1931.	1930.	1929.	1928.
K.w.h. generat. & distrib.	106,550,576	93,481,043	83,987,596	78,297,925
Gross earnings	\$2,259,835	\$2,230,382	\$2,086,393	\$1,981,197
Operating expenses	745,885	761,133	720,840	705,658
Taxes	239,000	249,125	224,600	202,900
Interest	295,578	232,099	212,017	257,842
Depreciation	135,176	130,397	127,038	123,562
Net profit	\$844,196	\$857,628	\$801,898	\$691,235
Preferred dividends	299,500	284,449	270,093	253,036
Common dividends	433,122	425,729	390,332	237,889
Balance, surplus	\$111,574	\$147,450	\$141,473	\$200,310

Consolidated Comparative Balance Sheet Dec. 31.

1931.		1930.		1931.		1930.	
\$		\$		\$		\$	
Assets—		Liabilities—					
Plant & property	16,996,032	15,564,563	7% pref. stock	2,498,200	2,498,500		
Investments	35,076	41,767	6% pref. stock	2,163,900	1,980,800		
Cash	283,910	332,683	Common stock	5,425,500	5,379,800		
Notes receivable	21,804	11,209	Funded debt	5,916,000	4,690,000		
Accts. receivable	378,013	438,961	Accts. & wages pay	12,433	26,501		
Material & suppl.	267,602	289,943	Dividends payable	75,904	73,003		
Other curr. assets	43,997	47,016	Accrued interest	56,213	56,039		
Unadjusted debts	82,274	90,746	Accrued taxes	9,261	64,918		
			Other curr. liab.	32,399	31,886		
			Unadjust. credits	757,146	782,219		
			Surplus	1,161,752	1,233,222		
Total	18,108,708	16,816,888	Total	18,108,708	16,816,888		

Bell Telephone Co. of Pa.—Balance Sheet Dec. 31.

1931.		1930.		1931.		1930.	
\$		\$		\$		\$	
Assets—		Liabilities—					
Telephone plant & equipment	314,033,408	302,740,011	Common stock	110,000,000	90,000,000		
Invest. securities	680,300	639,600	Preferred stock	20,000,000	20,000,000		
Miscell. invest.	953,999	611,649	Prem. on cap. stock	95,237	95,237		
Marketable secs.	39,015	63,515	Funded debt	115,508,320	127,513,844		
Cash & deposits	1,371,443	1,388,052	Accts. payable	3,783,343	4,275,551		
Bills receivable	602,671	10,972	Subscrib. dep.	2,400,763	1,190,891		
Accts. receivable	6,185,602	5,920,919	Acct. liab. not due				
Mat'l & supplies	1,263,205	1,063,988	Oth. def. credits	6,087,801	5,556,818		
Acct. int. not due	824	2,971	Reserve for accr. depreciation	50,171,735	47,038,721		
Sink fund assets	954,414	1,125,276	Res. for amort. of intangible cap	358,300	352,615		
Prepayments	1,024,340	1,129,902	Corporate surp.	23,433,035	22,845,894		
Unamort. debt disc. & exp.	2,505,528	2,633,619					
Other def. debts	1,103,660	1,015,588					
Total	330,718,315	318,940,163	Total	330,718,315	318,940,163		

—V. 134, p. 1193.

Boston Elevated Ry.—Earnings.

Calendar Years—	1931.	1930.	1929.	1928.
Total revenue	\$29,855,107	\$32,510,721	\$34,096,623	\$34,843,148
Operating expenses—				
Way & struc. (maint.)	2,330,941	2,351,922	2,336,088	2,663,665
Removal of snow & ice	61,942	55,377	76,930	57,279
Equipment (maint.)	2,650,037	2,769,131	2,819,257	2,963,457
Power (operating)	1,388,403	1,580,540	1,776,760	1,783,480
Power (maintenance)	293,398	350,633	250,694	297,725
Transportation (oper.)	10,143,076	10,735,975	10,892,280	11,871,506
Traffic (operating)	22,744	58,007	22,253	33,309
General and miscel.	2,731,238	2,787,048	2,972,430	3,262,626
Depreciation	2,628,969	2,839,342	2,878,055	2,671,142
Total	\$22,250,748	\$23,527,975	\$24,024,747	\$24,900,189
Operating ratio	74.53%	72.37%	70.46%	71.46%

—V. 134, p. 504.

Brooklyn Edison Co.—Bonds Sold.—The National City Co. on Feb. 18 offered at 97 and int., yielding about 5 1/4% \$25,000,000 gen. mtge. gold bonds, series E 5%. The issue was oversubscribed the day of offering.

Dated Jan. 1 1932; due Jan. 1 1952. Interest payable J. & J. 1 at City Bank Farmers Trust Co., New York. Denoms.* \$500 and \$1,000 and r \$1,000, \$5,000 and \$10,000. Red., all or part, on any int. date prior to maturity, upon 30 days' notice, at 105, to and incl. Jan. 1 1936; at 104 thereafter to and incl. Jan. 1 1940; at 103 thereafter to and incl. Jan. 1 1944; at 102 thereafter to and incl. Jan. 1 1948, and thereafter at 101, plus interest. Central Hanover Bank & Trust Co., New York, trustee.

List of Application will be made to list these bonds on the New York Stock Exchange.

Issuance.—Authorized by the Public Service Commission of the State of New York.

Legal Investment for savings banks in New York, Mass., Penn., New Jersey, Conn., Maine, New Hampshire, Vermont, Rhode Island, Minn., Mich., Calif. and Wash.

Data from Letter of John C. Parker, President of the Company.
 Business.—Company does all the electric light and power business in the Borough of Brooklyn, N. Y., serving a population in excess of 2,500,000. Company was incorp. in 1890 and is one of the oldest of its kind in the world. The business has had a remarkable growth, the total sales having increased from 381,232,300 kwh. in 1922 to 1,091,850,951 kwh. in 1931. The total number of connected meters increased from 278,214 at the end of 1922 to 839,632 at Dec. 31 1931.

The company operates under franchises which, in the opinion of its counsel, are without time limit and are free from burdensome restrictions.

Security.—Bonds (\$55,500,000 outstanding, including this issue) are secured by a direct mortgage on all property and franchises of the company, now owned or hereafter acquired, subject to \$11,951,000 prior liens of closed underlying mortgages.

Equity.—The operating properties of the company, exclusive of working capital and miscellaneous assets, represent an investment of about \$217,000,000, against which there will be presently outstanding only \$67,451,000 principal amount, of bonds.

Dividends on the stock of the company, over 99% of which is now owned by the Consolidated Gas Co. of New York, have been paid without interruption for the past 31 years, the rate since 1904 having been 8% per annum.

Earnings for Calendar Years.

Gross Earnings	Net Earnings		
	After All Incurring Other Income.	Expenses, Taxes and Retirement Expense.	
	Interest on Funded Debt.*		
1922	\$19,326,489	\$6,229,163	\$ 2,123,755
1923	23,422,312	7,670,329	1,955,926
1924	26,030,840	9,192,048	2,133,037
1925	29,887,300	9,880,295	2,475,413
1926	34,223,327	11,583,867	2,485,941
1927	37,198,758	12,565,095	2,528,717
1928	40,360,455	14,659,002	2,496,295
1929	43,283,063	16,464,028	2,529,760
1930	45,983,313	17,554,221	2,863,889
1931	48,246,610	17,182,175	2,781,392

* Including amortization of debt discount and expense. For the year 1931, net earnings, after all operating expenses, taxes and \$4,551,408 of retirement expense, were \$17,182,175, compared with \$3,381,560 annual interest charges on the aggregate funded debt outstanding, including this issue.

Property.—Company owns and operates 3 power stations, with a combined generating capacity of 799,500 kw., including the 160,000 kw. capacity unit which was completed and put in service in January 1932, at the Hudson Avenue Station. An additional unit of 160,000 kw. capacity is being installed for operation in the spring of 1932. This will be the 8th unit at this plant, and will mark its completion with a total capacity of 770,000 kw. A strategically located plot of ground is owned, to be used as the future site of a fourth power plant. Company owns a parcel of land on the water front of Staten Island, which is used for coal storage purposes, being fully equipped with modern devices for handling and storing coal.

Twenty-two sub-stations of the company are interconnected with its generating plants and with the system of the New York Edison Co. and the United Electric Light & Power Co., thus assuring continuity of service of the highest standard. The electric distribution system of the company includes over 20,100 miles of mains and feeders, of which more than 65% are in underground conduits. All of the properties are well constructed and are maintained and operated at the highest standard of efficiency.

Present Financing.—Proceeds will be used to reimburse the company in part for large capital expenditures. Upon the application of such proceeds, the company will not have any floating indebtedness other than that incident to current operations.

Capitalization Upon the Completion of This Financing.

Capital stock, 1,250,000 shares (\$100 par)	\$125,000,000
Gen. mtge. bonds: Series A, 5%, due Jan. 1 1949	30,500,000
Series E, 5%, due Jan. 1 1952 (this issue)	25,000,000
Edison Electric Illum. Co. of Brooklyn, 1st Consol. mtge. 4s 3/8	4,275,000
Kings County Electric Light & Power Co., 1st mtge. 5s 1937	2,500,000
Kings County Electric Light & Power Co., purchase money mtge. 6s 1997	5,176,000

—V. 134, p. 1021.

Central Public Service Corp.—Omits Class A Dividend.
 The directors have voted to omit the quarterly dividend ordinarily payable about March 15 on the class A stock, no par value. In each of the two preceding quarters a distribution of 1 1/4% in stock was made on this issue, as against 2 1/4% in stock previously.—V. 134, p. 324.

Chicago Surface Lines.—Obituary.
 President Henry A. Blair died on Feb. 15 at Chicago, Ill.—V. 132, p. 3712

Cities Service Co.—January Earnings Show Gain Over Last Year—Common Stockholders Increase—Regular Dividends.

Net earnings for the month of January 1932 showed an increase over the same period last year, it is announced. Gains were also shown in net to stocks and reserves and net to common stock and reserves. (See "Earnings Department" on a preceding page.)

Public utility properties of the company report a continued increase in the domestic consumption of electricity and at the end of January there were indications of a revival of industrial activity in some of the larger towns served by the company.

In January the oil producing properties of the company continued their policy of holding new developments to a minimum. Cities Service Co. subsidiaries have the greatest potential production of crude oil in their history.

A contract was closed during January under which the Orange State Oil Co. will have the exclusive sale of Cities Service petroleum products in the State of Florida. This company operates 104 tank and service stations located from Key West to Palm Beach, with terminal and storage facilities in Miami Harbor. Gasoline and oil products will be supplied from refineries of Cities Service Co. subsidiaries.

The latest compilation of the 521,686 Cities Service common stockholders shows that owners reside in every State in the Union and in more than 50 foreign countries.

Regular monthly dividends on preferred, preference BB, preference B and common stocks were announced, all payable April 1 to holders of record March 15.—V. 134, p. 674.

Columbia Gas & Electric Corp.—Earnings.—For income statement for three and 12 months ended Dec. 31 see "Earnings Department" on a preceding page.—V. 134, p. 845.

Consumers Gas Co. of Toronto.—To Issue Stock.—The company on Feb. 17 announced an additional issue of \$1,250,000 capital stock, bringing the total issued to \$14,500,000 out of \$25,000,000 authorized under its charter. The stock will be sold by tender. The purpose is to retire bank loans incurred in the last two years on account of capital expenditures.—V. 133, p. 3787.

Detroit Edison Co.—Earnings.—For income statement for 12 months ended Jan. 31 see "Earnings Department" on a preceding page.—V. 134, p. 1022.

Diamond State Telephone Co.—Earnings.—Calendar Years— 1931. 1930. 1929. 1928. Telephone oper. revenue \$1,994,227 \$1,978,539 \$1,850,305 \$1,656,241 Telephone oper. expenses 1,268,718 1,303,035 1,315,352 1,135,268 Uncoll. oper. revenues 11,095 11,929 6,236 8,954 Taxes assignable to oper. 150,005 134,394 122,621 132,600 Total oper. income \$564,409 \$529,182 \$406,096 \$379,419 Net non-oper. income 3,632 9,782 40,869 13,390 Total gross income \$568,040 \$538,964 \$446,965 \$392,809 Rent & miscellaneous 54,699 40,156 35,808 34,383 Interest 38,689 130,310 114,057 13,523 Net income \$474,653 \$368,498 \$297,099 \$344,903 Preferred dividends 32,500 32,500 32,500 32,500 Com. dividends (8%) 400,000 260,000 200,000 200,000 Other approp. of income 5,000 1,748 Bal. for corp. surplus \$42,153 \$70,998 \$64,599 \$110,655 Comparative Balance Sheet Dec. 31. Assets— 1931. 1930. Land & buildings \$628,224 \$618,856 Telephone plant & equipment 7,168,116 7,024,610 General equipment 141,925 144,725 Other investments 180,369 180,369 Cash and deposit 32,046 45,300 Accounts receiv. 199,199 253,089 Materials & suppl. 55,046 88,161 Prepayments 15,483 14,356 Other def. debits 2,284 2,324 Liabilities— 1931. 1930. Common stock \$5,000,000 \$4,000,000 Preferred stock 500,000 500,000 Prem. on cap. stock 1,764 1,764 Adv. from system corporation 455,000 1,495,000 Notes 160,900 139,436 Accounts payable 132,374 123,865 Subscribers' dep. & service billed in advance 78,680 76,963 Accrued liabilities not due 92,629 80,150 Def. credit items 13,326 14,318 Reserve for acc'd depreciation 952,163 955,865 Reserve for amortization of intangible capital 20,195 20,900 Surplus 1,015,662 964,430 Total \$8,422,692 \$8,372,691 —V. 133, p. 2927.

Dominion Gas & Electric Co.—New Directors.—H. W. Briggs, Herbert L. Nichols, Ralph P. Buell and E. A. Harden have been elected directors. Mr. Briggs and Mr. Nichols are two of the receivers for American Commonwealth Power Corp. Mr. Buell is a member of the law firm of Graham, McMahon, Buell and Knox, while Mr. Harden is associated with G. E. Barrett & Co. Frank T. Hulsmit, President of American Commonwealth Power Corp. David A. Belden and Albert Vermeer resigned from the directorate. In addition to the four new directors elected to the board Gas & Electric Co., Ltd. yesterday, there are seven others, viz.: E. G. Diefenbach, President of G. E. Barrett & Co.; L. A. Eddy Jr. of American Utilities & General Corp.; E. W. Niver, of Halsey, Stuart & Co.; Alva F. Traver, Fred W. Seymour, P. M. Chandler, and C. J. Yorath.—V. 133, p. 953.

Drydock East Broadway & Battery RR.—Extension of Time for Deposits of Bonds.—The committee for gen. mtge. bonds states: "More than a majority of the bonds having been deposited, notice is hereby given that March 16 1932 has been fixed by the bondholders' protective committee as the final date for the deposit of bonds."—V. 133, p. 3787.

Engineers Public Service Co.—Reduces Dividend.—The directors on Feb. 18 declared a dividend of 35 cents per share on the common stock, payable April 1 to holders of record March 17. Distributions of 40 cents each were made on this issue on Jan. 2 last and on Oct. 1 1931 and one of 50 cents per share on July 1 1931, while from July 1 1930 to and incl. April 1 1931 quarterly payments of 60 cents per share were made.—V. 134, p. 845, 325.

Federal Water Service Corp.—Class B Stock to Be Sold.—The class B shares of the corporation will be sold at auction by Adrian H. Muller & Son at noon Feb. 25, along with other collateral securing loans advanced to the Tri-Utilities Corp. by the Chase National Bank and Central Hanover Bank & Trust Co. The sale is necessary, it is said, to the working out of the Tri-Utilities plan of reorganization, and it is expected that bids will be made by interested parties wishing the reorganization to be effected. Class B shares to be offered will total 342,435 for the account of Central Hanover along with \$1,800,000 of 6% convertible debentures of the Southern Natural Gas Corp., a promissory note by the same company for \$430,000 defaulted on Aug. 29 1931, secured by voting trust certificates for 500 common shares of the Georgia Natural Gas Corp.; a promissory note of the Oklahoma Natural Gas Corp. for \$1,800,000, due on May 31 1932; a second promissory note by the same company for \$350,000, also due on May 31; and two further promissory notes by the same company for an aggregate of \$965,000, upon which interest has been paid to Feb. 1 1932. There will be offered at 12:30 p.m. on the same day 200,015 class B shares of Federal Water Service Corp. and \$2,000,000 aggregate principal amount of 6% convertible sinking fund gold debentures of the Southern Natural Gas Corp. for account of the Chase National Bank.—V. 134, p. 845.

Iowa Southern Utilities Co. (Del.)—Seeks Extension of First Mortgage of Burlington Ry. & Light Co. 5% Bonds.—Holders of the 1st mtge. 5% sinking fund gold bonds due March 1 1932 have been requested to deposit their bonds under an agreement calling for an extension to Oct. 1 1933 with an increase in the interest rate from 5% to 8%.

Bonds should be deposited promptly with the Chase National Bank of the City of New York, 11 Broad St., N. Y. City. Such bonds will be returned with a statement affixed thereto as set forth in the extension agreement together with coupons for the increased rate of interest. The extended bonds will be an underlying issue of Iowa Southern Utilities Co. of Del., which supplies electric light and power to 125 cities and towns in the State of Iowa. The property securing the principal of these bonds is in excellent condition, it is stated, and despite the severe business depression earnings are more than sufficient to pay all operating charges, the interest on these bonds and all other indebtedness of the company and leave a substantial surplus above such requirements. The March 1 1932 coupon attached to bonds should be detached and presented in the usual manner for payment. Both W. C. Langley & Co. and White, Weld & Co. state that they have given the question of the advisability of this extension careful consideration and recommend that bonds be presented for extension.

Earnings of Iowa Southern Utilities Co. (Del.) and Subs. for 12 Months Ended Dec. 31 1931.
Gross income \$4,738,833
Operating expenses, incl. maintenance & local taxes 2,502,351
Net available for interest, depreciation, & annual int. require. on mtge. debt* (incl. 8% int. on \$1,405,000 Burlington Ry. & Light bonds) 879,072
balance \$1,357,408
* Includes annual interest requirements of \$138,000 on mortgage debt of subsidiaries outstanding with public.—V. 130, p. 3878.

Indiana Electric Corp.—Merger Consummated.—The merger of this corporation into the Public Service Co. of Indiana has been consummated, it is announced. The Indiana Electric Corp. on Jan. 1 1931 acquired the properties of eight companies serving the same general territory in central and western Indiana. Now it in turn is merged into the Public Service Co. of Indiana, formerly the Interstate Public Service Co., which serves a large section of central and southern Indiana.

Combined annual operating revenue of the two companies during 1931 amounted to approximately \$15,000,000. To effect the merger, pref. and common stocks of the Indiana Electric Corp. were exchanged for common stock of the Public Service Co. of Indiana. The Central Indiana Power Co., a holding company subsidiary of the Indiana Electric Corp., which owned the pref. and common stocks of the Indiana Electric Corp., thus became a substantial common stockholder of the Public Service Co. of Indiana.

As a result of the merger, the Public Service Co. of Indiana will now serve 275 communities in central and southern Indiana, including Terre Haute, New Albany, Jeffersonville, Vincennes, New Castle, Columbus, Franklin, Shelbyville, Connersville, Lafayette, Bedford, Bloomington, French Lick and West Baden with electricity or gas or both.—V. 134, p. 325.

Laclede Gas Light Co.—Dividend Rate Decreased.—The directors have declared a quarterly dividend of 1 1/2% on the common stock, par \$100, payable Mar. 15 to holders of record Mar. 1. During the years 1928, 1929 and 1930, the company made quarterly distributions of 2 1/2% on this issue, while during 1931 four quarterly dividends of 2% were paid.

This company is planning to acquire the Missouri Industrial Gas Co. from which it will obtain natural gas. Both companies are controlled by the Utilities Power & Light Corp.

At the annual meeting of the Laclede company a proposal to reduce the number of directors to 10 from 12 was approved. E. P. Gosling was elected to the board, succeeding George B. Evans, retired. W. S. Dodd and W. H. Witten also retired, the vacancies not being filled.—V. 134, p. 1194.

Michigan Bell Telephone Co.—Earnings.—Calendar Years— 1931. 1930. 1929. 1928. Telephone oper. revenue \$38,831,493 \$41,502,997 \$41,802,593 \$37,041,824 Telephone oper. expenses 27,968,182 30,579,662 28,930,849 25,221,512 Net tel. oper. rev. \$10,863,312 \$10,923,335 \$12,871,744 \$11,820,312 Uncollectible oper. rev. 544,000 535,166 222,083 221,212 Taxes 3,672,267 4,104,311 3,840,598 3,725,114 Operating income \$6,647,045 \$6,283,858 \$8,809,063 \$7,873,986 Net non-oper. revenues 270,802 368,010 252,224 337,006 Total gross income \$6,917,846 \$6,651,868 \$9,061,287 \$8,210,991 Rent & misc. deduct'ns 371,617 621,969 586,331 318,824 Interest deductions 2,616,210 2,472,217 2,462,246 1,503,461 Net income \$3,930,019 \$3,557,682 \$6,012,710 \$6,388,706 Dividends 4,400,000 5,000,000 6,800,000 6,800,000 Balance deficit \$469,981 \$1,442,318 \$787,290 \$411,294 Shares of capital stock outstanding (par \$100) 1,100,000 1,100,000 850,000 850,000 Earns. per sh. on cap. stk. \$3.57 \$3.23 \$7.07 \$7.51 Comparative Balance Sheet Dec. 31. Assets— 1931. 1930. Land & bldgs. 22,718,064 22,684,655 Telephone plant & equipment 153,891,780 151,619,355 Gen'l equipment 3,163,322 3,510,161 Invest. securities 510,723 522,663 Miscell. invest. 537,464 394,985 Cash & deposits 736,526 642,296 Marketable secs. 21,212 25,161 Bills receivable 262,980 239,138 Acc'ts. receivable 3,965,770 4,151,169 Mat'ls & suppl's 594,017 674,026 Acc'r'd income, not due 13,481 11,303 Sunk. fd. assets 8,080 3,538 Prepayments 280,552 331,074 Oth. def'd debits 249,923 86,064 Liabilities— 1931. 1930. Capital stock \$110,000,000 \$110,000,000 Bonds 1,438,800 1,448,300 Land contracts 86,175 76,597 Adv's. from system corps. 39,940,000 38,790,000 Notes 3,139,205 2,540,038 Accts. payable 1,832,195 2,142,029 Subscr's depos. & service billed in advance 863,245 1,228,786 Acc'r'd liabilities not due 4,078,898 4,284,378 Def'd cred items 226,709 483,786 Res'v' for acc'r'd depreciation 23,264,986 21,282,222 Res'v' for amort of intang. cap. 60,073 48,997 Corp. surplus 2,053,608 2,570,445 Total \$186,953,895 \$184,895,589 —V. 133, p. 287.

Middlesex Water Co., Elizabeth, N. J.—Smaller Div.—The directors have declared a quarterly dividend of 75c. per share on the common stock, payable March 1 to holders of record Feb. 20. Previously the company made regular quarterly payments of \$1 per share on this issue.—V. 126, p. 412.

Midland United Co., Chicago, Ill.—Notes Extended.—The \$1,100,000 5% 6-year gold notes of American Public Utilities Co. due Feb. 1 1932 are being renewed for one year. There is only one holder.—V. 134, p. 326.

New York Edison Co.—New Members of Executive Committee, &c.—Charles E. Mitchell, Chairman of the board of the National City Bank, and George Whitney of J. P. Morgan & Co., have been added to the executive committee of the New York Edison Co. R. H. Tattcock, electrical engineer of New York Edison Co. and Arthur H. Kehoe, electrical engineer of United Electric Light & Power Co., who were elected Vice Presidents of the United company last week, have been made Vice Presidents of the New York Edison Co. W. H. T. Jones and Edward J. Tierney have been named Assistant Treasurers, while Edward T. Roche has been made Assistant Secretary.—V. 134, p. 1195.

North American Co.—Earnings.—For income statement for 12 months ended Dec. 31 see "Earnings Department" on a preceding page.—V. 134, p. 676.

New Jersey Bell Telephone Co.—Earnings.—Calendar Years— 1931. 1930. 1929. 1928. Operating revenues \$49,519,852 \$49,870,453 \$48,907,996 \$44,287,929 Operating expenses 33,464,722 34,533,758 33,558,998 30,416,369 Net oper. revenues \$16,055,130 \$15,336,695 \$15,348,497 \$13,871,560 Uncollect. oper. revs 337,177 367,779 298,152 209,758 Taxes assignable to oper. 4,651,977 4,465,589 3,963,870 4,098,777 Operating income \$11,065,976 \$10,503,328 \$11,086,475 \$9,563,025 Net non-oper. income 303,166 238,187 172,556 284,987 Total gross income \$11,369,142 \$10,741,515 \$11,259,030 \$9,848,011 Rent & miscell. deduct. 760,631 767,771 683,275 732,187 Interest 2,144,354 2,061,850 1,237,671 1,683,558 Balance, net income \$8,464,157 \$7,911,893 \$9,338,084 \$7,432,266 Dividends paid 8,831,616 8,031,616 8,031,616 6,431,616 Balance for corp. surp.def \$367,459 def \$119,723 \$1,306,468 \$1,000,650

North American Co.—Earnings.—For income statement for 12 months ended Dec. 31 see "Earnings Department" on a preceding page.—V. 134, p. 676.

Comparative Balance Sheet Dec. 31.

	1931.	1930.		1931.	1930.
Fixed capital	193,216,326	185,510,983	Liabilities—	\$	\$
Other permanent investments	172,798	172,261	Common stock	120,395,200	100,395,200
Cash & deposits	1,842,602	1,446,016	Long-term debt	32,548,120	42,646,553
Marketable securities	2,687	-----	Bills payable	2,400,000	-----
Bills receivable	2,406,095	1,135	Accts. payable	1,751,104	1,968,477
Accts. receivable	4,252,562	4,552,106	Subser. dep. & service billed in advance	1,300,270	1,210,696
Materials & sup.	648,572	834,705	Accrued liabilities not due	1,502,608	1,457,374
Accrued income not due	52,600	10,074	Def. credit items	59,707	102,465
Deferred debit items	575,475	713,364	Fixed cap. res.	38,009,581	34,715,699
			Corporate surp. unapprop.	10,203,128	10,744,180
Total	208,169,717	193,240,644	Total	208,169,717	193,240,644

New Jersey Power & Light Co.—Bonds Approved.—

The New Jersey Board of Public Utility Commissioners on Feb. 17 approved the application of the company for authority to issue \$848,000 1st mtge. bonds to defray past construction costs. The bonds will be either in the form of its 4½% series, due in 1960, or a series to be created to bear 4% interest and maturing in 30 years.—V. 133, p. 3630.

Ohio Associated Telephone Co.—Co-Agent.—

The Bankers Trust Co. has been appointed co-agent with the Central Republic Bank & Trust Co., Chicago, Ill., for the payment of 1st mtge. 6% bond coupons.—V. 134, p. 1023.

Pacific Gas & Electric Co.—Offers Preferred Stock.—

The company is offering to its customers 6% 1st pref. stock at par (\$25 per share), payable at purchaser's option either in full or on the partial payment plan.

The company announces that over the counter sales of its 6% 1st pref. stock are proceeding at the rate of substantially \$1,000,000 per week. Total sales from Jan. 28 to and including Feb. 16 amounted to \$2,312,775. Total number of subscriptions was 3,100 received from all sections of the company's territory and averaged \$746 per purchaser. About three-fourths of the stock is being paid for in full and about one-fourth is being bought on the installment basis. Since inauguration of customer ownership in 1914, the company has sold total of \$73,289,000 of its pref. stock over its own counters.—V. 134, p. 847, 676.

Peoples Light & Power Corp.—Sale of Collateral.—

On Feb. 29 the following securities will be offered for sale at public auction at the auction block of Adrian H. Muller & Son, in the Exchange Salesroom, 18 Vesey St., N. Y., to the highest bidder, to wit: 35,000 shs of com. stock (no par value), 4,100 shs. of \$6 cum. pref. stock (no par value) of Eastern Minnesota Power Corp.—The stock will be offered for sale pursuant to a certain agreement of pledge made by Peoples Light & Power Corp., as pledgor, to Chatham Phenix National Bank & Trust Co., as pledgee, set forth in a certain promissory note made by Peoples Light & Power Corp. dated Oct. 5 1931.—V. 134, p. 506.

Power Corp. of Canada, Ltd.—1931 Output Higher.—

Power output of companies comprising the Power Corp. group showed an increase of 71,042,374 kwh. for 1931 over the output for 1930. This amount represented an increase of 4.2% and was largely accounted for by the inclusion for seven months of the year of the output from the Seven Sisters plant of Northwestern Power Co. Apart from the latter company's output of 50,235,200 kwh. the total increase noted for the year was 20,807,174 kwh., equal to over 1% which is significant in view of the general business conditions experienced throughout the year. The largest increase reported by individual companies was the total of 418,226,810 kwh. by Canada Northern Power Corp., which represents an increase of 14% over its total output for 1930.

Comparative totals for the two years are as follows:

	1931.	1930.
Southern Canada	161,001,600	170,128,882
Canada Northern	418,226,810	367,148,780
East Kootenay	72,306,500	80,295,900
British Columbia Power	492,612,852	471,711,271
Northern British Columbia	8,945,824	8,836,679
Winnipeg Electric	179,508,200	177,590,100
Manitoba Power	38,775,000	420,938,000
Northwestern Power (seven months)	50,235,200	-----
Total	1,767,671,986	1,696,629,612

V. 124, p. 848.

Public Service Co. of Indiana.—Merger Consummated.—

See Indiana Electric Corp. above.—V. 134, p. 506, 328.

Quebec Power Co.—Dividend Action Deferred.—

The directors on Feb. 18 deferred action on the quarterly dividend usually payable about April 15 on the 553,198 outstanding shares of common stock, no par value. A quarterly distribution of 50 cents per share was made on Jan. 15 last, as compared with quarterly payments of 62½ cents per share from Oct. 15 1929 to and incl. Oct. 15 1931.—V. 134, p. 137.

RCA Communications, Inc.—New Office.—

The corporation on Feb. 15 announced the opening of its own office in Medellin, Colombia. A pick-up and delivery service will augment the facilities of the new radio station which will henceforth provide this important coffee centre with fast radiotelegraph service to the rest of the world.—V. 132, p. 1023.

Roxburgh Chestnut Hill & Norristown Ry.—

In connection with the sale of the road we have been advised as follows: "Proceedings were instituted by the trustee to foreclose the mortgage. The court entered a decree directing the sale of the mortgaged property, which was sold by the trustee on Nov. 28 1931 to G. A. Aronson of Brooklyn, N. Y., for the sum of \$15,000. The sale was confirmed by the court and settlement made by the purchaser. Out of the proceeds of the sale, the trustee has in its hands funds to pay the sum of \$42,526 to the holder of each \$1,000 bond."—V. 133, p. 3257.

Shawinigan Water & Power Co.—Notes Offered.—

Aldred & Co., Ltd.; Wood, Gundy & Co., Ltd.; the Royal Bank of Canada; Banque Canadienne Nationale, and Harris, Forbes & Co., Ltd., are offering at 97½ and int., yielding over 6½%, \$6,000,000 5-year 6% secured notes.

Other bankers making offering: Nesbitt, Thomson & Co., Ltd.; the Canadian Bank of Commerce; Dominion Securities Corp. Ltd.; Hanson Bros., Inc.; Royal Securities Corp. Ltd.; Societe de Placements du Canada; L. G. Beaubien & Co., Ltd.; National City Co., Ltd.; R. A. Daly & Co., Ltd.; F. W. Kerr & Co., Ltd.; McLeod, Young, Weir & Co., Ltd.; W. C. Pitfield & Co., Ltd.; Geoffrion & Rainville; Hannaford, Birks & Co., Ltd.; Collier, Norris & Henderson, Ltd.; Bell Gouinlock & Co., Ltd.; Fry, Mills, Spence & Co., Ltd.; Williams, Partridge & Co., Ltd.; Mead & Co., Ltd., and Eastern Securities Co., Ltd.

Dated Feb. 1 1932; due Feb. 1 1937. Int. Feb. & Aug. Denom. \$1,000 and \$500 c. Principal and int. payable in lawful money of Canada at the principal offices of Royal Bank of Canada in Montreal and Toronto. Callable on 30 days' notice as a whole at any time, or in part on any int. date, at 102½ and int. on or before Feb. 1 1933, premium thereafter decreasing ½% each year prior to maturity. Montreal Trust Co., trustee.

Legal investment for life insurance companies under the Insurance Act of Canada.

Capitalization Outstanding (Upon Completion of Present Financing).

1st mtge. & coll. trust s. f. gold bonds (auth. \$200,000,000) — *\$84,344,000	-----	-----
5-year 6% secured notes (this issue) —	6,000,000	-----
Capital stock, one class (no par value) —	2,178,250 shs.	-----

*Note.—This figure does not include \$15,000,000 of bonds issued against capital expenditures heretofore made and held in the company's treasury, \$8,000,000 of which are to be pledged with the trustee as security for this issue.

Data from Letter of Julian C. Smith, V.-Pres., Montreal, Feb. 10.

Business.—Company incorp. Jan. 15 1898 by special charter of the Province of Quebec. Is now one of the largest and most successful producers of hydro-electric power in the world. It owns or controls through stock ownership or through contracts with affiliated companies, water powers and hydro-electric power in the Province of Quebec aggregating over 2,000,000 h.p. in capacity. Of this 868,750 h.p. is developed and in use and 160,000 h.p. is in course of development.

The company owns 1,602 miles of high-tension transmission lines, including lines to Montreal and the city of Quebec. In addition 2,416 miles of distribution lines are owned or controlled. Electricity is furnished to 427 communities, comprising substantially all the larger cities and manufacturing districts in the Province of Quebec, covering a territory of approximately 100 miles south, west and east from Shawinigan Falls, including Montreal (85 miles), Quebec (75 miles), Three Rivers (20 miles) and the district around Thetford (about 100 miles). The territory within which the properties are situated lies on both shores of the St. Lawrence River between Riviere du Loup, 125 miles east of the city of Quebec, and the Lake of the Two Mountains, 40 miles west of Montreal, and extends south to the international boundary. Total population of territory served is approximately 2,400,000.

The company's plants are of modern fireproof construction, buildings being of stone, brick, concrete and steel on solid rock foundations, and the properties and equipment generally are of the latest and most approved type of electrical construction. The transmission lines are chiefly of modern, steel-tower construction and in large part on the company's private rights-of-way.

Purpose.—Proceeds will be employed in connection with the new hydro-electric power development at Rapide Blanc on the St. Maurice River, which will have an initial capacity of 160,000 h.p. and an ultimate capacity of 240,000 h.p., and for other corporate purposes.

	Deprec. & Inc.		Int. Chgs.		
	(Before Taxes)		(Including Int. Charged)		Balance
Earnings for Calendar Years	Gross Earnings	Int. Charges	Applicable to Capital Account		
1929	\$7,660,207	\$4,417,067	\$3,459,744	\$2,957,323	\$2,957,323
1928	9,362,828	4,932,276	1,637,493	3,294,783	3,294,783
1928	11,562,331	7,098,523	2,250,000	4,848,523	4,848,523
1929	13,475,863	8,765,733	2,857,754	5,907,979	5,907,979
1930	14,954,074	10,021,477	3,450,807	6,570,670	6,570,670
1931	13,693,194	\$8,660,113	3,909,675	4,750,438	4,750,438

*After providing for exchange on interest payable in the United States. Net earnings for the 12 months ended Dec. 31 1931, as above, were \$8,660,113, or more than twice the annual interest on all bonds and notes to be presently outstanding with the public upon completion of present financing.

It is expected that the first units of the Rapide Blanc power development will be in operation late in 1932 or early in 1933, and that the sale of power from these units, as primary or secondary power, will substantially increase the company's revenue.

In addition to sufficient charges to operating expenses for all maintenance and renewals, the company has provided for depreciation by setting aside, out of earnings, reserve funds of \$2,561,536 and a "depreciation and renewal reserve" of \$8,979,072, a total up to Dec. 31 1931 of \$11,540,608.

Security.—Notes will be secured by pledge with the trustee of \$8,000,000 1st mtge. & coll. trust s. f. gold bonds, series "E," 5% due Feb. 1 1972.

Hydro-Electric Plants and Water Powers.—Company's principal hydro-electric power stations are on the St. Maurice River, which flows into the St. Lawrence River about 85 miles northeast of Montreal, midway between that city and the city of Quebec. The St. Maurice River, with its sources in the height of land between Hudson Bay and the St. Lawrence River, drains an area of approximately 18,000 square miles.

At Shawinigan Falls the company owns 1,300 acres of land, including all water rights controlling one of the greatest natural water powers in existence, the river at this point having a fall of over 150 feet. Here are operated two stations with present capacities of 58,500 h.p. and 219,500 h.p., respectively, and in addition 55,000 hydraulic h.p. is sold to the local manufacturing plants, making a total of 333,000 developed h.p. at Shawinigan Falls. The La Gabelle plant of the company, having an installed capacity of 152,000 h.p., is located on the St. Maurice River, about seven miles down stream from Shawinigan Falls. The Grand Mere plant of the company, located seven miles up stream from Shawinigan Falls, has a capacity of 189,000 h.p.

A large storage dam on the Mattavin River impounding 33,000,000,000 cubic feet of water was completed by the Quebec Government in 1930, which with the Gouin dam at La Loure greatly improves the regulation of the St. Maurice River and its tributaries.

Construction of the initial installation of 160,000 h.p. at Rapide Blanc on the Upper St. Maurice River was commenced in 1930, and the station is expected to go into operation late in 1932 or early in 1933. In addition, the company has available for future development on the Upper St. Maurice River and at various other points within its zone of operations undeveloped power estimated at over 1,000,000 h.p.

Controlled and Affiliated Companies.—Subsidiary companies controlled by stock ownership serve the cities of Quebec and surrounding districts with electric light and power, street railway transportation and gas. On the street railway in the city of Three Rivers and furnish electric light and power to the district lying west of Montreal between the St. Lawrence River and the international boundary, in which district is located the city of Valleyfield, a large manufacturing centre.

The company owns the entire capital stock of Shawinigan Chemicals, Ltd., a large manufacturer of chemicals, located at Shawinigan Falls and using power supplied by the company; and of the Shawinigan Falls Terminal Ry., which connects the manufacturing plants and railroad serving Shawinigan Falls.

The company holds a substantial stock interest in the Duke-Price Power Co., Ltd., which has a development at Ile Maligne on the Saguenay River of 495,000 h.p. Company has a long-term contract with the Duke-Price Power Co., Ltd., for 100,000 h.p. and has built a transmission line from Ile Maligne to Quebec, a distance of 140 miles, for the transmission of power to the districts served by the company.

A majority of the voting stock of United Securities, Ltd. is owned in equal parts by the company and Montreal Light, Heat & Power Consolidated. United Securities, Ltd., owns a majority of the issued shares of Canadian Light & Power Co., with a development of 20,000 h.p. at St. Timothee, near Montreal, and a majority of the issued shares of Montreal Tramways Co., operating street railway service in the city of Montreal. In 1931 the company acquired a half interest in the St. Maurice Power Corp., Ltd., which owns a water power site of 175,000 h.p. located on the St. Maurice River at La Tupe, Quebec.—V. 134, p. 1196.

Tampa Electric Co.—Dividend Outlook, &c.—

President Peter O. Knight, at the recent annual meeting of stockholders, said in part: "The company will be able to continue the payment of the \$2 per share cash dividends through the coming year."

"I have never sold one share of stock of the Tampa Electric Co. and am buying as and when I can."—V. 134, p. 1196.

Toledo Edison Co.—Earnings.—

	1931.	1930.	1929.	1928.
Gross earnings	\$10,072,332	\$10,902,592	\$11,316,044	\$10,625,575
Oper. expenses & maint.	4,757,914	5,123,889	5,222,415	5,356,997
Federal taxes	469,687	521,541	498,796	472,391
Net operating income	\$4,844,731	\$5,257,162	\$5,594,833	\$4,796,187
Other income	590,992	41,595	85,247	68,689
Total income	\$5,435,723	\$5,298,757	\$5,680,080	\$4,864,876
Interest	1,379,568	1,081,615	1,172,408	1,263,269
Net income	\$4,056,155	\$4,217,142	\$4,507,672	\$3,601,607
Preferred dividends	898,782	771,667	746,710	695,703
Common dividends	1,110,000	1,110,000	1,110,000	971,250
Balance, surplus	\$2,047,373	\$2,335,475	\$2,650,962	\$1,934,654
Previous surplus	12,621,816	10,930,580	8,745,176	6,994,579
Total surplus	\$14,669,189	\$13,266,355	\$11,396,138	\$8,929,233
Adjustments—	Cr. 85,788	Dr. 44,539	Cr. 134,742	Cr. 415,943
Res. for replacements	600,000	600,000	600,000	600,000
Profit & loss surplus	\$14,154,978	\$12,621,816	\$10,930,880	\$8,745,176

Comparative Balance Sheet Dec. 31.

Table with columns for 1931 and 1930, divided into Assets and Liabilities. Assets include Plant & Invest., Disc. on pref. stock, Sinking funds, Stores & supplies, etc. Liabilities include 7% cum. series A, Cum. 6% series, etc.

Total 77,821,231 74,004,146 x Including \$199,025 in closed banks.—V. 134, p. 328.

Telephone Bond & Share Co. (Del.)—To Issue \$3 Preferred Stock.—Authorization of an issue of 100,000 shares of new \$3 1st pref. stock will be voted on by the stockholders on Feb. 25.

Twin City Rapid Transit Co.—Earnings.—

Table with columns for Calendar Years 1931, 1930, 1929, 1928. Rows include Rev. from transport'n, Other revenue, Total oper. revenue, Way and structures, Equipment, Power, etc.

Consolidated Balance Sheet Dec. 31.

Table with columns for 1931 and 1930, divided into Assets and Liabilities. Assets include Road & equip't, Trust fund for secured div. notes, Misc. phys. prop., etc. Liabilities include Common stock, Preferred stock, Funded debt, etc.

Agreement Among Bankers, Management and Proxy Committee—Plans for 1932 Proxy Contest Dropped.—

Following a meeting of the proxy committee, a statement was issued by Chairman Mark Wolff, Public Utility expert of 261 Broadway, New York City, endorsing the recent policies of the management, as contained in a joint circular letter addressed to stockholders of the company by eight prominent banking houses—Central Republic Co.; Chase Harris Forbes Corp.; H. M. Bylesby & Co.; Halsey, Stuart & Co.; Hayden, Stone & Co.; A. E. Ames & Co.; First Securities Corp. of St. Paul and Minnesota Loan & Trust Co.

"Having made an analysis of the bankers' communication to stockholders, I find that the budget and program of the company for 1932 and thereafter as regards economies in one-man cars, management salaries, street shops and cost of power, are in substantial agreement with the progressive policies advocated by our committee at the last meeting. The annual savings which have apparently gone into effect on Jan. 1, 1932, are as follows: One-man cars... \$150,000 Reduction in traihmen's wages... 250,000 Savings in power plant costs... 125,000

Total of above 1932 savings... \$525,000

The above are exclusive of reduction in management salaries which have been more than cut in half and, likewise, do not include reduction in all other salaries above \$100 per month. Without considering these additional items, the \$525,000 of annual economies are alone the equivalent of about 2 1/2 times annual dividend requirement on the 30,000 shares of the company's 7% preferred stock and \$2.39 per annum on the 220,000 shares of common stock.

"The additional net earnings on the preferred and common stock is, of course, on the basis that all other conditions will be equal with 1931, which was the worst year in the company's history. In some well-informed quarters, it is believed that, with the approach of the irreducible minimum, the downward trend of street railway traffic may soon be arrested and even reversed by increases. When the turn does come, the recovery in street railway traffic should be very rapid indeed. There are a number of good reasons why the company should receive more than an average share of such increased business.

Associated on the proxy committee, of which Mr. Wolff is Chairman, are A. W. Renz, ex-President of Midtown Bank, who is Vice-Chairman; Louis Kupfer, Vice-President of Kupfer Bros. Co.; Victor G. Gough, C.P.A.; William G. Bromley, Public Relations Counsel; Clarence McMillan, Counsel, and Wm. A. Dittmer, Ph.D., who is Secretary.—V. 134, p. 676.

Western Continental Utilities, Inc.—Omits Dividend.—The directors have voted to omit the quarterly dividend usually payable about March 1 on the class A common stock, no par value.

Previously regular quarterly cash distributions of 32 1/2 c. per share, or, at the option of the holder, 1-40th of a share of class A common stock, were made on this issue.—V. 133, p. 3259.

INDUSTRIAL AND MISCELLANEOUS.

Copper Price Up One-Quarter Cent.—Because of the increase in export sales, custom smelters, advanced their foreign price 1/4 cent a pound to 6 3/4 cents a pound, c. i. f., European base ports, while the domestic price was advanced the same amount to 6 1/4 cents for deliveries to the end of June. N. Y. "Times" Feb. 14, p. 14, sec. 11.

Printers Ballot on Five-Day Week.—A proposal that the members of Typographical Union No. 6 employed in newspaper offices demand the five-day week and the six-hour day led the list of 33 propositions voted upon at a referendum of the union, it was announced Feb. 11. N. Y. "Times," Feb. 12, p. 26.

Book Publishers Back Pay-Cut Plea.—The movement begun by the New York Employing Printers Association for a wage reduction in the book and job printing plants has gained support from the board of directors of the National Association of Book Publishers. The book publishers informed the employing printers in a letter that they would back them if they decided to inaugurate the "open shop." N. Y. "Times," Feb. 15, p. 18.

20,000 Go on Strike in Dress Industry.—20,000 dressmakers answer call of International Ladies Garment Workers Union Feb. 16. N. Y. "Times," Feb. 17, p. 28.

Miners Get Another Pay Cut.—About 10,000 miners in Raleigh, Fayette and Boone Counties of West Virginia had their pay cut the second time this year, receiving a 10% reduction, effective immediately. Boston "News Bureau," Feb. 17, p. 3.

St. Louis Builders Seek Wage Cut.—In order to compete successfully with open shop labor and with contractors in other cities where pay cuts have been accepted by employees, the Associated Business Interests of St. Louis has submitted the Building Trades Council a formal request for a reduction of 33 1-3% in wages of building trade employees in that district. "Wall Street Journal," Feb. 15, p. 15.

Matters Covered in "Chronicle" of Feb. 13.—(a) Building Trades Unions in Elmira, N. Y. take voluntary wage cuts, p. 1096; (b) Hartford, Conn. employers cut builders' wages 25%—Act after union refuses to agree to voluntary reduction, p. 1096; (c) Building Trades Council in Pittsburgh declines to accept 25% reduction—Carpenters Union to accept less pay, p. 1096; (d) Minnesota building employers to cut wages 15%, p. 1096; (e) Building Trades Employers Association in New York accept new wage cutting wages 25 to 30%—Association embracing thirty groups, to enforce slash May 1—Unions asked 9% drop—Rates called advance over present "bootleg" wages—Rejection of proposed cut by union, p. 1096; (f) Strike settled at Grace Line Pier—Longshoremen return to work when company restores regular pay rate—No agreement signed—Union altered working conditions prior to walkout, p. 1101.

(g) Golden jubilee of New York Coffee & Sugar Exchange to be celebrated March 7, p. 1101; (h) U. S. Circuit Court at San Francisco voids Doherty oil leases—Links \$12,000,000 Kern County deal with bribery of former Secretary Fall, p. 1104; (i) Domestic Copper price cut to 6 cents—New low figure—Export price reduced to 6 1/2 cents, p. 1105; (j) Total short interest on New York Stock Exchange during January; p. 1122; (k) Market value of bonds listed on New York Stock Exchange—Figures for Feb. 1, 1932, p. 1122; (l) Market value of listed shares on New York Stock Exchange Feb. 1 \$26,377,647,814, compared with \$26,693,836,532 Jan. 1—Classification of listed stocks, p. 1123.

Allen Industries, Inc.—Earnings.—

Table with columns for Calendar Years 1931, 1930, 1929, 1928. Rows include Net prof. after all charges, Earnings per share on 66,000 shs. com. stock (no par), Balance Sheet December 31 (Assets: Cash, Accts. receivable, Inventory, etc.; Liabilities: Accounts payable, Notes payable, etc.).

Alliance Investment Corp.—Earnings.—

Table with columns for 1931, 1930, 1929. Rows include Dividends (excluding stock divs.), Interest on bonds, Interest on call loans & bank balances, Total, Interest on debentures, Interest on bank loans, Bond discount and expense, Miscellaneous expense, Reserve for taxes, &c., Operating income, Profit on securities sold, Profit from retire. of debentures, Total income, Preferred stock dividends, Common stock dividends, Net profits.

Surplus Account Jan. 1 1931 to Dec. 31 1931.

Table with columns for 1931 and 1930. Rows include Earned surplus and undivided profits Jan. 1 1931, Capital surplus arising through reduct. in stated value of com. stock from \$882,437 to \$375,074, Net income (as above), Profit on debentures retired during year, Proceeds from sale of unconv. com. stock scrip certificates, Total surplus, Reserve for Federal income taxes, Unamort. deb. discount and expense applicable to debts. retired, Preferred dividends paid, Net loss on securities sold.

Total earned and capital surplus \$1,932,823

Balance Sheet Dec 31. Table with columns for 1931 and 1930, divided into Assets and Liabilities. Assets include Cash in banks, Cash for deb. int., Cts of deposit, Acct. int. on inv., Invests. at cost, Bond disc. & exp., Furniture & fixt. less for deprec. Liabilities include Acct. int. on debts, Unclaimed divs., Unconv. com. stk., Res. for Federal taxes, &c., Reserve for divs. against exercise of stock purch. warrants, 5% gold debens., Pref. stk. (par \$100), Common stocks, Earned surplus, Undivided profits.

Total \$4,640,147 \$5,624,677

a Represented by 187,537 no par shares. There are also 37,780 shares reserved against exercise of common stock purchase warrants at \$25 per share to Jan. 2 1932, at \$30 per share to Jan. 2 1934, at \$35 per share to Jan. 2 1936, at \$40 per share to Jan. 2 1938. Of these warrants, 12,780 are attached to the 5% gold debentures. b Investments by groups are as follows—Stocks: Industrial, \$617,700; Railroad, \$1,013,629; Public Utility, \$712,890; Insurance, \$507,490; Bank and Trust Company, \$428,627; Chain Store, \$152,000; Miscellaneous, \$392,365; Bonds, \$578,263. The market value of securities owned Dec. 31 was \$1,551,334. The report contains a list of the companies in which company has an investment of \$5,000 or more Dec. 31 1931.—V. 132, p. 496.

Addressograph-Multigraph Corp.—Div. Action Def.—Action on the quarterly dividend on the no par value common stock has been postponed until March 16, due to the lack of a quorum. Distributions of 25 cents each were made on this issue on Jan. 10 1932 and on Oct. 10 1931 as against 35 cents per share previously each quarter.—V. 133, p. 3095.

Ainsworth Mfg. Co.—Special Dividend.—The directors have declared a special dividend of 50 cents per share on the common stock, par \$10, payable March 15 to holders of record March 1. The last payment made on this issue was 25 cents per share on Dec. 1 1930. Prior to the latter date, the company made regular quarterly distributions of 62½ cents per share.—V. 133, p. 2930.

Aluminum Goods Mfg. Co.—Reduces Dividend.—The directors have declared a quarterly dividend of 15c per share on the common stock, no par value, payable April 1 to holders of record March 21. This compares with quarterly distributions of 30c per share made on this issue from Jan. 1 1929 to and incl. Jan. 1 1932.—V. 133, p. 644.

American Bakeries Corp. (& Subs.).—Earnings.

Years Ended—	Dec. 26 '31	Dec. 27 '30
Net income after all charges, incl. deprec. & taxes	\$312,849	\$622,122
Dividend paid by subsid. co. on pref. stock	40,068	40,526
Net income accruing to parent company	\$272,781	\$581,595

Dividends paid by parent company:		
Preferred stock	139,839	145,964
Class A stock	175,486	175,485
Premium on pref. stock of subsidiary retired	179	100
State of Georgia income tax—1929		5,256
Obsolete equipment dismantled		3,143

Increase in surplus for year	\$42,723	\$251,647
Previous surplus	820,129	568,483
Total surplus	\$777,407	\$820,129
Earns. per share on 90,000 shs. cl. B stock (no par)	Nil	\$2.89

Consolidated Balance Sheet.

Assets—		Liabilities—	
Dec. 26 '31	Dec. 27 '30	Dec. 26 '31	Dec. 27 '30
Cash	\$419,606	\$390,190	
U. S. Treas. cfs.		153,058	
Customers' accts. receivable	a108,024	174,406	
Sundry accts. rec.	b19,756	13,839	
Accrued int. res.		1,745	
Inventories	226,027	254,772	
Prepaid expenses	22,010	11,320	
Invests. (at cost)	363,644	173,506	
Plant & equip't	c3,164,444	3,258,338	
Goodwill	2,131,630	2,128,163	
Total	\$6,454,741	\$6,559,326	

a After reserve of \$10,000. b After reserve of \$12,750. c After reserve for depreciation of \$1,234,605. d Represented by 58,500 no par shares. e Represented by 90,000 no par shares.—V. 132, p. 658.

American Bank Note Co.—Earnings.

Calendar Years—	1931.	1930.	1929.	1928.
Net profits	\$391,839	\$2,730,736	\$4,169,795	\$3,365,981
Depreciation	314,306	372,985	368,563	348,392
Balance	\$77,533	\$2,357,752	\$3,801,232	\$3,017,589
Miscellaneous income	194,155	212,771	254,211	232,247
Total	\$271,688	\$2,570,523	\$4,055,443	\$3,249,836

x Profits of the manufacturing and commercial business, after deducting repairs and provisions for bad debts, and for all taxes accrued, including income taxes, but before providing for special compensation or for depreciation. z Special compensation of 20% of combined net profits of American Bank Note Co. and subsidiaries in excess of 7% of the consolidated capital and surplus accounts.—V. 133, p. 3792.

American Can Co.—Earnings.

Calendar Years—	1931.	1930.	1929.	1928.
Net earnings	\$19,729,580	\$27,883,941	\$27,599,803	\$24,863,326
Depreciation	2,000,000	2,000,000	2,000,000	2,000,000
Reserve for Fed. taxes	2,200,000	3,000,000	2,875,000	3,000,000
Net income	\$15,529,580	\$22,883,941	\$22,724,803	\$19,863,326
Pref. dividends (7%)	2,886,331	2,886,331	2,886,331	2,886,331
Common dividends	12,369,990	12,369,990	10,514,492	8,040,493
Rate	(\$5.00)	(\$5.00)	(\$4.25)	(\$3.25)
Balance, surplus	\$273,259	\$7,627,620	\$9,323,980	\$8,936,501
Previous surplus	69,739,471	62,111,851	52,787,870	43,851,369
Profit and loss	\$70,012,730	\$69,739,470	\$62,111,851	\$52,787,870
Shares common stock outstanding (par \$25)	2,473,998	2,473,998	2,473,998	2,473,998
Earned per share	\$5.11	\$8.08	\$8.02	\$6.86

H. W. Phelps, President, says in part: The inventory has been carefully taken and is somewhat larger than that of a year ago. Accounts and bills payable are all current and there are no loans outstanding.

Expenditures for new construction were considerably less than those of 1930 and amounted to \$7,461,694. The addition to the Englewood factory in Chicago, the new factory at Terre Haute, Ind., the new dock and warehouse at Seattle, and the addition to the factory at Honolulu, Hawaii, all of which were carried over from 1930, have been completed and paid for. Company has not undertaken any major improvements during 1931, and has none in contemplation for 1932. The expenditures for new construction in 1932 will be confined to equipment for current needs and will, therefore, be very much less than in several years last past.

Company's sales were less than in 1930, but satisfactory in view of prevailing business conditions.

With conditions that will allow the customers of company to satisfy the law of supply and demand in their industry, company should do a substantial business in 1932.

Balance Sheet Dec. 31.

Assets—		Liabilities—	
1931.	1930.	1931.	1930.
Plants, real est., etc., incl. new construction	142,202,041	136,843,848	
Other investm'ts	4,032,224	4,405,656	
Cash	6,309,522	16,286,885	
Accts. & bills rec.	18,552,571	18,130,442	
Mat'ls and prod.	21,768,606	20,664,982	
Total	195,408,986	196,422,360	

x Consists of insurance res., \$5,000,000; Fed. tax res., \$209,626; inventory res., \$3,431,271; miscellaneous res., \$970,930.—V. 133, p. 2270.

American Capital Corp.—Earnings.

Periods—	Income Account for Stated Periods.			
	Years Ended Dec. 31—			
1931.	1930.	1929.	May 5 '28 to Dec. 31 '28.	
Interest and dividends	\$439,006	\$557,623	\$800,405	\$488,591
Profit from sales of secs			1,251,222	822,554
Total income	\$439,006	\$557,623	\$2,051,627	\$1,311,144

Balance Sheet Dec. 31.

Assets—		Liabilities—		
1931.	1930.	1931.	1930.	
Cash	284,101	2,513,497	Dividends payable	9,456
Invest. securities	11,421,688	12,723,319	Accr. exps. & taxes	32,856
Investment in Pac. Investing Corp.			Prior pref. stock	a2,878,500
Divs. receivable	29,967	49,447	Preferred stock	b1,024,500
Acrued interest	9,400	7,081	Class A com. stock	c110,472
			Class B com. stock	d632,662
			Paid in surplus	e7,614,147
			Profit & loss surp.	968,282
Total	12,269,766	15,678,956	Total	12,269,766

a Represented by 30,300 no par shares. b Represented by 102,450 no par shares. c Represented by 110,472 no par shares. d Represented by 632,662 no par shares. e Market value \$4,137,394.

Note.—There were outstanding at Dec. 31 1931, warrants entitling the holders to purchase 382,500 shares of class B common stock on or before June 30 1940, at \$10 a share. The company is also under contract to issue before May 1 1933, similar warrants for the purchase of 157,500 shares at \$10 a share. A list of securities owned is given in the report.—V. 133, p. 4162.

American Car & Foundry Motors Co.—New Officer.—Frank Jay, formerly A. C. F. bus representative in New England territory, has been elected Vice-President, succeeding W. L. Stancliffe, resigned.—V. 133, p. 4333.

American Laundry Machinery Co.—Dividend Reduced. The directors have declared a dividend of 30 cents per share on the capital stock, payable March 1 to holders of record Feb. 19. In June September and December 1931, distributions of 50 cents each were made as against 75 cents per share on March 2 1931 and \$1 per share previously each quarter.

To Reduce Capitalization.—Secretary Taylor Stanley, Feb. 2, in a letter to the stockholders, said: At the stockholders' meeting held Feb. 11 1930 authority was granted to the board of directors to purchase up to 30,000 shares of the capital stock at the market price on the open market. In accordance with this authority we have accumulated and have in the treasury 24,864½ shares at Dec. 31 1931. The stockholders have heretofore released, for two one-year periods, their pre-emptive rights to shares purchased under such authority. At the coming annual meeting to be held Feb. 23 1932 the shareholders will be asked to release said shares and any additional that the board may purchase under the aforesaid authorization from the pre-emptive rights of the shareholders for a period of one year additional, viz., one year from the date of said meeting.

Cash on Dec. 31 1931 amounted to approximately \$696,000 and investment in U. S. Government securities to \$1,347,906. Since Jan. 1 1932 we have invested an additional \$200,000 in U. S. Government securities. It may be advisable for the company to acquire stock in excess of the 30,000 shares authorized under the resolution of Feb. 11 1930. Therefore, the board of directors will ask for permission of stockholders to purchase at its discretion up to 20,000 additional shares. The judgment of the board of directors on this point depends upon the amount of liquid assets required to provide working capital when business revives. Any future purchases of capital stock would be made from the collections of receivables.—V. 134, p. 1026.

American Lime & Stone Co.—Tenders.—The Bankers Trust Co., trustee, will until Feb. 25 receive bids for the sale to it of 1st mtge. sinking fund gold bonds dated April 1 1932 to an amount sufficient to absorb \$42,201 at prices not exceeding 105.—V. 133, p. 1128.

American Refrigerator Transit Co.—New President.—D. O. Ouellet, general superintendent of transportation of the Missouri Pacific R.R., has been elected President and General Manager of the American Refrigerator Transit Co., to succeed the late H. B. Kooser. The company is owned jointly by the Missouri Pacific Lines and the Wabash Ry. It owns 12,590 refrigerator cars.—V. 131, p. 1568.

American Republics Corp.—Liquidates Several Underlying Units.—President Craig F. Cullinan Feb. 4, in a letter to the stockholders, says in part:

From the financial statement (see "Chronicle" of Feb. 6, page 1015) you will note that heavy losses were incurred during the past year. These losses were due, in large measure, to reduction of inventories to unprofitable operations and in liquidating the companies mentioned below under the severe conditions which existed during the period. As an illustration, while our net crude oil production for the year declined to 2,141,408 barrels, or approximately 22% below the previous 10 year average, (a large number of our properties being subject to proration during the year) the average price per barrel received declined 57½% from the average received during the previous 10 years, such price frequently representing less than lifting cost. The manufacturing plants operated during the year on a basis of 50% normal, or somewhat above average operations in the steel industry. In spite of these losses and the necessity for omitting payment of the 7% cum. pref. dividend for the year, the current position and outlook for the future have been materially improved. Ignoring capital stock, surplus, reserves, investment securities carried at \$4,419,237, plant, buildings, equipment and oil properties carried at \$10,850,855 (representing a cost of \$20,145,190 less depletion and depreciation \$9,294,334), and considering only assets and liabilities classed as cash or equivalent, the annual statement shows such assets exceed such liabilities by more than 100%, or by 49% after including the unpaid pref. stock dividend. All funded indebtedness (inter-company items omitted) has been eliminated with the exception of \$180,000 of 1st mtge. bonds of an original issue of \$300,000 issued by a subsidiary in connection with a plant purchase.

Diligent and continuing efforts have been directed toward curtailing expenses and effecting economies in every way possible. Salaries and wages have been substantially reduced and personnel curtailed to conform with the restricted operating conditions, however, in a corporate set-up such as yours, designed to operate through subsidiaries in various lines and in rather widely separated localities, such contraction has its limits in the absence of complete liquidation.

During the year the following changes applied in subsidiaries and investment securities:

- (1) The rolling stock of the Pennsylvania Tank Line was disposed of to the Pennsylvania-Conley Tank Car Co. for a consideration of netbook value after outstanding car trust certificates amounting to \$5,055,000 were assumed by the purchaser.
- (2) Contract was entered into (not yet consummated) for the sale of the Kansas City plant of the Pennsylvania Car Co.
- (3) The assets of the Petroleum Supply Co. were disposed of and the company liquidated.

(4) The Gulf-Caribbean Steamship Line, Inc., was liquidated.
 (5) The Petroleum Protective Association, Inc., inactive for several years, was liquidated.

(6) As a result of the merger of the Galena Oil Corp. with the Valvoline Oil Co. of New Jersey, the American Republic Corp. received 5,735 shares, of the total of 40,100 outstanding, of Valvoline common stock in exchange for its holdings in the Galena Oil Corp.

The Cullinan family has increased its holdings in corporation stock, from an original participation of around 25% to the approximate 30% it now owns.—V. 134, p. 1015.

American Service Co.—Debtentureholders' Protective Comm.

The following committee has been formed to protect the interests of the holders of the 5-year 6½% convertible gold debentures dated Jan. 1 1929, due Jan. 1 1934: P. D. Stokes, Chairman; B. F. Troxell, and M. L. Baxter, with W. B. Parker Jr., Sec., 230 S. La Salle St., Chicago, and Cutting, Moore & Sidley, Counsel, 81 La Salle St., Chicago.

The depositary is Continental Illinois Bank & Trust Co., 231 S. La Salle St., Chicago.

Under date of Dec. 26 last, the company mailed to all known holders of its funded debt a letter advising of the necessity of the company's default in payment of interest due Jan. 1 1932, including interest on the debentures. It is anticipated that the March 1 1932 interest on the 7% notes will also be defaulted.

The company states that the generally unfavorable business situation throughout the country has been further aggravated in the ice industry in its territory by increased competition from new plants and by lower prices resulting from price cutting in important localities. Company has expended during the past 2½ years in the neighborhood of \$750,000 on betterments and extensions and the construction and purchase of additional properties in order to maintain its position and prevent even more serious competition. Due to unstable financial conditions and the company's consequent inability to finance its operations, these expenditures were a drain on its working capital which, together with a decrease in sales for 1931 of approximately \$450,000 below those of 1930, seriously depleted the company's funds at a season of the year when cash on hand should be at a maximum. Statements of the company indicate cash on hand at Dec. 31 last of about \$250,000 and net earnings after depreciation, but before interest, for the past year amounting to approximately \$600,000 as compared with annual interest requirements of \$675,655 on total funded debt.

The directors of the company consider a reorganization of the company's capital structure necessary. The committee has not yet determined upon the proper solution of the present difficulties nor will it attempt to do so until it has given the matter thorough consideration. The committee is now awaiting completion of a detailed report by independent auditors on the company's financial position and its operations for the past year.

The company has outstanding \$6,919,000 first mortgage bonds, series A and \$1,000,000 first mortgage bonds, series B, which said first mortgage bonds, series B, have been pledged to secure payment of \$1,000,000 of notes, which are outstanding and unpaid. The first mortgage bonds of both series are secured by a first lien on the company's properties and take precedence over the debentures (of which there are \$2,931,000 principal amount outstanding) on any liquidation of the company's assets.

Committee Representing 1st Mtge. 15-Year 6% Gold Bonds, Series A, and 3-Year Convertible 7% Gold Notes.—

Hamilton Allport; Kinney Smith Jr., and Phelps Kelley, Chairman, with Harry R. Mosser, Sec., 209 South La Salle St., Chicago, and Poppenhuisen, Johnston, Thompson & Cole, Counsel, 11 South La Salle St., Chicago.

The First Union Trust & Savings Bank, 38 South Dearborn St., Chicago, is depositary.—V. 132, p. 4245.

American Solvents & Chemical Corp. (Del.)—Reorganization Plan.—

A plan and agreement dated as of Feb. 15 1932, for the reorganization of the corporation has been prepared, adopted and promulgated by the reorganization committee, and has been adopted and approved by the protective committees representing the following securities:

Securities.—American Solvents & Chemical Corp. (Md.) 6½% 10-year sinking fund gold debentures; General Industrial Alcohol Corp. conv. 6½% sinking fund debentures; Rossville Commercial Alcohol Corp. (Md.) 20-year sinking fund 6% conv. debentures; American Solvents & Chemical Corp. (Del.) \$3 cum. conv. preference stock, and American Solvents & Chemical Corp. (Del.) common stock.

The plan also deals with \$1,582,458 principal amount of current notes of Rossville Commercial Alcohol Corp. (of Del.), an operating subsidiary.

Holders of any of the above-mentioned securities who have not heretofore deposited their securities may become parties to the plan by depositing their securities with the depositary designated for such securities before the close of business on March 18.

The holders of securities listed above to be dealt with under the plan, who do not so deposit, shall have no right to share in the benefits of the plan and agreement.

Reorganization Committee.—Joseph P. Ripley (Chairman), C. O. Cornell, Milton C. Cross, Frederico Lage, Arthur W. Loasby, John Nickerson, Henry I. Peffer, Davenport Pogue, I. J. Seskis, Leslie L. Vivian, with Nelson Stuart, Secretary, 22 William St., New York, N. Y., and Davis, Polk, Wardwell, Gardner & Reed, Counsel, 15 Broad St., New York, N. Y.

Debtentureholders' Protective Committee.—Joseph P. Ripley (Chairman), Milton C. Cross, Frederico Lage, Arthur W. Loasby, John Nickerson, Davenport Pogue, Leslie L. Vivian, with Nelson Stuart, Secretary, 22 William St., New York, N. Y., and Davis, Polk, Wardwell, Gardner & Reed, Counsel, 15 Broad St., New York, N. Y. City Bank-Farmers Trust Co., depositary, 22 William St., New York, N. Y.

Stockholders' Protective Committee.—C. O. Cornell (Chairman), B. W. Jones, Henry I. Peffer, F. A. Rogers, with H. F. Linder, Secretary, 50 Broad St., New York, and White & Case, Counsel, 14 Wall St., New York, N. Y. Bankers Trust Co., depositary, 16 Wall St., New York, N. Y.

A summary of the plan of reorganization, dated as of Feb. 15, follows:

The corporation, through wholly owned subsidiaries, is engaged in the manufacture and sale of alcohol for industrial purposes. Rossville Commercial Alcohol Corp. (of Del.), all of the stock of which is owned, is the subsidiary through which substantially all operations are conducted, except in California. This operating subsidiary is not to be confused with Rossville Commercial Alcohol Corp. (of Md.), which corporation was the obligor of the Rossville Commercial Alcohol Corp. (Md.) 20-year sinking fund 6% convertible debentures, and which corporation is now dissolved, having sold its assets to the corporation.

Operations in 1931 resulted in operating losses and practically exhausted the working capital. Defaults have occurred in the payment of interest due on Sept. 15 1931 on American Solvents & Chemical Corp. (Md.) 6½% 10-year sinking fund gold debentures, in the payment of interest due on Nov. 1 1931 on General Industrial Alcohol Corp. conv. 6½% sinking fund debentures, and in the payment of interest due on Jan. 1 1932 on Rossville Commercial Alcohol Corp. (Md.) 20-year sinking fund 6% convertible debentures.

The principal, interest and sinking fund of all of the aforesaid debentures have been assumed by the corporation.

Corporation has also defaulted in certain sinking fund payments due with respect to the debentures, and the above mentioned operating subsidiary is in default as to certain of its current notes which matured Dec. 24 1931.

Corporation on Feb. 13 1932 filed a voluntary petition in bankruptcy in the District Court of the United States for the Southern District of New York. It is expected that this action will not disturb operations, which are carried on wholly by subsidiaries, and also that these proceedings may be utilized in carrying out a reorganization.

The corporation has recently entered into an agreement providing for the sale of 6 plants for a cash consideration of \$1,651,124. The aggregate normal annual capacity of the 9 plants to be retained will be more than double the corporation's 1932 allotment of approximately 15% of the present 80,000,000 gallon total allotment for the industry in 1932. Fulfillment of the aforementioned agreement, which in the judgment of the reorganization committee is distinctly advantageous to the corporation, is subject to certain conditions requiring the prompt reorganization of the corporation on a sound financial basis. A reorganization is also essential in order that the proceeds of the plants to be sold may be available for working capital of the reorganized enterprise.

Digest of Plan of Reorganization.

Capitalization of the New Company.—The plan provides for the organization of a new company to acquire, through court proceedings or otherwise, all or such part of the properties of the corporation and the properties or securities of its subsidiary and controlled companies, as the reorganization committee shall determine. The plan provides for the capitalization of the new company to be substantially as follows:

	Authorized.	Outstanding.
7% conv. pref. stock (\$25 par).....	\$5,000,000	\$3,990,000
Common stock (no par value).....	*600,000 shs.	207,412 shs.

* Of which 30,000 shares are to be reserved for issuance against the exercise of stock purchase warrants (to be delivered to the underwriters) entitling the holders thereof to purchase common stock at \$5.50 per share to and incl. April 30 1934; 25,000 shares are to be reserved for sale to officers and employees of the new company, and 159,600 shares will be reserved for issuance upon conversion of the preferred stock at the rate of one share of common stock for each share of preferred stock.

Provisions of Preferred Stock of New Company.—Authorized 200,000 shares, to be issued not to exceed 159,600 shares in exchange for debentures. The certificate of incorporation of the new company will provide, among other things, substantially as follows with respect to the preferred stock:

Dividends.—Entitled to receive when and as declared by directors, dividends at rate of \$1.75 per share per annum cumulative from Jan. 1 1933 in respect to shares issued in distribution under the plan or sold with the approval of the reorganization committee. Such shares of preferred stock shall be entitled to dividends up to \$1.75 per share out of net profits of operations of the new company.

Conversion Privilege.—Convertible at the option of the holders, share for share, into common stock of the new company. Appropriate provision of the common stock.

Preference to Assets.—Will be preferentially entitled to all accumulated unpaid dividends, plus \$27.50 per share in any voluntary liquidation or dissolution, or plus \$25 per share in any involuntary liquidation or dissolution of the new company.

Redemption.—Redeemable, all or part, on any dividend payment date on 30 days' prior notice at \$27.50 per share plus all accumulated unpaid dividends.

Sinking Fund.—On or before April 1 1934, and on or before each April 1 thereafter, new company, out of its earned surplus or its net profits, shall, retire at least 3% of the aggregate number of shares of preferred stock which have theretofore been issued.

Voting Rights.—If at any time after Jan. 1 1934 cumulative quarterly dividends on any of the preferred stock shall be in arrears in an amount equal to or exceeding \$1.75 per share, or if the new company shall be in default for a period of six months in setting aside or applying the sinking fund provided for the preferred stock, the holders of the preferred stock will for any and all purposes have voting rights at least equal to the combined voting rights of the stocks of all other classes and, voting as a class, the holders of the preferred stock will have the right to elect a majority of the board of directors and will have exclusive voting power upon the sale, lease, exchange of assets or dissolution of the company.

Creation of Funded Indebtedness, &c.—If, after due notice, holders of 25% of the outstanding shares of the preferred stock dissent in writing, the new company will not mortgage or pledge any of its assets, or create or issue any bonds, notes, debentures or other evidences of indebtedness, or guarantee any bonds, notes, debentures or other evidences of indebtedness of any other corporation, or permit any subsidiary company so to do; provided that the foregoing shall not apply (1) to the making, negotiating, or incurring, in the ordinary course of business, of any obligations, secured or unsecured, maturing in 12 months or less from the date of making, negotiating or incurring the same, (2) to the execution or making of contracts in the ordinary course of business, (3) to the execution, making or giving of guaranties or indemnity bonds in the ordinary course of business, (4) to the execution of purchase money mortgages or the assumption of an existing mortgage or mortgages on property acquired, or to the refunding or extension thereof, if the aggregate indebtedness secured by such mortgage or mortgages shall not exceed 66 2/3% of the cost or fair value of such property, (5) to the guaranty of indebtedness of any subsidiary company maturing in 12 months or less, or (6) to the guaranty of notes of customers given for merchandise sold by the new company or by a subsidiary and maturing in 12 months or less from the date of such guaranty.

Issue of Additional Preferred Stock or Stock Equal or Prior Therein.—New company, after consummation of the plan, will not, without the affirmative vote of the holders of a majority of the preferred stock outstanding at a meeting duly called (1) increase the number of shares of preferred stock outstanding, or (2) create stock of any other class ranking prior to or on a parity with the preferred stock in respect to the payment of dividends or the distribution of assets.

Dividends on Junior Stocks, &c.—So long as any of the preferred stock remains outstanding the new company will not: (1) pay any cash (or equivalent) dividends on any class of stock junior to the preferred stock; (2) make any distribution to the holders of any such junior stock except dividends payable in shares of any stock junior to the preferred stock; (3) apply any funds to the purchase or retirement of any class of stock junior to the preferred stock, in an aggregate amount in excess of 5% of such part of net profits and surplus earned by the new company as would otherwise be applicable to such payment, distribution or application.

Consolidation, Merger or Sale of Assets.—New company shall not consolidate, merge or sell all or substantially all of its assets, without the affirmative vote at a meeting duly called of at least a majority in par value of the then outstanding preferred stock, such requirement to be in addition to any requirement of law of the state of incorporation of the new company at the time existing in regard to consolidation, merger or sale of assets.

Amendments.—The provisions relating to the preferred stock may be amended only upon the vote of two-thirds in interest of the preferred stock at the time outstanding.

The reorganization committee may in its discretion issue preferred stock without par value in lieu and stead of preferred stock with \$25 par value and, in that event, may make any changes necessarily consequent thereupon.

Distribution to Holders of Notes of Operating Subsidiary.
 Holders of the \$1,582,458 of current notes of Rossville Commercial Alcohol Corp. (of Del.), the operating subsidiary, have agreed to compromise their notes for \$1,384,650 in cash and 7,912 shares of common stock of the new company, together with interest on the cash sum of \$1,384,650 at the rate of 5% per annum from Dec. 24 1931, until payment.

Distribution of New Securities.
 The plan provides that the securities of the new company shall be distributed to depositing debenture holders on the following basis:

American Debentures.—For each \$1,000 American debentures: 24 shares of preferred stock and 10 shares of common stock of the new company, plus \$30.88 in cash representing 60% of accrued interest from March 15 1931 through Dec. 31 1931. For each \$500 of American debentures: 12 shares of preferred stock and 5 shares of common stock of the new company, plus \$15.44 in cash representing 60% of accrued interest from March 15 1931 through Dec. 31 1931.

General Debentures.—For each \$1,000 of general debentures: 24 shares of preferred stock and 10 shares of common stock of the new company, plus \$26 in cash representing 60% of accrued interest from May 1 1931, through Dec. 31 1931.

Rossville Debentures.—For each \$1,000 of Rossville debentures: 24 shares of preferred stock and 10 shares of common stock of the new company, plus \$18 in cash representing 60% of accrued interest from July 1 1931, through Dec. 31 1931.

Distribution of the new securities as outlined above is entirely independent of whether or not subscription rights, hereinafter described, are exercised.

Subscription Rights.
 In order to provide a portion of the working capital required for the new company, the plan provides for the sale of 133,000 shares of common stock of the new company at a price of \$5.50 per share. Holders of the debentures and stocks or certificates of deposit therefor, who assent to the plan and agreement and who shall have complied with the terms thereof, will be entitled to subscribe for such common stock of the new company on the following terms:

(1) **Debentures.**—Holders of debentures of the three issues referred to above will be entitled to receive for each \$1,000 of debentures: Subscription rights calling for 20 shares of common stock of the new company upon payment of \$110, being equivalent to a price of \$5.50 for each share of common stock so subscribed. Holders of American debentures of \$500 denomination will be entitled to receive for each \$500 of such debentures

Subscription rights calling for 10 shares of common stock of the new company upon payment of \$55, being equivalent to a price of \$5.50 for each share of common stock so subscribed.

(2) **\$3 Cumulative Convertible Preference Stock.**—Holders of the issued and outstanding shares of \$3 cum. conv. pref. stock of the corporation will be entitled to receive pro rata in accordance with the number of shares held: Subscription rights calling for such shares of common stock of the new company as shall not be subscribed for by holders of the outstanding debentures under the foregoing provisions, upon payment of a price of \$5.50 for each share of common stock of the new company so subscribed.

(3) **Common Stock.**—Holders of the issued and outstanding shares of common stock of the corporation will be entitled to receive pro rata in accordance with the number of shares held: Subscription rights calling for such shares of common stock of the new company as shall not be subscribed for by holders of the debentures or by holders of the \$3 cum. conv. pref. stock under the foregoing provisions, upon payment of a price of \$5.50 for each share of common stock of the new company so subscribed.

The subscription rights have been underwritten for cash at the same price as that at which the stock is offered to holders of debentures and preference and common stock of the corporation. For their services in undertaking this underwriting, the underwriters shall be entitled to receive stock purchase warrants entitling the holders thereof to purchase an aggregate of 30,000 shares of common stock of the new company, as a whole or in part, at any time or from time to time, until and including April 30 1934, at \$5.50 per share.

Financial Condition of the New Company.

Upon the consummation of the plan there will be paid into the new company \$731,500 cash, being the proceeds of the sale of 133,000 shares of common stock of the new company under the subscription rights and underwriting, and the plan contemplates that the agreement for the sale of 6 plants for a cash consideration of \$1,651,123 will be carried out by the reorganization committee or new company.

Pro Forma Balance Sheet as of Oct. 31 1931.

Assets		Liabilities	
Cash after deduct. \$162,000 for exps. of Nov. & Dec. 1931.	\$1,069,751	Secured equipment notes.....	\$2,439
Customers' notes & accts. rec. (less allow. for doubtful).....	528,861	Accounts payable.....	230,265
Merchandise inventories, containers, &c.....	1,354,911	Accrued taxes and sundry expenses.....	152,311
Cash surr. value, life insur.....	48,042	Deferred liability due Jan. 1 1933.....	25,000
Sundry accounts, claims and advances, &c.....	24,767	7% conv. pref. stock (\$25 par) x Common stock (207,412 shs. of no par value).....	3,990,000
Real estate, building, mach., & equipment, at arbitrary reasonable valuation.....	5,430,000	Capital surplus.....	2,500,000
Patents and goodwill.....	1	Initial surplus.....	604,959
Unexpired insurance premiums, prepaid expenses, &c.....	139,407		
Total.....	\$8,645,741	Total.....	\$8,645,741

x Common stock to be reserved: 159,600 shares for conversion of pref. stock; 30,000 shares for stock purchase warrants for underwriters, and 25,000 shares for sale to officers and employees.

Comparison of Capital Structure and Interest and Dividend Requirements of the Corporation and the New Company.

The extent to which the new company will be relieved of fixed interest and dividend charges is indicated in the following comparative table, showing the capitalization, interest charges and dividend requirements of the corporation as now capitalized and of the new company as proposed to be capitalized.

	Amer. Solvents & Chem. Corp. as Now Capitalized.	New Company Giving Effect to Reorganization.
	Outstanding Securities.	Securities to Be Outstanding.
Funded debt.....	\$6,650,000	\$417,825
\$3 cum. conv. pref. stock (no par).....	188,000.3 shs.	564,001
Common stock (no par).....	501,918.1 shs.	---
New company 7% conv. preferred stock (\$25 par).....	---	\$3,990,000
New company com. stock (no par).....	---	207,412 shs.
Totals.....		\$981,826

Note.—In addition to the above there will be a substantial reduction of int. charges on current borrowings arising from introduction of new money as provided under plan.

Storage Plant at New Orleans, La.—It is contemplated that the title of Dunbar Molasses Co., Inc., to a molasses tank storage terminal at New Orleans, La., will be perfected in consideration of Dunbar Molasses Corporation's cancelling a contingent claim for \$225,000 liquidated damages against the corporation.

Molasses Contract.—The reorganization committee has agreed to cause the new company, upon consummation of the plan, to enter into a contract, the form of which has been agreed upon, to purchase, under certain conditions, from Dunbar Molasses Corp. the requirements of molasses of the new company until Dec. 31 1933.

Estimated Earnings.—It has been estimated by the management, in collaboration with Ernst & Ernst, that if the plan is consummated the net income for the year 1932, after income taxes and all other charges, of the properties and business which it is contemplated will be acquired under the plan by the new company and its subsidiaries, including the estimated results of operations prior to the consummation of the plan, should approximate \$750,000. Such estimate is based upon the following assumptions:

- The accomplishment at a reasonably early date of a successful reorganization involving a working capital position of the new company substantially as shown in the pro forma balance sheet previously given and after making reasonable allowance for reorganization expenses, &c.
- The carrying out of the agreement providing for the sale of certain plants of the corporation.
- Execution and performance of a contract which Dunbar Molasses Corp. has agreed to enter into for the supply of the molasses requirements of the new company.
- A demand for alcohol justifying the present allotment of 80,000,000 gallons as a total for the industry for 1932, of which the corporation's 1932 allotment is approximately 15%.
- Continuance of sale of alcohol throughout the year at approximately the corporation's present schedule of prices.

The estimated net income of \$750,000 is equivalent to approximately 2.7 times the annual dividend requirement of \$279,300 on the \$3,990,000 par value (159,600 shares) of pref. stock which it is provided may be issued under the plan in exchange for debentures. Deducing the dividend on the preferred stock, the balance of approximately \$470,700 is equivalent to about \$2.27 per share for the 207,412 shares of common stock which it is provided may be distributed and issued pursuant to subscription rights under the plan.

Board of Directors of the New Company.—It is contemplated that the board of directors of the new company will consist of the following: C. O. Cornell, Joseph F. Dempsey, Arthur W. Loashy, John Nickerson, Victor M. O'Shaughnessy, Henry I. Peffer, Davenport Pogue, Joseph P. Ripley, and I. J. Seskis. Of the foregoing, five have been designated by the debentureholders' protective committee and the other four have been designated by the stockholders' protective committee.—V. 133, p. 3259.

American Trustee Shares Corp.—Offer of Exchange.—This corporation, it is announced, will accept Standard All-America Trust Shares or Standard American Trust Shares at its bid price therefor, computed as below described, and will deliver in respect thereof Diversified Trustee Shares, series D, at the offering price thereof in effect at the time of the acceptance of the offer of exchange, less an amount equal to 3% of such offering price less accumulations.

For the purpose of such exchange, the bid price of Standard All-America Trust Shares and Standard American Trust Shares will be based upon the current market prices of the deposited stocks at odd lot prices, less brokerage commissions and less any amounts which are currently being withheld by the trustee upon conversions. The bid price so arrived at may be adjusted to the next lower one-twentieth of a dollar per trust share.

Diversified Trustee Shares, series D, will be delivered only to the extent of the greatest number of such shares (in authorized denominations)

purchasable at such price with the amount realizable in respect of the Standard All-America Trust Shares or Standard American Trust Shares so surrendered as provided above. Any cash balance remaining may be applied toward the purchase of the smallest authorized denomination of Diversified Trustee Shares, series D, at the same price as is provided above with respect to exchanges.

In addition, a holder of Standard All-America Trust Shares or Standard American Trust Shares, who accepts the offer of exchange, may, at his option, purchase a number of Diversified Trustee Shares, series D, which when added to the number received by him upon such exchange, will equal the number of Standard All-America Trust Shares or Standard American Trust Shares surrendered in exchange. These additional shares may be purchased at a price equal to the offering price in effect at the time, less an amount equal to 3% of such offering price less accumulations.

In determining the market price of the deposited stocks, the market prices as evidenced by actual sales on the New York Stock Exchange (or if any such stocks are not traded in on the New York Stock Exchange, then on any Exchange upon which stocks are traded in) last current at the time of the acceptance of the offer of exchange shall be used, provided, however, that if there shall have been no actual sales on the day of such acceptance, the last current bid shall be used instead of the last current sale. This offer will expire on May 1 1932. See also V. 134, p. 1026.

American Surety Co. of New York.—Earnings.

Calendar Years—	1931.	1930.
Income from premium.....	\$9,812,127	\$10,238,498
Other income.....	1,584,415	1,732,349
Total income.....	\$11,327,541	\$11,970,847
Expenses.....	6,182,018	6,242,023
Taxes.....	265,580	438,494
Net losses.....	6,031,880	5,101,875
Net income.....	loss \$1,152,039	\$188,451

Balance Sheet Dec. 31.

Assets		Liabilities	
1931.	1930.	1931.	1930.
\$	\$	\$	\$
Real estate.....	8,300,000	Capital stock.....	7,500,000
Bonds.....	5,244,346	Surplus and undivided profits.....	3,394,645
Stocks.....	8,251,428	Res. unearn. prem.....	6,377,374
Cash.....	1,028,624	Res. conting. claim.....	6,437,518
Premium in course of collection.....	2,408,949	Exp. & tax reserve.....	885,998
Acce'd int. & rents.....	82,971	Reserve on hand.....	550,000
Reinsur. and other accts. receivable.....	159,314	Accts. pay., &c.....	330,097
Total.....	25,475,632	Total.....	25,475,632

—V. 134, p. 678.

American Thermos Bottle Co.—To Reduce Par.

The stockholders at the annual meeting to be held Mar. 15 will vote on a proposal to reduce the par value of the class A shares to \$5 from \$10.

In a letter to the stockholders, E. W. Edwards, Chairman of the board, and A. E. Payson, President, said the reduction of the par value would increase surplus and enable the directors to set up such reserves as they may believe desirable. This move will enable the company to restate its assets and will not affect the priority of the preferred stock, they said.—V. 133, p. 2270.

American Woolen Co.—To Reduce Preferred Stock and Change Par Value of Common Shares, New Directors, etc.

The company has notified the New York Stock Exchange of a proposed reduction in the authorized pref. stock from 600,000 shares to 478,648 shares, and a change in the common stock from 400,000 shares, par \$10, to 400,000 shares without par value, with a stated capital of \$5 per share, each present share of common stock to be exchanged for one new share.

Annual Report for 1931.

Lionel J. Noah, President, Feb. 15 wrote: This report sets forth in detail the conditions of the company as of Dec. 31 1931, as shown by the accompanying balance sheet after giving effect to:

1.—Adjustments, as recommended by Patterson, Teele and Dennis in their audit as of Dec. 31 1930, to cover items applicable to operations of former years not previously provided for.

2.—Adjustment of plant values referred to below.

The profit and loss statements reflect the operating results of the company for 1931 compared with 1930.

In accordance with the recommendations of Patterson, Teele and Dennis, who were appointed as auditors at the last stockholders' meeting, the surplus of \$4,787,386, as shown on the statement of Dec. 31 1930, was reduced by \$1,577,091 to provide reserves to cover operations of the company in years previous to Dec. 31 1930. This left the surplus account, as of Dec. 31, \$3,210,295.

Following a report by Chas. T. Main, Inc., Boston, Mass., on the active and inactive plants and properties, the Textile Realty Co. was formed into which were placed the inactive mills and properties for ultimate liquidation, and adjustments were made in the book value of the active plants.

These actions as set forth in the surplus account items (b) and (c), decrease the surplus account by an additional amount of \$17,458,596.

The profit before deduction for plant depreciation and inventory reductions was \$418,843. Depreciation amounted to \$1,506,235 and inventory reductions were \$1,749,434. The inventory reductions resulted from substantial declines in basic raw materials during the first part of the year and most unseasonable weather conditions and the general economic situation during the latter part.

The company is in a strong cash position. Net current assets are \$40,769,244. During 1931, the company retired the note indebtedness of the Webster and Shayshon Mills, totaling \$17,000,000 gross, and reduced its mortgage indebtedness on its buildings in New York City by \$584,000.

The reduction of the company's indebtedness will result in substantial savings in interest payments.

In keeping with the present management's policy of efficient mill operation, we have installed considerable new machinery in many of our plants and have made many other necessary manufacturing improvements to modernize our plant operation.

Condensed Consolidated Profit and Loss Years Ended Dec. 31.

Company and All Subsidiary Companies Except Textile Realty Co.]	1931.	1930.
Profit before inventory reductions, interest charges and depreciation.....	\$781,833	\$91,126
Reductions in semi-annual inventories to cost or market basis, as adjusted.....	1,749,435	2,712,806
Interest on coupon notes, mortgages, &c.....	362,989	783,570
Loss before depreciation.....	\$1,330,591	\$3,405,251
Prov. for depreciation on buildings, mach., &c.....	1,506,235	1,492,334
Loss for year, transferred to surplus account.— \$ For comparison.	\$2,836,826	\$4,897,584
Condensed Consolidated Surplus Account Year Ended Dec. 31 1931.		
Surplus—Dec. 31 1930 as per annual report.....		\$4,787,386
Deduct: Net adjustments to surplus as of Dec. 31 1930, based on an examination by the auditors duly appointed at the annual meeting, for contingencies and other reserves arising from the operations of previous years, and for assets omitted from the balance sheet.....		1,577,091
Adjusted surplus at Dec. 31 1930.....		\$3,210,295
Deduct: (a) Loss as adjusted for the year ended Dec. 31 1931, detailed above.....		2,836,826
(b) Adjustment of book value of active properties in accordance with report of Chas. T. Main, Inc., July 1 1931, to basis of approximate cost less accrued depreciation.....		10,041,769
(c) Book value of inactive plants, tenements and miscellaneous properties transferred to Textile Realty Co., a wholly owned subsidiary—written off.....		7,416,827
(d) Note issue exp. of prev. years and prem. written off.....		134,550
(e) Net additions to reserve for contingencies—rentals under leases of vacated premises, &c.....		500,000
(f) Amount written off sundry investments.....		19,001
Deficit—Dec. 31 1931.....		\$17,738,679

Condensed Consolidated Balance Sheet Dec. 31.

Assets—	1931.		1930.	
	\$	\$	\$	\$
Plant & mill fixtures—	x31,331,781	48,750,268	47,864,800	47,864,800
Investments	287,052	2,212,953	300	300
U. S. Govt. sec.	6,384,089	7,119,298	5,500,000	5,500,000
Wool & fabrics, raw, wrought, & in process, and supplies	20,818,472	19,801,708	125,000	125,000
Cash	8,440,266	18,552,864	241,807	620,157
Accts. rec. (net)	5,368,225	8,808,651	1,225,000	1,800,000
Bank accepts	—	603,897	17,738,679	4,787,386
Deferred charges	166,833	297,004	—	—

Total— 72,796,718 106,206,643 Total— 72,796,718 106,206,643
 x Plant and mill fixtures, office and warehouse buildings, less \$40,936,453 reserve for depreciation.

A. G. Pierce and Wheaton Kettredge have resigned as directors.—V. 134, p. 1026.

Arrow-Hart & Hegeman Electric Co.—New Canadian Unit.—

The Arrow-Hart & Hegeman (Canada) Ltd., has been formed by the above company and has leased space in Toronto, Canada, for the manufacture of electric wiring and switch device for the Canadian and export markets. Equipment is being installed in the new plant and production will be commenced shortly. The new company will have an authorized capital stock of \$100,000, par value \$10 per share.—V. 134, p. 1198.

Atlantic Ice Mfg. Co.—Earnings.—

Calendar Years—	1931.	1930.	1929.	1928.
Gross revenue	*\$793,030	*\$800,120	\$802,731	\$598,291
Operating exps., maint. and taxes, including Federal taxes	456,946	480,430	514,177	381,831
Income	\$336,083	\$319,690	\$288,554	\$216,460
Interest and amort.	97,334	103,661	93,275	70,124
Balance	\$238,749	\$216,028	\$195,278	\$146,335
Depreciation	78,813	85,558	80,273	59,829
Balance	\$159,936	\$130,470	\$115,005	\$86,506
Preferred dividends	38,556	38,517	31,674	22,130
Bal. avail. for com. stk.	\$121,380	\$91,953	\$83,331	\$64,375
Shares of common stock outstanding	14,189	14,092	14,082	13,482
Earnings per share	\$8.55	\$6.52	\$5.91	\$4.77

* Inter-company sales eliminated. Previous years include inter-company sales.—V. 127, p. 1951.

Baldwin Co., Cincinnati.—Annual Report.—

Lucien Wulsin, President, says in part:
 The total volume of business done by the company and its subsidiary companies, for 1931, exclusive of small goods, amounted to \$4,922,870, a reduction compared with 1930 of 32.1%.

The company's operations for the year show a loss of \$663,353 after deduction for taxes and interest. There have been charges against reserves, specifically allocated to that purpose, certain non-recurring losses on accounts receivable; and an adjustment in inventory values of \$280,416 to bring same to the basis of present market, was charged direct to surplus.

Notwithstanding the loss for the past year, the company is in a strong financial position as is evidenced by the ratio of current assets to current liabilities of more than 23 to 1; and the surplus account, after deduction of loss from operations and charges for inventory adjustment, amounts to \$1,608,629.

During the year funded debt was reduced \$728,000 through the operation of the regular retirement provision and through purchases at the market, 177 shares of the pref. stock were purchased during the year at the market, and are now carried in the treasury.

Consolidated General Balance Sheet Dec. 31 1931.

Assets—	1931.		1930.	
	\$	\$	\$	\$
Cash and U. S. securities	\$655,375	\$512,978	39,733	39,733
Bills & accts. receivable	5,012,978	2,009,417	2,023,965	2,023,965
Inventories	2,009,417	1,092,853	1,151,500	1,151,500
Mfg. plants (incl. est. & bldgs.)	1,092,853	1,064,670	2,006,600	2,006,600
Machinery and equipment	1,064,670	1,064,670	2,675,732	2,675,732
			1,608,628	1,608,628
Total	\$9,835,294	\$9,835,294	\$9,835,294	\$9,835,294

—V. 130, p. 3717.

Baltimore Tube Co., Inc.—Earnings.—

Calendar Years—	1931.	1930.	1929.	1928.
Operating loss	\$63,566	\$5,057	prof\$394,766	prof\$378,188
Metal invent. written down	60,000	69,750	—	—
Depreciation	51,807	63,969	80,469	99,811
Amort. of def. charge, &c	521	3,000	3,000	3,190
Federal income taxes	—	—	38,500	40,000
Sundry contingencies	—	—	20,000	5,000
Loss	\$175,894	\$141,776	sur\$252,798	sur\$230,186

Condensed General Balance Sheet Dec. 31.

Assets—	1931.		1930.	
	\$	\$	\$	\$
Property, patents, good-will, &c.	\$5,304,137	\$5,264,301	7% pref. stock	\$1,750,000
Inventories	482,256	678,497	Common stock	2,375,000
Notes & accts. rec.	175,416	320,589	3 yr. 6% gold notes	47,000
Cash in bank & on hand	383,726	450,626	Notes & accts. pay	308,212
Deferred charges	3,604	17,284	Reserves	1,898,416
			Surplus	17,512
Total	\$6,349,140	\$6,731,298	Total	\$6,349,140

—V. 133, p. 3096.

(The) Bastian-Blessing Co.—Earnings.—

Years End. Nov. 30—	1931.	1930.	1929.	1928.
Net profit (after deprec.)	\$72,972	\$302,599	\$757,521	\$479,183
Other income (net)	12,036	23,992	19,004	14,478
Total	\$85,008	\$326,592	\$776,525	\$493,661
Estimated Fed. inc. tax	13,200	38,700	87,200	59,000
Net profit	\$71,808	\$287,892	\$689,325	\$434,661
Dividends	194,513	345,000	a305,501	a259,375
Earns. per sh. on 115,000 shs. com. stock outstanding (no par)	\$0.62	\$2.50	\$5.99	\$3.53
a Includes dividends on pref. stocks then outstanding.				

General Balance Sheet Nov. 30.

Assets—	1931.		1930.	
	\$	\$	\$	\$
Capital assets	\$456,769	\$473,688	Capital stock	x\$575,000
Patents, non-depreciated value	11,263	9,915	Accts. payable	19,013
Cash	167,914	331,625	Credit bal. due customers	5,178
Accts. & notes rec.	y248,492	329,188	Dividends payable	83,662
Inventories	700,677	753,339	Est. Fed. taxes	13,200
Mkt'le securities	113,187	—	Accrued liabilities	25,012
Cash val. life ins.	8,350	—	Surplus	1,162,303
Long term rec.	68,235	—		
Invests. (at cost)	z128,020	—	Total	\$1,799,707
Deferred charges	18,337	20,026		\$2,039,318
Total	\$1,799,707	\$2,039,318	Total	\$1,799,707

x Represented by 115,000 no par common shares. y Less reserve for losses \$25,000. z Includes 4,050 shares of company's own stock at cost (\$118,080).—V. 133, p. 4334.

Barnsdall Corp.—To Reclassify Stock.—

The stockholders at the annual meeting to be held on March 15 will vote on approving a reclassification of the present class A stock and class B stock, par \$25, into one class of common stock, par \$5, each share to be exchanged for one new share.—V. 133, p. 3260.

Bendix Aviation Corp.—Temporary Shutdown in Aviation Brakes Division.—

The corporation has advised its customers to place orders early for products in its aviation brake division in view of a temporary shutdown in that section for the purpose of making certain factory adjustments. The shutdown will not exceed 30 days. As soon as the contemplated changes in machinery placement, &c., have been completed, production will continue in the usual fashion.—V. 134, p. 509.

Benson & Hedges.—Earnings.—

Calendar Years—	1931.	1930.	1929.
Net sales	\$918,740	\$1,066,982	\$1,235,409
Cost of sales	695,087	803,101	903,707
Gross profit on sales	\$223,653	\$263,881	\$331,708
Other income, rents, discounts, &c.	21,533	23,689	21,656
Total earnings	\$245,186	\$287,569	\$353,364
Oper. exps., incl. selling & adminis. expenses, rent, taxes, insur., &c.	226,332	251,093	268,767
Interest	11,559	13,148	6,083
Depreciation	4,696	5,141	4,831
Federal income taxes	567	2,156	8,327
Net income	\$2,033	\$16,031	\$65,357
Dividends paid on preferred stock	27,000	36,000	36,000
Net addition to surplus for year	def\$24,967	def\$19,969	\$29,357
Surplus Jan. 1	101,982	122,479	93,122
Federal income taxes prior years	—	528	—
Surplus Dec. 31	\$77,015	\$101,982	\$122,479
Earnings per share on 18,000 shares pref. stock (no par)	\$0.11	\$0.89	\$3.63

Balance Sheet Dec. 31.

Assets—	1931.		1930.	
	\$	\$	\$	\$
Cash	\$17,380	\$29,357	Bank loans payable	\$145,000
Notes receivable	\$2,483	\$0,092	Trade accept. pay.	14,754
Accts. receivable	171,187	214,848	Accts. payable	17,828
Inventories	392,290	497,811	Accrued expenses	2,680
Mach., equip., and bldgs. improv.	41,550	44,351	Fed'l income taxes accrued	567
Prepaid insur., tax and interest	6,981	7,649	Capital stock	x424,028
Goodwill, leasehold trade marks, &c.	1	1	Earned surplus	77,014
Total	\$681,873	\$854,109	Total	\$681,873

x Represented by 18,000 shares cum. conv. pref. stock, and 42,000 shares common stock, both of no par value.—V. 133, p. 2605.

(Sidney) Blumenthal & Co., Inc. (& Subs.)—Earnings.

Calendar Years—	1931.	c1930.	c1929.	c1928.
Net sales	\$10,059,274	\$8,501,740	\$18,409,469	\$18,678,492
Cost of sales	8,326,892	7,429,352	13,253,329	13,393,630
Exp., custom. disc., &c.	1,370,913	1,220,355	2,149,973	2,015,890
Profit from operation	\$361,469	loss\$147,966	\$3,006,167	\$3,268,973
Interest charges, &c.	453,571	142,615	153,796	319,075
Federal, &c., taxes	—	—	355,176	401,055
Net income	loss\$92,102	loss\$290,581	\$2,497,194	\$2,548,843
Preferred dividends	104,186	175,000	b437,500	a393,750
Balance	def\$196,288	def\$465,581	\$2,059,694	\$2,155,093

a Includes 14% on account of arrears. b Includes 10 1/4 % on account of arrears. c Exclusive of Saltex Looms, Inc., and Caromaunt Mills, Inc.

Balance Sheet Dec. 31.

Assets—	1931.		1930.	
	\$	\$	\$	\$
Fixed assets	a6,588,271	4,568,246	Preferred stock	1,613,590
Patents, g'd-will, &c.	1	10,001	Common stock	x4,287,194
Cash	622,962	2,140,730	Saltex Looms, Inc.	—
Notes & trade accounts rec.	17,798	29,671	1st mort. bonds	1,800,000
Life insur. policies	154,753	139,152	Min. int. in Caro-	—
Marketable secur.	549,909	—	count Mills, Inc	32,339
Int. acc'd on inv.	8,811	—	Accounts payable	88,868
Com. stk. acquired for employees	89,976	—	Dividends payable	25,723
Accts. receivable	834,062	1,156,081	Reserves	300,000
Inventories	3,248,607	2,097,427	Accrued liabilities	28,200
Investments	146,667	712,141	Surplus	y4,193,973
Deferred charges	108,069	80,369		4,276,972
Total	12,369,888	10,933,818	Total	12,369,888

a After deducting depreciation of \$2,344,410. x Represented by 239,012 shares of no par value. y Includes \$1,500,000 available for pref. dividend and sinking fund and to increase stated capital, and \$142,443 arising from acquisition of preferred stock.—V. 133, p. 2932.

Bohn Aluminum & Brass Corp.—Sales Higher.—

Sales in January were 20% in excess of the average monthly sales in the last quarter of 1931. The company's operations have shown steady improvement since the low point in October last year. February releases indicate further gain in the current month.—V. 133, p. 484, 2605, 2765.

Booth Fisheries Co., Chicago.—New Management.—

The expected readjustment in management of this company, necessitated by the passing of K. L. Ames, Chairman of its board, and for many years President of the corporation, was effected on Feb. 11 at a special meeting of the directors. P. L. Smithers, President of the company, tendered his resignation with the request that it be immediately accepted. The resignation of Mr. Smithers was accepted with regret.

A new board of directors was chosen as follows: Joseph C. Markley, Henry Hinrichs, Oscar A. Roemer, Andrew M. Lawrence, Joseph H. Kelly, Thomas J. Shaughnessy, Peter H. McCue, Peter Berkeley, and J. Sanford Otis.

The personal of the company was rearranged as follows: Joseph C. Markley, President; Henry Hinrichs, General Manager; Oscar A. Roemer, Vice-President & Treasurer; Joseph H. Kelly, Secretary & Asst. Treasurer; and Edmund P. Kennedy, Assistant Secretary.

Representatives of important banking interests were present and approved of re-alignment of management and commented favorably on the vitality and long career of the company, which has been in existence since 1848.

The new management takes charge immediately.—V. 134, p. 139.

(H. M.) Bylesby & Co.—Plans Changes in Capital.—

The stockholders at their annual meeting on March 7 will be asked to approve an increase in the authorized pref. stock from 175,000 shares to 1,000,000 shares, a change of the annual cumulative preference of \$1.50 and non-cumulative participating of 50 cents a share to a cumulative annual preference in dividends of \$2 a share, and an increase in the liquidating price from \$20 to \$25 a share.

The directors also recommend a reduction in the capital of the class A and class B common shares to \$10 a share, in view of the present depreciation in quoted values of securities, and ask that the capital surplus arising from the reduction shall at the discretion of the board be used in whole or in part as a reserve for realized or unrealized depreciation in capital assets. This will not change the preference of liquidating rights of the stocks, the announcement states.—V. 134, p. 139.

Cadillac Motor Car Co.—Sales Increase.—

Cadillac-La Salle sales during the first 10 days of this month show an increase of 78% over the first 10 days of January and an increase of 14%

over the corresponding period of February last year, according to J. C. Chick, General Sales Manager.
 "Cadillac sales have been exceeding factory estimates since last fall, and there is every reason to believe that our February total production will be far ahead of the same month last year," said Mr. Chick.
 The Cadillac plants have been operating on full time since November, and some divisions of the company have been running 24 hours a day, with three eight-hour shifts.
 The payroll ranges around 6,300 employees and compares favorably with the peak payrolls of 1929.
 Orders actually on hand at the Cadillac factory guarantee sustained activity of almost peak proportions until well into the spring. ("Wall Street Journal.")—V. 133, p. 804.

Calco Chemical Co.—Expansion.—

The company has purchased the alkali blue and iridin violet business of Zinsser & Co., Hastings-on-Hudson, N. Y. The transaction includes the equipment, processes, formulas, good-will and other related assets.
 For the present, production will continue at the Zinsser plant in Hastings, and the same exact types will be produced under the same personnel as heretofore. As soon as a safe reserve stock of all qualities has been accumulated, the equipment will be moved to the main Calco plant at Bound Brook, and production will be carried on at that plant.
 The Calco company is a subsidiary of the American Cyanamid Co. ("Oil, Paint and Drug Reporter.")—V. 132, p. 4416.

Camden (N. J.) Fire Insurance Association.—Report.—

William T. Read, President, says in part:
 Income from investments during 1931 was \$644,464, which compares favorably with \$643,644 of 1930. Premium income of \$5,088,569 is only 3.06% less than the \$5,249,103 received in 1930. Underwriting gain was \$4,023 for the year. Operating income showed a surplus of \$248,486 after paying yearly dividend of \$400,000.

Balance Sheet Jan. 1.

1932.		1931.		1932.		1931.	
	\$		\$		\$		\$
Assets—		Liabilities—					
Real estate.....	483,384	Res. for unearned premiums.....	5,015,393	5,350,275			
Bonds & mortgages	1,892,693	Res. for losses in process of adjust	760,234	781,073			
Int.—Due & accr.	96,626	Reserve for taxes	200,000	200,000			
Prems. in course of collection.....	754,963	Res. for miscell. claims.....	61,575	89,304			
Cash.....	422,298	Res. for sec. values	2,312,033				
Bonds, x.....	3,936,495	Capital.....	2,000,000	2,000,000			
Stocks, x.....	5,420,955	Net surplus, y.....	2,658,178	4,821,060			
Total.....	13,007,413	Total.....	13,007,413	13,241,713			

x Valuations approved by National Convention of Insurance Commissioners. y On the basis of Dec. 31 actual values.—V. 130, p. 292.

Canada Cement Co., Ltd.—Stockholders Increase.—

The number of stockholders of this company increased last year by 1,307 to 11,046. The company has developed a new product, Kalicrete, which is an alkali-resisting cement for use particularly in western Canada.—V. 134, p. 852.

Cape Girardeau Bridge Co.—Interest Payment.—

The holders of the 1st mtg. 7% bonds have been notified that funds sufficient to meet the semi-annual interest payment represented by Coupon No. 7 have been accumulated and this coupon will be paid on presentation at Sturdivant Bank, Cape Girardeau, Mo.—V. 124, p. 652.

Central National Corp.—Report for 1931.—

D. Samuel Gottesman, President, states in part:
 Pursuant to action taken by the class B stockholders at a special meeting held on Jan. 29 1932, the capital was reduced from \$2,275,000 to \$1,137,500, and the amount of \$1,137,500 thereby made available was, by authorization of the board of directors, transferred to capital surplus. Balance sheet as of Dec. 31 1931, and operating statement for the year ended that date, giving effect to these operations, are submitted.

Income Account Year Ended Dec. 31 1931.

Surplus of \$1,137,500 and adjustment of book value of securities to market prices of Dec. 31 1931.....		
Income from interest, dividends, commissions, &c.....	\$146,516	
Expenses.....	130,255	
State franchise tax.....	2,455	
Balance.....	\$13,807	
Net realized profits on security transactions.....	11,024	
Total income.....	\$24,831	
Amount required to adjust book value of securities owned to prices of Dec. 31 1931.....	766,030	
Net loss, transferred to undivided profits account.....	\$741,199	
Summary of Undivided Profits and Capital Surplus Accounts.		
Undivided Profits Account—		
Net loss, as above.....	\$741,199	
Tax refunds.....	7,988	
Remainder.....	\$733,210	
Provision for general reserve.....	12,500	
Debit bal. Dec. 31 1931, transferred to capital surplus account	\$745,710	
Capital Surplus Account—		
Balance Jan. 1 1931 (after deduction of deficit Dec. 31 1930—\$312,257).....	\$733,423	
Amount made available by reduction on capital authorized by shareholders at special meeting of Jan. 29 1932.....	1,137,500	
Total.....	\$1,870,923	
Balance transferred from undivided profits account, as above.....	745,710	
Balance Dec. 31 1931, as per balance sheet.....	\$1,125,213	

Balance Sheet Dec. 31 1931.

Assets—	a	b	Liabilities—	a	b
Cash.....	\$151,214	\$151,214	Due for secur. purchased & accts. payable.....	\$41,310	\$41,320
Securities.....	1,476,613	2,242,642	Deferred credits.....	5,993	5,993
Treas. stk., cl. A. 4,910 shares (at cost).....	293,174	293,174	General reserve.....	150,000	150,000
Accts. & notes rec.....	521,186	521,186	Class A stock.....	1,000,000	2,000,000
Furniture & fixt.....	12,612	12,612	Class B stock.....	137,500	275,000
Accruals & def'd debits.....	5,227	5,227	Capital surplus.....	1,125,213	753,743
Total.....	\$2,460,026	\$3,226,056	Total.....	\$2,460,026	\$3,226,056

a After giving effect to reduction in capital and resulting credit to capital surplus of \$1,137,500 and adjustment of book value of securities to market prices of Dec. 31 1931. b Before giving effect to reduction in capital and surplus, &c. This item has been adjusted to the market prices prevailing on Dec. 31 1931. d The aggregate market value of these securities was \$766,030 less than their cost.—V. 131, p. 2070.

Chatham Apartment Hotel (The Martinique, Inc.), Philadelphia.—Report to Depositors.—

The committee for the protection of the holders of bonds sold through the F. H. Smith Co. (George E. Roosevelt, Chairman), in a recent report to depositors of 1st & ref. mtg. 6 1/2% bonds, states in part:
 In November 1931 the trustee under the mortgage instituted proceedings to foreclose the mortgage. In these proceedings the question as to whether the bonds of the first mortgage issue now held by the 1st & ref. mtg. trustee have been validly canceled will be determined. It is expected that testimony will be taken in the foreclosure proceedings within the next two months and that a final decree will be entered shortly thereafter.
 The committee, which already represents a large majority of the bonds of the 1st & ref. mtg. issue, plans to bid at the foreclosure sale, and unless a satisfactory bid is made by another bidder, to acquire the property on behalf of depositing bondholders of such issue.
 A temporary trustee operated the property from June 25 1930 to Dec. 20 1930, and Girard Trust Co., successor trustee under the first mortgage,

has operated the property since Dec. 20 1930. According to statements furnished to the committee, the gross income for the period from June 25 1930 to Nov. 30 1931 was \$189,737, and the operating expenses, including insurance, current real estate taxes, trustee's commissions and interest on trustee's advances, were \$176,790, leaving a net income of \$12,947 before State taxes, bond interest, amortization, depreciation or provision for trustee's legal expenses. Bond interest alone for this period amounted to approximately \$140,000. Girard Trust Co. has advanced \$125,000 to pay real estate taxes for the years 1928 to 1931, inclusive, together with penalties and interest on delinquent taxes for the years 1928, 1929 and 1930. This advance constitutes a charge against the property prior to the mortgages.

The Chatham Apartment building is a narrow 16-story structure located at the southeast corner of 20th and Walnut Streets, Philadelphia. The ground floor is devoted to a small lobby and nine stores, and the upper 15 floors are divided into 90 apartments of two-room and four-room units. The building was completed in the spring of 1927 and for about a year thereafter was operated as an apartment house. Early in 1928 furniture was purchased for most of the apartments and since that time the property has been operated as an apartment hotel. However, because of competition from other properties, the location and size of the building, and the extremely poor character of the furniture, it was impossible for the owner to increase the rates sufficiently to operate the property at a profit as an apartment hotel. The trustee under the first mortgage also has found it impossible to operate the property at a profit, but has not wished to take the responsibility of reconverting the property into an apartment house.

In July 1931 the committee filed a suit against the F. H. Smith Co. in Wilmington, Del., based on fraud in the sale of the 1st & ref. mtg. bonds of this issue and on the failure of the Smith company properly to apply the proceeds of the sale of such bonds toward the refunding of the first mortgage on the property. On Dec. 19 1931 the committee entered into an agreement with the Smith company, pursuant to which such suit has been settled. In consideration of the dismissal of the committee's suits, the Smith company has assigned to the committee, for the benefit of depositors of bonds, 40% of all the assets of the company, both tangible and intangible.

The principal tangible assets of the Smith company consist of bonds of various of the first mortgage issues which were sold by the company. It is estimated that these first mortgage bonds, which are being deposited with the committee pursuant to a separate agreement with the Smith company, have a liquidation value to the Smith company of approximately \$400,000.

Since the Smith company will be occupied chiefly in the recovery of assets which have been improperly taken from it, and since, as stated above, the committee will receive 40% of any assets recovered, the agreements provide that the committee will pay 40% of the expense involved in the liquidation of the company's assets (other than the bonds now held by the company). However, the committee's liability on account of such expense will not, except as to counsel fees, extend beyond Jan. 1 1934 and is limited to \$1,400 a month. Moreover, the committee is obligated to pay its portion of the expense of liquidation only from cash realized by the committee on the assets assigned to it by the company.

The agreements described above were negotiated with the new management of the Smith company. In August 1931 the common (voting) stock of the company was declared void by the Chancery Court of Delaware on the ground that it had been issued without consideration, and thereafter the present management was placed in control of the company by the holders of the preferred stock, approximately \$7,250,000 of which is outstanding in the hands of the public. No one connected with the present management has ever been connected in any way with the former management.

The agreements of settlement with the Smith company were entered into, after negotiations extending over a period of many weeks, in order to avoid the expense and delay incident to protracted litigation. In the opinion of the committee, the agreements represent a fair and equitable disposition of the claims which the committee asserted against the Smith company.—V. 131, p. 661.

Chemical Research Corp., Detroit.—Increases Stock.—

The company has filed a certificate at Dover, Del., increasing its authorized capital stock, no par value, from 720,000 shares to 800,000 shares, no par value.—V. 133, p. 3634.

Chesebrough Mfg. Co. Consol.—Extra Div. of 50c.—

The directors have declared an extra dividend of 50c. per share and the usual quarterly dividend of \$1 per share on the \$3,000,000 common stock, par \$25, both payable Mar. 31 to holders of record Mar. 10. In March, June and September 1929, 1930 and 1931 an extra dividend of 50c. per share was paid, as compared with an extra of \$1 per share on Dec. 30 1929, 1930 and 1931. Extras of 25c. per share were distributed on June 30, Sept. 29 and Dec. 28 1928.—V. 133, p. 3466.

Chicago Electric Mfg. Co.—Earnings.—

Calendar Years—	1931.	1930.	1929.
Net sales.....	\$580,766	\$592,999	\$1,047,808
Cost of goods sold, excl. of deprec.....	449,692	485,553	896,468
Selling & gen. exp., excl. of deprec.....	85,791	91,431	124,439
Profit from ops., before deprec.....	\$45,283	\$16,015	\$26,902
Income credits.....	6,373	7,552	9,833
Gross income, before depreciation.....	\$51,656	\$23,567	\$36,735
Income charges.....	13,697	18,775	
Net inc. for the year, before deprec.....	\$37,958	\$4,791	\$36,735
Depreciation based on cost.....	35,000	28,467	
Federal income tax.....			4,362
Net profit for the year.....	\$2,958	def \$23,676	\$32,373
Surplus at beginning of the year.....	161,358	192,214	160,071
Balance, surplus.....	\$164,317	\$168,538	\$192,444
Profit & loss charge—loss on equipment retired.....		7,180	230
Surplus at end of the year.....	\$164,317	\$161,358	\$192,214

Comparative Balance Sheet Dec. 31.

Assets—	1931.	1930.	Liabilities & accrued	1931.	1931.
Cash.....	\$129,480	\$215,044	Accts. & accrued exp. payable.....	\$20,234	\$18,136
U. S. fourth Liberty Bonds.....	130,179		Class A preference stock.....	472,403	472,403
Accrued interest.....	1,107		Cl. B com. stock—do subser. for but not issued.....	125,000	125,000
Accts. receivable.....	235,323	34,302	Earned surplus.....	24,500	25,000
Inventories.....	60,961	93,753		164,317	161,358
Due from subscrib' to cl. B cap. stk.....	24,500	25,000			
Deferred charges.....	6,180	4,835			
Good-will & pats.....	1	1			
Plant & property.....	418,722	428,962			
Total.....	\$806,455	\$801,897	Total.....	\$806,455	\$801,897

x Having preference in liquidation of \$30 a share and as to earnings of \$2 a share annually. Authorized 30,000 shares of no par value; issued and outstanding 25,000 shares. y Represented by 25,000 shares \$5 par value. z After deducting reserve of \$5,600.

Note.—No dividends have been declared or paid on the class A participating cumulative preference stock during the years 1928 to 1931 inclusive.—V. 132, p. 1419.

Clark Equipment Co.—Omits Dividend.—

The directors have decided to omit the quarterly dividend ordinarily payable about March 15 on the common stock, no par value. A distribution of 25 cents per share was made on this issue in each of the two preceding quarters as against 50 cents per share previously.—V. 133, p. 3097.

Collingwood Terminals, Ltd.—Accrued Dividend.—

The directors recently declared a dividend of \$1.75 per share on account of accumulations on the 7% cum. pref. stock, payable Feb. 27 to holders of record Feb. 15.—V. 128, p. 3832.

Commercial Credit Co.—To Reduce Stated Value of Common Stock.—

The stockholders will vote March 10 on approving a proposal to reduce the capital represented by 1,037,052 shares of common stock, no par value, to \$12 per share.—V. 134, p. 1200.

Commercial Discount Co.—Earnings.—

<i>Earnings for Year Ended Dec. 31 1931.</i>		
Profit for year	-----	\$306,224
Previous surplus	-----	680,752
Total surplus		\$986,976
Adjustment of valuation of investment in West American Insurance Co. due to depreciation of securities		194,126
Preferred dividends		109,737
Common dividends		81,074
Balance, surplus		\$602,039

Balance Sheet Dec. 31 1931.

Assets		Liabilities	
Cash	\$636,938	8% preferred stock	\$1,000,000
Cash in hands of trustees for redemption of gold notes	410	7% preferred stock	424,810
Installment contracts rec'able	5,160,540	Common stock	310,740
Sundry notes & accounts rec.	83,108	Surplus	602,039
Repossessed automobiles, &c. (market value)	14,056	Unearned discount	261,941
Investments	946,946	Dealers' participation reserves	199,138
Furniture, fixtures and automobiles (depreciated)	74,780	Other reserves	55,488
Gold note discount, prepaid interest, insurance, &c.	113,589	6% convertible gold notes	1,311,000
		Notes payable	2,227,850
		Accounts payable	67,218
		Dividends payable	27,434
		Federal income tax	42,710
Total	\$7,030,369	Total	\$7,030,369

Congoleum-Nairn, Inc.—Earnings.—

<i>Calendar Years—</i>			
	1931.	1930.	1929.
Operating profits	\$1,626,387	\$710,628	\$2,931,562
Add—Interest, royalties, dividends, &c.	536,279	509,870	750,625
Total income	\$2,162,666	\$1,220,498	\$3,682,187
Interest paid	81,296	103,319	109,298
Depreciation	681,703	878,340	1,057,058
Federal taxes (est.)	160,000	30,000	302,000
Bal. avail. for divs.	\$1,239,667	\$208,839	\$2,213,831
Divs. paid—Pref. stock	93,074	98,592	104,146
Common dividends	659,000		
Balance, surplus	\$487,593	\$110,247	\$2,109,685
Profit and loss, surplus	17,724,318	17,961,734	17,851,487
Shares com. stock outstanding (no par)	1,390,000	1,414,351	1,641,026
Earns. per sh. on com.	\$0.90	\$0.08	\$1.28

Balance Sheet Dec. 31.

Assets		Liabilities	
Fixed assets	x23,873,965	1st pref. 7% cum. stock	1,202,500
Cash	1,715,815	Common stock	11,650,620
Treasury stock	1,188,004	Funded debt	1,090,900
U. S. Govt. and mun. securs.	8,344,512	Accts. payable and acct'd charges	384,887
Notes & accts. rec.	2,078,274	Federal taxes	160,000
Inventories	4,785,926	Reserves	1,022,590
Sundry debtors	256,828	Surp. (merged cos.)	
Marketable securs.	742,788	Created by valuation of goodwill & trade marks	1,000,000
Const. in progress	209,915	Approp. surplus	423,300
Good-will & trade marks	1,000,864	Earned surplus	16,301,018
Deferred debits	65,014		
Total	33,235,816	Total	33,235,816

Consolidated Indemnity & Insurance Co.—Resignation
 Rolland R. Rasquin has resigned as President to re-enter the general practice of law, specializing in surety and casualty insurance matters.
 —V. 134, p. 853.

Consolidated Laundries Corp. (& Subs.)—Earnings.—

<i>Calendar Years—</i>			
	1931.	1930.	1929.
Net sales	\$9,435,185	\$9,994,352	\$9,437,793
Cost of sales	7,789,210	8,236,693	7,802,058
Depreciation	717,125	708,153	637,543
Profit from operations	\$928,849	\$1,049,506	\$998,192
Other income	87,520	94,721	115,406
Gross income	\$1,016,370	\$1,144,226	\$1,113,598
Interest	234,676	265,842	x361,071
Federal income tax	92,319	106,838	31,372
Net profit	\$689,375	\$771,546	\$721,155
Preferred dividends	y38,477	48,708	53,321
Common dividends	400,747	201,258	
Balance, surplus	\$250,151	\$521,582	\$667,834
Shares com. stock outstanding (no par)	403,962	402,674	399,725
Earnings per share	\$1.61	\$1.79	\$1.67
x Includes provision for contingencies.		y Includes div. payable Feb. 1.	

Earned Surplus Account.—Earned surplus Jan. 1 1931, \$992,998; net profit for year 1931, \$689,375; other surplus credits, \$100,971; total, \$1,783,344. Deduct: Pref. dividends, \$38,477; com. dividends, \$400,747; purchased route services written off, \$150,000; supply routes purchased not capitalized, \$87,898; earned surplus Dec. 31 1931, \$1,106,222.

Comparative Consolidated Balance Sheet Dec. 31.

Assets		Liabilities	
Cash	1931. 599,535	1930. 440,971	1931. 429,473
Notes & accts. rec.	a482,766	570,580	333,672
Inventories	877,932	992,252	410,146
Mtgs. & long term notes & accts. rec.	326,029	333,844	510,000
U. S. & mun. bonds with deposit with Dept. of Labor at cost	56,904	56,904	75,000
Investments	b5,357	53,124	72,110
Treasury stock	129,630		9,181
Land, bldgs., mach. & delivery equip	c6,041,221	6,383,095	72,110
Deferred charges	99,462	81,863	18,731
Purchase route service	300,000	450,000	93,760
Good-will	1	1	36,841
Total	\$8,918,839	\$9,362,634	\$8,918,839

a After reserve for doubtful accounts of \$79,321. b After reserves of \$39,580. c After reserve for depreciation of \$3,266,247. d Represented by 403,961 no par shares.
 Note.—As at Dec. 31 1931 the corporation was contingently liable as endorser of notes receivable discounted in the amount of \$43,882.—V. 133, p. 2272.

Consolidated Retail Stores, Inc.—January Sales.—

<i>Month of January—</i>			
	1932.	1931.	1930.
Sales	\$1,034,836	\$1,448,122	\$1,448,101
			\$1,359,484

Continental Can Co., Inc.—Earnings.—

<i>Calendar Years—</i>			
	1931.	1930.	1929.
Net earnings	\$8,839,454	\$12,023,531	\$11,902,273
Depreciation	2,318,755	2,185,437	1,826,779
Res. for taxes & conting.	850,000	1,100,000	1,107,801
Net income	\$5,670,699	\$8,738,094	\$8,967,703
Pref. dividends (7%)		11,934	311,912
Common dividends	4,331,592	4,321,988	3,965,687
Surplus	\$1,339,107	\$4,404,172	\$4,690,104
Previous surplus	16,157,852	12,828,904	8,563,440
Surplus applicable to red. of prof. stock (net)			2,387,500
Total surplus	\$17,496,959	\$17,233,076	\$13,253,544

Non-recurring charges		51,807	220,849	
Res. for pref. stockhold's				303,268
Res. to write-down book val. of mtgs., sec., &c.	350,000			150,000
Approp. for unemploy'm't relief	50,000			
Write off book value of patents & good-will				146,148
Depreciation on patents				15,537
Prem. paid in redemption of preferred stock		1,023,417	203,790	
Com. stock divs. (100%)				a3,550,000
Profit & loss surplus	\$17,096,959	\$16,157,852	\$12,828,904	\$8,563,440
Shares com. stock outstanding (no par)	1,732,985	1,732,545	1,725,045	1,459,991
Earned per share	\$3.27	\$5.04	\$5.02	\$4.35

a Being 710,000 shares of no par value.—V. 134, p. 681.

Continental Clay Products Corp.—Reorganization Plan.

A plan of reorganization dated Jan. 19 1932 has been announced by the reorganization committee, consisting of Harold E. Aul, Chairman; O. P. Alford, David Van Alstyne Jr., Chester F. Ericson, E. G. Grady and Sterling G. McNeas. William R. Keever, 111 Broadway, New York, is Secretary, and Chapman, Snider, Duke and Radebaugh, 55 Cedar St., New York, counsel.

Hibernia Trust Co., 57 William St., New York, is depository.

An introductory statement to the plan states:

Corporation failed to pay the semi-annual interest due Nov. 1 1931 on its 1st mtge. 6% sinking fund gold bonds. The committee has formulated the plan, which they believe to be sound and to deal equitably with the various classes of securities of the corporation, and recommend its acceptance by the bondholders and the prompt deposit with the committee of the outstanding bonds of the corporation. If substantially all of the bonds are promptly deposited, expensive receivership proceedings should be averted and the business should continue without interruption.

Digest of Plan of Reorganization.

New Company.—A new company will be organized. Company is to acquire all or such part of the properties of the corporation, including evidences of indebtedness, stocks and other securities and claims belonging to the corporation as the committee shall determine, and is to assume such obligations not to be adjusted under the plan, including contingent obligations, as shall be determined by the committee. The plan may be carried out as the committee shall determine through corporate votes, by consolidation, merger or leases or through judicial or other sales or otherwise as the committee shall see fit.

Authorized Capitalization of the New Company.

First mortgage 6% bonds (closed issue)..... \$530,000
 6% cumulative preferred stock..... 530,000
 Class A stock (no par)..... 20,000 shs.
 Common stock (no par)..... 30,000 shs.

Securities to Be Adjusted.—There are now outstanding \$1,059,500 1st mtge. 6% sinking fund gold bonds, due May 1 1947, 10,000 shares of 6% cumulative preferred stock (par \$100), and 66,500 shares of common stock (no par), which are to be adjusted under this plan. The plan makes no provision for trade creditors of the corporation since all such creditors have been or will be paid in full in order to preserve the credit of the corporation and its good will and trade position.

Distribution of Securities of New Company.

(1) The holders of the 1st mtge. 6% sinking fund gold bonds will be entitled to receive \$500 of 1st mtge. 6% bonds, 5 shares of 6% cum. pref. stock and 5 shares of common stock of the new company for each \$1,000 of bonds deposited. Proportionate adjustment will be made for deposited 1st mtge. 6% sinking fund gold bonds in the denomination of \$500.

(2) The holders of the shares of cum. pref. stock will be entitled to receive 2 shares of class A stock of the new company for each share of cum. pref. stock surrendered.

(3) The holders of the shares of common stock will be entitled to receive 1 share of the common stock of the new company for each 4 shares of common stock surrendered.

The new company will pay all expenses and compensation of the reorganization committee upon consummation of the plan; otherwise, the corporation has agreed to pay such expenses and compensation.—V. 129, p. 2080.

Continental Motors Corp.—To Expand.

The company proposes to purchase the assets of the Michigan plant of De Vaux Hall Motors Corp. at Grand Rapids, according to a Detroit dispatch. As soon as the purchase arrangement has been approved by the U. S. District Court, orders will be issued to go ahead with production. With the acquisition of the De Vaux plant, the Continental company will enter a new field of activities and extend its operations to a point where it will embrace the entire automotive industry. For more than 20 years, Continental has supplied motors and parts to leading builders of passenger automobiles and trucks, airplanes, tractors and industrial machines. The company has assets of over \$24,000,000, with a cash reserve of about \$2,000,000. (See also De Vaux Hall Motors Corp. in last week's "Chronicle," page 1201.)—V. 134, p. 681.

Courts Building Corp. (Burnham Bldg.), Chicago.

Dividend Rate Decreased.

The directors have declared a quarterly dividend of \$1.25 a share on the no par \$5 pref. stock. The dividend is reduced in accordance with an amendment of the charter which calls for reduction of the rate from \$7 per annum to \$5. Payment will be made upon the surrender of the old certificates to stock of record Dec. 19.—V. 129, p. 1288.

Crane Co., Chicago.—Omits Common Dividend.

The directors on Feb. 16 declared the usual quarterly dividend of 1 3/4% on the 7% cum. pref. stock par \$100 payable March 15 to holders of record March 1, but omitted the quarterly dividend ordinarily payable on the same date on the common stock of \$25 par value. On the latter issue, the company made quarterly distributions of 15c. per share on Sept. 15 and Dec. 15 1931, 25c. on June 15 1931, 31 1/4c. on March 16 1931, and 43 3/4c. each quarter from June 15 1929 to and incl. Dec. 15 1930.—V. 134, p. 681.

Credit Service, Inc.—To Finance Expansion.

This corporation, operating small loan banking units in five States, on Feb. 13 announced an expansion program to be financed through the sale of 6% gold debenture bonds by a Nation-wide selling group headed by Reichart, Springer & Co., Inc. J. A. Reichart was formerly President and G. J. Springer formerly Vice-President of Clarence Hodson & Co., Inc. Credit Service, Inc., has an authorized gold debenture issue of \$5,000,000 maturing Feb. 1 1948. Offerings will be made by Reichart, Springer & Co., Inc., through dealers in 91 cities in nine States, to finance the

current loan demands. It is stated that applications for loans at present greatly exceed the amount of available loan capital. The bonds are direct obligations of the company, chargeable against its entire assets and have priority over the equity and interests of the holders of the capital stock. The bonds are secured by collateral securities, judgment notes, real estate, mortgages, other investments and cash on hand. Interest on the 6% gold bonds is payable quarterly and holders receive profit-sharing certificates providing a substantial share of net profit in addition to the regular interest rate. With the payment of the semi-annual profit sharing coupon on March 1 1932 holders of the bonds will have received 90% in the past nine years. A market for the bonds is maintained by Credit Service, Inc., at par less 2% brokerage after one year from purchase.—V. 133, p. 1934.

Curtiss-Wright Corp.—New Vice-President.—

John S. Allard, President of the Curtiss-Wright Flying Service, has been appointed Vice-President in Charge of Sales of the Curtiss-Wright Corp.—V. 134, p. 1201.

Cushman's Sons, Inc.—Earnings.—

For income statement for 13 weeks ended Jan. 2 1932, see "Earnings Department" on a preceding page.—V. 133, p. 2934.

David & Frere, Ltd.—Omnia Class A Dividend.—

The directors have voted to omit the quarterly ordinary payable about March 15 on the no par value class A stock. Distributions of 25 cents per share were made on this issue on Sept. 15 and on Dec. 15 1931 as compared with 56 1/2 cents per share previously each quarter.—V. 133, p. 1620.

Dayton Rubber Mfg. Co.—Meeting Postponed.—

The stockholders' meeting, which was scheduled for Feb. 15 for the purpose of approving a plan of recapitalization, has been adjourned to March 7, for lack of a quorum. A stockholders' protective committee has been formed and is opposing the recapitalization as proposed by the company. See V. 134, p. 681, 854.

De Beers Consolidated Mines, Ltd.—Closing Down.—

It was officially announced on Feb. 18 that the De Beers diamond mines were closing down, a Cape Town dispatch states. The directors announce that as many men as possible will be kept on half pay, which many have been on for months.—V. 134, p. 140.

De Vaux-Hall Motors Corp.—Assets Sold.—

The sale of the Michigan assets of the corporation to Continental Motors of Detroit was completed Feb. 18. A check for \$36,000, the balance of the \$40,000 cash involved in the transaction, was deposited by Continental with the receivers at the office of the referee in bankruptcy and waivers on \$250,000 in motor commitments held against De Vaux were signed. Under the transaction, Continental takes over the manufacture of De Vaux automobiles in Michigan. The Oakland (Calif.) unit of the De Vaux company still remains in the hands of the receivers.—V. 134, p. 1201; V. 132, p. 3156.

Distributors Group, Inc.—25 Companies Show 49% Average Gain in Number of Common Stockholders Since Depression Started.—

An average increase of 49% in the number of recorded common stockholders of 25 leading American corporations between 1929 and 1931 has just been revealed by a survey made by Distributors Group, Inc. These 25 companies at the close of 1931 listed a total of 2,403,974 individual stockholders on their books, compared with a total of 1,605,853 at the close of 1929. The largest increases are shown by F. Woolworth, 183%; Borden Co., 157%; General Electric, 148%; and General Foods, 135%. The American Telephone & Telegraph Co. reports 644,209 stockholders of record on Jan. 1 1932, an increase of 37% during the period 1929-1931. This is the largest number of stockholders reported. The 25 companies are included in the group of 34 common stock underlying North American Trust Shares 1955 and 1956. All of the stocks are listed on the New York Stock Exchange. The market value of all their outstanding common shares equals approximately 50% of the market value of all common stocks listed there. The number of stockholders of the individual companies at the close of 1931, compared with 1929 follows:

Name of Company—	Number of Shareholders 1929.	Number of Shareholders 1931.	Increase.
American Rad. & Standard San.	19,636	30,674	56%
American Telep. & Teleg.	469,801	644,209	37%
American Tobacco	28,537	37,136	30%
Borden Co.	9,482	24,383	157%
Consolidated Gas	70,667	82,947	17%
Drug, Inc.	16,200	27,000	66%
E. I. du Pont	33,977	51,707	52%
Eastman Kodak	31,650	36,164	15%
General Electric	60,374	150,073	148%
General Foods	17,720	41,650	135%
General Motors	198,600	295,961	49%
National Biscuit	14,629	25,687	75%
New York Central RR	52,875	56,635	7%
North American Co.	31,820	44,411	39%
Otis Elevator	4,511	7,276	61%
Pennsylvania RR	154,008	233,414	52%
Procter & Gamble	8,097	14,971	84%
Public Service of New Jersey	22,441	25,406	13%
Scars, Roebuck & Co.	11,945	27,700	85%
Standard Brands	50,813	85,792	69%
Standard Oil New Jersey	77,604	117,688	51%
Union Carbide & Carbon	28,780	49,369	71%
United Gas	57,730	84,379	46%
United States Steel	120,918	179,572	48%
F. W. Woolworth	10,544	29,890	183%
Total	1,605,853	2,403,974	49%

—V. 134, p. 1032.

Diversified Standard Securities, Ltd.—Reorganization Plan.—

A letter to the shareholders of the Diversified Standard Securities, Ltd.; Second Diversified Standard Securities, Ltd., and Third Diversified Standard Securities, Ltd., on Jan. 18 stated in part:

Various methods have been studied as to how to reduce to a minimum the operating expenses, increase the revenue and ensure the investments of the companies be allowed to benefit from the appreciation in security values which should take place within the next few years, and in the opinion of the management these results can only be obtained by the incorporation of a company which will take over the present assets of all or any two of the following companies: Diversified Standard Securities Ltd., Second Diversified Standard Securities Ltd., and Third Diversified Standard Securities Ltd., as of Oct. 31 1931. This new company will have an authorized capital of 55,000 shares of non-cum. non-voting pref. stock of no par value, callable at \$50 per share and pref. as to divs. up to an amount of \$2.50 per share in any one fiscal year, 160,000 shares of class A common stock of no par value which will be preferred as to dividends up to an amount of 50 cents per share in any one fiscal year over the class B stock, and 112,500 shares of double voting class B stock of no par value. [The stockholders will vote March 23 on approving the merger.]

The basis of exchange will be to offer one new share of non-cum. non-voting pref. stock of no par value, pref. as to divs. up to \$2.50 per share in any one fiscal year and callable at \$50 per share, for each \$25 of the "net asset" value of the present outstanding pref. stock of each company, and for the purpose of such exchange it is proposed to use the "net asset" values of Oct. 31 1931. To these values, it is proposed to add an allowance to partially compensate the shareholders for the accumulated dividends on the old pref. stocks, as well as those to accrue to the date of acquisition by the new company, and an adjustment has been worked out which gives the amounts to be so added as \$1.65, \$1.37 and \$1.24, respectively, thereby making the pref. stock values used for the purpose of this consolidation as \$7 per share for Diversified Standard Securities Ltd., \$11 per share for

Second Diversified Standard Securities Ltd., and \$11 per share for Third Diversified Standard Securities Ltd. Preferred shareholders of Diversified Standard Securities Ltd. will therefore receive 7-25ths of one share of pref. stock in the new company for each pref. share presently held by them, while the preferred shareholders of Second Diversified Standard Securities Ltd. and Third Diversified Standard Securities Ltd. will each receive 11-25ths of one share of pref. stock in the new company for each pref. share now held by them. A further allowance of class A common stock of no par value will be offered the holders of the old pref. shares, on the basis of one new share of class A common stock for each 10 shares of pref. stock presently held by them.

The holders of the outstanding class A common stock in Second Diversified Standard Securities Ltd., and Third Diversified Standard Securities Ltd. will receive one share of class A common stock of no par value in the new company for each share of class A common stock and common stock, respectively, now held by them, while the present holders of class B stock in Second Diversified Standard Securities Ltd. and Third Diversified Standard Securities Ltd., will receive one share of the new class B common stock without par value for each two shares of class B stock and founders shares, respectively, now held by them.

The formation of a new company to take over the three present companies will materially benefit the shareholders of each company and will immediately bring about the following important changes:

A large reduction in expenses will be possible as there will be one company instead of three as at present, and the saving in government fees alone will amount to over \$3,700 annually. Under the present working arrangement the three companies pay out annually approximately \$8,000 in trustee fees and under the new incorporation this large amount can be saved for the shareholders. There will be but one set of records instead of three as at present, and the total annual saving in expenses which the formation of the new company can bring about will be in excess of \$15,000 per year. This saving will increase the earnings available for dividend distribution purposes.

Opportunities for increasing the revenue by replacing non-dividend stocks with dividend payers can readily be taken advantage of by the new company, which is not the case at present as the terms of the present trust agreements do not always permit of this being done.

It is highly important and in the best interests of each and every shareholder that the investments of all companies be allowed to benefit from expected appreciation, and this will be best accomplished by adopting the proposals outlined above. Equally important is the fact that the financial set-up of the new company, together with the saving in expenses which can be effected, will make it possible to immediately start the payment of a dividend on the new outstanding pref. shares, and this feature alone warrants the acceptance and approval of the proposed changes.

That you may find a ready market for your holdings in the new company is most important and marketability will be assisted through the policy which will be maintained, namely, to make public each month the "net asset" value of the preferred shares and issue a statement of earnings to the shareholders every three months. This procedure will enable brokers in unlisted securities to actively deal in and maintain a market for these new preferred shares.

That Diversified Standard Securities Ltd., Second Diversified Standard Securities Ltd., and Third Diversified Standard Securities Ltd. should be allowed every opportunity to recover from the effects of the depreciation which their portfolios have suffered during the past two years is not only logical but seems practical under the program which has been outlined above, and no other policy seems to solve the situation so equitably and with such promised benefits as does the foregoing proposal. These companies, individually, cannot readjust either their capital set-up or working operations so that the benefits derived therefrom will be nearly as great as will be obtained if the three join together in seeking a remedy. While the proposed basis of exchange on the pref. shares gives you a smaller number of similar shares in the new company the increased callable value, the higher dividend rate carried by the pref. shares, together with the allowance of 1-10th of a share of class A stock for each old pref. share, and the allotment of share for share to holders of class A common stock, the next senior security to the pref. stock, give a fair protection to your equity in any future appreciation of the company's investments.

[Signed by W. E. Foster, President of Diversified Standard Securities Ltd.; A. E. Middleton Hope, President of Second Diversified Standard Securities Ltd.; and B. M. Hill, President of Third Diversified Standard Securities Ltd.]

Pro Forma Statements of Assets and Liabilities at Market Value as at Oct. 31 1931.

	Diversified Standard Securities Limited.	Second Diversified Standard Securities Limited.	Third Diversified Standard Securities Limited.	New Company.
Assets—				
Cash in bank	\$12	\$3,530	\$1,177	\$4,720
Cash in trust company	33	38	642	711
Secs., held by trust co.	276,657	595,736	131,407	1,003,800
Secs., held by co.	26,763	96,881	38,342	161,986
Declared divs. receiv'le.	330	377	157	865
Demand loan	—	88,334	—	—
Unpaid subs., not valued	\$303,795	\$784,946	\$171,726	\$1,172,083
Liabilities—				
Demand loan	\$88,384	—	—	—
Brokers' balances	—	\$68,953	\$19,244	\$88,197
Dom. inc. tax, 1930	193	658	—	852
Dom. inc. tax, 1931	400	2,400	80	2,880
Trustees' fees	548	584	333	1,465
Sundry accts. payable	—	32	—	32
	\$89,525	\$72,627	\$19,657	\$93,426
Net assets, omitting unpaid subscriptions	\$214,270	\$712,319	\$152,069	\$1,078,658
Pref. divs. accumulated	\$86,666	\$172,567	\$31,644	—
Shares Issued by Present Companies—				
Preferred	40,000	73,965	15,571	x50,595
Common A	48,273	74,791	15,447	x151,464
Common B	—	100,000	75,000	x112,500
Founders	50,000	—	—	—
Subscribed, But Not Fully Paid—				
Preferred	—	743	1,392	y939
Common A	—	744	1,557	y2,514
x To be issued by new company. y To be issued when paid.—V. 134, p. 854.				

Drug Incorporated (& Subs.)—Earnings.—

Period—	Calendar Years—			11 Mos. End. Dec. 31 '28.
	1931.	1930.	1929.	
Gross profit	\$66,351,626	\$68,553,593	\$58,382,263	\$45,710,073
Merch. and oper. exps.	43,148,136	44,821,713	38,870,862	31,109,052
Operating profit	\$23,203,490	\$23,731,880	\$19,511,401	\$14,601,021
Other income incl. return from inv., less other deductions	3,009,077	4,384,935	3,550,029	2,280,712
Total income	\$26,212,567	\$28,116,815	\$23,061,430	\$16,881,734
Depreciation	2,312,665	2,296,053	1,750,983	1,347,297
Interest on funded debt	2,150,295	2,220,816	2,345,593	2,112,418
Federal tax reserve	2,309,150	2,469,246	1,943,834	1,399,932
Divs. on stocks of sub. companies outstanding	7,219	7,268	7,478	7,751
Net income	\$19,433,238	\$21,123,430	\$17,013,543	\$12,014,336
Dividends paid	14,005,996	12,792,210	9,827,246	6,521,736
Net surplus Dec. 31	\$5,427,242	\$8,331,220	\$7,141,297	\$5,492,568
Shares capital stock outstanding (no par)	3,501,499	3,501,499	2,678,713	2,183,990
Earnings per share	\$5.55	\$6.03	\$6.35	\$5.50

Consolidated Balance Sheet Dec. 31.

Table with columns for Assets and Liabilities for 1931 and 1930. Assets include Cash, Market secur., Accts. receiv., Notes and other obligations, etc. Liabilities include Accts. payable, Notes pay., Div. payable, etc.

Total 173,408,897 171,159,085. x After deducting depreciation of \$16,404,306. y Represented by 3,501,499 no par shares.—V. 133, p. 1131.

Dodge Building (53 Park Place Corp.)—Time for Deposits Extended.

The committee for the 1st mtg. 6 1/2% gold loan (Douglas G. Wagner, Chairman) announces that it has on deposit over 50% of the bonds and has extended to March 15 1932 the time within which bonds may be deposited.

Eastern Steamship Lines, Inc.—New Ship Launched.

The new 10,000-ton steamship, the Acadia, owned by this corporation, was launched on Feb. 13 at the plant of the Newport News Shipbuilding & Drydock Co.

Electric Controller & Mfg. Co.—Smaller Dividend.

The directors have declared a quarterly dividend of 75 cents per share on the common stock, payable April 1 to holders of record March 19.

Ely & Walker Dry Goods Co.—Omits Common Div.

The directors have voted to omit the quarterly dividend usually payable about March 1 on the outstanding 292,215 shares of common stock, par \$25.

Eureka Pipe Line Co.—Earnings.

Table with columns for Calendar Years 1931, 1930, 1929, 1928. Rows include Profit from operation, Prof. & loss adj. for year, Net income, Dividends, Surplus, Earnings, etc.

Total \$7,055,782 \$7,174,200. x After depreciation of \$7,077,823.—V. 134, p. 1033.

Eureka Vacuum Cleaner Co.—Earnings.

Table with columns for Years End. Dec. 31—1931, 1930, 1929, 1928. Rows include Net sales to customers and dealers, Mfg., adm. & sell. costs, Depreciation, etc.

Total \$3,783,957 \$5,851,818. a Represented by 254,163 shares of no par value.—V. 133, p. 963.

Endicott Johnson Corp.—To Change Fiscal Year.

The stockholders at the annual meeting to be held on March 7 will vote to change the company's fiscal year from the calendar year to the 12 months' period ending Nov. 30.

Exchange Buffet Corp.—January Sales.

Table with columns for Month of January—1932, 1931, Decrease. Sales \$414,752 \$512,147 \$97,395.

Exeter Oil Co., Ltd.—Comparative Balance Sheet.

Table with columns for Assets and Liabilities for Dec. 31 '31, June 30 '31, Dec. 31 '30, June 30 '30. Assets include Current assets, Investments, Property, etc.

Total \$1,638,670 \$1,609,844. Total \$1,638,670 \$1,609,844.—V. 133, p. 3098.

Fageol Motors Co. (Calif.)—Receivership.

Upon petition of the Waukesha Motor Co. of Wisconsin, acting in its own and other creditors' behalf, Federal Judge Harold Louderbach Feb. 17, at San Francisco, appointed G. H. Gilbert receiver in equity for the corporation and Fageol Motor Sales Co.—V. 132, p. 2399.

Fashion Park Associates, Inc.—Sales.

Net sales for January were \$1,241,725 as compared with \$1,899,366 in January 1931. This is after elimination of sales between companies reporting and does not include the sales of those companies controlled but not entirely owned.—V. 134, p. 682.

Federated Metals Corp. (& Subs.)—Earnings.

Table with columns for Years Ended Nov. 30—1931, 1930, 1929, 1928. Rows include Net sales, Cost of sales, Selling, adminis. & general expenses, Net operating profit, etc.

Consolidated Balance Sheet Nov. 30.

Table with columns for Assets and Liabilities for 1931, 1930. Assets include Real estate, plant & equipment, Cash, Marketable securities, etc.

Total \$13,294,517 \$14,492,232. Total \$13,294,517 \$14,492,232. x After deducting \$1,622,180 reserve for depreciation. y After deducting \$193,051 reserve for doubtful accounts. z Represented by 249,843 shares of no par value.—V. 133, p. 963.

Fidelity & Guaranty Fire Corp.—Earnings.

Table with columns for Gross premiums, Return premiums, Reinsurance premiums, Net premiums, etc.

Balance Sheet Dec. 31 1931.

Table with columns for Assets and Liabilities for 1931, 1930. Assets include Real estate, home office bldg., xBonds and stocks, etc.

Total \$4,984,961 \$4,984,961. Total \$4,984,961 \$4,984,961. x Market value of bonds and stocks based on June 30 1931 prices, as fixed by the Committee on Valuation of Securities, National Convention of Insurance Commissioners.—V. 134, p. 855.

Fireman's Fund Indemnity Co., San Francisco.—Premiums Fall Off.

The company reports a decrease of 7.6% in fire premiums in 1931 as compared with 1930. Thomas M. Gardiner, Treasurer, and John S. French, Assistant Secretary, are retiring, the former after 48 years' service and the latter after 41 years.

Finance Co. of America at Baltimore.—Earnings.—

Calendar Years—	1931.	1930.	1929.	1928.
Gross incl. less chargeouts	\$476,820	\$578,396	\$540,060	\$451,813
Operating expenses	172,038	198,327	156,544	150,412
Interest	151,369	184,477	200,607	156,415
Federal income taxes	17,111	5,678	17,585	16,755
Net inc. avail. for divs	\$136,301	\$189,913	\$165,324	\$128,231
Preferred dividends	19,269	14,088	1,613	15,137
Common dividends	113,250	100,000	75,000	60,000
Added to surplus	\$3,782	\$75,826	\$75,711	\$53,093
Common equity—beginning of period	1,501,960	1,430,944	978,944	928,044
Additions during period	—	—	387,250	—
Deprec. of securities	Dr129,835	—	—	—
Debit adjust., applic. to previous years	390	4,810	10,961	2,193
Common equity—end of period	\$1,375,517	\$1,501,960	\$1,430,944	\$978,944

Comparative Balance Sheet Dec. 31.

Assets—	1931.	1930.	Liabilities—	1931.	1930.
Cash on hand and on deposit	\$632,257	\$853,202	Coll. trust notes	\$1,414,000	\$2,975,000
Open accts. rec. (par.)	1,572,382	2,025,607	Accrued interest	7,848	8,621
Sec. & unsec. notes receivable	\$853,883	1,757,633	7% pref. divs.	3,194	3,456
Installment liens	64,549	173,657	7% pref. cl. A divs	2,108	—
Industrial liens	1,159,197	74,619	Common divs.	25,000	25,000
Sundry accts. rec.	23,195	13,604	Fed. income taxes	17,111	5,678
Marketable sec.	250,382	182,820	Sundry accts. pay.	19,324	45,976
Invest. in affiliated company	—	142,265	Funded debt	483,000	530,500
Treasury stock	45,288	36,690	Reserves	34,626	85,493
Sundry securities	2,077	2,102	7% preferred stock	182,500	197,500
Furniture & equip.	1	1	7% pref. stk. cl. A	127,840	—
Due purch. of co.'s stock	58,617	60,977	Common stock	\$1,006,941	1,136,776
Prepd. & unamort. disc. & insurance	30,241	56,008	Earned surplus	368,576	365,184
Total	\$3,692,069	\$5,379,184	Total	\$3,692,069	\$5,379,184

a After deducting reserve due customers as and when accounts are paid of \$671,495 and reserves for doubtful accounts of \$42,320. b After deducting reserves for doubtful accounts of \$7,891. c After deducting reserves due to customers of \$476, and reserve for doubtful accounts of \$21,353. d After deducting reserve due customers of \$43,741 and reserves for doubtful accounts of \$1,186. e Represented by 75,000 no par shares class A stock and 50,000 no par shares class B stock.—V. 133, p. 2935.

Fire Association of Philadelphia.—New Director.
Charles D. Dickey, of Drexel & Co., has been elected a director of the Fire Association of Philadelphia, the Victory Insurance Co., the Reliance Insurance Co. and the Constitution Indemnity Co.
The annual meetings of stockholders of Fire Association of Philadelphia, Reliance Insurance Co. and the Victory Insurance Co. will be held on March 16.—V. 134, p. 513.

First National Stores, Inc.—Earnings.
For income statement for 3 and 9 months ended Dec. 31, see "Earnings Department" on a preceding page.
Four Weeks Ended Jan. 23—

	1932.	1931.	1930.
Sales	\$7,714,658	\$8,064,348	\$5,496,665

The Massachusetts food index number is approximately 17.58% lower than a year ago, indicating increased tonnage sales of approximately 13.24% for First National Stores, Inc. for this period. During January 1932, 34 retail prices in the corporation's line were increased and 65 were decreased, indicating a whole downward trend in prices of the commodities which it sells.—V. 134, p. 333; V. 133, p. 3974.

(M. H.) Fishman Co., Inc.—Initial Common Dividend.
An initial dividend of 20 cents per share was declared on the outstanding 75,000 shares of common stock, no par value, payable March 15 to holders of record Feb. 29.
Pres. Fishman stated: "The present unsettled economic conditions do not seem to make it advisable for directors to place the common stock on a regular dividend basis. However, due to satisfactory results of operations in 1931, directors felt justified in authorizing a special dividend of 20 cents."—V. 134, p. 333, 1033.

Fisk Rubber Co.—Early Reorganization Urged to Save Company—Chairman Orrin G. Wood of Reorganization Committee Believes Prompt Action Necessary—Answers Criticisms of Reorganization Plan.

Expressing the committee's belief that "if the business of the company is to be saved, a reorganization plan should be started promptly," Orrin G. Wood, chairman of the reorganization committee, in a statement issued Feb. 15 to security holders of the company, in answer to criticisms of the reorganization plan by John N. Willys, says that the present reorganization plan is the only concrete one suggested to avoid the large losses of liquidation and to offer security holders an opportunity to realize the potential value of their holdings.
As to Mr. Willys's suggestion for continuation of the company's receivership for eight or nine months, the committee points out the disadvantages of such a plan as compared with operation of a sound going business. One of these is "the very real danger of permanently destroying the dealer organization of the company." Any substantial delay in reorganization, the committee believes, would also increase the dangers of great losses in attempting to liquidate inventories and accounts. They endorse the selection of the new Fisk Rubber management as being men of good executive ability, which is particularly needed for the reorganized company. They answer Mr. Willys's criticism on the lack of underwriting of new money with the statement that this is not essential as there will be sufficient working capital without it. New money, they state, cannot be obtained to-day at any reasonable cost, and an additional year of receivership operation is unlikely to make the undertaking any easier of attainment.

The complete statement follows:
The reorganization committee has read Mr. Willys's letters, the gist of which seems to be that instead of reorganizing at the present time the receivership should be continued for eight or nine months without determining on any ultimate policy of reorganization or liquidation.
The carrying on of any business by receivers is always at a disadvantage as compared with operation of a sound going business. Dealers do not like to carry commitments with receivers because of the uncertainty about the permanence of the business, and it is difficult for them to resist overtures from competitor organizations. Furthermore, receivers find it hard to obtain as good a price as others for products, because of the general public feeling that receivers must sell.
Since the receivership began 13 months ago, the management has often urged the need of terminating the uncertainties of receivership to avoid the very real danger of permanently destroying the dealer organization of the company. The reorganization committee concluded that if the business of the Fisk Rubber Co. is to be saved a reorganization plan should be started promptly.
Several months are necessary at the minimum to carry through any plan. If a plan were not started until next October it could hardly be completed until the last half of 1933. By that time the uncertainties of receivership operation might cause irreparable damage.
The points made by Mr. Willys relating to the book values of the inventories and accounts receivable and plants have been fully considered by the reorganization committee. Unfortunately, the values of manufacturing plants to-day are not at a high figure. No probable purchaser of the Fisk plants has been found. The reorganization committee do not believe that an additional year of receivership operation is likely to improve the value of the plants.
The value of the inventories and accounts receivable, in the opinion of the reorganization committee, is largely dependent upon reorganizing the business so that it can be placed upon an established basis. In liquidation, all estimates furnished forecast extreme shrinkage in these items, in addition to very large liquidation and receivership expenses to be incurred,

coupled with delays and litigation. The uncertainties of an extra year of receivership operation would increase the dangers of great losses in attempting to liquidate inventories and accounts.

As the situation exists to-day, in spite of the book values of the assets, the company is unable by a margin of many millions of dollars to realize funds sufficient to meet its funded debt alone, not to mention large items of unliquidated claims that might accrue if the company went out of business. It is unreasonable to expect that in one additional year of receivership operation this wide margin could be made up. On the contrary, there appears to be great danger that an additional year of receivership operations would simply make it that much more difficult for the reorganized company to begin the process of rehabilitation.

Mr. Willys criticizes the new management provided in the plan because it has not had previous experience in the rubber business. The Fisk company has had men of good technical experience and the new management expects to be able to retain the services of such men. What is needed for the reorganized company is a good executive management. The reorganization committee believe that they have selected men of energy and upright-ness who have already shown the ability to carry on a business successfully under conditions requiring constant vigilance over sales and finances.

Mr. Willys comments on the lack of underwriting of new money. In the opinion of the reorganization committee, underwriting of new money is not essential as there will be sufficient working capital without it. The committee further believes that new money cannot be obtained to-day at any reasonable cost, and that an additional year of receivership operation is not likely to make the undertaking more easy of attainment.

In conclusion, the reorganization committee does not believe that Mr. Willys's suggestion to defer all action for another nine or 10 months is likely to lead to any sound plan which will prove more satisfactory to the security holders than the present one, and feel sure that delay can only work grave injury to the business of the company. The reorganization plan is at present the only concrete plan suggested to avoid the large losses of liquidation and to offer security holders an opportunity to realize the potential value of their holdings.—V. 134, p. 1202.

(George M.) Forman Realty Trust.—Additional Bonds Deposited.

First mortgage bonds of the 534 Stratford Building deposited with the George M. Forman Realty Trust or under its control reached 93.9% of the \$1,183,000 outstanding, according to announcement by Porter Fox, one of the trustees. The bond issue, distributed throughout the United States, defaulted in interest and principal payments June 1 1930.

Of \$981,000 in first mortgage bonds against the 415 Aldine Building, Chicago, 88% have been deposited with the George M. Forman Realty Trust or are under its control. The bonds, defaulted in interest and principal payments April 1 1931.

Those depositing Aldine bonds receive in exchange income bonds of the Trust, which operates 29 structures financed originally by George M. Forman & Co. and all defaulted as to interest and principal payments. The trust plan is to obtain for the co-operating bondholders the maximum returns possible on the securities. It made its first interest payment Jan. 1 1932.—V. 133, p. 4336.

Formica Insulation Co.—Earnings.—

Calendar Years—	1931.	1930.	1929.	1928.
Net sales	\$1,731,247	\$2,309,828	\$4,095,077	\$2,829,621
Deductions from sales	100,091	153,277	242,707	193,595
Cost of goods sold	1,204,362	1,508,178	2,492,153	1,852,375
Gen. & Admin. exps.	290,549	337,914	271,543	224,505
Profit from operations	\$136,245	\$310,458	\$1,088,679	\$559,156
Other income (net)	8,720	22,246	24,660	16,474
Total profit	\$144,965	\$332,705	\$1,113,339	\$575,630
Federal income tax	17,135	38,639	120,950	68,231
Net profit	\$127,830	\$294,066	\$992,389	\$507,399
Divs. declared & payable	315,000	360,000	468,000	—
Balance, surplus	def\$187,170	def\$65,934	\$524,389	\$507,399
Earns. per sh. on 180,000 shs. cap. stk. (no par)	\$0.71	\$1.63	\$5.52	\$2.82

Balance Sheet Dec. 31.

Assets—	1931.	1930.	Liabilities—	1931.	1930.
Cash & notes rec.	\$122,636	\$196,101	Capital stock and surplus	\$1,893,413	\$2,080,583
Accounts & notes rec.	176,252	373,793	Accounts payable	36,941	35,127
Inventories	348,771	352,394	Dividend payable	45,000	90,000
Plant & equipm't.	1,232,958	1,207,001	Accrued expenses	10,207	12,302
Deferred assets	122,048	127,362	Reserve for Federal Reserve	—	—
Formulas, processes, &c.	1	1	Income taxes	17,135	38,640
Total	\$2,002,696	\$2,256,653	Total	\$2,002,696	\$2,256,653

a Includes U. S. securities. b Represented by 180,000 no par shares.—V. 134, p. 1034.

Fox Film Corp.—Los Angeles Studio Activities to Be Directed by Management Board.
The corporation's studios at Los Angeles, Calif., will be directed by a management board to consist of the general manager, Winfield Sheehan; the business manager, D. E. McIntire; the general superintendent, Sol M. Wurtzel; the comptroller, George Bagnall; the senior associate producer, Al Rockett; the associate producer, Robert North; and Vice-President Richard A. Rowland of the New York office. Mr. Sheehan will be Chairman. W. C. Michel is serving in Mr. Sheehan's place owing to the latter's absence from the studio at the present time on a three months' sick leave.
President Edward R. Tinker says: "Through the operation of the management board and the production committee, the personnel of all departments at the studio will be given opportunity and will be encouraged to make recommendations and suggestions and to contribute whatever they may to the excellence of our products."—V. 134, p. 1034.

Gamewell Co.—Reduces Dividend rate.
The directors have declared a quarterly dividend of 25c. per share on the common stock, no par value, payable March 15 to holders of record March 5. This compares with distributions of 75c. per share made on Sept. 15 and Dec. 15 last, and \$1.25 per share paid previously each quarter.—V. 133, p. 4165.

General Bronze Corp.—Resignation.
Julius H. Barnes has resigned as President.—V. 133, p. 1297.

General Theatres Equipment, Inc.—Legality of Loans Questioned.
The independent committee for the debentures Feb. 12, through its counsel, Robert G. Starr and Wollman & Wollman, issued a letter to the debenture holders which reads in part as follows:
"Since the issuance of the debentures, the company has negotiated bank loans amounting to millions of dollars, and it is our understanding that the greater part of all the assets of the corporation have been pledged as collateral for these loans. This applies particularly to the interests of the company in the Fox Film Corp., acquired with the proceeds of the sale of these debenture bonds.
"Obviously, the liquidation of the company's interest in Fox Film Corp. or other securities at this time to retire bank loans, would be a most serious matter, from the standpoint of the debenture holders, inasmuch as not only have the dividends from these stocks been the principal source of income to the company in the past, but the future prospects for the debenture holders recovering any substantial part of their original investment depends in large part upon resumption of such dividends.
"Whether such pledges to secure bank loans could legally have been made under the trust indenture without securing the debenture bonds ratably and equally has been seriously questioned.
"This committee is composed of Harry S. Durand, New York; Arthur Peck, Philadelphia, and Conrad H. Poppenhausen, Chicago. Manufacturers Trust Co. is New York depository.—V. 134, p. 1204, 1036.

Gillette Safety Razor Co.—Resumes Dividend.
The directors on Feb. 18 declared a dividend of 25 cents per share on the common stock, no par value, payable March 31 to holders of record March 1. A quarterly distribution of \$1 per share was made on this stock on Jan. 1 1931; none since.—V. 134, p. 334.

General Printing Ink Corp.—Earnings.—

Calendar Years— 1931. 1930. Net sales \$8,231,396 \$9,557,134 Cost of goods sold 7,349,022 5,572,272 Selling and general expenses 2,951,244

Profit from operations \$882,374 \$1,033,619 Other income credits 92,376 111,839 Gross income \$974,750 \$1,145,458 Cash discounts on sales 99,404 119,369 Interest on notes payable, &c. 8,811 11,845

Giant Portland Cement Co.—Earnings.—

Calendar Years— 1931. 1930. 1929. 1928. Net profit after depreciation and taxes loss \$164,797 \$115,133 \$87,838 \$220,321 Bank, &c., int., rents, &c. 18,517 17,205 11,550

Balance Sheet Dec. 31.

Assets— 1931. 1930. Liabilities— 1931. 1930. Preferred stock \$1,627,400 \$1,880,000 Common stock 1,103,981 1,110,000

(Adolf) Gobel, Inc.—Earnings.—

For income statement for 3 months ended Jan. 23 see "Earnings Department" on a preceding page.—V. 134, p. 1204.

Goldman Sachs Trading Corp.—Suit.—

The New York "Times" states: "A stockholders' action seeking accounting for \$100,000,000 allegedly lost to the corporation through improper management, and seeking the ultimate appointment of a receiver for the company has been begun by Eddie Cantor, stage comedian.—V. 134, p. 840.

Great Atlantic & Pacific Tea Co.—January Sales.—

Month of January— 1932. 1931. Decrease. Sales \$68,966,599 \$78,814,870 \$9,848,291 Tonnage sales 395,428 410,807 15,379

Great Northern Paper Co.—Balance Sheet Dec. 31.—

Assets— 1931. 1930. Liabilities— 1931. 1930. Cash and marketable securities 3,159,051 2,426,155 Accounts payable 195,892 217,413

Hamilton Brown Shoe Co.—Earnings.—

Earnings for Year Ended Dec. 31 1931. Net loss after depreciation, taxes, &c. \$2,656,423 Balance Sheet Dec. 31 1931. Assets— 1931. 1930. Liabilities— 1931. 1930.

Haloid Co.—Extra Dividend of 25c.—

An extra dividend of 25 cents per share has been declared on the common stock in addition to the regular quarterly dividend of 25 cents per share, both payable Mar. 31 to holders of record Mar. 15.

The usual quarterly dividend of \$1.75 per share has been declared on the preferred stock, payable on the same date.—V. 133, p. 3637.

Hamilton Hotel (Rochester Corp.), Washington, D. C.—To Be Sold at Trustee's Sale.—

The holders of 1st mtge. 6½% bonds of the Rochester Corp., secured by the Hamilton Hotel, Washington, D. C., are advised by the protective committee (George E. Roosevelt, Chairman) that the trustee will sell the property at public auction on March 1.

Deposits of bonds are being made under the terms of a deposit agreement dated May 28 1930 at Irving Trust Co., New York.

The committee for the protection of the bonds, in a report to depositors dated Jan. 28, said in part:

The Hamilton Hotel, which was completed toward the end of 1922, is an 11-story structure containing 283 hotel rooms. A considerable amount of redecorating and repair work has been done during the last year and the hotel is now in good physical condition.

American Security & Trust Co., the successor trustee, is in possession of the property and is operating it for the benefit of the bondholders. According to statements furnished to the committee, for the period beginning Nov. 1 1930 and ending Nov. 30 1931, the gross income from rooms was \$301,729, the net income derived from restaurant, valet and similar operations was \$21,459, expenses, including real estate, taxes, insurance and trustee's commissions, were \$233,507, and the net income of the property was \$89,682 before bond interest, amortization, depreciation or fees and expenses of the trustee and of its counsel.

The committee recently entered into an agreement with the F. H. Smith Co. pursuant to which the committee relinquished any right of action which it might have had against the Smith company in connection with this issue and the Smith company deposited with the committee \$459,500 in principal amount of bonds of this issue. However, in any distribution made by the committee on account of this issue, the bonds so deposited by the Smith company will not be entitled to share on a parity with the bonds deposited by other depositors but will share in such distribution on a reduced basis.

Schedule of Distribution.

If the amount distributed on account of each \$100 in principal amount of bonds deposited by depositors other than the Smith company should be: (a) not in excess of 60% of the principal amount thereof 60% of the amount distributed on account of each \$100 in principal amount of bonds deposited by other depositors.

Harrison-Walker Refractories Co.—Dividend Dates.—

The directors have declared a quarterly dividend of 12½c. per share on the common stock of no par value, payable Mar. 1 (not March 3 as previously reported) to holders of record Feb. 20. Quarterly distributions of 25c. per share were made on this issue on Sept. 1 and Dec. 1 last. See also V. 134, p. 1205.

Hart-Carter Co.—Preferred Dividend Deferred.—

The directors have voted to defer the quarterly dividend due March 1 on the \$2 cum. conv. pref. stock, no par value. In each of the three preceding quarters a distribution of 25 cents per share was made on this issue as compared with 50 cents per share previously.—V. 134, p. 857.

(James A.) Hearn & Son, Inc., N. Y.—New Control, &c.

The New York "Times" of Feb. 19 stated: Control of this department store has passed into the hands of a group of bankers and cotton textile concerns headed by F. A. Powdrell, chain store and textile executive, it was disclosed on Feb. 18.

Reduction in liquid capital of the store by outstanding installment accounts of customers was the reason ascribed by Mr. Powdrell for new interests entering the business. The store, he pointed out, eliminated installment sales at the end of last November. As of Dec. 31 the outstanding installment accounts totaled \$1,098,004, which are being liquidated now at the rate of \$100,000 a month, he said.

Mr. Powdrell added that a new slate of officers would be selected within the next two weeks. In the interim Clarkston Cowl continues as Chairman of the board and Donald Cowl as President.

In confirming the change of control, Donald Cowl said: "We welcome the entrance of new capital into the business. The arrangements being put into effect will be a very beneficial thing for the combined interests of the old and new owners of the store. The Cows will continue active in the business."

Mr. Powdrell, who is Chairman of the executive committee of the McLellan Stores Co., said that the latter company is not participating in the acquisition of control of the Hearn business. The annual sales volume of the Hearn store was unofficially estimated at between \$18,000,000 and \$20,000,000. The balance sheet, which the store issued on Feb. 2 showed, as of Dec. 31 last, \$1,098,004 owing to the store in customers' installment payment accounts, \$1,695,543 carried in merchandise inventories, and cash on hand of \$178,457.

Hinde & Dauch Paper Co.—Balance Sheet Dec. 31.—			
Assets—		Liabilities—	
1931.	1930.	1931.	1930.
Cash.....	\$41,750	Current liabilities..	\$263,239
Receivables.....	\$39,813	1st mtge. bonds..	\$300,557
Life insurance.....	227,318	Capital stock.....	1,363,500
Inventories.....	176,644	Earned surplus....	1,088,853
Container Mate- rials, Ltd.....	360,343		945,357
	13,302	Appraisal surplus..	1,252,462
Investments.....	9,822		678,630
Sinking fund.....	6,274		764,136
Deferred charges...	10,292		
Real estate, &c....	\$3,659,750		
	3,910,415		
Total.....	\$4,339,580	Total.....	\$4,339,580
x After reserves for depreciation of	\$1,251,075.—V. 132, p. 4070.		

Holland Land Co.—\$2 Liquidating Dividend.
A liquidating dividend of \$2 per share has been declared on the common stock, payable March 15 to holders of record Feb. 24. A liquidating distribution of \$2.50 per share was made on Dec. 4 1931.—V. 133, p. 3637.

Home Title Insurance Co.—Balance Sheet Dec. 31.—			
Assets—		Liabilities—	
1931.	1930.	1931.	1930.
Bonds and mtgs.	\$3,628,014	Capital stock.....	\$2,500,000
Stks. & bds. (mar- ket \$875,479) ..	442,883	Surplus and profits	1,744,618
Accrued interest..	400,700	Notes payable.....	500,000
Real estate, com- pany use only..	630,395	Mortgages sold.....	114,825
Accts. receivable..	45,148	Agency account...	55,812
Cash.....	431,430	Interest prepaid...	75,995
	1,593,096	Res. for taxes and contingencies...	587,320
Total.....	\$5,578,570	Total.....	\$5,578,570
—V. 134, p. 142.	\$6,810,650		\$6,810,650

Houghton & Dutton Co., Boston.—Creditors' Dividend.
The receivers of the company have been authorized by Judge Hammond in the Superior Court to pay a first dividend in the amount of 20% to creditors. Claims of the latter are allowed to a total of \$1,001,975. The receivers have on hand \$425,625. The dividend will absorb \$200,300.—V. 134, p. 515.

Humble Oil & Refining Co.—Adds to Surplus.
President W. S. Farish at the annual meeting of the stockholders stated that the company would show an addition to surplus of approximately \$3,000,000 after dividends for 1931. This was due primarily to adjustments in the surplus account.—V. 132, p. 4600.

Imperial Tobacco Co. of Great Britain & Ireland.—				
Ann. Report Oct. 31 Yrs. 1930-31.				
	1929-30.	1928-29.	1927-28.	
Net after deprec., &c....	\$9,886,093	\$10,187,045	\$9,977,098	\$9,599,705
Pensions.....		10,000	10,000	250,000
Directors' fees.....		10,000	10,000	
To general reserves.....	500,000	500,000	487,925	500,000
Net income.....	\$9,376,093	\$9,677,045	\$9,479,173	\$8,849,705
Dividends on—				
Prof. A shares (5 1/2%)	272,758	272,758	272,759	272,759
Prof. B shares (6%)	315,628	315,628	315,628	315,628
Prof. C shares (10%)	263,821	263,821	263,821	263,821
Ordinary shares.....	8,435,840	8,810,766	8,619,593	7,787,441
Surplus for year.....	\$88,816	\$14,072	\$7,370	\$210,058

Balance Sheet October 31.				
Assets—		Liabilities—		
1931.	1930.	1931.	1930.	
Plant & prop.....	5,151,425	5,120,021	5 1/2% pref. shs...	4,959,249
Goodwill & patent			6 3/4% pref. shs...	5,260,469
Rights.....	9,422,581	9,422,582	10% pref. shs....	2,638,218
Investments.....	10,375,189	10,457,079	Ordinary shares...	37,492,625
Loans.....	2,464,018	2,448,276	Accts. payable, &c.	14,562,203
Stock in trade....	28,123,907	28,945,519	Prov. for pensions...	233,330
Accts. receivable..	6,320,473	6,602,223	Gen. reserve.....	5,500,000
Govt. & other sec.	11,246,985	10,000,672	Prof. & loss surplus	7,516,015
Corp loans.....	285,232	200,000		7,802,925
Cash.....	4,772,298	4,667,638		
Total.....	\$78,162,109	\$77,864,010	Total.....	\$78,162,109
—V. 134, p. 684.				\$77,864,010

Independence Indemnity Co. of Philadelphia.—Registrar.
The Chase National Bank of the City of New York has been appointed registrar for the capital stock.—V. 133, p. 810.

Industrial Rayon Corp.—Earnings.—				
Calendar Years—				
	1931.	1930.	1929.	1928.
Profit from operations..	\$1,590,000	\$2,561,377	\$2,044,644	\$2,254,962
Reserve for depreciation	781,962	771,688	354,946	342,673
Interest charges.....	19,747	23,324	26,870	35,099
Bond discount.....		21,834	20,598	20,598
Federal income tax (est.)	104,400	197,000	190,500	203,000
Net profit.....	\$683,891	\$1,547,529	\$1,451,730	\$1,653,602
Prior surplus.....	6,084,936	4,761,722	3,969,744	1,003,460
Transfer fr. stated cap.	4,000,000			
Excess of sell. price over cost of treasury stock..	28,313	4,123		1,349,802
Total surplus.....	\$10,797,140	\$6,313,374	\$5,421,474	\$4,006,864
Miscellaneous credits			1,939	27,205
Miscellaneous deductions		35,440	661,690	64,324
Provision for stock div.			571,210	
Reduct. in book value of good-will, &c.....	3,373,999			
Dividends payable.....	579,996	192,999		
Profit & loss surplus...x	\$6,843,146	\$6,084,936	\$4,761,723	\$3,969,744
Shares capital stock out- standing (no par)....	144,999	200,000	190,068	178,623
Earnings per share.....	\$4.71	\$7.74	\$7.63	\$9.25
x Of which \$2,170,138 capital surplus and \$4,673,007 earned surplus.				

Balance Sheet Dec. 31.				
Assets—		Liabilities—		
1931.	1930.	1931.	1930.	
Cash.....	1,055,004	1,350,000	Capital stock.....	\$7,520,578
Certs. of depo it.	1,350,000		Debtenture gold note.....	230,100
U. S. Govt. secur.	650,144	3,279,445	Accounts payable and accruals....	567,378
Notes, accept. and accts. receivable	1,327,679	688,782	Dividend payable..	144,999
Accrued int. rec...	8,093	872	Provision for Fed- eral taxes.....	104,400
Deposit with bank			Reserve for plant alterations.....	5,000
In receivership...	5,137	7,315	General contin- gency reserve...	111,661
Treas'y stock (cost)		22,971,247	Minor interest...	8,153
Inventories.....	1,634,913	1,475,393	Surplus.....	4,673,007
Water & insur. dep.	25,329	27,326		
Miscell. accts. rec. and advances...	22,907	39,114		
Fixed assets, less depreciation.....	7,254,059	7,538,935		
Good-will, patent rights, &c.....	1	3,374,000		
Deferred chgs., &c....	32,008	120,730		
Total.....	\$13,365,276	\$19,534,070	Total.....	\$13,365,276
x Represented by 200,000 no par shares with a book value of \$8,000,000; capital surplus of \$2,170,138; total, \$10,170,138; less treasury stock (65,001 shares at cost), valued at \$2,649,560, leaving balance as above \$7,520,578. y Includes paid-in surplus of \$1,515,824. z 55,000 treasury shares were acquired through purchase in connection with which option was granted the seller to repurchase at \$6.83 per share in excess of the purchase price on or before June 20 1931. Of the other shares in treasury, 7,000 shares have been sold subsequent to Dec. 31 1930 at a price in excess of cost.—V. 133, p. 3099.				\$19,534,070

International Cement Corp.—Dividend Decreased.
The directors on Feb. 17 declared a quarterly dividend of 50¢ per share on the outstanding 636,171 shares of no par value common stock, payable March 31 to holders of record March 11. This compares with a dividend of 75¢ per share paid on Dec. 31 last and quarterly distributions of \$1 per share made from Dec. 31 1923 to and incl. Sept. 30 1931. A 10% stock dividend was also paid on Dec. 31 1924.—V. 133, p. 3797.

International Harvester Co.—Reduces Quarterly Payment.
A quarterly dividend of 45 cents per share was declared on Feb. 18 on the outstanding 4,409,185 shares of no par value common stock, payable April 15 to holders of record March 19. This compares with quarterly distributions of 62 1/2¢ per share made on this issue from Jan. 15 1929 to and including Jan. 16 1932.—V. 134, p. 858, 684.

In a statement, President Alexander Legge said: "The board has adopted a rate of dividend which it expects to maintain during the year 1932 unless contingencies occur which cannot be anticipated."—V. 134, p. 858, 684.

International Nickel Co. of Canada, Ltd.—No Distribution to Be Made on March 31—Dividend Question Again to Come Up Later in Year.
The directors on Feb. 15 determined to take no action on the quarterly dividend ordinarily payable about March 31 on the outstanding 14,584,025 shares of common stock no par value. Record of distributions made on this issue follows:

1929.	1929.	1930.	1931.
Mar. 30.	June 29.	Sept. 30-Dec. 31.	Mar. 31. June 30. Sept. 30. Dec. 31.
20c.	25c. each quar.	15c.	15c. 15c. 10c. 5c.

President Robert C. Stanley made the following statement: The directors have determined to take no action at this time on the common dividend. Whether or not common dividends can prudently be paid for the year now current will depend upon developments which cannot now be foreseen. Later in the year the question will be re-examined in the light of the then situation and particularly the cash position of the company as affected by its ability in the meantime to sell its products. The past action of the directors in maintaining common dividends even though at decreasing rates constitutes an evidence of their desire to provide income to the stockholders during the present period of depression and an assurance that dividends will be resumed as soon as it can reasonably be assured that this will not prejudice their investment.—V. 134, p. 142, 1037.

International Safety Razor Corp.—Bal. Sheet Dec. 31.				
Assets—		Liabilities—		
1931.	1930.	1931.	1930.	
Cash.....	\$86,787	\$169,521	Capital.....	\$247,264
Accts. receivable..	40,216	45,823	Accts. payable & sundry accruals..	9,378
Inventories.....	125,450	98,310	Federal income tax reserve.....	47,000
Property account...	148,277	155,063	Res. for conting...	15,646
Good-will, trade- marks, &c.....	142,317	138,158	Surplus.....	229,553
Deferred charges...	5,793	6,857		237,929
Total.....	\$548,841	\$613,733	Total.....	\$548,841
x After deducting reserve for depreciation of \$104,292. y Represented by class A stock \$2.40 cum. div. conv., no par value. Authorized and issued, 40,000 shares. Less: exchange for class B stock, 38,973 shares. Outstanding, 1,027 shares. Class B stock, no par value, authorized, 175,000 shares; issued, 173,970.				
Our usual comparative income statement for the year ended Dec. 31 was published in V. 134, p. 1037.				

International Salt Co.—Dividend Rate Reduced.
The directors on Feb. 17 declared a quarterly dividend of 50¢ per share on the outstanding 240,000 shares of common stock, no par value, payable April 1 to holders of record March 15. This compares with quarterly distributions of 75¢ per share made from Oct. 1 1930 to and incl. Jan. 2 1932.

President Edward L. Fuller says in substance: The above dividend action was taken on account of the more or less unsettled conditions of general business and to conserve the cash position of the company. While sales so far this year have been rather disappointing, experience shows the first quarter of the company's business is usually the poorest of the year, and it is expected that business will show the usual seasonal increase, beginning in March or April. If the general situation improves, naturally resulting in an increased demand for salt, such improvement will be favorably reflected in the earnings of the company.—V. 133, p. 2274.

Interstate Hosiery Mills, Inc.—New Director.
Howard Ernst, of Ernst & Co., has been elected to the board, thereby increasing the number of directors from six to seven.—V. 134, p. 1037.

Investment Corp. of Philadelphia.—Earnings.—				
Calendar Years—				
Period—	1931.	1930.	Jan. 9 '29 to Dec. 31 '29	1928.
Interest and dividends	\$69,807	\$75,261	\$41,994	\$48,904
Profit on securities sold and from syndicate participations..	xloss273,272	39,291	42,600	
Total income.....	loss\$203,465	\$114,552	\$91,505	
Admin. and office salaries and exps.	22,124	27,242	18,110	
Interest paid.....	4,679	1,259	6,885	
Provision for Federal income tax		4,702	3,800	
Net profit.....	loss\$230,268	\$81,350	\$62,710	
Dividends paid.....	39,689	74,053		
Balance.....	def\$269,957	\$7,297	\$62,710	
x Net realized profit from inception of operations (Jan. 9 1929) to Dec. 31 1930, \$81,892; adjustment of ledger value of investment securities at Dec. 31 1930 to basis of average cost, \$82,944; total, \$164,836; net realized loss for the year ended Dec. 31 1931 (computed on basis of average cost), \$438,109 (at Dec. 31 1931 the unrealized net losses on securities and other market transactions were \$922,810, or \$49,649 more than the corresponding amount at the beginning of the year of \$873,161, after allowing for the adjustment as at Dec. 31 1930 of the ledger value of investment securities to the basis of average cost); net loss at Dec. 31 1931 (as above), \$273,272.				

Balance Sheet Dec. 31.				
Assets—		Liabilities—		
1931.	1930.	1931.	1930.	
Cash.....	\$303,548	\$56,401	Provision for Fed- eral tax.....	\$4,500
Divs. receivable..	7,707	11,295	Unclaimed divs...	75
Unpaid bal. of sub- scrip. to cap. stk		88,071	Capital stock.....	x500,000
Accts. receivable..	99,001	88,071	Capital surplus....	1,745,777
Stocks (market val. \$638,838).....	1,552,700	2,177,667	Earned surplus....	loss281,844
Real estate.....	1,050	1,050		70,006
Furn. & fixtures... 1				
Total.....	\$1,964,007	\$2,334,484	Total.....	\$1,964,007
x Of the 27,000 shares of no par value common stock authorized, 7,000 shares are reserved against the exercise of warrants, each entitling the holder to subscribe, before Jan. 1 1939, to one share of no par value common stock at \$100 per share. All of the warrants had been issued and were outstanding Dec. 31 1931.—V. 133, p. 490.				\$2,334,485

International Silver Co.—Preferred Dividend Decreased.
—The directors on Feb. 17 declared a quar. div. of 1% on the outstanding \$6,028,587½ 7% cum. pref. stock, par \$100, payable April 1 to holders of record March 14. The last regular quarterly payment of 1¾% was made on this issue on Jan. 1 1932.—V. 133, p. 2937.

Investment Trust of New York, Inc.—Correction.
The Chase National Bank of the City of New York, trustee, will pay a semi-annual dividend of 17 cents per Collateral Trust Shares (not 30 cents as erroneously stated last week) on Feb. 28 to holders of record Jan. 31. During 1931, the following distributions were made on these shares: 30 cents on Feb. 28 and 24 cents on Aug. 31.—V. 133, p. 967.

Investors Syndicate.—1931 Collections Exceed 1929 Totals.
Home owners' payments to Investors Syndicate on first mortgage residence loans totaled \$5,420,375 during 1931, according to a statement issued by Vice-President E. E. Crabb.
This exceeded by \$204,329 the collections for the year 1929, which were \$5,156,045. It was slightly less than 1930, when a larger number of complete liquidations by borrowers increased total collections to \$5,638,284.
"The remarkable record of collections on these loans, which are on the monthly pay-off plan, is a demonstration of the depression-proof security of carefully selected homes as an investment," said Mr. Crabb. "It suggests that home owners as a class are thrifter, and are less likely to lose their jobs during periods of unemployment."
As of Jan. 31, Investors Syndicate had outstanding first mortgages and first deeds of trust totaling \$34,055,676, on 11,880 homes, in 26 cities of United States and Canada. Average ratio of loans outstanding to appraised value of property was 45%.
Total loans funded during 1931 were \$6,927,291, the report showed; this compared with \$7,315,788.69 in loans funded during 1930.—V. 133, p. 3263.

Irving Investors Management Co.—Annual Report of Fund A.
The company has sent participants in its Fund A an annual report covering the year 1931. This report points out that the actual and estimated earnings for the year, on the securities held in the Fund on Dec. 31, approximated 10% on the market value of all the Investment Trust certificates, series A, then outstanding. The value per 100 shares of the Fund was \$517.36 as of the close of the year.
A chart accompanying the report indicates that the performance of the Fund during the year was approximately 8% better than that of the general market for common stocks, notwithstanding that the regular distributions of \$976.711 were paid out (in conformity with the terms of the indenture governing the Fund), against receipts of dividend and interest income of \$845,692. This showing was due primarily to changes in the portfolio of stocks made because of changing economic conditions.
The groups having the largest invested position as of Dec. 31 were the merchandising, food products and public utilities. Each shows an increased investment in relation to the list as a whole compared with the previous year end. The tobacco group was also increased during the year. These four groups accounted for more than one-half of the total stock holdings.—V. 133, p. 3469.

Island Creek Coal Co.—Production Lower.
Month of January— 1932. 1931. 1930.
Coal mined (tons)----- 285,245 375,078 535,983 531,941
—V. 134, p. 516.

Jewel Tea Co., Inc.—January Sales.
4 Weeks Ended Jan. 30— 1932. 1931. Decrease.
Sales----- \$899,926 \$1,066,913 \$166,987
Average no. of sales routes----- 1,334 1,282 52
—V. 134, p. 1206, 1037.

(Julius) Kayser & Co.—Voting Trust Expires March 1.
The voting trustees in a letter to the holders of voting trust certificates for shares of the capital stock issued under and pursuant to agreement dated March 1 1922, state:
The voting trust established by said agreement expires by limitation of its term on March 1 1932.
The books of the voting trustees for the transfer of the voting trust certificates issued under the agreement will be permanently closed at 4 p. m. on Feb. 29 1932.
On March 1 1932 the voting trustees will, in exchange for and on surrender of voting trust certificates, then outstanding, deliver at the City Bank Farmers Trust Co., 22 William St., N. Y. City, certificates of stock to the amount and of the class called for by the voting trust certificates.
Signed by Jules S. Bache, Charles J. Hardy, Stephen J. Leonard, William A. Shakman and Elisha Walker, voting trustees.—V. 134, p. 516.

Kelvinator Corp.—Export Division Takes Over Entire Export Distribution of Liquid Cooler Corp.
E. H. Wilcox, Manager of the export division of the Kelvinator Corp., announces that effective Feb. 1, his division took over the entire export distribution for all products of the Liquid Cooler Corp., formerly handled in the export field by Estes Co. of New York.
The products of the Liquid Cooler Corp. are especially adaptable for beer and beverage cooling, as well as water cooling, opening up a wide market in the export field.
Shipments are already being made, and the Kelvinator export division look forward to a rapid expansion of this new department.—V. 134, p. 1038.

Kennecott Copper Corp.—Omits Dividend.—The directors on Feb. 15 decided to omit the quarterly dividend ordinarily payable about April 1 on the outstanding 9,394,705 shares of common stock, no par value. On Jan. 2 last the company made a distribution of 12½¢ per share as compared with 25¢ per share on July 1 and on Oct. 1 1931, 50¢ per share each quarter from Oct. 1 1930 to and incl. April 1 1931, 75¢ per share on July 1 1930, quarterly payments of \$1.25 per share from July 1 1929 to and incl. April 1 1930 and \$1 per share on April 1 1929.—V. 133, p. 3976.

Laura Second Candy Shops, Ltd.—Balance Sheet.

Assets—	Dec. 31 '31	Dec. 30 '30	Liabilities—	Dec. 31 '31	Dec. 30 '30
Fixed assets-----	x\$342,389	\$367,579	Preferred stock-----		\$1,200
Good-will-----	1	1	Common stock-----	y\$904,464	903,264
Cash-----	201,287	138,994	Payables-----	18,804	21,311
Bonds-----	1,151,210	1,103,442	Tax reserves-----	35,813	49,000
Stocks in assoc. cos	6,869	7,051	Surplus-----	917,428	873,493
Receivables-----	82,065	94,315			
Investments-----	\$7,791	132,180			
Prepd. & def. chgs	4,908	4,703			
Total-----	\$1,876,519	\$1,848,268	Total-----	\$1,876,519	\$1,848,268

x After deducting depreciation of \$380,923. y Represented by 57,500 no par shares.—V. 133, p. 3100.

Lawrence Portland Cement Co.—Earnings.

Calendar Years—	1931.	1930.	1929.
Income from sales-----	\$12,939	\$1,167,703	\$824,739
Other income-----	83,667	87,791	141,117
Total income-----	\$96,606	\$1,255,494	\$965,856
Deprec., int., amort. & Fed. taxes, &c	539,626	492,192	489,131
Net income-----	def\$443,020	\$763,302	\$476,725
Dividends-----	150,000	300,000	450,000
Surplus-----	def\$593,020	\$463,302	\$26,725
Earns. per sh. on 75,000 shs. capital stock (par \$100)	Nil	\$10.18	\$6.35

Balance Sheet Dec. 31.

	1931.	1930.		1931.	1930.
Assets—	\$	\$	Liabilities—	\$	\$
Land, buildings, plant & equip.-----	8,882,563	9,027,326	Deb. 5½% bonds, 1942-----	1,614,000	1,791,000
Cash & acct. rec.-----	573,202	841,013	Serial notes-----	120,000	180,000
Cement, materials and supplies-----	905,476	1,500,172	Current liabilities-----	80,225	279,298
Investment assets-----	225,300	228,300	Res. for lime kiln repairs-----	8,099	-----
Deferred charges-----	73,689	89,606	Capital stock-----	7,500,000	7,500,000
			Surplus-----	1,337,207	1,936,119
Total-----	10,660,231	11,686,417	Total-----	10,660,231	11,686,417

—V. 133, p. 2111.

Lehigh Coal & Navigation Co.—Earnings.

Calendar Years—	1931.	1930.
Canal revenue-----	\$128,378	\$167,117
Railroad rentals-----	2,293,365	2,292,729
Dividends-----	1,338,815	1,542,687
Interest-----	171,046	162,387
Miscellaneous-----	76,135	93,258
Total-----	\$4,007,739	\$4,258,178
Canal operation-----	228,876	283,766
Texas-----	150,000	180,000
Interest-----	1,057,276	1,045,343
General expenses-----	211,377	214,500
Net income-----	\$2,360,209	\$2,534,566
Previous surplus-----	10,743,758	10,689,580
Sundry accounts adjusted-----	Dr\$805,726	189,141
Total-----	\$12,298,241	\$13,413,286
Dividends-----	2,316,078	2,669,528
Profit and loss surplus-----	\$9,982,163	\$10,743,758
Earned per share on 1,930,065 (no par) shares-----	\$1.22	\$1.31

Consolidated Balance Sheet Dec. 31 (Incl. Sub. Cos.)

	1931.	1930.		1931.	1930.
Assets—	\$	\$	Liabilities—	\$	\$
Coal lands, min. & market, prop	45,510,135	45,155,549	Funded debt-----	32,268,700	32,501,700
Canal property-----	3,889,185	4,737,327	Mortgs. payable-----	47,000	50,000
Railroad prop'ty-----	40,498,655	40,111,146	Notes payable-----	500,036	472,230
Water property-----	2,077,618	2,070,659	Audited vouchers and payrolls-----	1,461,243	2,536,486
Real estate-----	891,141	865,365	Sundry creditors-----	56,123	167,193
Investments-----	3,830,215	3,897,126	Accrued taxes-----	1,420,337	1,371,312
Cash-----	3,429,485	3,027,625	Matured and accrued interest-----	713,740	718,185
Customers' accts.-----	4,084,705	5,421,054	Deferred & suspended accts.-----	511,642	469,572
Notes receivable-----	174,283	-----	Reserves-----	y16,240,243	15,443,469
Coal in storage-----	3,060,010	2,882,862	Minority int.-----	310,674	294,495
Material & suppl-----	974,469	1,104,638	Capital stock-----	x32,167,750	32,167,750
Sundry debtors-----	640,561	603,058	Capital surplus-----	2,332,351	2,327,797
Accrued inc. rec.-----	14,378	20,784	Surplus arising from appraisal of assets-----	9,452,562	9,581,296
Special dep. for purch. of equip.-----	-----	606,000	Surplus approp.-----	92,358	69,823
Def. & suspended accounts-----	890,703	902,394	Profit & loss surp.-----	12,450,316	13,544,588
Sink. fund assets-----	9,430	10,311			
Total-----	110,024,980	111,715,897	Total-----	110,024,980	111,715,897

x Represented by 1,930,065 shares of no par value. y Deprecion, \$414,148; depreciation and other reserves, \$15,321,926; workmen's compensation insurance, \$504,169.—V. 134, p. 859.

Lehigh Navigation Coal Co.—Earnings.

Calendar Years—	1931.	x1930.
Gross revenue-----	\$16,814,729	\$18,830,844
Operating expenses-----	15,025,508	17,001,486
Taxes-----	998,507	1,139,462
Sinking fund-----	80,199	91,391
Depletion-----	195,108	219,040
Depreciation-----	776,181	832,789
Other deductions-----	15,035	-----
Net loss for the year-----	\$275,808	\$453,234

x Including operations of Navicoal Corp., a subsidiary.—V. 132, p. 1431.

Lincoln Stores, Inc.—Sales Higher.
Fiscal Year Ended Jan. 31— 1932. 1931.
Sales----- \$3,029,288 \$2,936,354
—V. 134, p. 335.

McCall Corp.—Outlook for 1932.
President William B. Warner says: "Our forecast indicates that profits in 1932 will be substantially the same as in 1931."
"Our outlook now is for profits of \$1,590,000 against \$1,603,000 earned in 1931. Our actual 1931 operations ran only 5% behind our estimate for that year. This was the first time our results were under our forecast."
"Lineage in both Red Book and McCalls is running beyond our forecast. Whatever changes there have been since the end of 1931 have been a little more hopeful.—V. 134, p. 1038.

McLoughlin Textile Corp., Utica, N. Y.—Div. Deferred.
The directors recently decided to defer the quarterly dividend of 1¼% due Feb. 1 on the 7% cum. pref. stock, par \$100. The last quarterly distribution on this issue was made on Nov. 1 1931.

(H. R.) Mallinson & Co., Inc. (& Subs.)—Earnings.

Calendar Years—	1931.	1930.	1929.	1928.
Net profit on sales-----	\$31,277 loss	\$553,572	\$140,964	\$1,897,228
Administration expenses-----	436,578	629,192	610,609	626,803
Net operating loss-----	\$405,301	\$1,182,760	\$469,645	*\$1,270,425
Other income-----	11,470	30,071	38,956	30,403
Total loss-----	\$393,831	\$1,152,689	\$430,689	*\$1,300,828
Deduc. incl. deprec., &c.-----	167,552	304,215	327,494	266,992
Estimated Federal taxes-----	-----	-----	-----	114,000
Net loss-----	\$561,382	\$1,456,908	\$758,183	*\$919,836
Preferred dividends-----	-----	66,494	98,483	113,078
Balance, deficit-----	\$561,382	\$1,523,402	\$856,666	*\$806,758
Shs. com. outst. (no par)-----	200,000	200,000	200,000	200,000
Earns. per sh. on com.-----	Nil	Nil	Nil	\$4.04

* Profit.

Consolidated Balance Sheet Dec. 31.

	1931.	1930.		1931.	1930.
Assets—			Liabilities—		
Real estate, equip-ment, &c.-----	x\$2,224,627	\$2,291,908	Pref. stock, 7%-----	x\$1,251,100	\$1,284,600
Cash-----	24,020	349,519	Common stock (no par value)-----	a500,000	500,000
Notes receivable-----	2,733	714	Notes payable-----	225,000	1,300,000
Inventories-----	891,809	1,999,674	Accts. payable and accrued accounts-----	309,205	370,848
Accts. receivable-----	y218,151	317,910	Foreign drafts, &c.-----	82,751	119,322
Securities-----	22,560	57,600	Surplus-----	1,035,371	1,596,021
Insur., surren. val.-----	500	53,223			
Accrued interest-----	25,324	35,581			
Investments-----	24,204	64,114			
Deferred charges-----	-----	-----			
Total-----	\$3,433,928	\$5,171,391	Total-----	\$3,433,928	\$5,171,391

a 200,000 shares no par value. x Real estate and mill buildings, \$1,604,944; machinery and equipment, \$2,524,376; total, \$4,129,319; less depreciation, \$1,904,692. y Accounts receivable less allowance for bad debts and discounts. z Authorized issue of pref. stock, \$10,000,000; issued, \$3,000,000; acquired for sinking fund, \$1,148,000; held in treasury, \$570,900.—V. 133, p. 1623.

Manati Sugar Co.—Bondholders' Protective Committee.
A receiver was appointed on Feb. 9 1932 with the consent of the company, by the U. S. District Court for the Southern District of New York.—The

following committee has been organized to protect the interests of the 1st mtg. 7 3/4% sinking fund gold bonds: A. I. Henderson, C. I. Stralen, B. A. Tompkins, Committee.

The committee states: This action makes it extremely important for the protection of their interests that the bondholders co-operate in united action through the deposit of their bonds with the committee.

Bondholders who have not already done so are accordingly urged to deposit their bonds (with Oct. 1 1931 and subsequent interest coupons attached) with the depository, Bankers Trust Co., 16 Wall St., N. Y. City, without further delay. Both stamped and unstamped bonds should be deposited.

E. E. Beach, 43 Exchange Place, New York, is Secretary, and Sullivan & Cromwell, counsel.—V. 134, p. 1207.

Manufacturers' Finance Co. (& Subs.).—Financial Statement.

V. G. Dunnington, President, says in part: Several important changes may be noted for the year 1931 as compared with the preceding year.

Since company discontinued the financing of motor lien and other installment paper, it has been enabled to concentrate on the stimulation of its regular accounts receivable business, so that the amount outstanding despite the unparalleled business depression, shows an increase of more than \$1,200,000 for the year.

An important aim of the company during the past year has been the liquidation of its investment in motor lien and other installment paper, and the following figures show the favorable change that has taken place:

Outstanding Dec. 31 1930: Motor liens	\$6,755,251
Other installment paper	3,541,257
Total	\$10,296,509
Amount of liquidation, 1931	9,273,858

Outstanding Dec. 31 1931: Motor liens	\$232,541
Other installment paper	790,108

Income Account for Calendar Years (Including Subs.).

	1931.	1930.	1929.	1928.
Earned compensation	\$982,008	\$2,668,860	\$3,028,436	\$2,488,845
Exps. (incl. taxes, &c.)	364,518	1,196,467	1,178,649	1,049,250
Interest paid	181,780	964,395	1,015,793	714,401
Res. for losses & conting.	57,490	191,939	178,234	162,039
Net income	\$358,220	\$316,058	\$655,759	\$533,138
Preferred dividends	157,746	157,752	157,741	157,745
2d pref. dividends		105,207	140,280	140,280
Balance, surplus	\$200,474	\$53,097	\$357,738	\$235,113
Earns. per sh. on 80,000 shs. com. stk. (no par)	\$2.50	\$0.23	\$4.47	\$x2.94
x Par \$100. y Including depreciation. z In arrears for quarter ended Dec. 31 1930.				

Consolidated Balance Sheet Dec. 31.

	1931.	1930.	1931.	1930.
Assets—	\$	\$	\$	\$
Cash	1,277,023	1,739,278		
Open acc'ts, notes & acceptances	8,606,791	7,344,947		
Installment oblig's	1,022,650	10,296,508		
1st mtg. notes	700,000			
Due from officers and employees on purchase of stock	120,701	116,290		
Investments	1,111,594	1,580,161		
Furniture and fixtures (less depreciation)	75,254	93,629		
Deferred items	93,960	150,031		
Total	13,007,974	21,320,847	13,007,974	21,320,847
Liabilities—	\$	\$	\$	\$
Coll. trust notes	1,596,500	1,706,500		
Coll. tr. notes (1931)			7,115,000	
Coll. tr. notes (1935)	3,583,500	3,879,500		
Sundry acc'ts. pay.	4,836	72,287		
Final paym'ts due customers	2,558,892	1,622,150		
Res. withheld from dealers agst. tax		948,532		
Reserves	129,871	643,442		
Preferred stock	2,184,000	2,253,500		
2d pref. stock	1,900,000	2,003,500		
Com. stock (80,000 shares)	1,050,374	1,075,535		
Mfr. Fin. Accept. Corp. stock		900		
Total	13,007,974	21,320,847	13,007,974	21,320,847

Marine Midland Corp.—Decreases Dividend.

The directors have declared a quarterly dividend of 20c. per share on the common stock, par \$10, payable March 31 to holders of record March 1.

From Dec. 31 1929 to and incl. Dec. 31 1931, the company made regular quarterly distributions of 30c. per share.

The company reported that it had \$19,806,447 cash on hand with no liabilities. Although as shown by the annual report, the consolidated operating profits for the year 1931 exceeded by a substantial amount the dividends paid at the rate of 30c. a quarter, the directors felt that a conservative policy made it advisable to reduce the quarterly dividend for the present to 20c. a share.—V. 134, p. 860, 1038.

Massachusetts Investors Trust.—Earnings.

	c1931.	1930.	1929.
Dividends from securities	\$899,640	\$716,255	\$468,652
Interest on call loans		15,405	109,394
Sale of stock divs. distributed in lieu of cash	51,832	61,299	45,623
Interest on bank deposits	13,229	8,108	6,022
Total income	\$964,701	\$801,067	\$629,692
a Trustees compensation incl. services of State Street Trust Co., agent	57,882	48,401	35,973
Transfer agent	25,158	10,766	10,027
Printing, statistical and miscellaneous	15,097	7,067	3,609
Legal services	4,739	180	355
Reserved for accrued taxes on income	35,435	39,812	38,589
Original issue tax stamps		2,165	
Income tras. to accumulated surplus		16,912	15,699
Balance of income avail. for distribution in dividends	\$826,389	\$677,929	\$523,475
Undistributed income Jan. 1	111,168	107,199	65,244
Accrued divs. received on stock of Massachusetts Investors Trust sold	6,034	43,849	24,250
Total surplus	\$943,591	\$828,977	\$612,969
Dividends paid	914,933	b717,809	505,769
Portion of compensation of trustees	6,590		
Undistributed income Dec. 31	\$22,068	\$111,168	\$107,200

a 6% of income receipts from Oct. 15 1929 to Oct. 15 1930. b Does not include stock dividends paid in January and July 1930. c Includes United Investors, Inc. for the period from Oct. 20 1931 to Dec. 30 1931.

Depreciation of Assets.
Realized net loss from sales of securities for the year 1931 \$1,961,962
Unrealized depreciation of securities owned (excess of cost over market value):
At Dec. 31 1931 (adjusted for dividends declared) 12,251,995
At Dec. 31 1930 4,546,586

Increase in unrealized depreciation during the year 1931 \$7,705,409
Statement of Receipts and Charges on Principal Account Year End, Dec. 31.
[Including United Investors, Inc. for the period from Oct. 20 1931 to Dec. 30 1931.]

Balance in capital stock account Dec. 31 1930	\$19,395,372
Receipts from new shares issued (449,298 94-100 shares, incl. 11,225 11-100 shares as stock distributions)	10,145,320
Amount paid for shares purchased and retired (77,777 72-100 shares at 1% less than net asset values at dates of purchase)	Dr1,427,537
Total	\$28,113,155
Net loss from sales of securities	1,961,963
Federal stamp tax paid on new shares issued	6,199
Expenses in connection with acquisition of United Investors, Inc	9,718
Additional income taxes for years 1929 and 1930	9,544
Balance in "accumulated surplus" Dec. 31 1930 (\$167,199) minus \$5,061 apportioned to shares issued as stock distribution Jan. 20 1931	Cr122,139
Appropriations to principal from income voted by the trustees	Cr6,267
Balance of principal Dec. 31 1931	\$26,309,938

Balance Sheet Dec. 31.

	1931.	1930.	1931.	1930.
Assets—	\$	\$	\$	\$
Invest. at cost	x24,678,622	19,002,285		
Cash	535,409	712,454		
Ctf. of deposit	1,100,000			
Special deposit for pay. of taxes assessed against shareholders	17,789			
Total	26,331,820	19,714,739	26,331,820	19,714,739
x Market value \$12,426,627. y Represented by \$65,044 no par shares.				

Martin-Parry Corp.—Operations Not Yet Resumed.
The corporation has issued the following statement: "Owing to the fact that this corporation has not operated since the beginning of the fiscal period, no quarterly financial statements will be published until operations are resumed."—V. 133, p. 3249.

Mergenthaler Linotype Co.—Dividend Rate Decreased.
The directors on Feb. 16 declared a quarterly dividend of 75c. per share on the outstanding 256 000 shares of common stock no par value, payable March 31 to holders of record March 2. Quarterly distributions of \$1.50 per share were made from Dec. 31 1929 to and incl. Dec. 31 1931. In addition an extra payment of 25c. per share was made on Dec. 31 1929 and on March 31 1930.

Joseph T. Mackey, Executive Vice-President and Treasurer, says:
The financial condition of the company is sound in every respect, but as no definite improvement has as yet been indicated in trade conditions immediately affecting the company's business and considering the importance of maintaining a thoroughly liquid position, the directors are of the opinion that it would be unwise to distribute more than \$0.75 per share at this time.

In reaching this conclusion the directors were influenced by the fact that as general business conditions improve and the demand for the company's products increases, the need for credit extension to its customers will correspondingly increase. Furthermore, for some time past the management has had under consideration projects for adding to the company's output certain products entirely outside of the printing and publishing field, the production of some of which will probably occur in the course of the current year.

New Directors.
George Hewitt Myers, of Washington, and Harry L. Gage, of New York, have been elected directors.—V. 133, p. 3471.

Midland Steel Products Co.—Closes Foreign Contract.

The company has completed arrangements with Denes and Friedman, Vienna, Austria, for the manufacture and sale of Midland Steeldraulic four-wheel brakes in Europe, it is announced by President E. J. Kulas.

The contract was concluded following negotiations in Europe and Cleveland between Midland officials and Albert Friedman, President of the Austrian company. Denes and Friedman is a well-known European manufacturer and merchandiser of automotive parts, with plants in Austria, Germany and France. The company, which is known as the Defag Corp., represents a number of leading American automotive manufacturers.

President Kulas also announced that the Midland Steel Products Co. had renewed contracts for 1932 with its largest customer for automobile truck frames. Production on this order is getting under way.—V. 133, p. 2938.

Missouri-Kansas Pipe Line Co. (Del.).—\$75,000,000 Trust Suit.

The company has filed an action in Federal District Court to recover treble damages of \$75,000,000 from H. L. Doherty, individually, and trading as H. L. Doherty & Co.; Standard Oil Co. of N. J., North American Light & Power Co.; Christy Payne director of Standard Oil Co. of N. J., and Louis E. Fisher, of Chicago, Vice-President and director of North American Power.

The action is based upon alleged violation of the Sherman anti-trust law. Notice of suit was filed but the complaint was not filed. Henry W. Ryan of 60 West 42nd Street is attorney for the plaintiff company.—V. 133, p. 298.

(The) Mobile Press, Mobile, Ala.—Acquisition.

See Mobile Register & News-Item Co., Inc., below.

Mobile Register & News-Item Co., Inc.—Sale.

The Mobile "Press" has purchased the Mobile "Register" and "News-Item," resulting in the merger of the "News-Item" with the "Press" and the abandonment of the "News-Item."

R. B. Chandler, publisher of the Mobile "Press," an afternoon paper, becomes publisher of the Mobile "Register" a morning paper.—V. 130, p. 4064.

Mohawk Carpet Mills, Inc.—Earnings.

	1931.	1930.	1929.
Gross profits on trading	\$4,362,395	\$3,750,403	\$5,007,370
Depreciation	801,887	638,714	592,098
Credits, allowances and discounts	1,414,546	1,462,110	
Selling, gen. & admin. expenses	1,760,588	2,143,536	2,242,970
Int. & miscellaneous charges—net	74,700	105,821	207,346
Provision for Federal income taxes			152,813
Net profit	\$310,673	loss\$599,779	\$1,812,140
Dividends paid		450,000	1,725,000
Balance, surplus	\$310,673def	\$1049,779	\$87,140
Earns. per share on 600,000 shs. cap. stock (no par)	\$0.50	Nil	\$3.02

Mohawk Mining Co.—Liquidation Considered.

President L. P. Yandell states the company produced copper in 1931 at 7.038 cents a pound, the lowest annual average cost in the company's history, but, due to lower wages and absence of development charges, present costs are below 6 1/2 cents. The company is reported to be storing its copper, awaiting better prices, and is operating six-days a week to keep down mining costs.

Mr. Yandell says that "for the past several months the directors have been giving serious thought to the desirability of liquidating the company's affairs. Their reasons are chiefly the uncertainty surrounding the present situation of and future outlook for the business of mining copper, together with the short remaining life of company's mine. Engineers estimate this remaining life to be two years from Jan. 1 1932, at present maximum production rate, followed by one or two years of declining production."

The company mined 448,564 tons of rock in 1931 and produced 18,686,200 pounds of mineral estimated to contain 13,100,000 pounds of copper, making the yield 29,508 pounds of copper a ton of rock treated. The cost a ton of rock hoisted was \$1.633.—V. 133, p. 2609.

Mount Royal Hotel Co., Ltd.—Earnings—

Table with columns for Calendar Years (1931, 1930, 1929, 1928) and rows for Operating profit, Interest, amortiz., &c., Other deductions, Depreciation, Income tax, Net profit, Preferred dividends, Balance, surplus, Previous surplus, Total, Depreciation, Surplus adj. prior years, Profit & loss surplus, and After deducting \$38,459 amount of interest received, discount earned and dividends received in 1929 and \$24,260 in 1928.

Balance Sheet Dec. 31.

Balance Sheet Dec. 31. Table with columns for 1931 and 1930, and rows for Assets (Cash, Call loans, Dom. Govt. bonds, etc.), Liabilities (Accounts payable, Accrued int. and other charges, Unclaimed wages, Funded debt, etc.), and Total.

x After depreciation of \$1,945,006.—V. 134, p. 1208.

(F. E.) Myers & Bro. Co.—Earnings—

For income statement for quarter ended Jan. 31 see "Earnings Department" on a preceding page.—V. 133, p. 3799.

Nashawena Mills, New Bedford.—To Change Capital.—

Capital reorganization of this company has been recommended by the directors and will be voted upon at the annual meeting of stockholders to be held on Feb. 23.

The directors recommend that the 75,000 shares of stock be changed from \$100 par value to no par value, and that the capital be reduced by charging to surplus account the amount of the stock dividend paid in 1923. No reduction in the number of shares is contemplated.—V. 132, p. 4074.

National Distillers Products Corp.—Registrar, &c.—

The Bankers Trust Co. has been appointed transfer agent and the Chase National Bank of the City of New York as registrar for the \$40 par value preferred stock.—V. 134, p. 1208.

National Republic Investment Trust.—Earnings.—

Table with columns for Years Ended Dec. 31 (1931, 1930) and rows for Interest and dividends received, Trading and syndicate profits, Total income, Operating expenses and interest, Loss on sale of securities, Net income, Preferred dividends, Balance, Profit on own shares purchased, Balance, surplus, Depreciation of listed securities, Depreciation of other assets, Reserves, Deduct from surplus, and Total.

Balance Sheet Dec. 31.

Balance Sheet Dec. 31. Table with columns for 1931 and 1930, and rows for Assets (Cash & secur. loans, List. bds. at market, List. stks. at market, etc.), Liabilities (Net worth, Bills payable, Reserves), and Total.

x Represented by 100,000 shares cum. conv. pref. stock, less 28,939 shs. (1930 16,957 shs.) held in treasury and 280,000 shs. common stock, less 26,404 shs. (1930 16,957 shs.) held in treasury, both of no par value.—V. 134, p. 861, 687.

National Tea Co.—Adopts 13-Period Fiscal Year.—

Effective Jan. 1 1932, the company has adopted a 13-period fiscal year or the purposes of accounting and in the future will report its sales on this basis instead of by 12 calendar months as in the past.

For the first period of four weeks and one day ending Jan. 30 1932, the consolidated sales of the company were \$5,747,427, while the sales for the equivalent period in 1931 amounted to \$6,578,159 or a decrease of 12.6% of which 3.6% is due to reduction in the number of stores operated.

The sales for the calendar month of January 1931, amounted to \$6,788,235.—V. 134, p. 1208.

National Transit Co. (& Subs.)—Earnings.—

Table with columns for Calendar Years (1931, 1930, 1929, 1928) and rows for Rev. from pipe lines, &c., Divs., int. & misc. inc., Total, Oper. exp., depr., tax, &c., Net income, Dividends paid, Balance, surplus, Earns. per sh. on 509,000 shs. cap. stk. (par \$12.50).

Balance Sheet Dec. 31.

Balance Sheet Dec. 31. Table with columns for 1931 and 1930, and rows for Assets (Invest. in plant & equipment, Res. fund invest., Def. assets & adjusted debits, Cash, Accts. & notes rec., Inventories, Res. for invent. & bad debts), Liabilities (Capital stock, Minority interest, Res. for ins., ann. & casualties, Other reserves, Min. int. in surplus, Surplus, Current liabilities), and Total.

x After reserves for depreciation of \$6,756,001.—V. 133, p. 4169.

Nation-Wide Securities Co.—Dividends Paid in 1931 on Series B Units.—

During the year 1931 there were no changes in the composition of trust units.

Following is a statement of the net income and disbursements applicable to a trust unit during the calendar year 1931:

Table with columns for Balance undistributed at Jan. 1 1931, Less adjustment to the increased number of trust units outstanding Jan. 15 1931, the compensating amount having been included in payments to the trustee by the depositor on deposit of the additional trust units, Balance, Receipts (Cash dividends, Interest on cash balances, Proceeds of the sale of stock dividends and subscription rights), Amount paid to trustee on deposit of additional units, the per-share accumulations distributable to all trust shares outstanding on succeeding record dates for distributions, Total, Disbursements (Transfer charges, &c.), Distributions to Certificate Holders (Feb. 2 1931, May 1 1931, Aug. 1 1931, Nov. 2 1931).

Balance undistributed at Dec. 31 1931. To assist the holders of trust certificates, series B, in the preparation of their Federal income tax returns, covering the calendar year 1931, the company advises that the moneys received during 1931 by the stockholders on the regular distribution dates of the trust are taxable as follows:

Table with columns for Date, Distribution (Per Share), Dues on Stocks of Domestic Corporations Subject to Surtax Only, Deductions, Return of Capital (Non-Taxable).

Total. \$35. \$2385. \$0218. \$1333.—V. 134, p. 687.

Neptune Meter Co.—Postpones Common Dividends.—

The directors on Feb. 17 announced that "owing to the uncertainty of business for the ensuing months, with the consequent inability to gauge probable demands upon the company's cash position, they have decided to postpone action on dividends due to be declared on the class A and class B common stocks." Three months ago the company reduced the dividend on its common stock from 50c. to 30c. a share, the latter amount being payable on Dec. 15 1931.—V. 134, p. 687.

Nevada Consolidated Copper Co.—Dividend Omitted.—

The directors on Feb. 15 voted to omit the quarterly dividend usually payable about March 31 on the outstanding 4,857,248 shares of capital stock, no par value. On Dec. 31 last the company made a distribution of 10c. per share as compared with 20c. per share on Sept. 30 1931 and 25c. per share each quarter from Sept. 30 1930 to and incl. June 30 1931. Record of dividends paid since and incl. June 30 1926 follows:

Table with columns for 1926, 1927, 1928, 1929, 1930, 1931 and rows for 87 1/2 c., \$1.50, \$1.62 1/2, \$3, \$1.62 1/2, 80c.

1931 Dividends Tax-Free.—President D. C. Jackling

Feb. 16, in a notice to the stockholders, says: With respect to the distributions made by this company to its stockholders during the year 1931, the company is advised that the Treasury Department will consider such distributions as having been made out of earnings or profits accumulated, or increase in value of property accrued, before March 1 1913, and therefore tax-free distributions to the stockholders, in accordance with Section 115(b) of the Revenue Act of 1928.—V. 133, p. 3978.

Nevada Consolidated Copper Co.—Quarterly Report.—

For income statement for 3 and 12 months ended Dec. 31 see "Earnings Department" on a preceding page.

D. C. Jackling, President, says in part: The following summary covers the combined results of company's operations in Nevada, Arizona and New Mexico for the fourth quarter of the calendar and fiscal year 1931.

The net production of copper from all sources for the fourth quarter, compared to that for the third quarter, is shown in the following tabulation:

Table with columns for Fourth quarter, Third quarter, Net Lbs. Copper Produced, Average Monthly Production.

The total quantity of company ores milled and smelted during the quarter was 1,473,269 tons. Of this total 1,470,694 tons was concentrating ore, averaging 1.34% copper, and 2,575 tons was direct smelting ores. In addition to company ores, 100,206 tons of custom ore was milled or smelted at the Nevada plants. The average daily tonnage of company ores milled at all concentrators was 15,986, as compared to 16,796 tons per day for the preceding quarter.

The average recovery in the form of concentrates from all company material milled during the period was 86.77% of the total copper contained therein, corresponding to 23.22 pounds of copper per ton treated, as compared to a recovery of 85.92% and 21.68 pounds per ton for the previous quarter.

The net cost per pound of copper produced, after crediting revenue from gold and silver and other miscellaneous earnings and income from subsidiaries, was 7.40 cents, as compared with 7.96 cents for the third quarter. These costs include all operating and general charges of every kind except depreciation and reserve for Federal taxes.—V. 133, p. 3978.

Newmarket Mfg. Co.—Proposes to Dispose of New Hampshire Property.—

Charles Walcott, Treasurer, in a letter to the stockholders accompanying the notice of the annual meeting asks their attention to Article 3 of the notice, which provides in substance for the approval by the stockholders of the sale of all or part of the property of the corporation, real or personal, in New Hampshire.

Treasurer Walcott, in his letter, says: "After mature consideration your directors are unanimously of the opinion that manufacturing operations can be carried on more economically and efficiently. They are concentrated at Lowell instead of being divided between the plant at Lowell and the plant at Newmarket as is the present practice. To that end it is the purpose of directors, as favorable opportunities occur, to move from Newmarket to Lowell part of the machinery now in the Newmarket plant and to dispose of the remaining machinery as well as the buildings, land and water power in Newmarket at such times and on such conditions as the directors may deem advisable."—V. 130, p. 4432.

North American Aviation, Inc.—To Change Par Value.

The stockholders at the annual meeting to be held on March 9 will vote on approving a change in the authorized capital stock from 6,000,000 shares of no par value (with a fixed capital of \$12.50 per share) to 6,000,000 shares of \$5 par value, each present share to be exchanged for one new share.—V. 134, p. 519.

New York Auction Co., Inc.—Earnings.—

Table with columns for Calendar Years (1931, 1930, 1929) and rows for Total income from operations, Selling expenses, Administrative and general expenses, Miscellaneous charges, Provision for bad and doubtful accts., Interest on mortgage debt, Other charges, Provision for Federal income tax, Dividends, Surplus for period, and Earnings per share.

Balance Sheet December 31.

Table comparing Assets and Liabilities for 1931 and 1930. Assets include Cash, Adv. to shippers & accts. receivable, Notes receivable, Misc. accts. receiv., Mdse. Inventory, Land, buildings & equipment, Furn., fixtures, &c., and Prepayments sundry charges. Liabilities include Notes payable to bank, Accounts payable, Vouchers payable, Miscellaneous, Res. for deprec. of fixed assets, Res. for bad debts, Miscell. reserves, and Capital stock.

Total. \$1,547,488 \$1,343,471 Total. \$1,547,488 \$1,343,471 x After deducting mortgages payable of \$487,600. y Represented by 95,847 shares, no par value.—V. 132, p. 1238.

Ohio Electric Mfg. Co.—Div. Action Deferred.—

Action on the quarterly dividend ordinarily payable about March 15 on the capital stock has been deferred until March 16. Quarterly distributions of 10 cents each were made on Sept. 15 and Dec. 15 last as compared with 20 cents per share in each of the first two quarters of 1931 and 40 cents per share previously.—V. 133, p. 1776.

Overbrook Arms Apartments (Warren Apartment Co.), Philadelphia.—Report to Stockholders.—

The committee for the protection of the holders of bonds sold through the F. H. Smith Co. (George E. Roosevelt, Chairman) in a recent report to depositors of 1st mtg. 7% bonds said in part:

A final decree has been entered in the proceedings instituted to foreclose the mortgage securing these bonds. The committee, representing a large majority of the bonds, plans to bid for the property at the foreclosure sale, and unless a satisfactory bid is made by another bidder, to acquire the property on behalf of depositing bondholders.

A temporary trustee operated the property from June 24 1930 to Dec. 20 1930 and Integrity Trust Co., the successor trustee, has operated the property since Dec. 20 1930. According to statements furnished to the committee, the gross income for the period from June 24 1930 to Sept. 30 1931 was \$95,307 and the operating expenses, including insurance, current real estate taxes and trustee's commissions, were \$88,380, leaving a net income of \$6,926, before State taxes, interest on trustee's advances, bond interest, amortization, depreciation or fees and expenses of the trustee and of its counsel. For such period, interest and amortization charges under the mortgage amounted to approximately \$80,000.

Real estate taxes for the year 1931, aggregating approximately \$18,000, together with penalties thereon, are delinquent and unpaid. Moreover, the successor trustee has advanced approximately \$55,800 to pay water rents for the years 1929 and 1930 and real estate taxes for the years 1928 to 1930, inclusive, together with the accrued penalties and interest thereon. Such advances and the accrued interest thereon, the amount of the delinquent taxes and the fees and expenses of the trustee and of its counsel constitute charges against the property prior to the bonds.

The committee recently entered into an agreement with the F. H. Smith Co. pursuant to which the committee relinquished any right of action which it might have had against the Smith company in connection with this issue and the Smith company deposited with the committee \$75,200 of bonds of this issue. However, in any distribution made by the committee on account of this issue, the bonds so deposited by the Smith company will not be entitled to share on a par with the bonds deposited by other depositors but will share in such distribution on a reduced basis. As indicated below, the extent to which the bonds deposited by the Smith company will share in such distribution will depend upon the amount distributed to other depositors.

Schedule of Distribution.

Table mapping percentage of principal amount distributed to the amount distributed on account of each \$100 in principal amount of bonds deposited by the Smith company. Rows range from (a) not in excess of 50% to (i) equal to or in excess of 100%.

—V. 132, p. 670.

Old Ben Coal Corp.—Protection Committee.—

Organization of a protective committee to represent the interests of the 10-year 7 1/2% debentures, due Aug. 1 1934, has been announced. Stanley A. Russell is chairman, the other members being T. Johnson Ward and Kenneth J. Hanau. The company defaulted on the semi-annual interest on these debentures, due Feb. 1, and two semi-annual payments due the sinking fund for the debentures are also in arrears.

The committee is asking debenture holders to deposit their debentures with City Bank Farmers Trust Co., New York, depository, at their earliest convenience in order that it may act effectively. Copies of the protective agreement dated Feb. 1 1932, are obtainable from Nelson Stuart, Secretary of the committee, 2 William St.—V. 131, p. 487.

Oxford Paper Co.—Preferred Dividend Deferred.—

The directors have voted to defer the regular quarterly dividend of \$1.50 per share due March 1 on the series A \$6 cum. pref. stock, no par value. The last quarterly payment on this issue was made on Dec. 1 1931.—V. 134, p. 519.

Pacific Investing Corp.—Earnings.—

Table with columns for Calendar Years (1931, 1930, 1929, 1928) and rows for Total income, Invest. research fees, Fees of transfer agents, trustees, &c., General expenses, including salaries and taxes, Interest on debentures, Federal income tax, Net income, 1st pref. dividends, and 2nd pref. dividends.

Surplus for period. def\$3,821,923 def\$771,240 \$821,783 \$949,041 Note.—The above statement does not include general and organization expenses, \$98,037 charged to the special reserve account during the period from April 15 1927 to April 30 1929.

Balance Sheet December 31.

Table comparing Assets and Liabilities for 1931 and 1930. Assets include Cash and call loans, Investment secur., Divs. receivable, Accrued interest, Furn. & fixtures, and Deferred charges. Liabilities include Divs. and accrued interest, Accr'd exps. & tax, debentures, 1st pref. stock, 2nd pref. stock, Common stock, Purchase warrants, and Earned surplus.

Total. \$9,378,854 \$14,808,585 Total. \$9,378,854 \$14,808,585

* Cash only. a Market value, \$4,604,638. b Face value, \$18,000. c 57,076 no par shares. d 26,774 no par shares. e 127,829 no par shares. f The purchase warrants shown above are for the purchase of 800 shares of common stock at \$10 a share. In addition there were outstanding at Dec. 31 1931 warrants entitling the holders to purchase 105,641 shares of common stock, on or before April 15 1937, at \$10 a share. The company is also under contract to issue on or before April 15 1932 similar warrants for the purchase of 10,000 shares at \$10 a share.—V. 133, p. 4169.

Paraffine Companies, Inc.—Dividend Decreased.—

The directors have declared a cash dividend of 50c. per share on the common stock, payable Mar. 27 to holders of record Mar. 17. This compares with 75c. per share paid on Dec. 28 last, while from Dec. 27 1928 to and incl. Sept. 28 1931 quarterly distributions of \$1 per share were made on this issue. A semi-annual stock dividend was also paid on June 27 and Dec. 27 1929 and on June 27 1930, while an extra cash dividend of 25c. per share was distributed on Dec. 27 1928.

Earnings.—

For income statement for 6 months ended Dec. 31 see "Earnings Department" on a preceding page.—V. 133, p. 4170.

Pennsylvania Investing Co.—Defers Class A Div.—

The directors recently decided to defer the quarterly dividend of 62 1/2 cents per share due March 1 on the \$2.50 cum. class A stock, no par value. The last regular quarterly payment on this issue was made on Dec. 1 1931. V. 132, p. 3164.

Peoples Drug Stores, Inc.—January Sales.—

Table showing sales for the month of January for 1932, 1931, 1930, and 1929.

Pet Milk Co.—No Common Dividend.—

The directors declared the usual quarterly dividend of \$1.75 per share on the pref. stock, payable April 1 to holders of record March 11, but omitted dividend action on the common stock.

A distribution of 25c. per share was made on the latter issue on Jan. 1 last, the first payment since April 1 1931, when a quarterly dividend of 37 1/2c. per share was paid.—V. 133, p. 3473.

Philadelphia Storage Battery Co.—Television Permit.—

The Federal Radio Commission has granted the company a permit to construct a television station for experimental purposes. The R. C. A. Victor Co., Inc. opposed the application.—V. 132, p. 1051.

Phillips Petroleum Co.—Resignation.—

J. S. Dewar, Vice-President in charge of production, has resigned, effective March 1 to enter business for himself.—V. 134, p. 519.

Phoenix Brass Fittings Corp.—Successor Trustee.—

Empire Trust Co. has been appointed successor trustee for the first 6 1/2% convertible gold bonds of the corporation.

Phoenix Securities Corp.—Plans Write-Down of Stated Value of Preferred Stock.—

The stockholders have been called to vote on March 14 on a proposed reduction in the stated value of the preferred stock from the present figure of \$25 a share to \$10 a share, leaving the liquidating value of the preferred stock of \$50 and the cumulative dividend of \$3 a share unchanged. The present charter provision preventing payment of dividends upon the common stock, unless the net asset value of the preferred stock is \$50 a share will likewise continue unchanged.—V. 133, p. 2446.

Pictorial Review Co., N. Y.—Resignation, &c.—

The company on Feb. 18 announced the resignation of George S. Fowler as its President and as a director and the election as Vice-President and a director of Milton J. Israel, for many years in charge of the pattern department, which arrangement will continue.—V. 134, p. 863.

Pond Creek Pocahontas Co.—January Output.—

Table showing coal production (tons) for the month of January for 1932, 1931, and 1930.

Potrero Sugar Co.—Mexican Sugar Crop Begins.—

Harvesting of the 1932 Mexican sugar crop which began last month gives indications of a considerably smaller production than in 1931, according to President Ellsworth Bunker, who states that, "last year about 225,000 tons of plantation white and refined sugar were produced, and 26,000 tons of raw sugar were exported to the west coast of the United States and England. It is expected that this year there will be little, if any, export of raw or refined sugar as the entire production will probably be needed for domestic Mexican consumption. The Mexican market is protected by a tariff of about three cents per pound. The present price of sugar in Mexico is about twice the world market price."

"Among the mills which have started grinding are those of the Potrero Sugar Co., on the east coast, and the United Sugar Co. on the west coast, both of which are under American ownership. The Potrero Sugar Co., which has been operating continuously in Mexico since 1908, expects to produce this year in the neighborhood of 20,000 tons of refined granulated and cube sugars which will be the largest crop in its history.—V. 134, p. 1042.

Powdrell & Alexander, Inc.—Earnings.—				
Calendar Years—	1931.	1930.	1929.	1928.
Gross sales.....	\$6,017,720	\$5,997,181	\$6,822,257	\$5,885,378
Expenses.....	6,066,433	5,861,462	6,269,460	5,603,144
Taxes.....	—	11,359	68,914	34,429
Net profit.....	def\$47,713	\$124,360	\$483,883	\$247,805
Preferred dividends.....	31,552	35,214	57,298	52,500
Common dividends.....	153,209	237,067	237,234	156,250
Surplus for year.....	def\$232,774	\$147,921	\$189,351	\$39,555
Shs. com. outst. (no par)	55,788	55,788	55,788	50,000
Earnings per share.....	Nil	\$1.50	\$7.64	\$3.91

Balance Sheet Dec. 31.				
	1931.	1930.	1929.	1930.
Assets—				
Cash.....	\$225,301	\$231,615	—	\$835,000
Notes & accepl. rec.	—	1,333	—	54,393
Accounts receivable.....	703,675	637,395	—	141,863
Other receivables.....	8,603	519	—	—
Inventories.....	1,071,018	1,347,330	—	25,290
Mtges. & notes rec.	20,389	49,011	—	46,199
Cash depts. pend. claim.....	32,887	—	—	1,961
Boston Chamber of Commerce.....	855	855	—	17,591
Plants & properties.....	1,396,825	1,411,720	—	1,400
Organization exp.....	21,391	24,079	—	66,000
Prepaid insurance.....	33,804	36,777	—	—
Prepaid interest.....	4,696	4,123	—	13
Cotton futures & prepaid expenses.....	1,582	3,283	—	13
Adv. to salesmen.....	4,592	5,645	—	2,483
Total.....	\$3,525,617	\$3,803,740	—	\$3,525,617
x After depreciation of \$479,144.	—	—	—	y Represented by 55,788 share (no par).—V. 134, p. 1042.

Prairie Pipe Line Co.—President Urges Stockholders to Approve Merger with Sinclair.

In a letter to stockholders urging approval of the proposed consolidation of that company with the Prairie Oil & Gas Co. and the Sinclair Consolidated Oil Corp., W. F. Gates, President, states that liquidation of the company's assets was not possible and that the only choice available was between the continued operation of the company as a separate unit and the proposed merger.

Mr. Gates declared that the outlook for the company this year is even less promising than it was in 1931, when the net loss before non-recurring credits was \$670,000. He says the proposed merger is the most economical and most promising solution of the company's problems.

The letter is a reply to several protests from stockholders against the merger. C. R. Armstrong, President of the Lock Haven (Pa.) Trust Co., has announced that he intends to oppose the consolidation at the stockholders' meeting on March 1 unless his objections were answered satisfactorily. He says he owns or represents 7,000 shares of Prairie Pipe Line stock.

President Gates in his letter says in part:

As shown by the statement below, the operating deficit for the 11 months ending Nov. 30 1931, was \$2,385,803 and the net loss, before the non-recurring items of income tax refunds and back interest thereon mentioned below, was \$547,313. It is estimated that the net loss for December was about \$120,000, making a total net loss, before such non-recurring items, of close to \$670,000 for the year. During the year the company obtained income tax refunds for the years 1915 to 1928, inclusive, which together with interest thereon, amounted to \$3,670,531. Accordingly, after dividends of \$6,075,000 paid during the year, the net reduction in surplus at the end of the year was approximately \$3,060,000.

This serious decline in operating revenue is directly attributable to the changes in the oil industry. Briefly, these changes have been as follows: Large refining companies, formerly customers of company, have, as a result of the great overproduction of crude oil, developed their own crude product on and built or acquired interests in pipe lines covering the same territory as those of company, and have, by transporting their crude oil requirements over their own lines, greatly reduced the volume of business of company. These developments have been in line with the general trend in the industry towards fully integrated and well balanced units engaged in all branches of the oil business.

The outlook for company in the future, on the basis of separate operation, is even less promising than it was in 1931. In January of this year deliveries of crude over the lines of company averaged only approximately 60,000 barrels per day, as compared with a daily average of about 86,000 barrels in 1931, 164,000 barrels in 1930, and 215,000 barrels in 1929. The result for 1931 and the outlook for the future, under separate operation, confirm directors in the view that company must either acquire production and construct or acquire refining and marketing facilities, in order to provide business for its pipe lines, or combine its properties and business with those of other companies having such production and facilities, if you are to have the opportunity of maintaining the value of your investment. Directors are more strongly than ever of the opinion that combination is the only practicable course and that the combination of the properties of company with those of The Prairie Oil & Gas Co. and Sinclair Consolidated Oil Corp. is the most economical and promising one that could be effected.

Some stockholders have asked whether the company might not, in view of the current depression, purchase the producing, refining and marketing facilities required to round out its operations, on terms more advantageous to the stockholders than those provided in the proposed consolidation, and, have suggested that while construction of the required facilities would be prohibitive in cost and uneconomical, purchase at bargain prices might be possible. The answer is that, as a practical matter, such acquisition of facilities is not possible. In order to develop the value of your investment to compete effectively with other units in the industry, in other words, to develop a unit like the consolidated enterprise now proposed, company would have to acquire large production and reserves of crude oil in the Mid-Continent area, and well equipped and modern refineries properly located to serve a broad distributing system, as well as such a system. It is apparent at once that company could not, even in these times, purchase such facilities, for the simple reason that the facilities which would be required are now owned either by fully integrated units or by a few large companies and cannot be obtained by outright purchase. The only practicable way, therefore, for company to acquire the required facilities is by a combination with other companies having such facilities.

There have also been some inquiries as to whether company could not be liquidated with more advantage to the stockholders than may be expected from the proposed consolidation. This question is prompted by a comparison of the present depressed market price of the common stock of the Sinclair company with the amount which it has been presumed could be distributed in the liquidation of company. Such a comparison loses sight of several factors, a proper consideration of which shows that liquidation is not feasible, and, that, in any event, the greater advantage is promised by the proposed consolidation.

Liquidation would occasion a tremendous loss of intrinsic values. It would mean the termination of the business as a going concern, with all the sacrifices that such termination would entail. It would require considerable time and involve many difficulties. Company is a common carrier. Its pipe lines are laid upon private rights-of-way, upon public and Indian lands, and along and across public highways. The liquidation of such carriers and the suspension of their services to shippers are surrounded by unusual complications and limitations. During the time required to complete the necessary steps, the operating expenses of the company, although they might be reduced, would continue, and taxes, liquidation expenses and other charges would accrue, so that a considerable portion of its surplus assets would inevitably be required in the process of liquidation and could not be distributed with safety pending its completion.

In view of the depressed condition of business generally and the recent construction of pipe lines by other companies, it would be practically impossible to find a purchaser for the system of company as a whole. If purchasers could be found for parts of the system, it would be only at bargain prices, and the disposition of the remainder of the lines at any price would become imperative because of the necessity of avoiding the expenses incident to the removal of lines from leases and easements expiring upon the suspension of service. Any attempt to abandon part or all of the lines of the company would result in continuing liabilities, preventing the dis-

tribution of its funds, and would, therefore, be unthinkable to the great body of stockholders.

Even if it be assumed, however, that the lines of the company could be abandoned and that the approximately \$14 per share of its other assets could be converted into cash and distributed in a comparatively short time, the amount of such distribution should be contrasted not with the greatly depressed present prices of the common stock of Sinclair or of Consolidated on a "when, as and if issued" basis, but with prices in more normal times, or at least with prices bearing some more reasonable relationship to actualities than the prices now obtaining. Or, to put it another way, if market quotations are to be used as a criterion, the comparison should be with prices at which the stock of a well diversified consolidated enterprise would sell with general business conditions reasonably improved.

In any event, as a practical matter, liquidation is not possible. Any such liquidation would require the approval of the holders of two-thirds in amount of the stock of the company. This approval, of course, would be impossible to obtain, as the great majority of stockholders would not agree to the sacrifices necessarily involved in such liquidation. This is all the more certain, in view of the fact that already more than a majority of the stockholders, holding more than a majority of the stock of the company, have sent in their proxies to be voted in favor of the proposed consolidation.

The choice, therefore, is not between liquidation and the proposed consolidation. It is, on the contrary, between the continuance of the company in separate operation and consolidation as proposed.

Consolidated Income Statement for 11 Months Ended Nov. 30 1931.

Operating revenue.....	\$10,267,994
Miscellaneous revenue.....	71,544
Total.....	\$10,339,538
Operating expenses.....	\$11,420,515
Taxes, except income tax.....	1,304,825
Operating deficit.....	\$2,385,803
Non-operating income.....	1,911,509

Balance, deficit.....	\$474,293
Income deductions.....	39,020
Income tax, including tax on interest received on refunds.....	34,000
Net loss.....	\$547,314
Income tax refunds for years 1915 to 1928, with interest thereon.....	3,670,531
Balance, to surplus.....	\$3,123,217
Surplus, Dec. 31 1930.....	29,469,879
Miscellaneous profit and loss credits.....	10,167
Total surplus.....	\$32,603,263
Dividends.....	6,075,000
Surplus, Nov. 30 1931.....	\$26,528,263
* Includes \$4,961,937 depreciation expense.	

Consolidated Balance Sheet Nov. 30 1931.

Assets—	Liabilities—
Real est., pipe lines & equip.....	Accounts payable.....
Other investments.....	State & other taxes accrued.....
Cash.....	Unadjusted credits.....
U. S. Govt. & securities.....	Capital stock, authorized & issued, 4,050,000 shares of \$25 par value each.....
Accounts receivable.....	Surplus.....
Inventories.....	
Notes rec. from Prairie Oil & Gas Co.....	
Deferred & unadjust. items.....	
Total.....	Total.....

a After accrued depreciation of \$48,375,025.

New Group to Fight Proposed Merger.

Determined efforts to block the consolidation of the Prairie Pipe Line Co. and the Prairie Oil & Gas Co. with the Sinclair Consolidated Oil Corp. on the basis of the terms approved by the officials of the two Prairie companies were taken Feb. 17 with the formation of stockholders' protective committees. The committee representing Prairie Pipe Line Co. stockholders is composed of Williams Roy Carney, Pres. of Scandia Coal Co., Chicago; C. R. Armstrong, Pres. of Lockhaven (Pa.) Trust Co.; Courtney C. Davis, Chicago attorney; and Kirk D. Holland, Federal Tax Counselor, Chicago. Mr. Carney, Quintin Johnstone Jr. and C. E. Singletary, represent the stockholders of the Prairie Gas & Oil Co.

In the case of the Prairie Pipe Line Co., the committee charges that the stockholders are offered junior stock burdened with debt for senior stock which has no debts. The committee adds that if the directors of the Prairie Pipe Line Co. would first declare a dividend of \$12 a share the proposal to exchange the stock for Sinclair Consolidated stock on a basis of 1.4 shares of Sinclair for each share of Prairie Pipe would then be equitable. The message to stockholders reads:

"To illustrate the unreasonableness of the terms and the extent of what we believe to be the confiscation of our property; we could donate the entire fixed assets of the company amounting to \$68,000,000, plus a \$10,000,000 cash bonus to Sinclair and sell the remaining current liquid assets, divide the proceeds, and distribute \$12 per share, which is about \$5 per share more than the stock offered. It may be pointed out that your stock has only a present market value of approximately \$7 per share. That would be all it is worth provided the officers are permitted to donate the company's cash assets to support the \$67,000,000 funded debt, and a preferred stock issue of \$14,000,000 in the new proposed consolidation and give a junior stock in exchange for a senior stock.

"We should expect the general public to lose confidence in the security of our stock when it is proposed by our officers to transfer the cash assets of our company to support the heavy indebtedness and preferred issues of the Sinclair Consolidated Corp. without an adequate consideration."

The message sent to stockholders of the Prairie Oil & Gas Co. charges that for a share for share exchange of stock with the Sinclair Consolidated Oil Corp. Prairie stockholders are asked to take stock in a company encumbered by a bonded debt of \$67,000,000 and a preferred stock issue of \$14,000,000, while the Prairie Oil & Gas Co. is debt-free and has current liquid assets, after deducting all liabilities, of \$25,565,915, plus net fixed assets of \$71,556,064.

"We could donate the entire fixed assets of the company amounting to \$71,556,064, or approximately \$28 a share, plus a \$10,000,000 cash bonus to Sinclair and sell the remaining current liquid assets, divide the proceeds and distribute \$10 a share, which is about \$5 a share more than the stock offered," the committee says.

The meetings at which stockholders will vote on the proposed consolidation will take place in Independence, Kans., on March 1. The stockholders are advised by the committees to vote against the merger until such time as the terms of consolidation are revised on a more favorable basis for the holders of stock of the two Prairie companies.

President Gates Replies to Opponents of Deal With Sinclair—Claims 71% of Proxies.

Replying to opponents of the proposed merger, W. F. Gates, President, sent Feb. 18 a letter to stockholders of his company in which he announced that more than 71% of the company's stock had approved the consolidation. He urged them to send proxies favoring the merger, since the laws of Kansas where the company is incorporated, requires approval by 80% of the stock.

Minority in Kansas Suit Asks Court to Enjoin Holding Meeting to Vote on Plan.

Representatives of minority stockholders' groups opposing the merger announced Feb. 18, through Murray B. Kestin, attorney, of 11 West 42d St., N. Y. City, that an injunction suit in equity had been instituted in the United States District Court of Kansas with a view to restraining the directors from holding the proposed stockholders' meeting, which is scheduled for March 1, at which action is to be taken on the merger. Mr. Kestin said minority groups of stockholders had joined forces in filing the suit, through their attorneys, Hyland, Stinson, Mag & Thomson of Kansas City, Mo., and Well, Gotschal & Mangos of New York. A hearing will be held Feb. 26 in Federal Court at Fort Scott, Kan.

Replying to the charges in the suit Mr. Gates said:

A stockholder alleging that he holds 1,000 shares brought an action in the Federal Court in Kansas to try to prevent the consolidation, making unfounded allegations and seeking by this means to thwart the will of the great majority of the stockholders. He asks that the meeting of the stockholders to be held on March 1 be enjoined.

The allegations of this stockholder will, of course, be met at the proper time and place, and in connection with the request that the meeting of the stockholders be enjoined the company will take the position, which it is advised is a sound one, that the consolidation is a matter on which the stockholders should have the right to express themselves. No stockholder should permit the filing of this action to delay him in sending in his proxy.—V. 134, p. 1210, 1042.

Quaker Oats Co.—Extra Dividend of \$3 per Share.—The directors on Feb. 19 declared an extra cash dividend of \$3 per share and the regular quarterly dividend of \$1 per share on the outstanding 702,000 shares of common stock, no par value, both payable April 15 to holders of record April 1. An extra of \$3 per share was also paid on this issue on April 15 last year, while two years ago extra dividends of \$4 per share in cash and 20% in stock were paid on this issue.

[See also record of common dividends since 1907 in the "Industrial Number" of the "Railway and Industrial Compendium" of Dec. 10 1931, page 219.]—V. 132, p. 2602.

Raybestos-Manhattan, Inc.—Smaller Dividend.—The directors on Feb. 17 declared a quarterly dividend of 25c. per share on the outstanding 676,012 shares of common stock, no par value, payable Mar. 15 to holders of record Feb. 29. Distributions of 40c. each were made on Sept. 15 and Dec. 15 last as compared with 65c. per share quarterly from Dec. 16 1929 to and incl. June 15 1931.

(Daniel) Reeves, Inc.—January Sales.—

Month of January—	1932.	1931.	1930.
Sales	\$2,932,008	\$3,401,091	\$3,605,390

—V. 134, p. 337; V. 133, p. 3979.

Riverhead (L. I.) Bond & Mortgage Co.—To Pay \$1 in Liquidation.—About 800 stockholders of the company will, it is said, receive \$1 a share as their first dividend in liquidation. For the purpose of enabling the trustees to make a proper distribution of the dividend declared the transfer books of the corporation have been closed as of Feb. 15 and are to remain closed up to March 15.

Those in charge of winding up the affairs of the company are Charles W. Ludlam, Amzi Burt, Elwood G. Lewis, G. Edwin Bartow, Peter J. Herman, William Richter Jr., Henry Hendall, John Brennan and Shepherd Scudder.—V. 131, p. 4065.

Riverside & Dan River Cotton Mills, Inc.—Earnings.—

Earnings for Year Ended Dec. 31 1931.	
Income from sales, rents, &c.	\$10,959,657
Discounts, reserves	249,135
Raw material, labor, expense, &c.	9,115,042
Depreciation	704,816
Net decrease stock in process and finished goods on hand	807,331
Profit from goods sold	\$83,332
Other income (net)	13,247
Total net profit	\$96,579
Surplus Dec. 31 1930	\$6,013,689
Surplus Dec. 31 1932	\$6,110,268

Riverside Silk Mills, Ltd.—Earnings.—

Calendar Years—		1931.	1930.	1929.	1928.
Surplus at begin. of year	\$468,664	\$484,584	\$424,423	\$331,294	
Net prof. after prov. for deprec. & Fed. inc. tax.	55,086	54,079	130,162	159,425	
Adjustments	Dr. 747			Dr. 21,296	
Total surplus	\$523,003	\$538,663	\$554,585	\$469,423	
Class A share dividend	60,000	60,000	60,000	45,000	
Class B share dividend		10,000	10,000		
Surplus at end of year	\$463,003	\$468,663	\$484,585	\$424,423	

Balance Sheet Dec. 31.

Assets—		Liabilities—			
1931.	1930.	1931.	1930.		
Real estate & machinery	\$2,041,179	\$1,890,832	Preferred stock	7,500,000	7,500,000
Inventories	2,320,015	2,933,267	Common stock	7,500,000	7,500,000
Stocks owned in other companies	110,041	100,000	Bills payable	1,900,000	2,000,000
Cash	644,624	673,334	Deprec. reserve	14,068,377	13,712,899
Bills and accounts receivable	1,885,156	1,129,154	Bal. credit profit and loss account	6,110,269	6,013,688
Prepaid items	77,631				
Total	\$3,707,846	\$3,672,688	Total	\$3,707,846	\$3,672,688

—V. 132, p. 4781.

Royal Weaving Co.—Earnings.—

Calendar Years—		1931.	1930.	1929.	1928.
Net sales	\$3,450,320	\$5,206,994	\$7,324,898	\$7,607,584	
Net prof. after all chgs. loss	341,679	loss 750,350	674,613	763,045	
Dividends paid	6%	10%	22 1/2%	12%	

Balance Sheet Dec. 31.

Assets—		Liabilities—			
1931.	1930.	1931.	1930.		
Real est. & bldgs.	\$953,942	\$952,723	Capital stock	\$2,500,000	\$2,500,000
Machinery	2,545,933	2,486,506	Surplus	2,596,418	3,167,377
Cash	717,729	337,171	Reserve for depreciation & taxes	2,297,689	2,220,829
Notes receivable	2,231	2,476	Contingent disc't.	57	74
Life insurance	144,943	144,213			
Merchandise	1,643,843	1,991,899			
Acc'ts receivable	522,509	1,973,292			
Cts. of deposit	500,000				
Bonds	308,900				
Treasury stock	54,134				
Total	\$7,394,164	\$7,888,280	Total	\$7,394,164	\$7,888,280

—V. 134, p. 689.

Second National Investors Corp.—To Reduce Capital.—President Fred Y. Presley in explaining the proposal to reduce the stated value of the preferred stock stated:

The directors at a meeting held on Dec. 4 1931 declared it advisable to submit to holders of pref. and of common stock for their approval at the annual meeting of stockholders proposals to reduce the capital of the corporation, represented by the shares of \$5 conv. pref. stock, from \$10 to \$1 per share, and to amend the charter to change the shares of \$5 conv. pref. stock without par value into the same number of shares of \$5 conv. pref. stock with a par value of \$1 per share. This will not affect the preference value upon liquidation or the redemption price of the pref. stock, which will remain at \$10 per share.

The purpose of these proposed changes is to effect for the corporation, under certain circumstances, a substantial saving in both Delaware and

New York State annual franchise taxes, and for the preferred stockholders a saving in transfer taxes. In the case of the sale or transfer of 100 shares of pref. stock, this saving would amount to 99% of the transfer taxes at present payable.

Similar changes in respect of the common stock were approved at the 1931 annual meeting of stockholders. See also V. 134, p. 1211.

St. Joseph Lead Co. (& Subs.)—Earnings.—

Calendar Years—		1931.	1930.	1929.	1928.
a Income	\$1,974,486	\$5,809,486	\$11,954,769	\$7,815,039	
Int. & exp. on fund. debt	352,266				
Depletion & deprec.	3,036,291	3,885,534	3,533,675	2,826,151	
Federal taxes		390,314	883,939	455,624	
Applic. to min. int., &c.	4,719	23,646	71,153	42,289	
Net loss	loss \$1,409,326	\$1,509,991	\$7,466,002	\$4,490,973	
Dividends (cash)	1,755,419	x975,236	5,851,400	5,851,377	
Balance, surplus	def \$3,164,745	\$534,755	\$1,614,602	def \$1,360,404	
Shares of capital stock outstanding (par \$10)	1,950,465	1,950,462	1,950,460	1,950,508	
Earns. per sh. on cap. stk.	Nil	\$0.67	\$3.83	\$2.29	

x Being dividend of 50c. per share payable Mar. 20 1931. Previously the company declared dividends one year in advance (which were charged against the year's earnings in which declared) but failed to do so in Dec. 1930. y Includes three quarterly dividends of 25c. each paid June, Sept. and Dec. 1931 and 15c. dividend payable Mar. 21 1932. z After writing off development and exploration expenses on properties abandoned and including interest, dividends and miscellaneous income (amounting to \$163,297 in 1931.)

Consolidated Balance Sheet (Incl. Subsidiaries), Dec. 31.

Assets—		Liabilities—			
1931.	1930.	1931.	1930.		
Orere serve & min-ing rights	a12,696,723	14,689,556	Capital stock	c19,504,650	19,504,620
Bldgs. & equip.	b13,740,480	13,807,725	Scrp.	439	468
Railway construc.	207,055	229,385	Min. int. sub. cos.	103,934	123,538
Investments	2,897,975	2,857,579	Funded debt	8,567,300	
Cash	2,460,604	2,257,006	Notes payable		2,000,000
Marketable sec. & call loans	2,026,000	142,330	Accts. & wage pay.	1,485,812	1,422,211
Accts. receivable	1,598,417	1,064,683	Divs. payable	292,570	975,231
Inventories	6,830,981	5,443,316	Federal taxes		386,490
Deferred charges	427,215	242,149	Deferred credits	126,369	
			Reserve for contin-gencies, &c.	766,821	1,128,061
			Surplus	12,027,557	15,192,209
Total	42,875,451	40,733,728	Total	42,875,451	40,733,728

a After depletion of \$29,962,124. b After depreciation of \$8,043,196. Par value \$10.—V. 133, p. 4340.

Sears, Roebuck & Co.—January Sales.—

4 Weeks End. Jan. 29—	1932.	1931.	1930.	1929.
Sales	\$19,008,449	\$23,042,271	\$26,820,165	\$24,501,008

—V. 134, p. 1211, 864.

Second Diversified Standard Securities, Ltd.—Proposed Reorganization.—See Diversified Standard Securities, Ltd., above.

Shippers' Car Line Corp.—Defers Preferred Dividend.—The directors have decided to defer the quarterly dividend of \$1.75 per share due Feb. 28 on the 7% cum. pref. stock, par \$100. The last regular quarterly payment on this issue was made on Nov. 30 1931.—V. 133, p. 495.

Sioux City Stock Yards Co.—Extra Dividends.—The directors recently declared an extra dividend of \$1 per share on the preferred and common stocks, both payable Feb. 1 to holders of record Jan. 29, and the regular quarterly dividends of 50c. per share on both issues, payable Feb. 15 to holders of record Feb. 12. Extras of \$2 per share were paid on Oct. 31 1931.—V. 133, p. 3267.

Snider Packing Corp.—Stockholders' Protective Committee Claims to Have Enough Proxies to Block Reorganization.—The stockholders' protective committee, of which Louis Bauer is chairman, in a letter forwarded to all stockholders Feb. 15, claimed that it already has proxies for sufficient shares to prevent "through legal process" the consummation of the reorganization plan sponsored by the reorganization committee of which Clifton M. Miller of White, Weld & Co. is chairman. At the same time the protective group denied the allegation of the reorganization body in its letter of Feb. 8, stating that Mr. Bauer and his associates were not stockholders in the corporation.

"The facts are that every member of the stockholders' protective committee is and has been a substantial stockholder of record for many years with the exception of David D. Urding, the hired Secretary, and J. Arthur Adler, counsel. The members of the committee are all responsible business and professional men whose good faith and integrity in this matter cannot be impugned."

The protective group's letter charges further "that not one of the individuals who constitute the so-called reorganization committee, to wit: Clifton M. Miller, chairman; W. S. Mann, George E. Warren and Burt C. Olney, are stockholders of record with the exception of Mr. Olney, who holds 31 common shares and is Vice-President of your company. This then is the group owning a combined total of 31 shares of stock who are sponsoring the proposed plan and who arbitrarily are demanding the consent to this plan by the stockholders under threat of forcing a receivership if they fail to consent."

The letter points out that Mr. Miller and Mr. Warren of the reorganization committee are, in addition, members of the protective committee of note holders which is supporting the reorganization. The plan of reorganization is described as "taking away 100% of control from the preferred and common stockholders, giving them in return one-third of the stock of the new company, the balance of two-thirds representing control of the new company being given to the note holders as a bonus in addition to giving them collateral security in the form of first mortgage notes of the new company for their notes."—V. 134, p. 1211.

Solvay American Investment Corp.—Preferred Dividend.—The New York Stock Exchange, having received notice that the preferred stock has not been impaired, the Committee on Securities ruled that transactions in this stock on Feb. 17 1932 shall be ex the regular quarterly dividend of \$1.37 1/2 per share.—V. 134, p. 339, 1211.

Southern Pipe Line Co.—Earnings.—

Income Account for Calendar Years.		1931.	1930.	1929.	1928.
Operating income	\$133,082	\$204,849			
Rentals and interest	42,286	54,082			
Total income	\$175,368	\$258,931			
Adjust. to profit & loss	3,640	15,349			
Profits for year	\$179,008	\$243,581	\$123,990	loss \$1,442	
Dividends	200,000	200,000			
Surplus	def \$20,992	\$43,581	\$123,990	los 1,442	
Previous surplus	583,720	540,138	274,578	454,951	
Total surplus	\$562,728	\$583,720	\$398,568	\$453,509	
Adjustment			x141,570	y178,931	
Balance, surplus	\$562,728	\$583,720	\$540,138	\$274,578	
Earns. per sh. on 100,000 shs. (par \$10)	\$1.79	\$2.43	\$1.23	Nil	
x On account of previous year's operations and incident to the sale of portions of company's line at above the depreciated value. y Tax adjustments principal years.					

Balance Sheet Dec. 31.

Assets—		Liabilities—			
1931.	1930.	1931.	1930.		
Plant	x\$898,423	\$943,180	Capital stock	\$1,000,000	\$1,000,000
Other investments	910,099	856,588	Cap. stk. red. acct.	410,419	421,413
Acc'ts receivable	70,815	63,794	Accounts payable	16,411	792
Cash	110,223	142,363	Profit and loss	562,729	583,720
Total	\$1,989,559	\$2,005,925	Total	\$1,989,559	\$2,005,925

x After depreciation amounting to \$1,184,635.—V. 134, p. 1043; V. 132, p. 870.

South West Pennsylvania Pipe Lines.—Earnings.—

Calendar Years—	1931.	1930.	1929.	1928.
Profit.....	\$155,581	\$113,684	\$176,698	\$340,317
Dividends.....	140,000	140,000	140,000	560,000
Balance, surplus.....	\$15,581	loss\$26,316	\$36,698	loss\$219,683
Previous surplus.....	395,154	421,486	387,521	639,887
Total surplus.....	\$410,735	\$395,170	\$424,219	\$420,204
Adjustments.....	83	17	2,732	32,683
Profit & loss, surplus.....	\$410,652	\$395,153	\$421,487	\$387,521
Shs. outstanding (par \$50).....	35,000	35,000	35,000	35,000
Earned per share.....	\$4.44	\$3.25	\$5.04	\$9.72

a After adding rentals and interest of \$81,303 (1930, \$80,159).

Comparative Balance Sheet Dec. 31.

Assets—	1931.	1930.	Liabilities—	1931.	1930.
Plant.....	\$1,495,058	\$1,645,993	Capital stock.....	\$1,750,000	\$1,750,000
Other investments.....	1,483,915	1,483,915	Capital stock re- duction account.....	1,226,737	1,228,302
Accounts receivable.....	143,201	141,129	Accounts payable.....	36,797	112,965
Cash.....	302,014	215,323	Profit and loss.....	410,652	395,154
Total.....	\$3,424,187	\$3,486,360	Total.....	\$3,424,187	\$3,486,360

x After deducting \$2,912.813 depreciation. y Includes \$867,579 railroad bonds, \$611,336 U. S. Govt. securities and \$5,000 1st mtge. fs.—V. 134, p. 1044.

Standard All-America Corp.—Exchange Offer.—

See American Trustee Share Corp. above.—V. 134, p. 1044.

Standard American Corp.—Exchange Offer.—

See American Trustee Share Corp. above.—V. 134, p. 1044.

Standard Cap & Seal Corp.—Earnings.—

Calendar Years—	1931.	1930.
Net profit after all charges.....	\$648,366	\$709,497
Dividends paid.....	597,400	573,800
Balance, surplus.....	\$50,966	\$135,697
Earnings per sh. on 206,000 shs. cap. stk. (no par).....	\$3.15	\$3.44

Balance Sheet Dec. 31.

Assets—	1931.	1930.	Liabilities—	1931.	1930.
Cash & call loans.....	\$315,916	\$555,356	Accts. payable.....	\$29,700	\$38,145
Notes receivable.....	5,991	11,403	Accr. taxes, wages, &c.....	20,013	19,503
Accts. receivable.....	259,400	271,531	Divs. unclaimed.....	3,498	3,879
Merch. inventories.....	276,615	284,269	Res. for Fed. inc. tax.....	90,054	95,510
N. Y. C. 90-day rev. bills.....	250,145	-----	Res. for officers' & employees' spec. compen. plan.....	42,141	22,349
Amts. due from closed banks.....	82,945	-----	Reserves for inven- tory, &c.....	-----	12,284
Prepaid insur., &c.....	3,671	3,319	Capital stock.....	\$1,133,000	1,133,000
Machines leased to dairies.....	274,095	235,737	Surplus.....	625,942	574,976
Land, bldgs., ma- chin. & equip't.....	432,429	453,497	Total.....	\$1,944,350	\$1,899,645
Patents.....	43,140	84,832	Total.....	\$1,944,350	\$1,899,645

x Represented by 206,000 no par shares.—V. 133, p. 4172.

Standard Oil Co. (Nebraska).—Earnings, &c.—

President A. H. Richardson, Feb. 2, in a letter to the stockholders, says: During the year 1931 ending Dec. 31 the company earned on the outstanding shares of capital stock \$1.30 per share after all operating expenses, including depreciation, taxes and reserve for income tax. [In 1930 the company earned approximately \$3.25 per share.] During this period of 1931 the company paid \$2 dividends, the difference between the amount earned and the amount paid being chargeable to surplus account. At the annual meeting held on Jan. 11 1932 the stockholders authorized a revision of the annuities and benefits plan and authorized the underwriting of the plan. In anticipation of this revision and in order to properly fund this underwriting, a transfer of funds was made from surplus account to reserve for annuities under date of Dec. 31 1931. In revising the annuities and benefits plan the obligation of the company to its employees under the old plan has been fully met up to Jan. 31 1932. Beginning Feb. 1 1932 the company and the employees each contribute currently approximately one-half of the amount necessary to set up the proper funding from which annuities will be paid on retirement. Under this new plan the cost to the company for annuities is materially reduced. The directors on this date, Feb. 2, have declared a quarterly dividend of 50 cents per share on the outstanding stock, as they will feel justified under present conditions in drawing reasonable amounts from surplus for dividend purposes if current earnings do not cover same. See also V. 134, p. 1211.

Standard Utilities, Inc.—Smaller Distribution.—

The directors have declared a quarterly dividend of 2c. per share on the common stock, no par value, payable Mar. 1 to holders of record Feb. 19. A distribution of 4c. per share was made on this issue on Dec. 1 last, as compared with 7c. per share on Sept. 1 and 12½c. per share previously.—V. 133, p. 3476.

Sterling Securities Corp.—Officers and Directors.—

At a meeting of directors, the following new officers were elected: Hugh R. Johnston, President and Treasurer; Melvin E. Sawin, Vice-President; John W. Donaldson, Vice-President; Oswald L. Johnston, Secretary; Fred C. Hemberger, Asst. Secretary and Asst. Treasurer. The board of directors is composed of the following: E. K. Hall, L. Boyd Hatch, Charles Hayden, Hugh R. Johnston, Oswald L. Johnston, R. Parker Kuhn, Floyd B. Odum, J. F. Schoellkopf, Jr., Louis Stewart Sr., Edward B. Twombly, Ernest Stauffen Jr., Melvin E. Sawin.—V. 134, p. 1044.

**Stanley Arms Apartments (Stanley Corp.), Washing-
ton, D. C.—Report to Depositors.—**

The committee for the protection of the holders of bonds sold through the F. H. Smith Co. (George E. Roosevelt, Chairman) in a report to depositors of 1st mtge. 7% bonds states in part: The committee, representing a large majority of the bonds has requested American Security & Trust Co., the successor trustee, to sell the Stanley Arms property at public auction. The committee plans to bid for the property at the trustee's sale and, unless a satisfactory bid is made by another bidder, to acquire the property on behalf of depositing bondholders. Samuel J. Henry, formerly trustee under the mortgage, operated the property from May 5 1930 to Dec. 31 1930, and American Security & Trust Co., the successor trustee, has been operating the property since Jan. 1 1931. According to statements furnished to the committee, the total receipts for the period beginning May 5 1930 and ending Dec. 31 1931 were \$33,027 and the disbursements were \$32,919. These disbursements were made for the following purposes: \$9,374 for ordinary operating expenses; \$6,036 for redecorating, replacements and maintenance; \$607 for premiums on insurance policies; \$3,602 for payments on account of the purchase and installation of electric refrigerators; \$10,216 to pay current and delinquent taxes on the property; \$207 for interest on trustee's advances; \$500 for commissions of Samuel J. Henry, trustee; \$596 for commissions of Munsey Trust Co., which operated the property for Samuel J. Henry, trustee; \$306 to the attorney of Samuel J. Henry, trustee; \$629 for commissions of American Security & Trust Co., successor trustee; \$615 to the attorneys of American Security & Trust Co., and \$25 for a title report. For such period, interest charges under the mortgage amounted to approximately \$15,000 and amortization charges amounted to approximately \$8,000. The committee recently entered into an agreement with the F. H. Smith Co. pursuant to which the committee relinquished any right of action which it might have had against the Smith company in connection with this issue and the Smith company deposited with the committee \$16,600 in principal amount of bonds of this issue. However, in any distribution made by the committee on account of this issue, the bonds so deposited by the Smith company will not be entitled to share on a parity with the bonds deposited by other depositors but will share in such dis-

tribution on a reduced basis. As indicated below, the extent to which the bonds deposited by the Smith company will share in such distribution will depend upon the amount distributed to other depositors.

Schedule of Settlement.

If the amount distributed on account of each \$100 in principal amount of bonds deposited by depositors other than the Smith Company should be:

(a) not in excess of 70% of the principal amount thereof 50% of the amount distributed on account of each \$100 in principal amount of bonds deposited by other depositors.

(b) in excess of 70%, but less than 75% of the principal amount thereof 55% of the amount distributed on account of each \$100 in principal amount of bonds deposited by other depositors.

(c) equal to or in excess of 75% but less than 80% of the principal amount thereof 60% of the amount distributed on account of each \$100 in principal amount of bonds deposited by other depositors.

(d) equal to or in excess of 80% but less than 85% of the principal amount thereof 65% of the amount distributed on account of each \$100 in principal amount of bonds deposited by other depositors.

(e) equal to or in excess of 85% but less than 90% of the principal amount thereof 70% of the amount distributed on account of each \$100 in principal amount of bonds deposited by other depositors.

(f) equal to or in excess of 90% but less than 95% of the principal amount thereof 75% of the amount distributed on account of each \$100 in principal amount of bonds deposited by other depositors.

(g) equal to or in excess of 95% of the principal amount thereof 100% of the amount distributed on account of each \$100 in principal amount of bonds deposited by other depositors.

—V. 132, p. 675.

Stinson Aircraft Corp.—New President.—

L. B. Manning, Vice-President of the Cord Corp., has been elected President of Stinson Aircraft Corp.—V. 132, p. 144.

Stix, Baer & Fuller Co.—Smaller Dividend.—

The directors have declared a quarterly dividend of 12½c. a share on the common stock, payable March 1 to holders of record Feb. 15. During 1931 the company paid four quarterly dividends of 2c. per share, as compared with 37½c. per share previously.—V. 133, p. 139.

Stromberg-Carlson Telephone Mfg. Co.—Omits Div.—

The directors have decided to omit the quarterly dividend ordinarily payable about March 1 on the common stock. In preceding quarters regular quarterly distributions of 25c. per share were made on this issue.—V. 132, p. 4079.

Sun Life Assurance Co. of Canada.—Annual Report.—

The annual report for 1931, presented Feb. 9 at the annual meeting held at Montreal, is of special interest. The company has large holdings of bonds and stocks of the leading corporations of the United States, and for years has specialized in investments in public utilities. During the past year the amount of new business secured in the United States was not far short of \$300,000,000, out of a total of \$527,000,000 of new paid-for business. The financial statement, which reveals strength and progress, puts an end to rumors circulated from time to time in 1931 that the Sun Life was liquidating United States securities. The portfolio, as compared with last year, is practically intact, except for the addition of many millions of Government and other bonds purchased during the year. The reserves of the company have also been calculated on the same conservative basis as last year.

The high spots of the year show a gain of over \$36,000,000 in assets, \$26,000,000 paid or allotted during 1931 in dividends to policyholders, over \$93,000,000 in total payments to policyholders and beneficiaries, an increase of \$12,000,000 over 1930; nearly \$528,000,000 of new business; and assurances in force passing the \$5,000,000,000 mark.

President T. B. Macaulay's message was a characteristic one of courage and conservative optimism. He declared in no uncertain terms that he had not lost one bit of enthusiasm for the future of this great continent, that prosperity would return just as surely as to-morrow's sun will rise. Life insurance as an institution had proved a great bulwark during the depression. It had been tested as never before and had emerged with flying colors. It had rendered a great service to policyholders in a time of need.

Life insurance companies, he pointed out, are least affected by depressions, for life insurance is essentially a long-term proposition and its investments must of necessity be made to cover a period of years. Life companies are more concerned, therefore, with the earning power of their investments than with market values, for the companies do not have to realize to meet their obligations. In this connection the income of the Sun Life during 1931 was in excess by \$60,000,000 over disbursements. Market values, during abnormal periods, are no test of the actual values. This had been recognized by the National Convention of Insurance Superintendents of the United States and the Department of Insurance of Canada. It was the quality of the investments of life companies that counted. The interest earned by the Sun Life last year was 5.13 and the amount of overdue interest was exceedingly small. In regard to the future, Mr. Macaulay declared that prosperity will most certainly return. The future is bright and recovery will come perhaps sooner than expected.

The report, always of great interest, contains many noteworthy features in the life insurance world. Perhaps the most encouraging is the tremendous growth in assurances in force, indicating the low lapse ratio and the general excellence of the business on the books of the Sun Life.

The year 1931 will, it is hoped, go down in history as the low point of the depression, the most severe of the last hundred years; yet, in spite of the terrific upheaval in business conditions, the Sun Life was able to make forward moves, maintaining its position not only as Canada's largest company, but its premier place as the largest company in the British Empire writing ordinary business. The Sun Life practically circles the globe, maintaining active branches throughout the United States and Canada, most British countries, and in many foreign lands as well. In this connection it is interesting to note that the company secured over \$100,000,000 of paid-for business in Canada, approximately \$291,000,000 in the United States, over \$50,000,000 in Great Britain, and \$85,000,000 from the rest of the world, making total new business secured during the year 1931 over \$527,000,000. The amount of new business secured, although ranking very high under present conditions, shows a decrease over the two previous high-record years, but, when compared with 1928, shows an increase of practically \$100,000,000. As a matter of fact, the statement shows notable advances in practically every department. The total income of the company for the year was just a trifle short of \$290,000,000, an increase of over \$10,000,000.

Since the organization of the company 61 years ago, nearly \$600,000,000 have been paid to policyholders and beneficiaries, while, during the year just closed, the Sun Life paid out well over \$93,000,000; of this amount over \$68,000,000 was paid to living policyholders in matured endowments, annuities, dividends, &c., indicating in no uncertain terms the modern trend of insurance. The assets at the end of the year totalled over \$624,000,000, an increase for the year of over \$36,000,000, while the surplus and contingency reserve stands at over \$21,000,000.

In referring to the year's business, the directors' report reads:

"The trade reaction which began in 1929 developed into a major world-wide business depression in 1930 which has continued with increasing severity throughout the past year, reaching an acute stage in recent months. The great contraction in business has left no industry unaffected and has

placed a severe strain upon even the most powerful financial institutions. It is a high tribute to the business of life insurance and to the fundamental soundness of the principles upon which it is based, that the companies have met, promptly and without embarrassment, every obligation imposed on them under the contracts into which they have entered. Their prestige has been enhanced and they have deserved the high measure of public confidence accorded to them.

"For many years past the company has been outstanding for the persistency of its business, and this record has been fully maintained. Having regard to the financial pressure under which many policyholders, in common with the public generally, are laboring, this provides impressive evidence of the high value placed by our policyholders on their contracts, and testifies to a confidence in the company of which we are deeply appreciative."

The Sun Life's growth is told in the following table:

	<i>Insurance in Force</i>	<i>Total net income</i>	<i>Payments to Policyholders</i>	<i>Assets</i>
1931-----	\$3,051,077,066	\$197,140,162	\$93,235,849	\$624,804,455
1930-----	2,863,701,579	186,662,316	81,274,581	588,733,631
1929-----	2,401,237,036	172,857,771	69,174,892	568,197,954
1928-----	1,896,915,934	144,747,393	49,920,797	488,958,706
1927-----	1,487,990,680	102,774,503	42,224,249	401,305,884
1926-----	1,256,490,115	78,972,906	38,576,463	345,251,714
1925-----	1,021,097,101	69,147,413	35,441,582	303,056,145
1924-----	871,636,457	62,245,681	31,881,639	274,130,407

Makes New Appointments.—President T. B. Macaulay announces the following promotions: Arthur B. Wood, heretofore Vice-President and Chief Actuary, to be Vice-President and Managing Director; E. A. Macnutt, heretofore Treasurer, to be Vice-President and Treasurer; Geo. W. Bourke, Assistant Actuary to be Actuary; J. J. Cooper, J. B. Mabon and C. D. Rutherford to be Associate Actuaries.—V. 133, p. 1627.

Superior Steel Corp.—Earnings.—For income statement for 3 and 12 months ended Dec. 31 see "Earnings Department" on a preceding page.—V. 133, p. 2942.

Texas Corp.—Dividend Rate Halved.—The directors on Feb. 16 declared a quarterly dividend of 25c. per share on the outstanding \$246,278,775 capital stock, par \$25, payable April 1 to holders of record March 4. This compares with a distribution of 50c. per share made in each of the three preceding quarters and 75c. per share made quarterly from Jan. 1 1927 to and incl. April 1 1931. In addition, a 10% stock dividend was also paid on April 2 1927.—V. 132, p. 3904.

Texas Gulf Sulphur Co.—Annual Dividend Rate on Common Stock Decreased to \$2 from \$3.—The directors on Feb. 18 declared a quarterly dividend of 50 cents per share on the outstanding 2,540,000 shares of common stock, no par value, payable March 15 to holders of record March 1. In each of the three preceding quarters a distribution of 75 cents per share was made on this issue, as compared with \$1 per share each quarter from Dec. 15 1926 to and incl. March 16 1931.—V. 133, p. 2776.

Texas Gulf Sulphur Co.—Earnings.—

Calendar Years—	1931.	1930.	1929.	1928.
Gross income	\$18,213,806	\$25,815,550	\$29,883,243	\$26,083,612
Cost of sales, &c., exp. incl. Federal taxes	9,271,204	11,843,466	13,635,765	11,565,993
Balance, surplus	\$8,942,602	\$13,972,085	\$16,247,478	\$14,517,619
Previous surplus	25,200,642	21,388,561	15,301,082	10,943,483
Total surplus	\$34,143,247	\$35,360,646	\$31,548,560	\$25,461,082
Dividends paid	8,255,000	10,160,000	10,160,000	10,160,000
Rate	(\$3.25)	(\$4.00)	(\$4.00)	(\$4.00)
Total surplus, incl. depletion reserve	\$25,888,247	\$25,200,646	\$21,388,560	\$15,301,082
Earns. per sh. on 2,540,000 shs. (no par) cap. stock.	\$3.52	\$5.50	\$6.40	\$5.72

—V. 133, p. 2776.

Third Diversified Standard Securities, Ltd.—Proposed Reorganization.—See Diversified Standard Securities, Ltd., above.—V. 134, p. 866.

Thompson-Starret Co., Inc.—Earnings.—For income statement for 3 and 9 months ended Jan. 28 see "Earnings Department" on a preceding page.—V. 133, p. 3980.

Underwood Elliott Fisher Co. (& Subs.)—Earnings.—

Consolidated Income Statement Calendar Years.	1931.	1930.	1929.	1928.
x Net income	\$2,163,272	\$5,149,596	\$8,953,713	\$6,304,092
Interest	—	—	3,666	91,445
Depreciation	671,652	723,067	699,492	713,752
Prov. for Fed. tax	90,559	414,951	887,179	644,536
Net income for year	\$1,401,061	\$4,011,578	\$7,363,377	\$4,854,339
Prof. stock dividends	195,536	201,964	339,675	385,980
Balance, surplus	\$1,205,525	\$3,809,614	\$7,023,702	\$4,468,359
Shs. com. stk. outstand. (no par)	674,648	685,648	696,835	660,515
Earnings per share	\$1.79	\$5.56	\$10.08	\$6.77
x After deduct. mfg., selling & gen. expenses and all other charges.	—	—	—	—

Consolidated Statement of Surplus Dec. 31.

	1931.	1930.	1929.	1928.
Balance, Jan. 1	\$13,501,905	\$13,641,751	\$12,375,448	\$12,375,448
Net income for year	1,401,060	4,011,578	7,363,377	4,854,339
Total surplus	\$14,902,965	\$17,653,329	\$19,738,825	\$17,229,787
Preferred dividends	195,536	201,964	339,675	385,980
Common dividends	2,907,529	3,455,240	2,956,404	2,956,404
Prem. of prof. stock purchased or retired	13,028	25,127	174,406	—
Adjust. of treas. com. stock acquired in 1929 to nominal value per share carried in capital stock account	665,098	Cr126,588	126,588	—
Adj. of fixed assets applic. to prior yrs.	—	98,345	—	—
Adj. of add'l treas. stk. to carrying value	Cr1,191	—	—	—
Prov. for conting. in respect of invest. in non-consol. affil. - sub. cos.	—	—	500,000	—
Amount written-off patents, development, good-will, &c.	—	497,336	2,000,000	—
x Balance Dec. 31	\$11,122,965	\$13,501,905	\$13,641,751	\$12,375,448
x Including special surplus capital reserve used in retirement of prof. stock \$2,200,000 in 1931; \$2,100,000 in 1930 and \$2,000,000 in 1929.—V. 134, p. 1213.	—	—	—	—

Twentieth Century Depositor Corp.—Rights.—The corporation announces that rights have been granted to holders of 20th Century Fixed Trust shares to subscribe to additional shares to the full extent of the March 1 distribution, which is 30 cents per trust share. The rights are exercisable on March 1 to holders as of Feb. 15, and will expire on March 15. The price at which new shares may be purchased is 10 cents per share under the price current when such rights are exercised.

The March 1 distribution is 30 cents per trust share payable to shareholders of record as of Feb. 15. The distribution includes 15.9 cents from the reserve fund. The shares of the trust are 1-1,000th participating interest in a unit consisting of two shares each of 28 underlying stocks, including 13 industrials, four utilities, seven railroads, four oils and a reserve fund.—V. 133, p. 3477.

Unexcelled Mfg. Co., Inc.—Dividend Decreased.—The directors have declared a quarterly dividend of 10c. per share on the outstanding \$1,500,000 capital stock, par \$10, payable March 1 to holders of record Feb. 20. Previously the company paid quarterly dividends of 17½c. per share.—V. 132, p. 1243.

Ungerleider Financial Corp.—Earnings.—

Dividends	\$100,820
Interest	202,991
Syndicate participation and sundry sales	438
Total income	\$304,249
Operating expenses	122,918
Net income before allowing for shrinkage in market value of investments or loss on sales of securities	\$181,331
Restoration to surplus of Dec. 31 1930 balance of reserves provided for loss on sales of securities	1,505,789
Paid-in surplus	2,500,000
Capital surplus resulting from reacquisition of corporation's capital stock	929,576
Total surplus	\$5,116,695
Operating deficit, Jan. 1 1931	3,207,842
Loss on sales of securities in 1931, on basis of average cost	1,125,878
Excess of cost of sec. over market val. thereof at Dec. 31 1931	1,808,602
Provision for possible shrinkage in other assets	252,500
Prov. for Fed. inc. & State franchise taxes for prior periods	95,534
Expenditures arising out of sales of corporation's capital stock in prior years	16,069
Deficit, Dec. 31 1931	\$1,389,730

Balance Sheet As at Dec. 31.

	1931.	1930.	1931.	1930.
	\$	\$	\$	\$
Assets—				
Invest'nts (at cost or market)	4,460,184	a5,422,325		
Cash & cfts. of dep	2,979,107	2,524,668		
Accts. receivable	53,378	—		
Com. stk. sold to issuing company	216,000	—		
Balance with brokers in connection with securities to be delivered	—	94,571		
Notes and loans receivable, less res	877,514	622,540		
Synd. advances	—	c1,158,339		
Div. decl. & int. rec	52,332	49,974		
Miscell. receivables	554	205,802		
Furniture & fixtures	—	1		
Total	8,639,072	10,078,220	8,639,072	10,078,220
Liabilities—				
Due to brokers	—	130,812		
Prov. for Federal taxes, &c.	—	95,534		
Securities sold and not delivered	—	—	31,817	
Accruals & miscell.	—	29,656	44,169	
Capital stock	b9,772,800	9,776,000		
Capital surplus, def.	1,389,730	226,234		
Total	8,639,072	10,078,220	8,639,072	10,078,220
a Market value, \$5,425,043. b Capital stock—no par value (authorized 3,000,000 shs.) issued 250,000 shs. (at assigned value of \$40 per sh.), \$10,000,000; less in treasury (5,680 shs.), \$237,200; outstanding (244,320 shs.), \$9,772,800. c Participations in and advance to underwriting syndicate, less reserve, \$732,923; syndicate advances secured by collateral and guaranty, \$425,416.—V. 133, p. 3268.				

Union Storage Co.—Earnings.—

Calendar Years—	1931.	1930.	1929.	1928.
Net income	\$42,706	\$50,830	\$38,675	\$41,003
Dividends	35,000	(10)35,000	(10)35,000	(12)42,000
Balance, surplus	\$7,706	\$15,830	\$3,675	def\$997
Previous surplus	337,015	416,829	413,154	414,151
Total surplus	\$344,721	\$432,659	\$416,829	\$413,153
Depreciation	10,067	x95,644	—	—
Profit & loss surplus	\$334,654	\$337,015	\$416,829	\$413,153
Shares capital stock outstanding (par \$25)	—	14,000	14,000	14,000
Earns. per sh. before tax	—	\$3.63	\$2.76	\$2.93
x Includes depreciation, \$10,962; cost of replacements, \$64,265; reserve for contingencies, \$10,000 and adjustments, \$10,417.				

Balance Sheet Dec. 31.

	1931.	1930.	1931.	1930.
Assets—				
Fixed assets	\$608,851	\$609,536		
Cash	17,684	11,415		
Liberty bonds	5,100	5,100		
Accrued charges	5,764	4,966		
Notes receivable	226,601	191,479		
Trade accts. receiv.	46,086	38,006		
Unexp. ins. prem.	815	999		
Total	\$910,902	\$861,501	\$910,902	\$861,501
Liabilities—				
Capital stock	\$350,000	\$350,000		
Accounts payable	5,322	10,623		
Notes rediscounted	158,217	111,612		
Payments on redis-counted notes	36,102	30,536		
Reserves	26,607	21,716		
Surplus	334,653	337,015		
Total	\$910,902	\$861,501	\$910,902	\$861,501

—V. 132, p. 1243.

Union Tobacco Co.—Earnings.—

Calendar Years—	1931.	1930.
Income—Dividends and interest	\$90,598	\$60,814
Salaries, rents, interest, &c., expenses	31,267	69,530
Net income	\$59,331	loss\$8,716
Loss on sale of securities	—	375,032
Other expenses	—	56,257
Total	\$59,331	\$440,006
Credits—Revaluation of securities	—	143,750
Other credits	1,865	169,846
Surplus for the year	\$61,196	def\$126,409
Surplus, Jan. 1	14,365	140,775
Surplus Dec. 31 1930	\$75,561	\$14,365

Comparative Balance Sheet Dec. 31.

	1931.	1930.	1931.	1930.
	\$	\$	\$	\$
Assets—				
Cash	\$19,134	\$36,667		
Stocks of other cos.	9,595,908	9,595,761		
No. Va. Corp.—				
Subscrip. to prof. (see contra)	1,000,000	1,000,000		
Accounts receiv'le (less reserve)	418	621		
Mach., furniture & fixtures (less reserve)	413	762		
Total	10,615,872	10,633,812	10,615,873	10,633,812
Liabilities—				
Notes payable	\$325,000	\$400,000		
Accounts payable	853	1,012		
Accrued interest	14,881	—		
Reserve for claims, tax, conting. &c.	112,271	115,058		
Prof. stock subscri. 10,000 shs. (see contra)	1,000,000	1,000,000		
Prof. 7% stock	4,000,000	4,000,000		
Class A stock	x4,314,900	4,314,900		
Common stock	y763,916	763,716		
Surplus	75,561	14,365		
Res. for Unit. Prof. Shar. coupons, &c	8,490	10,177		
Accrued underwriting fee—pref. stk.	—	14,583		
Total	10,615,873	10,633,812	10,615,873	10,633,812
x 176,496 shares (no par value) with a declared value of \$25 per share—less \$3,900 shares in treasury. y 763,916 no par shares, declared value \$1 per share.				
Note.—No dividends have been declared on the outstanding preferred 7% cumulative stock issued at various dates subsequent to Oct. 7 1929.—V. 132, p. 3168.				

Union Natural Gas Co. of Canada, Ltd.—Omits Div.—

The directors have voted to omit the quarterly dividend usually paid about March 10. On June 10, Sept. 10 and Dec. 10 last, quarterly distributions of 25c. per share were made, as compared with 35c. per share regular and 5c. per share extra in each of the two preceding quarters.—V. 132, p. 3905.

United Elastic Corp.—Reduces Dividends.—

A quarterly dividend of 25c. per share has been declared on the common stock, no par value, payable March 24 to holders of record March 10. This compares with 40c. per share paid each quarter from Sept. 24 1930 to and incl. Dec. 24 1931.—V. 131, p. 1114.

United Electric Coal Cos.—Earnings.—

For income statement for 3 and 6 months ended Jan. 31 see "Earnings Department" on a preceding page.—V. 134, p. 1213.

United Fruit Co.—New Director.—

P. H. Saunders of New Orleans has been elected to the directorate.—V. 134, p. 500, 148.

United States Electric Light & Power Shares, Inc.—Distributions on Series B Shares in 1931 Totaled \$840 per Unit.

Total distributions from 1931 on series B trust certificates amounted to \$840 per unit, or on the basis of the units outstanding during 1931, approximately \$1,300,000.

Statement of net income and disbursements during 1931 shows that there were no changes in the composition of trust units and that receipts per unit amounted to \$935.91, including an undistributed balance on Jan. 1 1931 of \$165.24. As of Dec. 31 1931 there was an undistributed balance of \$84.54 per unit. Series B trust units consist of 394 shares in 44 public utility companies.—V. 134, p. 522, 1045.

United States Envelope Co.—Dividend Reduced.—

A semi-annual dividend of 2% has been declared on the outstanding \$2,625,000 common stock, par \$100, payable March 1 to holders of record Feb. 15. This compares with semi-annual payments of 4% previously made on this issue.

An extra cash distribution of 4% was also made on March 2 1931 and on March 1 1930, 1929 and 1928.—V. 133, p. 2279.

United States Foil Co.—Earnings.—

	1931.	1930.	1929.
Earns. after expenses of management	\$739,899	\$942,191	\$1,451,849
Federal income taxes			69,715
Operating income	\$739,899	\$942,191	\$1,382,134
Other income		56,101	
Total income	\$739,899	\$998,292	\$1,382,134
Previous surplus	3,824,791	3,451,738	2,777,343
Total surplus	\$4,564,690	\$4,450,031	\$4,159,477
Preferred dividends	47,747	47,747	47,747
Common dividends	329,896	577,493	659,992
Balance	\$4,187,047	\$3,824,791	\$3,451,738

Earnings per share on 659,992 shares of com. stock outstanding (no par) \$1.05 1931, \$1.44 1930, \$2.02 1929.

Comparative Balance Sheet Dec. 31.		1931.		1930.	
Assets		1931.	1930.	1931.	1930.
Securities at cost	\$6,849,101	\$7,651,145			\$775,000
Cash	115,300	210,505			
Notes & accts. rec.	70,955	80,208			
Deferred charges	5,165				
Total	\$7,040,522	\$7,941,858			
Liabilities		1931.	1930.	1931.	1930.
Notes payable					475,857
Unpaid cap. stock subscriptions					9,537
Accts. payable		\$9,160			94,436
Dividends payable		94,336			14,483
Accr. int. & taxes		2,225			415,674
Res. for conting., &c.			415,674		682,100
7% pref stock		682,100			1,649,980
Common stock		1,649,980			3,824,791
Surplus		4,187,047			
Total	\$7,040,522	\$7,941,858			

—V. 132, p. 4260.

United States Playing Card Co.—Div. Rate Reduced.—

The directors have declared a quarterly dividend of 50 cents per share on the common stock, par \$10, payable April 1 to holders of record March 21. This compares with quarterly distributions of 62½ cents per share made on this issue from April 1 1931 to and incl. Jan. 2 1932, and \$1 per share previously each quarter.—V. 133, p. 4174.

United States Steel Corp.—\$947,308 Tax Credit.—

An award of income tax credit of \$947,308 has been made to the corporation for 1932. Revision of the reported valuations of the opening and closing inventories resulted in \$524,559 of the over assessment being cut off, \$350,564 from the allowance of additional deductions for business expenses, \$55,193 for depletion and the rest for minor reasons.—V. 134, p. 1213.

Utah Copper Co.—Dividend Omission.—

The directors on Feb. 15 decided to omit the quarterly dividend ordinarily payable about March 31 on the outstanding \$16,244,900 common stock, par \$10. During 1931 the following distributions were made on this issue: \$2 per share on March 31 \$1.50 per share on June 30 and on Sept. 30; \$1 per share on Dec. 31. Record of payments made is given below:

Reg.	16.	17.	18.	19.	20.	21.	22.	23.	24.	25.	26.	27.	28.	29.	30.	31.
%	70	140	100	60	60	25	20	40	40	42½	52½	60	80	160	100	60
Extra.	%	50	x5													

x Paid in July 1917 for Red Cross distribution.—V. 134, p. 523.

Viking Pump Co.—Earnings.—

	1931.	1930.
Calendar Years—		
x Gross profits on sales	\$361,492	\$568,417
Selling and general expense	170,563	162,500
Other expenses, net	9,706	10,880
Provision for Federal income taxes	20,950	46,602
Net income after taxes	\$160,272	\$348,435
Preferred dividends	82,491	90,266
Balance for common stock	\$77,781	\$258,169
Earns. per sh. on 100,000 shs. com. stk. (no par)	\$0.78	\$2.58

Balance Sheet Dec. 31.		1931.		1930.	
Assets		1931.	1930.	1931.	1930.
Cash	\$139,831	\$250,723			\$22,826
Gov. & mun. bds.	217,158	172,355			26,669
Accts. & notes rec.	84,388	81,548			54,724
Inventories	258,659	256,053			203
Investment	600	1,600			304,461
Land, bldgs. and equipment	751,523	737,449			x599,837
Patents	1	1			518,950
Total	\$1,452,159	\$1,499,729			\$1,452,159
Liabilities		1931.	1930.	1931.	1930.
Accounts payable					\$10,301
Accrued salaries					13,230
Provision for taxes					23,288
Other curr. liabils.					203
Res. for deprec'n.					304,461
Capital stock					x599,837
Surplus					500,837
Total	\$1,452,159	\$1,499,729			\$1,452,159

x Represented by 32,317 no par shares cumulative preferred stock and 100,000 shares no par common stock.—V. 133, p. 1141.

Virginia-Carolina Chemical Corp.—Dividend Deferred.

The directors have voted to defer the usual quarterly dividend of 1¼% due March 1 on the 7% cum. red. prior pref. stock, par \$100. The last quarterly payment on this issue was made on Dec. 1 1931.—V. 133, p. 1628.

(Hiram) Walker-Gooderham & Worts, Inc.—To Vote on Reorganization Plan.—

A special meeting of the shareholders has been called for March 4 to consider a plan for the reorganization of the capital stock.

It is proposed to consolidate three of each four existing common shares held into one cum. div. red. preference share of no par value.—V. 133, p. 3802.

Waltham Watch Co.—Omits Preferred Dividends.—

The directors at a recent meeting voted to take no action on the quarterly dividends due Jan. 1 on the 7% cum. prior pref. stock and on the 6% non-cum. pref. stock, both of \$100 par value.

The last regular quarterly dividend paid on the prior pref. stock was on Oct. 1 1931. A year ago the dividend on the 6% pref. stock was cut from \$6 to \$2 annually with the reduced dividend for the full 1931 year declared early in February. The last payment on the latter issue was made on Oct. 1 1931.—V. 132, p. 3188.

Warner Bros. Pictures, Inc.—Receivership.—

The petition for a receiver filed in Delaware Chancery Court by Jules Ender has been dismissed at the request of the attorneys for Mr. Ender. Simultaneously another petition was filed by the same attorneys on behalf of one Marinus T. V. Newcastle. It is substantially a copy of the petition heretofore filed on behalf of Ender.

The complete denial heretofore made by the company of all the allegations contained in the petition filed on behalf of Ender will be immediately repeated in an answer to the petition now filed on behalf of Newcastle, it is said.—V. 134, p. 1214.

Westfield (Mass.) Mfg. Co.—Smaller Dividend.—

The directors recently declared a quarterly dividend of 25 cts. per sh. on the capital stock, payable Feb. 15 to holders of record Feb. 10. Previously the company made regular quarterly payments of 50 cents per share.

In connection with halving of the dividend, President W. C. Walker states: "This rate was determined upon for the reason that directors deemed it wise to conserve the resources of the company in view of general business conditions. Net earnings of the company for the 12 months ended Dec. 31 1931 have been more than double this rate."

"Last year stockholders voted to amend the by-laws so as to change the fiscal year to correspond with the calendar year, and earnings for this period, 16 months ended Dec. 31 1931, exceeded the dividend disbursements for that period."—V. 130, p. 4263.

Westinghouse Electric & Mfg. Co.—Stockholders Inc.—

The company recently mailed dividend checks payable to 53,079 stockholders. This is an increase of 4,624 in the number of stockholders during the past 12 months.

The total number of preferred and common stockholders of this company by quarters this year and last year follows:

Period	First Quar.	Second Quar.	Third Quar.	Fourth Quar.
1931	49,332	50,647	51,621	53,079
1930	43,528	44,533	45,158	48,455

Note.—These totals are taken on the date of record for the payment of dividends payable in these respective quarters, the fourth quarter of 1931 being the number of stockholders of record Jan. 18 1932 to whom the dividend of Jan. 30 1932 was payable.—V. 134, p. 1046.

Whitman Mills of New Bedford.—Sale.—

The Textile Machinery & Supply Co. of Fall River, with a bid of \$140,300. Has been awarded all equipment machinery and furnishings of Whitman Mills, sold at a sheriff's sale to help satisfy a judgment in favor of the First National Bank of Boston and three New Bedford banks.—V. 133, p. 1466.

Winn & Lovett Grocery Co.—January Sales.—

Month of January	1932.	1931.	1930.	1929.
Sales	\$467,105	\$465,212	\$513,081	\$516,258

—V. 134, p. 341; V. 133, p. 3981.

Worthington Pump & Machinery Corp.—New Officers.

C. E. Wilson, General Sales Manager, has been appointed Vice-President in charge of industrial relations. Clarence E. Searle, formerly general representative in charge of sales of the Allis-Chalmers Mfg. Co., has been appointed Vice-President in charge of sales. William H. Baumes has retired as Treasurer of the company, and Charles N. Barney, Secretary and General Counsel, has been made Secretary-Treasurer and General Counsel.—V. 134, p. 1046.

CURRENT NOTICES.

—Crouse & Co., Detroit, announce that Philip Kimball Watson, formerly Vice-President of the Guardian Detroit Co. and Manager of the Bond Department of the Bank of Detroit, has been admitted as a general partner. John Kendrick Bangs, Jr., formerly with Watling, Lerchen & Hayes, Robert Lockhart Wilbur, formerly with the First National Bank, and Reginald MacArthur, formerly of Guardian Detroit Co., have become associated with the firm.

—Announcement is made of the formation of O'Connor, Perko & Zink, a new corporation, to deal in investment securities, composed of three men formerly associated with Otis & Co.'s Investment Department for periods ranging from 11 to 13 years. Ray M. O'Connor, John F. Perko, and Wilbur H. Zink are officers of the corporation with offices located in the Union Trust Building, Cleveland.

—Goodwin-Beach & Riley, members Hartford Stock Exchange, announce that William M. Richards, formerly with Gilbert Elliott & Co., has become associated with their New York office in the bank and insurance stock department.

—New York Depositor Corp., sponsor of Truusted New York City Bank Stocks, has prepared for distribution an analytical comparison of 21 leading New York City banks and trust companies.

—H. F. McConnell & Co., members of the New York Stock Exchange, announce that John K. Harden, member of the New York Curb Exchange, has been admitted as a general partner.

—J. G. Fisher, formerly with Pearsons-Taft Co., has become associated with Poor's Management Corp. as Western Sales Manager with offices at 208 South LaSalle Street, Chicago.

—A. C. Wood, Jr. & Co., Philadelphia, announce that John S. Costa, formerly of Biddle, Costa & Co., has become associated with them in their bond department.

—Miss Margaret G. Lynch, formerly Treasurer of the Metropolitan Advertising Co., has become associated with the Hudson Advertising Co. as Vice-President.

—J. F. Woolley Jr., formerly manager of the bond department of Huth & Co., has become associated with Samuel Bros. in their trading department.

—Hoit, Rose & Troster, 74 Trinity Place, N. Y., announce that John W. James is associated with them in charge of their railroad bond department.

—James Talcott, Inc., has been appointed factor for the Hertz & Morgan Silk Co., Inc., New York City, manufacturers of silks.

—E. M. McLaughlin, formerly with Emanuel & Co., is now associated with Leach Bros., Inc., as Manager of their municipal department.

—A. O. Slaughter, Anderson & Fox have opened an office in the Empire State Building, Fifth Ave. at 34th St. (phone Chickering 4-5250).

The Commercial Markets and the Crops

COTTON—SUGAR—COFFEE—GRAIN—PROVISIONS

PETROLEUM—RUBBER—HIDES—METALS—DRY GOODS—WOOL—ETC.

COMMERCIAL EPITOME

The introductory remarks formerly appearing here will now be found in an earlier part of this paper immediately following the editorial matter, in a department headed INDICATIONS OF BUSINESS ACTIVITY.

Friday Night, Feb. 19 1932.

COFFEE.—Spot trade was quiet with Brazilian unchanged at 7½¢. for No. 7 Rio and 9 to 9¼¢. for No. 4 Santos but mild grades were a little lower. Trujillo, 10¼ to 10½¢.; fair to good Cucuta, 11¼ to 11¾¢.; prime to choice, 12 to 13¢.; washed, 11½ to 12¢.; Ocana, 10½ to 11¢.; Bucaramanga, Natural, 11½ to 12¢.; washed, 12 to 12½¢.; Honda, Tolima and Giradot, 11½ to 11¾¢.; Medellin 12½ to 12¾¢.; Manizales, 11½ to 12¾¢.; Mexican washed, 14½ to 15½¢.; Ankola, 26 to 34¢.; Mandheling, 27 to 32¢.; genuine Java, 23 to 24¢.; Robusta washed, 8¼ to 8½¢.; Mocha, 13½ to 14½¢.; Harrar, 12½ to 13¢.; Abyssinian, 9¼ to 9½¢.; Guatemala Bourbon, 10 to 10½¢. On the 15th cost and freight offerings were moderate with prompt Santos Bourbon 2s offered at 9.55¢.; 2-3s, 9.20 to 9.60¢.; 3s at 8.90 to 9.45¢.; 3-4s at 8.95 to 9.25¢.; 3-5s at 8.80 to 9.00¢.; 4-5s at 8.70 to 8.85¢.; 5-6s at 8.45 to 8.65¢.; 6s at 8.30 to 8.55¢.; 7s at 8.25¢.; Peaberry 2-3s at 9.20¢.; 3s at 8.95 to 9.15¢. and 4s at 8.80 to 9.10¢.; Victoria 8s were here at 6.90¢. On the 16th cost and freight were quiet but steady; prompt shipment, Santos Bourbon 2-3s were offered at 9.20 to 9.60¢.; 3s at 8.90 to 9.45¢.; 3-4s at 8.95 to 9.25¢.; 3-5s at 8.80 to 9.00¢.; 4-5s at 8.70 to 8.85¢.; 5-6s at 8.45 to 8.65¢.; 6s at 8.30 to 8.55¢.; 7s at 8.25¢.; Peaberry 2-3s at 9.20¢.; 3s at 8.95¢.; and 4s at 8.80 to 9.10¢.; Rio 7s were offered at 6.90¢. and 7-8s at 6.75¢.; Victoria 5s at 7.25¢.; 5-6s Peaberrys at 7.25¢. and 7-8s at 6.80¢. Mild grades on New York were in rather better demand and ¼¢. higher. On the 17th cost and freight offers were steady but quiet; prompt shipment, Santos Bourbon 2s were here at 9.60¢.; 2-3s at 9.25 to 9.60¢.; 3s at 8.90 to 9.25¢.; 3-4s at 8.95 to 9.15¢.; 3-5s at 8.75 to 8.95¢.; 4-5s at 8.60 to 8.85¢.; 5-6s at 8.35 to 8.65¢.; 6s at 8.30 to 8.40¢.; 7s at 8.25¢.; 7-8s at 8.10¢.; Peaberry 3s at 8.95¢.; 4s at 8.80 to 9.10¢.; Rio 7s at 6.90¢. and 7-8s at 6.75¢.; Victoria 7-8s in a prompt position were offered at 6.75¢.

On the 17th a Comtelburo cable from Rio de Janeiro to the Coffee Exchange said: "Federal Government up to Feb. 13 paid for 9,730,000 bags coffee valued at 577,000 contos." To-day for prompt shipment, they included, Santos Bourbon 2s at 9.60¢.; 2-3s at 9.30 to 9.60¢.; 3s at 8.90 to 9.45¢.; 3-4s at 8.95 to 9.25¢.; 3-5s at 8.80 to 9¢.; 4-5s at 8.65 to 8.85¢.; 5-6s at 8.50 to 8.65¢.; 6s at 8.40 to 8.55¢.; 6-7s at 8.40¢.; 7s at 8.25¢. On the 15th inst. Rio futures opened 3 to 5 points higher and closed 3 points off to 3 up with sales of 9,000 bags; Santos futures opened 3 to 12 points higher and closed unchanged to 1 point higher with sales of 11,000 bags. On the 16th inst. Rio futures here closed 1 to 5 points net lower. Sales, 14,000 bags. Santos futures closed 3 to 7 points net lower; sales, 16,000 bags. The trade and Europe sold partly realizing and partly hedging. March Rio advanced 5 points an exception that proved the rule of lower prices. Some call attention to the fact as it seems to them that Brazil is not destroying 1,000,000 bags a month as it set out to do.

On the 17th inst. Rio futures here closed unchanged to 2 points off; sales 5,000 bags; Santos futures opened 2 points off to 4 up and closed 1 to 3 lower; sales 4,000 bags. The world's visible supply on Feb. 1 was 37,259,510 bags, against 37,245,599 on Jan. 1 and 32,134,234 at the beginning of February 1930, according to the New York Coffee & Sugar Exchange. This includes coffee stored in interior warehouses in Brazil and also that owned and controlled by the Government at Sao Paulo. The report stated that 1,001,000 bags of the present Santos crop were moved from plantations to interior warehouses in January, making the total moved for the seven months of the crop year 15,419,350 bags, against 8,085,330 in a similar period of the preceding crop year and 15,218,119 bags two years ago. On the 18th inst. Rio futures here closed unchanged to 11 points lower; sales estimated at 8,000 bags; Santos futures closed 6 to 9 points lower; sales 19,000 bags. The trade bought March Rio preparatory to accepting delivery, it is supposed. In other months liquidation told with spot coffee dull. To-day Rio futures here declined at one time 2 to 5 points and Santos 1 to 4 points in a dull market. The ending was 10 lower

to 2 points higher on Rio future with sales of 14,000 bags and 5 to 7 lower on Santos with sales of 16,000 bags. Final prices show an advance on March Rio of 9 points, but other months are 6 to 22 points lower for the week.

Rio coffee prices closed as follows:

Spot unofficial	7½ @	July	6.15 @ nom
March	6.22 @	September	6.15 @
May	6.17 @	December	6.20 @ nom

Santos coffee prices closed as follows:

Spot unofficial	9½ @	July	8.41 @
March	8.15 @	September	8.49 @ nom
May	8.31 @ nom	December	8.57 @ nom

COCOA to-day ended 1 point lower to 2 higher with sales of 213 lots. Final prices show an advance for the week of 24 to 26 points. On the 18th early prices here were 3 to 5 points higher. Liverpool futures at 1:30 p.m. were net unchanged to 3d. lower; Liverpool spot opened unchanged to 3d. higher. London spot opened 6d. higher. Local licensed warehouse stocks on Feb. 17 totaled 233,557 bags against 231,076 on Feb. 16 and 203,461 last year.

SUGAR.—Spot raws on the 15th inst. were 1 to 3¢. with sales of 4,350 tons of Porto Rico loading Feb. 19, 51,000 bags prompt Feb. 23 and 4,100 tons prompt, all at 3¢. Refined was quiet at 4.15¢. On the 13th inst. futures advanced 6 to 8 points on what looked like better prospects of an agreement between Cuba and Java to reduce crops to a total that would mean something. The reports seemed to show that Java was willing to restrict exports of the 1932 crop and would probably further reduce her plantings for 1933 to 1,250,000 tons. Havana cabled, too, that producers had definitely voted against a crop of 3,061,000, and it was supposed that the crop would be fixed either at 2,300,000 or would be unrestricted. Big Cuban connections bought heavily, too. Shorts covered freely. Commission houses bought. All this accounted for rallies of 10 to 12 points above recent lows. About 13,000 bags Porto Rico prompt sold at 2.94¢., with 3¢. generally asked later and 1¢. c. & f. Refined, 4.15¢. Receipts at United States Atlantic ports for the week were 38,394 tons against 42,768 in the previous week and 72,711 in the same week last year; meltings, 42,627 tons against 39,917 in previous week and 54,279 in same week last year; importers, stocks, 90,214 tons, against 91,230 in previous week and 167,608 in same week last year; refiners' stocks, 59,590 tons against 62,807 in previous week and 94,343 in same week last year; total stocks, 149,804 tons against 154,037 in previous week and 261,951 tons in the same week last year. Havana cabled: The Sugar Institute is reported to have received a cable request from Francis Powel, Chairman of the International Sugar Council, at The Hague, that the issuance of the Presidential decree fixing the 1932 Cuban sugar crop be delayed for several days so that Cuba and Java may come to an understanding. Futures on the 15th inst. were active and 1 to 8 points higher. Large Wall Street and Cuban interests bought after selling heavily recently. Shorts covered freely. Later realizing and hedge selling caused a reaction which left final prices unchanged to 3 points higher after sales of 35,100 tons.

On Feb. 15 London was steady over our holiday and at the opening on Feb. 15 was 1 to 1½d. higher than at Thursday's closing; Liverpool rose ½ point on some positions; others unchanged. On the 15th Havana cabled the weekly sugar statistics as follows: Arrivals, 122,091 tons; exports, 45,471; stocks, 908,959 tons. The exports were distributed as follows: To New York, 13,481 tons; Philadelphia, 9,983; Boston, 7,037; New Orleans, 4,537; Savannah, 5,762; Brunswick, 1,137; Charleston, 1,137; Wilmington, 1,137; Norfolk, 1,201; interior United States, 59. Centrals grinding, 116. The Sugar Institute, Inc. stated the total melt and total deliveries of thirteen United States refiners up to and including the week ended Feb. 6 1932 and same period for 1931: Melt—1932—Jan. 1 to Feb. 6, 320,000 long tons; 1931—Jan. 1 to Feb. 7, 345,000 long tons. Deliveries—1932—Jan. 1 to Feb. 6, 280,000 long tons; 1931—Jan. 1 to Feb. 7—330,000 long tons. On the 16th inst. futures opened unchanged to 2 points higher, closing 2 to 4 points net lower with sales of 48,500 tons. Wall Street and Cuban interests were the largest sellers it was said partly hedging against Philippine sales. The trade and other producing interests sold: 34,000 bags of Cuban now loading sold at 0.97¢.; 4,000 tons of Cuban prompt at 0.96¢. c.&f., and 5,000 tons of Philippines Feb.-March shipment at 2.99¢. to 3.01¢. Closing spot quotations were 0.95¢. to 2.95¢. On the 16th Havana cabled: "From Jan. 1 to Feb. 6, Cuba exported 160,016 tons of raw sugar of which 155,732 went to the United States, against 135,868 and 124,201 respectively for the same period in 1931." London opened easy, 1½ to ½d. off. Liverpool opened quiet and ½d. lower.

On the 17th inst. futures opened 1 to 3 points higher and closed unchanged to 1 point up with sales of 36,150 tons. On the 17th Meinrath Co. of Chicago, estimated the beet sugar crop of the United States for 1931-32 at 1,024,492

long tons against 1,077,912 in 1930-31 and 909,179 in 1929. On the 17th London opened steady and unchanged to 1/2d. off. Liverpool opened quiet at unchanged to 1/2d. off. British refined fell 3d. A cable from the British Indian Government to Willett & Gray in which the present sugar crop of British India as officially estimated at 3,880,000 tons compares with 3,218,000 tons for the preceding crop. London reported a sale of old crop Cubas at 6s. 6d., with probably more obtainable at that price. Private advices indicate that some Cuban centrals have ground half their crop already. It is stated that exports of refined sugar, including shipments to the Insular possessions, from the United States during 1931 totaled 51,441 long tons a decrease of approximately 32%, from 1930. Exports of refined sugar from the United States have been steadily falling. The figures for the past decade are as follows: 1931, 51,441 long tons; 1930, 75,169 long tons; 1929, 95,754 long tons; 1928, 116,109 long tons; 1927, 126,138 long tons; 1926, 108,464 long tons; 1925, 352,154 long tons; 1924, 214,967 long tons; 1923, 207,435 long tons; and 1922 no less than 836,100 long tons. On the 18th inst. futures closed 1 to 3 points higher with sales of 23,850 tons. Private advices stated that the International Sugar Council had cabled Cuba that Java had agreed to a 1933 crop of 1,350,000 tons if Cuba would cut her 1932 production to 2,350,000 tons, and that European countries and Peru would reduce their export quotas for the next two years caused the rise. Sales included 15,000 bags of Cuba and 18,700 tons of duty free in various arrivals at 2.97c. up to 3c. Early in the day on operator paid 1c. for 15,000 bags Cuba loading March 1. Philadelphia bought 4,100 tons of Porto Rico loading Feb. 27 at 2.98c. and later 2,000 tons of Philippines due March 20 at 3c.; 4,100 tons of Porto Rico loading Feb. 24 sold at 2.97c. and 8,500 tons of Philippines late Feb. and early March arrival at 2.97c.

On the 18th private cables said that the Brussels conference had cabled Cuba that Java accepts the limitation of her 1933 production to 1,350,000 tons if Cuba reduces her 1932 crop to 2,350,000 tons. European countries and Peru accept reduced total of 1932-33 exports totals by 15%. Java refuses to reduce her 1932 export quotas by 30%. However, if Cuba accepts the foregoing proposition, Java promises to re-examine her 1932 quotas and give Cuba some satisfaction. London cables reported sales of two cargoes at 6s 7 1/2d. Small sales at 6s 6 3/4d. London opened 1/4d. to 1/2d. higher. Liverpool opened steady and unchanged to 1/2d. higher. Brussels cabled the New York News Bureau: "The International Sugar Council has apportioned Java 1,350,000 tons of the 1933 sugar crop and Cuba 2,350,000 tons. Exports of other countries have been reduced 15% below previous seasons. To-day futures steadied after early liquidation slackened. Cuba sold at one time. Some bought near months and sold the distant with large Cuban interests selling near months and buying the far off deliveries. The ending was at a decline of 4 points for the day. Final prices are 2 to 5 points lower for the week. To-day London opened steady at 1/4d. decline to 1/2d. advance. Liverpool opened steady and unchanged to 1/2d. higher. It is stated that 121 Cuban mills are grinding.

Closing quotations follow:

Spot unofficial.....	1.00@	September.....	1.10@
March.....	0.90@0.91	December.....	1.15@
May.....	0.97@	January.....	1.17@1.18
July.....	1.04@		

LARD.—On the 13th inst. futures advanced 22 to 25 points. Hogs rose 10c. Liverpool was steady and unchanged. Hog receipts at Western points were 45,200 against 34,200 a year ago. Prime Western, 5.55 to 5.65c.; Refined Continent, 5 7/8c.; South America, 6 1/8c.; Brazil, 6 7/8c. On the 15th inst. futures declined 10 to 15 points. Hogs closed weak and grain was off. Hog receipts at Western points were 134,200 against 141,500 a week ago. Liverpool lard was 3d. to 1s. 3d. higher. Exports of lard on Saturday from New York were 4,321,000 lbs. mostly to Liverpool. Last week the total from New York was 9,070,000 lbs. against 5,123,000 the week before. Cash markets fell. Prime Western was 5.35 to 5.45c.; Refined to Continent, 5 1/2c.; South America, 5 3/4c.; Brazil, 6 1/8c. On the 16th inst. prices closed 2 to 10 points higher with stocks and grain up and shorts covering. Cash lard was higher with prime Western, 5.40 to 5.50c.; refined Continent, 5 5/8c.; South America, 5 7/8c. and Brazil, 6 5/8c. On the 17th inst. futures closed 5 points off to 3 up. Hogs were firm with smaller receipts and a better demand. Chicago received only 19,000; at Western points 88,900 against 110,900 last year. Liverpool lard was unchanged to 3d. higher. Exports of lard from New York were 1,287,000 lbs. to Hull, New Castle and Hamburg. Cash prime Western, 5.40 to 5.50c. On the 18th inst. futures declined 3 to 10 points and hogs 10c. Cash lard was dull and lower at 5.30 to 5.40c. for prime Western. Hog receipts at the West were 96,000 against 93,800 last year. Exports of lard from New York were 1,223,000 lbs. to London, Hamburg and Naples. Refined Continent was 5 1/2 to 5 5/8c.; South America, 5 7/8c.; Brazil in kegs, 6 5/8c. To-day futures declined 5 to 10 points. Final prices show a rise for the week of 5 points on March and a decline of 2 points net on May and July.

DAILY CLOSING PRICES OF LARD FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
March.....	5.10	5.00	5.02	5.05	5.00	4.90
May.....	5.25	5.05	5.15	5.15	5.05	5.00
July.....	5.42	5.27	5.35	5.35	5.27	5.22

Season's High and When Made—		Season's Low and When Made—	
March	6.97	March	4.67
May	7.00	Nov. 14 1931	4.80
July	5.50	Feb. 1 1932	5.00
		July	5.00
		Feb. 10 1932	
		Feb. 10 1932	
		Feb. 10 1932	

PORK quiet; mess, \$16.50; family, \$19; fat backs, \$15 to \$18. Ribs, Chicago, cash, 5.75c., basis of 50 to 60 lbs. average. Beef quiet, mess nominal; packet nominal; family, \$14 to 15.25; extra India mess, nominal; No. 1 canned corned beef, \$2; No. 2, \$4.25; six pounds, South America, \$11; pickled beef tongues, \$60 to \$65. Cut meats, dull; pickled hams, 14 to 16 lbs., 10c.; 10 to 12 lbs., 10 1/2c.; clear bellies, 10 to 12 lbs., 8 1/4c.; 8 to 10 lbs., 8 1/2c.; 6 to 8 lbs., 8 3/4c.; bellies, clear dry salted, boxed, 18 to 20 lbs., 7 1/4c.; 14 to 16 lbs., 7 1/2c. Butter, lower grades to higher than extra, 18 1/2 to 23 1/2c. Cheese, flats, 11 1/2 to 18c.; daisies, 12 1/4 to 15 1/2c.; Young America, 12 1/2 to 17 1/2c.; lower grades 10 to 11 1/2c. Eggs, medium to premium marks, 14 1/2 to 20c.

OILS.—Linseed was offered at 2 points concessions from the 6.4c. carlot basis and it was even intimated that 6.1c. could be done. The Argentine market was 3/8c. higher up to noon and May at Duluth was 1/2c. lower during the morning. Demand was small. Coconut, Manila coast tanks, 3 3/8 to 3 1/2c.; tanks, New York, 3 3/4 to 3 7/8c. Corn, crude tanks f.o.b. Western mills, 3 1/4 to 3 3/8c. Chinawood, N. Y. drums, carlots spot 7 3/8 to 7 5/8c.; tanks, 6 1/2 to 6 3/4c.; Pacific Coast tanks, 6 1/2 to 6 3/8c. Soya bean, Western mills, 3c.; carlot delivered, N. Y., 4 1/2c.; L.c.I., 5 to 5 1/2c. Edible, olive, 1.65 to 2.15c. Lard, prime, 9 3/4c.; extra strained winter, N. Y., 7c. Cod, Newfoundland, 28 to 30c. Turpentine, 39 to 45c. Rosin, \$3.25 to \$6.35. Cottonseed oil sales to-day, including switches, 7 contracts. Crude S. E., 3 3/4c. bid. Prices closed as follows:

Spot.....	4.00@	July.....	4.59@4.63
February.....	4.00@	August.....	4.60@4.70
March.....	4.35@4.38	September.....	4.70@4.73
May.....	4.47@4.51		

PETROLEUM.—Demand for gasoline has fallen off somewhat of late. Unfavorable weather has tended to reduce consumption. For above 65 octane rating 6 to 6 1/2c. was quoted in tank cars at refineries while for below 65 octane the price was 5 1/2 to 5 3/4c., same basis. Heating oils were in better demand with grade C bunker fuel oil steady at 60c. Diesel oil was quiet at \$1.30 refinery. Kerosene was also in better demand with 41-43 water white steady, 5 1/4 to 5 1/2c. in tank cars refineries. Lubricating oils were a little more active and steadier.

Tables of prices usually appearing here will be found on an earlier page in our department of "Business Indications," in an article entitled "Petroleum and Its Products."

RUBBER.—On the 13th inst. prices advanced 10 to 15 points with sales of 450 tons, with stocks and other commodities higher and shorts a bit nervous. No. 1 standard contract closed with March 4.12 to 4.15c.; May 4.25 to 4.30c.; July 4.38c.; Sept. 4.50c.; Dec., 4.68c.; new "A" Feb., 4.05c.; March 4.12c.; April 4.18c.; May 4.25c.; no sales. Outside prices: Plantation R. S. sheets, spot and Feb., 4 to 4 1/8c.; March 4 1-16 to 4 1/8c.; April-June 4 5-16c.; July-Sept., 4 1/2c.; Oct.-Dec., 4 3/4c.; spot first latex thick 4 3/4c.; thin pale latex 4 3/8c.; clean thin brown No. 2 3 13-16c.; rolled brown crepe 3 1/2c.; No. 2 amber 3 7/8c.; No. 3 3 13-16c.; No. 4 3 3/4c. On the 13th it was stated that the consumption of crude rubber by manufacturers in the United States for Jan. amounted to 27,962 long tons, against 21,400 for Dec., an increase of 30.6%, which is about seasonal, according to the Rubber Manufacturers' Association. Imports of crude rubber in Jan. were 31,298 long tons, a decrease of 39.7% under Dec. and 15.6 below Jan. a year ago. On the 15th inst. futures declined 2 to 10 points on pessimistic talk by Dutch interests about the likelihood of restriction. No. 1 standard contract ended with March at 4.05c.; May 4.16c.; July 4.29 to 4.30c.; sales, 420 tons; new "A" Feb., 3.98c.; March 4.05c.; April 4.10c.; sales, 20 tons. Outside prices: Spot and Feb., 4 to 4 1/8c. On the 15th London opened 1-16d. to 1/8d. advance; at 2:35 p.m. quiet unchanged to 1-16d. advance; Feb., 2 11-16d.; March, 2 11-16d.; April, 2 13-16d. London closed quiet and unchanged to 1-16d. up; Feb., 2 11-16d.; March, 2 11-16d. Singapore closed 1-16d. to 1/8d. advance; Feb., 2 1/2d.; April-June, 2 9-16d.; July-Sept., 2 3/4d. In London stocks Feb. 13, 67,824 tons, an increase of 414 tons over the preceding week. In Liverpool stock increased 719 tons to 59,874 tons.

January consumption of crude rubber unexpectedly rose to 27,962 long tons, the Rubber Manufacturers' Association reported Saturday, compared with 21,409 tons during Dec. and with 36,669 tons during Jan. last year. The Jan. increase over Dec., due to seasonal resumption in the tire manufacturing industry, was 30.6%. Manufacturers had not figured consumption below 24,000 or in excess of 25,000 tons for the month, although some uncertainty surrounds the estimates owing to the plans of one large tire manufacturer. On the 16th inst. prices declined 10 to 13 points but recovered some of the loss later on. The sales of No. 1 standard were 930 tons closing with March, 3.98c.; July, 4.20 to 4.21c.; Sept., 4.31c.; Oct., 4.37c.; Dec., 4.50c.; New "A" Feb., 3.91c.; Mar., 3.98c. Outside prices weakened; Spot, Feb. and March, 3 15-16c. to 4c.; April-June, 4 1/8c.; July-Sept., 4 5-16c.; Oct.-Dec., 4 9-16c.; Spot first latex, thick, 4 3/4c.; Thin pale latex, 4 3/8c.; clean, thin brown, No. 2, 3 3/4c.; rolled brown crepe, 3 7-16c.; No. 2 amber, 3 13-16c. Supplies of crepe in New York are believed to be small though production of these grades is not believed to have been much reduced in the East. Dealers' stocks of crepe in Malaya

totalled 13,889 tons at the end of Jan., as compared with 12,100 tons at the end of Dec., 11,700 tons at the Nov., and 12,229 tons at the close of Jan. 1931. On the 16th London opened at 1-16d. to $\frac{1}{8}$ d. decline; at 2:39 p.m. was quiet, 1-16d. to $\frac{1}{8}$ d. off; Feb. and March, 2 $\frac{3}{8}$ d.; April, 2 11-16d. London closed dull, 1-16d. to $\frac{1}{8}$ d. decline. Feb. and March, 2 $\frac{5}{8}$ d.; April, 2 11-16d.; April-June, 2 $\frac{3}{4}$ d.; Singapore closed dull and 1-16d. to $\frac{1}{8}$ d. lower; Feb., 2 $\frac{3}{8}$ d.; April-June, 2 $\frac{1}{2}$ d.; July-Sept., 2 $\frac{5}{8}$ d. On the 17th inst. prices closed unchanged to 4 points higher after an early rise of 3 to 10 points. London advanced 1-16d. The sales here were 500 tons of No. 1 standard. There were none of new "A." No. 1 standard closed with March, 3.90c.; May, 4.10c.; July, 4.22c.; Sept. 4.31c.; Dec., 4.54c.; Jan., 4.63 New "A" Feb., 3.92c.; March, 3.99c.; April, 4.04c. Outside prices: Spot and Feb., 3 15-16 to 4c.; March, 3 15-16 to 4 1-16c.; April-June, 4 3-16c.; July-Sept., 4 $\frac{3}{8}$ c.; Oct.-Dec. 4 $\frac{7}{8}$ c.

On the 17th London opened 1-16d. off; at 2:37 p.m. was quiet and unchanged to 1-16d. up; Feb., 2 11-16d.; March, 2 11-16d.; April, 2 $\frac{3}{4}$ d. London closed quiet unchanged to $\frac{1}{8}$ d. up; Feb., 2 11-16d.; March, 2 11-16d.; April, 2 $\frac{3}{4}$ d.; April-June, 2 $\frac{3}{4}$ d.; July-Sept., 2 $\frac{7}{8}$ d. Singapore closed quiet and 1-16d. to $\frac{1}{8}$ d. off; Feb., 2 $\frac{1}{4}$ d.; April-June, 2 7-16d.; and July-Sept., 2 9-16d. On the 18th inst. prices fell to new lows; actual dropped below 4c. Futures declined 5 to 8 points; No. 1 standard closed with March 3.93c.; May, 4.02 to 4.05c.; July, 4.15 to 4.18c.; Oct., 4.32c.; Dec., 4.48 to 4.50c.; sales, 410 tons; new "A" contract, Feb., 3.86c.; March, 3.93c.; April, 3.97c.; May, 4.02c.; June, 4.08c.; no sales. Outside prices: Spot, Feb. and March, 3 $\frac{7}{8}$ to 3 15-16c.; April-June, 4 1-16c.; July-Sept., 4 5-16c.; Oct.-Dec., 4 9-16c.; spot first latex, thick, 4 $\frac{5}{8}$ c.; thin pale latex, 4 $\frac{5}{8}$ c.; clean thin brown No. 2, 3 $\frac{3}{4}$ c.; rolled brown crepe, 3 $\frac{1}{2}$ c.; No. 2 amber, 3 13-16c.; No. 3, 3 $\frac{3}{4}$ c.; Paras, upriver fine spot, 5 to 5 $\frac{1}{4}$ c. On the 18th London opened at 1-16d. decline to 1-16d. advance; at 2:36 p.m. was quiet unchanged to $\frac{1}{8}$ d. decline; Feb., 2 $\frac{5}{8}$ d.; March, 2 $\frac{5}{8}$ d.; April, 2 11-16d. London closed dull at 1-16d. to $\frac{1}{8}$ d. decline; Feb., 2 9-16d.; March, 2 $\frac{5}{8}$ d.; April and April-June, 2 11-16d. Singapore closed 1-16 to $\frac{1}{8}$ d. up; Feb., 2 $\frac{3}{8}$ d.; April-June, 2 $\frac{1}{2}$ d.; July-Sept., 2 $\frac{5}{8}$ d.

To-day May and July sold down early to new lows but rallied later with the stock market and London higher. No. 1 standard contract ended 4 to 9 points higher with sales of 52 lots, with March at 3.97c.; May, 4.09c.; July, 4.23c. Final prices are 2 to 5 points lower than a week ago. To-day London closed 1-16 to $\frac{1}{8}$ d. higher; Feb.-March, 2 11-16d.; April and April-June, 2 $\frac{3}{4}$ d. Unofficial estimate of Malayan shipments for the first half of February totals 21,000 tons and 43,000 tons for the full month. Actual shipments in January were 42,638 tons and in February last year, 41,951 tons were shipped. Singapore closed quiet at $\frac{1}{8}$ d. decline; March, 2 $\frac{1}{4}$ d.; April-June, 2 $\frac{3}{8}$ d.; July-Sept., 2 $\frac{1}{2}$ d. Unofficial estimate of rubber stocks in Great Britain for the week ended Feb. 20 are: London, 850 tons decrease and Liverpool, 350 tons decrease.

HIDES.—On the 13th inst. prices closed 30 to 45 points higher with sales of 1,480,000 lbs., closing with March 5.75c.; May, 6.25c.; June, 6.50c.; Sept., 7.29c., and Dec., 7.90c. On the 15th inst. prices ended 5 points lower to 15 higher. Early prices were unchanged to 21 points higher. Later, profit-taking caused a reaction. Spot sales reported included group sales estimated quantity 350,000, Nov.-Dec.-Jan. takeoff, consisting of the following grades: Heavy native steers at 6 $\frac{1}{2}$ c.; butt branded steers at 6 $\frac{1}{2}$ c.; heavy Texas steers, 6 $\frac{1}{2}$ c.; Colorado steers, 6c.; light native cows, 6c.; branded cows, 5 $\frac{1}{2}$ c.; 3,000 light native cows, Nov., 6c.; 2,000 heavy native steers, Nov., 6 $\frac{1}{2}$ c.; 2,000 Colorado steers, Nov.-Dec., 6c.; 4,000 frigorifico steers, Feb., 7 $\frac{1}{8}$ c. The sales of futures here were 3,120,000 lbs., closing with March 5.70 to 5.85c.; June, 6.64 to 6.70c.; Sept., 7.42 to 7.50c. Outside prices: Common dry Cucuta, 10c.; Orinocos, and Santa Marta, 8 $\frac{1}{2}$ c.; Central America, 7c.; Maracaibo, Ecuador and Savanillas, 7 $\frac{1}{2}$ c.; native steers (packer hides), 6 $\frac{1}{2}$ c.; Chicago light native cows, Oct.-Dec., 6c.; New York City calfskins, 9-12s, \$1.35; 7-9s, 75c.; 5-7s, 55 to 60c. On the 16th inst. prices closed 5 points lower to 10 higher with sales of 2,160,000 lbs. Spot hides were more active as to common dry and country hides. New York City calfskins are in better demand. Sales reported included group sale, estimated quantity 50,000 to 75,000, Nov.-Dec.-Jan. takeoff; at Chicago light native cows, 6c.; Colorado steers, 6c.; heavy native steers, 6 $\frac{1}{2}$ c.; heavy Texas steers, 6 $\frac{1}{2}$ c.; butt branded steers, 6 $\frac{1}{2}$ c.; branded cows, 5 $\frac{1}{2}$ c. At New York, group sale, estimated quantity 10,000, Nov.-Dec. takeoff; butt branded steers, 6 $\frac{1}{2}$ c.; heavy native steers, 6 $\frac{1}{2}$ c.; 8,000 frigorifico steers, Feb., 7 $\frac{1}{8}$ to 7 3-16c.; 2,000 frigorifico light steers, Feb., 6 13-16c. Closing prices for futures were with March at 5.65 to 5.85c.; June, 6.68 to 6.75c.; Sept., 7.50c.; Dec., 8.10c. to 8.20c. New York City calfskins, 9-12s, 1.35c.; 7-9s, 75c.; 5-7s, 55 to 60c.

On the 17th inst. prices closed 15 to 30 points lower, closing with March 5.40 to 5.65c.; May, 6.15c.; June, 6.50 to 6.55c.; July, 6.75c.; Sept., 7.25 to 7.30c.; Dec., 7.85 to 8.05c. Sales included 43,000 extra light native steers, Jan., at 6c.; 3,000 butt branded steers, Oct.-Nov.-Dec., at 6 $\frac{1}{2}$ c.; and 4,000 frigorifico steers, Jan., at 7 $\frac{1}{4}$ c. On the 18th inst. prices closed 5 points lower to 10 higher; sales, 2,080,000 lbs.; closing with March, 5.41 to 5.50c.; May, 5.75c.; June, 6.45c.;

July, 6.75c.; Sept., 7.30c.; Dec., 7.95 to 8.10c. Argentine frigorifico steers were a little more active. Sales included 8,000 frigorifico steers, Feb., at 7 $\frac{1}{4}$ c.; 2,500 frigorifico light steers, Feb., at 7 $\frac{1}{2}$ c.; at New York, 2,100 butt branded steers, Dec., at 6 $\frac{1}{2}$ c.; and 3,500 Colorado steers, Dec., at 6c. To-day futures ended unchanged to 41 points lower with sales of 36 lots. March closed at 5 to 5.30c.; May, 6c.; June, 6.45 to 6.50c.; Sept., 7.30c.; Dec., 7.90 to 8c. Final prices show a decline for the week of 43 points.

OCEAN FREIGHTS.—At one time cotton and time charters were active.

CHARTERS.—Grain booked included a total of more than 20 loads on Lincoln's Birthday and perhaps a little less than on Saturday: 5 loads spot Hamburg, 6c.; 12 loads Hamburg, 6c.; 50 loads, French Atlantic, Feb., 9c.; 40 loads Marseilles, Feb.-March, 10c.; 10 loads Rotterdam, Feb., 5c. and 15 loads Antwerp, Feb., 5 $\frac{1}{2}$ c.; 25 loads Antwerp, Rotterdam, French Atlantic and Marseilles at respectively, 5 $\frac{1}{2}$., 6 9 and 10c.; 5 loads Copenhagen, 8c.; 5 loads Baltimore-Liverpool, 1s. 6d.; 5 loads French Atlantic, 8c.; 20 loads corn Gulf-Bremen, 10c. Wheat.—Vancouver, March, United Kingdom, Continent, 25s. 6d. Tankers.—Prompt California-Japan, 27c.; Araba crude, Feb., to Teneriffe, 5s. 9d.; crude or fuel, Black Sea, Feb., Dakar, 5s. 10d.; crude, or gas oil, Constanza-Ceuta, March, 15-31, 6s. Time.—Prompt round West Indies, 65 to 75c.; West Indies round 5c. Sugar.—Santo Domingo, second half March, United Kingdom-Continent, 15s.; Feb., Cuba, United Kingdom, Continent, 5,500 tons 5 loads, at 15s. 6d.; early April, Cuba, United Kingdom, Continent, 14s. 3d. Grain.—22,000 qrs. New York, early March, Bayonne and Antwerp., 9 $\frac{1}{2}$ c.

COAL.—Prices have been firm but recent abnormally high temperatures of course hurt business. Still the retail demand for anthracite has been steady and circular prices were firm. In the West bituminous screenings and slack have also had a fair demand. High grades were the best sustained. Prime steam slack was quoted at 90c. with none under it. By-product sold at \$1 to \$1.25. Increased movement of smokeless domestic sizes has been something of a feature. Of late with colder weather trade has been better in the East.

TOBACCO has been in fair demand here for this season of the year. Hartford wired: "Large sales of Havana seed long light seconds have been recorded in the local market during the past week. Waitt & Bond and the General Cigar Co. were the principal buyers. Transactions reported account for several thousand cases." Mayfield, Ky., to the "U. S. Tobacco Journal": "Sales for the past week in the various Southern tobacco growing sections were as follows: At Mayfield, 973,450 lbs., at an average of \$3.22, or 12c. higher than the preceding week. At Paducah, 318,840 lbs., averaging \$3.23, or 74c. lower than last week. At Murray, 204,415 lbs. at an average of \$4.38, or 45c. lower. At Hopkinsville, 1,094,030 lbs. of dark, at an average of \$5.32, and 1,165,050 lbs. of Burley at an average of \$3.54. Burley was \$1.30 and dark, 4c. lower. At Clarksville, 1,745,765 lbs., average, \$6.40, 59c. lower than last week. At Springfield, 775,710 lbs., averaging \$7.35, or 14c. higher. At Owensboro, 2,084,900 lbs. of dark tobacco, averaging \$4.57, and 624,765 pounds of Burley at an average of \$6.32. Dark, 87c. and Burley, 32c. higher. At Henderson, 943,595 lbs., averaging \$3.15, or 39c. higher. The One Sucker District (Bowling Green, Franklin, Russellville and Scottsville) sold 1,799,200 lbs. of dark tobacco at an average of \$4.01, or 58c. higher. At Lynchburg, 477,922 lbs., at an average of \$5.21, or 36c. higher. At Blackstone, 501,795 lbs., averaging \$7.50, or \$1.81 higher. At Farmville, 517,000 lbs., at an average of \$4.43, or 80c. higher. At Oxford, N. C., 584,196 lbs. at an average of \$5.85. Total sales for the season to date are 22,717,166 lbs., at an average of \$8.83. The low average of \$5.85 per hundred was due more to the large amount of low grade, bringing from 50c. to \$1 as the types, cutters and fillers, from 5c. to 50c. are about as strong as any time during the season, due largely to the fact that very little high grade leaf is now being offered. Louisville, Ky., wired: "Production in Kentucky in 1931 was 502,565,000 lbs., or 35% increase over the 372,151,000 lbs. produced in the State in 1930, and 53% more than the average annual production of the State. With approximately 21,000,000 lbs. of tobacco pledged the organization committee of the Western Dark Fired Growers' Association definitely decided at a meeting at Murray, Ky., Feb. 1, to incorporate under the laws of Kentucky and establish headquarters here." Loans from the \$50,000,000 fund authorized by the Reconstruction Finance Corporation Act for financing tobacco and cotton planting will be made on acreage not more than 65% of the acreage planted to these crops in 1931.

SILVER.—On the 13th inst. prices closed 21 to 38 points higher with March 30.50 to 30.65c.; May, 30.90 to 31.07c.; July, 31.26c.; September, 31.58 to 31.75c.; October, 31.70 to 31.80c.; December, 32.05c.; sales 575,000 ounces. On the 15th inst. futures closed unchanged to 24 points higher with sales of 2,500,000 ounces, closing with March 30.50 to 30.85c.; May, 31 to 31.20c.; July, 31.50c.; August, 31.60 to 31.95c. On the 15th inst. the trading in silver futures here at the National Metal Exchange was the largest this far this year, following an advance in commercial bar silver of $\frac{1}{4}$ c. per ounce to 30 $\frac{3}{8}$ c. Also, it was announced that the House of Representatives had granted an appropriation to its Committee on Coinage, Weights and Measures to make a study of the silver problem. Nine months were traded in on the 15th. It was an unusually broad market. A feature was a trading in a 1933 month for the first time. On the 16th inst. prices closed 25 points lower to 6 higher; sales 1,325,000 ounces. Closing prices were with March at 30.50 to 30.75c.; May at 31.06; July, 31.25 to 31.50c.; September, 31.55c., and December, 32.05 to 32.12c. On the 17th inst. prices closed 28 to 42 points lower; sales 950,000 ounces;

closing: March, 30.22 to 30.40c.; May, 30.64c.; July, 30.90 to 31.10c.; August, 31 to 31.20c.; September, 31.15 to 31.35c.; October, 31.30 to 31.50c.; December, 31.70c. On the 18th inst. prices closed 15 to 30 points higher; sales 150,000 ounces. The ending was with March at 30.38 to 30.47c.; May, 30.85 to 30.92c.; July, 31.15c. To-day futures closed 30 to 35 points higher with sales of 700,000 ounces and March at 30.70 to 30.85c.; May, 31.20c.; July, 31.45c.; October, 31.90 to 32c.; December, 32.25c. Final prices are 45 to 56 points higher than a week ago.

COPPER.—Sales for export on the 15th inst. exceeded 7,000,000 lbs., the largest business for one day in several weeks. The export price was 6 3/8c. Some sellers advanced the domestic price, however, to 6 1/2c., but no sales were reported at this level. Later on export sales fell off and on the 18th inst. were only 303 tons. This is the first time in several days that the total has fallen below 1,000 tons. Prices were unchanged at 6 5/8c. c.i.f. European ports, and 6 1/4 to 6 1/2c. for domestic account. London on the 18th inst. advanced 2s. 6d. on spot standard to £38 17s. 6d.; futures up 7s. 6d. to £38 5s.; sales, 700 tons futures; the bid price of electrolytic unchanged at £41 10s., asked price, off 10s. to £42 10s.; at the second London session that day standard dropped 7s. 6d. with sales of 350 tons of futures. On the 18th inst. futures here closed unchanged; no sales; March ended at 5.30c.; May at 5.50c.; July, 5.70c.; Sept., 5.90c.; Dec., 6.05c. To-day futures here closed unchanged with May at 5.50 to 5.70c.; July, 5.70c.; Sept., 5.90c.; Dec., 6.05c.; sales, 50 tons.

TIN was dull with spot Straits here 22.20 to 22 1/4c. At the first session in London on the 18th inst. prices were unchanged to 5s. higher while at the second session standard tin dropped 5s.; sales, 680 tons. On the 18th inst. futures here closed unchanged; no sales; March ended at 22.30c.; May, 22.60c.; July, 22.95c.; Sept., 23.35c.; Dec., 23.95c. To-day futures here closed 30 points lower with March 22c.; May, 22.30c.; July, 22.65c.; Sept., 23.05c.; sales, 80 tons.

LEAD was in smaller demand but prices remained unchanged at 3.75c. for New York and 3.55c. East St. Louis. In London on the 18th inst. prices were unchanged to £15 for spot and futures; sales, 100 tons of spot and 200 futures.

ZINC was rather quiet and steady at 2.825 to 2.85c. East St. Louis. Most of the sales were made at the lower price. In London on the 18th inst. spot dropped 1s. 3d. to £14 7s. 6d.; futures unchanged to £14 15s.; sales, 400 tons spot and 500 futures.

STEEL has remained quiet. The average rate of operation is stated as 27%. Some profess to be none too sure that even this rate will continue. Of late higher prices have been asked. That is an advance is asked of \$2 to \$4 per ton on steel sheets. The advance of \$2 per ton in bars, plates and shapes, which was tried in the Chicago district a few weeks ago, did not succeed as Pittsburgh balked at trying it. It remains to be seen what the automobile companies will do. Wrought iron pipe has been reduced about \$4 per ton. Iron and steel scrap in a sense the barometer of the trade, are dull at the recent lows.

PIG IRON.—There is a frank acknowledgment of the protracted monotonous dullness of trade. Only small lots are traded in. Prices are therefore largely nominal. They are in a sense untested.

WOOL.—In Boston prices have been reported firm but with business smaller. Boston prices:

Ohio & Pennsylvania fine delaine, 23c.; fine clothing, 18 1/2 to 19c.; 3/8 blood combing, 23c.; 1/2 blood clothing, 19 to 20c.; 3/8 combing, 23c.; 1/2 combing, 21c.; 1/4 combing, 21 1/2 to 22c.; Territory clean basis, fine staple, 57 to 58c.; fine, fine medium, French combing, 53 to 55c.; fine, fine medium, clothing, 48 to 51c.; 3/8 staple, 47 to 50c.; 1/2 blood, 53 to 55c.; 1/4 blood, 40 to 42c.; Texas, clean basis, fine 12 months, 54 to 56c.; fine 8 months, 46 to 48c.; fall, 36 to 40c.; Mohair, original Texas adult, super, 48 to 50c.; B, 43 to 47c.; C, 38 to 44c.; Australian clean, 22 to 25 1/2c.; fall, kid, 48 to 52c.; spring, kid, 40 to 44c.; Australian clean, 34 to 36c.; 64s combing, 30 to 32c.; New Zealand clean, bond, 56-58s, 28 to 30c.; 50-56s, 28 to 30c.; 48-50s, 25 to 27c.

Boston wired a government report on Feb. 15 as follows: "Weakness in prices of 64s and finer Western wools last week was not marked and was confined largely to the short French combing staple, about 50c. scoured basis, is the low point at about short combing 64s and finer wools, free of defect can be obtained in substantial volume. Receipts of domestic wool at Boston during the week ended Feb. 13, amounted to 2,245,900 lbs. as compared with 462,800 lbs. during the previous week." A government report from Boston on Feb. 17 said: "Most domestic wools except short combing 64s and finer grades of Western lines are very quiet. Prices generally show little change. Short combing and clothing 64s and finer western wools are selling at about the same prices that prevailed last week. Occasional offerings of semi-bright 48-50s, combing fleece wools are available at slightly lower than last week's prices, but the volume of such offerings appears to be limited." At Melbourne on Feb. 16 a good selection mostly sold readily. Compared with sales on Jan. 28 prices were unchanged except on lambs which were neglected. At Napier on Feb. 17, 16,100 bales offered and 12,600 sold. Representative selection of crossbreds, but no merinos. Yorkshire, Continental and Japanese buying was liberal. Compared with Wellington sales on Feb. 11 prices were par to 5% lower. Fine and medium crossbreds were wanted. Prices realized on crossbreds: 50-56s, 6 1/4d. to 8 3/4d.; 48-50s, 6 to 8d.; 46-48s, 4 1/2 to 7d.; 44-46s, 3 1/2 to 6 1/4d.; 40-44s, 3 to 4 3/4d. In Sydney on Feb.

18 auctions closed. A good selection met with brisk competition from Japan, the Continent and Yorkshire. Compared with opening rates prices were slightly higher for well-grown average type merino fleece and skirtings and also comeback greasy and comeback greasy and crossbreds, but good style merino fleeces of fine quality were irregular and occasionally lower. The sixth series will extend from March 7 to April 14 and offerings will total 116,000 bales.

WOOL TOPS.—To-day prices closed 10 points higher with February to January incl. 38.50c. Boston spot unchanged to 72.50c. Roubaix-Tourcoing unchanged to 20 higher; sales 136,400 lbs. Antwerp, unchanged to 1/8d. lower; sales 62,000 lbs.

SILK.—On the 17th inst. prices closed 3 to 5 points lower; sales 670 bales, closing with February 1.62c.; March, 1.65c.; May and Sept., 1.71c.; July and August, 1.70 to 1.71c. To-day futures ended unchanged to 2 points lower with sales of 1,310 bales; March, 1.63 to 1.65c.; May, June, July and Sept., 1.70c. Final prices show a decline for the week of 4 to 8 points.

COTTON

Friday Night, Feb. 19 1932.

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 175,417 bales, against 249,848 bales last week and 223,645 bales the previous week, making the total receipts since Aug. 1 1931, 7,984,485 bales, against 7,562,765 bales for the same period of 1930, showing an increase since Aug. 1 1931 of 421,720 bales.

Table with columns: Receipts at—, Sat., Mon., Tues., Wed., Thurs., Fri., Total. Rows list various locations like Galveston, Texas City, Houston, etc., with corresponding receipt figures.

The following table shows the week's total receipts, the total since Aug. 1 1931 and stocks to-night, compared with last year:

Table with columns: Receipts to Feb. 19, 1931-32, 1930-31, Stock, 1932, 1931. Rows list various locations and total figures.

In order that comparison may be made with other years, we give below the totals at leading ports for six seasons:

Table with columns: Receipts at—, 1931-32, 1930-31, 1929-30, 1928-29, 1927-28, 1926-27. Rows list various locations and total figures.

The exports for the week ending this evening reach a total of 206,935 bales, of which 24,160 were to Great Britain, 13,564 to France, 34,162 to Germany, 14,175 to Italy, nil to Russia, 106,244 to Japan and China and 14,610 to other destinations. In the corresponding week last year total exports were 122,616 bales. For the season to date aggregate exports have been 5,519,368 bales, against 4,730,709 bales in the same period of the previous season. Below are the exports for the week.

Week Ended Feb. 19 1932. Exports from—	Exported to—							Total.
	Great Britain.	France.	Germany.	Italy.	Russia.	Japan & China.	Other.	
Galveston	9,247	4,404	7,122	4,091	---	28,912	6,825	60,601
Houston	---	6,606	8,674	4,443	---	42,976	5,507	68,206
Texas City	2,134	2,146	1,978	2,183	---	1,371	1,245	11,057
Beaumont	---	---	165	---	---	---	6	171
New Orleans	---	428	3,983	1,820	---	13,981	150	20,362
Mobile	4,522	---	---	1,638	---	---	250	6,410
Jacksonville	281	---	---	---	---	---	---	281
Pensacola	---	---	922	---	---	---	---	927
Savannah	5,135	---	2,471	---	---	---	14	7,620
Brunswick	---	---	2,139	---	---	---	---	2,139
Charleston	2,671	---	4,826	---	---	4,862	---	12,359
Norfolk	170	---	182	---	---	---	---	352
New York	---	---	---	---	---	---	65	65
Los Angeles	---	---	500	---	---	8,942	543	9,985
San Francisco	---	---	---	---	---	5,200	---	5,200
Lake Charles	---	---	1,200	---	---	---	---	1,200
Total	24,160	13,584	34,162	14,175	---	106,244	14,610	206,935
Total 1931	11,632	30,722	22,981	10,509	---	28,938	17,834	122,616
Total 1930	19,430	15,250	16,537	13,559	---	29,239	14,936	108,951

From Aug. 1 1931 to Feb. 19 1932. Exports from—	Exported to—							Total.
	Great Britain.	France.	Germany.	Italy.	Russia.	Japan & China.	Other.	
Galveston	184,957	58,406	170,354	128,944	---	711,546	192,429	1,446,636
Houston	165,408	132,485	431,746	160,307	---	802,719	247,321	1,939,986
Texas City	16,011	6,760	29,480	6,126	---	32,839	7,201	98,417
Corpus Christi	71,354	12,980	24,718	29,370	---	129,415	32,334	300,171
Beaumont	7,070	1,480	3,916	50	---	---	1,532	14,048
New Orleans	129,415	30,335	97,859	102,921	---	211,306	45,116	616,952
Mobile	70,268	2,100	75,105	4,834	---	136,531	7,150	295,988
Jacksonville	3,767	---	5,165	---	---	---	122	9,054
Pensacola	10,146	---	50,313	174	---	5,304	705	66,642
Savannah	62,476	129	62,874	750	---	162,639	5,712	294,580
Brunswick	4,167	---	31,374	---	---	---	550	36,091
Charleston	40,171	---	36,341	---	---	20,324	15,377	112,313
Wilmington	---	---	8,072	11,550	---	---	1,458	21,080
Norfolk	16,703	22	5,785	---	---	6,458	42	29,010
New York	2,249	175	1,029	---	---	16,974	1,994	22,421
Boston	126	---	42	---	---	---	1,345	1,513
Baltimore	8	---	---	---	---	---	---	8
Los Angeles	3,020	150	11,135	---	---	118,742	3,265	136,312
San Francisco	450	---	100	---	---	33,490	766	34,806
Seattle	---	---	---	---	---	---	380	380
Lake Charles	3,478	7,371	18,837	5,713	---	---	7,557	42,956
Total	791,244	252,393	1,064,245	450,739	---	2,388,387	572,356	5,519,364
Total 1930-31	859,346	791,641	1,236,220	357,393	29,279	961,287	495,543	4,730,709
Total 1929-30	1,066,866	686,330	1,410,017	502,192	78,040	923,833	530,060	5,197,338

NOTE.—Exports to Canada.—It has never been our practice to include in the above table reports of cotton shipments to Canada, the reason being that virtually all the cotton destined to the Dominion comes overland and it is impossible to give returns concerning the same from week to week, while reports from the custom districts on the Canadian border are always very slow in coming to hand. In view, however, of the numerous inquiries we are receiving regarding the matter, we will say that for the month of January the exports to the Dominion the present season have been 14,209 bales. In the corresponding month of the preceding season the exports were 14,010 bales. For the six months ended Jan. 31 1932 there were 105,056 bales exported, as against 125,763 bales for the six months of 1930-31.

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:

Feb. 19 at—	On Shipboard Not Cleared for—						Leaving Stock.
	Great Britain.	France.	Germany.	Other Foreign.	Coast-wise.	Total.	
Galveston	7,000	3,000	5,500	44,000	2,000	61,500	843,909
New Orleans	20,260	3,627	4,031	27,837	4,141	59,896	1,067,681
Savannah	---	---	1,000	---	---	1,000	294,296
Charleston	---	---	---	---	---	---	139,728
Mobile	2,525	1,047	---	29,300	500	33,372	201,359
Norfolk	---	---	---	---	---	---	67,450
Other ports*	2,000	2,000	4,000	36,000	1,000	45,000	1,995,115
Total 1932	31,785	9,674	14,531	137,137	7,641	200,768	4,609,538
Total 1931	13,580	7,689	9,199	51,654	5,058	87,180	3,937,830
Total 1930	23,252	12,456	15,490	65,276	4,989	121,463	2,091,998

* Estimated.

Speculation in cotton for future delivery has been more active, partly for outside account, at rising prices, under the spur of advancing stock and grain markets and talk of coming inflation, with which foreign cotton markets seem much impressed. India, China and Japan have all, it seems, been buying in this country. Spot markets have been active and rising. The South continued to offer, as a rule, very sparingly. American cotton still has preference in the Far East because of light crops and high prices in that quarter of the globe. The tone here shows more snap.

On the 13th inst. prices advanced 15 to 20 points, with stocks and grain higher, speculation more active, the trade, home and foreign interests buying, and nervous shorts covering freely. Back of it all was the proposed extension of the Federal Reserve Act which might add \$2,500,000,000 to the currency resources of the United States. It is taken to mean inflation and higher prices for commodities. Spot cotton was in sharp demand at advancing prices. Fall River had a better tone. Manchester reported larger buying of cloth by South America and Africa and a fair business with India and Egypt. London cabled that rather important orders for munitions were being received from China and Japan by British firms. Worth Street was firm, with a moderate business. Here Japanese interests were supposed to be buying, and also Liverpool and the Continent. Liverpool advanced 15 to 16 points on the 13th inst. on covering and Bombay and Continental trade buying and good calling. Bombay was closed for a holiday. On the other hand, co-operative interests were credited with selling 12,000 to 15,000 bales, mostly July. The South sold rather more freely; New Orleans and local interests were sellers. But what selling there was fell flat. It was apparently a new kind of market. Offerings were snapped up quick. The Census Bureau put the consumption of all growths in this country in January at 435,337 bales against 415,517 in December 1931 and 450,117 in January 1931. Consumption for

the six months ended Jan. 31 is 2,631,272 against 2,460,250 for the same period last year. Exports for the six months ended Jan. 31 were 4,954,472 running bales against 4,479,357 last year. The quantity of cotton held in consuming establishments on Jan. 31 was 1,037,139 bales against 1,630,543 on Dec. 31 1931 and 1,617,840 on Jan. 31 1931. The total held in public storage and compresses was 10,032,322 bales against 10,425,945 bales on Dec. 31 and 7,938,877 on Jan. 31 last year. Exports of American cotton during January were 919,338 running bales, excluding linters, against 1,189,089 in December 1931 and 532,821 in January last year. The report of the Bureau of Agricultural Economics on grade and staple of cotton ginned prior to Jan. 16 showed that of the total ginnings of 16,002,300 bales to that date, 15,991,400, or 99.9%, were American upland. Of this 14,633,700 bales, or 91.5%, were tenderable under the United States Cotton Futures Act, compared with 11,533,100, or 85%, last year. The total untenderable was 1,357,700, or 8.5%, compared with 2,040,100, or 15%, last year.

On the 15th inst. prices advanced 8 to 10 points early, with stocks higher at first and the trade, the Continent and the Japanese apparently buying as well as Wall Street. Speculation was active. Liverpool advices were rather stimulating, with the Continent buying and scattered shorts covering. Alexandria was 10 to 18 points higher. Worth Street was firmer. Manchester reported cloths firm, with home demand sustained and apparently a good demand from other quarters. Later most of the advance was lost as stocks reacted and the South, New Orleans, "wire" houses, local traders, Liverpool and apparently co-operatives sold. The largest buying later was said to be by American, European and Far Eastern mills. In the Mississippi Valley heavy rains fell, making flood conditions worse in the Yazoo delta in Mississippi.

On the 16th inst. prices declined 3 to 5 points at first, with stocks lower, and Southern and other selling. The co-operatives may have been selling. Later came a net advance of some 6 to 10 points as wheat jumped 2 to 3c. and stocks rallied. The trade, Japan, Liverpool, the Continent, Wall Street, and "wire" houses bought. The outside public buying was larger. Some in Chicago have an idea that something special will be done for commodities. Spot markets were active and strong. Liverpool was higher than due, and there was a good spot demand. Bombay bought, and there was calling by mills offsetting hedge selling and some liquidation. Here there was good buying orders under the market from domestic and European sources. World consumption of all kinds of cotton in the first half of the current cotton season was approximately 11,475,000 bales, compared with 10,939,000 in the same period last season, according to the New York Cotton Exchange Service. The world used about 536,000 more bales of all growths of cotton in the first half of this season than in the same period last season, or on the basis of 1,072,000 increase in the full season. Consumption of American cotton is tentatively put at 5,975,000 bales in the first half of this season against 5,377,000 last season, an increase of 598,000 bales. Consumption of foreign growths, on the other hand, is estimated at 5,500,000 bales in the first half of this season against 5,562,000 last season, a decrease of 62,000 bales. Hence all of the increase this season over last season is in American cotton.

Manchester had a better demand for both yarns and cloths, with larger buying by India. East Indian mills are doing a better business this year in a higher quality of goods that is usually produced in India. Indian mills are buying American cotton to meet this demand. Recently a cargo of 12,000 bales of American cotton shipped to Shanghai was diverted to India, where Indian mills were very glad to get it. Worth Street was quiet but firm.

On the 17th inst. prices ended 3 points off, though they advanced early 6 to 8 points, with stocks and grain higher for a time, strong Liverpool cables, small offerings, and much fixing of prices by the Continent and Far East. If co-operatives sold future here they are supposed to have bought spot cotton at the South. The Glass Credit bill was advanced. Liverpool was higher on general buying, covering, calling, and a good spot demand. Manchester reported a large inquiry for cloths and fair sales of yarns. Cloths here were in better demand, and firm, and it was reported that 90% of the mills had agreed to avoid overproduction. Inferentially this seemed to some to mean that there is to be a cut in production by these mills of possibly 20 to 25%. The Spartanburg, S. C., program, announced on Jan. 29, provided for production that should not exceed 90% or 50 hours per week for day running mills; a rate of 80% for mills running on a 44-hour day and 50-hour night schedule per week, and a rate of 75% for mills running more than 105 hours per week. But in the later trading a sharp reaction in stocks and grain hit cotton. Prices reacted noticeably. There was not a little liquidation, and some thought the co-operatives sold more or less March and July. Some hedging sales took place. New Orleans and local traders sold. It was said that mills were forced to name very low prices to get rid of some goods. Percal dresses are selling here, it is said, at as low as 50c., and others at prices hitherto unknown. But cotton futures did not give way much. Europe and the Orient kept on buying. Foreign spinners, it seems, fear inflation in this country. Japanese interests also in New Orleans were said to be taking all the spot offerings and that the interior was selling very little. Also there is said to be a large spot short interest in March. General rains

fell especially in the Mississippi Valley. The forecast was mostly for cloudy or showery weather. It is not wanted. Mild weather continued to favor the survival of the weevil.

On the 18th inst. prices advanced some 10 to 15 points, led by March in a new high for the present movement. One of the causes was good buying by Liverpool. That was a new feature. Continental and Far Eastern mills also bought freely. So did the domestic trade. Liverpool's spot sales were larger. The spot demand there was good all during the week. Also the Bank of England rate of discount was reduced 1% to 5%. Hedging and realizing by Manchester in Liverpool were offset by covering. Spot markets in this country were rising under the spur of a continued good demand. The basis was reported the best of the season. Augusta, Ga., reported that 3/8 inch middling sold even with New York and March. Worth Street had a good business in print cloths, partly for delivery in May and June at firm prices, which in some cases were higher. Stress was laid on the agreement of 90% of the print cloth mills to keep production down to the requirements of trade. Rains again occurred in the South and the forecast was for showers. Manchester reported a large business in cloth, with home and East Indian buyers with the English bank rate lower. Liverpool closed 6 to 8 points net higher, with a much better tone. London cabled that the reduction in the bank rate was both welcome and significant as a reversal of the British deflation policy. Montgomery, Ala., advices stated that not only has the recent excess of rainy and wet weather delayed preparations for the next crop but also stringent financial conditions. Cotton acreage reduction by legislation having failed, the extent of curtailment will be determined by the farmers; and in turn by merchants and banks. Since cotton is the principal money crop of the South, the grower will strive to produce as much as conditions permit at the lowest possible cost. The movement back to the farms has resulted in the largest supply of arm labor for many years and a substantial increase in the number of farmers. The sales of mules and horses is considerably less than last year. Mild weather has continued this month, with only few freezes in any part of the belt during the entire winter, but it is too early to foretell the weevil damage. As far as spot cotton is concerned the market is called a sellers' one, despite the existing large supply and the strong holding movement remains an outstanding feature of this season. A New York Cotton Exchange "seat" sold at \$14,000, an advance of \$1,000.

To-day prices advanced 10 points, with a good demand reported from spinners in this country, Bombay, Shanghai, Japan, England and the Continent. Chinese and Japanese interests were said to be buying spot cotton at the South. Dallas wired that the Southern Cotton Co. estimates the quantity of American cotton to go to the Orient this season at 3,500,000 bales. Mills in the Orient, it is stated, are demanding American cotton of every grade and staple instead of Egyptian, Indian and Chinese cotton. Egyptian cotton at the prevailing basis, it is stated, is comparatively high. Indian cotton is, it seems, on a decidedly higher basis on account of the unusual smallness of the crop and the large domestic need which causes a larger use of American staple cotton. Bombay and Osaka advices state that Japanese mills have decided to use mostly American cotton. Chinese cotton is impracticably high, as the crop is only one-third of an ordinary year. Even the staple is less, and cotton for mattresses is higher than American cotton. This report comes from Shanghai, Tientsin and Japan. Here the buying by the Continent and the Far East was noticeably heavy. The Southern and co-operative selling fell off. Stocks advanced. That helped. Worth Street was more active and firm, with sales for May and June delivery. Charlotte, N. C., advices were more cheerful as to the statistical position of gray goods and the feeling in the trade, with a recent improvement in business. Liverpool was higher than due, with Bombay a large buyer and some calling offsetting selling by Manchester and the Continent. Manchester reported a fair business in cloths with the Continent, South America and Africa. Tattersall said: "Trade outlook is better; larger cloth sales for India and several minor outlets; China business at a standstill and shipments suspended. Some manufacturers are increasing order lists. Yarn sales are larger, but prices are very poor." Part of the early advance was lost, closing 3 to 6 points net higher. Speculation was active. Outsiders bought to some extent. Final prices closed 32 to 39 points higher than a week ago. Spot cotton ended at 7.05c for middling, an advance for the week of 35 points.

The official quotations for middling upland cotton in the New York market each day for the past week has been:

Feb. 13 to Feb. 19—	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Middling upland	6.85	6.85	6.95	6.90	7.05	7.05

MARKET AND SALES AT NEW YORK.

	Spot Market Closed.	Futures Market Closed.	SALES.		
			Spot.	Contr't.	Total.
Saturday	Steady, 15 pts. adv.	Barely steady	800	---	800
Monday	Steady, unchanged	Steady	---	---	---
Tuesday	Steady, 10 pts. adv.	Very steady	1,000	---	1,000
Wednesday	Steady, 5 pts. dec.	Steady	600	---	600
Thursday	Steady, 15 pts. adv.	Very steady	400	---	400
Friday	Steady, unchanged	Very steady	800	---	800
Total week	---	---	3,600	---	3,600
Since Aug. 1	---	---	98,901	80,000	178,901

FUTURES.—The highest, lowest and closing prices at New York for the past week have been as follows:

	Saturday, Feb. 13.	Monday, Feb. 15.	Tuesday, Feb. 16.	Wednesday, Feb. 17.	Thursday, Feb. 18.	Friday, Feb. 19.
Feb.—						
Range	6.65	6.81-6.81	6.76	6.73	6.87	6.91
Closing		6.70				
March—						
Range	6.71-6.77	6.70-6.81	6.69-6.80	6.75-6.87	6.78-6.91	6.90-7.00
Closing	6.71-6.73	6.73-6.74	6.79-6.80	6.76-6.77	6.90-6.91	6.94-6.97
April—						
Range	6.81	6.83	6.89	6.85	6.99	7.02
Closing						
May—						
Range	6.89-6.97	6.88-7.00	6.88-7.00	6.93-7.05	6.97-7.08	7.08-7.18
Closing	6.91-6.93	6.93-6.94	6.99	6.95-6.96	7.08	7.11-7.12
June—						
Range	7.00-7.00	7.00-7.00	7.07	7.03	7.16	7.19
Closing	6.99	7.02				
July—						
Range	7.06-7.12	7.05-7.15	7.05-7.17	7.10-7.23	7.12-7.25	7.24-7.35
Closing	7.07-7.09	7.09-7.10	7.16-7.17	7.12-7.13	7.24-7.25	7.27-7.29
Aug.—						
Range	7.15	7.16	7.24	7.20	7.32	7.36
Closing						
Sept.—						
Range	7.22	7.23	7.32	7.27	7.40	7.44
Closing						
Oct.—						
Range	7.28-7.34	7.27-7.38	7.28-7.40	7.34-7.47	7.36-7.49	7.48-7.59
Closing	7.30	7.30-7.31	7.40	7.35-7.37	7.48-7.49	7.53
Nov.—						
Range	7.38	7.32	7.48	7.44	7.56	7.62
Closing						
Dec.—						
Range	7.44-7.51	7.44-7.55	7.45-7.57	7.52-7.63	7.54-7.66	7.65-7.77
Closing	7.46-7.47	7.47	7.57	7.54	7.65-7.66	7.71
Jan.—						
Range	7.51-7.57	7.51-7.60	7.52-7.64	7.57-7.70	7.59-7.74	7.71-7.84
Closing	7.55	7.55	7.64	7.61	7.73-7.64	7.77

Range of future prices at New York for week ending Feb. 19 1932 and since trading began on each option:

Option for	Range for Week.	Range Since Beginning of Option.
Feb. 1932	6.81 Feb. 15	6.81 Feb. 15
Mar. 1932	6.69 Feb. 16	7.00 Feb. 19
Apr. 1932	6.80 Nov. 4	6.99 Nov. 6
May 1932	6.88 Feb. 15	7.18 Feb. 19
June 1932	7.00 Feb. 15	7.00 Feb. 15
July 1932	7.05 Feb. 15	7.35 Feb. 19
Aug. 1932	6.67 Nov. 27	6.67 Nov. 27
Sept. 1932	6.75 Jan. 5	6.75 Jan. 5
Oct. 1932	7.27 Feb. 15	7.59 Feb. 19
Nov. 1932	7.32 Feb. 11	7.32 Feb. 11
Dec. 1932	7.44 Feb. 13	7.77 Feb. 19
Jan. 1933	7.51 Feb. 13	7.84 Feb. 19

THE VISIBLE SUPPLY OF COTTON to-night, as made up by cable and telegraph, is as follows: Foreign stocks as well as 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.

Feb. 19—	1932.	1931.	1930.	1929.
Stock at Liverpool	658,000	888,000	921,000	970,000
Stock at London	---	---	---	---
Stock at Manchester	175,000	210,000	113,000	91,000
Total Great Britain	833,000	1,098,000	1,034,000	1,061,000
Stock at Hamburg	---	---	---	---
Stock at Bremen	310,000	539,000	496,000	607,000
Stock at Havre	175,000	357,000	295,000	249,000
Stock at Rotterdam	25,000	12,000	8,000	16,000
Stock at Barcelona	93,000	111,000	106,000	80,000
Stock at Genoa	99,000	67,000	70,000	61,000
Stock at Ghent	---	---	---	---
Stock at Antwerp	---	---	---	---
Total Continental stocks	702,000	1,086,000	975,000	1,013,000
Total European stocks	1,535,000	2,184,000	2,009,000	2,074,000
India cotton afloat for Europe	56,000	186,000	226,000	162,000
American cotton afloat for Europe	375,000	247,000	33,700	483,000
Egypt, Brazil, &c. afloat for Europe	91,000	82,000	86,000	96,000
Stock in Alexandria, Egypt	696,000	695,000	473,000	439,000
Stock in Bombay, India	509,000	965,000	1,314,000	1,109,000
Stock in U. S. ports	4,810,306	4,025,010	2,213,461	2,051,439
Stock in U. S. interior towns	2,080,961	1,556,997	1,306,632	936,027
U. S. exports to-day	46,323	9,293	973	---
Total visible supply	10,199,590	9,950,300	7,966,066	7,350,466

Of the above, totals of American and other descriptions are as follows:

American—	1932.	1931.	1930.	1929.
Liverpool stock	302,000	492,000	435,000	697,000
Manchester stock	89,000	104,000	76,000	69,000
Continental stock	654,000	966,000	879,000	945,000
American afloat for Europe	375,000	247,000	33,700	483,000
U. S. port stocks	4,810,306	4,025,010	2,213,461	2,051,439
U. S. interior stocks	2,080,961	1,556,997	1,306,632	936,027
U. S. exports to-day	46,323	9,293	973	---
Total American	8,357,590	7,400,300	5,248,066	5,181,456

East Indian, Brazil, &c.—

	1932.	1931.	1930.	1929.
Liverpool stock	356,000	396,000	486,000	273,000
London stock	---	---	---	---
Manchester stock	86,000	106,000	37,000	22,000
Continental stock	48,000	120,000	96,000	68,000
Indian afloat for Europe	56,000	186,000	226,000	162,000
Egypt, Brazil, &c. afloat	91,000	82,000	86,000	96,000
Stock in Alexandria, Egypt	696,000	695,000	473,000	439,000
Stock in Bombay, India	509,000	965,000	1,314,000	1,109,000
Total East India, &c.	1,842,000	2,550,000	2,718,000	2,169,000
Total American	8,357,590	7,400,300	5,248,066	5,181,456

Total visible supply

	10,199,590	9,950,300	7,966,066	7,350,466
Middling uplands, Liverpool	5.95d.	6.04d.	8.47d.	10.49d.
Middling uplands, New York	7.05c.	11.00c.	15.30c.	20.25c.
Egypt, good Sakel, Liverpool	8.95d.	10.40d.	14.35d.	19.10d.
Peruvian, rough good, Liverpool	---	---	13.75d.	14.50d.
Broach, fine, Liverpool	5.80d.	4.91d.	6.30d.	9.00d.
Tinnevely, good, Liverpool	5.93d.	5.76d.	7.65d.	10.10d.

Continental imports for past week have been 78,000 bales. The above figures for 1932 show a decrease from last week of 26,183 bales, a gain of 249,290 from 1931, an increase of 2,233,524 bales over 1930, and a gain of 2,849,124 bales over 1929.

AT THE INTERIOR TOWNS the movement—that is, the receipts for the week and since Aug. 1, the shipments for the week and the stocks to-night, and the same items for the

corresponding periods of the previous year, is set out in detail below:

Table with columns for Towns, Movement to Feb. 19 1932., and Movement to Feb. 20 1931. Sub-columns include Receipts, Shipments, and Stocks for both weeks.

Total, 56 towns 98,056 4,798,557 119,526 208,096 55,010 4,281,868 83,614 1,556,997

* Includes the combined totals of 15 towns in Oklahoma. The above total shows that the interior stocks have decreased during the week 22,029 bales and are to-night 523,964 bales more than at the same time last year.

NEW YORK QUOTATIONS FOR 32 YEARS:

Table showing quotations for middling upland at New York on Feb. 19 for each of the past 32 years.

OVERLAND MOVEMENT FOR THE WEEK AND SINCE AUG. 1.—We give below a statement showing the overland movement for the week and since Aug. 1, as made up from telegraphic reports Friday night.

Table showing overland movement for the week and since Aug. 1, including shipped and deducted shipments.

* Including movement by rail to Canada. The foregoing shows the week's net overland movement this year has been 21,488 bales, against 23,872 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 100,306 bales.

Table showing In Sight and Spinners' Takings, including receipts at ports and total marketed.

* Decrease. a These figures are consumption; takings not available. Movement into sight in previous years:

Table showing movement into sight in previous years for weeks 1930-1932.

QUOTATIONS FOR MIDDLING COTTON AT OTHER MARKETS.—Below are the closing quotations for middling cotton at Southern and other principal cotton markets for each day of the week:

Table showing Closing Quotations for Middling Cotton on Saturday, Monday, Tuesday, Wednesday, Thursday, and Friday for various locations like Galveston, New Orleans, etc.

NEW ORLEANS CONTRACT MARKET.—The closing quotations for leading contracts in the New Orleans cotton market for the past week have been as follows:

Table showing New Orleans contract market quotations for February, March, April, May, June, July, August, September, October, November, and December.

CENSUS REPORT ON COTTON CONSUMED AND ON HAND, &c., IN JANUARY.—This report, issued on Feb. 13 by the Census Bureau, will be found in an earlier part of our paper in the department headed "Indications of Business Activity."

CENSUS REPORT ON COTTONSEED OIL PRODUCTION DURING JANUARY.—Persons interested in this report will find it in the department headed "Indications of Business Activity" on earlier pages.

DEATH OF EDWARD P. WALKER.—Edward Percy Walker died at his residence, 430 W. 116th St., Thursday evening, Feb. 18. He was prominent in the cotton trade and recently celebrated his 50th anniversary as a member of the New York Cotton Exchange.

WEATHER REPORTS BY TELEGRAPH.—Reports to us by telegraph this evening indicate that considerable rain has fallen during the week in many sections of the cotton belt.

Table showing weather reports by telegraph, including Rain, Rainfall, and Thermometer readings for various locations like Galveston, Abilene, Brownsville, etc.

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:

Table showing receipts from the plantations, including week ended, receipts at ports, stocks at interior towns, and receipts from plantations.

Table showing receipts from the plantations for weeks 1931, 1930, and 1929.

Table showing receipts from the plantations for weeks 1932, 1931, 1930, and 1929.

The above statement shows: (1) That the total receipts from the plantations since Aug. 1 1931 are 9,208,763 bales; in 1930 were 8,547,280 bales, and in 1929 were 8,361,898 bales. (2) That although the receipts at the outports the past week were 175,417 bales, the actual movement from plantations was 153,388 bales, stock at interior towns having decreased 22,029 bales during the week. Last year receipts from the plantations for the week were 81,673 bales and for 1930 they were 46,440 bales.

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 Aug. 1 for the last two seasons from all sources from which statistics are obtainable; also the takings or amounts gone out of sight for the like period:

Table with columns: Cotton Takings, Week and Season, 1931-30, 1930-29. Rows include Visible supply Feb. 12, American in sight to Feb. 19, Bombay receipts to Feb. 18, etc.

* Embraces receipts in Europe from Brazil, Smyrna, West Indies, &c. a This total embraces since Aug. 1 the total estimated consumption by Southern mills, 2,610,000 bales in 1931-32 and 2,345,000 bales in 1930-31—takings not being available—and the aggregate amounts taken by Northern and foreign spinners, 9,490,999 bales in 1931-32 and 8,558,756 bales in 1930-31, of which 6,413,999 bales and 5,430,856 bales American.

INDIA COTTON MOVEMENT FROM ALL PORTS.—The receipts of India cotton at Bombay and the shipments from all Indian ports for the week and for the season from Aug. 1, as cabled, for three years, have been as follows:

Table with columns: Receipts at, 1931-32, 1930-31, 1929-30. Rows include Bombay.

Table with columns: Exports from, For the Week, Since August 1. Rows include Bombay, 1931-32, 1930-31, 1929-30.

According to the foregoing, Bombay appears to show a decrease compared with last year in the week's receipts of 85,000 bales. Exports from all India ports record a decrease of 108,000 bales during the week, and since Aug. 1 show a decrease of 968,000 bales.

MANCHESTER MARKET.—Our report received by cable to-night from Manchester states that the market in yarns is firm and in cloths steady. Demand for India is good. We give prices to-day below and leave those of previous weeks of this and last year for comparison:

Table with columns: 1931, 1930. Rows include Oct, Nov, Dec, Jan, Feb with various cotton grades and prices.

ALEXANDRIA RECEIPTS AND SHIPMENTS.—We now receive weekly a 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:

Table with columns: Alexandria, Egypt, Feb. 17, 1931-30, 1930-29, 1929-28. Rows include Receipts (Cantars) for This week and Since Aug. 1.

Table with columns: Export (Bales)—, This Week, Since Aug. 1, This Week, Since Aug. 1, This Week, Since Aug. 1. Rows include To Liverpool, To Manchester, etc.

Note.—A cantar is 99 lbs. Egyptian bales weigh about 750 lbs. This statement shows that the receipts for the week ended Feb. 17 were 60,000 cantars and the foreign shipments 40,000 bales.

SHIPPING NEWS.—As shown on a previous page, the exports of cotton from the United States the past week have reached 206,935 bales. The shipments in detail, as made up from mail and telegraphic reports, are as follows:

Large table listing shipping news for various ports including GALVESTON, NEW ORLEANS, MOBILE, CHARLESTON, NORFOLK, SAVANNAH, HOUSTON, SAN FRANCISCO, BEAUMONT, JACKSONVILLE, LAKE CHARLES, TEXAS CITY, NEW YORK. Includes destination, date, and quantity.

COTTON FREIGHTS.—Current rates for cotton from New York, as furnished by Lambert & Barrows, Inc., are as follows, quotations being in cents per pound:

Table with columns: High Density, Stand-ard, High Density, Stand-ard, High Density, Stand-ard. Rows include Liverpool, Manchester, Antwerp, etc.

* Rate is open.

LIVERPOOL.—By cable from Liverpool we have the following statement of the week's sales, stocks, &c., at that port:

Table with columns: Sales of the week, Of which American, Sales for export, Forwarded, Total stocks, Of which American, Total imports, Of which American, Amount afloat, Of which American. Rows for Jan. 29, Feb. 5, Feb. 12, Feb. 19.

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:

Table with columns: Spot, Saturday, Monday, Tuesday, Wednesday, Thursday, Friday. Rows for Market 12:15 P. M., Mid. Upl'ds, Sales, Futures Market opened, Market 4 P. M.

Prices of futures at Liverpool for each day are given below:

Table with columns: Feb. 13 to Feb. 19, Sat., Mon., Tues., Wed., Thurs., Fri. Rows for New Contract, February, March, April, May, June, July, August, September, October, November, December, January (1933), February.

BREADSTUFFS

Friday Night, Feb. 19 1932.

FLOUR prices advanced 10c. early in the week with a rather better demand. On the 15th inst. prices declined 10c. On the 16th inst. prices advanced 10 to 15c. On the 17th inst. Millfeed prices were advanced \$1.00 to \$1.25 a ton by leading sellers and some interests maintained that they were sold up for the balance of February and all of March.

WHEAT has been more active with stocks higher and talk of inflation growing louder. The Secretary of the Treasury estimates the maximum new currency at \$3,500,000,000 fixed by the gold reserve. The export demand has been somewhat better of late. There is a severe drouth in India. Germany may increase its import duty. The bull side is more popular. On the 13th inst. prices advanced 2 to 2 1/2c. on the Glass credit bill, rising stocks and cotton and big trading for both sides of the account.

On the 15th inst., prices closed 3/4 to 1 1/2c. lower owing to a decline in stocks and realizing after the recent advance. Export sales were about 500,000 bushels. Liverpool was firm, but the drop in the stock market, the smallness of the export business and the favorable weather were the cardinal factors.

On the 16th inst., prices advanced 2 1/2 to 3 1/4c. from the low of the day, owing to rumors that the Farm Board would sell 30,000,000 bushels of wheat to China on long credits, rumors also that internal troubles had broken out in Russia, good Eastern or Wall Street buying in Chicago, continued

cold weather in Europe and heavy covering on this side partly on stop orders. Export business was small where there was any at all. It was rumored in Chicago once more that President Hoover "might" announce a change in his attitude on prohibition. That helped to advance prices. After the close, the Farm Board denied that it was to sell to China. It was rumored, however, that the Grain Stabilization Corporation would issue a favorable statement of some sort.

On the 17th inst. prices fell 1 3/8 to 1 5/8c. with export demand small, no mention of prohibition, stocks lower after an early rise and heavy selling especially by the East. The technical position was weaker. The recent bullish aggressiveness was gone. On the 18th inst. prices ended 1c. higher on a better technical position. Trading has broadened. Professionals have recently been buying. The rise in the stock market in New York and San Francisco had some effect. So had a move against short selling at the New York Stock Exchange and a rumor that Germany will reduce its import duty on wheat.

To-day prices 3/8 to 7/8c. higher with stocks advancing much of the day, export sales estimated at 750,000 to 1,000,000 bushels, higher cables than due, and sentiment more bullish generally. New high levels were reached on this movement. Winnipeg was noticeably strong and closed 3/4 to 1c. higher. The market took very heavy liquidation unusually well. Final prices show a rise for the week of 3 to 4c.

DAILY CLOSING PRICES OF BONDED WHEAT AT NEW YORK.

Table with columns: Sat., Mon., Tues., Wed., Thurs., Fri. Rows for May, July.

DAILY CLOSING PRICES OF WHEAT IN NEW YORK.

Table with columns: Sat., Mon., Tues., Wed., Thurs., Fri. Row for No. 2 red.

DAILY CLOSING PRICES OF WHEAT FUTURES IN CHICAGO.

Table with columns: Sat., Mon., Tues., Wed., Thurs., Fri. Rows for March, May, July, September.

DAILY CLOSING PRICES OF WHEAT FUTURES IN WINNIPEG.

Table with columns: Sat., Mon., Tues., Wed., Thurs., Fri. Rows for May, July, October.

Table with columns: Season's High and When Made, Season's Low and When Made. Rows for March, May, July, September.

INDIAN CORN has as usual taken its cue largely from wheat. One drawback is the dullness of the cash trade. But the cash basis is steady. Corn badly needs a sharp cash demand. On the 13th inst. prices advanced 1 1/4 to 1 1/2c. with wheat up and country offerings smaller than expected. The drawback was the lack of a sharp cash demand. On the 15th inst. prices closed 3/8 to 7/8c. lower with wheat leading the way, the technical position a little weaker and shipping demand still small.

On the 18th inst., prices closed 3/8 to 5/8c. higher after a slight early decline. The country sold 28,000 bushels. Shorts covered. Cash trade was small. To-day prices closed 1/4c. lower to 1/2c. higher. March liquidation was a weak feature. Early prices, however, were stronger, with wheat and stocks higher. The Eastern cash demand was small, but the cash basis was steadier at Chicago where there were purchases to arrive of 100,000 bushels. Final prices show a rise for the week of 1/2 to 1 1/2c.

DAILY CLOSING PRICES OF CORN IN NEW YORK.

Table with columns: Sat., Mon., Tues., Wed., Thurs., Fri. Row for No. 2 yellow.

DAILY CLOSING PRICES OF CORN FUTURES IN CHICAGO.

Table with columns: Sat., Mon., Tues., Wed., Thurs., Fri. Rows for March, May, July, September.

Table with columns: Season's High and When Made, Season's Low and When Made. Rows for March, May, July, September.

OATS have been strengthened by the rise in corn, but the trading has been uneventful. On the 13th inst., prices advanced 3/4 to 1c. in sympathy with corn and with trading unusually active. On the 15th inst., prices declined 1/2 to 1/2c. in answer to a decline in corn. On the 16th inst., prices advanced 1/4 to 1/2c., in response to the rise in wheat. On the 17th inst., prices closed 1/4 to 1/2c. lower, owing mainly to the decline in corn. Oats followed corn downward, however, with no great readiness. On the 28th inst., prices closed 1/4c. higher in small trading. To-day prices ended 1/4 to 3/8c. higher, moving for the most part, with other grain. Final prices show a rise for the week of 5/8 to 1c.

DAILY CLOSING PRICES OF OATS IN NEW YORK.

Table with columns: Sat., Mon., Tues., Wed., Thurs., Fri. Row for No. 2 white.

DAILY CLOSING PRICES OF OATS FUTURES IN CHICAGO.

March	Sat. 34 3/4	Mon. 34 3/4	Tues. 24 1/2	Wed. 25 1/2	Thurs. 25 3/4	Fri. 25 7/8
May	26 1/2	25 1/2	25 3/4	25 3/4	25 3/4	26
July	25 1/2	25 1/2	25 3/4	25 3/4	25 3/4	26 1/4
September	25 3/4	25 3/4	26	25 3/4	25 3/4	26 1/4

DAILY CLOSING PRICES OF OATS FUTURES IN WINNIPEG.

May	Sat. 32 3/4	Mon. 31 3/4	Tues. 32 1/4	Wed. 32 1/4	Thurs. 32 1/4	Fri. 32 3/4
July	32 3/4	31 3/4	32	31 3/4	32 1/4	32 3/4

Season's High and When Made—			Season's Low and When Made—		
March	31	Nov. 10 1931	March	23 3/4	Oct. 6 1931
May	31 1/4	Nov. 10 1931	May	23	Oct. 5 1931
July	31 1/4	Nov. 10 1931	July	22 1/2	Oct. 5 1931
September	26 1/2	Feb. 19 1932	September	24	Feb. 10 1932

RYE has followed the advance in wheat in only a sluggish fashion as trading has been light and export business absent. On the 13th inst. prices advanced 1/2 to 3/4c. in company with wheat and speculation the most active for some time past. On the 15th inst. prices fell 1 to 1 1/2c. with wheat off and export business in rye still absent. On the 16th inst. prices advanced 1 1/2 to 1 3/4c. moving up with wheat though export business was still lacking. On the 17th inst. prices closed 1 3/8 to 1 3/4c. lower. Much of the trading was in spreads. On the 18th inst. prices ended 1/2 to 5/8c. up with little speculation but with the effect of the rally in wheat plain enough. To-day prices ended 3/8c. higher owing to a rise in wheat but with trading light. Final prices show an advance for the week of 1/2 to 1 1/2c.

DAILY CLOSING PRICES OF RYE FUTURES IN CHICAGO.

March	Sat. 44	Mon. 43	Tues. 44 1/4	Wed. 43 1/4	Thurs. 43 3/4	Fri. 43 3/4
May	47 1/4	46 1/4	47 3/4	46	46 3/4	46 7/8
July	48 1/4	47 3/4	49 1/4	47 3/4	48 3/4	48 3/4
September	49 1/4	49 1/4	49 1/4	49 1/4	49 1/4	49 1/4

Season's High and When Made—			Season's Low and When Made—		
March	62	Nov. 9 1931	March	38	Sept. 3 1931
May	63 1/4	Nov. 9 1931	May	38 3/4	Oct. 5 1931
July	63 1/4	Nov. 9 1931	July	41 3/4	Dec. 10 1931
September	50 1/4	Jan. 18 1932	September	46 1/4	Jan. 16 1932

Closing quotations were as follows:

GRAIN.

Wheat, New York—		Oats, New York—	
No. 2 red, c.i.f., new	76 3/4	No. 2 white	36 1/4 @ 36 3/4
Manitoba No. 1, f.o.b. N. Y.	82 3/4	No. 3 white	35 3/4 @ 35 3/4
		Rye No. 2, f.o.b. bond	62 3/4
		Chicago, No. 1	46 1/4
Corn, New York—		Barley	
No. 2 yellow, all rail	51 1/2	No. 2, L. & R., N. Y., com.	57 3/4
No. 3 yellow, all rail	50	Chicago, cash	42 @ 59

FLOUR

Spring pat high protein	\$4.85 @ \$5.20	Rye flour patents	4.30 @ \$4.70
Spring patents	4.50 @ 4.70	Seminola, bbl., Nos. 1-2	6.15 @ 6.90
Clears, first spring	4.35 @ 4.60	Oats goods	1.85 @ 1.90
Soft winter straights	3.50 @ 3.75	Corn flour	1.55 @ 1.60
Hard winter straights	3.90 @ 4.10	Barley goods	
Hard winter patents	4.20 @ 4.70	Coarse	3.20 @
Hard winter clears	3.45 @ 3.85	Fancy pearl, Nos. 2,	
Fancy Minn. patents	5.25 @ 5.95	4 and 7	6.15 @ 6.50
City mills	5.25 @ 5.95		

For other tables usually given here, see page 1326.

Total receipts of flour and grain at the seaboard ports for the week ending Saturday, Feb. 13 follow:

Receipts at—	Flour.	Wheat.	Corn.	Oats.	Barley.	Rye.
	bbls. 106 lbs.	bush. 60 lbs.	bush. 56 lbs.	bush. 32 lbs.	bush. 48 lbs.	bush. 56 lbs.
New York	137,000	134,000	11,000	31,000		
Portland, Me.	1,000					
Philadelphia	39,000	31,000	1,000	12,000		
Baltimore	13,000	80,000	7,000	2,000		
Newport News	2,000					
Norfolk	1,000		23,000			
New Orleans*	42,000	90,000	15,000	30,000		
Galveston		125,000				
Halifax	3,000					
Boston	28,000			9,000		
E. St. John		275,000				
W. St. John	5,000	135,000				
Total wk. '32	271,000	873,000	57,000	84,000		
Since Jan. '32	2,069,000	5,469,000	458,000	741,000	279,000	574,000
Week 1931—	370,000	1,841,000	111,000	100,000	25,000	9,000
Since Jan. '31	2,637,000	10,145,000	482,000	587,000	217,000	47,000

* Receipts do not include grain passing through New Orleans for foreign ports on through bills of lading.

The exports from the several seaboard ports for the week ending Saturday, Feb. 13 1932, are shown in the annexed statement:

Exports from—	Wheat.	Corn.	Flour.	Oats.	Rye.	Barley.
	Bushels.	Bushels.	Barrels.	Bushels.	Bushels.	Bushels.
New York	552,000		32,880			
Portland, Me.			1,000			
Philadelphia	8,000					
Baltimore	60,000		2,000			
Norfolk		23,000	1,000			
Newport News			2,000			
New Orleans	160,000		7,000	1,000		
Galveston	919,000		1,000			
St. John, N. B.	413,000		5,000			
Halifax			3,000			
Total week 1932—	2,112,000	23,000	65,880	1,000		
Same week 1931—	2,209,000	26,000	254,864	1,000		25,000

The destination of these exports for the week and since July 1 1931 is as below:

Exports for Week and Since July 1 to—	Flour.		Wheat.		Corn.	
	Week Feb. 13 1932.	Week July 1 1931.	Week Feb. 13 1932.	Since July 1 1931.	Week Feb. 13 1932.	Since July 1 1931.
United Kingdom	49,915	1,936,996	56,000	28,207,000	1,000	20,000
Continent	5,510	1,334,091	1,753,000	66,362,000	22,000	51,000
So. & Cent. Amer.		190,453	285,000	8,596,000		8,000
West Indies	7,000	291,914	4,000	117,000		33,000
Brit. No. Am. Col.		962				
Other countries	3,455	169,447	14,000	2,289,000		
Total 1932—	65,880	3,923,863	2,112,000	105,571,000	23,000	112,000
Total 1931—	254,864	7,924,697	2,209,000	131,137,000	26,000	186,000

The visible supply of grain, comprising the stocks in granary at principal points of accumulation at lake and seaboard ports Saturday, Feb. 13, were as follows:

GRAIN STOCKS.

United States—	Wheat, bush.	Corn, bush.	Oats, bush.	Rye, bush.	Barley, bush.
New York	3,234,000	3,000	35,000	8,000	9,000
Boston	1,419,000		3,000	1,000	
Philadelphia	2,565,000	70,000	64,000	6,000	5,000
Baltimore	6,363,000	82,000	23,000	31,000	1,000
Newport News	515,000				
New Orleans	2,532,000	82,000	82,000	1,000	
Galveston	2,702,000				
Fort Worth	6,674,000	222,000	557,000	3,000	11,000
Buffalo	15,698,000	3,237,000	1,086,000	331,000	390,000
" afloat	5,171,000	110,000	510,000		
Toledo	3,949,000	225,000	237,000	10,000	9,000
" afloat	190,000		583,000		
Detroit	290,000	18,000	63,000	18,000	56,000
Chicago	21,129,000	8,100,000	3,228,000	2,046,000	246,000
" afloat	1,070,000	280,000		1,139,000	
Milwaukee	6,147,000	278,000	442,000	210,000	417,000
Duluth	18,193,000	112,000	2,081,000	1,714,000	358,000
Minneapolis	29,558,000	40,000	3,666,000	3,720,000	2,064,000
Sioux City	1,863,000	78,000	160,000	1,000	18,000
St. Louis	6,630,000	1,081,000	676,000	5,000	3,000
Kansas City	32,628,000	184,000	104,000	53,000	157,000
Wichita	1,922,000				
Hutchinson	5,591,000	24,000			
St. Joseph, Mo.	6,183,000	138,000	580,000		
Peoria	66,000	52,000	813,000		
Indianapolis	1,454,000	1,264,000	733,000		
Omaha	18,891,000	166,000	570,000	21,000	24,000

Total Feb. 13 1932	202,427,000	15,846,000	16,296,000	9,318,000	3,800,000
Total Feb. 6 1932	203,846,000	14,308,000	16,109,000	9,326,000	4,000,000
Total Feb. 14 1931	194,503,000	17,188,000	22,497,000	14,251,000	10,187,000

Note.—Bonded grain not included above: Oats, New York, 2,000 bushels; total, 2,000 bushels, against 60,000 bushels in 1931. Barley, New York, 1,000 bushels; New York afloat, 63,000; Buffalo, 101,000; Buffalo afloat, 465,000; Duluth, 3,000; total, 633,000 bushels, against 1,264,000 bushels in 1931. Wheat, New York, 1,731,000 bushels; New York afloat, 2,995,000; Baltimore, 98,000; Buffalo, 3,574,000; Buffalo afloat, 10,002,000; Duluth, 1,000; Toledo afloat, 340,000; total, 18,741,000 bushels, against 18,390,000 bushels in 1931.

Canadian—

Montreal	3,657,000		1,634,000	1,166,000	1,010,000
Ft. William & Pt. Arthur	50,541,000		2,705,000	7,453,000	2,913,000
" afloat	71,000		114,000		
Other Canadian	7,937,000		1,562,000	108,000	578,000

Total Feb. 13 1932	62,206,000		6,015,000	8,725,000	4,501,000
Total Feb. 6 1932	62,135,000		6,290,000	8,660,000	4,524,000
Total Feb. 14 1931	62,342,000		5,762,000	10,478,000	22,421,000

Summary—

American	202,427,000	15,846,000	16,296,000	9,318,000	3,800,000
Canadian	62,206,000		6,015,000	8,725,000	4,501,000

Total Feb. 13 1932	264,633,000	15,846,000	22,311,000	18,043,000	8,301,000
Total Feb. 6 1932	265,981,000	14,308,000	22,399,000	17,988,000	8,524,000
Total Feb. 14 1931	266,845,000	17,188,000	28,599,000	24,729,000	32,608,000

The world's shipment of wheat and corn, as furnished by Broomhall to the New York Produce Exchange, for the week ending Friday, Feb. 12, and since July 1 1931 and 1930.

Exports.	Wheat.			Corn.		
	Week Feb. 12 1932.	Since July 1 1931.	Since July 1 1930.	Week Feb. 12 1932.	Since July 1 1931.	Since July 1 1930.
North Amer.	Bushels. 5,247,000	Bushels. 208,441,000	Bushels. 247,629,000	Bushels. 8,000	Bushels. 1,661,000	Bushels. 1,000,000
Black Sea	440,000	104,680,000	86,718,000	1,394,000	16,989,000	26,085,000
Argentina	4,014,000	60,988,000	41,651,000	3,291,000	269,574,000	157,546,000
Australia	5,729,000	85,439,000	63,424,000			
India		600,000	8,984,000			
Oth. countr's	520,000	23,270,000	30,504,000	94,000	15,343,000	34,089,000
Total	15,950,000	483,418,000	478,910,000	4,787,000	303,567,000	218,864,000

WEATHER REPORT FOR THE WEEK ENDED FEB. 17.—The general summary of the weather bulletin issued by the Department of Agriculture, indicating the influence of the weather for the week ended Feb. 17, follows:

At the beginning of the week the weather was moderately cold in the more eastern States, but at the same time there was a sharp reaction to warmer weather in the Northwest, and by Feb. 10 temperatures were much higher in the interior valleys, with a good many stations reporting the warmest weather ever experienced in February on that and the following day. The latter part of the period was again about normally cold in the East, but decidedly warmer weather had set in over the more northwestern States. On the 9th rainfall was rather general over the more eastern States and also in the far West, and was frequent in the interior valleys and Northeast about the middle of the week; near its close rains or snows were widespread from the Atlantic Ocean to the Great Plains. Notwithstanding the cooler weather the latter part of the week, Chart I shows that the weekly mean temperatures were again markedly above normal everywhere east of the Rocky Mountains, except in a limited area in the central and southern portions of the country, with the temperature averaging from 10 to as much as 15 degrees above normal. The persistence of abnormally high temperatures over the eastern half of the United States during the present winter is most remarkable—every week since the first in December having had decidedly abnormal warmth in the area. There was also a continuation of the winter's characteristic distribution of temperature, in that it was colder than normal in the Northwest and the more western States.

At the Atlantic coast districts freezing temperatures did not extend during the week farther south than Virginia, while in the interior States the line of freezing reached only to southern Illinois and northern Oklahoma. A considerable area of the Northwest had subzero temperatures, with Havre, Mont., reporting the lowest for the week—22 degrees. In Gulf sections the minima were around 60 degrees.

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In the far Southwest the water situation is unusually favorable, with the mountain snowpack mostly good. Above-normal rainfall has been the rule this winter, especially in southern California, where additional substantial amounts occurred during the past week.

SMALL GRAINS.—Progress and condition of winter wheat remain largely unchanged in the main belt. There was practically no heating noted in the Ohio Valley, but in the southern portions of Michigan and Wisconsin freezing and thawing caused some injury. Condition of wheat in the Southwest is still fair to good, with much greening in the eastern two-thirds of Kansas. A good snow cover remains in northern portions from South Dakota westward to the Pacific grain areas; in the latter section there was no further damage, due to a good snow blanket, although locally the cover melted and added to the soil moisture.

Grains continue to make rapid progress in the South and most of the East, with jointing reported from parts of Maryland. Some seeding of spring oats has been done in Southern States, while plowing and preparation of soil advanced.

The Weather Bureau furnishes the following resume of the conditions in the different States:

Virginia.—Richmond: Above-normal temperatures and light to moderate precipitation favorable for farm work and growth of winter crops. Wheat, truck, and pastures good to excellent. Plowing continues and some plant beds made. Continued high temperatures dangerous to fruit trees, but no damage reported as yet.

North Carolina.—Raleigh: Very mild, followed by drop to normal near end of week; rain for two days. Some plowing, though mostly too wet. Hardy truck and strawberries advanced. Peach buds swelling and some scattered bloom in south. Pastures good.

South Carolina.—Columbia: Mild, with some showers, but rainfall light on coast. Favorable for winter cereals, truck, and pastures. Plowing slow up-State account wet soil. Tobacco bedding progressing. Planting potatoes on lower elevations. Unfavorable for much hog butchering.

Georgia.—Atlanta: Abnormally warm weather, no freezing temperatures. Considerable precipitation over northern half interfered with farm work, but light over southern half where preparations for spring planting made good progress. Cereals, truck, and pastures made rapid growth. Many ornamental buds failed to pass through usual dormant stage. Fruit buds only slightly developed.

Florida.—Jacksonville: Except showers in extreme north Friday and Saturday, week was rainless and unusually warm. Large areas of uplands on peninsula too dry to plow. Oats fair to poor. Strawberries and all truck unfavorably affected. Planting corn on lowlands increased. Planting melons continues in north and west; early stands. Tobacco seed beds good. Citrus leaves wilting and fruit dropping. Too warm to kill hogs.

Alabama.—Montgomery: Temperatures decidedly above normal; frequent, scattered rains, locally heavy. Farm work good advance in some southern counties, but little accomplished elsewhere. Tombigbee and Warrior Rivers in flood at close. Fall-planted oats continue good progress; some spring oats sown. Progress and condition of truck and vegetables excellent in coast region; fair to good elsewhere. Pastures and ranges remaining slow improvement. Fruit trees budding locally in south and central.

Mississippi.—Vicksburg: Mostly cloudy and unseasonably warm, with rapid advance of vegetation continuing. Precipitation mostly light in south third, but moderate to heavy elsewhere, causing renewed overflow in portions of recently-flooded Delta counties. Seasonal farm activities fair to good progress in south, but mostly poor elsewhere.

Louisiana.—New Orleans: Temperatures again decidedly above normal with light to moderate rainfall, allowed soil to dry, and farm operations made good progress. Much plowing and preparation done and truck and potato planting extensive. Oats and cane made good progress. Floods continue on northeastern lowlands.

Texas.—Houston: Warm, with light to moderate precipitation. Preparation of soil made good progress, except to eastward of Brazos River where still mostly too wet. Planting corn, potatoes, and spring gardens started in south; also some spring oats sown. Fruit trees abnormally advanced. Progress and condition of pastures, wheat, oats, truck, and citrus good. Strawberries ripening in south.

Oklahoma.—Oklahoma City: Warm and mostly cloudy; occasional moderate to heavy, rains unfavorable for field work, but some plowing and planting oats in drier areas. Progress of winter grains fair to good; condition of wheat mostly very good, except fair in extreme northwest where needing additional moisture. Fruit buds swelling.

Arkansas.—Little Rock: Temperatures high first of week, but moderate latter portion, with freezing in some northern localities on 14th. Rainfall moderate in northwest, but heavy elsewhere; deficient sunshine. Weather very favorable for growth of crops. Some plowing done and some oats sown. Gardens being planted in most portions.

Tennessee.—Nashville: Mostly light to moderate rains and continued mild weather favored winter grains. Wheat progressing rapidly and other grains making good advance. Condition of stock generally good.

Kentucky.—Louisville: Moderate rainfall. Temperatures high first half stimulating growth, but near normal last half, with checking effect. Considerable wheat much oversize. Some tobacco plant beds sown, but mostly too wet. Soil draining out better; subsiding floods reveal some damage to meadows and grains.

THE DRY GOODS TRADE

New York, Friday Night, Feb. 19 1932.

Textile markets have continued to reflect a gradual but well-sustained improvement in sentiment, growing out of the general return of hopefulness in business channels consequent upon the elaborate and expeditiously organized program of financial reinforcement emanating from Washington, and otherwise fostered by the co-operative efforts now apparent in every textile field, in some degree, to restrict production and discourage forced selling and the other trade abuses derived therefrom which have been collectively responsible for what has been termed a needless demoralization of prices in the past year and more. In the past few weeks a very gradual but measurably firmer tendency in prices has materialized even in those markets which have not benefited by a heavy seasonal increase in buying, and while buyers have shown little disposition to depart from the prevalent hand-to-mouth habit of ordering, there is every reason to believe that they are beginning to have some faith in current quotations. The improvement so far registered represents, in the main, merely a halt to deflation which it is hoped will prove the beginning of permanent stabilization. However, although the trade as a whole remains in an unprofitable position, with every possibility of continuing in that condition for some time to come, the trade appears to be "knuckling down" to the task of stabilizing a weakened market, at whatever cost, as a necessary preliminary of the genuine revival which must ultimately come, provided the whole world is not headed for the chaos envisaged by croaking pessimists. Cotton goods, displaying further strengthening of values, are benefiting especially from the prospects of concerted regulation of production, notably of print cloths, and the revelation of a decided improvement in the statistical position. Silk producers, responding to accumulated dissatisfaction with conditions in their line, and a growing belief that strong efforts can do much toward relieving them, are co-operating in that respect and much hope is expressed of early constructive results. A growing tendency to limit production is already said to be finding reflection, and some

observers think it probable that producers, with their backs against a strong strong statistical position, may be able to fight effectively for profitable prices in coming months. Rayon prices, which, in the course of the depression, have suffered recurrent drastic unsettlement just as have other textiles, are estimated to be well enough entrenched to resist further demoralization unless general conditions become worse. One of the greatest weaknesses in the rayon industry at present, continually decried but infinitely difficult to eradicate, is the persistent offering of substandard merchandise of that description, which confuses the public and impairs its confidence in rayons.

DOMESTIC COTTON GOODS.—Cotton goods sentiment has responded to news that more than 90% of print cloths producers are committed to curtailment, in varying degrees, according to the number of hours weekly they operate, but which, in the aggregate is estimated to represent about enough curtailment to bring production within a reasonably safe distance of demand, and to the optimistic expectations of the influence of the new Federal Reserve bill on unsatisfactory credit conditions in particular, and sentiment at large. Thus cotton goods have manifested a firm undertone, with occasional further price advances on top of those recently registered. Business has been characterized by none of that extravagant activity which has sometimes followed other constructive developments, being of an orderly, steady, and encouragingly broad scope which in total reached good proportions. Print cloths, carded broadcloths, drills and sheetings have all been substantial participants, and noticeably better activity in fine goods also materialized. The statistical report of the Association of Cotton Textile Merchants for January revealed that sales for the month were more than 45% ahead of production, with a sharp reduction in stocks on hand (12.5%), and an even more substantial increase in unfilled orders (21.5%), which, in the Association's words, "confirm optimistic predictions of the best start in many years." While this indication of underlying strength in the market, coupled with the curtailment plans which will act to preserve that conditions, is not the basis of any extravagant anticipation of general sustained active buying of goods from now on, great encouragement is nevertheless derived from the feeling now manifest that the groundwork has been laid for further noteworthy improvement in the price structure in the near future. Thus far buyers have given indication of no emphatic confidence of the ability of the market consistently to resist the temptation to offer concessions during periods of quiet, and it is naturally up to sellers to change their minds about that by maintaining values over a period of time and thus giving sceptical buyers an opportunity of becoming convinced that a fundamental change for the better has taken place. Many observers voice confidence that this will be effectively achieved, and see good reasons for hoping that the time is not far distant now when cotton goods will be sufficiently reinforced to make a counter attack on buyers' present idea of prices. While improvement in those cotton goods which are consumed in industrial uses remains lacking, it is thought that the date of real betterment has been brought nearer by the new Federal Reserve bill, with the stimulus to credit it portends, and the help that will thus be afforded to industrial units which have been forced to be sparing of purchases because of their small supply of credit. Print cloths 27-inch 64x60's constructions are quoted at 2½c., and 28-inch 64x60's at 3c. Gray goods 39-inch 68x72's constructions are quoted at 4½c., and 39-inch 80x80's at 5¼c.

WOOLEN GOODS.—Preparations for Easter, now but six weeks in the offing, are reflected in the substantial movement of women's wear fabrics now moving out of woolens and worsteds markets. Prices are very steady, and some orders for coatings, for immediate delivery, have necessitated the acquiescence of buyers in slightly higher prices. Coatings comprise the main part of the current movement, with dress goods somewhat less active than might have been expected at this time. Men's wear suitings, similarly, are selling in an irregular manner, with total activity somewhat less than was in evidence last year at this time. A few mills have booked substantial business in men's wear goods, but not at satisfactory prices, it is reported, and there is a growing belief that activity in the latter will not develop volume until after Easter. Topcoatings are being bought in fairly good volume. While prices on men's wear goods are still subject to concessions in a number of quarters, which makes current prices uncertain, stocks are scarce, and a distinct shortage, especially in light colored goods, is widely expected.

FOREIGN DRY GOODS.—An encouraging development in local linen markets is the slight but material improvement in the demand for damask tablecloths in the household linens department, which have long suffered from a decline in formal family life, and home-entertaining, which is now considered to be again on the ascendant. Another factor contributing to the improvement cited is the fact that prices are now below pre-war levels. Dress goods continue to be called for, and buyers find difficulty in some instances in getting needed fabrics which are very frequently wanted for immediate delivery. Burlaps, reflecting firmness at Calcutta, have advanced on speculative operations based upon developments in the Far East. The local market, however, continued quiet, with business confined to small fill-in lots. Light weights are quoted at 3.40c., and heavies at 4.55c.

State and City Department

NEWS ITEMS

Connecticut.—Changes in List of Legal Investments for Savings Banks.—Under date of Feb. 15 the State Bank Commissioner announced the following changes in the list of securities considered legal investments for savings banks in the State:

Additions.
New York Central Electric Corp., first 5½s, 1950.
New York Edison Co., first & refunding, series C, 5s, 1951.

Deductions.
Central of Georgia Ry., all issues including Equipment Trusts.
Great Northern System, all issues including Equipment Trusts.
Virginian Railway Co., all issues including Equipment Trusts.
Waco, Texas.
Wichita Falls, Texas.

Florida.—Municipal Bondholders' Protective Committee Calls for Deposit of Bonds.—The following notice, issued on Feb. 17, announces the commencement of formal action to arrive at a settlement of the bond default situations in this State which are not now covered by individual committees, by means of a call for the deposit of bonds of 18 cities and towns:

The Florida Municipal Bondholders' Protective Committee, organized under the sponsorship of the Municipal Securities Association, Jacksonville, Fla., is issuing its first call for deposit of bonds in connection with plans which have been worked out for 18 Florida municipalities. The Committee has instructed the depositories to accept deposits of bonds of the following cities and towns:
City of Panama City including towns of St. Andrews and Millville, City of Clearwater, Town of Frostproof, City of Palmetto, and City of Punta Gorda—the Atlantic National Bank of Jacksonville, depository; City of Sarasota including town of Sarasota Heights, City of Clermont, City of Cocoa, City of Melbourne, City of Tarpon Springs—the Barnett National Bank, Jacksonville, depository; City of Fort Pierce, Town of Groveland, Town of Gulfport, City of Manatee, City of Titusville—the Florida National Bank of Jacksonville, depository.

The call is made under the deposit agreement dated Jan. 2, and supplemental agreements made in respect of the various individual municipalities whose bonds are in default. A careful study indicated that a single bondholders' protective committee was more practical and less expensive than separate committees for each defaulted issue would be. Broad general as well as specific powers are conferred on the committee. Holders are asked to communicate with Harry A. Dunn, Secretary of the committee, at 115 Broadway, New York, or at Second National Bank Building, Toledo, Ohio. Members of the committee are: R. E. Crummer, C. T. Diehl, John S. Harris, A. S. Huyek, and E. J. Van Ingen. The committee has the active advice and assistance of a National advisory committee consisting of R. E. Olds, banker and automobile manufacturer, Detroit; Harry C. Davis, Treasurer, the W. P. Chrysler Bldg. Corp., New York; W. A. Fraser, President, Woodmen of the World, Omaha; Luman W. Goodenough, of Goodenough, Voorhies, Long & Ryan, Detroit; the Hon. Henry J. Allen, former United States Senator, Wichita, Kansas; J. J. Shambaugh, President Royal Union Life Insurance Co., Des Moines; and E. J. Marshall, of Marshall, Melhorn, Marlar & Martin, Toledo. Counsel are Thomson, Wood & Hoffman, New York.

None of the 18 municipalities listed above has been represented by separate bondholders' committees, which fact is expected to greatly facilitate and expedite the work of the State-wide committee in arriving at prompt and economical solutions of the respective default problems. The importance of immediate deposit of bonds to avert serious losses is emphasized by the committee.

Illinois.—Special Session Adjourns Without Passing Cook County Tax Relief Bills.—A special dispatch from Chicago to the New York "Times" of Feb. 18 reports that the special session of the Legislature voted to adjourn on Feb. 17, thus postponing action until April 19, after the Spring primaries, on five bills calling for the funding of Cook County's unpaid taxes. It is stated that just before the Legislature adjourned Mayor Cermak of Chicago threatened to close the City Hall, the schools and other essential departments unless immediate legislative relief was provided for the city's financial difficulties. According to report the county's delinquent taxes will amount to \$690,000,000 on May 1, of which sum a large portion has been spent in advance, while \$45,000,000 in salaries and wages remains unpaid to public employees of Chicago.

Insurance Companies Authorized to Invest in Tax-Anticipation Warrants.—Governor Emmerson is said to have recently signed three bills (House, Nos. 66, 67 and 68) of the first special session of the Legislature, authorizing insurance companies to invest in tax-anticipation warrants (see V. 133, p. 3121).

Michigan.—Special Legislative Session to Be Called to Act on Covert Road Debt Relief.—It was announced on Feb. 15 by Governor Wilber M. Brucker that he will convene the Legislature in special session shortly in order to deal with the relieving of counties from the heavy taxes levied upon them through their covert road bonds debts—V. 134, p. 884. We quote in part as follows from a Lansing dispatch to the Detroit "Free-Press" of Feb. 16:

Gov. Wilber M. Brucker will convene the Michigan Legislature in extraordinary session to seek means of relieving tax-oppressed Counties of their Covert road debts.

His decision, reached late Monday after exhaustive discussion of highway and general taxation problems, was revealed to the second State-wide Covert Debt Conference attended by nearly 150 persons. Governor Brucker did not fix the date of the special session, nor did he indicate whether other matters will be included in its call. Pressing problems seeking legislative relief will be canvassed during the next few days, he indicated, and the formal call will be forthcoming within two weeks.

Gas Tax Out.

The executive declared he is not convinced of the necessity of raising any additional taxes in solving the Covert debt problems, thus ruling out of consideration the proposed increase of one cent in the gasoline tax.

The conference had expressed in no uncertain terms its opposition to this additional levy and the determination that any readjustments made should be both equitable as between counties and must relieve general property of highway burdens.

"I recognize there is a necessity for some relief, and, while probably the problem is most pressing in Macomb, Oakland, Berrien and Monroe Counties, it must be settled also with due consideration for the sparsely settled districts of the State, so that they need not be deprived of proper highway facilities," the Governor said.

Favors Diversion Plan.
The conference developed a marked preference for the relief plan which calls for returning to the counties the entire weight tax collected from motorists, either with special consideration given to the demands of the McNitt bill providing State aid for townships or without such consideration. The conferees brushed aside with a barrage of objections the sub-committees first recommendation of loans up to \$2,000,000 a year from the Highway Fund to the distressed counties. North Michigan spokesmen saw in this proposal the fading of their hopes for new highway construction this year and they insisted such expansion is vital to their growing resort business.

It was brought out that the relief plan most favored, that of returning to the counties the entire weight tax, in its application would cut from \$16,500,000 to \$8,500,000 the revenue available for new construction on State account, other commitments of the State's \$42,000,000 of highway revenue being fixed. Additional allowance of \$2,000,000 of township highway aid might reduce this amount to \$6,500,000.

Ayres Points to Danger.

Clarence L. Ayres, of Detroit, Chairman of Governor Brucker's Commission of Inquiry Into Local Taxation, brought out however, that the aggregate of highway expenditures by all units of Government was \$75,000,000 in 1930, and this did not include city paving.

"Unless the State can devise a plan for relieving real estate, ultimately it is going to own every farm and cottage," he declared. "We are paying too much taxes now and can't even consider an additional levy."

"I am unalterably opposed to the grab bag system by which counties come to Lansing to get allotments for new roads. We should also set an example by not going to the Federal Government for highway appropriations which must be matched by Michigan dollars."

New York City.—Final Assessed Valuation Put at \$19,977,096,315—Increase of \$814,580,301 Over 1931.—According to final figures made public on Feb. 15 by James J. Sexton, President of the Department of Taxes and Assessments, the taxable realty and personal property is assessed at \$19,977,096,315 for 1932, an increase of \$814,580,301 over last year's figures. This record figure was arrived at despite the unprecedented total of 77,654 applications for reductions on which hearings were held during the past ten weeks, of which it is estimated that 70% were granted relief. The taxable realty was assessed at \$19,616,935,429, while the personal property assessment amounted to \$360,160,886. The total figure was exclusive of \$5,000,000,000 in tax-exempt real estate. It is stated that the increase in valuations was obtained from new buildings erected in 1931 and from the expiration of tax exemptions on property now subject to taxation. Mr. Sexton estimated the assessed valuations of new buildings at about \$450,000,000 and the valuations of the formerly exempt property at \$700,000,000. The tentative total for this year was placed at \$19,296,985,571 last October (V. 133, p. 2461), and the figure as finally approved for last year was \$19,162,516,014. The total real and personal property assessment valuation will be one of the three factors in determining the 1932 basic tax rate next month. The other factors are the city budget of over \$631,000,000 (V. 133, p. 3122) and the amount the city receives from the State as its share of tax moneys. The following official table shows in detail the increases in the valuations for 1932 through comparison with the 1931 figures:

	REAL ESTATE.		
	1931.	1932.	Net Increase.
Manhattan—			
Real estate	\$9,485,832,565	\$9,597,305,165	\$111,472,600
Real estate of corporation	234,792,450	233,558,950	Dec. 1,233,500
Franchises	310,566,772	323,712,538	13,145,766
Total	\$10,031,191,787	\$10,154,576,653	\$123,384,866
The Bronx—			
Real estate	\$1,911,674,692	\$2,027,866,946	\$116,192,254
Real estate of corporation	58,330,700	59,540,950	710,250
Franchises	79,072,355	88,306,833	9,234,478
Total	\$2,049,577,747	\$2,175,714,729	\$126,136,982
Brooklyn—			
Real estate	\$4,078,304,515	\$4,317,139,291	\$238,834,776
Real estate of corporation	61,184,550	60,978,800	Dec. 205,750
Franchises	154,846,236	171,213,407	16,367,171
Total	\$4,294,335,301	\$4,549,331,498	\$254,996,197
Queens—			
Real estate	\$1,994,144,560	\$2,261,269,920	\$267,125,360
Real estate of corporation	56,564,950	58,446,550	1,881,600
Franchises	73,108,668	79,170,120	6,061,452
Total	\$2,123,818,178	\$2,398,886,590	\$275,068,412
Richmond—			
Real estate	\$291,556,035	\$321,152,095	\$29,596,060
Real estate of corporation	6,933,900	6,977,900	44,000
Franchises	8,753,976	10,295,964	1,541,988
Total	\$307,243,911	\$338,425,959	\$31,182,048

	RECAPITULATION OF REAL ESTATE.		
	1931.	1932.	Net Increase.
Real estate	\$17,761,512,367	\$18,524,733,417	\$763,221,050
Real estate of corporation	418,308,550	419,503,150	1,194,600
Franchises	626,348,007	672,698,862	46,350,855
Total	\$18,806,166,924	\$19,616,935,429	\$810,768,505

	RECAPITULATION OF PERSONAL ESTATE.		
	1931.	1932.	Net Increase.
Manhattan	\$234,390,200	\$216,655,350	Dec. 17,734,850
The Bronx	24,607,850	31,225,900	6,618,050
Brooklyn	80,100,200	93,004,150	12,903,950
Queens	15,179,990	17,425,836	2,245,846
Richmond	2,070,850	1,849,650	Dec. 221,200
Total	\$356,349,090	\$360,160,886	\$3,811,796

	RECAPITULATION OF REAL ESTATE AND PERSONAL ESTATE.		
	1931.	1932.	Net Increase.
Manhattan	\$10,265,581,987	\$10,371,232,003	\$105,650,016
The Bronx	2,074,185,597	2,206,940,629	132,755,032
Brooklyn	4,374,435,501	4,642,335,648	267,900,147
Queens	2,138,998,168	2,416,312,426	277,314,258
Richmond	309,314,761	340,275,609	30,960,848
Total	\$19,162,516,014	\$19,977,096,315	\$814,580,301

When the tentative assessed valuations were made public last October as noted above, the total increase over 1931 was estimated at \$1,117,165,654, which figure included an estimated total of \$625,000,000 in special franchise and personal property assessments to be added to the taxable real estate, whereas the final figures of Feb. 15 set the total increase at \$814,580,301. The factors involved in this reduction were exemptions amounting to \$45,578,540; reductions by the tax department of \$305,307,995; parsonage exemptions of \$1,655,400; exemptions of elgymen's salaries of \$490,700,

and pension exemptions of \$1,046,735. The total exemptions and reductions reached \$354,079,370. The city also benefited by an increase of \$46,350,855 in assessed valuations on special franchises and increases by the tax department of \$1,331,366, giving a combined increase of \$47,682,221. By subtracting the net decrease from the tentative increase of last October the final increase of \$814,580,301 is obtained.

New Jersey.—Governor Moore Recommends 1932 Budget of \$27,189,702.—\$9,375,462 Cut from Requested Figure.—In his budget message presented to the Legislature on Feb. 15, Governor A. Harry Moore recommended expenditures of \$27,189,702.94 to finance the State Government during the fiscal year beginning July 1, according to press reports from Trenton on that date. In accordance with the program of retrenchment and drastic economy—he advocated in his inaugural address (V. 134, p. 703), Governor Moore cut \$9,375,462 from the departmental requests and succeeded in dropping this budget, the first in the history of the State to be presented by a newly inaugurated Governor, to a figure about \$6,483,000 less than the total sum appropriated for the current fiscal year. The Governor pointed out in his message that if his recommendations were followed, an impending deficit of \$731,282 would be overcome without having recourse to new sources of revenue.

New York State.—Bills Introduced in Legislature to Broaden Municipal Financing Restrictions.—Several bills have recently been introduced in the Legislature, following the proposed legislation for the creation of a public credit corporation—V. 134, p. 1226, providing for the liberalization of the statutes now in force which govern the bond and bond anticipation financing of cities, counties and special districts in the State. One of the more important of these bills, introduced by Senator Westall of Westchester County, provides for the amendment of Section 9 of the General Municipal Law governing the sale of municipal and school district bonds, so as to provide authority for private sales, within a period of 30 days after a duly advertised public sale legally conducted had been unsuccessful. A proposed amendment of the general city law, which is Chapter 21 of the Consolidated Laws, as amended in 1930, would give to cities a similar authority.

Text of Railroad Bond Investment Bill.—The following is the text of the bill that was passed by the Legislature on Jan. 20 and approved by Governor Roosevelt on Jan. 26—V. 134, p. 881—as Chapter 5 of the Laws of 1932, providing a moratorium of a year on the removal of railroad bonds from the list of legal investments:

An Act to amend the banking law, in relation to investments by savings banks in bonds and obligations of railroad corporations.

The People of the State of New York, represented in Senate and Assembly do enact as follows:

Section 1. Section 239 of chapter 369 of the laws of 1914, entitled "An Act in relation to banking corporations, and individuals, partnerships, unincorporated associations and corporations under the supervision of the banking department, constituting chapter two of the consolidated laws," is hereby amended by inserting therein a new subdivision, to be subdivision 7-a, to read as follows:

7-a. Wherever in subdivision seven of this section a number of fiscal years is mentioned, fiscal years beginning or ending in the year 1931 shall be excluded from the count if the inclusion of such year or years would render the security of any railroad ineligible for investment, and all railroad securities which were eligible for investment by savings banks on Jan. 1 1931, or have become eligible for such investment since that date or shall hereafter, prior to April 1 1933 become eligible for such investment, shall continue to be eligible for such investment until April 1 1933; provided, however, that the securities of a railroad company which has defaulted during the year 1931 or which shall have defaulted prior to April 1 1933, in the payment of matured principal or interest on any of its mortgage or funded indebtedness shall not be eligible for such investment.

Section 2. This Act shall take effect immediately.

New York State.—Appeals Court Ruling on State Redistricting to Be Taken to U. S. Supreme Court.—Albany dispatches on Feb. 15 reported that the Republican legislative leaders had decided to appeal to the U. S. Supreme Court the decision handed down on Feb. 9 by the State Court of Appeals to the effect that the measure adopted by legislative resolution in 1931, reapportioning the State's representation in Congress, is invalid (V. 134, p. 1227). In voiding the measure, which had been forced through the State Legislature as a concurrent resolution, the Court of Appeals held that any change in reapportionment, to be valid, must bear the signature of the Governor.

South Carolina.—State Control of Local Government Financing Proposed.—Bills have been introduced in the Legislature recently, proposing that the State emulate North Carolina in the taking over of control of all local government financing. By the terms of these proposed measures all bond issues of counties, municipalities and special districts in the State would be submitted to the State Sinking Fund Commission for approval. During the past few years several States have enacted legislation similar to these proposed bills.

\$5,500,000 Highway Note Bill Signed by Governor.—A bill has recently been passed by the Legislature and signed by Governor Blackwood authorizing the State Highway Department to issue \$5,500,000 in short-term notes. It is stated that the notes are to bear 6% interest and will mature in 1 year. These notes, it is said, will be used to place the State in funds for the payment of contractual obligations on road projects.

Westchester County, N. Y.—New Tax Schedule Raises Value of Realty to \$2,193,950,318.—The following article on the Westchester tax equalization table, determining what share of the 1932 county taxes is to be paid by each of the

18 towns and four cities of the county, is taken from the New York "Herald Tribune" of Feb. 16:

The Westchester County Board of Supervisors received the new tax equalization table from committee this afternoon and will conduct a hearing on it Thursday. The new table indicates that the true value of real estate in the county is now \$2,193,950,318, although the assessed valuation is \$1,809,494,810.

Approximately \$6,000,000 in taxes would be collected by the county this year under the new table. The higher the percentage allotted to a community, the smaller is the percentage of the county tax which it pays. Bitter protests against the table are expected to be made at the hearing. The first indication of dissatisfaction came from Supervisor William C. Duell, of the Town of Greenburgh, which received a new rating of 74%, 10% lower than last year.

There are no assessment figures in Greenburgh that justify such a rating," Mr. Duell said. "I think the equalization committee may have considerable difficulty in having the table adopted Thursday."

The table follows:

Community.	This Year.	Last Year.	Community.	This Year.	Last Year.
Bedford.....	85	87	North Castle.....	78	82
Cortlandt.....	71	67	North Salem.....	78	80
Eastchester.....	84	84	Ossining.....	83	85
Greenburgh.....	74	84	Felham.....	77	67
Harrison.....	85	86	Poundridge.....	85	85
Lewisboro.....	81	81	Rye.....	86	83
Mamaroneck.....	81	75	Somers.....	60	58
Mount Pleasant.....	80	79	White Plains.....	90	90
Mount Vernon.....	80	80	Yonkers.....	87	87
New Castle.....	84	87	Yorktown.....	80	80
New Rochelle.....	82	82			

The ratings of Westchester's four cities, White Plains, Yonkers, Mount Vernon and New Rochelle, are the same as last year. Benjamin I. Taylor, Chairman of the Equalization Committee, said the State Tax Commission had asked that cities be dealt with leniently because the property values in cities had suffered more than in other communities.

BOND PROPOSALS AND NEGOTIATIONS.

ABERDEEN SCHOOL DISTRICT (P. O. Aberdeen), Grays Harbor County, Wash.—BOND OFFERING.—Sealed bids will be received until March 11 by E. B. Crary, Secretary of the Board of Education, for the purchase of an issue of \$137,000 school funding bonds. Interest rate is not to exceed 6%, payable semi-annually. Dated March 26 1932. These bonds were voted at an election held on Feb. 6 by a count of 2,598 to 704.

ADAMS COUNTY (P. O. Decatur), Ind.—BOND SALE.—The issue of \$4,866.35 6% coupon ditch construction bonds offered on Feb. 15—V. 134, p. 881—was awarded at a price of par to a local investor, the only bidder. Dated Dec. 12 1931.

ARIZONA, State of (P. O. Phoenix)—OFFERING DETAILS.—In connection with the offering scheduled for Feb. 27 of the \$1,500,000 not to exceed 5% tax anticipation notes—V. 134, p. 1227—we are informed as follows by Mlt Simms, State Treasurer:

Re: State of Arizona Tax Anticipation Bonds.

Gentlemen:
The State of Arizona will, on or about Feb. 20, offer for sale about \$1,500,000 Tax Anticipation Bonds, bids to be opened about Feb. 27 1932, bonds to be dated about March 7 1932, and due about July 7 1932. It is not our intention to call for any specific interest rate but the same will not exceed 5% and we will call for bids on an open interest rate.

These bonds are secured by the second installment of 1931 taxes, which has been levied previous to this call for bids. The taxes securing this issue will be due the first Monday in March and delinquent the first Monday in May. The Arizona Statute authorizing the issuance of such securities has been passed upon by some of the leading bond attorneys in the country, and in addition to this it is important to note that the State of Arizona has never defaulted in the payment of interest or principal on any of its obligations.

Also please note that Arizona paid \$1,000,000 of the last issue of Tax Anticipation Bonds due January 6 1932, on Nov. 11 1931 and paid \$420,000 of same issue on Nov. 19 1931, leaving only \$780,000 of a \$2,200,000 issue to be paid on due date which balance was paid on January 6 1932. The tax levy for the fiscal year amounts to \$6,409,928 and there has been collected to date on same \$3,263,641.61 leaving a balance of \$3,146,286.39, which collection will be ample to retire these bonds to be sold as we are only selling about 48% of the balance of the tax levy for the fiscal period and the delinquency should not be over 30% of the balance.

The State's bonded indebtedness as of Jan. 11 1932 amounts to \$268,000. The County bonded indebtedness as of Jan. 11 1932 refunded by the State, which is a direct charge against counties, amounts to \$1,202,551.72. Total bonded indebtedness, \$1,470,551.72. Amount in redemption fund to apply on above, \$16,350. Assessed valuation for fiscal year, \$674,729,235.

ASH TOWNSHIP SCHOOL DISTRICT NO. 17 (P. O. Carleton) Monroe County, Mich.—BOND OFFERING.—C. J. Williams, Secretary of the Board of Education, will receive sealed bids until 12 m. on Feb. 23, for the purchase of \$45,000 5½% school bonds, to mature \$1,500 annually on Feb. 15 from 1933 to 1962, incl. Interest is payable in February and August. A certified check for \$1,000 must accompany each proposal. (These bonds were voted at an election on Jan. 25, the report of which appeared under the caption, Carleton School District, Mich. in V. 134, p. 882.)

ATLANTIC CITY, Atlantic County, N. J.—BOND OFFERING.—The Director of the Department of Revenue and Finance will receive sealed bids until until 12 M. on Feb. 25 for the purchase of \$1,200,000 tax revenue bonds of 1930 and \$750,000 revenue bonds of 1931. Dated March 14 1932 and due on Aug. 8 1932. Rate of int., to be named by bidder, is not to exceed 6%.

ATLANTIC COUNTY (P. O. Atlantic City), N. J.—BOND OFFERING.—E. L. Johnson, County Treasurer, will receive sealed bids until 11 a.m. on Feb. 23, for the purchase of \$1,650,000 not to exceed 6% interest coupon or registered tax revenue bonds. Dated March 1 1932. Denom. \$5,000, or \$1,000 at option of purchaser. Due Sept. 1 as follows: \$500,000 in 1932 and 1934, and \$650,000 in 1935. Rate of interest, to be expressed in a multiple of one one-hundredth, of 1% and must be the same for all of the bonds. Principal and interest (March and September) are payable at the office of the County Treasurer. These bonds are being issued against delinquent taxes for the year 1931. A certified check for 2% of the amount of bonds bid for, payable to the order of the above-mentioned official, must accompany each proposal. The approving opinion of Clay, Dillon & Vandewater, of New York, will be furnished the successful bidder.

The report of the Board of Chosen Freeholders as of Dec. 31 1931 contains the following statistics:

	Liabilities.		Assets.
Bonded indebtedness.....			\$4,668,000.00
Tax revenue notes.....			429,000.00
Tax anticipation notes.....			725,000.00
Emergency notes.....			63,775.55
State taxes unpaid.....			1,610,980.61
			\$7,496,756.16
Cash.....			\$123,311.17
Sinking fund assets.....			311,062.76
Unpaid taxes.....			2,868,315.29
			\$3,302,689.22
Deductions.....			
Net debt.....			\$4,194,066.94

BABYLON, Suffolk County, N. Y.—BOND ELECTION.—An election has been called for March 15 at which time a vote will be taken on a proposal to issue \$50,000 in bonds for street improvement purposes.

BALDWIN TOWNSHIP (P. O. Mount Oliver Station, Pittsburgh) Allegheny County, Pa.—BONDS NOT SOLD.—The issue of \$100,000 township bonds offered to bear interest at either 4½ or 5% on Feb. 3—V. 134, p. 558—was not sold, as no bids were received. Dated Feb. 1 1932. Due Feb. 1 as follows: \$25,000 in 1942 and 1947, and \$50,000 in 1952.

BARNEGAT CITY, Ocean County, N. J.—BONDS NOT SOLD.—The issue of \$27,400 6% coupon or registered water bonds offered on Feb. 15—V. 134, p. 704—was not sold, as no bids were received. Dated Oct. 1 1931. Due on Oct. 1 from 1943 to 1969 incl.

BASTROP COUNTY ROAD DISTRICT NO. 25 (P. O. Bastrop), Tex.—PRICE PAID.—The \$5,000 issue of 5% semi-ann. road bonds that was purchased by the various county funds—V. 134, p. 538—was awarded at par. Due \$500 from Nov. 10 1932 to 1941 incl.

BAY CITY, Bay County, Mich.—BOND SALE.—The \$90,000 6% special assessment bonds offered on Feb. 15—V. 134, p. 1228—were awarded at a price of par to the Peoples Commercial & Savings Bank of Bay City. Dated Feb. 1 1932 and due on Feb. 1 1937. Stranahan, Harris & Co. of Toledo, submitted a 15-day option bid at a price of 100.07.

BAY CITY, Matagorda County, Tex.—PRICE PAID.—The \$156,000 issue of 5 1/4% semi-ann. funding bonds that was jointly purchased by the B. F. Dittmar Co. of San Antonio, and H. E. Burt & Co. of Houston—V. 134, p. 161—was awarded at a price of 95.50, a basis of about 6.11%. Due from 1932 to 1950.

BAYONNE, Hudson County, N. J.—BOND OFFERING.—The Director of Revenue and Finance will receive sealed bids until March 15 for the purchase of \$1,027,000 4 1/4, 4 3/4 or 5% coupon or registered bonds, divided as follows:
\$617,000 general impt. bonds. Due April 1 as follows: \$20,000 from 1934 to 1958 incl., \$30,000 from 1959 to 1961 incl. and \$27,000 in 1962.
319,000 library construction bonds. Due April 1 as follows: \$10,000 from 1934 to 1956 incl., \$15,000 from 1957 to 1961 incl. and \$14,000 in 1962.
91,000 school bonds. Due April 1 as follows: \$3,000 from 1934 to 1958 incl. and \$4,000 from 1959 to 1962 incl.
Each issue is dated April 1 1932. Denom. \$1,000. Interest is payable in April and October. Legality to be approved by Hawkins, Delafield & Longfellow of New York.

BEACON, Dutchess County, N. Y.—CERTIFICATE SALE.—Paying certificates of indebtedness to the amount of \$108,000 were sold Feb. 15 as 5s at a price of par as follows:
\$50,000 to the Matteawan Savings Bank of Beacon.
40,000 to the Mechanics Savings Bank of Beacon.
18,000 to the Poughkeepsie Savings Bank of Poughkeepsie.
The certificates are dated Feb. 1 1932 and mature \$10,800 on Feb. 1 from 1933 to 1942 incl. Denom. \$1,000 and \$800. Prin. and int. (F. & A.) are payable at the Matteawan National Bank, Beacon, or at the Chase National Bank of New York. Legality approved by Clay, Dillon & Vandewater of New York.

BEAVERTON, Washington County, Ore.—BONDS NOT SOLD.—The \$10,000 issue of 6% coupon semi-annual refunding bonds offered on Jan. 25—V. 134, p. 705—was not sold as there were no bids received. Dated Jan. 2 1932. Due on Jan. 2 1942 and optional on Jan. 2 1933.

BEDFORD, Lawrence County, Ind.—MATURITY.—The issue of \$12,500 4 1/2% fire station construction bonds sold at a price of par recently to the Stone City Bank, of Bedford—V. 134, p. 1228—matures in 1948.

BENTON COUNTY (P. O. Camden), Tenn.—BONDS NOT SOLD.—The \$34,000 issue of not to exceed 6% semi-ann. refunding bonds offered on Feb. 5—V. 134, p. 705—was not sold, according to the Clerk of the County Court. Due \$2,000 from July 1 1933 to 1949, incl.

BENTON HARBOR, Berrien County, Mich.—ADDITIONAL INFORMATION.—The issue of \$54,000 special assessment bonds purchased recently by the sinking fund commissioners—V. 134, p. 1061—bears int. at the rate of 4 1/2% and was sold at a price of par. Dated Feb. 1 1932. Due \$6,000 annually from 1934 to 1942, incl.

BEXLEY (P. O. Columbus) Franklin County, Ohio.—ADDITIONAL INFORMATION.—The two issues of special assessment storm sewer construction and street improvement bonds, aggregating \$59,325 recently purchased by the BancOhio Securities Co. of Columbus—V. 134, p. 1228—were taken as 6s, at a price of par. The company also purchased as 6s, at a price of par, an additional issue of \$3,570 special assessment improvement bonds.

BOSTON, Suffolk County, Mass.—BOND SALE.—A group headed by the First National Old Colony Corp. of Boston has purchased an issue of \$2,000,000 4 3/4% traffic tunnel bonds at a price of par. Dated March 1 1932. Due March 1 1982; optional in 1952.

BOSTON, Suffolk County, Mass.—TEMPORARY LOAN.—The First National Bank and the National Shawmut Bank, both of Boston, jointly, purchased on Feb. 15 a \$2,000,000 temporary loan at 5.75% interest rate basis, payable at maturity. The loan is dated Feb. 16 1932 and matures on Oct. 1 1932.

BOUND BROOK, Somerset County, N. J.—BOND OFFERING.—Everest L. Belli, Borough Clerk, will receive sealed bids until 8 p. m. on March 1 for the purchase of \$75,000 not to exceed 6% interest coupon or registered general improvement bonds. Dated Feb. 1 1932. Denom. \$1,000. Due Feb. 1 as follows: \$5,000 from 1934 to 1936 incl. and \$6,000 from 1937 to 1946 incl. Rate of interest to be expressed in a multiple of 1/4 of 1%. Principal and interest (February and August) are payable at the First National Bank, Bound Brook, or at the Chase National Bank, New York. No more bonds are to be awarded than will produce a premium of \$1,000 over \$75,000. A certified check for 2% of the amount of bonds bid for, payable to the order of the borough, must accompany each proposal. The approving opinion of Caldwell & Raymond of New York will be furnished the successful bidder. (These bonds were previously offered on Dec. 29, at which time no bids were received. A 30-day option for their purchase granted B. J. Van Ingen & Co. of New York was not exercised—V. 134, p. 1228.)

BOX ELDER COUNTY (P. O. Brigham), Utah.—BOND REDEMPTION.—The County Board of Education is reported to have forwarded to the Harris Trust & Savings Bank of Chicago a check for \$200,000 to retire that amount of 4 1/2% bonds that was issued in 1912.

BRIDGEWATER, Plymouth County, Mass.—TEMPORARY LOAN.—The Second National Bank of Boston purchased on Feb. 18 a \$35,000 tax anticipation loan at 6% discount basis. Due on Nov. 10 1932. The Bridgewater Trust Co. bid on a 6.10% basis.

BRISTOL, Sullivan County, Tenn.—BOND DETAILS.—The two issues of improvement bonds aggregating \$14,000, that were purchased by the Bank of Bristol, at par—V. 133, p. 4188—were awarded as 5s, and mature as follows:
\$6,000 Edgemont Ave. bonds. Due \$1,000 from Dec. 1 1932 to 1937 incl.
\$8,000 Ninth Street bonds. Due \$1,000 from Dec. 1 1932 to 1939 incl.

BUFFALO, Erie County, N. Y.—BONDS RE-OFFERED.—The four issues of coupon or registered bonds aggregating \$4,790,000, offered at not to exceed 5% interest on Feb. 10 at which time no bids were received—V. 134, p. 1228—are being re-advertised for award at 11 a. m. on Feb. 24. In this instance the rate of interest for the \$3,000,000 home relief bonds, due Feb. 15 1935, has been advanced to a limit of 6%, while that for the \$1,790,000 serial bonds is limited to 5%, as fixed originally. Bidder to name the rate of interest expressed in a multiple of 1/4 or 1-10th of 1%, and a single rate of interest to be named for the short-term issue and the serial bonds. The city reserves the right to make award of the bonds on the basis of the issue of \$3,000,000 to one bidder and the \$1,790,000 serial bonds to another bidder. A certified check for 2% of the amount of bonds bid for, payable to the order of William A. Eckert, City Comptroller, who will receive the bids, must accompany each proposal. Further information regarding the bonds will be found in—V. 134, p. 1061.

Financial Statement (Jan. 31 1932).

Assessed Valuation—Real property	\$1,077,628,775.00
Special franchise	37,330,230.00
Personal	5,222,000.00
Total assessed valuation	\$1,120,181,005.00
Bonded debt—Water	\$17,727,020.28
Various	79,093,985.88
Total bonded debt	\$96,821,006.16
Sinking funds (not deducted above)—Water	\$5,813,879.50
Various	4,296,209.13
Total sinking funds	\$10,110,088.63

	Tax Levy and Collection.		
	1931-1932.	1930-1931.	1929-1930.
Levy	\$31,297,857.28	\$32,560,616.13	\$31,920,233.56
Collected	27,541,356.50*	32,190,347.28	31,715,626.51
Unpaid	\$3,756,500.78*	\$370,268.85	\$204,607.05
		1928-1929.	1927-1928.
Levy		\$27,875,714.56	\$29,699,967.15
Collected		27,658,046.02	29,615,970.18
Unpaid		\$217,668.64	\$83,996.97

* The fiscal year is from July 1 to June 30. Taxpayers may pay one-half of city taxes during month of July, without penalty; second half is payable during December, without penalty. Sale of unpaid taxes will take place about May 24 1932.

BRUNSWICK, Frederick County, Md.—BOND OFFERING.—William R. Thompson, City Treasurer, will receive sealed bids until 8 p. m. on March 1 for the purchase of \$60,000 4 1/2% coupon water bonds. Dated March 1 1932. Denom. \$1,000. Due March 1 1962. Int. is payable in March and September. Bonds are registerable as to prin. only. A certified check for 5% of the par value of the bonds bid for, payable to the order of the Mayor and Council, must accompany each proposal. (This issue was previously offered on Oct. 6, at which time no bids were received.—V. 133, p. 2957.)

BURLINGTON, Skagit County, Wash.—BONDS NOT SOLD.—The two issues of not to exceed 6% semi-ann. water bonds aggregating \$40,000 offered on Feb. 17—V. 134, p. 1061—were not sold, as there were no bids received.

BONDS RE-OFFERED.—Sealed bids will be received until April 6 by Charles Callahan, Town Clerk, for the purchase of the above two issues of \$25,000 revenue in April. Due as follows: \$500, 1934 to 1939; \$1,000, 1940 to 1943; \$1,500, 1944 to 1948; \$2,000, 1949 to 1952, and \$2,500 in 1953. 15,000 general obligation bonds. Due as follows: \$500, 1934 to 1943, and \$1,000, 1944 to 1953, all inclusive.

Int. rate is not to exceed 6%, payable J. & J. Denom. \$500. Dated Jan. 1 1932. Prin. and int. payable at the fiscal agency of the State in New York or at the office of the Town Treasurer. A certified check for 5% of the amount bid, payable to the Town Treasurer, is required.

CALHOUN COUNTY (P. O. Anniston), Ala.—BONDS NOT SOLD.—The \$76,000 issue of not to exceed 6% semi-ann. court house bonds offered on Feb. 15—V. 134, p. 1228—was not sold as all the bids received were rejected. It is stated that the bonds may be disposed of at private sale. Dated Feb. 1 1932. Due from Feb. 1 1935 to 1962 incl.

CAMPBELL CITY SCHOOL DISTRICT, Mahoning County, Ohio.—BOND OFFERING.—George E. Prokop, Clerk of the Board of Education, will receive sealed bids until 12 m. on March 7 for the purchase of \$43,000 6% refunding bonds. Dated March 15 1932. Denom. \$1,000. Due Oct. 1 as follows: \$3,000 in 1933 and 1934; \$4,000, 1935; \$3,000, 1936 and 1937; \$4,000, 1938; \$3,000 in 1939 and 1940; \$4,000, 1941; \$3,000 in 1942 and 1943; \$4,000 in 1944, and \$3,000 in 1945. Interest is payable semi-annually in April and October. Bids for the bonds to bear interest at a rate other than 6%, expressed in a multiple of 1/4 of 1%, will also be considered. A certified check for \$2,000, payable to the order of the above-mentioned individual as Treasurer of the Board of Education, must accompany each proposal.

CAPE MAY COUNTY (P. O. Cape May, C. H.), N. J.—BOND SALE.—The issue of \$50,000 series No. 2 coupon or registered Seashore road bonds offered on Feb. 17—V. 134, p. 1061—was awarded as 6s, at a price of par, to the First National Bank of Cape May, the only bidder. Dated Jan. 1 1932. Due \$5,000 on Jan. 1 from 1934 to 1943 incl.

CARBON COUNTY (P. O. Price), Utah.—BOND REDEMPTION.—It is reported that the County Commissioners have authorized recently the retirement of \$153,000 in road bonds.

CARROLL, Carroll County, Iowa.—BOND SALE.—The \$4,400 issue of 5% registered sewer improvement bonds offered for sale on Feb. 8 (V. 134, p. 1061) was purchased at par by the Carroll County State Bank of Carroll. Denom. \$500. Dated Jan. 2 1932. Due on Nov. 1 1940. Interest payable M. & N.

CASPER, Natrona County, Wyo.—BONDS AND WARRANTS CALLED.—It is reported that the City Treasurer called for payment on Feb. 1, various paving district bonds and sidewalk and sanitary district warrants.

CATTARAUGUS COUNTY (P. O. Salamanca), N. Y.—BOND SALE.—The \$150,000 coupon or registered refunding highway bonds offered on Feb. 17—V. 134, p. 1228—were awarded as 5.30s to Prudden & Co. of New York at par plus a premium of \$100, equal to a price of 100.066, a basis of about 5.29%. Dated Feb. 15 1932. Due on Feb. 15 as follows: \$5,000 from 1933 to 1942 incl. and \$50,000 in 1943 and 1944.

Bids received at the sale were as follows:

Bidder	Int. Rate.	Rate Bid.
Prudden & Co. (successful bidders)	5.30%	100.06
Batchelder & Co.	5.40%	100.32
Halsey, Stuart & Co.	5.75%	100.45
First National Bank (Salamanca)	5.75%	100.629

CEDAR GROVE TOWNSHIP (P. O. Cedar Grove), Essex County, N. J.—BONDS NOT SOLD.—The three issues of 6% coupon or registered bonds, aggregating \$86,000 offered on Feb. 15—V. 134, p. 1061—were not sold, as no bids were received.

CENTRAL OREGON IRRIGATION DISTRICT (P. O. Redmond), Deschutes County, Ore.—BONDS NOT SOLD.—The \$135,000 issue of 6% semi-annual irrigation bonds offered on Feb. 9 (V. 134, p. 638) was not sold, according to the Secretary of the Board of Directors. Dated Jan. 1 1932. Due from Jan. 1 1937 to 1947.

It is now reported that these bonds have since been exchanged for warrants outstanding.

CENTRALIA POOR DISTRICT (Conyngham Township), P. O. Centralia, Pa.—BOND SALE.—W. A. Reilly, District Secretary, reports that the First National Bank of Centralia recently purchased an issue of \$44,500 funding bonds. The Department of Internal Affairs at Harrisburg has approved of the issue.

CHICAGO WEST PARK DISTRICT, Cook County, Ill.—BONDS AUTHORIZED.—R. J. Daly, Secretary of the Board of Park Commissioners, reports that the bill adopted by the State Legislature on Feb. 3, authorizing the Park Commissioners to issue \$4,000,000 bonds without the approval of the electorate, does not become effective until July 1 1932.

CLARKE COUNTY (P. O. Vancouver), Wash.—BOND SALE.—The \$82,500 issue of funding bonds offered for sale on Feb. 13—V. 134, p. 882—was purchased by the State of Washington, as 5 1/4s, at par. There was no other bid.

CLEVELAND HEIGHTS, Cuyahoga County, Ohio.—BOND SALE.—Charles C. Frazine, Director of Finance, reports that an issue of \$6,300 6% street improvement bonds has been purchased at a price of par for investment by the sinking fund commission. Due Oct. 1 as follows: \$300 in 1933; \$1,000 in 1934 and 1936; \$1,000 from 1938 to 1940, incl., and \$1,000 in 1942.

COATESVILLE, Chester County, Pa.—BOND SALE.—W. E. Greenwood, City Solicitor, reports that \$265,000 sewage disposal plant construction bonds were sold recently as 4 1/2s, at a price of par, as follows: \$200,000 to the State Employees' Retirement Board, \$40,000 to the city sinking fund, and \$25,000 to the Local Trust Fund. These bonds are part of an issue of \$375,000 offered as 4s on Sept. 23, at which time no bids were received. Subsequently, a block of \$110,000 was purchased as 4 1/2s, at a price of par, by Singer, Deane & Scribner of Pittsburgh—V. 133, p. 4188.

DALLAM COUNTY (P. O. Dalhart), Tex.—BONDS VOTED.—At the election held on Feb. 11—V. 134, p. 882—the voters are reported to have approved the issuance of \$360,000 in highway bonds.

DALLAS COUNTY (P. O. Dallas), Tex.—WARRANT OFFERING.—It is reported that sealed bids will be received until March 7, by the County Judge, for the purchase of an issue of \$100,000 jail warrants. These warrants were offered for sale without success on Feb. 1—V. 134, p. 1062.

DAYTON, Montgomery County, Ohio.—BOND OFFERING.—E. E. Hagerman, Secretary of the Board of Sinking Fund Trustees, will receive sealed bids until 12 m. on Feb. 24 for the purchase of \$95,000 bonds, divided as follows:
 \$46,000 4 3/4% series H sewage disposal plant bonds (issued outside of tax limitations). Original issue was \$50,000. Dated May 15 1929. Due \$2,000 on Sept. 1 from 1932 to 1934 incl.
 19,000 5% public lands and building bonds (issued inside of tax limitations). Original issue was \$31,500. Dated Dec. 15 1926. Due Sept. 1 as follows: \$3,000 from 1932 to 1936 incl. and \$4,000 in 1937.
 17,000 4 3/4% fire alarm system bonds (issued inside of tax limitations). Original issue was \$25,000. Dated Aug. 1 1926. Due Sept. 1 as follows: \$2,000 from 1932 to 1938 incl. and \$3,000 in 1939.
 13,000 5% motor vehicle bonds (issued inside of tax limitations). Original issue was \$16,000. Dated May 1 1930. Due Oct. 1 as follows: \$3,000 from 1932 to 1934 incl. and \$4,000 in 1935.

The Board is permitted to sell the bonds below par. Separate bids upon each issue are preferred and the award will be made to the highest bidder upon each issue, unless bidders present a bid for "all or none," which is higher than the combined bids of the separate bids received. If individual bids are submitted, a certified check for 3% of the par value of the issue must accompany each proposal. However, if an "all or none" offer is presented, the certified check must be for 3% of the total amount of bonds in the offering. Checks should be made payable to the order of the Secretary. Legality of the bonds has been approved by Squires, Sanders & Dempsey of Cleveland.

DECATUR, Macon County, Ill.—BONDS AUTHORIZED.—It is reported that the City Council on Feb. 8 voted to issue \$500,000 water revenue bonds notwithstanding the fact that action has been instituted in the Circuit Court seeking to restrain that body from issuing the securities.

DEDHAM, Norfolk County, Mass.—TEMPORARY LOAN.—The Merchants National Bank of Boston purchased on Feb. 17 an \$80,000 temporary loan at 5.49% discount basis. Due on Nov. 8 1932. Bids received at the sale were as follows:

Bidder	Discount Basis.
Merchants National Bank (successful bidder)	5.49%
Grafton Co.	5.57%
H. W. Briggs & Co.	5.65%
Day Trust Co.	5.68%
Shawmut Corporation	5.85%
Dedham National Bank	6.00%

DELAWARE (State of).—BOND SALE.—The Sinking Fund Commission of the State was the only bidder at the offering on Feb. 11 of \$1,000,000 4% highway bonds (V. 134, p. 705) and was awarded the issue at a price of par. Dated Jan. 1 1932. Due in 40 years; optional at a price of 105 on any interest payment date after one year.

DENVER (City and County), Colo.—BONDS AND WARRANTS CALLED.—It is announced by Wm. F. McGlone, Manager of Revenues, that he is calling for payment on Feb. 29, on which date interest shall cease, various storm sewer, sanitary sewer, impt., surfacing, alley paving and street paving bonds.

DESHLER, Henry County, Ohio.—BELATED BOND SALE REPORT.—The \$30,000 6% coupon first mortgage municipal electric light and heating plant system bonds offered on Oct. 20—V. 133, p. 2463—were awarded at a price of par and accrued interest to the Worthington Engine Co. Dated Oct. 1 1931. Due \$1,000 each month from Jan. 1 1932 to July 1 1934, with the option reserved to the Village to redeem any or all of the bonds prior to their stated maturities.

DES MOINES, Polk County, Iowa.—BOND DETAILS.—We give the following additional information from the Des Moines "Register" of Feb. 12 in connection with the sale of the \$100,000 airport bonds as 4 3/4% at par (V. 134, p. 1062):

Chapman & Cutler, Chicago bond attorneys, Thursday notified the city legal department of their approval of the new issue of \$125,000 in airport bonds issued at 4 3/4%. The bonds, Mayor Crouch said, will be delivered at once to McMurray, Hill & Co., investment brokers, of Des Moines, and Truman Jones, former owner of the airport tract, purchasers.

DETROIT, Wayne County, Mich.—LOANS TO CITY RESUMED.—Announcement has been made that banking interests in New York and Chicago will continue financing the operations of the city through the purchase of tax anticipation loans, in accordance with the terms of an agreement reached last Summer when the bankers agreed to loan \$20,000,000 and Detroit banks and industrial concerns pledged an additional \$20,000,000 reports the Detroit "Free Press" of Feb. 12. The bankers, it is said, suspended additional purchases about two weeks ago, alleging that the city had violated its agreement in the matter of balancing income and expenditures. However, the city council adopted a program of further economies and retrenchment, and resumption of the loans was made on Feb. 15 when a sum of \$5,000,000 was advanced to meet current salaries and expenses. The city also received an extension until June 1 of a loan of \$7,500,000 that became due on Feb. 16. The institutions concerned in the financing are the Bankers Trust Co., Chase National Bank, National City Bank, Guaranty Trust Co., and the Continental Illinois Bank & Trust Co.

It is further reported that the city will apply to the Reconstruction Finance Corp. for a loan of between \$5,000,000 and \$8,000,000 from which taxpayers in turn may borrow to pay their city bills. It is said that the plan has the approval of Mayor and Governor of the State, Wilbur M. Brucker.

EAST RUTHERFORD, Bergen County, N. J.—BONDS TO BE SOLD LOCALLY.—Mayor Karl Zimmermann has stated that he will urge citizens of the community to subscribe for the purchase of an issue of \$106,000 public improvement bonds. The Borough has sold an issue of \$25,000 tax anticipation notes to the East Rutherford National Bank. The total assessed valuation for 1932 remains at the same figure as in 1931, being \$7,443,775.

EAST WHITELAND TOWNSHIP SCHOOL DISTRICT (P. O. Malvern), Chester County, Pa.—BOND ELECTION.—An election will be held on March 15 to permit of the consideration of a proposal calling for the issuance of \$39,000 in bonds for school building construction purposes.

EVERETT, Middlesex County, Mass.—FINANCIAL STATEMENT.—As a means of informing investors in the city's obligations and the municipal investment public generally of the financial status of the municipality, City Treasurer William E. Emerton has issued the following statement of condition as of Feb. 1 1932:

Condensed Debt Statement, Feb. 1 1932.

Gross debt divided as follows:		Outside Statutory Limit.	
Inside Statutory Limit.			
General government	\$21,000	School	\$905,000
Additional dept. equip.	1,000	Sewer and surface—Dr.	125,000
Prot. persons and prop.	19,000	Water	119,000
Sewer, surface—Dr.	376,900	Hospital	325,000
Highway	469,000		
School	569,000		
Libraries	6,000		
Recreation	33,500		
Refunding	11,000		
	\$1,506,400		\$1,474,000
Gross Debt Feb. 1 1932	\$2,980,400.00		\$2,980,400.00
Less: Sinking funds	175,085.61		175,085.61
Net bonded debt Feb. 1 1932	\$2,805,314.39		

Financial Statement, Feb. 1 1932.

Average valuation three years	\$74,553,800
Borrowing capacity Feb. 1 1932 for bond issue	409,869
Borrowing capacity for revenue notes 1932	2,899,245

Taxes, Feb. 1 1932.

	% Collected.	Uncollected.
Tax levy 1929	99.3%	\$14,869.26
Tax levy 1930	97.2%	68,389.70
Tax levy 1931	75.6%	621,128.96

Tax rate per \$1,000 1929, \$29.20; 1930, \$33.80; 1931, \$32.90. Assessed value of all property for taxation 1931, \$78,341,384. Tax is assessed at a full and fair cash value on April 1 and payable Oct. 1 of each fiscal year.

ELBRIDGE WATER DISTRICT NO. 1 (P. O. Jordan), Onondaga County, N. Y.—BOND OFFERING.—Wilbur J. Howe, Town Clerk, will receive sealed bids at the Jordan National Bank until 7:30 p.m. on Feb. 20 for the purchase of \$13,500 not to exceed 6% interest coupon or registered water bonds. Dated Feb. 1 1932. Denom. \$500. Due \$500 on Feb. 1 from 1936 to 1962, incl. Rate of interest to be expressed in a multiple of 1/4 of 1%. Principal and interest (Feb. and Aug.) are payable at the Jordan National Bank or at the Central Hanover Bank & Trust Co., New York. A certified check for 2% must accompany each proposal. Legality to be approved by Hawkins, Delafield & Longfellow of New York.

ELK CITY, Beckham County, Okla.—BOND OFFERING.—It is reported that sealed bids will be received until Feb. 23 by the City Clerk for the purchase of a \$25,000 issue of sewage disposal plant bonds. (These bonds were voted at an election held on Feb. 3—V. 134, p. 1229.)

FALLS COUNTY ROAD DISTRICT NO. 9 (P. O. Marlin), Texas.—BONDS VOTED.—At the election held on Feb. 6 (V. 134, p. 539) it is reported that the voters approved the issuance of \$450,000 in 5% road bonds.

FERNDALE, Oakland County, Mich.—NOTES NOT SOLD.—R. O. Wolter, City Clerk, reports that no bids were received at the offering on Feb. 16 of \$25,000 6% tax anticipation notes of 1931. Dated March 1 1932. Due Sept. 30 1932. Principal and interest (June and Sept. 30) payable at the Highland Park State Bank, Highland Park. Offering of the notes was made subject to the approval of the State Treasurer and the legal opinion of Miller, Canfield, Paddock & Stone, of Detroit. City agreed to pay for the legal opinion and the printing of the notes.

FERNDALE, Oakland County, Mich.—NOTES AUTHORIZED.—The city commission has approved an issue of \$10,000 delinquent tax anticipation notes, which will be offered for investment locally. Denominations from \$5 to \$50.

FORT DODGE, Webster County, Iowa.—BOND OFFERING.—Sealed bids will be received until 10 a.m. on Feb. 26 by D. J. Coughlin, City Clerk, for the purchase of a \$10,000 issue of water works bonds. Interest rate is not to exceed 5%, payable semi-annually. Due from March 1 1935 to 1937, incl. The approving opinion of Chapman & Cutler of Chicago will be furnished. (These bonds were offered for sale without success on Feb. 9 and Feb. 15. On the latter date there were no satisfactory bids received and the Council adjourned the sale to the above date.)

FORT WORTH, Tarrant County, Tex.—LOAN OFFERING.—It is reported that a syndicate composed of the Fort Worth National Bank, the First National Bank, the Continental National Bank, and the Stockyards National Bank, all of Fort Worth, has offered the City a loan of \$400,000, maturing in 3 months and bearing 6% interest, to tide the City over the low tax collection period extending to June 1.

FORT WORTH, Tarrant County, Tex.—BONDS APPROVED.—We take the following from the Dallas "News" of Feb. 12 regarding the \$100,000 issue of street impt. bonds that was recently authorized.—V. 134, p. 706:

"Whether Fort Worth city bonds can be sold locally will be determined when the city attempts to dispose of a \$100,000 issue of street improvement bonds approved Wednesday by State Attorney General's Office.
 "The money raised by the issue is to go to finance the widening of Throckmorton Street.
 "City Manager George D. Fairtrace already has received a number of inquiries from local investors concerning the bonds and anticipates no difficulty in their disposal. The issue will bear 4 3/4% interest."

FOSTORIA, Seneca County, Ohio.—BOND DEFAULT REPORT.—Gerald D. King, City Auditor, is reported to have stated that on Sept. 1 1931 default occurred on \$11,450 principal and interest on city bonds held by the State Teachers Retirement Fund and the State Tax Commission. These bodies have agreed to a refunding of the debts. Tax delinquencies were cited as the reason for the default.

FRANKLIN LAKES (P. O. Campgaw) Bergen County, N. J.—BOND OFFERING.—Delbert Teter, Borough Clerk, will receive sealed bids until 8:15 p.m. on Feb. 29, for the purchase of \$12,500 4 3/4, 5, 5 1/4, 5 3/4 or 6% coupon or registered road bonds. Dated March 1 1932. Denom. \$500. Due March 1 as follows: \$1,000 from 1933 to 1937, incl., and \$1,500 from 1938 to 1942, incl. Principal and interest (March and September) are payable at the First National Bank, Wyckoff. No more bonds are to be awarded than will produce a premium of \$500 over the amount of the issue. A certified check for 2% of the amount of bonds bid for, payable to the order of the Borough, must accompany each proposal. The approving opinion of Reed, Hoyt & Washburn, of New York, will be furnished the successful bidder.

FRELINGHUYSEN TOWNSHIP (P. O. Johnsonburg), Warren County, N. J.—BOND OFFERING.—Attention is called to the official advertisement on page 1412 of this section, of the proposed sale at public auction at 2 p. m. on March 5 of \$27,000 4 1/2% road improvement bonds. Dated April 1 1932. Denom. \$500. Due April 1 as follows: \$2,000 from 1933 to 1945 incl., and \$1,000 in 1946. Interest is to be payable semi-annually. A certified check for 2% of the amount of bonds bid for must accompany each proposal. Bonds will be ready for delivery on April 1 1932 at the First National Bank, Blairstown. The Township Clerk is Lundy Armstrong, and further information regarding the offering may be obtained from Claude E. Cook, Township Attorney, 101 Sherrer Bldg., Hackettstown, N. J.

GLADSTONE, Delta County, Mich.—BOND SALE.—The \$8,000 5% sewer construction bonds offered on Feb. 8—V. 134, p. 1062—were awarded to the Gladstone State Savings Bank and the First National Bank, both of Gladstone, jointly, the only bidders, at par plus a premium of \$40, equal to a price of 100.50, a basis of about 4.84%. Dated Feb. 15 1932. Due \$1,000 from 1933 to 1940 inclusive.

GLOUCESTER, Essex County, Mass.—TEMPORARY LOAN.—The Merchants National Bank, of Boston, purchased on Feb. 18 a \$150,000 temporary loan at 5 1/2% discount basis. According to City Treasurer Reed, similar loans to the amount of \$900,000 were negotiated in 1931 at an interest cost of \$10,223. To date this year, \$325,000 of loans have been sold the interest charges on which aggregate \$23,071. The sharp advance in the cost of the borrowing reflects the marked change that has occurred in the short-term money market. Whereas up to about Sept. of 1931 municipalities in New England borrowed on temporary loans at rates from 1 1/2 to 3 1/2%, since that time loans of similar character, if marketed at all, have been at rates of from 5 to 6%.

GRAYS HARBOR COUNTY (P. O. Montesano), Wash.—BOND OFFERING.—It is reported that sealed bids will be received until March 14, by the County Treasurer, for the purchase of an issue of \$173,000 refunding bonds.

GREAT FALLS, Cascade County, Mont.—MATURITY.—The \$36,000 issue of 5 1/2% south side sewer bonds that was purchased at par by the city sinking fund—V. 134, p. 1062—is due on Jan. 1 as follows: \$1,000, 1933; \$5,000, 1934; \$10,000, 1935 and 1937; \$7,000, 1938, and \$3,000 in 1939.

GREAT NECK ESTATES (P. O. Great Neck), Nassau County, N. Y.—BOND SALE.—The three issues of coupon or registered bonds aggregating \$44,000 offered on Feb. 15—V. 134, p. 883—were awarded as 4s, at a price of par, to Rutter & Co., of New York, the only bidder. Award consisted of: \$25,000 park bonds. Due Feb. 1 as follows: \$2,000 from 1934 to 1944 incl., and \$3,000 in 1945.
 11,000 series A street improvement bonds. Due Feb. 1 as follows: \$2,000 from 1933 to 1936 incl., and \$3,000 in 1937.
 8,000 series B street improvement bonds. Due \$1,000 Feb. 1 from 1933 to 1940 incl.
 Each issue is dated Feb. 1 1932.

GREEN BAY, Brown County, Wis.—BONDS AUTHORIZED.—At a meeting held on Feb. 5 the City Council authorized the issuance of \$20,000 in not to exceed 6% bridge construction bonds. Dated May 1 1932. Due in 1933.

GREGG COUNTY (P. O. Longview), Tex.—BOND ELECTION.—It is reported that an election will be held on March 15 in order to have the voters pass on the proposed issuance of \$1,500,000 in improvement bonds.

HAMPDEN COUNTY (P. O. Springfield), Mass.—TEMPORARY LOAN.—The Day Trust Co., of Boston, purchased on Feb. 17 a \$100,000 tax anticipation loan at 5.74% discount basis. The loan matures on Nov. 8 1932 and was bid for at a 5.90% basis by the Third National Bank, of Springfield.

HARRIS COUNTY (P. O. Houston), Tex.—FINANCIAL REPORT.—The following report of financial conditions in the county is taken from a recent issue of the Houston "Post".

Harris County closed the year 1931 with a cash balance of \$758,373 on deposit in Houston banks, according to the annual report of County Auditor H. L. Washburn, released Monday.

Total revenues collected by the county during 1931, including bond funds and balances carried forward from 1930, were \$5,892,770, the report states. Expenditures during the year totaled \$5,044,407.

Assets of the county at the year's close totaled \$31,218,720, according to the report. Bonded indebtedness of the county on the same date was \$11,843,000.

Value of all county property and real estate, including buildings, was \$25,790,000, according to the report. Inventory value of county supplies and equipment totaled \$589,497. The 1931 budget carried a total of \$2,908,697, figures in the report reveal.

The annual report will not be printed this year, as the county is economizing on all expenditures, Mr. Washburn stated. It is hoped by the close of 1932 to combine the report for 1931 and the 1932 report and print them in book form, he said.

Carry out economy plans, only two copies of the annual report have been made, Mr. Washburn stated, one to be filed with Commissioners' court and the other retained by his office.

HARTFORD, Van Buren County, Mich.—BOND ELECTION.—At an election to be held on March 14 the voters will pass upon a proposal to issue \$48,500 4½% electric light system bonds, to mature \$4,500 on Jan. 1 in 1935 and \$4,000 on Jan. 1 from 1936 to 1946 incl. (This issue was previously adopted at an election on March 9 1931, which was invalidated by the circuit court.—V. 133, p. 3818.)

HAVERFORD TOWNSHIP (P. O. Upper Darby) Delaware County, Pa.—MATURITY.—The \$145,000 4½% funding bonds sold at a price of par as reported in V. 134, p. 1229—mature on Jan. 15 1932. Drexel & Co. of Philadelphia, purchased a block of \$85,000, while the trustee of an estate purchased the remaining \$60,000.

HAVERHILL, Essex County, Mass.—TEMPORARY LOAN.—The National Shawmut Bank, of Boston, purchased on Feb. 17 a \$250,000 temporary loan at 6% discount basis, the proceeds to be used to meet maturing notes.

HAVERHILL, Essex County, Mass.—TEMPORARY LOAN.—A loan of \$50,000 has been purchased by Jackson & Curtis at 6.10% discount basis, and the amount will be applied to the payment of \$218,000 notes maturing during February.

HICKORY, Catawba County, N. C.—NOTES OFFERED.—Sealed bids were received until Feb. 16, by Chas. M. Johnson, Director of Local Government, at his office in Raleigh, for the purchase of a \$15,000 issue of notes.

HOLLAND, Ottawa County, Mich.—BOND SALE.—The following issues of coupon bonds aggregating \$65,000 offered on Feb. 12—V. 134, p. 1229—were awarded as 4½s to Stranahan, Harris & Co., of Toledo, at a discount of \$5,735, equal to a price of 91.17, a basis of about 5.82%; \$40,000 centenary bonds. Due \$2,000 on Aug. 1 from 1932 to 1951 incl. 25,000 North River Ave. Impt. bonds. Due \$2,000 and \$3,000 alternately on Aug. 1 from 1932 to 1941 incl.

Each issue is dated Dec. 1 1931. Bids received at the sale were as follows:

Bidder	Int. Rate	Amount Bid
Stranahan, Harris & Co. (Successful bidders)	4½%	\$59,265.00
First Detroit Co., Detroit	4½%	59,163.00
First State Bank and the Holland City State Bank		
Jointly	4½%	58,911.00

HOLYOKE, Hampden County, Mass.—TEMPORARY LOAN.—The First National Bank of Boston has purchased at 6% discount a block of \$200,000 of an issue of \$300,000 notes, due on Nov. 10 1932. City Treasurer Bonvouloir says that he expects to sell the remaining \$100,000 locally.

HOUSTON, Harris County, Tex.—BOND SALE.—A \$10,000 issue of paving bonds is reported to have been purchased by the Gulf Bitulithic Co. of Houston, the contractor.

HOUSTON SCHOOL DISTRICT (P. O. Houston), Harris County, Tex.—BOND SALE.—Two issues of 5% school bonds aggregating \$37,000 are reported to have been purchased by an undisclosed investor, at a price of 97.00, a basis of about 5.63%. The issues are as follows: \$12,000 school bonds. Due from 1933 to 1936. 25,000 school bonds. Due from 1934 to 1947.

IDAHO, State of (P. O. Boise).—CONTEMPLATED NOTE SALE.—It is reported that the State Treasurer will offer for sale about March 15 an issue of treasury notes in the amount of from \$1,500,000 to \$1,750,000 to finance the State during the tax collection period.

ILLINOIS (State of).—\$6,000,000 NOTES SOLD.—It was reported on Feb. 19 that subscriptions had been received for \$6,000,000 notes of the \$18,750,000 6% revenue issue being offered "over the counter" at a price of par—V. 133, p. 1229. The notes are to mature on or after Dec. 1 1932. Orders for the notes are being received by a syndicate of Chicago banks and investment houses.

JACKSON, Madison County, Tenn.—BOND SALE CANCELLED.—We are officially informed that \$75,000 of railroad aid bonds that were due on Feb. 15, have been paid off and the city officials decided to withdraw from the market the \$65,000 issue of not to exceed 6% semi-ann. B. and N. W. railroad refunding bonds, scheduled for Feb. 11—V. 134, p. 883. Dated Feb. 15 1932. Due from Feb. 15 1934 to 1942.

JACKSON, Teton County, Wyo.—CONTEMPLATED BOND SALE.—It is reported that arrangements have been completed by the Town Council for issuing \$30,000 in 6% water works refunding bonds.

JASPER COUNTY (P. O. Rensselaer), Ind.—BOND OFFERING.—Louis E. Barber, County Treasurer, will receive sealed bids until 2 p. m. on Feb. 23, for the purchase of \$7,200 4½% road improvement bonds. Dated Jan. 15 1932. Denom. \$360. Due \$360 July 15 1933; \$360 Jan. and July 15 from 1934 to 1942, incl., and \$360 Jan. 15 1943.

JOHNSON COUNTY (P. O. Iowa City), Iowa.—BOND OFFERING.—It is reported that sealed bids will be received until 2 p. m. on Feb. 22, by Chas. L. Berry, County Treasurer, for the purchase of a \$14,255.16 issue of funding bonds. Int. rate is not to exceed 5%, payable semi-annually. Dated Jan. 1 1932. Due from 1933 to 1935. The approving opinion of Chapman & Cutler of Chicago, will be furnished.

JOPLIN, Jasper County, Mo.—BOND ELECTION.—An election will be held on March 4 in order to have the voters pass on the proposed issuance of \$100,000 in bonds divided as follows: \$10,000 fire equipment; \$10,000 market square impmt.; \$10,000 viaduct repair, and \$70,000 storm sewer bonds.

KANSAS CITY, Wyandotte County, Kan.—BOND SALE.—On Feb. 16 a \$68,468 issue of 5% semi-ann. bridge bonds was offered for sale without success as all the bids received were rejected. It is stated that the bonds were later sold privately to the Municipal Light Department's Sinking Fund, at par.

KNOX COUNTY (P. O. Vincennes), Ind.—BOND SALE.—The \$10,387.54 6% drainage bonds offered on Feb. 2—V. 134, p. 706—were awarded at a price of par to the Keene Construction Co., of Sullivan. Dated Jan. 5 1932. Due Jan. 5 as follows: \$1,027.54 in 1933, and \$1,040 from 1934 to 1942 incl.

KANE AND COOK COUNTIES UNION SCHOOL DISTRICT NO. 46 (P. O. Elgin), Ill.—BOND OFFERING.—Willard Beebe, Secretary of the Board of Education, will receive sealed bids until 7 p. m. on Feb. 23, for the purchase of \$150,000 4½% school building construction bonds. Dated July 1 1931. Due July 1 as follows: \$12,000 in 1934 and 1935; \$15,000 in 1936; \$17,000 in 1937 and 1938; \$5,000 in 1939, and \$36,000 in 1940 and 1941. Principal and semi-annual interest payable at the Elgin City Banking Co., Elgin. A certified check for 2% of the total bid, payable to the order of the Township School Treasurer, must accompany each proposal. The District will furnish the printed bonds and the approving opinion of Chapman & Cutler, of Chicago. In connection with the financial condition of the District, the official call for bids says:

The Board of Education did not issue any anticipation warrants against the 1931 taxes until Feb. 3 1932, when \$42,000 of warrants were issued.

Since Feb. 3 \$6,000 more have been issued. The board is within about 60 days of being on a cash basis. The board now has outstanding \$140,000 in bonds, \$20,000 of which will be retired on July 1 1932. The school tax rate is \$1.875, one of the lowest among Illinois cities of comparable size. More than 97% of the taxes levied in Elgin Township for the year 1930 were collected in 1931. This is said to be the highest percentage of collections in any Illinois township.

KENDALL SCHOOL DISTRICT (P. O. Bellingham) Whatcom County, Wash.—BOND SALE.—The \$2,100 issue of school bonds offered for sale on Jan. 27—V. 134, p. 884—was purchased by the State of Washington, as 6s, at par. Due serially in 10 years.

KEWAUNEE, Kewaunee County, Wis.—BOND SALE.—The \$20,000 issue of 5% semi-ann. electric light plant bonds that was recently authorized—V. 134, p. 540—is now reported to have been purchased by local investors.

KLAMATH FALLS, Klamath County, Ore.—BOND SALE.—The two issues of bonds aggregating \$45,548.88, offered for sale on Feb. 15—V. 134, p. 706—were awarded to the contractors. The issues are divided as follows: \$36,248.88 sewer, and \$9,300 street improvement bonds. Dated July 1 1931. Due in 10 years, optional after one year.

LAKE COUNTY (P. O. Polson), Mont.—BOND OFFERING.—Sealed bids will be received, according to report, by O. H. Peltier, Clerk, of the Board of County Commissioners, until 10 a. m. March 7 for the purchase of a \$50,000 issue of refunding bonds. Int. rate is not to exceed 6%, payable J. & J. Dated Jan. 1 1932. A certified check for \$250, must accompany the bid.

LATROBE, Westmoreland County, Pa.—BOND REPORT.—W. H. Flickinger, President of the School Board, reports that an issue of \$50,000 current operating expense bonds will probably be sold to the State Retirement Board at Harrisburg. Due \$25,000 on Dec. 1 in 1932 and 1933.

LEE CENTER FIRE DISTRICT NO. 1 (P. O. Lee Center), Oneida County, N. Y.—DISTRICT PROCEEDINGS VALIDATED.—A bill has been signed by Governor Roosevelt legalizing the proceedings in a resolution adopted by the County Board of Supervisors on July 15 1931, providing for the establishment of the Fire District and the issuance of \$6,000 6% district bonds. Dated Nov. 1 1931. Denom. \$200. Due May 1 as follows: \$200 in 1932; \$400 from 1933 to 1945 incl., and \$600 in 1946.

LEONTONIA, Columbiana County, Ohio.—BOND OFFERING.—Eva S. G. Ashley, Village Clerk, will receive sealed bids until 12 M. on Mar. 5 for the purchase of \$11,000 6% fire hall station bonds. Dated April 1 1932. Denom. \$1,000. Due Oct. 1 as follows: \$1,000 from 1933 to 1941, incl. and \$2,000 in 1942. Interest is payable semi-annually in April and Oct. Bids for the bonds to bear interest at a rate other than 6%, expressed in a multiple of ¼ of 1%, will also be considered. A certified check for \$200, payable to the order of the Village, must accompany each proposal. Successful bidder may obtain the legal opinion of Squire, Sanders & Dempsey, of Cleveland, at his own expense.

LEHIGH COUNTY (P. O. Allentown), Pa.—BOND OFFERING.—Harry M. Schoenly, County Comptroller, will receive sealed bids until 1 p. m. on March 1 for the purchase of \$600,000 4½ or 4¾% coupon or registered county bonds. Dated March 1 1932. Denom. \$1,000. Due March 1 as follows: \$18,000 in 1933; \$20,000, 1934 and 1935; \$21,000, 1936; \$23,000, 1937; \$24,000 in 1938 and 1939; \$26,000, 1940; \$28,000, 1941 and 1942; \$30,000, 1943; \$32,000, 1944; \$33,000, 1945; \$34,000, 1946; \$36,000, 1947; \$38,000, 1948; \$40,000, 1949; \$42,000, 1950; \$44,000 in 1951, and \$39,000 in 1952. Single rate of interest to apply to all of the bonds. Bidders may, however, bid in the alternative for said bonds maturing on the dates above set forth but with the option of the County to redeem any or all of said bonds on any interest paying date on or after March 1 1937. A certified check for 2% of the amount bid for, payable to the order of the County, must accompany each proposal. These bonds are issued subject to the favorable opinion of Townsend, Elliott & Munson, of Philadelphia.

LENOIR COUNTY (P. O. Kinston), N. C.—ADDITIONAL INFORMATION.—We are informed by the County Auditor that the \$200,000 issue of 5½% coupon current obligation retirement bonds that was purchased at par by Stranahan, Harris & Co., Inc. of Toledo—V. 134, p. 1063—was sold by July 1 1931. Due from 1932 to 1963.

LIBERTY COUNTY (P. O. Hinesville), Ga.—BOND ELECTION POSTPONED.—We are now informed that the election which was scheduled for Feb. 10—V. 134, p. 706—in order to vote on the issuance of \$50,000 in road bonds, was postponed to a later date.

LINDEN, Union County, N. J.—BOND OFFERING.—Thomas H. Sullivan, City Clerk, will receive sealed bids until 8 p. m. on March 1 for the purchase of \$741,000 4½% coupon or registered bonds, divided as follows:

\$344,000 school bonds. Due March 1 as follows: \$7,000 from 1933 to 1940 incl., and \$9,000 from 1941 to 1972 inclusive.
289,000 general impmt. bonds. Due March 1 as follows: \$7,000 from 1933 to 1935 incl.; \$8,000 from 1936 to 1956 incl., and \$10,000 from 1957 to 1966 inclusive.
108,000 emergency bonds. Due March 1 as follows: \$14,000 from 1934 to 1940 incl., and \$10,000 in 1941.

Each issue is dated March 1 1932. If the bids received do not permit of the award of the bonds at 4½% interest, then higher interest rate tenders will be considered on the following basis: In the case of the issues of school and improvement bonds, the rate must be expressed in a multiple of ¼ of 1% and must be the same for both issues. The rate for the emergency issue is to be expressed in a multiple of one one-hundredths of 1% and must be the same for all of the bonds. In either instance, however, the rate is not to exceed 6%. Principal and semi-annual interest (March and Sept.) are payable at the Linden Trust Co., Linden. No more bonds are to be awarded than will produce a premium of \$1,000 over the amount of each issue. A certified check for 2% of the amount of bonds bid for, payable to the order of the City, must accompany each proposal. The approving opinion of Caldwell & Raymond, of New York, will be furnished the successful bidder.

Assessed Valuations.	
Real property 1931	\$48,530,038
Personal property 1931	14,992,836
Total assessed valuations	\$63,522,874
Less: Exemptions	352,300
Net taxable value	\$63,170,540
Bonded Debt.	
School bonds (including this issue)	\$2,617,500
General bonds (including this issue)	1,956,500
Assessment bonds	427,000
	\$ 5,001,000

Other Obligations—	
Tax revenue bonds 1931	200,000
Emergency relief bonds	108,000
Assessment improvement temporary loans	282,575

Gross debt	\$5,591,575
Deductions—	
Special assessments levied and uncollected	\$461,447
Sinking funds and funds on hand	243,409
Taxes outstanding—Year 1929, \$1,342; 1930, \$72,867; 1931, \$312,319	386,528
Total	\$1,091,384
Net debt	\$4,500,191

The city holds tax title liens acquired at annual tax sales to the amount of \$99,954 at Jan. 31 1932 against which there are no obligations outstanding. Percentage of net debt as computed under New Jersey statutes 5.22% at Jan. 1 1932. Tax levy, year 1929, \$1,690,519; year 1930, \$1,806,304; 1931, \$1,993,946. Tax rate (unlimited) per \$1,000, year 1931, \$30.30. State and county taxes for year 1931 were paid in full. The full faith and credit of the City of Linden are irrevocably pledged to the payment of principal and interest of its debt. Legal opinion of Messrs. Caldwell & Raymond, New York City, will be furnished. The former Township and the former Borough of Linden were incorporated as the City of Linden in 1925. Population (1930 Census), 21,206. Area 12.36 sq. miles.

LONDON, Laurel County, Ky.—BOND SALE.—The \$2,700 (not \$3,400) issue of 6% coupon street impmt. bonds, offered for sale on Feb. 1—V. 134, p. 540—was purchased by the Lexington Quarry Co. of Lexington at par. Denom. \$100. Dated Feb. 1 1932. Due in from 1 to 10 years. Interest payable on Jan. 1.

LORAIN COUNTY (P. O. Elyria), Ohio.—BOND SALE.—The \$403,750 tuberculosis hospital not redemption bonds offered on Feb. 18...

LOS ANGELES, Los Angeles County, Calif.—BONDS AUTHORIZED.—Following the request of the Water and Power Commission, the City Council adopted an ordinance at a meeting held on Feb. 9...

LOWELL, Middlesex County, Mass.—LOAN OFFERING.—Abel R. Campbell, City Treasurer, will receive sealed bids until 11 a. m. on Feb. 25...

MAMARONECK (Village of), Westchester County, N. Y.—BONDS PUBLICLY OFFERED.—George B. Gibbons & Co., Inc., of New York are offering for public investment \$252,000 6% various municipal purposes...

MANCHESTER, Essex County, Mass.—TEMPORARY LOAN.—The Manchester Trust Co. purchased on Feb. 18 a \$50,000 issue of tax anticipation notes at 5.47% discount basis.

Table with columns: Bidder, Discount Basis. Includes Manchester Trust Co. (successful bidder) at 5.47%, H. W. Briggs & Co. at 5.48%, etc.

MANDAN SPECIAL SCHOOL DISTRICT (P. O. Mandan), Morton County, N. Dak.—CERTIFICATE OFFERING.—Sealed bids will be received until 4 p. m. on Feb. 24 by J. H. Noakes, District Clerk...

MANHATTAN BEACH, Los Angeles County, Calif.—BOND OFFERING.—Sealed bids will be received, according to report, by the City Clerk until 8 p. m. on March 3 for the purchase of a \$15,000 issue of boulevard bonds.

MANSFIELD, Richland County, Ohio.—BOND OFFERING.—P. L. Kelley, City Auditor, will receive sealed bids until 1 p. m. on March 4 for the purchase of \$13,500 not to exceed 6% interest water works system improvement bonds.

MARION COUNTY (P. O. Indianapolis), Ind.—BOND OFFERING.—Charles A. Grossart, County Auditor, will receive sealed bids until 10 a. m. on March 2 for the purchase of \$84,500 not to exceed 5 1/2% bonds...

MAVERICK COUNTY (P. O. Eagle Pass), Tex.—BONDS REGISTERED.—On Feb. 12 a \$300,000 issue of 6% improvement, series B, bonds was registered by the State Comptroller.

MAYFIELD HEIGHTS (P. O. Cleveland), Cuyahoga County, Ohio.—PRICE PAID.—The Ohio Municipal Advisory Council paid a price of par for the issue of \$32,000 6% special assessment refunding bonds...

MEMONINEE COUNTY (P. O. Menominee), Mich.—BOND REPORT.—The Board of County Supervisors recently approved of an agreement with the First National Bank of Menominee whereby the county may borrow up to \$125,000 against delinquent taxes...

MENTOR-ON-THE-LAKE, Lake County, Ohio.—BONDS NOT SOLD.—Paul F. Yost, Village Clerk, reports that the issue of \$5,408.83 6% improvement bonds offered on Sept. 24 last was not sold...

MICHIGAN CITY, La Porte County, Ind.—BONDS RE-OFFERED.—The issue of \$16,000 4% municipal building construction bonds offered on Oct. 29—V. 133, p. 3125—at which time no bids were received, is being re-advertised for award at 10 a. m. on Feb. 23.

MIDDLETOWN, Butler County, Ohio.—BOND OFFERING.—C. H. Campbell, City Auditor, will receive sealed bids until 12 m. (Eastern standard time) on March 8 for the purchase of \$6,300 6% special assessment impt. bonds.

MINNEAPOLIS, Hennepin County, Minn.—BOND OFFERING.—We are informed that both sealed and auction bids will be received until 11 a. m. on March 9, by the Secretary of the Board of Estimate and Taxation...

MISSISSIPPI, State of (P. O. Jackson)—NOTE OFFERING.—It is announced by L. S. May, State Treasurer, that the Bond Commission will offer for sale at noon on Feb. 24 a \$2,500,000 issue of refunding notes.

MISSOURI, [State of (P. O. Jefferson City).—BOND OFFERING.—Sealed bids will be received until Mar. 8, by L. D. Thompson, State Auditor, for the purchase of a \$2,500,000 issue of 4 1/2% semi annual, series S bonds.

MOBILE, Mobile County, Ala.—NOTES AUTHORIZED.—The Board of Commissioners on Feb. 10 adopted ordinances providing for the renewal of \$125,000 in 5% promissory notes, issued and sold in anticipation of the sale of \$50,000 water works series B, and \$100,000 sewer series A bonds.

MOLINE, Rock Island County, Ill.—BOND OFFERING.—Sealed bids addressed to the City Clerk will be received until March 1 for the purchase of \$350,000 municipal water works extension and improvement bonds...

MONTGOMERY COUNTY (P. O. Rockville), Md.—BONDS NOT SOLD.—The issue of \$520,000 5% general construction bonds offered on Feb. 16—V. 134, p. 1064—was not sold, as no bids were received.

MORGAN COUNTY (P. O. Martinsville), Ind.—BOND OFFERING.—Lewis Sartor, County Auditor, will receive sealed bids until 10 a. m. on March 7 for the purchase of \$6,576.72 6% drain improvement bonds.

MORTON INDEPENDENT SCHOOL DISTRICT (P. O. Morton), Cochrane County, Tex.—BOND OFFERING.—Sealed bids will be received until March 1, by the Secretary of the Board of Education, for the purchase of a \$97,000 issue of 6% semi-ann. school bonds.

MOSIER, Wasco County, Ore.—BONDS NOT SOLD.—The \$16,000 issue of not to exceed 6% semi-annual water bonds offered on Feb. 10—V. 134, p. 1064—was not sold, as there were no bids received.

MULTNOMAH COUNTY JOINT SCHOOL DISTRICT NO. 42 (P. O. Sylvan), Ore.—BOND OFFERING.—Sealed bids will be received until 8 p. m. on Feb. 25 by Elida Barrell, District Clerk, for the purchase of a \$15,000 issue of school bonds.

MUSKEGON, Muskegon County, Mich.—BOND SALE.—John Nuveen & Co., of Chicago, recently informed the city commission that an issue of \$150,000 storm water sewer bonds will be purchased by an insurance company...

MUSKEGON HEIGHTS SCHOOL DISTRICT, Mich.—BONDS RE-OFFERED.—The issue of \$75,000 school bonds previously offered on Jan. 29, at which time no bids were received—V. 134, p. 1064—is being re-advertised for award on Feb. 26.

MUSKOGEE COUNTY (P. O. Muskogee), Okla.—PROPOSED ISSUANCE.—The County Commissioners are reported to have adopted recently a resolution authorizing the issuance of \$250,000 in highway bonds.

NEWARK, Essex County, N. J.—BOND OFFERING—TEMPORARY FINANCING ACCOMPLISHED.—John Howe, Director of the Department of Revenue and Finance, will receive sealed bids until 11 a. m. on Feb. 23 for the purchase of \$5,000,000 4 1/2% coupon or registered bonds...

\$2,000,000 public improvement bonds. Due March 1 as follows: \$40,000 from 1933 to 1952 incl. and \$60,000 from 1953 to 1972 incl.

\$1,000,000 Haynes Ave. bridge bonds. Due March 1 as follows: \$30,000 from 1933 to 1947 incl., \$35,000 from 1948 to 1957 incl. and \$40,000 from 1958 to 1962 incl.

\$1,000,000 sewer bonds. Due March 1 as follows: \$20,000 from 1933 to 1957 incl., \$25,000 from 1958 to 1967 incl. and \$30,000 from 1968 to 1972 incl.

\$600,000 city building bonds. Due March 1 as follows: \$20,000 from 1933 to 1947 incl. and \$25,000 from 1948 to 1959 incl.

\$500,000 Port Newark improvement bonds. Due March 1 as follows: \$10,000 from 1933 to 1952 incl. and \$15,000 from 1953 to 1972 incl.

Each issue is dated March 1 1932. (These bonds were previously mentioned in V. 134, p. 1230.) Principal and semi-annual interest (March and September) are payable at the National State Bank, Newark.

TEMPORARY FINANCING ACCOMPLISHED.—In addition to the authorization of the offering of the above described bonds, the City Commission on Feb. 15 approved of the sale of \$6,000,000 6% tax anticipation notes, due on June 1 1932...

FINANCIAL STATEMENT AS OF FEB. 10 1932 (AS OFFICIALLY REPORTED).

Table with columns: Description, Amount. Includes Assessed valuation of real property, \$734,533,056.00; Assessed valuation of personal property, 191,087,450.00; Total assessed valuation, 1925,620,506.00.

Net bonded debt, \$ 78,854,324.48. The city's population according to the 1930 United States census, is 442,842. The city's sinking fund held for the payment of water bonds now amounts to \$2,706,741.42.

without interest or penalty on or before Dec. 1. The city is required by law to collect State and county taxes as well as city taxes.

The total amount of State, county and city taxes, levied for 1930, was \$35,085,417.42; the total amount of such taxes which were collected on or before Jan. 15 1931 was \$26,759,018.52, or 76.27% of the total of such taxes. The total amount of State, county and city taxes levied for 1931 was \$35,536,864.57; the total amount of such taxes which were collected on or before Jan. 15 1932 was \$26,066,752.28, or 73.35% of the total of such taxes.

The aggregate amounts of the taxes levied for State, county and city purposes upon property within the city for the years 1928, 1929, 1930 and 1931 were, respectively, \$32,625,046.84, \$34,052,085.57, \$35,085,417.42 and \$35,536,864.57. The amounts of such taxes still uncollected are, respectively, \$418,315.66, \$632,199.26, \$3,291,573.33, and \$9,417,307.30.

There are no outstanding bonds or notes issued in anticipation of 1932 taxes.

NEBRASKA (State of).—PROPOSED ROAD BOND AMENDMENT.—We quote in part as follows from the Omaha "News-Bee" of Feb. 11 regarding a proposed constitutional amendment to issue \$30,000,000 in road paving bonds:

PROPOSED ROAD BOND AMENDMENT.—Nebraska Good Roads Association directors decided here Wednesday afternoon to request a state vote on a proposed constitutional amendment to sanction a \$30,000,000 bond issue for paving.

They recommended also that a state highway commission be created by another amendment to administer the paving program.

The annual meeting of the association was set for Oct. 12 at Kearney. Petitions will be circulated to place the bond issue and the highway commission proposition on the ballot at the fall election. The debentures would be paid from gasoline tax and motor vehicle license revenues, and not be a lien on property. Advocates of the plan estimate the \$30,000,000 would construct 1,300 to 1,500 miles of road in five years.

NEWARK CITY SCHOOL DISTRICT (P. O. Newark), Licking County, Ohio.—BOND OFFERING.—L. T. Rees, Clerk-Treasurer of the Board of Education, will receive sealed bids until 7 p. m. on March 7 for the purchase of \$29,700 6% school bonds. Dated March 1 1932. One bond for \$700, others for \$1,000. Due Oct. 1 as follows: \$2,700 in 1933, and \$3,000 from 1934 to 1942 incl. Principal and semi-annual interest (April and Oct.) are payable at the Licking Bank & Trust Co., Newark. Bids for the bonds to bear interest at a rate other than 6%, expressed in a multiple of $\frac{1}{4}$ of 1%, will also be considered. Split rate bids will not be considered. A certified check for \$300, payable to the order of the above-mentioned official, must accompany each proposal. The approving opinion of Squire, Sanders & Dempsey, of Cleveland, will be furnished the successful bidder. (A like amount of bonds was awarded as 5 1/2% on Dec. 7 to the BancOhio Securities Co., of Columbus, at 100.32, a basis of about 5.44%.—V. 134, p. 4005.)

NEW HYDE PARK, Nassau County, N. Y.—BOND SALE.—Adam B. Richert, Village Clerk, informs us that the firm of Waschman & Wassell of New York submitted the only bid at the offering on Feb. 10 of \$24,000 coupon or registered real property bonds and was awarded the issue as 6s. at a price of 100.029, a basis of about 5.99%. Dated Feb. 1 1932. Denom. \$1,000. Due \$1,000 on Feb. 1 from 1934 to 1957, incl. Principal and interest (Feb. and Aug.) are payable at the Bank of New Hyde Park or at the Chase National Bank of New York. Legality approved by Clay, Dillon & Vandewater of N. Y. City.

NEW JERSEY (State of).—WATER COMMISSION TO DEFER BOND FINANCING.—The State Water Policy Commission announced on Feb. 10 that no bond financing would be undertaken while the present unfavorable economic conditions exist. This action is in line with the recommendation contained in Governor A. Harry Moore's inaugural address that a strict policy of retrenchment and economy be followed in the matter of public improvements and departmental activities (V. 134, p. 703). It is said that the Governor favors the abolition of the Commission and the transference of its functions to the Board of Conservation and Development.

NEWTOWN SCHOOL DISTRICT, Bucks County, Pa.—BOND SALE.—The issue of \$22,000 4 1/2% coupon (registerable as to principal) school bonds offered on Dec. 24—V. 133, p. 4005—was awarded to the First National Bank & Trust Co. of Newtown at a price of par. Dated Oct. 1 1931. Due Oct. 1 as follows: \$1,000 from 1934 to 1960 inclusive and \$2,000 in 1961.

NEW YORK, N. Y.—NO IMMEDIATE PUBLIC FINANCING CONTEMPLATED.—In response to published reports that the city is considering the early public offering of a further portion of the \$200,000,000 6% 3 to 5-year corporate stock notes authorized by the Legislature, of which \$100,000,000 were marketed in January—V. 134, p. 708—Comptroller Charles C. Berry in a letter received by H. C. Sylvester Jr., Vice-President of the National City Co., on Feb. 15 stated that "under present market conditions the city has no intention of attempting a sale of any kind of city securities." This announcement is said to have improved the quotations on all city obligations, particularly on those of the \$100,000,000 stock notes mentioned above, which closed on February 15 at 99 1/2 bid and 100 1/4 asked, as compared with previous prices of 99 1/2 and 100. On Friday night (Feb. 19) the quotations were from 100 1/2 to 100 3/4, according to maturity. These notes, it will be remembered, were sold to investors at a price of par.

NILES, Trumbull County, Ohio.—BOND SALE.—The State Teachers' Retirement Board at Columbus has purchased an issue of \$12,720 6% poor relief bonds at a price of par. Due Oct. 1 as follows: \$2,000 from 1933 to 1937 incl. and \$2,720 in 1938. (This corrects the report given in V. 134, p. 1064.)

NORTH OLMSTED, Cuyahoga County, Ohio.—BONDS NOT SOLD.—The issue of \$18,250 6% motor vehicle and municipal garage construction bonds originally offered without success on Dec. 14, failed of award at the re-offering on Feb. 15—V. 134, p. 885—no bids having been submitted. The issue is dated Jan. 1 1932 and matures on Oct. 1 from 1933 to 1939, inclusive.

NORTH PLATTE, Lincoln County, Neb.—BOND DETAILS.—The \$51,000 (not \$50,000) issue of 5 1/2% semi-ann. Paving District No. 38 bonds that was purchased at par by the Omaha National Bank of Omaha—V. 134, p. 1230—is described as follows:

\$41,500 district paving bonds. Due in 1942; optional at any time.
\$9,500 intersection paving bonds. Due in 1942, optional after 5 years from date.

OLEAN, Cattaraugus County, N. Y.—BOND SALE.—The \$75,000 coupon or registered public health bonds offered on Feb. 16—V. 134, p. 1231—were awarded as 5 1/2s to Prudden & Co., of New York, at par plus a premium of \$185, equal to a price of 100.24, a basis of about 5.72%. Dated March 1 1932. Due March 1 as follows: \$3,000 from 1933 to 1937 incl., and \$4,000 from 1938 to 1952 inclusive.

Bidder—	Int. Rate.	Premium.
Prudden & Co. (successful bidder).....	5 1/2%	\$185.00
Batchelder & Co.....	6%	315.00
A. C. Allyn & Co.....	6%	285.00

ORANGE, Essex County, N. J.—TEMPORARY BORROWING.—In order to pay the semi-monthly municipal payroll of \$18,000, of which \$3,000 was available, the city was obliged on Feb. 15 to borrow from a local bank the difference of \$15,000. Comptroller Coughtry attributed the necessity of the borrowing to the fact that delinquent 1931 taxes as of Jan. 1 amounted to \$688,500, and that the city has not received school funds of approximately \$168,000 which were due in December. However, Mr. Coughtry added, the city has yet to pay its county tax of \$135,000.

ORANGE COUNTY (P. O. Goshen), N. Y.—BOND SALE.—The issue of \$400,000 coupon or registered bonds offered at public auction on Feb. 16—V. 134, p. 1064—was awarded as 5.20s, at a price of par, to the Newburgh Savings Bank, of Newburgh. Dated March 1 1932. Due \$20,000 on March 1 from 1936 to 1955 inclusive.

LIGHTING PLANT SOLD.—At a referendum on Feb. 16 the proposal to sell the municipally-operated street lighting plant to the Public Service Electric & Gas Co. at its offer of \$231,000 was approved by a vote of 2,630 to 2,498, according to the Newark "News" of the following day. Voting was extremely light, as the city's normal registration is about 16,000 voters. In commenting on the outcome of the election, Mayor Murray said: "By their vote the citizens have saved the city many thousands of dollars during the next twenty years."

OREGON, State of (P. O. Salem).—BOND OFFERING.—It is announced by Roy A. Klein, Acting Secretary of the State Highway Commission, that sealed bids will be received by the Commission at the Multnomah County Court House in Portland for the purchase of an issue of \$1,000,000 highway bonds. Int. rate is not to exceed 6%. Denom. \$1,000 each or such denominations as the purchaser may desire. Dated April 1 1932. Due on Oct. 1 1932. Prin. and int. payable at the State Treasurer's office or at the fiscal agent of the State in New York City. The approving opinion of Storey, Thorndike, Palmer & Dodge of Boston will be furnished. Purchase price to be paid in New York City on date of delivery of bonds at Portland. These bonds are issued under authority of Sections 44801 and 44810 incl., Chapter VIII., Oregon Code 1930. Accrued interest from date of April 1 1932 to date of delivery will be added to the amount of the successful bid. A certified check for 5% of the par value of the bonds, payable to the State Highway Commission, must accompany the bid.

OSHKOSH, Winnebago County, Wis.—BOND OFFERING.—Sealed bids will be received until 10:30 a.m. on March 7 by H. W. Witte, City Treasurer, for the purchase of a \$250,000 issue of 5% sewage system bonds. Denom. \$1,000. Dated Feb. 10 1931. Due \$50,000 from Feb. 10 1938 to 1942, incl. Prin. and int. (P. & A.) payable at the office of the City Treasurer. A certified check for 5% of the bid, payable to the City Treasurer, is required. (These bonds were authorized by the City Council on Feb. 4—V. 134, p. 1231.)

OTERO COUNTY SCHOOL DISTRICT NO. 26 (P. O. Fowler), Colo.—BOND DESCRIPTION.—The \$40,000 issue of 4 1/2% school refunding bonds that was purchased by Heath, Larson & Co. of Denver—V. 134, p. 1231—was awarded for a premium of \$65, equal to 100.16, a basis of about 4.48%. Due as follows: \$1,000, 1932 to 1941; \$1,500, 1942 to 1946; \$2,000, 1947 to 1951, and \$2,500, 1952 to 1956, all inclusive.

OTTUMWA, Wapello County, Iowa.—PRICE PAID.—The \$42,000 issue of funding bonds that was purchased by Geo. M. Bechtel & Co. of Davenport (V. 134, p. 1231) was awarded as 5s at par.

PARSHALL SCHOOL DISTRICT NO. 3 (P. O. Parshall), Mountrail County, N. Dak.—BELATED BOND SALE.—We are informed by the District Clerk that the \$8,000 (not \$10,000) issue of general expense certificates of indebtedness offered for sale on Sept. 16—V. 133, p. 1958—was purchased at par by the Bank of North Dakota of Bismarck.

PATERSON, Passaic County, N. J.—NOTE SALE PLANNED.—The city plans to sell \$500,000 tax anticipation notes and \$144,000 temporary impt. notes shortly.

PHILADELPHIA, Pa.—VALUATION REDUCTIONS AFFECT BORROWING CAPACITY.—Because of a reduction of \$18,551,120 in real estate assessments and of personal property returns of \$24,108,882, announced by the Board of Revision of Taxes on Feb. 13, the borrowing capacity of the city was reduced to "minus" \$12,500,000, according to the Philadelphia "Ledger" of the following day. In order to correct the situation, City Comptroller Hadley announced that he would petition the City Council to cancel authorized but unissued city loans amounting to \$20,000,000. Such action, according to the Comptroller, would strengthen the city's credit and insure a sufficient margin for future loans that may be needed this year for municipal purposes. Cancellation of the unissued loans must be ratified by the electorate at the April 26 primary, since all the loans were originally created by popular vote. The total of assessed valuations for 1932, as announced by the Board of Revision, is \$4,495,819,147, of which \$3,454,008,026 is real estate and \$1,041,811,121 personal property.

SALE OF BONDS DISCONTINUED.—Further sales of the issue of \$15,000,000 4 1/2% bonds that the city has been offering "over-the-counter" at a price of par since Oct. 26—V. 133, p. 2961—and of which \$12,340,500 have been subscribed for, have been discontinued upon the advice of City Comptroller Hadley, who advised the Mayor that the city's borrowing capacity had been exhausted because of the decrease in the assessed valuation figures, referred to in the paragraph immediately above. This latest development was reported in the "Wall Street Journal" of Feb. 17.

PHILADELPHIA, Neshoba County, Miss.—BONDS AUTHORIZED.—The City Council is reported to have recently approved the issuance of \$163,000 in bonds to refund street impt. district obligations due shortly.

POINT MARION SCHOOL DISTRICT, Fayette County, Pa.—BOND SALE.—The issue of \$14,000 5% coupon funding bonds for which no bids were received at the offering on Dec. 14 (V. 133, p. 4192) has since been purchased by the First National Bank of Point Marion. Dated Dec. 1 1931. Due Dec. 1 as follows: \$2,000 in 1936 and \$3,000 in 1940, 1944, 1948 and 1951.

POLK COUNTY (P. O. Crookston), Minn.—BOND SALE CONTEMPLATED.—At a meeting held on Feb. 10 the County Board is reported to have voted to sell \$30,600 in 4 1/2% ditch refunding bonds.

PONTIAC, Oakland County, Mich.—BONDS NOT SOLD.—The issue of \$65,000 refunding bonds offered at not to exceed 6% int. on Feb. 9—V. 134, p. 1065—was not sold, as no bids were received. Dated Feb. 1 1932. Due Feb. 1 as follows: \$10,000 in 1933, and \$11,000 from 1934 to 1938 incl.

PORTLAND, Multnomah County, Ore.—BOND SALE.—Of the \$300,000 issue of 5% semi-annual emergency relief fund bonds offered for sale on Feb. 17 (V. 134, p. 1065), a block of \$270,000 was awarded as follows: \$250,000 to the City Treasurer for the sinking fund account, at par. 20,000 to Mr. Abe Tichner of Portland for a premium of \$1, equal to 100.00s.

POTTSTOWN SCHOOL DISTRICT, Montgomery County, Pa.—BOND SALE.—The \$425,000 coupon school bonds offered on Feb. 15—V. 134, p. 886—were awarded as 4 1/2s to a syndicate composed of the Citizens National Bank & Trust Co., the National Bank of Pottstown, National Iron Bank, and the Security Trust Co., all of Pottstown, at par plus a premium of \$1,190, equal to a price of 100.28, a basis of about 4.73%. Dated Dec. 1 1931. Due Dec. 1 as follows: \$70,000 in 1936, 1941, 1946, 1951 and 1956 and \$75,000 in 1961.

QUINCY, Norfolk County, Mass.—TEMPORARY LOAN.—The First National Bank of Boston has purchased a \$200,000 tax anticipation loan due in October at an interest rate described by City Treasurer Newell as satisfactory.

RADNOR TOWNSHIP (P. O. Wayne), Delaware County, Pa.—BOND OFFERING.—Mrs. L. W. Hummel, Secretary of the Board of Commissioners, will receive sealed bids until 7:30 p.m. on March 14 for the purchase of \$250,000 4, 4 1/2, or 4 3/4% coupon sewer bonds. Dated April 1 1932. Denom. \$1,000. Due April 1 as follows: \$60,000 in 1942 and 1947 and \$65,000 in 1952 and 1957. Single rate of interest to apply to all of the bonds. Interest is payable in April and October. These bonds are part of an issue of \$500,000 authorized by the voters. A certified check for \$1,000 must accompany each proposal. The approving opinion of Townsend, Elliott & Munson of Philadelphia and Futz, Erwin, Resser & Pronefield of Media will be furnished the successful bidder. Sale of the bonds is subject to the approval of the issue by the Department of Internal Affairs at Harrisburg.

RAPIDES PARISH SCHOOL DISTRICT NO. 26 (P. O. Alexandria), La.—BOND ELECTION.—It is reported that an election will be held on March 21 in order to have the voters pass on the proposed issuance of \$5,000 in school bonds.

REEDSBURG, Sauk County, Wis.—BOND SALE.—The \$50,000 in 4% hospital bonds that was voted on Feb. 2 (V. 134, p. 1231) is reported to have been purchased by the City Utility Commission. Due \$2,500 from May 1 1933 to 1952, inclusive.

ROCHESTER, Monroe County, N. Y.—NOTE SALE.—G. F. Argetsinger, City Comptroller, reports that the \$2,442,500 notes offered on Feb. 18 were awarded at 6% interest, at a price of par, as follows: \$1,400,000 to a syndicate of local banks. 1,000,000 to the Central Hanover Bank & Trust Co., New York. 42,500 to Sage, Wolcott & Steele, of Rochester. The notes are dated Feb. 25 1932 and will mature on Sept. 14 1932. Payable at the Central Hanover Bank & Trust Co., New York. Legality approved by Reed, Hoyt & Washburn, of New York.

ROCHESTER SCHOOL DISTRICT, Beaver County, Pa.—BOND SALE.—The State Teachers' Retirement Board at Lansing has purchased at par and accrued interest an issue of \$15,000 4 1/2% coupon school bonds

This issue was offered on Jan. 11 (V. 134, p. 359), at which time no bids were received. Due Jan. 15 as follows: \$1,000 from 1940 to 1948, incl., and \$2,000 from 1949 to 1951, incl.

ST. JOSEPH, Berrien County, Mich.—NOTES NOT SOLD.—No bids were received at the offering on Feb. 8 of an issue of \$25,000 tax anticipation notes, the rate for which was optional with the bidder (V. 134, p. 1065). Dated Feb. 1 1932 and due on Sept. 30 1932.

ST. JOSEPH COUNTY (P. O. South Bend), Ind.—NOTE OFFERING.—Fred T. Crowe, County Auditor, will receive sealed bids until 10 a. m. on Feb. 23 for the purchase of \$350,000 6% poor relief notes. Due \$175,000 on May and Nov. 15 in 1933. Denoms. to suit purchaser. A certified check for 3% of the par value of the notes bid for, payable to the order of the Board of County Commissioners, must accompany each proposal. The approving opinion of Matson, Ross, McCord & Clifford of Indianapolis will be furnished by the county.

ST. LOUIS COUNTY (P. O. Clayton), Mo.—FINANCIAL STATEMENT.—The following official information is furnished in connection with the offering on Feb. 24 of the \$1,500,000 road bonds (V. 134, p. 1231):

Bonds issued under Article 5, Chapter 42, R. S. of Mo., 1929, and authorized by election held on June 23 1928. Election carried by more than two-thirds majority.	
Assessed valuation of county, June 1 1925	\$191,610,624.00
Assessed valuation of county, June 1 1926	206,583,586.00
Assessed valuation of county, June 1 1927	219,634,094.50
Assessed valuation of county, June 1 1928	230,872,981.50
Assessed valuation of county, June 1 1929	252,666,179.00
Assessed valuation of county, June 1 1930	258,706,894.00
Estimated actual value of county	450,000,000.00
Total bonded indebtedness of county (voted)	12,074,000.00
Floating debt (outstanding warrants), Jan. 15 1932	None
Total county bonds outstanding Jan. 15 1932	8,652,000.00
Cash on hand in sinking funds Jan. 15 1932	1,022,117.41
Population, 1930 Census, 211,593.	

SALEM, Essex County, Mass.—TEMPORARY FINANCING.—A note issue of \$150,000, due on Oct. 18 1932, has been sold to the First National Old Colony Corp. of Boston at 6% discount basis, and the city has arranged for the renewal of a loan of \$300,000 that matured on Feb. 18.

SALT LAKE CITY, Salt Lake County, Utah.—BOND SALE.—The City Treasurer informs us that an issue of \$100,000 4½% coupon storm sewer bonds was purchased on Jan. 15 by a San Francisco bond house at a price of 98.00, a basis of about 4.71%. Denom. \$1,000. Dated Dec. 15 1931. Due \$25,000 from Dec. 15 1942 to 1945, incl. Interest payable on June and Dec. 15.

SCOTIA, Clinton County, N. Y.—BOND OFFERING.—Raymond J. Ballert, Village Clerk, will receive sealed bids until 8 p. m. on March 2 for the purchase of \$95,000 not to exceed 6% interest coupon or registered bonds, divided as follows: \$86,000 street impt. bonds. Dated July 1 1931. Denoms. \$1,000 and \$500. Due July 1 as follows: \$8,500 from 1932 to 1939 incl., and \$9,000 in 1940 and 1941. 9,000 water bonds. Dated Feb. 1 1931. Denom. \$1,000. Due \$1,000 on Feb. 1 from 1936 to 1944 incl.

Rate of interest to be expressed in a multiple of ¼ or 1-10th of 1% and must be the same for all of the bonds. Prin. and semi-ann. int. are payable at the Glenville Bank, Scotia. A certified check for \$2,000, payable to the order of the Village, must accompany each proposal. The approving opinion of Clay, Dillon & Vandewater, of New York, will be furnished the successful bidder.

Financial Statement (as Officially Reported).

The assessed valuation of the real estate in the Village of Scotia, N. Y., as appears on the last (1931) assessment roll is as follows:

Real estate assessed by local assessors	\$13,182,872
Special franchises	399,855
Total	\$13,582,727

Total bonded debt of the village as of March 1 1931 and including this issue is \$1,054,250. Included in the above total indebtedness is \$311,900 incurred to provide for the supply of water. Also included in the above total indebtedness is \$380,050 issued for local improvements chargeable against the abutting property. The sum of \$89,399.88 has been borrowed on temporary notes which will be retired by the proceeds of this bond sale. Total net debt of the village is not more than \$362,300. There are no unpaid judgments of record against the village.

Village of Scotia incorporated 1904. Population: 1910, 2,957; 1915, 3,790; 1920, 4,358; 1925, 5,562; 1930, 7,409. Tax rate per \$1,000: 1927, \$10; 1928, \$9.90; 1929, \$9.20; 1930, \$9; 1931, \$9.50.

SEA BRIGHT, Monmouth County, N. J.—BOND OFFERING.—Sealed bids will be received by the Borough Clerk until Feb. 24 for the purchase of an issue of \$30,000 school bonds.

SEATTLE, King County, Wash.—BOND OFFERING.—Sealed bids will be received by H. W. Carroll, City Comptroller, until noon on Feb. 19, for the purchase of an \$85,000 issue of coupon or registered bridge bonds. Int. rate is not to exceed 6%, payable semi-annually. Denom. \$1,000. Dated March 1 1932. Due annually commencing with the second year and ending with the 30th year after said date of issue in such amounts, as nearly as practicable, to be specified by the City Council by resolution, as will, together with interest on all outstanding bonds of the same series, be met by an equal annual tax levy for the payment of such bonds and interest. Prin. and int. payable at the City Treasurer's office or at the fiscal agency of the State in New York City. The approving opinion of Thomson, Wood & Hoffman of New York, will be furnished. Bids to be on blank forms furnished by the City Comptroller. The bonds will be delivered in Seattle, New York City, Chicago, Boston or Cincinnati, at the option of the purchaser. A certified check for 5% of the bid is required. (The preliminary offering report appeared in V. 134, p. 1065.)

SEATTLE, King County, Wash.—BOND OFFERING.—Sealed bids will be received until noon on March 11 by H. W. Carroll, City Comptroller, for the purchase of a \$300,000 issue of sewer bonds. Interest rate is not to exceed 6%, payable semi-annually. These bonds are part of a \$2,125,000 issue voted on March 9 1926. A certified check for 5% must accompany the bid.

SEATTLE, King County, Wash.—BONDS NOT SOLD.—The \$3,000,000 issue of not to exceed 6% semi-annual municipal light and power, Series 1J-3, bonds offered for sale on Feb. 5 (V. 134, p. 1065), was not sold as there were no bids received, according to the City Comptroller.

SHULLSBURG, Lafayette County, Wis.—BOND OFFERING.—Sealed bids will be received until March 1 by V. G. Jackson, City Clerk, for the purchase of a \$10,000 issue of 5% semi-annual sewage disposal bonds. Denom. \$500. Due \$2,000 from 1933 to 1937, incl. Bids must be filed with the City Clerk on or before 6 p. m. A certified check for not less than 10% of the amount bid, payable to the city, is required.

SILVERTON, Briscoe County, Tex.—BONDS REGISTERED.—A \$40,500 issue of 5½% funding, series of 1931 bonds was registered by the State Comptroller on Feb. 8. Denom. \$1,000, one for \$500. Due serially.

SLEEPY HOLE MAGISTERIAL DISTRICT NO. 5 (P. O. Suffolk), Nansemond County, Va.—BOND SALE.—The \$14,000 issue of refunding bonds offered on Feb. 5 (V. 134, p. 542) was purchased by the Farmers Bank of Nansemond as 5s at par. Due on Jan. 1 as follows: \$2,000, 1937; \$5,000, 1938 and 1939, and \$2,000 in 1940.

SNYDER COUNTY (P. O. Middleburg), Pa.—BOND SALE.—M. M. Freeman & Co. of Philadelphia are reported to have recently purchased an issue of \$100,000 5% funding indebtedness bonds at par plus a premium of \$100, equal to a price of 100.10, a basis of about 4.99%. Due serially in 26 years.

SOUTHAMPTON UNION FREE SCHOOL DISTRICT NO. 6 (P. O. Southampton), Suffolk County, N. Y.—BOND OFFERING.—Ida P. Fordham, District Clerk, will receive sealed bids until 3:30 p. m. on Feb. 29 for the purchase of \$410,000 5% coupon or registered school bonds. Dated March 1 1932. Denom. \$1,000. Due March 1 as follows: \$5,000 in 1937; \$6,000, 1938; \$7,000, 1939; \$8,000, 1940; \$9,000, 1941; \$10,000, 1942; \$15,000, 1943; \$18,000, 1944; \$25,000 from 1945 to 1950 incl., and \$26,000 from 1951 to 1957 incl. Bids will be considered based on interest rates other than 5%, but not to exceed 6%. Principal and semi-annual interest (March

and Sept.) are payable at the Chase National Bank, New York. A certified check for 2% of the amount of the bonds, payable to the order of the School District, must accompany each proposal.

SOUTHOLD UNION FREE SCHOOL DISTRICT NO. 10 (P. O. Greenport), Suffolk County, N. Y.—BONDS NOT SOLD.—The issue of \$550,000 coupon or registered school bonds offered at not to exceed 6% interest on Feb. 16 (V. 134, p. 709) was not sold, as no bids were received. The bonds are dated Dec. 30 1931 and mature on June 30 from 1935 to 1970, inclusive.

SOUTH PLAINFIELD, Middlesex County, N. J.—BOND OFFERING.—Charles Carone, Borough Clerk, will receive sealed bids until 8 p. m. on Feb. 29 for the purchase of \$150,000 not to exceed 6% interest bonds, divided as follows:

\$81,000 tax anticipation bonds. Due Dec. 30 1932. Interest payable at maturity and bonds will be issued in bearer form.

43,000 tax revenue bonds of 1930. Due Aug. 1 as follows: \$14,000 in 1933, and \$29,000 in 1934. Interest payable in Feb. and Aug. Bonds will be issued in coupon or registered form.

26,000 tax revenue bonds of 1929. Due Aug. 1 1933. Interest payable in Feb. and Aug. Bonds will be issued in coupon or registered form.

Each issue is dated Feb. 1 1932. Tax revenue bonds will be in denoms. of \$1,000, while the denoms. of the tax anticipation bonds will be optional with the bidder. Principal and interest on all of the bonds are payable at the First National Bank, South Plainfield. Rate of interest to be expressed in a multiple of one one-hundredth of 1% and must be the same for all of the bonds. A certified check for \$3,000, payable to the order of the Borough, is required. The approving opinion of Clay, Dillon & Vandewater, of New York, will be furnished the successful bidder.

STAMFORD (City of), Fairfield County, Conn.—NO BIDS.—Joseph P. Zone, City Treasurer, reports that no bids were received at the offering on Feb. 16 of a \$500,000 temporary loan. Bids were asked on a discount basis—V. 134, p. 1232. Dated Feb. 18 1932. The loan was to mature in amounts of \$100,000 on the following dates: Oct. 10, Oct. 31, Nov. 10, Nov. 30 and Dec. 12 1932. Legality approved by Storey, Thorndike, Palmer & Dodge, of Boston.

SUFFOLK COUNTY (P. O. Riverhead), N. Y.—CERTIFICATES PARTIALLY SOLD.—At the offering on Feb. 11 of \$100,000 registered certificates of indebtedness, award was made of \$58,000 worth as 6s, at a price of par, as follows: \$25,000 to the Union Savings Bank, Patchogue; Long Island State Bank & Trust Co., Riverhead, \$10,000; Suffolk County Trust Co., Riverhead, \$10,000; First National Bank, Southampton, \$5,000, and \$2,000 each to the Babylon National Bank & Trust Co., Hampton Bays National Bank, the Bank of Amityville, and the First National Bank & Trust Co., of Amityville. The certificates are dated Feb. 1 1932 and mature on Feb. 1 1934. Principal and interest (Feb. and Aug.) are payable at the County Treasurer's office. Legality approved by Clay, Dillon & Vandewater, of New York. County Treasurer Ellis T. Terry advises us that he will receive sealed bids until 2 p. m. on Feb. 25 for the purchase of the remaining \$42,000 certificates. Bidder to name a rate of interest not in excess of 6%.

Financial Statement.

1931 assessed value of real property incl. special franchise	\$290,089,905
Assessed value of personal property	263,900
Total	\$290,353,805

Estimated actual value of property (real, personal and special franchise) 771,061,415

County Tax Rate per \$100.—1924, \$.34; 1925, \$.34; 1926, \$.30; 1927, \$.30; 1928, \$.45; 1929, \$.44; 1930, \$.49; 1931, \$.475.

Statement of Indebtedness as of Feb. 1 1932.

Bonded debt, exclusive of this issue	\$4,498,761
Sinking fund cash and investments	None
Net bonded debt	\$4,498,761
No water bonds outstanding. Population, census of 1930, 160,871.	

SUMMIT COUNTY (P. O. Akron), Ohio.—BONDS NOT SOLD.—The three issues of 6% road improvement and bridge improvement bonds totaling \$107,925, offered on Feb. 17—V. 134, p. 1066—were not sold, as no bids were received.

SUTHERLIN, Douglas County, Ore.—BOND EXCHANGE.—We are now informed by the City Recorder that the \$30,000 issue of 6% semi-ann. refunding impt. bonds offered for sale without success on Feb. 1—V. 134, p. 1066—was taken in exchange on Feb. 11 by the holders of the old issue of water bonds. Dated Feb. 1 1932. Due from Feb. 1 1935 to 1945 incl.

SWISSVALE, Allegheny County, Pa.—BOND OFFERING.—B. B. Caldwell, Borough Secretary, will receive sealed bids until 8:30 p. m. on March 8 for the purchase of \$85,000 4¾ and 5% borough bonds. Dated March 1 1932. Denom. \$1,000. Due March 1 as follows: \$5,000 in 1936 and 1937, in 1942 and 1943 and in 1945; also \$20,000 from 1946 to 1948 incl. Interest is payable semi-annually in March and September. A certified check for \$1,000, payable to the order of the Borough Treasurer, must accompany each proposal. The approving opinion of Burgwin, Scully & Burgwin of Pittsburgh will be furnished the successful bidder. Purchaser to pay for the printing of the bonds. Sale is subject to the approval of the issue by the Department of Internal Affairs at Harrisburg.

SYRACUSE, Onondaga County, N. Y.—BOND SALE.—A syndicate composed of the Guaranty Co. of New York, the National City Co. and the Marine Trust Co. of Buffalo was the successful bidder at the offering on Feb. 19 of \$2,082,000 coupon or registered bonds—V. 134, p. 1232—paying a price of 100.01 for the bonds as 6s, the net interest cost of the borrowing being about 5.95%. Included in the award were: \$873,000 series B welfare bonds. Due March 1 1935.

723,000 series A welfare bonds. Due March 1 as follows: \$144,000 in 1933 and 1934 and \$145,000 from 1935 to 1937 incl. 486,000 revenue bonds. Due March 1 as follows: \$97,000 from 1933 to 1936 incl. and \$98,000 in 1937.

Each issue is dated March 1 1932. Principal and semi-annual interest (March and September) are payable at the Chase National Bank, New York. Legality to be approved by Caldwell & Raymond of New York.

Financial Statement.

Assessed valuation taxable property	\$388,786,603.00
Actual valuation taxable property (est.)	500,000,000.00
Assessed valuation real property	373,314,128.00
Assessed valuation special franchises	15,387,200.00
Bonded debt, including above issues	35,594,603.16
Water bonds, included in above (exempt debt)	6,455,625.00
Local improvement bonds, incl. in above (exempt debt)	4,494,000.00
Tax anticipation loans	4,065,000.00
Local assessment loans	1,981,153.19
Bond anticipation loans	400,000.00
Population: Census 1930, 209,326.	

TAUNTON, Bristol County, Mass.—TEMPORARY LOAN.—The Shawmut Corp. of Boston has purchased an issue of \$200,000 tax anticipation notes at 6% discount basis.

TEXAS, State of (P. O. Austin)—BONDS REGISTERED.—The following minor issues of bonds were registered by the State Comptroller during the week ending Feb. 13: \$5,000 5% Bastrop County Road Dist. No. 5, series of 1931 bonds. Denom. \$500. Due serially. 1,000 5½% Burleson County funding, series of 1931 bonds. Denom. \$1,000. Due on April 1 1941. 6,000 5½% Bandera County general funding bonds. Denom. \$500. Due serially.

TORONTO, Jefferson County, Ohio.—BONDS NOT SOLD.—The issue of \$20,276.43 6% street improvement bonds offered on Feb. 16—V. 134, p. 886—was not sold, as no bids were received. An effort will be made to sell the issue privately. Dated Jan. 1 1932. Due on Sept. 1 from 1933 to 1940 inclusive.

TOWNSEND, Broadwater County, Mont.—BOND OFFERING.—Sealed bids will be received until 8 p. m. on March 7, by Cecile Zimmerman, Town Clerk, for the purchase of a \$13,903.17 issue of improvement bonds. Int. rate is not to exceed 6%, payable semi-annually. No bid for less than par will be accepted. Dated May 2 1932. A certified check for \$1,000 will be accepted.

TRAVERSE CITY, Grand Traverse County, Mich.—BOND SALE.—The \$245,000 coupon sewage disposal plant construction bonds offered on Feb. 8—V. 134, p. 709—were awarded to Braun, Bosworth & Co., of Toledo, at par plus a premium of \$365, a block of \$140,000 being sold

5 3/4s, while the remaining \$105,000 were sold as 6s. The city received a price of 100.14 for the issue. The bonds are dated Jan. 2 1932 and mature July 1 as follows: \$5,000 from 1934 to 1938, incl.; \$7,000, 1939 to 1943; \$9,000, 1944 to 1948; \$12,000, 1949 to 1953; \$15,000 from 1954 to 1958, incl.; and \$5,000 in 1959. C. W. McNear & Co., of Chicago, bidding for the issue as 6s, offered par plus a premium of \$1,402.25, while Stranahan, Harris & Co., of Toledo, bid for a block of \$60,200 bonds as 6s.

TUSCALOOSA, Tuscaloosa County, Ala.—BOND ELECTION.—It is reported that an election will be held on March 14 in order to have the voters pass on the proposed issuance of \$75,000 in water works bonds.

VERDE RIVER IRRIGATION AND POWER DISTRICT (P. O. Phoenix), Maricopa County, Ariz.—BOND REPORT.—In response to our query regarding the disposal of the \$13,500,000 6% coupon hydro-electric power installation and irrigation bonds that were offered for private sale in Oct.—V. 133, p. 2468—we are informed as follows by Wm. H. Bartlett, Secretary of the District, under date of Feb. 9:

"Replying to your request, under date of Feb. 5 1932 for information regarding the disposition of our Bonds in the amount of \$13,500,000, 6% non-taxable, voted in 1923.

"These Bonds have not yet been sold. They have been validated by the Supreme Court of the State of Arizona. Efforts to sell these bonds will not be made until the financial situation clears.

"A very unfortunate automobile accident in November caused the death of our General Manager and Chief Engineer, John G. Ballhache. No successor as yet has been appointed by the board of directors."

VINCENNES, Knox County, Ind.—LOAN NOT SOLD.—At the offering on Feb. 13 of \$70,000 not to exceed 6% interest temporary loan notes or warrants—V. 134, p. 1066—no bids were received. The notes are to mature \$35,000 on July 1 1932 and \$35,000 on Dec. 31 1932.

VIRGINIA, State of (P. O. Richmond).—CONTEMPLATED BOND ISSUE.—We are informed that a bill has been introduced in the Legislature providing for the refunding of \$2,445,000 in Riddleberger bonds.

WALLA WALLA, Walla Walla County, Wash.—BOND REPORT.—We are informed by Ray Appling, City Clerk, on Feb. 13, that no decision has as yet been reached regarding the award of the \$123,900 issue of flood control funding bonds offered on Jan. 27, the sale of which has been pending—V. 134, p. 887.

WALTHAM, Middlesex County, Mass.—ADDITIONAL NOTES SOLD.—The remaining \$100,000 tax anticipation notes of the issue of \$250,000 offered on Jan. 27, of which \$150,000 were purchased at 6% discount basis by the Waltham Watch Co.—V. 134, p. 1066—have been sold as follows: \$65,000 to the Judson L. Thomson Manufacturing Co. at 6%. Due Nov. 1 1932.

35,000 to Faxon, Gade & Co., of Boston, at 6.15%, of which \$25,000 mature on Nov. 28 1932 and \$10,000 on Dec. 1 1932.

WAPELLO CONSOLIDATED SCHOOL DISTRICT (P. O. Wapello), Louisa County, Iowa.—BOND SALE.—A \$15,000 issue of 5% semi-ann. refunding bonds is reported to have been purchased recently by Geo. M. Bechtel & Co. of Davenport. Due from 1933 to 1950.

WATERFORD TOWNSHIP (P. O. Pontiac, R. No. 7), Oakland County, Mich.—NOTE SALE.—C. G. Richardson, Township Clerk, reports that the First National Bank & Trust Co., of Pontiac, has purchased the issue of \$13,840 6% delinquent tax notes, due on or before July 1 1932, recently approved by the State Loan Board, at Lansing.

WAUNETA, Chase County, Neb.—BOND DETAILS.—The \$6,000 issue of water works system bonds that was sold recently—V. 134, p. 887—was purchased by the Wauneta Falls Bank of Wauneta as 5s at par. Coupon bonds dated July 1 1931. Due in 20 years and optional after 10 years. Interest payable J. & J.

WELLESLEY, Norfolk County, Mass.—BOND SALE.—Jackson & Curtis of Boston purchased on Feb. 17 a total of \$60,000 coupon bonds as 4 3/4s at a price of 100.177, a basis of about 4.72%. The bonds are dated March 1 1932 and comprise a \$30,000 water extension issue and a \$30,000 sewer issue. Due \$3,000 annually. Bids submitted at the sale were as follows:

Bidder	Interest Rate.	Rate Bid
Jackson & Curtis (successful bidders)	4 3/4%	100.177
Wellesley National Bank	5%	100.682
First National Old Colony Corp.	5%	100.645
F. S. Moseley & Co.	5%	100.264
W. O. Gay & Co.	5%	100.38
National City Co.	5%	100.31
Chase Harris Forbes Corp.	5%	100.27
Wellesley Trust Co.	5%	100.06
Day Trust Co.	5%	100.25

WAYNE COUNTY (P. O. Corydon), Iowa.—BOND OFFERING.—Bids will be received until 1:30 p.m. on Feb. 23, by Harley Condra, County Auditor, for the purchase of an \$8,500 issue of funding bonds.

WESTFIELD, Hampden County, Mass.—LOAN OFFERING.—R. P. McCarthy, City Treasurer, will receive sealed bids until 11 a.m. on Feb. 25 for the purchase at discount of a \$100,000 temporary loan. Dated Feb. 25 1932. Denom. \$25,000, \$10,000 and \$5,000. Payable on Nov. 10 1932 at the First National Bank of Boston. The notes will be authenticated as to genuineness and validity by the aforementioned bank under advice of Ropes, Gray, Boyden & Perkins of Boston.

WEST LINN, Clackamas County, Ore.—BOND SALE.—The \$19-077.02 issue of 6% coupon semi-annual impt. bonds offered for sale on Jan. 27—V. 134, p. 710—was purchased at par by local investors. Dated Dec. 1 1931. Due on Dec. 1 1941 and optional on Dec. 1 1932.

WEST WILDWOOD (P. O. Wildwood), Cape May County, N. J.—BONDS NOT SOLD.—The issue of \$24,000 6% coupon or registered improvement bonds offered on Feb. 15—V. 134, p. 1066—was not sold as no bids were received. Dated Dec. 1 1931. Due Dec. 1 as follows: \$11,000 in 1933 and \$13,000 in 1934.

WILLISTOWN SCHOOL DISTRICT (P. O. Edgemont), Delaware County, Pa.—BOND ELECTION.—The District Clerk informs us that an election has been called for Mar. 15 to permit of the consideration of a proposed \$74,000 school building construction bond issue, which would mature in 30 years.

YOUNG COUNTY (P. O. Graham), Tex.—BONDS REGISTERED.—The State Comptroller on Feb. 11 registered a \$75,000 issue of 5 3/4% court house refunding bonds. Denom. \$1,000. Due serially.

CANADA, its Provinces and Municipalities.

ALMAVILLE, Que.—BOND SALE.—J. Beaumier, Secretary-Treasurer, reports that an issue of \$27,000 6% improvement bonds was awarded on Feb. 8 to the Corporation de Prets, of Quebec, at a price of 95, a basis of about 7.11%. Due serially.

BARRIE, Ont.—BOND SALE.—Gairdner & Co. of Toronto, recently purchased three issues of 5% improvement bonds, aggregating \$59,569 at a price of 94, the net interest cost being about 5.91%.

BRITISH COLUMBIA (Province of)—BOND ISSUE OVERSUBSCRIBED.—Public offering of \$5,000,000 6% coupon (registerable as to principal) bonds was made on Feb. 18 by a syndicate of Canadian banks and investment houses at a price of 95.25 and accrued interest, to yield 6.50%, and on the following day it was announced that the issue had been four times oversubscribed. The bonds are dated Feb. 15 1932 and mature Feb. 15 1947. Prin. and int. (Feb. and Aug. 15) payable in lawful money of Canada at the Guardian Bank of Commerce in Victoria, Vancouver, Winnipeg, Toronto, Montreal and Halifax. Legal opinion of E. G. Long of Toronto. Proceeds of the loan will be used to redeem Treasury bills originally issued for highway and bridge construction and other general purposes. A sinking fund will be established, it is stated, sufficient to retire the issue at maturity.

The group responsible for the distribution of the issue consisted of the following members:

The Canadian Bank of Commerce; Bank of Montreal; The Royal Bank of Canada; Dominion Securities Corp., Ltd.; Wood, Gundy & Co., Ltd.; A. E. Ames & Co., Ltd.; The Bank of Nova Scotia; Fry, Mills, Spence & Co., Ltd.; R. A. Daly & Co., Ltd.; Imperial Bank of Canada; Hanson Bros., Inc.; McLeod, Young, Weir & Co., Ltd.; The Dominion Bank; Bell, Gouinlock & Co., Ltd.; Matthews & Co.; The Bank of Toronto; Royal Securities Corp., Ltd.; and Nesbitt, Thomson & Co., Ltd.

ETOBICOKE TOWNSHIP (P. O. Islington), Ont.—BONDS NOT SOLD.—S. Barratt, Township Clerk, reports that the five issues of 6% improvement bonds, aggregating \$112,415 offered on Feb. 8 were not sold, as the bids submitted were rejected. The bonds were to mature annually in from five to 30 years.

PEEL COUNTY (P. O. Brampton), Ont.—BOND OFFERING.—David Wilson, County Clerk, will receive sealed bids until 12 m. on Feb. 20 for the purchase of \$122,000 6% bonds, divided as follows: \$65,000 road and bridge construction bonds. Due in 15 annual installments as to principal and interest.

57,000 highway construction bonds. Due in 15 annual installments a to principal and interest.

Legality to be approved by Long & Daly of Toronto.

ST. JOHN, N. B.—BOND ISSUE PLANNED.—It is reported that the city will soon make public offering of an issue of \$1,000,000 in bonds.

NOTICE OF SALE.

\$27,000
Township of Frelinghuysen
 County of Warren,
 New Jersey
 4 1/2 %
Road Improvement Bonds

Notice is hereby given that the Township of Frelinghuysen, in the County of Warren, New Jersey, will sell at public auction on Saturday, March 5th, 1932, at two o'clock in the afternoon of said day at Johnsonburg School House, in Johnsonburg, N. J., Road Improvement Bonds in the matter of the construction of the Yellow Frame-Blairstown road in the amount of \$27,000 in denominations of \$500 each, with interest at four and one-half per centum (4 1/2 %) per annum, payable semi-annually, to be dated April 1st, 1932, and maturing \$2,000 annually, April 1st, 1933 to 1945 inclusive, and \$1,000 on April 1st, 1946; principal and interest payable in gold coin of the United States of America of the present standard of weight and fineness.

Bidders will be required to deposit a certified check for two per centum of the amount of bonds bid for, drawn upon an incorporated bank or trust company, to secure the municipality against loss resulting from the failure of the bidder to comply with the terms of bid.

The right is hereby reserved to reject any or all bids, and unless all bids are rejected said bonds will be sold to the bidder or bidders complying with the terms of said bonds and offering to pay not less than such sum and to take therefor the least amount of bonds, commencing with the first maturity and stated in a multiple of One Thousand Dollars.

The bonds will be ready for delivery on April 1st, 1932, at The First National Bank, Blairstown, N. J., and the successful bidder or bidders shall take and pay the balance due thereon in cash. Checks, however, will be received, but only for collection, and bonds will not be delivered until payment is advised by the depository bank.

LUNDY ARMSTRONG,
 Township Clerk, Johnsonburg, N. J.

For further information write Claude E. Cook, Township Attorney, No. 101 Sherrer Building, Hackettstown, N. J.

FINANCIAL

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