Side-light on the recent "gasoline shortage" fiasco;
It turns out to have been a "shortage of surplus."
Public reaction against official mis-handling of the situa-
tion may hamper necessary further official efforts, for there
will be for a time at least, a dangerous lack of surplus stocks
such as might be needed for quickly increased Navy needs
or for an unusually severe winter—.
The mistakes of Mr. Ike's seem to have prevented the public from
noticing the remarkable and probably operable achievement of
the petroleum industry in adjusting to the situation. Of an original
shortage of round $20,000,000 a day caused by the 50-barrel
diversion, the industry very
quickly picked up 175,000 barrels
by economies here and readjust¬
ments there. Of this they picked
up all the extra load-line in the
tanker load-line. They began
moving products up the Mississippi pi by barge; indirectly relieving the pressure by elevating
board-inland pipe-line move¬
ments; moving oil by truck and
tank-car (sle). The Portland
and Montreal pipe-line will save some
53,000 barrels a day. The com-
panies have switched their own
(Continued on Page 204)

WE AVOID YOU

Several months ago we invited you to come "Wax Down
Yonder to New Orleans" to the Eighth Annual Convention
of the National Security Traders Association. Since then,
we have been proclaiming the many treats in store for you.
Next week the time will arrive for us to prove ourselves.
We eagerly await you.
At times you may have thought our claims to be exag¬
gerated or, perhaps, in your leniency you have attributed
our glowing reports to a tinge of enthusiasm. We can assure
you that such is far from actuality; we are very confident of the many attractions of our city which have
been utilized in our program. We beg the opportunity to
familiarize our board and promoters that we shall not disappoint you.
This is our final message before convention time. If you
have not already done so, we urge you to join the large
number who have made their reservations. Then simply
pack your bag, come down to New Orleans, and leave the rest to
us. We are eagerly awaiting you.

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The

Charles Hayden Golf Tourney For Sept. 25;
41 Wall Street Houses Will Participate

The nineteenth annual Charles Hayden Memorial Trophy Tournament, in which golf teams representing 41 invest¬
ment banking firms will participate, will be held on September
26 at the Oakland Gold Club at Bayside, Long Island,
it was announced by W. Halsted Taft of Hempbell, Noyes
& Co., chairman of the tournament committee.

Originated by the late Charles
Hayden, the tournament was first
played in 1922, since which time three cups were awarded by Mr. Hay¬
den have been won outright and
removed from competition. Last
year the partners of Hayden, Stone
& Co. donated a new trophy to be kept in perpetual play as a
memorial to Mr. Hayden. It was won by a team representing
Hemphill, Noyes & Co. in whose possession it has remained for the
past year.

The banking firms which have accepted invitations to participate in
this year's tournament are: A. C. Allyn and Company, Inc.;
Baker, Weeks & Harden; Blair & Co.;
Blyth & Company, Inc.; Blyth & Company, Incorpor¬
atel; Central Republic Company, Incorporated; Dillon, Read & Co.;
Dominick & Dominick; Eastman, Dillon & Co; Gilbert Blatt & Co.;
Emanuel, Co.; Estabrook & Co.; Flandrin & Co.; The First
Boston Corporation; Giocca, Furgon & Co.; Goldman, Sachs & Co.;
Greenbaum & Co.; Halsey, Stuart & Co.; Harriman Ripley & Co., In¬
corporated; Hayden, Stone & Co.;
Hemphill, Noyes & Co.; Jackson
& Curtis; Kuhn, Loeb & Co.;
Ladenburg, Thalmann & Co.;

(Continued on Page 201)
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**200 “Revelers” Enjoy All-Day Outing; Club Votes To Retain Present Name**

A record crowd of 200 members and guests attended the outing of “The Revelers” at the Pomonaok Country Club at Fleming, L. I.

Winners of the sports events were:

Golf: Kicker’s handicap, Leonard Sullivan, Phelps, Feno & Co., with a score of 75; low net, Scott Russell, Jr., Glori.

Forruga & Co., with a score of 79.

Harley Watson, Eldredge & Co., in a tie, with 77, low gross, Neal Fullerton, Bankers Trust Company, with 75; high gross, Harry Youngs, R. L. Day & Co., with 146, mostиститute per hole, Samuel Levine, Lom-

by, Gikenhouse & Lamb, highest handicap, Chaunis C. Churchill, Churchill, Sims & Co., Inc, whose handicap was 45. Eugene McMahon, Heller, Bruce & Co., Inc, came nearest to the pin—3 feet 5 inches on a par three hole. Ferris Moulton, R. H. Moulton & Co., Inc., made the longest drive of the day, 230 yards.

Tennis: Edwin Cross, Roosevelt & Wengold, Inc., and George Barnett, Blyth & Co., Inc., Brain-

ed Whitbeck, Jr., and Warren Buesom, both of the Boston Club, runners up.

The annual summer outing of the Security Trades Association of the New York at the Hummocks Country Club, Mam-

aroneck, N.Y., was attended by a record group who pronounced the outing the most successful the organization had ever had.

The annual summer outing of the Security Trades Association of the New York at the Hummocks Country Club, Mam-

aroneck, N.Y., was attended by a record group who pronounced the outing the most successful the organization had ever had. Three were awarded to James Gilberg, G. M. P. Murphy & Co., for the best catch of the game, and to Charles LeRoy, Union Security Corporation, for most spectacular player. The largest hit was made by Benkisef, Harry, Rosenblatt, and the defense questions. Other questions were asked, and the answers given.

---

**To Receive Traders of N.Y. At Convention**

In addition to a very large delegation from New York, to attend the National Security Trades Convention in New Orleans on September 26th, all the local and regional Security Associations of New York will be represented by the following National Committee:

Walter F. Saunders of the Dominion Securities Corporation, who is also President of the Association, Wilfrid B. Wattle, of Bond and Goodwin, James Musson of B. J. Van Engen, President of the German Bank, Lennart Berg, of the Exchange, and Benjamin Frank C. Masterson & Co. of New York.

At the convention of the National Security Trade Association of New York, the following will be announced:

R. Winnefort Will Admit H. Stochholm

Henry C. Stochholm will become a partner in R. Winnefort Will Admit H. Stochholm, & Co., 25 Broadway, New York City, members of the New York Stock Exchange. As of September 30th, Mr. Hingman has been associated with the firm, with the approval of the company, as manager of the investment department.

---

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**Hane To Admit Small, Gerstley & Hamburger**

PHILADELPHIA, PA.—Hane & Co., 1365 Walnut Street, members of the New York Stock Exchange, as of October 1st, will admit John Small to general partner-ship in their firm, and Henry E. Gerstley and Nathan Hamburger to limited partnership.

Mr. Small has for many years been manager of the municipal and governmental departments of the office of Jackson & Curtis...
Tomorrow's Markets
Walter Whyte
Says—

Market acts as if it had taken shooting war; fully into account; little indications of near-by break-out, but it is the individual at least in that counts; details below

By WALTER WHYTE

LITTLE has happened since the last column was written to indicate the direction of any nearby break-out. As last week's article came off the typewriter, the market began making small unpleasant noises as if it had eaten well if not wisely. Sometimes such sounds indicate a digestive distress that may bring about a condition akin to acute indigestion. But as the fates—or whatever else you want to call it—had it is the market either made louder noises of distress than it is condition warranted or somebody body came along and gave it a shot of bicarb. In any case the groans and grunts disappeared.

From a news angle the most important development of last week was the President's radio speech. Of course everybody knows that our present stand makes a shooting war that much closer. As a matter of fact an incident may have already broken out between the time this is written and the time you read it. Still the market seems to have taken the possibility—or rather the actuality—of an incident in its stride and account. At any rate it acts that way.

Of course I'm not naive enough to think that all news, good or bad, has been disregarded. For no matter what else one may say of the market, the ability to discount wars with it's changes in the economic and social structure, is something it has to prove.

There's a great deal of talk

(Continued on Page 56)

New York Group of Investment Bankers Ass'n
Kominates Marks, Stanton & Streit for 1941-2

Laurence M. Marks, of Laurence M. Marks & Co., has been nominated for the chairmanship of the New York Group of the Investment Bankers Association of America for the year 1941-42. It was announced by Frank E. Gerson, of Hayden, Stone & Co., present chairman of the New York Group.

Others placed on the regular slate of officers that will be voted on at the annual meeting called for September 22 are: D. Deen M. Coon, Alex. A. Brown & Sons, Chica goes; chairman, and John E. Bluett, 3rd, Lee Higginson Cor poration, Chicago, secretary-treasurer.

In addition, the following have been nominated for three-year executive committee: Carl J. East, Chase & Co., and Walter J. Hearn, F. North, The Wisconsin Company, Milwaukee; Plummer man of Henry Herrman & Co.; Henry R. Egly, of Dillon, Read & Co., and John J. McKeon of Charles W. Scraton & Co., New Haven, Conn., Governors of the L.B.A., will serve as members of the executive committee, ex-officio.

These nominations were made by a committee consisting of Lee M. Limbert, Vice President of Wirthy & Co., Inc., chairman; J. Taylor Foster, of Spencer Trask & Co.; and Richard de La Chapelle, of Shields & Co.

John S. Loomis Nominated For Chairmanship of Central States Group Of IBA For 1941-2

John S. Loomis, president of The Illinois Company of Chica go, has been nominated for the chairmanship of the Central States Group of the Investment Bankers Association of America for 1941-42. It was announced by Nathaniel D. McCullum of Herrman, Ripley & Co., Incorporated, Chicago, chairman of the Group.

Others placed on the regular slate of officers that will be voted on at the annual meeting called for September 22 are: D. Deen M. Coon, Alex. A. Brown & Sons, Chicago; chairman, and John E. Bluett, 3rd, Lee Higginson Corporation, Chicago, secretary-treasurer.

In addition, the following have been nominated for three-year executive committee: Carl J. East, Chase & Co., and Walter J. Hearn, F. North, The Wisconsin Company, Milwaukee; Plummer man of Henry Herrman & Co.; Henry R. Egly, of Dillon, Read & Co., and John J. McKeon of Charles W. Scraton & Co., New Haven, Conn., Governors of the L.B.A., will serve as members of the executive committee, ex-officio.

These nominations were made by a committee consisting of Lee M. Limbert, Vice President of Wirthy & Co., Inc., chairman; J. Taylor Foster, of Spencer Trask & Co.; and Richard de La Chapelle, of Shields & Co.

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THE COMMERCIAL & FINANCIAL CHRONICLE

COMMERICAL and FINANCIAL CHRONICLE

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Financial Reporter

William R. Dana Company

31 Broadway, New York

Telegraph Address: Dana Financial

Herbert D. Selbert, Editor and Publisher

Great Britain Branch: William R. Dana Co., 10 Fleet Street, London E.C.

Telephone Numbers: New York Telephone Co., 1-5089, 1-5105

Published three times a week (except Thanksgiving, Christmas, New Year's, and July 4th) with editorial and statistical issues on Thursday and Saturday.

Other offices: Chicago, Los Angeles, St. Louis, Kansas City, Houston, Baltimore, Washington, N. Y., Boston, Philadelphia, Toronto, Montreal, New Orleans, Jacksonville, Pittsburgh, Cleveland, and San Francisco.

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PERSONNEL ITEMS

If you contemplate making additions to your personnel, please send announcement to Editor of the Financial Chronicle for publication in this column.

NEW YORK, N. Y.—Harry A. Carter, William J. Kurth, Joseph L. Ball, and Arthur H. O'Connell have joined the Retail Sales Department of Underwood & Co. & Co., Inc., 152 Broadway.

SPRINGFIELD, MASS.—A. L. McNair has become associated with Courte & Co., 11 Maritimes St., N. W.

MILWAUKEE, WIS.—John R. Carter joined the staff of Underwood & Co., Inc., 152 South La Salle St.

GALLUP, N. M.—Robert T. Work has joined the staff of Gallup, Timmons & Co., Inc., 152 South La Salle St.

The past was an officer of Williams-Hatch & Co., Inc.

The present is associated with Merrill Lynch, Pierce, Fenner & Beane, 125 West 52nd St., New York, N. Y., which was previously with White, Fyfe & Co., and in turn with Bunting & Co., and is now associated with Pasadena manager for the Morris- ton Bond, Ltd.

F. S. Yantis Elects

J. Stewart Vice-President.

CHICAGO, ILL.—F. S. Yantis, the present President, and former BOND TRADER of the Chicago Board of Trade, announces that Joseph O. Stewart, who has been associated with him for the past three years as Sales Manager, has been elected a Vice-President of their firm. Mr. Stewart has been on the La Salle Street for more than fourteen years and was previously Sales Manager of Thomson Ross & Co., Vice-President and Manager of Merrill Lynch & Co., and Sales Manager of John J. Seeley & Co. He has many friends in the investment banking field throughout the Middle-West. Mr. Stewart will continue to render the investment accounts of corporate, banks and insurance companies.

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"Golly" Main Event at Nashville Outing

NASHVILLE, Tenn. — The Nashville Bond Club entertained fifty bond and security men at its annual outing at the Woodmont Country Club, some of the guests coming from as far away as Boston and New Orleans.

"Golly," a blind boyg tournament, was the main event. Winners were Walter Lang, Brown Harriman & Co., Chicago; Ridley Alexander, Jackson, Tenn.; Grooms & Company, New York; and Fuller, Cruttenden & Co., Toledo, Ohio; Richard Gillland, Hermitage Securities Co., and Bill Anderson, Nashville, with scores of 77. The six winners divided a forty dollar prize among them.

Low net score for the day was made by "Pete" Rance, T. J. Rancy, and Little Rock Ark., who netted $215 and drove in 234. The driving contest for Richard V. Book of Nashville.

Willard Hendricks, president of the club, was master of ceremonies at the banquet following the outing.

Issue Oversubscribed

R. B. Dickson & Co., Inc., Wilder Building, Quarter, announces that they have removed from their files an offering to public subscription of the Wern¬heim & Co., New York Stock Corporation, its shares in the capital of the New York Stock Exchange.

Write For Assessed Gas & Electric Analysis

A detailed analysis of Associated Gas & Electric Corporation, which should be of interest to dealers, may be secured upon application to Wern¬heim & Co., 120 Broadway, New York City. A copy of the memorandum may be had from the firm upon request.

Defaulted RR Bond Index

The defaulted railroad bond index includes the following: 32 7/8th, $12, 8th, $12, 6th, $12, 5th, $12, 4th, $12, 3rd, $12, 2nd, $12, 1st, $12.

TRADING MARKETS IN

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RAYALD SECURITIES

Enthusiastic attention has lately been directed at Sec¬ton Air Line whose stock under the jurisdiction of the courts has been the longest (since 1930) of any of the major carriers undergoing reorganization. It is not that there is any possibility of a large disparity from receivership, nor is it attributable wholly to prospects that gross and net operating income will top the level of 1923 and 1926 in any of the days of the Florida boom. What has captured the attention of long term buyers has been the trend, rather than the mere physical level, of operations. The very decided turning off of the usual seasonal curves of revenues marks a fundamental change for the better in the company's status, indicating less dependence on the vagaries of the tourist and re¬sort business, and greater reliance on the fitness of its present re¬¬

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Railroad Bond Letters discuss a number of interesting situations in the middle-priced group.

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industrial plants such as steel mills, etc., will hardly be abandoned considering the favorable operating conditions, while the paper indus¬

triy, benefitting from low prices and probable of imports from the Scandinavian countries, has prospects for another year of greater growth. Plastics and synthetic materials have made permanent to the economy of the South, and con¬

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Future of Group Banking

Hearti and Weissman, 61 Broadway,
New York City, investment advisors, have published a study of "The Evolution and Future of Group Banking." The study points out that group banking is primarily an American development and that banks which are members of group banks hold massive aggregate deposits estimated to be in excess of $5,000,000,000.

Comparative financial statistics regarding book value, earnings, etc. and important financial ratios are presented for the Marine Midland Corporation, Transamerica Corporation, Northwest Bankorporation, Wisconsin Banks and other large group bank systems. The fact that a number of stocks of leading group banks are now selling at 50 per cent or less of book value despite improvement in earnings is emphasized. The study was prepared by Rudolph L. Weissman, author of "The New Federal Reserve System," and "The New Wall Street."
Trading on New York Exchanges

The Securities and Exchange Commission made public on Sept. 8 figures showing the daily volume of total round-lot stock sales on the New York Stock Exchange and the New York Curb Exchange, and the volume of round-lot stock transactions for the account of all members of these exchanges in the week ended Sept. 4, 1941, continuing a series of current figures published by the Commission. Short sales are shown separately from other sales in these figures; the Commission concludes the explanation.

Trading on the Stock Exchange for the account of members (except odd-lot dealers) during the week ended Aug. 23 (in round-lot transactions) totaled 306,660 shares, which amount was 16.64% of total transactions on the Exchange of 1,924,650 shares. The comparable member trading during the previous week ended Aug. 16, 175,750 shares or 16.39% of total trading of 1,023,470 shares. On the New York Curb Exchange, member trading during the week ended Aug. 23 amounted to 69,638 shares, or 15.30% of the total volume on that Exchange of 473,460 shares; during the previous week trading for the account of Curb members of 77,120 shares was 14.86% of total trading of 524,560 shares.

The following data for the week ended Aug. 23:

- Total volume of round-lot stock sales on the New York Stock Exchange and New York Curb Exchange for the week ended Aug. 23, 1941, was 376,304 shares.

Investment Trusts

Here are some timely items from current investment companies:

- "1929 Would Be A Depression." "Business Levels Shatter New Era Records." "The seasonally adjusted Federal Reserve Board index of industrial production for July 1941 is estimated to be a peak spent all-time high. Some appreciation is due to be derived from the table."

Time

Peak: 1929 month
Low: 1923 month
Peak: 1929 month
Low: 1923 month
July, 1940
July, 1941 (estimated)

- Moreover, there is no evidence that business will return to normal. If the defense program proceeds as scheduled, the limit only to business activity will be capacity to produce. And capacity, as cities are being expanded.

- Some forecasters are optimistic that the peak may rise to 170 or 180 in the next 12 to 18 months. These forecasts may be optimistic, but are not incomprehensible.

- "Consider, for a moment, the meaning of a production level of 170. That could be 56 points or about 50% above the 1929 peak. To put it another way, if we reach 170, and the index then declined to 114, or the highest 1929 level, we would be experiencing a severe depression. That would be a decline of only 35 points or 23%, compared with a 1927-32 depression of about 44%, or 174 points."

- Now how long present volumes may last, or how much higher they may go, is something no one can predict with certainty. But the fact that they may last a considerable distance, certainly suggests that there was a preceding period of inflation, and that we are now in a period of deflation."

- "In January President Roosevelt recommended a national defense program of $10,000,000,000 for the year beginning July 1, 1941. Now it appears we shall spend over $15,000,000,000 in this field. Defense authorities, appropriations, and recommendations now total about 80 billion. Donald Nelson, OPM, and Leon Henderson, of OPM, recommend a minimum of $35,000,000,000 per year in order to achieve a satisfactory level of economic development."

A number of recent reports on Wall Street will be of interest to all investors. The term "inflation" is said to be used loosely to cover any type of economic development. Let's see if we can clarify the problem and show the importance of final demands and short-term changes.
Capital financing by states and cities is moving steadily toward eclipse by the defense program and its resultant bond issue. Under current conditions, surveys undertaken in recent days have established that bond flotation which ordinarily might be expected in the Autumn will be curtailed and in few cases postponed altogether, owing to the conditions of the market and the necessity for bankers to obtain materials for certain types of civil improvement projects. This situation is real and will persist, and there should be no question about the immediate effect.

Some of the local authorities engaged in bridge, tunnel and other construction projects, reported difficulties such as one sort of another in obtaining materials. As the survey was extended to other states, similar difficulties and reports were reported by municipal officials. That this will affect seriously the vast complex of industrial and public projects being engaged on public construction projects is inevitable. The position of such elements in the construction field is likely soon to resemble that of small business generally.

Mayor La Guardia Limits New Projects

Mayor La Guardia reiterated last Saturday in his annual message to the City Planning Commission that funds for new construction not directly related to the capital budget shall not exceed $1.

The Mayor sent a similar message to the commission a year ago when he told Mr. McGoldrick that had informed the commissioner that he might have to abandon all new projects in 1941 for want of funds. Last May Mr. McGoldrick reiterated this warning last month when he was told that it would be wise, if not patriotic, for the city to start during 1942 any new construction not directly related to national defense.

The $1 limitation does not affect projects now under construction, and, according to Mr. McGoldrick, more than $300,000,000 worth of projects had been abandoned by the city in 1941. The $1 limitation means that the 1942 capital budgets should not exceed $80,000,000.

The current capital budget is about $82,000,000.

NEW ORLEANS

NISTA CONVENTION SEPTEMBER 20-24 AT NEW ORLEANS

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Schorff's & Jones Whitmer Block.

NEW ORLEANS. September 30th.

"We'll be seeing you"
Our Reporters

Report (Continued from First Page)

There are a lot of workers in the Bell System—about 350,000 of them. That's a big family and it's going to be a friendly kind of family. Whether it be the installer in the house, the people in our offices, the operators or the lineman on the roadside helping to rescue a stray kitten for a worried youngsters, telephone workers are close to the public and the tradition of the job is helpful to street engagement.

Even in these days when the need of defense place sudden and increasing demands on telephone workers, they are never too busy to be good neighbors.

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Write For Ins. Memos.


Philadelphia Scrapple and Ice Cream

For Traders at the N.S.T.A. Convention!

The Philadelphia contingent of 25 to 30 strong is throwing a treat to the assembled delegates and guests at the 8th Annual Convention of the National Security Traders Association in New Orleans.

Through the courtesy of P. G. Vogt & Sons, Philadelphia meat packers and pork specialists, the hosts will be given a taste of one of Philadelphia's special dishes, to be served at luncheon when the crowd assembles at the Lake Winnie Country Club for golf and food.

On Tuesday at the cocktail party to be held in Le Petit Theatre, Du Vieux Carre, the happy note will be served of Philadelphia's nationally known ice cream, through the courtesy of the Philadelphia Dairy Products Co.

Vic Morgan, Strand & Co., Inc., and Herb Blizzard, (Herbert H. Ehrman & Co.) of the Investment Traders Association of Philadelphia are responsible for obtaining these treats.

Donald Cook With Amott-Baker, Buffalo

Investment Income

From the standpoint of those engaged in the provision of funds to the national economy the question of the dividend is of the utmost importance. It is, therefore, of the utmost importance that the government should be made aware of the situation. It is, therefore, of the utmost importance that the government should be made aware of the situation.

Type II—Year of Money

This type of investment development in the United States can be understood only by a study of the changes in the national currency and the relationships of the various financial institutions. The United States has a large national currency which is used for all transactions within the country. The government is responsible for the maintenance of this currency, and the government is responsible for the maintenance of this currency.

There appears to be very little likelihood of this type of "hot money" movement being a permanent feature in the United States. We have been fortunate in the past in securing a large amount of investment funds for our currency, and the banking laws now in effect do not allow for speculation. It is, however, of the utmost importance that the government should be made aware of the situation.

"Under these circumstances, it is apparent that the government should be removed from the process of maintaining the exchange rate and be left to adjust its policies to the necessities of the situation. It is, therefore, of the utmost importance that the government should be made aware of the situation.

SEC: Registration Revoked

The registration as broker-dealers of Saunders, Mack & Brothers, Inc., in New York, was revoked by the Securities and Exchange Commission on the ground that the firm had been involved in a scheme of securities fraud. The registration as broker-dealers of Saunders, Mack & Brothers, Inc., in New York, was revoked by the Securities and Exchange Commission on the ground that the firm had been involved in a scheme of securities fraud. The registration as broker-dealers of Saunders, Mack & Brothers, Inc., in New York, was revoked by the Securities and Exchange Commission on the ground that the firm had been involved in a scheme of securities fraud. The registration as broker-dealers of Saunders, Mack & Brothers, Inc., in New York, was revoked by the Securities and Exchange Commission on the ground that the firm had been involved in a scheme of securities fraud.
Bonds Ease Slightly

The softening tendency which appeared this week in the bond market has been felt throughout the list, with high grades as well as low grades losing ground moderately. Treasury bonds lost about a quarter point on the average.

High-grade railroad issues, in sympathy with the general weakness prevalent in the bond market, registered losses. Chesapeake & Ohio 4½s, 1942, dropped 1 point to 131. Medium-grade rails lost ground and the more speculative rail bonds scored losses, in several instances sinking to new lows. Great Northern 5¼s, 1922, dropped 1 point to 101½, a new 1941 low. New York Central junior issues declined to new low levels for the year and Illinois Central, Western Lines 4½s, 1961, lost 1 point at 59¾. Defaulted rails have been flat this week in light trading. It is generally understood that indicated bids for $2,100,000 Union Terminal Railway bonds and a 14,777,000 St. Paul Union Depot issue. Colorado & Southern announced a debt refundment plan whereby $90,000,000 General Mortgage 4¼s would be replaced on a 2½% fixed and 1¼% contingent basis.

Price changes in high and better grade utility bonds continued to be slight, the average remaining virtually unchanged. Speculative activity flared up in several issues, Associated Electric 4½s, 1903, Interstate Power 6½, 1923, North Continent Utilities 3½s, 1948, and Twin City Rapid Transit 5½s, 1952, rising sharply. Laclede Gas Light issues have sold off after submission of the reorganization plan.

In the industrial section of the list stocks showed mixed changes, primarily fractional, but the Republic Steel conv. 5½s, 1954, gained 1½ points at 105½ and the Youngstown 3½s, 1960, lost 1½ points at 101½. Small fractional declines have been noted by petroleum company common stocks, and in the shipping section the Internationals Mercantile Marine 6½, 1941, lost 3 points at 88½ following a 1½ point gain last week. Sugar have been following mixed strength last week; the Franchising conv. 9¾, 1946, gained a point while the Manati 4½s, 1945, lost 1½ points. Further weakness has developed in the Childs Company 5½, 1943, bringing the issue to 45½ for a 3½ point loss on the week.

In the foreign list sentiment improved as Japanese bonds have extended their rally with advances up to 8 points. Other strong features have been Scandinavian bonds but Belgian issues have been slightly unsettled. Canadian and Australian issues have continued in good demand. Argentine 3½s, 1946, gained a point while the Chile 3½s, 1948, showed closed fractional higher. Official trading in foreign bonds will in the future be restricted to issues to which clearance certificates have been attached, which may broaden trading in the foreign list.

Moody’s computed bond prices and bond yield averages are given in the following tables:

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**Tomorrow’s Markets Walter Whyte Says**

(Continued from Page 165) around about the inability of the market to get through the averages. The averages most widely used to express the market view at this point are the Dow Industrials. In the last few months with the market being as it was, and I had a great deal of time to study these averages and the stocks that make them up. It is apparent to anybody that these averages are having the devil's own time in getting through the 1930-31 level. But just because this is so apparent a number of people have lost sight of the fact that while the averages are backing and filling a number of stocks have not only gone through the equivalent of the average resistance point but in a number of cases have even managed to penetrate a level where potential resistance is even more important.

However if you look to the old line or orthodox leaders you will see nothing. For it isn't stocks like Chrysler, General Motors or any other large industrial that have managed to do this. No, the stocks that are up in the stratosphere are the dogs of yesterday, the issues that a few years ago nobody ever heard of, but if they had they would have thought.

All this is natural. Every decade there is a change in fashion, economic as well as social. Ten years ago the word "technocracy" was on everybody's lips. Today it's fascism. Ten years ago it was General Motors that everybody thought was the ideal stock to own. Today it's a shipbuilding company or an arms company.

Looking at it another way the averages are hemming and hawing but 33 1-3% of the stocks that are through the Dow average resistance point — 128-130, and another 20% through the Dow average resistance point of 150. That leaves about 50% unaccounted for. One thing that is another 1/3 are with the market, which leaves only about 20% of the total stocks on the Board that are behind the market.

Unfortunately these 20% may make up the so-called orthodox leaders most people watch. Naturally, it is not easy to pick out the outlook when these stocks refuse to go up. But just as there is change in fashion, it must the trader change himself to a change in market practices if he intends going on doing business.

Here is still a n o t h e r thing about though the momentum of the average continues to rise stocks that the house on the corner was promoted to have a finger in that were the "buys." Today it's the companies that are the beneficiaries of New Deals largesse (HPC that if and only that if and only this.

One of this adds up as follows: The averages — as we know them may do nothing for a while, but stocks that are not in the averages will continue to go up — or at

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NEW YORK

LAMBORN & CO.
99 WALL STREET
NEW YORK CITY

SUGAR
Export—Imports—Futures

Digby 4-2127

worst refuse to go down.

Meanwhile for the rest of this month I believe the market will continue to swing back and forth in about a 4 point range. I don't expect any real change in tempo until next month rolls around though if one does occur it will most likely be on the upside. All the stocks have shown the same ability to produce and the outlook on their individual "stops." So summing up the whole thing it amounts to this: Forget the averages (you can't buy them anyway); hold all positions; don't disregard "stops," but stay bullish.

More next Thursday

Walter Whyte

(The views expressed in this article do not necessarily at any time coincide with those of the Chronicle. They are presented as those of the author only.)

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GERMANY GENTIL SWITZERLAND
"JOTTINGS"
(Continued from First Page)
Office-buildings and refineries from oil to coal and done much to persuade other large fuel oil consumers to the same step. They are spending $200,000 of their own cash for direct advertising programs to spread the gospel of gasoline conservation, not counting the use of their own regular advertising programs in newspapers and on the air for this purpose. The tankers currently being completed are mostly for private company account, later to be followed by the 87 tankers now on order for the Maritime Commission, almost all from Sun Shipbuilding.

Four tankers a month are now expected to be commissioned until next April, when the rate will step up, and these tankers are of so much greater capacity that by April the equivalent of the 59 diverted tankers will have been commissioned.

Other side-light. The ancient oil company versus railroad quarrel was bound to come out. The companies have no forgotten the railroads for balking their original tank car designs and then trying to stop pipe-line construction. Twenty-four out of 25 railroads approached last year for pipe-line right of way refused. No love is lost between the companies and Mr. Pelley.

The gasoline retailer's first kick was over the 7-to-7 curve, claiming it increased unit overhead costs, using that as one reason for disregarding OPA's ceilings, then found it actually saved overhead and now want to continue it.

No one seems to have brought up the point, a natural for the coal companies, that petroleum products ought not to be burned away for fuel, ought to be conserved for internal combustion, and that an opportunity was here presented, to push the heating business back to the depressed coal industry.

The oil companies have answered Thurnan Arnold's request for figures but withhold answers to his request for reasons of advertising. They think Question No. 6 is a fishing expedition to help Arnold's Mother Hubbard case by finding out in advance the oil companies' arguments on the charge of false or unfair branding. So if Arnold will play ball he can have the answers, otherwise they go in the wastebasket.

SPAB's veto of the pipe line and of Tennessee Eastman request for authority to build a plastics plant seem in line with the rejected Gaso Dunk recommendations on steel expansion. Dunn opined that steel capacity expansion should be limited because it takes steel to make steel.

Incidentally the SPAB pipe-line and Eastman decision might be used in the St. Lawrence power project argument. Apart from the cost and the vulnerability to bombing, the question is whether the materials and men can be spared now for St. Lawrence.

Opinion appears likely to change over whether, with SPAB, the President has again dodged the need of a defense czar. SPAB seems to be a true centralized policy-making and "priorities-alocating" body with Nelson Radzy to come into focus soon as a czar as effective as Baruch was or even more or — and we are not in the way.

Recent p-e-m-e meal additions to the power of defense authorities add up bigger than most realize. For example Priorities Regulation No. 1 makes acceptance of defense orders mandatory. This can upset scheduling and programming in such mass-production in-

(Continued on page 202)
Coffin & Ralph Now With Amott Baker Co.

SCHENECTADY, N.Y.—Edwin F. Coffin, who formerly conducted his own investment business here, is now associated with Amott, Baker & Co., Inc., whose main office is located at 150 Broadway, New York City. C. J. Ralph, heretofore with Mr. Coffin, is also now with Amott, Baker & Co.

“Sleeper” Looks Good

International Railways of Central America Purchase Money 5s of 1972 are particularly attractive at this time as a “sleeper” of bank quality yielding 6.2% according to a circular prepared by A. O. Van Suetendael, 15 North Broadway, Yonkers, N. Y. Copies of the circular which should be of interest to dealers may be obtained from Mr. Van Suetendael on request.
FEDERAL RESERVE BANK OF ST. LOUIS

Calendar of New Security Flotations

OFFERINGS

ERIBON BROTHERS STORES, INC.

Registration Statement No. 2-4409. Pomer, 4.5% cumulative preferred
stock, $100 par value, 10,000 shares. Effective—March 31, 1941.

JACKSON'S LUMBER & HARDWARE CO.

Registration Statement No. 2-4418. Pomer, 4.5% cumulative preferred
stock, $100 par value, 5,000 shares. Effective—March 31, 1941.

HARGREAVES BUILDING CORP.

Registration Statement No. 2-4432. Pomer, 4.5% cumulative preferred
stock, $100 par value, 10,000 shares. Effective—March 31, 1941.

MORGANTON FURNITURE COMPANY

Registration Statement No. 2-4443. Pomer, 4.5% cumulative preferred
stock, $100 par value, 5,000 shares. Effective—March 31, 1941.

MISSISSIPPI POWER COMPANY

Registration Statement No. 2-4457. Pomer, 4.5% cumulative preferred
stock, $100 par value, 5,000 shares. Effective—March 31, 1941.

WEDNESDAY, OCT. 1

WEDNESDAY, OCT. 1

INTERNATIONAL BUSINESS MACHINES CORPORATION

Registration Statement No. 2-4427. Pomer, 4.5% cumulative preferred
stock, $100 par value, 1,000 shares. Effective—March 31, 1941.

AERONCA AIRCRAFT CORPORATION

Registration Statement No. 2-4430. Pomer, 4.5% cumulative preferred
stock, $100 par value, 5,000 shares. Effective—March 31, 1941.

AIRPLANE MANUFACTURING & SUPPLY CORPORATION

Registration Statement No. 2-4434. Pomer, 4.5% cumulative preferred
stock, $100 par value, 10,000 shares. Effective—March 31, 1941.

February 19, 1941

THURSDAY, SEPT. 23

1941.

THURSDAY, SEPT. 23

PUELBIO MINGLEDORFF & CO.

Registration Statement No. 2-4368. Pomer, 4.5% cumulative preferred
stock, $100 par value, 50,000 shares. Effective—March 31, 1941.

MORGAN AIAI RR COMPANY

Registration Statement No. 2-4389. Pomer, 4.5% cumulative preferred
stock, $100 par value, 10,000 shares. Effective—March 31, 1941.

SOUTHERNIA INDUSTRIAL POW.

Registration Statement No. 2-4370. Pomer, 4.5% cumulative preferred
stock, $100 par value, 5,000 shares. Effective—March 31, 1941.

SATURDAY, SEPT. 27

GULF POWER COMPANY

Registration Statement No. 2-4390. Pomer, 4.5% cumulative preferred
stock, $100 par value, 20,000 shares. Effective—March 31, 1941.

Adrian C. Bedell, 1941.

AIRPLANE MANUFACTURING & SUPPLY CORPORATION

Registration Statement No. 2-4434. Pomer, 4.5% cumulative preferred
stock, $100 par value, 10,000 shares. Effective—March 31, 1941.

BLACK HILLS POWER & LIGHT CO. & BLACK HILLS ELECTRIC

Registration Statement No. 2-4371. Pomer, 4.5% cumulative preferred
stock, $100 par value, 10,000 shares. Effective—March 31, 1941.

Adrian C. Bedell, 1941.

RICHARDSON SONS & CO., INC.

Registration Statement No. 2-4433. Pomer, 4.5% cumulative preferred
stock, $100 par value, 5,000 shares. Effective—March 31, 1941.

AMERICAN BAKERSI"

Registration Statement No. 2-4418. Pomer, 4.5% cumulative preferred
stock, $100 par value, 5,000 shares. Effective—March 31, 1941.

1941.

WEDNESDAY, OCT. 1

INTERNATIONAL BUSINESS MACHINES CORPORATION

Registration Statement No. 2-4427. Pomer, 4.5% cumulative preferred
stock, $100 par value, 1,000 shares. Effective—March 31, 1941.

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Registration Statement No. 2-4430. Pomer, 4.5% cumulative preferred
stock, $100 par value, 5,000 shares. Effective—March 31, 1941.

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February 19, 1941

THURSDAY, SEPT. 23

PUELBIO MINGLEDORFF & CO.

Registration Statement No. 2-4368. Pomer, 4.5% cumulative preferred
stock, $100 par value, 50,000 shares. Effective—March 31, 1941.

MORGAN AIAI RR COMPANY

Registration Statement No. 2-4389. Pomer, 4.5% cumulative preferred
stock, $100 par value, 10,000 shares. Effective—March 31, 1941.

SOUTHERNIA INDUSTRIAL POW.

Registration Statement No. 2-4370. Pomer, 4.5% cumulative preferred
stock, $100 par value, 5,000 shares. Effective—March 31, 1941.

SATURDAY, SEPT. 27

GULF POWER COMPANY

Registration Statement No. 2-4390. Pomer, 4.5% cumulative preferred
stock, $100 par value, 20,000 shares. Effective—March 31, 1941.
Offering—Preferred will be offered at a price of $3,500,000.

Stock Exchange—Per development of mining properties, purchase of machinery and equipment, and for general corporate purposes.

Registered Statement No. 1-1172, Form A (Oct. 31, 1941).

COLUMBIA GAS & ELECTRIC CORP. Capital stock authorized—2,000,000 shares of $100 par value, and 100,000 shares of $100 par value, non-voting preferred stock, $100 par value.

Offering—Both issues will be offered at prices to be fixed on public offering.

Effective—Dec. 2, 1941.

Address—Broadway, N.Y.C.

Issuer—$10,000,000.

SECURITY FUND, INC. Company Bond Fund, Inc., registered, $10,000,000, divided into 10,000,000 shares of $1 par value, will be exchanged for 1 billion dollars of outstanding mortgage bonds issued by the United States Government or any agency thereof, and for no less than 60% of the outstanding post-1917 mortgage bonds issued by the States or any political subdivision thereof, and for any other obligations of the United States Government or any agency thereof.

Registered Statement No. 2-2602, Form A (Aug. 31, 1941).

BOSTON PACIFIC & CO. Building Light & Power Co., registered, $100,000, divided into 100,000 shares of $1 par value, will be exchanged for 1 million dollars of outstanding mortgage bonds issued by the United States Government or any agency thereof, and for no less than 60% of the outstanding post-1917 mortgage bonds issued by the States or any political subdivision thereof, and for any other obligations of the United States Government or any agency thereof.

Registered Statement No. 2-2603, Form A (Aug. 31, 1941).

KINGSTON MINER, INC. Kingston Mine, Inc. has filed a registration statement with the Securities and Exchange Commission, declaring that it will issue 2 1/2 million shares of common stock, $1 per share, at a price of $15 per share, and 2 1/4 million shares of preferred stock, $100 per share, at a price of $100 per share, for a total amount of $50,000,000.

Nominees—For property, construction, development, and other uses.

Underwriters—Kreasy and Campbell, Inc.

Registered Statement No. 1-1792, Form A (Nov. 1, 1941).

KEITELA GD. BAND, LTD. Richard Gold Band, Ltd., registered, $10,000,000, divided into 10,000,000 shares of $1 par value, will be exchanged for 1 million dollars of outstanding mortgage bonds issued by the United States Government or any agency thereof, and for no less than 60% of the outstanding post-1917 mortgage bonds issued by the States or any political subdivision thereof, and for any other obligations of the United States Government or any agency thereof.

Registered Statement No. 1-1173, Form A (Oct. 31, 1941).

LA CROSS TELEPHONE CORP. $2,000,000, divided into 2,000,000 shares of $1 par value, will be exchanged for 1 million dollars of outstanding mortgage bonds issued by the United States Government or any agency thereof, and for no less than 60% of the outstanding post-1917 mortgage bonds issued by the States or any political subdivision thereof, and for any other obligations of the United States Government or any agency thereof.

Registered Statement No. 1-1174, Form A (Oct. 31, 1941).

LAU JANESVILLE TELEPHONE CO. $2,000,000, divided into 2,000,000 shares of $1 par value, will be exchanged for 1 million dollars of outstanding mortgage bonds issued by the United States Government or any agency thereof, and for no less than 60% of the outstanding post-1917 mortgage bonds issued by the States or any political subdivision thereof, and for any other obligations of the United States Government or any agency thereof.

Registered Statement No. 1-1175, Form A (Oct. 31, 1941).

LAKE ERIE STEEL CO.—Chase, $1,000,000, divided into 1,000,000 shares of $1 par value, will be exchanged for 1 million dollars of outstanding mortgage bonds issued by the United States Government or any agency thereof, and for no less than 60% of the outstanding post-1917 mortgage bonds issued by the States or any political subdivision thereof, and for any other obligations of the United States Government or any agency thereof.

Registered Statement No. 1-1176, Form A (Oct. 31, 1941).

LAKE ERIE STEEL CO.—First National Bank of Cleveland, $1,000,000, divided into 1,000,000 shares of $1 par value, will be exchanged for 1 million dollars of outstanding mortgage bonds issued by the United States Government or any agency thereof, and for no less than 60% of the outstanding post-1917 mortgage bonds issued by the States or any political subdivision thereof, and for any other obligations of the United States Government or any agency thereof.

Registered Statement No. 1-1177, Form A (Oct. 31, 1941).

LAKE ERIE STEEL CO.—National City Bank of New York, $1,000,000, divided into 1,000,000 shares of $1 par value, will be exchanged for 1 million dollars of outstanding mortgage bonds issued by the United States Government or any agency thereof, and for no less than 60% of the outstanding post-1917 mortgage bonds issued by the States or any political subdivision thereof, and for any other obligations of the United States Government or any agency thereof.

Registered Statement No. 1-1178, Form A (Oct. 31, 1941).

LAKE ERIE STEEL CO.—United States Steel Corporation, $1,000,000, divided into 1,000,000 shares of $1 par value, will be exchanged for 1 million dollars of outstanding mortgage bonds issued by the United States Government or any agency thereof, and for no less than 60% of the outstanding post-1917 mortgage bonds issued by the States or any political subdivision thereof, and for any other obligations of the United States Government or any agency thereof.

Registered Statement No. 1-1179, Form A (Oct. 31, 1941).

LAKE ERIE STEEL CO.—Wells Fargo & Co., $1,000,000, divided into 1,000,000 shares of $1 par value, will be exchanged for 1 million dollars of outstanding mortgage bonds issued by the United States Government or any agency thereof, and for no less than 60% of the outstanding post-1917 mortgage bonds issued by the States or any political subdivision thereof, and for any other obligations of the United States Government or any agency thereof.

Registered Statement No. 1-1180, Form A (Oct. 31, 1941).

LAKE ERIE STEEL CO.—The First National Bank of Chicago, $1,000,000, divided into 1,000,000 shares of $1 par value, will be exchanged for 1 million dollars of outstanding mortgage bonds issued by the United States Government or any agency thereof, and for no less than 60% of the outstanding post-1917 mortgage bonds issued by the States or any political subdivision thereof, and for any other obligations of the United States Government or any agency thereof.

Registered Statement No. 1-1181, Form A (Oct. 31, 1941).

LAKE ERIE STEEL CO.—The Pennsylvania Trust Co., $1,000,000, divided into 1,000,000 shares of $1 par value, will be exchanged for 1 million dollars of outstanding mortgage bonds issued by the United States Government or any agency thereof, and for no less than 60% of the outstanding post-1917 mortgage bonds issued by the States or any political subdivision thereof, and for any other obligations of the United States Government or any agency thereof.

Registered Statement No. 1-1182, Form A (Oct. 31, 1941).

LAKE ERIE STEEL CO.—The Union Bank of Connecticut, $1,000,000, divided into 1,000,000 shares of $1 par value, will be exchanged for 1 million dollars of outstanding mortgage bonds issued by the United States Government or any agency thereof, and for no less than 60% of the outstanding post-1917 mortgage bonds issued by the States or any political subdivision thereof, and for any other obligations of the United States Government or any agency thereof.

Registered Statement No. 1-1183, Form A (Oct. 31, 1941).

LAKE ERIE STEEL CO.—The Western Bank of Pennsylvania, $1,000,000, divided into 1,000,000 shares of $1 par value, will be exchanged for 1 million dollars of outstanding mortgage bonds issued by the United States Government or any agency thereof, and for no less than 60% of the outstanding post-1917 mortgage bonds issued by the States or any political subdivision thereof, and for any other obligations of the United States Government or any agency thereof.

Registered Statement No. 1-1184, Form A (Oct. 31, 1941).

LAKE ERIE STEEL CO.—First National Bank of New York, $1,000,000, divided into 1,000,000 shares of $1 par value, will be exchanged for 1 million dollars of outstanding mortgage bonds issued by the United States Government or any agency thereof, and for no less than 60% of the outstanding post-1917 mortgage bonds issued by the States or any political subdivision thereof, and for any other obligations of the United States Government or any agency thereof.

Registered Statement No. 1-1185, Form A (Oct. 31, 1941).

LAKE ERIE STEEL CO.—The First National Bank of Chicago, $1,000,000, divided into 1,000,000 shares of $1 par value, will be exchanged for 1 million dollars of outstanding mortgage bonds issued by the United States Government or any agency thereof, and for no less than 60% of the outstanding post-1917 mortgage bonds issued by the States or any political subdivision thereof, and for any other obligations of the United States Government or any agency thereof.

Registered Statement No. 1-1186, Form A (Oct. 31, 1941).
JOTTINGS

(Continued from Page 34)

duties as chemicals and automobiles, because future supplies can at any time be jeopardized by the insertion of defense orders in front of them.

With the recent and continuing movement of the raw material, the private corporation that does not want to place or to build its own equipment, even if it can do so, will find itself in a position of making unnecessary difficulties. The industry's marketing committee has been at work to meet this situation, and it is expected that the effect of this will be to reduce the cost of production.

With its latest ceiling, on an-thrust prices, OPA and its "Ding-bat" department, which levies its "Firing Prices" (see current Statistical Association) seems to have confirmed the record of making unnecessary the enemies of industry. The ceiling will be raised to 70 cents on hide.

On the other hand the dealers are finding it more difficult to get around the ceiling prices because they are finding it more difficult to get the customers to agree to the higher prices.

OPA's chief headaches, however, is that of the "Non-Retailing" prices. OPA has been trying to sell cloth for $1.00 per yard, instead of the $2.00 per yard charged for the higher grades of cloth.

(Continued from Page 34)

Kohbe, Gearhart & Company

INcorPorated
Members New York Security Dealers Association
47 North Water Street
Telephone: CHicago 4-5555

1955 High Grade Bond Suggestions

The new Remington Rand Debentures were offered in the latter part of July by Harriman Ripley at 103 1/4, are currently quoted at under 103 to yield about 3.25%. While by no means of prime institutional grade, the bonds should receive some serious consideration from individuals, due to the improved earnings position of the company and the relatively short term the bonds have to run. —They mature in 1956.

Issued in the amount of $15,000,000, these 3 1/4's, together with $2,000,000 of 4 1/4's, have been placed at 99 1/2 on the basis of the 1940-1941 fiscal year, and the current cost margins again had widened since acquisition of the undivided loss margin larger than the current cost.

Sales of the company's products in the fiscal year ended March 31, 1941, of $40,174,000 were 14% ahead of the year previous despite the fact that export business contracted by 10%. The increase in general business activity occasioned by the defense program, plus direct demand from Government agencies accounted for the substantial increase over 1939-1940 level. The income from operations of $5,830,000 was a substantial increase over the 1939-1940 level of $2,390,000.

From the standpoint of sales volume, Remington Rand is the largest manufacturer of office machines and equipment in the world. Typewriters are the largest item in sales, these plus filing and visible indexing equipment, accounting for roughly three quarters of revenues. Other sales items include adding, tabulating and accounting machines (the latter a name under which Remington Rand has a long established tradition), house-office equipment, office furniture, electric razors, etc. The company has been engaged in the manufacture of office machines and devices for over a century, and its sales volume has been large, in this case contributing about 35% of volume and contributing as much as 40% to 45% of net income.

During several of the latter years of the 1930's, Remington Rand was beset by serious labor troubles which were reflected in reduced profit margins despite salaried and professional staff.

In the fiscal year ended March 31, 1941, the company's income before depreciation and extraordinary items amounted to $7,027,000. Deducting $1,500,000 for depreciation and net interest paid, amounts left for distribution to the common stockholders was $6,527,000.

Using the figures of the company's financial statements, the current cost of the 3 1/4's debentures and the overall 4 1/4% bond issues were referred to as $775,000. Using this maximum amount of $775,000 in the interest of conservatively, the figure of $8,437,000 available for interest in the last fiscal year represents pro-forma revenues of 11.1 times. The average annual interest charges on bonds were:

<table>
<thead>
<tr>
<th>Time</th>
<th>Interest</th>
<th>2% of $775,000</th>
<th>2% of $8,437,000</th>
</tr>
</thead>
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<tr>
<td>1940</td>
<td>6,510,000</td>
<td>105,550</td>
<td>170,710</td>
</tr>
<tr>
<td>1941</td>
<td>6,520,000</td>
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<td>170,000</td>
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<tr>
<td>1938</td>
<td>6,480,000</td>
<td>104,000</td>
<td>168,000</td>
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<tr>
<td>1937</td>
<td>6,460,000</td>
<td>103,000</td>
<td>166,000</td>
</tr>
<tr>
<td>1936</td>
<td>5,800,000</td>
<td>89,500</td>
<td>135,000</td>
</tr>
<tr>
<td>1935</td>
<td>5,780,000</td>
<td>89,000</td>
<td>134,000</td>
</tr>
<tr>
<td>1934</td>
<td>5,760,000</td>
<td>88,500</td>
<td>133,000</td>
</tr>
<tr>
<td>1933</td>
<td>5,750,000</td>
<td>88,000</td>
<td>132,000</td>
</tr>
<tr>
<td>1932</td>
<td>5,740,000</td>
<td>87,500</td>
<td>131,000</td>
</tr>
<tr>
<td>1931</td>
<td>5,730,000</td>
<td>87,000</td>
<td>130,000</td>
</tr>
</tbody>
</table>

The company's financial condition was summarized in the report and the effect for the report of the 1940-1941 fiscal year, was the improvement in profit margins again had widened since acquisition of the undivided loss margin larger than the current cost.

For the year ended March 31, 1941, the company reported net earnings of $2,860,000, representing a profit of 3.25% of sales, as compared with $2,050,000, or 2.45% of sales, in the preceding year.

The company has made a substantial investment in research and development, and has expended a large amount of money in this direction, in the past year alone.

The company's financial position is strong, and it is well situated to meet the demands of the war.