

# FINANCIAL CHRONICLE

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## Secretary Of The Navy Knox Makes Report On Damage Done In Attack On Pearl Harbor

Secretary of the Navy Frank Knox revealed on Dec. 15, after a personal inspection trip to Hawaii, that the surprise Japanese attack on Pearl Harbor on Dec. 7 failed in its main purpose, which was "to knock out the United States before the war began." Disclosing that the Army and Navy had suffered severe losses, Secretary Knox announced that the United States forces "were not on the alert" and that an investigation would be made. He reported that there were almost 3,000 killed in the attack, made up of 2,729 Naval casualties, 168 Army dead and about 50 civilians. The Navy ship losses, the Secretary asserted, included the sinkings of the battleship Arizona, three destroyers, an old battleship which had been converted into a training ship, and one minelayer, and damage to several other vessels. The Army suffered severe losses in aircraft and hangars, he added. With regard to known Japanese material losses, Secretary Knox said these consisted of three submarines and 41 planes.

He supplemented his prepared statement, given out at a special press conference, by answering questions put to him. In the course of these replies, Secretary

Knox said that Japan was aided in Hawaii by the "most effective fifth column work in this war, with the exception of Norway." He added that the attackers had "most perfect information" as to the position of the fleet. The Secretary also told in some detail of many individual actions of outstanding valor.

Following is the Secretary's prepared statement of the general facts concerning the attack:

My inspection trip to the island enables me to present the general facts covering the attack which hitherto have been unavailable.

1. The essential fact is that the Japanese purpose was to knock out the United States before the war began. This was

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## On The Foreign Front

### European Stock Markets

Recovery was the rule in recent days on stock markets in the principal European financial centers, but the gains were far from universal. The shock of the Japanese entry into war with Britain and the United States reverberated in many ways on the London market. Little news is available of the immediate trends on Continental exchanges, but buying as a hedge against inflationary developments appears still to be in progress.

Prices in London rallied sharply in the latter half of last week, from the depressed levels occasioned by news of the war developments in the Far East. The relatively small loss of life in the sinkings of the Prince of Wales and the Repulse heartened observers in the British market. The good tone was continued, as a general rule, during the current week. When it appeared, however, that a real threat to Singapore and Hong Kong exists, selling of tin, tea, rubber and similar shares took place. The Far Eastern issues were especially weak yesterday.

In French markets the general upward trend has been somewhat modified by increased taxes on transactions in securities. Drastic regulations on transfers of securities also are noted in Vichy reports. Sellers are said to be scarce on the Lyons and other French markets, and not many deals are effected despite the insistent demand. Reports of trading on Berlin, Amsterdam and

similar markets have been unavailable, since war declarations were exchanged by Germany and the United States.

### World War II

Rapid exchanges of war declarations now have involved the United States fully in warfare, not only with Japan but also with Germany, Italy and the other members of the Axis bloc of nations, making the current conflict in every sense a War of the World. The inevitable conjunction of the European and Asiatic wars, with America in the middle, came to pass last Thursday, when the Italian and German governments declared themselves at war with the United States, and Congress immediately adopted identical resolutions recognizing the existence of a state of war with the leading Axis countries. Numerous additional war declarations have ranged a score of countries on either side.

In World War II the task of what Prime Minister Churchill

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## Binders For The Convenience Of Our Subscribers

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## THE FINANCIAL SITUATION

Some ten days have now elapsed since the treacherous attack of the Japanese upon the United States. The facts concerning that attack, as they have been bit by bit disclosed during the interval, have not lessened the sense of outrage initially felt by the American people. Further attacks upon the Pacific outposts of this country have likewise served to keep the people aroused to a fever pitch. Impassioned oratory and almost endless exhortation in the press are doubtless in part the result and in part the cause of the state of feeling that now exists throughout the length and breadth of the land. It is, of course, well that we, as a people, are aroused and in a serious mood. We have a stupendous task ahead of us.

It is, however, perhaps not too soon to utter a warning. Wars are not won these days by anger, hatred or even national unity. There must be careful planning, painstaking coordination and intelligent, not to say utterly cold-blooded, concentration of effort upon getting those things done which are essential to victory, and an important part of that planning, that coordination, and that concentration of effort consists in putting aside all those things which impede progress. It was natural enough, without question, for the first week or two after this outbreak to be filled with emotionalism, with protestations of patriotism, with avowals of cooperation, with a tendency to support without question any, or almost any, suggestion emanating from official sources—and with grandiose proposals of all sorts. The time has now come, however, for us to get down to the real work awaiting us.

### Immunity To Slogans

One of the first prerequisites so far as the public is concerned is for us all to grow immune to slogans and to become wholly uninterested in gestures. A constructively critical attitude is essential at any time in a democracy,

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## Some Things To Think About

*The production of arms is not enough; the arms must be delivered to the fighting men at the front. The quantities of materials to be transported are enormous and they must be carried to fighting forces all over the world. Supplies must be delivered over many thousands of miles of water—to Britain, to Suez, to Burma, to the Arctic Ocean, to Siberia, to the Persian Gulf. No supply problem of this magnitude has ever been encountered before.*

*Hundreds of ships carrying airplanes and guns and food and machines and other cargoes are required for each supply route. Some indication of the work to be done and of the transportation problems involved is given by the quantities which can be included in a typical loading of a small cargo steamer—24 pursuit planes, 12 medium tanks, eight light tanks, 140 tons of ammunition, 200 trucks, 1,000 drums of petroleum products, 170 tons of barbed wire, 200 tons of explosives, 100 tons of chemicals and 500 tons of metals.*

*The service of supply means more than merely loading and dispatching vessels. It means the construction of a vast new fleet—"the bridge of ships"—to replace losses and to furnish the increased tonnage needed for carrying the mountains of material which will pile up when the production program attains its full stride. It means repairing and refitting damaged vessels, installing protective equipment and additional gear on many ships, and constructing new facilities in ports of debarkation.—The President in his third report on Lend-Lease Aid.*

This admirable account of the difficulties which must be faced in making lend-lease aid effective should be instructive to those who have not taken the trouble to give the subject careful thought as, we fear, a good many have not.

These same problems many times multiplied, of course, arise in transporting and supporting substantial bodies of our own troops over long distances.

Let these facts not be overlooked in appraising our efforts in the Far East, for example, and let them not be forgotten when proposals for raising five or six million men armies are under consideration.

## Treasury Takes Over Japanese Enterprises

Secretary of the Treasury Morgenthau announced on Dec. 8 that Treasury agents had taken custody of the premises of Japanese banking and business enterprises throughout the United States. Treasury personnel, who included, among others, bank examiners, Customs officers, and Treasury investigators, had special instructions to prevent the access of all persons to the premises of such enterprises and to prevent the destruction or removal of their books, records and other property. The Treasury announcement further stated:

The Secretary arranged the precautionary measure through telegrams yesterday to the Presidents of all Federal Reserve Banks, whom he requested to obtain the cooperation of local police wherever necessary to carry out his instructions.

Secretary Morgenthau said that the presence of Treasury Department personnel had forestalled numerous attempts to remove securities and other valuable documents from the premises of Japanese enterprises. In one instance in San Francisco, Japanese nationals were prevented from removing from a Japanese company securities estimated as having a value of \$40,000 or more.

The Secretary supplemented his announcement by stating that any person, destroying, secreting, or altering any record, paper, or other document relating in any way to any property or transaction in which any blocked national, including a national of Japan, or a person acting for or on behalf of such a national, has any interest, is exposing himself to criminal prosecution, to a fine of \$10,000, and to imprisonment for 10 years. Any person aiding in, abetting, advising, or conspiring in the destruction, secreting, or alteration of any such document is similarly subject to these criminal penalties.

Acting in cooperation with the Treasury Department, William R. White, New York State Superintendent of Banks, on Dec. 8 assumed possession of the business and property of all agencies of Japanese banks in New York City. The State Banking Department, it is announced, will exercise a protective custody over the records and assets of the agencies until proper arrangements are made to transfer control to duly constituted Federal authority. The agencies in question include those of Yokohama Specie Bank, Limited; The Sumitomo Bank, Limited; Mitsubishi Bank, Limited; Mitsui Bank, Limited; Bank of Chosen, and Bank of Taiwan, Limited.

## Funds For Purchase Of Costa Rica Coupons

J. & W. Seligman & Co. announced Dec. 16 that funds are available for the purchase, in accordance with the terms of the offer of the Republic of Costa Rica, dated March 20, 1939, of the coupons dated Nov. 1, 1936, to Nov. 1, 1941, inclusive, appurtenant to the Republic's 7% bonds of 1926, due 1951, and 5% funding bonds of 1932, due 1951. Such purchases will be made at the office of J. & W. Seligman & Co., 65 Broadway, New York City, until June 30, 1942, when the 1939 offer expires in so far as the purchase of coupons in New York is concerned.

Editorial—

## Economic Warfare

Proper appraisal of the economic factors of the war in which the United States now is fully engaged is one of the more important tasks that confront the country. In this connection there is an evident tendency in official and other circles to emphasize the vast strength of the British Empire and the Americas, and to disparage the resources of the Axis countries. This is all very well up to a certain point, but a degree of caution is suggested by past errors.

In the military sense we appear to have under-rated the enemy, which is the gravest of strategical mistakes. The military commentator of the New York "Times" states flatly that "this Government, our intelligence service, the Navy, the Army and the nation have grossly underestimated the Japanese." If this sweeping underestimation is paralleled in the economic sphere, not only with respect to Japan but also to the European members of the Axis, extraordinary harm may follow.

There is, obviously, the danger that a fatuous assumption of economic invincibility will lead to a sort of "Maginot mentality" among the English-speaking peoples. In the early months of this World War, as we now know, Great Britain looked to the economic aspect for defeat of Germany and delayed perilously the vitally necessary expansion of aerial and land forces. The military experts in London unquestionably knew better, but the sense of danger among the British people was lulled.

It was the custom at that time to point to the poverty of the German Reich and to an assumed lack of oil as the factors that would defeat the Nazis in the end. Persuasive arguments were advanced by numberless "experts" that the Reich could not fight a major war, owing to such limitations. Unfortunately the findings now are known to have been nothing more than wishful thinking. A few observers pointed out that the German militarists, with their long experience and their tradition of thorough preparation, would hardly have ventured into conflict without assuring their supplies. But such voices were disregarded.

In the delicate period of negotiation and of strategic moves which preceded the open clash between Japan and the United States, the economic weapon was employed bluntly by the United States, Great Britain and the Netherlands East Indies. Severe economic sanctions were imposed upon Japan, last Summer, presumably after careful calculation of the effects. The gamble for high stakes was based upon the Japanese need to import oil, iron and other war materials.

Perhaps it will turn out in the end that the calculations were basically correct. It is bitterly evident, however, that the economic pressure, instead of forcing Japan to renounce her Axis ties, actually contributed to precipitation of the war. This particular measure "short of war" turned out to be the prelude to the treacherous attack upon Hawaii, the Philippines and Malaya. Warfare, born perhaps of desperation, was preferred by the Japanese military clique.

Immediately upon the outbreak of hostilities, economic "experts" of every sort rushed to the fore and once again began to demonstrate that an American victory is inevitable, owing to the superior resources of the United States. It is a melancholy fact, moreover, that some of those who were saying only a few weeks ago that Japan would be eliminated promptly in a military encounter now are shouting assurances of final victory on the basis of our obvious economic supremacy. Vast statistical compilations are adduced to show the preponderance of American and British Empire steel production capacity, oil resources, railroad mileage, telephones in use and other items galore.

There is a disconcerting similarity in all this to the sort of soothing syrup that was purveyed so liberally with respect to Germany, at the outset of the European war. In England the lesson has been well learned, it appears, for the Ministry of Economic Warfare in London places no mean estimate upon the Japanese economic resources.

It may well be that economic aspects will decide the conflict in the end. But the over-simplified comparisons of Anglo-American and Axis resources are a snare and a delusion, for the degree in which the resources are put to effective military use may be far more important. The question of morale enters into all this, and there is no disputing the importance of morale. It is no contribution to morale, however, to foster the notion of an easy defeat of the enemy on the economic battlefield, when military matters require major attention.

Editorial—

## On Seeing It Through

The United States is at war with Japan, with Italy, with Germany and the rest of the Axis adherents. The fighting, anticipated by all sensible men, dreaded by many, and desired by very few has become actual. It has begun badly, very badly indeed, with losses of lives that can never be recompensed, with losses of national property in implementations of war that establish limitations upon efficiency offensive and defensive. Japan acted very badly indeed, concealing its hostile intentions behind fraudulent diplomacy which pretended to seek peace, while the declaration of war was delayed in transmission so that bombs dropped from the air might surprise an unsuspecting and unready adversary. Admiral Kichisaburo Nomura, Japanese Ambassador, and Saburo Kurusu, special envoy of that country, called at the State Department in Washington, by special appointment with Secretary Hull, at 2:20 p. m. on Sunday, December 7, Eastern Standard Time. Their mission, ostensibly, was one possible only in a time of peace. Just one hour and a quarter earlier, Japanese bombs had been dropped at Pearl Harbor and combat and destruction at that moment were raging within the Hawaiian possessions of the United States. At Tokyo, precisely one hour and forty minutes later, by the same reckoning of time, the self-dishonored Japanese Imperial headquarters issued its declaration of war upon this country.

The shameful story is not unique: "Joab said to Amasa, 'Art thou in health my brother?'" and, while he spoke, "took Amasa by the beard with his right hand to kiss him." Amasa was innocent and without suspicion, like Secretaries Stimson and Knox, and perhaps some of the naval and military commanders upon the Pacific for the record continues:—

"But Amasa took no heed to the sword that was in Joab's hand, so he smote him therewith in the fifth rib, and shed out his bowels to the ground, and struck him not again, and he died."

Japan was not only treacherous and base. She was indiscreet, which from some points of view may seem worse. It was that recoiling type of blunder which is not only a crime in itself but worse than crime in its consequences. It has had, it will have reverberations, long and loud and distant, but approaching ever nearer and nearer to the international marauder and miscreant until the end. It will be necessary for America to see it through. Unready perhaps in some things, America is ready for that resolution. It is made!

### Some Comparisons

No one in the United States ought for a moment to doubt the nature of the ultimate ending. Japan, a self-styled empire, has fewer than 90,000,000 inhabitants occupying an Asiatic archipelago, stretching between Kamchatka and Malacca, the two arms with which Asia reaches out into the Pacific Ocean, and a small portion (1,436 square miles) of the Liaotung Peninsula. From north to south, the chain extends more than 2,000 miles, including 1,744 islands (not counting innumerable small ones having coast-lines of less than 2.4 miles), with an aggregate coast-line of 13,449 miles, and a combined area of but 261,815 square miles. This area, slightly less than that of Texas and not four times that of New England, is rugged, subject to frequent earthquakes (17,750 shocks of that origin were recorded during the thirteen years ending with 1897) many of which are very severe (that of January 9, 1923, at Sagami Bay destroyed 558,049 houses and caused 91,344 deaths in the vicinities of Tokyo and Yokohama), is always under threat of violent volcanic action, and is but scantily endowed with mineral resources, although it has some deposits of coal, iron, copper and of precious metals. Within this narrow area there were, at the latest census, in 1925, 84,511,003 inhabitants, making an average density of 323 per square mile. Before the annexations, which began with Formosa and the Pescadores, after the war with China of 1894-95, the area was 147,327 square miles. In 1925 this old Japan had 59,736,822 inhabitants, giving an average density of 405 per square mile. On approximately one-fourth of Japan's area, New England maintains about one-tenth the number of Japan's population, that is, 8,431,684 inhabitants upon 66,924 square miles, an average density of 126 per square mile. Neither Japan or New England is economically self-contained in the sense of producing, or having capacity to produce, either the raw materials for its industries or the food required by its population. But standards of living in New England are very high, in Japan they are so very low as to be inconceivable as well as intolerable to any American. It is inconceivable that the United States, with 3,026,789 square miles within its continental area, exclusive of Alaska; richly endowed in natural resources of fertile soil, salubrious climate, and great and widely diver-

sified mineral deposits; with 131,669,275 inhabitants in that area, and 18,961,445 more in its non-adjacent and insular possessions; morally backed and to some extent physically supported by all the Americas; should have insuperable difficulty in overwhelming Japan.

That is, with singleness of purpose in this country. With such singleness of purpose not even the head-start treacherously obtained by Japan could much delay disaster to that audacious upstart. The ignoble Japanese attacks upon Hawaii, and the Philippines, on December 7, instantaneously unified and consolidated the public sentiment of the entire United States in grim determination to prevail as completely and as promptly over Japan as conditions will permit, regardless of difficulties, sacrifices, and costs. Upon that determination difference of opinion simply does not exist. Towards that as a unit of exclusive purpose this Nation, in its entirety, is prepared at once to march forward as one man, each attempting his utmost and pausing at no sacrifice. If that is what the Administration desires, unity, resolution, strength, endurance, confidence, are all here, impregnable and sufficient to overflowing.

**Unity With Independence**

Unity upon a great and single objective does not, of course, mean uninformed and unquestioning submission to all the elements of authority claimed or solicited by a titular leadership that might conceivably, in the future, if it has not in the past, ignore the basic principal that its Government is "for the people," presumably the people of the United States, and "of the people," no more than it is "by the people." Questionings as to all those elements and items of Federal policy that antedated the declarations of war have been adjourned by unanimous consent and will remain adjourned until an ultimate day of reckoning that is unlikely to come until the war has successfully terminated. Not so as to the conduct and objectives of the war that is in progress and while both remain subject to consideration and correction to the extent that they are improvident or unacceptable. An independent, intelligent, enlightened, and confident citizenship, clothed in its dignity as the final depository of the sovereign power, is incapable of conceding merely mechanical unity in support of policies framed in secrecy and in the light of conditions and circumstances that are unrevealed though relevant and material to the determinations in which it is asked to acquiesce. The first conditions, therefore, of giving effectiveness and permanence to the new unity which attack from without has created, frankness in disclosure of all the facts that, as they develop, must control policies and measures, and at least of the outlines and limitations of the measures that are considered, in the light of the revealed facts, to be appropriate.

**No Arbitrariness At Home**

Government "by the people" not only requires widespread public comprehension of the facts conditioning public policies and of the policies proposed in dealing with those conditions, but it leaves no place whatever for arbitrary governmental action. Unity in acceptance of the defeat of Japan as the direct and uncompromisable objective, involves also unity in the acceptance of sacrifices and in the support of the policies contributing the utmost to the achievement of that objective. But not blind nor unquestioning acceptance of any sacrifices or support of any policies that officers of Government temporarily entrusted with the attributes of democratic leadership may determine upon. The democracy that must democratically share the burdens must equally share in the definition of the sacrifices and the formulation of the policies of which they become a part.

**THE FINANCIAL SITUATION**

(Continued from First Page)

and most of all in times like these. Otherwise mere impulsiveness and popular clamor may do quite as much to delay victory as the enemy himself. We think the beginnings of danger from this source are already to be observed. One of the first proposals placed before Congress after the attack upon Pearl Harbor, for example, was designed to extend registrations under the draft law to practically all male citizens, in one form embracing immature youth and men far beyond the age at which it would be possible for them to take active parts effectively in modern warfare. Responsibility for military service is called for up to the age of 45 years, despite the fact the army has found that men much younger do not readily become effective soldiers. Such suggestion has the usual earmarks of good political strategy—an "all-out" step which would apply equally to all men, a typically "democratic" procedure, and the like. Such it may be, but the thoughtful man can scarcely fail

to wonder if this procedure would not entail a great deal of wasted effort which could be far better employed where it would pay much higher dividends in preparation for victory.

If the proposal is a prelude, as it seems to be, to a program for raising an army comparable, when related to the population of the United States, to those existing on the Continent of Europe or, for that matter, in Japan, the question as to whether we are not in danger of wasting our substance becomes the more acute. It is very difficult to conceive of any way in which we, situated as we are in the existing or foreseeable circumstances, could make effective use of an army, say of five or six million men, as is now commonly spoken of in some quarters as the ultimate "goal." Certainly there are much more urgent and practicable contributions which we could make to the common cause, so far as any one can now foresee. Fully to equip the army we already have in any reasonably short period of time without neglecting much more urgent needs is a task that will demand the best that is in us. It can scarcely be the part of wisdom further to deplete our labor force by withdrawing large numbers of men into the army at any near future date. Why then all this haste not to say hysteria about extending draft registration and obligations to military service—particularly in view of the flood of applicants for enlistment? It seems to us quite clear that we have many other and far more urgent things to do—now.

**The Seven-Day Week**

Then there is the seven-day week, continuous operations slogan. To be sure there are places and plants in our industrial organizations where intensified operations of this sort would result in substantially enlarged production. Where this is the case, steps of the sort in question should, of course, be promptly taken. There are, however, many circumstances in which such a plan is for one reason or another not feasible, and where an attempt to install it would not warrant its adoption. Our supply of skilled labor is not inexhaustible. In some instances it is now nearly, if not quite exhausted. There has been of late years entirely too much sympathy lost on men who work more than forty hours per week, or who formerly worked for longer periods. For many types of work forty hours is unquestionably an uneconomically short week. There are also many where a man's maximum production is achieved at much less than 56 hours.

Under the existing law—which the President has said must continue in force—the cost of production of any article upon which men work substantially more than forty hours per week is very high. This war will be an exceedingly expensive one. We can not afford not to stop long enough to weigh the cost against the envisaged advantages. Certainly we can not expect any enterprise deliberately to send itself to the bankruptcy courts for the sake of the country. It would not be patriotism in any event, since continuance in operation is essential. There should be reason in all things, and war is no exception. Industrial executives know well enough where continuous operations are feasible and where they are not. Let there be no disposition on the part of the politicians to inject themselves and their judgments into situations where they can only do harm, and above all let there be no popular hysteria which makes any man or any enterprise "unpatriotic" because it does not forthwith operate upon a seven day, three shift basis. What is wanted is maximum production, not merely the opportunity to say that we are working as hard or as long as some other country.

It is strange that in all the resolve expressed during the past week or ten days to out-produce the world in terms of military equipment; there should have been no determined demand that labor-wasting and money-wasting WPA and other kindred organizations be forthwith liquidated. It is wholly incongruous now-a-days to come upon streets torn up for no observable good reason with hundreds of men plying pick axes in leisurely fashion surrounded by signs reading "A WPA Project. Sponsored by The City of New York" (or some other political unit). Yet one still finds them all around him. Not only that, but many other organizations serving in no conceivable way to promote armament or defense are still active throughout the country. Are such things to be permitted to proceed, forgotten in the natural and laudable pre-occupation with our war effort? We fear that precisely that will occur unless the American people themselves reach a stage of realism in their righteous anger which peremptorily demands their discontinuance.

**Government Of Able Men**

There is another realization which the American people appear to be slow in reaching. It is this. We shall be fully successful in this gigantic endeavor upon which we have

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**Failures Below 1940**

Business failures in November showed a slight increase over September, contrary to the more usual tendency to decline at this season, but the number of casualties in the month was substantially under the corresponding month of 1940. The same can be said for liabilities involved which, except for September, were the smallest in over 20 years. Last month's failures totaled 842 and involved \$9,197,000 liabilities in comparison with 809 involving \$7,333,000 in October and 1,024 involving \$16,572,000 in November, 1940. All the business groups into which the failures are divided had fewer failures last month than they had in the corresponding month of 1940 and the wholesale and construction groups also had fewer than in October. The most considerable decline from a year ago was in the retail division where the number of insolvencies dropped to 529 with \$3,472,000 liabilities from 646 with \$4,699,000 last year. Manufacturing casualties fell to 167 from \$3,827,000 from 196 with \$9,090,000 liabilities in November, 1940. Wholesale trade insolvencies decreased to 57, involving \$832,000 from 89 involving \$1,349,000 last year. In the construction group, 51 firms failed for \$618,000 as compared with 53 for \$838,000 a year ago. Commercial service insolvencies numbered 38 with \$448,000 liabilities compared with 40 with \$596,000 in November, 1940.

From a geographical standpoint the improvement over a year ago was fairly widespread, only the Boston and Kansas City Federal Reserve Districts showing increases; as compared with October the trend was not so uniform, five districts reporting decreases and seven, increases.

**SEC Changes In Rules**

On Dec. 2, the Securities and Exchange Commission announced the adoption of a rule under the Investment Company Act of 1940 affording any employees' securities company which files an application for permanent exemption under Section 6 (b) of the Act a temporary exemption pending final determination of the application. The rule, which is known as Rule N-6B-1, is in effect a modification of Rule N-6C-3, adopted Nov. 1, 1940, which provided a similar temporary exemption for employees' securities companies filing applications prior to Nov. 5, 1940. The new rule becomes effective on Dec. 2, 1941, and Rule N-6C-3 is rescinded as of the same date.

The SEC on Dec. 9 announced the adoption of a minor amendment to Form T-1, which is the form for statements of eligibility and qualification filed under the Act by corporations designated to act as trustees of indentures to be qualified. The amendment is in the form of an instruction to item 10 which calls for the holdings of securities of underwriters by the trustee or its parents or subsidiaries. The amendment provides that the information need not be given as to any class where the trustee and its parents and subsidiaries own collectively not more than 1% of the class.

**Curb Short Position**

Total short position of stocks dealt in on the New York Curb Exchange for the month of November, 1941, reported as of Nov. 28, amounted to 10,591 shares as compared with 9,664 shares reported on Oct. 31 last, the Exchange announced on Dec. 9.

Four issues showed a short position of more than 500 shares. They were:

	Nov., 1941	Oct., 1941
American Gas & Electric Co. (com.)	1,146	1,096
Venezuelan Petroleum Co.	1,063	---
American Cyanamid Co. (B non-vol. com.)	697	1,032
Michigan Steel Tube Products Co. (com.)	500	---

## THE FINANCIAL SITUATION

(Continued from page 1555)

been willy-nilly launched only if the national government from the President to the humblest public servant is made as effective, as efficient, and as able to "get things done" as it is humanly possible to make it. That means, for one thing, that what in former times would have been called the President's "kitchen cabinet" of New Deal reformers and inter-meddlers must be sent home to earn their living "the hard way," and without undue ceremony or delay. It means furthermore that appointees to important posts who owe their positions to some quality other than their ability to get the right things done must be replaced by others of real ability. They are in the way now. Not only that. They in many instances have acquired records which can never inspire real confidence in the public, certainly not that part of the public upon which all of us now depend for our salvation. Their places must be filled with men chosen really, not ostensibly, without regard to party or other affiliations and certainly without reference to their attitude toward the President and his past policies. When this war is won, there will be enough time for that kind of politics.

### Other Measures

A number of measures are now before Congress, or shortly will be, which concern the conduct of the war very really, if possibly somewhat indirectly. Among them are proposals which have to do with price control and taxation. There appears to be a tendency to suppose that bills heretofore generally condemned by thoughtful students of such matters now become wise as a result of the events of the past week or ten days. The assumption in many quarters appears to be that opposition in the past is to be laid to lack of patriotism or, at the least, want of realization of the seriousness of the situation by which this country was faced. Hence, it appears to be reasoned, now that it is plain to all that we have a gigantic task before us, all opposition should disappear, and any and all such measures rushed to the statute books as a manifestation of unity if for nothing else. This is an unworthy and highly dangerous line of reasoning. Both the Government and the rank and file must avoid it as if it were the plague. In some particulars possibly recent developments may alter the needs of the situation, but generally speaking, a half-baked price control measure, probably any sweeping price control measure, certainly one which places any official in a position of dictatorial control of prices, would be precisely as unwise now as it would have been before our guns went into action. Taxation which was unsound before is probably precisely as unwise now. Nothing is to be gained, and very much may be lost, by precipitate, unreasoning, ill-devised legislation on such subjects as these. These and similar problems require careful study—and a thoughtful relating to the paramount task of the day, victory at arms.

The precious unity of spirit now attained in the crisis may not long survive persistent unwillingness on the part of those in power to give, or to permit such vital issues to have, such consideration, and severe popular disappointment, damaging to morale, can scarcely fail to follow impulsive but unwise action even though supported and even demanded by the people at large. It is as yet too soon to determine conclusively how far the Administration is ready to proceed from this point on with an eye single to the prosecution of the war, but it is certainly not too soon to warn of the consequences of its failure to be ready to do so in a degree not yet fully observable. Neither is it too soon to call the attention of the people to the fact that they have not only the right, upon which they must insist, but the obligation to approach current problems with cool realism approximating that among our enemies, or to make the observation that in such manner and only in such manner shall we win this war in as short time and with as little sacrifice as may be.

## The State Of Trade

Business activity shows no signs of abating, with most of the leading industries working at or near capacity. However, loadings of revenue freight for the week ended Dec. 6, were off 32,814 cars from the preceding week. Heavily offsetting this was the production of electric power, which rose to an all-time high in the same week, totaling 3,368,870,000 kilowatt hours, according to the Edison Institute. This compares with a previous peak in the Nov. 1 week of 3,335,538,000 kilowatt hours. Overall production of the steel industry will be at the rate of 97.9% of capacity, against 97.5% last week, the American Iron & Steel Institute reported today. Automobile output this week is estimated by Ward's reports at 95,990 cars and trucks, compared

year, the Federal Reserve Board reports.

Analysis of reports from all parts of the country indicate that business is shaping itself rapidly, with relative calm, to full war footing, Dun & Bradstreet, Inc., reports. The reaction of trade to the outbreak of hostilities has been on the whole favorable, it was said.

However, one of the leading industries to be sharply and adversely affected is the automotive line. The automobile industry is preparing for probable complete suspension of passenger car production after Jan. 31.

Hard on the heels of last week's war measures "lopping" 25% off the December and 50% off the January quotas, warning has been received from a high Government source that an order to end output of passenger cars and light trucks on Jan. 31, is under consideration.

It is pointed out that far-reaching shifts are ahead in other industries. In wool textiles, for example, total output is expected to be needed by the armed services. Currently, military requirements take 40% of the output. Cotton will also be in heavy demand. It is reported that electrical appliances will also be hard hit.

Although changeovers to defense production in civilian industries are now likely to be pressed without regard for dislocations, overall industrial activity is not likely to be affected markedly through the first quarter of next year, informed observers state.

It is pointed out that a number of civilian industries which are most likely to be affected do not weigh heavily in the Federal Reserve Board index of industrial production. Consequently, even if production were halted completely it would affect the index by no more than 0.5 point, it is said. The Federal Reserve Board index of production is estimated to have reached 167% of the 1935-39 average during November. This month it is expected to rise to 169. It is believed the average during the first quarter will probably be at this level.

Although the number of workers involved in strikes shortly before the outbreak of the war with Japan was double that of World War days, now that war is here strikes are expected to be less serious than they were in 1917 and 1918.

Labor leaders have rushed forward with pledges of support for the Government. They promise that no strikes will be called during the war, and that they will cooperate with the President's plan for seven-day operation in war industries. In return, they ask that the Smith bill be shelved, and that industrial peace again be made dependent upon conciliation and voluntary arbitration.

The Administration apparently feels labor is ready to do its share, for President Roosevelt has called a conference of industry and labor to weigh a program for preventing disruption of work. To most observers, it indicates the President believes industrial peace can be maintained without recourse to anti-strike legislation.

## NAM Head Asks Fair Play On Labor Law

At the recent 46th annual Congress of American Industry of the National Association of Manufacturers, held in New York, the Directors of the Association elected William P. Witherow, President of the Blaw-Knox Co., Pittsburgh, and Chairman of the NAM National Defense Committee, as President for the coming year, succeeding Walter D. Fuller,

President of the Curtis Publishing Co.

In his first public pronouncement as head of the NAM, Mr. Witherow, in a radio broadcast on Dec. 6, called for "a new, fair and equitable national labor relations policy" and demanded that such a policy be written into the law.

Mr. Witherow offered the following four-point program of action for business men in the present crisis:

First, that no interest shall come between manufacturers and their duty toward their country. Secondly, that free enterprise shall be improved and preserved as best for us in both times of peace and times of defense. Thirdly, that manufacturers shall cooperate fully and willingly with Government and any and all groups of people whose ideals represent sound Americanism. And fourthly, that we shall approach all relationships and problems in a real spirit of fair play.

Supplementing the platform adopted on Dec. 4 (see issue of Dec. 11, page 1464), the industrialists on Dec. 5 adopted a series of resolutions calling for correction of the "fundamental inequities" and "defects" of the Wagner Labor Relations Act and alteration of the Wage-Hour Act to "remove restrictions that are unnecessary for the maintenance of minimum wage standards and establishment of a basic work week."

The industrialists also adopted a resolution condemning proposals to amend the two Federal securities laws that have been "advanced by the Securities and Exchange Commission and by representatives of investment bankers," and declared that they would "add new burdens to American business."

Other resolutions urged a \$2,000,000,000 cut in Federal non-defense expenditures, opposed the pending Rivers and Harbors Bill and the St. Lawrence waterway and Florida ship canal projects, urged measures to keep small manufacturing businesses alive through the defense emergency, deplored the "racketeering" in labor unions' "hot cargo" methods of preventing the movement of goods, and called for the postponement of any plans for extension of social security.

## Foresee No Serious Security And Money Market Disturbances

Following meetings of financial leaders, held at the Federal Reserve Bank of New York on Dec. 8, it was announced that no serious disturbances to the money and security markets are to be anticipated as a result of the Japanese war. It was also stated that it was understood that should difficulties arise in the government bond market the monetary and credit authorities are ready to take care of them "to prevent disorderly trading or unwarranted price declines."

Two meetings were held at the Reserve Bank; one of the general consultative committee organized at the outbreak of the European War two years ago, and one of the principal government bond dealers.

Those in attendance at the General Committee meeting were: Leon Fraser, Vice-Chairman of the Committee and President of the First National Bank.

Winthrop W. Aldrich, Chairman of the Chase National Bank.

W. Randolph Burgess, Vice-Chairman of National City Bank.

Herbert P. Howell, President of New York Clearing House Association and Chairman of Commercial National Bank and Trust Co.

Eugene Stetson, President of the Guaranty Trust Co.  
J. C. Traphagen, President of Bank of New York  
A. Ihfeldt, President, Savings Banks Trust Co.

Emil Schram, President of New York Stock Exchange  
Frederick H. Ecker, Chairman, Metropolitan Life Insurance Co.

George L. Harrison, President, New York Life Insurance Co.  
Harold Stanley, Morgan Stanley & Co. Incorporated.

The meeting of dealers in Government Bonds was attended by representatives of the larger Government Bond houses.

A report issued following the meetings said:

It was the consensus of the General Committee that the two years since it was established have so conditioned the money and security markets to war developments that no repetition of the difficulties of the earlier period need be expected at this time, and that no serious disturbances in our markets are to be anticipated as a result of the Japanese attack upon the United States.

The Government security market was the subject of special consideration in view of its importance to the national interests and to the credit and banking position. There was general acceptance of the view that responsible factors in the market, as holders of Government securities and as subscribers to the new issues now being allotted, would not contribute to any nervous selling which might develop and would, in fact, proceed with their normal investment programs. It was further understood that if any situations of special difficulty should develop, the monetary and credit authorities were able and ready to take care of them, so as to prevent disorderly trading or unwarranted declines in prices.

## SEC On Examination Of The Portfolios Of Investment Companies

The Securities and Exchange Commission on Dec. 11 made public an opinion of its chief accountant in its Accounting Series discussing the nature of the examination and certificate required by paragraph (4) of Rule N-17F-1 and by paragraph (7) of Rule N-17F-2 under the Investment Company Act of 1940. These rules require that where registered management investment companies retain custody of their portfolio investments, or place them in the custody of a member of a national securities exchange, such investments shall be verified at least three times each year by an independent public accountant. The opinion, prepared by William W. Wertz, chief accountant, follows:

Inquiry has been made as to the nature of the examination and certificate required by paragraph (4) of Rule N-17F-1 and paragraph (7) of Rule N-17F-2 promulgated under the Investment Company Act of 1940.

Rule N-17F-2 sets up certain standards to be followed by management investment companies registered under the Investment Company Act of 1940 which maintain in their own custody their portfolio securities and similar investments. Paragraph (7) of that rule is as follows:

"Such securities and investments shall be verified by complete examination by an independent public accountant retained by such registered company at least three times during the fiscal year, at least two of which shall be chosen by

such accountant without prior notice to such company. A certificate of such accountant, stating that he has made an examination of such securities and investments and describing the nature and extent of the examination, shall be transmitted to the Commission promptly after each such examination."

The securities and investments referred to in the quoted paragraph are identified by paragraphs (1) and (2) of the rule as (a) securities on deposit in a vault or other depository maintained by a bank or other company whose function and physical facilities are supervised by Federal or State authority; (b) securities which are collateralized to the extent of their full market value; (c) securities hypothecated, pledged, or placed in escrow for the account of such registered company; and (d) securities in transit. The examination and certificate required by the quoted paragraph should therefore cover all of the securities listed in paragraphs (1) and (2).

In order to make a complete examination of the securities, it is, in my opinion, necessary for the accountant not only to make a physical examination of the securities themselves, or in certain cases to obtain confirmation, but also to reconcile the physical count or confirmation with the book records. Furthermore, in my opinion it is a necessary prerequisite to such a reconciliation that there have been made an appropriate examination of the investment accounts and supporting records, including an adequate check or analysis of the security transactions since the last examination and the entries pertaining thereto. While the certificate filed must describe the nature and extent of the examination made, it is not necessary that each step taken be set out; instead, there should be included in the certificate in general terms an appropriate description of the scope of the examination of the accounts and the physical examination or confirmation of the securities.

Finally, in order to meet the requirements of paragraph (7) of Rule N-17F-2 the certificate should comply with the usual technical requirements as to dating, salutation and manual signature and, in addition to the description of the examination made, should set forth:

(a) the date of the physical count and verification, and the period for which the investment accounts and transactions were examined;

(b) a clear designation of the depository;

(c) whether the examination was made without prior notice to the company; and

(d) the results of the examination.

Rule N-17F-1 specifies the conditions under which a registered management investment company may place or maintain its securities and investments in the custody of a company which is a member of a national securities exchange. Paragraph (4) of that rule calls for periodic examinations of the securities and investments so placed or maintained and for certificates as to the verification thereof. In my opinion the requirements of such paragraph (4) involve substantially the same considerations as those of paragraph (7) of Rule N-17F-2 and the above discussion is therefore likewise applicable to the examination and certificate required by such paragraph (4).

## Litvinoff Expresses Gratitude For U. S. Aid But Does Not Reveal Attitude Toward Japan

Maxim Litvinoff, newly appointed Soviet Ambassador to the United States, who following his recent arrival in the United States, presented his letters of credence to President Roosevelt on Dec. 9, held a press conference in Washington on Dec. 13, at which time he was queried as to the position of Russia in the World War particularly with respect to Japan. It was pointed out in the Associated Press accounts from Washington on Dec. 13 that, in a formal statement on Russia's position and in answer to questions at the press conference, the Ambassador carefully avoided making at this time any commitments concerning actual Soviet military operations in the Far East. The Associated Press likewise said:

And, when asked whether Russia would permit Allied forces to fight on Russian territory, or permit the United States to use air bases in Siberia for attacks against Japan, he replied:

"That the Soviet Union would welcome help on any front in the common cause, and

"That he could make no answer in public concerning the question about the air bases."

Asked specifically the attitude of Russia toward Japan, the Ambassador quickly characterized Japan as "the common enemy" belonging to "the same bunch of Axis gangsters."

Asked whether there would be a break in diplomatic relations between the Soviet and Japan, Litvinoff said he did not know.

The Ambassador immediately, however, added that Russia had long known that Germany was putting all possible pressure on Japan to get the Japanese to open a second front against the Soviet, thereby hoping to force Russia to transfer some of her guns and men from the Eastern Front.

In his prepared statement to reporters, the Ambassador said in part:

"When I left Moscow a month ago, the enemy was at its very gates, subjecting the capital to hourly bombardments, by day and by night. According, however, to Hitler's solemn promise to his people, his hordes should have been marching through the Red Square six weeks before that, and the Red Army should have been completely washed out. Instead of this, not only have the Germans been held up almost all along the front, but they have been forced to retreat while the three great centers which have always been their most coveted objects—Leningrad, Moscow and Rostov—are all in our hands."

During the last few days the battlefield has become considerably more extensive, spreading to all continents. It must now be plain even to those who are, politically speaking, babes or blind, that all that is now going on is the result of a vast conspiracy by a handful of international gangsters, calling themselves Axis powers, to plunder all countries, enslaving their peoples. The outlines of this plot were roughed out with the creation of the so-called anti-Comintern pact. Against this little handful of plotters, who have made of their peoples slaves and mere instruments of their will, is arraigned the whole of the rest of the world. We now have, in various parts of the world, separate sectors of one great battlefield. In this struggle against the international gangsters, the heavy end has fallen to the Soviet Union, Great Britain and the United States. We are proud and happy to count ourselves the allies of your great country. I am quite sure that complete understanding exists or will be arrived at among these three allies as to

which of them should concentrate its greatest efforts and energy on which sector, and that they will be ruled in this by the interests of the common cause. We are all in the same boat now, and will either perish together or together triumph over the greatest evil of our times, over the spirit of aggression, of international infamy and barbarity. And triumph we will!

All that I have said to you just now is to provide you with a background for your questions, if any. You will forgive me if I have to disappoint you by failing to give answers to all the questions which are of interest to you. I quite understand what many of you have on the tip of your tongues, but you see our enemies are listening still more eagerly for my answers than are even press representatives. And so don't get sore with me if there are some questions I won't be able to answer.

As was indicated in these columns Nov. 13, page 1038, the United States early in November arranged to grant Soviet Russia a loan of \$1,000,000,000 under the Lend-Lease Act, and the transfer of defense supplies to that country under the Act was authorized by President Roosevelt, as was noted in our Nov. 30 issue, page 1135. In presenting his letters of credence to the President on Dec. 9 Mr. Litvinoff said in part:

The peoples of the Soviet Union are happy in the realization that they are receiving from the American people not only their sympathy in this struggle, but also substantial material support, and it affords me keen pleasure to express to you, Mr. President, and to your people, the warm gratitude of my government and my country for this generous support.

My arrival in Washington coincided precisely with the moment in which American territory and American armed forces were subject to attack from another State—an attack no less unexpected than that to which, five and a half months ago, the Soviet Union was subjected. This event, arising from the present international situation, was brought about by the same forces and the same ideology which let loose sanguinary war in Europe and other continents.

I must limit myself, at the present moment, Mr. President to the assurance of the best wishes and warm sympathy of the people of the Soviet Union towards the American people in these days of their ordeal. I am convinced that the similar trial of the Soviet and American peoples will rivet still more strongly the bonds of friendship between them.

President Roosevelt in his reply had the following to say in part:

You are taking up your duties here upon a day of great historic import. As you have pointed out, coincident with your arrival yesterday in Washington, American territory and American armed forces were subjected to an attack from another State. This attack, as you quite correctly state, has been brought about by the same forces and the same ideology which have unleashed war in Europe and other continents. In response to this attack, at this very moment Congress is voting upon a declaration of war with Japan, which is guilty of

## President In Message To Congress Reviews Events Preceding Japanese Attack On U. S.

In a message addressed to Congress on Dec. 15, President Roosevelt transmitted to that body an "historical summary of the past policy of this country in relation to the Pacific area and of the more immediate events leading up to this Japanese onslaught upon our forces and territory." He attached thereto various documents and correspondence implementing this history. The President's message this week supplemented his previous message of Dec. 8, asking for a declaration of war "as an answer to the treacherous attack made by Japan the previous day upon the United States." Dealing specifically with the Japanese attack in the Hawaiian Islands on Dec. 7, the President in the concluding portion of his Dec. 15 message said:

For the record of history, it is essential in reading this part of my message always to bear in mind that the actual air and submarine attack in the Hawaiian Islands commenced on Sunday, Dec. 7 at 1:20 P. M., Washington time—7:50 A. M., Honolulu time of same day—Monday, Dec. 8, 3:20 A. M., Tokyo time.

To my message of Dec. 6 (9 p.m. Washington time—Dec. 7, 11 a.m., Tokyo time) to the Emperor of Japan, invoking his cooperation with me in further effort to preserve peace, there has finally come to me on Dec. 10 (6:23 a. m., Washington time—Dec. 10, 8:23 p.m., Tokyo time) a reply, conveyed in a telegraphic report by the American Ambassador at Tokyo dated Dec. 8, 1 p.m. (Dec. 7, 11 p.m., Washington time).

The Ambassador reported that at 7 o'clock on the morning of the 8th (Dec. 7, 5 p.m., Washington time) the Japanese Minister of Foreign Affairs asked him to call at his official residence; that the Foreign Minister handed the Ambassador a memorandum dated Dec. 8 (Dec. 7, Washington time), the text of which had been transmitted to the Japanese Ambassador in Washington to be presented to the American Government (this was the memorandum which was delivered by the Japanese Ambassador to the Secretary of State at 2:20 p.m. on Sunday, Dec. 7 (Monday, Dec. 8, 4:20 a.m., Tokyo time); that the Foreign Minister had been in touch with the Emperor; and that the Emperor desired that the memorandum be regarded as the Emperor's reply to my message.

Further, the Ambassador reports, the Foreign Minister made an oral statement. Textually, the oral statement deliberately and unprovoked aggression against the United States. I am grateful for your assurances of the best wishes and warm sympathy of the people of the Soviet Union for the American people during these trying days.

There can be no doubt that the struggle in which the United States is being forced to engage is closely connected with, if not a component part of, a gigantic struggle on a world scale which has been brought about by kindred forces of aggression inflamed with ambitions for world conquest and world domination. I agree with you that the successful and speedy outcome of this struggle will depend largely upon the extent to which the countries opposing aggression are willing to coordinate their activities, to use their resources in a timely and rational manner, and to maintain among themselves full understanding and confidence and I can assure you that your efforts to create conditions in the relations between the United States and the Soviet Union most favorable for bringing about a successful outcome of this struggle will be met by similar efforts on the part of the American government.

gan: "His Majesty has expressed his gratefulness and appreciation for the cordial message of the President."

The message further continued to the effect that, in regard to our inquiries on the subject of increase of Japanese forces in French Indo-China, His Majesty had commanded his Government to state its views to the American Government. The message concluded, textually, with the statement: "Establishment of peace in the Pacific, and consequently of the world, has been the cherished desire of His Majesty for the realization of which he has hitherto made his Government to continue its earnest endeavors. His Majesty trusts that the President is fully aware of this fact."

Japan's real reply, however, made by Japan's war lords and evidently formulated many days before, took the form of the attack which had already been made without warning upon our territories at various points in the Pacific.

There is the record, for all history to read in amazement, in sorrow, in horror and in disgust!

We are now at war. We are fighting in self-defense. We are fighting in defense of our national existence, of our right to be secure, of our right to enjoy the blessings of peace. We are fighting in defense of principles of law and order and justice, against an effort of unprecedented ferocity to overthrow those principles and to impose upon humanity a regime of ruthless domination by unrestricted and arbitrary force.

Other countries, too—a host of them—have declared war on Japan. Some of them were first attacked by Japan, as we have been. China has already been valiantly resisting Japan in an undeclared war forced upon her by Japan. After four and one-half years of stubborn resistance, the Chinese now and henceforth will fight with renewed and confirmed assurance of victory.

All members of the great British Commonwealth, themselves fighting heroically on many fronts against Germany and her allies, have joined with us in the Battle of the Pacific, as we have joined with them in the Battle of the Atlantic.

All but three of the Governments of nations overrun by German armies have declared war on Japan. The other three are severing relations.

In our own hemisphere many of our sister republics have declared war on Japan, and the others have given firm expression of their solidarity with the United States.

The following are the countries which have to date declared war against Japan: Australia, Canada, China, Costa Rica, Cuba, Dominican Republic, Guatemala, Haiti, Honduras, The Netherlands, Nicaragua, New Zealand, Panama, El Salvador, South Africa, United Kingdom, Poland.

These and other peace-loving countries will be fighting as we are, first, to put an end to Japan's program of aggression, and, second, to make good the right of nations and of mankind to live in peace under conditions of security and justice.

The people of this country are totally united in their determination to consecrate our nation.

(Continued on page 1559)

## Foreign Front

(Continued from First Page)  
calls the "Freedom Nations" is more difficult than it was in the first World War. The forces at the disposal of the enemy are more numerous and powerful. All of Europe now is under the heels of the dictators, and the Pacific is a war theater in a much different sense than during the earlier conflict. But the spirit and determination of the English-speaking nations is the same, while their resources are unmatched. The die is cast and victory must be won.

To a large degree the war declarations exchanged with Germany and Italy merely formalized the shooting naval conflict upon which the United States entered last September. Even after Japan attacked on Dec. 7, however, some hope seemed to prevail in Washington that formal declarations would not be exchanged across the Atlantic. Such ideas were dispelled early last Thursday.

Calling his puppet Reichstag into session, Chancellor Hitler plunged into one of his excessively wordy performances and after some 90 minutes of verbosity he made known to the German people that powerful America had been added to their opponents. Premier Mussolini spoke briefly to his Fascist supporters and in "a day of solemn decision" ranged Italy with Japan, at war with the United States. Such speeches, of course, were for home consumption.

The actual declarations of war were brief documents. A German note accused the United States of having "violated in the most flagrant manner and in ever-increasing measure all rules of neutrality in favor of the adversaries of Germany," and of having "continually been guilty of the most severe provocations toward Germany ever since the outbreak of the European war." The Presidential order to shoot at sight any German vessels was cited by the Berlin note, along with the several incidents in which American destroyers were involved. Strict adherence by Germany to the rules of international law in her relations with the United States was claimed by the Reich regime, but in view of alleged open acts of war against Germany a state of war was said to exist. An Italian proclamation of a single sentence declared in the name of King Victor Emmanuel that Italy considers herself in a state of war with the United States.

Accepting the challenge instantly, President Roosevelt sent a message to Congress on the same day, reporting that "the long known and the long expected has taken place." The forces endeavoring to enslave the world, Mr. Roosevelt said, now are moving toward this hemisphere. "Rapid and united effort by all of the peoples of the world who are determined to remain free will insure a world victory of the forces of justice and of righteousness over the forces of savagery and of barbarism," said the President, who called forthwith for a war declaration against Germany and Italy. Congress adopted the necessary resolutions in little more than an hour, and the grim business of all-out war with the entire Axis was begun.

Hungary, Rumania and Bulgaria successively issued war declarations against the United States. Much of Latin-America promptly was arraigned with this country. Two of the key States of Europe continued their neutrality, however, despite their proximity to the conflict and the enormous strategic value of their territories to the warring blocs. That Eire will remain aloof despite the entry of the United States was made clear by Prime Minister Eamon de Valera last Sunday. The Turkish Government notified the United States on the same day of

a continued preference for neutrality.

Germany, Italy and Japan concluded the brief ceremonies with signatures to a pact binding the three Axis Powers to conduct jointly the war which "has been imposed on them by the United States and England." They agreed not to make peace separately and to continue their collaboration after "the victorious conclusion of this war."

In an exchange of messages between King George VI and President Roosevelt, last Friday, the British sovereign voiced the pride of Britain in being able to fight with the United States against the "powers of darkness" and for the establishment of the "four freedoms." Mr. Roosevelt lauded the courage of Britain and declared that the forces which have plunged the world in war "cannot prevail against the indomitable strength of free peoples fighting in a just cause." The Chinese Generalissimo, Chiang Kai-shek, pledged the aid of his country in a message to President Roosevelt.

General boards of strategy already are in process of being set up on either side in this World War. The need for a supreme staff promptly was urged in London, and in Washington it is assumed that such a staff would function in our own capital. Representatives of Germany, Italy and Japan started general staff conversations in Berlin on Monday.

### Russia and Japan

Although war declarations have been issued with great abandon in the last two weeks, it is highly significant that Russia and Japan have refrained from making war on each other. The real meaning of this situation is hard to fathom. Both countries are fully in the war on opposite sides and both are pledged not to make peace separately. It is, of course, a reflection upon their several pledges that they refrain from that all-out war which they declare they will not emerge from separately.

For Britain and the United States, this is a matter of great strategic importance, since Russian bases are not available to our forces in the Pacific, under the Russian procedure. Before the present situation developed it was assumed that long-range bombers would take off from Philippine airfields and fly on to Siberia, after bombing Japanese ports and cities. The return journey, according to such plans, would involve another bombing of objectives in Japan. Russia's present stand obviates this strategic possibility, along with a number of others.

A good deal of verbal support, which costs very little, has been extended by Russian spokesmen to Britain and the United States, in the war against Japan. Maxim Litvinoff, newly arrived Soviet Ambassador to Washington, referred to Japan as the "common enemy" of Russia, Britain and the United States, last Saturday. He also made it quite clear that Russia would not open a second front against Japan in the East, but would concentrate, instead, upon the task of beating back the legions of Hitler in Europe.

Russian strategy is necessarily a matter for Russia to decide, just as Britain had to make her own decisions respecting the second front in Western Europe which the Soviet regime ardently desired. The mutual hands-off attitude of Moscow and Tokio is however, of a somewhat different order. It is a puzzling and far from comforting incident of the vast conflict.

### War Measures

Arrival of "M" Day already has set in motion a good deal of the administrative and other machinery of war in the United States, and also has brought with it a perfectly enormous official

zeal respecting the possibility of air raids. False air raid alarms have sounded frequently on both the Pacific and Atlantic Coasts. This is a matter in which British experience suggests sensible courses of procedure.

Legislative enactments suitable for the new situation in which the country finds itself promptly began to come out of Congress. The military forces of the country are to be expanded prodigiously, with an army of 7,500,000 men planned. A fresh appropriation of \$10,000,000,000 has been placed at the disposal of the Navy Department, for the most part, although other branches of the armed forces also are to share. This increases national defense appropriations to \$70,772,563,270.

Lend-lease aid to countries which, in the opinion of President Roosevelt, ought to have this form of support from the United States, amounted to \$1,202,000,000 by Dec. 1, according to the usual quarterly report of the Executive to Congress. The third report on lend-lease operations, published Monday, indicates that 33 countries now are eligible for aid. Actual exports under the program amounted to \$595,000,000.

Seizures of ships in American ports were extended, over the last week-end, to include those of France and Sweden. The great French liner Normandie, which readily can be converted into an aircraft carrier, was seized along with 13 other French vessels. The Swedish liner Kungsholm was taken under the right of angary, equivalent to the right of eminent domain, and just compensation will be made to her owners. Spain promptly canceled all ship sailings to the United States.

### Latin-America

To one degree or another, all of the 20 Latin-American republics promptly were aligned with the United States in the war with the Axis Powers, and a good deal of strength thus was added to the alliance of free nations. The Good Neighbor policy of President Roosevelt was designed partly toward this end, and it achieved a distinguished success.

Most of the Latin-American countries signaled their support of Washington by declaring war upon Japan, Germany and Italy. The parliamentary machinery for declaring war worked slowly in some instances, and quickly in others. Where the process was long and cumbersome, diplomatic relations with the Axis were broken. Argentina, alone, preferred to maintain technical neutrality toward the Axis, but active aid for the United States was arranged through a declaration that the United States is a "non-belligerent" and therefore free to use Argentine ports as war bases.

In accordance with understandings reached by the American Republics at Havana, last year Secretary of State Cordell Hull last week called a meeting of all Foreign Ministers of Western Hemisphere republics. This gathering will take place in Rio de Janeiro, during the first week of January. The discussion will concern measures for hemispheric defense.

### Pacific Theatre

Desperate efforts were made by the Japanese in recent days to extend whatever advantage the initiative provides in modern warfare, and fighting continued on numerous fronts in the vast Pacific area. The strategic factors have only just begun to clarify in this second week of the newest war. It is fairly evident, however, that the Japanese hope to keep the Pacific Fleet of the United States at a distance, while attempting to reduce the bastions of the Philippines and Singapore. In their aim of driving Occidentals out of the East the Japa-

nese have made a little progress to date. As Anglo-American strength is brought to bear on this situation, however, the prospects doubtless will change.

The attack on Pearl Harbor and the sinkings of the great British warships Prince of Wales and Repulse continued to reverberate in all circles. Since naval strength is vital in the war that Japan suddenly opened on Dec. 7, the losses of American and British ships have a corresponding significance. Aerial strength may turn out in the end to be more important still, but modern tactics suggest the greatest possible degree of collaboration among all forces.

After a speedy journey to Hawaii, Secretary of the Navy Frank Knox reported frankly on Monday the American losses suffered at Pearl Harbor. These were extremely serious, but far from that knock-out blow which the enemy desired to administer. The battleship Arizona, 32,600 tons, and the destroyers Cassin, Downes and Shaw were the principal vessels lost in the treacherous attack. The old target and training ship Utah, and the minelayer Oglala, also went down. The old battleship Oklahoma capsized and an unannounced number of other ships suffered damage that will take varying periods to repair.

The United States services were not on the alert against this surprise attack, Mr. Knox admitted. In addition to the ship losses, 2,897 sailors and soldiers lost their lives, and 656 officers and men were wounded. Notwithstanding this grievous loss, Secretary Knox declared that the Japanese failed to attain their objective of knocking out the Pacific Fleet, which, he said, was at sea seeking contact with the enemy. The attack on Pearl Harbor was launched from Japanese aircraft carriers, he said, and tiny submarines operated by two men proved to be the only surprise weapon. Numerous instances of heroism among our forces were cited.

Full details of the British disaster off Malaya were disclosed late last week. Early fears that virtually the entire complements of the Prince of Wales and the Repulse went down with these fine ships have fortunately proved erroneous. The list of missing numbers 595, and 2,330 men were rescued. Lack of the great ships is keenly felt; however, and may be a decisive element of the war in Malaya.

Heavy losses also have been inflicted upon the Japanese, principally by American fliers and by British forces in general and the Netherlands submarines operating from East Indian bases. Secretary of War Stimson announced last week that the Japanese battleship Haruna, 29,330 tons, had been sunk off Luzon, in the Philippines, and another battleship of the Kongo class subsequently was reported badly damaged and possibly destroyed. These losses have not been conceded by Tokio.

Japanese radio broadcasts admitted, however, that a light cruiser was damaged in attacks on American islands, and that some transports and other ships were sunk. In transports, according to American, British and Netherlands accounts, the Japanese lost heavily, two to six being reported sunk every day. Aerial losses are not fully known, but were severe on both sides. As in the European war, each side claims heavy damage to opposing aircraft while conceding little loss to its own.

In this second week of the Pacific war it was evident that Hawaii, despite the losses suffered at Pearl Harbor, stands as the great bastion of American defense and offense. The Japanese apparently have submarines prowling around the island, and it is officially stated in Wash-

ington that the enemy lost a number of these ships. Attacks were made Tuesday, it appears, on outlying islands of the Hawaiian group, but shelling of such outposts did no damage of consequence. A Norwegian freighter went down Monday, near Honolulu, obviously under Japanese submarine attack.

Just how far the United States Pacific Fleet is ranging out of Pearl Harbor naturally is not disclosed. The Japanese, however, attacked steadily the stepping stone islands of Midway, Wake and Guam, which are important in the communications system of the United States and the Philippines. Midway and Wake held out, but Guam was silent and the Japanese claimed officially on Tuesday to have taken that island, which lies near a large group of Japanese islands in the far Pacific.

Toward the Philippines the Japanese stabbed again and again, with little regard to their heavy losses in ships and men. At the northern tip of Luzon island they effected a landing which they have so far held. But tenuous holds by the invaders on east and west coasts of Luzon were broken on several occasions, and still the attackers returned. The Manila area and the naval base at Cavite were bombed, without much military damage reported done. American fliers hammered at the invading ships and downed many Japanese airplanes. Our Asiatic Fleet is based on the Philippines, but there are, of course, no reports as to its movements.

These attacks on American possessions possibly are of less immediate strategic significance than a strenuous Japanese advance upon the Malay States, where the British are contesting hotly every foot of ground. From Thailand, which is said by the Axis to be fully in its camp, and from troop transports, the Japanese poured down the Kra Isthmus, toward Singapore. They captured the important airfield at Kota Bharu, last week, and after the sinking of the Prince of Wales and Repulse sent uncounted numbers of soldiers against the British lines.

In London it was admitted on Tuesday that the Japanese move against Singapore has become a major threat. Defense plans for that giant base were partly calculated upon the presence of powerful sea units such as those now sunk. Attacking with much greater land and aerial forces than had been anticipated by the defenders, the Japanese progressed this week toward Penang and took the small island of Victoria, at the southern tip of Burma. Reinforcements are being rushed toward Singapore, and the battle for that vital base will be observed with bated breath.

Against the British island fortress of Hongkong the Japanese staged still another heavy attack. Here, also, the invaders admittedly made some progress, notably through occupation of the Kowloon area on the mainland, across the narrow strait. Chinese attacks against the Japanese rear have failed to stem the attack of the Tokio forces upon the British. Cut off from outside supplies, Hongkong presumably can hold out for some time, but not indefinitely. The course of the general Pacific struggle may determine the immediate fate of the island.

Occasional attempts also were made by the Japanese to effect landings in North Borneo, where the precious oil is located that the Japanese do not have and need. British forces in North Borneo tumbled the attackers into the ocean, and at last accounts the invaders failed to gain more than a momentary foothold.

### Retreat from Moscow

Everywhere in Russia, but particularly on the Moscow front,

The German forces were in retreat this week, and the effect of this development upon the general course of the war is incalculably important. After suffering an obvious military defeat at Rostov, at the southern end of the long line, the Germans announced on Dec. 8 an intention of retiring to prepared positions for the winter. All reports from the Russian side suggest, however, that the Germans are not retiring merely "according to plan," but are being driven back precipitately and with heavy losses.

Some caution is advisable in accepting the Russian claims at face value, for the Germans gave the first notice of this move and the Russian reports possibly are over-enthusiastic. There is no doubt, however, of the rather extensive area retaken by the Russian Army. East of Leningrad the Germans retreated many miles but they continue their siege of the second city of Russia. North of Moscow the Germans were forced out of Klin and Kalinin while south of the capital they also had to give ground. In the Donets Basin the Russians started a major move a week ago. All in all, Moscow indicates, some 60 towns and villages have been retaken, and immense losses have been inflicted upon the Nazis both in men and materials.

One factor of much potential and possibly also of immense immediate importance was noted this week, in reports from Swedish and Swiss sources. These reports state an epidemic of typhus is raging in the German-occupied areas of Eastern Europe. It is quite clear that the Nazi army would not escape such an epidemic unscathed. If typhus is adding to the Russian destruction of German forces, the Nazi retreat from Moscow perhaps is adequately explained.

The Communists, who still refuse to permit foreign observers to visit the front, declared in ringing statements this week that the Germans are in a "Napoleonic retreat." They reported 85,000 Germans killed in a single engagement, last week. More than 6,000,000 Nazis have been sacrificed, according to Moscow spokesmen. Berlin merely referred to the Russian battles as "local engagements."

Chancellor Hitler traced the course of the Russian campaign in his Reichstag speech, last Thursday, and he supplies allegedly official statistics of German losses on the Eastern Front. From the beginning of the Russian campaign on June 22, to Dec. 1, Hitler said, Nazi losses were 162,314 dead, 477,767 wounded, and 33,334 missing. Russian prisoners in German hands were said by Nov. 8 to have totaled 3,806,000. The winter halt was confirmed by the German leader who added that with the return of warm weather next year the German advance will be resumed.

Prime Minister Churchill added to the controversy on the German-Russian campaign, last Thursday, by asserting that Hitler made one of the outstanding blunders of history in attacking Russia. "In Russia Hitler has everywhere been brought to a standstill," said Mr. Churchill. "On a large portion of his front he is in retreat and the sufferings of his troops are indescribable. Their losses have been immense."

**Libyan Campaign**

British successes in Libya against the Axis forces under the command of the German General, Erwin Rommel, have taken on impressive proportions in the last few days. Whether the action now can be regarded as decided, however, is not clear. German and Italian reinforcements are being rushed to North Africa, both by sea and air, and it is admittedly a stubborn resistance that the Axis is putting up.

Retreat by the Axis forces from the battle ground south of Tobruk was started more than a week ago, and Prime Minister Churchill was able to state categorically on Dec. 11 that Tobruk has been relieved. The Germans and Italians have since given ground very slowly, and frequent thrusts against the advancing British Empire forces are reported. These Fabian tactics of the German commander are occasioning some caution at British Headquarters.

In his report to the House of Commons, Mr. Churchill made it plain that the British have superior forces in Libya, and that mastery gradually was attained during the first phase of the battle. He expressed the utmost confidence regarding the next moves in the battle. Numerous Axis transports were sunk by British submarines and cruisers, and at least two Italian cruisers were sent to the bottom, last week. German High Command statements, Tuesday, claimed the sinking of a British cruiser by German submarines, off North Africa.

**Battle Of The Atlantic**

Modest aerial activity is reported in the direct combat between the United Kingdom and the German Reich, both sides apparently being content to send over occasional bombers. The Reich air force, withdrawn in large part from the Russian front, doubtless is being groomed for fresh attacks, and these may fall upon the British Isles or the Libyan front. British authorities seem to be keeping their reserves high, in preparation for any developments.

The Battle of the Atlantic continues to run in favor of Great Britain, which of all recent developments is one of the most heartening. Prime Minister Churchill referred to the Atlantic struggle with obvious satisfaction, in a report to the House of Commons, last Thursday. Without revealing actual figures, he stated that the improvement noted during the four preceding months had been maintained in November.

With respect to the World War as a whole, Mr. Churchill was quite realistic. He reminded the British people that greater efforts will be required of them owing to the war in the Far East and the curtailment in American supplies and American naval aid that the struggle with Japan will entail. The gap must be filled through British efforts, he said.

**Reviews Events Prior To Attack**

(Continued from page 1557)

tional strength and man power to bring conclusively to an end the pestilence of aggression and force which has long menaced the world and which now has struck deliberately and directly at the safety of the United States.

In the earlier part of his Dec. 15 message to Congress the President stated that "the course of events which have led directly to the present crisis began ten years ago." He went on to say:

For it was then, in 1931, that Japan undertook on a large scale its present policy of conquest of China. It began by the invasions of Manchuria, which was part of China. The Council and the Assembly of the League of Nations, at once and during many months of continuous effort thereafter, tried to persuade Japan to stop.

The United States supported that effort. For example, the Government of the United States on Jan. 7, 1932, specifically stated in notes sent to the Japanese and the Chinese Governments that it would not recognize any situation, treaty or

agreement brought about by violation of treaties.

This barbaric aggression of Japan in Manchuria set the example and the pattern for the course soon to be pursued by Italy and Germany in Africa and in Europe. In 1933, Hitler assumed power in Germany. It was evident that, once rearmed, Germany would embark upon a policy of conquest in Europe. Italy—then still under the domination of Mussolini—also had resolved upon a policy of conquest in Africa and in the Mediterranean.

Through the years which followed, Germany, Italy and Japan reached an understanding to time their acts of aggression to their common advantage—and to bring about the ultimate enslavement of the rest of the world.

The very existence of the United States as a great free people, and the free existence of the American family of nations in the New World, would be a standing challenge to the Axis. The Axis dictators would choose their own time to make it clear that the United States and the New World were included in their scheme of destruction.

This they did last year, in 1940, when Hitler and Mussolini concluded a treaty of alliance with Japan deliberately aimed at the United States.

The strategy of Japan in the Pacific area was a faithful counterpart of that used by Hitler in Europe. Through infiltration, encirclement, intimidation and, finally, armed attack, control was extended over neighboring peoples. Each such acquisition was a new starting point for new aggression.

Pursuing this policy of conquest, Japan had first worked her way into and finally seized Manchuria. Next she had invaded China, and has sought for the past four and one-half years to subjugate her.

Passing through the China Sea close to the Philippine Islands, she then invaded and took possession of Indo-China. Today the Japanese are extending this conquest throughout Thailand and seeking the occupation of Malaya and Burma. The Philippines, Borneo, Sumatra, Java, come next on the Japanese timetable; and it is probable that further down the Japanese page are the names of Australia, New Zealand and all the other islands of the Pacific, including Hawaii and the great chain of the Aleutian Islands.

To the eastward of the Philippines Japan violated the mandate under which she had received the custody of the Caroline, Marshall and Mariana Islands after the World War by fortifying them, and not only closing them to all commerce but her own, but forbidding any foreigner even to visit them.

By this course of aggression Japan made it necessary for various countries, including our own, to keep in the Pacific in self-defense large armed forces and a vast amount of material which might otherwise have been used against Hitler. That, of course, is exactly what Hitler wanted them to do. The diversion thus created by Hitler's Japanese ally forced the peace-loving nations to establish and maintain a huge front in the Pacific.

Throughout this course and program of Japanese aggression, the Government of the United States consistently endeavored to persuade the Government of Japan that Japan's best interests would lie in maintaining and cultivating friendly relations with the United States and with all other countries that believe in orderly and peaceful processes.

Following the outbreak of

**German, Italian Declarations Of War On U. S.**

The United States was officially informed of the German and Italian declarations of war when diplomatic representatives of the two countries called at the State Department on Dec. 11.

The German envoys, Dr. Hans Thomsen, Charge d'Affaires, and Heribert von Stempel, First Secretary of the Embassy, handed to Ray Atherton, Chief of the European Division of the State Department, a copy of the note which

had been delivered earlier in the day to the American Charge d'Affaires in Berlin, George L. Brandt. This note, signed by Joachim von Ribbentrop, German Foreign Minister, said that the United States "from initial violations of neutrality has finally proceeded to open acts of war against Germany" and "has thereby virtually created a state of war."

The note, which asserted that American naval vessels "since early September, 1941, have systematically attacked German naval forces," declared that the German Government "discontinues diplomatic relations with the United States . . . and declares that under these circumstances brought about by President Roosevelt, Germany, too, as from today, considers herself as being in a state of war with the United States of America."

When the Italian Ambassador, Prince Ascanio Colonna, called at the State Department, accompanied by Signor Mario Conti, First Secretary of the Embassy, he was informed by James C. Dunn, political adviser on European af-

hostilities between Japan and China in 1937, this Government made known to the Japanese Government and to the Chinese Government that whenever both those governments considered it desirable we stood ready to exercise our good offices. During the following years of conflict that attitude on our part remained unchanged.

It became clear that, unless this course of affairs in the Far East was halted, the Pacific area was doomed to experience the same horrors which have devastated Europe.

Therefore, in this year of 1941, in an endeavor to end this process by peaceful means while there seemed still to be a chance, the United States entered into discussions with Japan. For nine months these conversations were carried on for the purpose of arriving at some understanding acceptable to both countries.

Finally, on Nov. 20, 1941, the Japanese Government presented a new and narrow proposal which called for supplying by the United States to Japan of as much oil as Japan might require, for suspension of freezing measures, and for discontinuance by the United States of aid to China. It contained, however, no provision for abandonment by Japan of her warlike operations or aims.

Such a proposal obviously offered no basis for a peaceful settlement or even for a temporary adjustment. The American Government, in order to clarify the issues, presented to the Japanese Government on Nov. 26 a clear-cut plan for a broad but simple settlement.

I was determined, however, to exhaust every conceivable effort for peace. With this in mind, on the evening of Dec. 6 last I addressed a personal message to the Emperor of Japan.

To this Government's proposal of Nov. 26 the Japanese Government made no reply until Dec. 7. On that day the Japanese Ambassador here and the special representative whom the Japanese Government had sent to the United States to assist in peaceful negotiations delivered a lengthy document to our Secretary of State one hour after the Japanese had launched a vicious attack upon American territory and American citizens in the Pacific.

fairs, that the Italian Government had already notified the American Charge d'Affaires in Rome, George Wadsworth, that Italy considered itself at war with the United States. Mr. Wadsworth had been informed by the Italian Foreign Minister, Count Galeazzo Ciano.

Reichsfuehrer Adolf Hitler announced Germany's decision in a speech to the Reichstag in Berlin on Dec. 11 and Premier Benito Mussolini made known Italy's declaration in a talk on Dec. 11 to a crowd assembled in the Piazza Venezia in Rome.

The text of the German note was as follows:

Mr. Charge d'Affaires:

The Government of the United States having violated in the most flagrant manner and in ever-increasing measure all rules of neutrality in favor of the adversaries of Germany and having continually been guilty of the most severe provocations toward Germany ever since the outbreak of the European war, provoked by the British declaration of war against Germany on Sept. 3, 1939, has finally resorted to open military acts of aggression.

On Sept. 11, 1941, the President of the United States publicly declared that he had ordered the American Navy and Air Force to shoot on sight at any German war vessel. In his speech of Oct. 27, 1941, he once more expressly affirmed that this order was in force. Acting under this order, vessels of the American Navy, since early September, 1941, have systematically attacked German naval forces. Thus, American destroyers, as for instance the Greer, the Kearny and the Reuben James have opened fire on German submarines according to plan. The Secretary of the American Navy, Mr. Knox, himself confirmed that American destroyers attacked German submarines.

Furthermore, the naval forces of the United States, under order of their Government and contrary to international law, have treated and seized German merchant vessels on the high seas as enemy ships.

The German Government therefore establishes the following facts:

Although Germany on her part has strictly adhered to the rules of international law in her relations with the United States during every period of the present war, the Government of the United States from initial violations of neutrality has finally proceeded to open acts of war against Germany. The Government of the United States has thereby virtually created a state of war.

The German Government, consequently, discontinues diplomatic relations with the United States of America and declares that under these circumstances brought about by President Roosevelt, Germany, too, has from today, considers herself as being in a state of war with the United States of America.

Accept, Mr. Charge d'Affaires, the expression of my high consideration.

RIBBENTROP.

Dec. 11, 1941.

According to an announcement by the State Department at Washington on Dec. 11, the German Charge d'Affaires stated that the Swiss Government would take over German interests in this country and that Dr. Burghmann had already received appropriate instructions from his Government.

## Bankers' Dollar Acceptances Outstanding On November 29 Totaled \$193,590,000

The volume of bankers' acceptances increased \$8,784,000 during November to \$193,590,000 on Nov. 29, according to the monthly report of the Acceptance Analysis Unit of the Federal Reserve Bank of New York, issued Dec. 15. As compared with a year ago, the Nov. 29 total is \$3,093,000 below that of Nov. 30, 1940, when the acceptances outstanding amounted to \$196,683,000.

The increase in the volume of acceptances outstanding from the previous month was due to advances in all branches of credit excepting domestic warehouse credits, while in the year-to-year comparison only credits for imports, domestic shipments and domestic warehouse credits were higher than last year.

The Reserve Bank's report for Nov. 29 follows:

BANKERS' DOLLAR ACCEPTANCES OUTSTANDING—UNITED STATES BY FEDERAL RESERVE DISTRICTS			
Federal Reserve District—	Nov. 29, 1941	Oct. 31, 1941	Nov. 30, 1940
1 Boston	\$22,031,000	\$20,898,000	\$22,301,000
2 New York	124,414,000	115,200,000	135,151,000
3 Philadelphia	10,448,000	10,670,000	10,497,000
4 Cleveland	2,951,000	2,919,000	2,431,000
5 Richmond	1,636,000	1,152,000	1,224,000
6 Atlanta	1,430,000	1,091,000	1,642,000
7 Chicago	4,585,000	5,869,000	4,823,000
8 St. Louis	744,000	654,000	503,000
9 Minneapolis	168,000	142,000	958,000
10 Kansas City	—	—	—
11 Dallas	2,806,000	2,431,000	61,000
12 San Francisco	22,377,000	23,780,000	17,092,000
<b>Grand Total</b>	<b>\$193,590,000</b>	<b>\$184,806,000</b>	<b>\$196,683,000</b>
Increase for month \$8,784,000. Decrease for year \$3,093,000.			

ACCORDING TO NATURE OF CREDIT			
	Nov. 29, 1941	Oct. 31, 1941	Nov. 30, 1940
Imports	\$115,699,000	\$108,867,000	\$97,898,000
Exports	13,544,000	12,472,000	20,195,000
Domestic shipments	11,894,000	10,939,000	9,385,000
Domestic warehouse credits	36,095,000	37,169,000	31,373,000
Dollar exchange	4,506,000	4,116,000	9,266,000
Based on goods stored in or shipped between foreign countries	11,852,000	11,243,000	28,566,000

BILLS HELD BY ACCEPTING BANKS		
Own bills	Bills of others	Total
\$92,941,000	\$50,946,000	\$143,887,000
Increase for month, \$6,050,000		

CURRENT MARKET RATES ON PRIME BANKERS' ACCEPTANCES, DEC. 15, 1941			
Days	Dealers' Buying Rates	Dealers' Selling Rates	
30	1/2	3/4	1/2
60	1/2	3/4	1/2
90	1/2	3/4	1/2
120	1/2	3/4	1/2
150	1/2	3/4	1/2
180	1/2	3/4	1/2

The following table, compiled by us, furnishes a record of the volume of bankers' acceptances outstanding at the close of each month since Jan. 31, 1939:

1939—		1940—		1941—	
Jan. 31	\$255,402,175	Jan. 31	\$229,230,000	Jan. 31	\$212,777,000
Feb. 28	248,095,184	Feb. 29	233,015,000	Feb. 28	211,865,000
Mar. 31	245,016,975	Mar. 30	229,705,000	Mar. 31	217,312,000
Apr. 29	237,831,570	Apr. 30	223,305,000	Apr. 30	219,561,000
May 31	246,574,727	May 31	213,685,000	May 31	215,005,000
June 30	244,530,440	June 29	208,149,000	June 30	212,932,000
July 31	236,010,050	July 31	188,350,000	July 31	209,899,000
Aug. 31	235,034,177	Aug. 31	181,813,000	Aug. 30	197,472,000
Sept. 30	215,881,724	Sept. 30	176,614,000	Sept. 30	176,801,000
Oct. 31	221,115,945	Oct. 31	186,789,000	Oct. 31	184,806,000
Nov. 30	222,599,000	Nov. 30	196,683,000	Nov. 29	193,590,000
Dec. 30	232,644,000	Dec. 31	208,659,000		

## Petroleum And Its Products

An increase of 3 cents a barrel in crude oil prices in north and north central Texas was approved by the Office of Price Administration on Dec. 11 and Sinclair-Prairie Oil Marketing led the way in a general markup to \$1.21 for top gravity crude produced in this area. The advance, which reduces the differential between north Texas and adjoining Oklahoma fields to 4 cents, against the former 7-cent figure, was permitted by the OPA after a study of transportation and other costs and "should not be construed" as indicative of the OPA policy upon the general crude oil price question now under study by the Federal agency, it was stated.

A little over a month ago, a 7-cent a barrel increase in north and north central Texas, which eliminated the differential entirely, was rescinded by the companies posting it after the OPA, which had not received prior notice of their intentions, requested them to do so. At that time, it was stated that should an investigation disclose the need for eliminating the differential, the OPA would allow it. The revised price schedule applies to the following counties: Archer, Baylor, Brown, Calahan, Clay, Coleman, Cooke, Eastland, Palo Pinto, Stephens, Wichita, Young and Montague. The advance, which was followed by all major purchasers in the area, became effective Dec. 11.

In recent years, it was pointed out, the volume of production in north and north central Texas has broadened to the point where a substantial amount of crude oil from those areas is moving both northward and southward to distant refineries. Formerly crude oil produced in those areas was largely refined locally. Concurrent with this change in conditions, there has been a relative

decline in Oklahoma crude oil production while demand has been increasing for products and crude oil from both of these areas. The narrowing of the price differential, as approved by the OPA, takes cognizance of these developments in the relative positions of Oklahoma and north and north central Texas, the announcement pointed out.

The first action of the recently-created Petroleum Industry Council for National Defense will be a drive to prevent all waste of petroleum, currently under way, it was disclosed in Washington this week in an announcement by William R. Boyd, Jr., chairman of the executive committee of the Council. The executive committee, he said, has appointed a subcommittee of the Council to determine the character and nature of preventable waste of petroleum and to report appropriate measures "to publicize the necessity of a policy of national conservation of petroleum and its products" so that the cooperation of the public to this end be secured.

The move was made at the first meeting of the executive committee of the Council following its organization in Washington by Petroleum Coordinator Ickes on Dec. 8. The text of the resolution adopted by the committee follows: "Be it resolved that it is the sense of this committee that the emergency facing the country requires the prevention of all waste of petroleum and its products, and be it further resolved that the chairman be authorized to appoint a subcommittee of five members of the Council for the purpose of determining the character and nature of such preventable waste, and that this subcommittee report back to this committee, as promptly as possible, appropriate measures to publicize the necessity of a policy of rational conservation of petroleum and its products in order that the cooperation of the public in achieving this end may be secured."

Feature of the statewide proration hearing of the Texas Railroad Commission in Austin Monday was the disclosure that the Commission had received a wire from Deputy Petroleum Coordinator Davies requesting a hearing at some later date to consider the Texas quota that is being worked out to meet war requirements. The plan was reported to be ready for submission to the Commission within the immediate future. Increased production and storage was asked of the Commission, with some estimates indicating a gain of 1,000,000 barrels over the current allowable of 1,517,000 barrels. Both Humble Oil & Refining and the Pure Oil Co. asked increases of at least 1,000,000 barrels' storage. Applications were made to the Commission for increased allowables in various fields to meet demands for cold test lubricants and high octane gasoline crudes.

E. O. Thompson, chairman of the Commission, submitted without recommendation a plan suggested to him by a prominent independent operator which called for the plugging of one-half of the approximately 100,000 producing wells in Texas, with their part of the State total production allowable applied to the remaining wells, thus causing no change in the current allowable. Under the suggested program, the casing, tubing, all connections above ground, and the derrick, would be salvaged from the abandoned wells and used for drilling additional wells in other fields. It was estimated that if 10,000 of the approximately 26,000 wells in the East Texas field were plugged, with their allowables produced out of the remaining wells, it would release steel totaling 300,000 tons, valued at \$30,000,000.

With news reports from all over the nation telling of test "black-outs" against possible air raids, oil men in the country's producing regions had new problems to worry them. First, is the problem of turning out all of the lights on the derricks of which there are some 25,000 in the East Texas area alone. Second, and most important, is the problem of what to do with the familiar gas flares which represent the burning of waste gas. If the flares are extinguished, and the gas allowed to accumulate it presents a potent source of danger not only to the wells but also, in the case of a wind, to neighboring towns or cities.

Daily average production of crude oil in the United States rose 1,600 barrels during the Dec. 13 week, totaling 4,109,550 barrels, according to the American Petroleum Institute. The total compared with estimated December market demand of 4,139,000 barrels, indicating that production again ran below the market demand as estimated by the United States Bureau of Mines. Sharp gains in California and Kansas offset lower production totals in the other major oil-producing States.

Total production of crude petroleum in 1940 broke all records, climbing 7% above the 1939 total to hit a peak of 1,353,214 barrels, according to the final report of the Bureau of Mines. The total was 5% above the previous high, set in 1937. Ralph K. Davies, Deputy Petroleum Coordinator, will speak at the dedication of the

new Southeastern pipeline in Atlanta on Dec. 19.

Price changes follow:  
Dec. 11.—The OPA announced approval of a 3-cent advance in north and north central Texas crude oil prices, initiated by Sinclair-Prairie Oil Marketing, which set a new price of \$1.21 for top gravity.

Prices of Typical Crude per Barrel At Wells	
(All gravities where A. P. I. degrees are not shown)	
Bradford, Pa.	\$2.75
Corning, Pa.	1.31
Eastern Illinois	1.22
Illinois Basin	1.37
Mid-Cont'n't, Okla., 40 and above	1.25
Smackover, Heavy	0.83
Rodessa, Ark., 40 and above	1.20
East Texas, Texas, 40 and above	1.25
Kettleman Hills, 37.9 and over	1.29
Pecos County, Texas	0.95
Lance Creek, Wyo.	1.12
Signal Hill, 30.9 and over	1.23

**Refined Products**  
The price structure in the nation's gasoline markets continues to show contraseasonal strength, reflecting conditions created by the war in which the United States currently is engaged with the Axis powers and the general importance of gasoline in the national defense setup. Retail service stations prices, including taxes, as of the first of the current month were at their highest levels since November, 1937.

The net dealer's price as of Dec. 1, last, averaged 10.04 cents a gallon in 50 leading cities throughout the nation, according to a survey made by the American Petroleum Institute. This is fractionally better than the 10.02 cents a gallon price prevailing a month earlier and substantially above the 8.46-cent level recorded for the comparable 1940 date. The service station price, before taxes, was 14.07 cents, against 14.04 cents on Nov. 1 and 12.09 a year ago. Including taxes, service station prices of 20.02 cents a gallon were 2.03 cents a gallon above Dec. 1, last year, and fractionally above the Nov. 1 level of 19.99 cents.

Petroleum Coordinator Ickes placed the aviation gasoline branch of the industry on a wartime basis in orders issued over last week-end providing that no aviation gasoline can be made, sold or shipped without his approval. At the same time, Mr. Ickes announced, that with the approval of the Department of Justice, the anti-trust laws will not stand in the way of his efforts to provide ample supplies of this vital war necessity. Under the agreement with the Department of Justice, the oil companies will be permitted to engage in pooling operations, under the direction of Mr. Ickes, in order to speed production. The new orders apply also to high octane gasoline base stocks and the blending agents used in its manufacture. Refiners were also ordered to report on their existing contracts.

The orders of the Petroleum Coordinator followed a meeting in Washington on Dec. 10 of refiners of 100 octane gasoline and technical experts from all sections in the office of Deputy Petroleum Coordinator Davies where they heard reports from Army and Navy officers concerning the needs of aviation gasoline for our own air forces as well as those of our Allies. After the all-day meeting was ended, refiners and the Petroleum Coordinator's office revised their plans in order to hasten the program for maximum production with existing facilities and the speeding up of the construction of new refineries.

Published reports that reduction of the octane rating of regular gasoline would mean increased operating costs for American motorists running into hundreds of millions of dollars were denied in

a statement issued Monday in Washington by the Office of Price Administration which claimed that American motorists today are wasting millions of dollars in using higher grade gasoline than is required by their automobiles. The reduction of octane rating in gasoline available for civilian use is being considered because of the constantly expanding amounts of high-test gasoline required by the Army and Navy which has caused fears of a shortage of ingredients for high-grade gasoline for civilian consumption.

Further seasonal improvement in stocks of finished, unfinished and aviation gasoline developed during the week of Dec. 13 despite the unchanged refinery rate, the American Petroleum Institute disclosed. Inventories during the period under review were 1,066,000 barrels better than in the initial week of December at 87,422,000 barrels, which figure compared with holdings of 80,769,000 barrels on the comparable date a year earlier. Refinery operations held unchanged at 90.1% of capacity, with daily average runs of crude to stills totaling 3,997,000 barrels, against 3,945,000 barrels in the previous week. Production of gasoline of 13,610,000 barrels compared with 13,659,000 barrels in the Dec. 6 week.

The experiments of the Department of the Interior with strategic and critical materials indicate that, in an emergency, the United States can begin "full-scale" production of gasoline from coal at any time that "natural resources show signs of depletion," Secretary Ickes said in Washington this week. He stressed in his annual report to President Roosevelt, however, that there is no immediate shortage or lack of base petroleum supplies. The hydrogenation of coal, thus far confined to tests on a semi-commercial scale, could be started commercially "at any time" if needed vitally.

There were no price changes in the refined products markets this week.

U. S. Gasoline (Above 65 Octane), Tank Car Lots, F. O. B. Refinery	
New York—	
Socony-Vac.	\$0.85
Tide Water Oil	.09
Texas	.085
y Shell, Eastern	.085
Other Cities—	
Chicago	.06-.06 3/4
Gulf Coast	.06-.06
Oklahoma	.06-.06 3/4
y Super.	
Kerosene, 41-43 Water White, Tank Car, F. O. B. Refinery	
New York (Bayonne)	\$0.53
Baltimore	.0525
Philadelphia	.0525
North Texas	.04
New Orleans	4.25-4.625
Tulsa	.04-.04 3/4
Fuel Oil, F. O. B. Refinery or Terminal	
N. Y. (Harbor) Bunker C.	\$1.50
Diesel	2.15
Savannah, Bunker C.	1.50
Philadelphia, Bunker C.	1.50
Gulf Coast	\$0.85-.90
Halifax	1.70
Gas, Oil, F. O. B. Refinery or Terminal	
N. Y. (Bayonne) 7 plus	\$0.04
Chicago, 28.30 D.	.053
Tulsa	.03%

## Moody's Commodity Index Advances

Moody's Daily Commodity Index advanced from 213.4 a week ago to 217.6 this Tuesday. The most important individual changes were in cotton, hog and wheat prices.

The movement of the index was as follows:

Tuesday, December 9	213.4
Wednesday, December 10	214.1
Thursday, December 11	217.1
Friday, December 12	218.0
Saturday, December 13	217.0
Monday, December 15	217.9
Tuesday, December 16	217.6
Two weeks ago, December 2	210.0
Month ago, November 15	208.6
Year ago, December 16	168.0
1940—High, December 31	171.8
Low, August 16	149.3
1941—High, September 9	219.9
Low, February 17	171.6

### Condition of National Banks

The statement of condition of the National banks under the Comptroller's call of Sept. 24, 1941 has just been issued and is summarized below. For purposes of comparison, like details for previous calls back to and including Dec. 31, 1940 are included.

CONDITION OF NATIONAL BANKS IN THE UNITED STATES ON JUNE 29 AND DEC. 31, 1940, APR. 4, JUNE 30 AND SEPT. 24, 1941  
[In thousands of dollars]

	Dec. 31, 1940 (5,150 banks)	Apr. 4, 1941 (5,144 banks)	June 30, 1941 (5,136 banks)	Sept. 24, 1941 (5,131 banks)
<b>ASSETS</b>				
Loans and discounts, including overdrafts.....	10,027,773	10,427,466	10,922,483	11,470,256
U. S. Government securities, direct obligations.....	7,658,549	8,482,114	8,856,490	8,593,247
Obligations guaranteed by U. S. Government.....	2,094,056	1,113,876	2,279,453	2,534,541
Obligations of States and political subdivisions.....	2,008,472	2,147,574	2,020,242	2,068,081
Other bonds, notes, and debentures.....	1,694,058	1,634,616	1,590,191	1,606,133
Corporate stocks, including stock of Federal Reserve banks.....	212,905	209,456	208,409	203,946
<b>Total loans and investments.....</b>	<b>23,695,813</b>	<b>25,015,102</b>	<b>25,877,277</b>	<b>26,476,214</b>
Cash, balances with other banks including reserve balances, and cash items in process of collection.....	15,120,067	14,243,808	14,521,658	15,142,138
Bank premises owned, furniture and fixtures.....	594,398	598,722	592,897	591,544
Real estate owned other than bank premises.....	108,197	103,068	96,568	91,620
Investments and other assets indirectly representing bank premises or other real estate.....	62,415	62,439	61,764	60,629
Customers' liability on acceptances outstanding.....	47,154	45,736	49,977	39,492
Interest, commissions, rent, and other income earned or accrued but not collected.....	60,399	68,289	61,469	65,759
Other assets.....	45,519	55,857	53,025	53,710
<b>Total assets.....</b>	<b>39,733,962</b>	<b>40,193,021</b>	<b>41,314,635</b>	<b>42,521,106</b>
<b>LIABILITIES</b>				
Demand deposits of individuals, partnerships, and corporations.....	17,939,331	18,070,367	19,194,051	19,944,103
Time deposits of individuals, partnerships, and corporations.....	7,954,096	8,050,125	8,042,313	8,044,337
Deposits of U. S. Government, including postal savings.....	506,709	478,412	540,937	603,581
Deposits of States and political subdivisions.....	2,358,230	2,530,319	2,529,179	2,578,267
Deposits of banks.....	6,575,298	6,751,121	6,591,645	6,957,718
Other deposits (certified and cashiers' checks, etc.).....	518,760	407,137	453,178	410,314
<b>Total deposits.....</b>	<b>35,852,424</b>	<b>36,287,481</b>	<b>37,351,303</b>	<b>38,538,320</b>
Bills payable, rediscounts, and other liabilities for borrowed money.....	3,127	2,430	2,003	9,275
Mortgages or other liens on bank premises and other real estate.....	110	101	59	59
Acceptances executed by or for account of reporting banks and outstanding.....	54,489	52,371	59,379	45,931
Interest, discount, rent, and other income collected but not earned.....	46,395	51,299	55,644	50,998
Interest, taxes, and other expenses accrued and unpaid.....	48,082	59,775	56,215	68,168
Other liabilities.....	192,937	167,198	191,889	171,034
<b>Total liabilities.....</b>	<b>36,197,564</b>	<b>36,620,655</b>	<b>37,716,494</b>	<b>38,892,785</b>
<b>CAPITAL ACCOUNTS</b>				
Capital stock (see memoranda below).....	1,527,237	1,526,939	1,523,383	1,514,706
Surplus.....	1,309,533	1,319,321	1,336,090	1,350,710
Undivided profits.....	467,984	491,310	498,376	521,283
Reserves (see memoranda below).....	231,644	234,796	240,292	241,622
<b>Total capital accounts.....</b>	<b>3,536,398</b>	<b>3,572,366</b>	<b>3,598,141</b>	<b>3,628,321</b>
<b>Total liabilities and capital accounts.....</b>	<b>39,733,962</b>	<b>40,193,021</b>	<b>41,314,635</b>	<b>42,521,106</b>
<b>MEMORANDA</b>				
Par value of capital stock:				
Class A preferred stock.....	182,019	175,651	171,260	159,527
Class B preferred stock.....	13,638	13,374	13,181	13,098
Common stock.....	1,333,816	1,399,894	1,340,705	1,343,743
<b>Total.....</b>	<b>1,529,473</b>	<b>1,528,919</b>	<b>1,525,146</b>	<b>1,516,368</b>
Retirable value of preferred capital stock:				
Class A preferred stock.....	233,280	224,711	219,908	207,724
Class B preferred stock.....	15,523	15,290	15,129	15,046
<b>Total.....</b>	<b>248,803</b>	<b>240,001</b>	<b>235,037</b>	<b>222,770</b>
Reserves:				
Reserve for dividends payable in common stock.....	5,381		6,667	
Reserve for other undeclared dividends.....	8,571	234,796	8,494	241,622
Retirement account for preferred stock.....	21,396		20,503	
Reserves for contingencies, etc.....	196,296		204,628	
<b>Total.....</b>	<b>231,644</b>	<b>234,796</b>	<b>240,292</b>	<b>241,622</b>
Pledged assets and securities loaned:				
U. S. Government obligations, direct and guaranteed, pledged to secure deposits and other liabilities.....	2,457,149	2,477,773	2,673,112	2,787,388
Other assets pledged to secure deposits & other liabilities, including notes and bills rediscounted and securities sold under repurchase agreement.....	644,363	629,253	601,405	580,382
Assets pledged to qualify for exercise of fiduciary or corporate powers, and for purposes other than to secure liabilities.....	89,741	89,113	100,882	101,866
Securities loaned.....	13,372	14,437	19,344	27,152
<b>Total.....</b>	<b>3,204,625</b>	<b>3,210,576</b>	<b>3,394,743</b>	<b>3,496,788</b>
Secured liabilities:				
Deposits secured by pledged assets pursuant to requirements of law.....	2,630,448	2,659,791	2,746,217	2,802,808
Borrowings secured by pledged assets, including rediscounts and repurchase agreements.....	2,558	2,064	1,984	8,613
Other liabilities secured by pledged assets.....	508	485	521	549
<b>Total.....</b>	<b>2,633,514</b>	<b>2,662,340</b>	<b>2,748,722</b>	<b>2,811,970</b>
Details of demand deposits:				
Deposits of individuals, partnerships, and corporations.....	17,939,331	18,070,367	19,194,051	19,944,103
Deposits of United States Government.....	463,368	436,830	498,900	566,645
Deposits of States and political subdivisions.....	1,998,658	2,212,054	2,200,817	2,267,161
Deposits of banks in the United States (including private banks and American branches of foreign banks).....	6,121,622			
Deposits of banks in foreign countries (including balances of foreign branches of other American banks but excluding amounts due to own foreign branches).....	355,707	6,647,921	6,151,745	6,853,773
Certified and cashiers' checks (including dividend checks), letters of credit and travelers' checks sold for cash, and amounts due to Federal Reserve banks (transit account).....	518,760	407,137	453,178	410,314
<b>Total demand deposits.....</b>	<b>27,397,446</b>	<b>27,774,309</b>	<b>28,836,324</b>	<b>30,041,996</b>
Details of time deposits:				
Deposits of individuals, partnerships, and corporations:				
Savings deposits.....	7,129,006		7,152,681	
Certificates of deposit.....	510,887		504,332	
Deposits accumulated for payment of personal loans.....	48,418	8,050,125	55,138	8,044,337
Christmas savings and similar accounts.....	18,888		91,237	
Open accounts.....	246,897		238,925	
<b>Total.....</b>	<b>7,954,096</b>	<b>8,050,125</b>	<b>8,042,313</b>	<b>8,044,337</b>
Postal-savings deposits.....	43,341	41,582	42,037	36,936
Deposits of States and political subdivisions.....	359,572	318,265	328,362	311,106
Deposits of banks in the United States (including private banks and American branches of foreign banks).....	93,046		96,944	
Deposits of banks in foreign countries (including balances of foreign branches of other American banks but excluding amounts due to own foreign branches).....	4,923	103,200	5,323	103,945
<b>Total time deposits.....</b>	<b>8,454,978</b>	<b>8,513,172</b>	<b>8,514,979</b>	<b>8,496,324</b>
Ratio of required reserves to net demand plus time deposits:				
Total, Central Reserve city banks.....	21.46%	21.52%	21.57%	26.60%
Total, Reserve city banks.....	13.94%	14.03%	14.10%	14.29%
Total, Country banks.....	8.34%	8.37%	8.45%	8.58%
Total, all member National banks.....	14.73%	14.81%	14.88%	14.93%

b Includes United States Treasurer's time deposits—open accounts.

Note.—Beginning with the call as of Oct. 2, 1939, and continuing with each subsequent spring and autumn call a "short" form, eliminating schedules of loans and investments, etc., was adopted for obtaining condition reports of national banks. The abstracts covering each of such calls therefore contain fewer pages than the abstracts for the remaining calls made in the year.

### Insolvent National Bank Dividends

Comptroller of the Currency Preston Delano announced on Dec. 3 that during the month ended Nov. 30, 1941, authorizations were issued to receivers for payments of dividends to the creditors of six insolvent national banks. Dividends so authorized will effect total distributions of \$1,123,444 to 19,340 claimants who have proved claims aggregating \$5,771,020, or an average payment of 19.47%. The minimum and maximum percentages of dividends authorized were 2.08% and 65.0%, while the smallest and largest payments involved in dividend authorizations during the month were \$16,700 and \$724,900, respectively. Of the six dividends authorized three were final dividend payments, two were regular dividend payments and one was a partial interest dividend payment. Dividend payments so authorized during the month ended Nov. 30, 1941, were as follows:

DIVIDEND PAYMENTS TO CREDITORS OF INSOLVENT NATIONAL BANKS AUTHORIZED DURING THE MONTH ENDED NOV. 30, 1941				
Name and Location of Bank—	Date Authorized	Distribution of Funds by Dividend Authorized	Total Percentage Authorized Dividends to Date	Amount Claims Proved
The Broad Street National Bk. of Red Bank, N. J.....	11-13-41	\$67,300	47.3%	\$1,564,500
The First National Bank of Secaucus, N. J.....	11-19-41	59,100	86.46%	914,800
The First National Bank & Trust Co. of Bedford, Pa.....	11-21-41	16,700	102.08%	801,200
The Lehigh Valley National Bank of Bethlehem, Pa.....	11-3-41	208,644	20.00%	1,043,220
The Keswick National Bank of Glenside, Pa.....	11-22-41	724,900	65.00%	1,115,300
The Point Pleasant National Bk., Point Pleasant, W. Va.....	11-14-41	46,800	94.1%	332,000

### October Hotel Sales Advance

In their monthly report on the trend of business in hotels, Horwath & Horwath, New York hotel accountants, state that the total average increase in hotel business in October over the corresponding month of last year was held down by the slight rise of only 4% for the miscellaneous group, "All Others," which contrasts with increases ranging from 13 to 17% for this group in recent months. Forty per cent of the hotels it includes had lower sales than a year ago, most of them being in the Middle West. In Pittsburgh a hotel strike caused considerable loss of business. Again from the Atlantic Seaboard States come reports of substantial increases. The firm's bulletin further states:

Washington as usual reported heavy business, the average occupancy being 86%. Philadelphia made an exceedingly good showing with an occupancy of 67%, which, though below the country-wide average of 71%, is the best monthly average for that city in 14 years. In New York City room sales were down slightly but food and beverages were up a little. Cleveland reported a sales decrease because its convention business was sharply under that a year ago, though the occupancy was down only 1 point. While Chicago had an average increase of 9%, quite a large proportion of hotels had decreases.

The average occupancy for the entire country, 71% is the highest for this year and the best for the month of October since 1929. Room rates rose 5%, which is 2 points above the average to date.

OCTOBER, 1941, COMPARED WITH OCTOBER, 1940

City	Sales, Increase or Decrease					Occupancy Rate		Room Rate
	Total	Rooms	Restaurant	Food	Beverages	Oct., 1941	Oct., 1940	
New York City.....	+ 2%	- 1%	+ 6%	+ 5%	+ 9%	76%	77%	0
Chicago.....	+ 9	+ 9	+ 9	+ 7	+ 13	75	73	+ 6%
Philadelphia.....	+ 43	+ 43	+ 42	+ 38	+ 49	67	51	+ 10
Washington.....	+ 24	+ 23	+ 25	+ 23	+ 32	86	75	+ 6
Cleveland.....	- 1	- 2	+ 2	+ 4	- 5	74	75	0
Detroit.....	+ 8	+ 10	+ 6	+ 9	+ 2	75	70	+ 3
Pacific Coast.....	+ 20	+ 17	+ 23	+ 21	+ 26	81	55	+ 7
Texas.....	+ 12	+ 12	+ 12	+ 14	+ 2	73	68	+ 4
All others.....	+ 4	+ 5	+ 3	+ 5	+ 1	70	70	+ 5
<b>Total.....</b>	<b>+ 7%</b>	<b>+ 7%</b>	<b>+ 8%</b>	<b>+ 8%</b>	<b>+ 7%</b>	<b>71%</b>	<b>70%</b>	<b>+ 5%</b>
Year to date.....	+ 8%	+ 7%	+ 10%	+ 10%	+ 10%	68%	65%	+ 3%

\*The term "rates" wherever used refers to the average sales per occupied room and not to scheduled rates. \*Rooms and restaurant only.

### Nov. Syndicate Store Sales 13% Over 1940

During November "5 & 10" sales enjoyed a substantial recovery which brought them nearly to the best levels of the year. As measured by the Syndicate Store Merchandiser's seasonally adjusted Sales Index, issued Dec. 11, average daily volume per store in November rose to 130.2% of the 1935-39 average from 126.8 in October. This compares with 130.9 in August and 111.4 in November of last year.

Actual sales of 12 leading 5c & 10c to \$1.00 variety syndicates, which totaled \$96,969,049, showed a gain of 13.2% over November, 1940, which month had one more business day than was the case this year. For the year to date total sales of these chains have amounted to \$896,729,735, representing an improvement of 13.4% over the similar period of last year.

NOVEMBER, 1941  
5c & 10c TO \$1.00 SYNDICATE STORE SALES

Store	November		Pct. Chg.	11 Months		Pct Chg.
	1941	1940		1941	1940	
F. W. Woolworth.....	\$33,775,951	\$29,687,157	+13.7	\$314,132,930	\$280,889,179	+12.0
S. S. Kresge.....	15,847,758	14,179,322	+11.8	146,554,871	131,798,910	+11.2
W. T. Grant.....	12,169,948	10,628,238	+14.5	104,706,117	91,020,596	+15.0
S. H. Kress.....	8,458,093	7,659,137	+10.4	84,013,613	72,567,731	+15.8
G. C. Murphy.....	5,608,205	4,884,341	+14.8	52,616,742	44,323,584	+18.7
J. J. Newberry.....	5,522,951	4,937,959	+11.8	52,065,700	45,917,254	+14.1
H. L. Green.....	4,899,204	4,394,561	+11.5	43,642,227	39,133,181	+11.5
McCortney Stores.....	4,654,915	4,057,712	+14.7	43,614,829	38,180,219	+14.2
McLellan Stores.....	2,435,850	2,134,169	+14.1	22,490,379	19,434,619	+15.7
Nelsner Stores.....	2,400,821	2,107,126	+13.9	21,693,820	18,843,379	+15.1
Rose's Stores.....	734,624	568,227	+29.7	6,260,288	4,968,396	+26.0
M. H. Fishman.....	460,729	416,982	+10.1	4,998,219	3,918,489	+22.2
<b>Total, 12 Synd.....</b>	<b>\$96,969,049</b>	<b>\$85,652,931</b>	<b>+13.2</b>	<b>\$896,729,735</b>	<b>\$790,995,537</b>	<b>+13.4</b>

Auction Sales

Transacted on Wednesday, Nov. 26, by R. L. Day & Co., Boston.

Table listing auction sales for Nov 26, including items like Somerville Trust Co., Lexington Trust Co., and various stocks and bonds with their respective prices.

Transacted by R. L. Day & Co., Boston on Wednesday, Dec. 3.

Table listing auction sales for Dec 3, including items like Manufacturers Central National Bank, Central Assets Trust, and various stocks and bonds.

Transacted at Barnes & Lofland, Philadelphia, on Wednesday, Dec. 3.

Table listing transactions at Barnes & Lofland, including Pennsylvania Forge Corp., Guarantee Trust Co., and various other stocks and bonds.

Statutory Debt Limitation As Of Nov. 30, 1941

The Treasury Department made public on Dec. 4 its monthly report showing the face amount of public debt obligations issued under the Second Liberty Bond Act (as amended) outstanding Nov. 30, 1941, totaled \$55,764,444,081...

The following is the Treasury's report as of Nov. 30: Section 21 of the Second Liberty Bond Act, as amended, provides that the face amount of obligations issued under authority of that Act "shall not exceed in the aggregate \$65,000,000,000 outstanding at any one time."

Table showing the face amount of obligations outstanding as of Nov. 30, 1941, categorized by Treasury notes, certificates of indebtedness, Treasury bills, and other public debt obligations.

U. S. Alone Can Produce Three Tons Of Steel For Every Two Axis Powers Can Produce

The United States alone can produce three tons of steel for every two tons that can be made by Germany, Italy, Japan and all the Axis-dominated countries of the world put together, according to a survey of the American Iron and Steel Institute released on Dec. 12...

usually by the American and British Empire steel industries plus the remaining 40% of Russian steelmaking capacity. By comparison, the Axis and Axis-dominated countries could make only about 73,700,000 tons of steel per year even though they could operate at full capacity all the steelmaking facilities in central and southern Russia, which seems doubtful.

The steel mills of Germany, Austria, Czechoslovakia and Poland have produced as much as 29,600,000 tons of steel per year, equivalent to about half the total steel capacity owned by Axis and Axis-dominated countries. French steel capacity is estimated at 10,700,000 tons, the tonnage actually produced in 1929. In no succeeding year, however, did French steel output come within 12% of that total.

Japan's steel capacity is about 7,100,000 tons per year, based on 1940 output, while Italian steel capacity is about 3,000,000 tons, the production peak reached in 1939.

The steel production of Hungary, Spain and Sweden, together, can produce about 2,700,000 tons of steel annually based on past performance.

The Institute further goes on to say: "Of possible significance is the fact that France, Belgium and Luxembourg, conquered by Germany in the 1940 campaigns, reached their peak of steel production in 1929, and failed to reach that level in any later year. On the other hand, Germany's steel production in 1935 was almost back to the 1929 level, and German output from 1936 through 1940 was in excess of 1929."

"Similarly, the present estimated capacity of the United States, the United Kingdom and British Dominions, and likewise Russia is much greater than in 1929. American steel capacity, for example, will by the end of 1941 be 20% greater than in 1929."

"Steel production in the United Kingdom reached a peak of 15,100,000 tons in 1939, and is said to have dropped only slightly below that total in 1940 despite bombings and the blockade. Canada and South Africa are each establishing new production records in 1941 as Canada produces 2,600,000 tons and South Africa 400,000 tons."

"Data for 1941 are not available for Australia and India, but in each case the output of steel in 1940 represented a new peak. Australia produced 1,300,000 tons last year, and India 1,200,000 tons. The Russian steel industry achieved its maximum recorded output in 1940."

Argentina's 2nd Bond Conversion Succeeds

Argentina's second mammoth bond conversion, affecting national mortgage bonds totaling over 1,300,000,000 pesos, has been an unqualified success, indicating the great strength of the Argentine money market, according to an announcement made Dec. 5 by the Argentine Information Bureau in New York.

This operation followed the recent successful conversion in Argentina of internal bonds totaling about 2,700,000,000 pesos, which were converted from 5% and 4 1/2% bonds into new taxable 4% issues.

A previous item concerning these conversions appeared in these columns of Dec. 4, page 1356.

## Market Value Of Stocks On New York Stock Exchange Declined In November

The New York Stock Exchange announced on Dec. 4 that as of the close of business Nov. 29, 1941, there were 1,234 stock issues aggregating 1,464,476,868 shares listed on the New York Stock Exchange, with a total market value of \$37,882,316,239. This compares with 1,236 stock issues, aggregating 1,465,181,804 shares, listed on the Exchange on Oct. 31 with a total market value of \$39,057,023,174 and with 1,234 stock issues, aggregating 1,457,084,734 shares having a total market value of \$41,848,246,961 on Nov. 30, 1940.

As of the close of business Nov. 29, 1941, New York Stock Exchange member total net borrowings amounted to \$435,717,673. The ratio of these member borrowings to the market value of all listed stocks on that date was, therefore, 1.15%. As the above figure includes all types of member borrowings, these ratios will ordinarily exceed the precise relationship between borrowings on listed shares and their total market value.

In the following table listed stocks are classified by leading industrial groups with the aggregate market value and average price for each:

Group—	Nov. 29, 1941—		Oct. 31, 1941—	
	Market Value	Average Price	Market Value	Average Price
Amusement	282,373,420	13.56	287,909,692	13.45
Automobile	2,717,991,441	22.62	2,855,738,823	23.77
Aviation	580,686,336	17.93	577,384,573	17.83
Business and office equipment	406,555,249	18.68	413,613,551	19.04
Chemical	275,810,261	23.58	279,977,422	23.93
Electrical equipment	5,387,997,866	56.35	5,370,174,717	56.73
Farm machinery	1,172,257,607	29.28	1,199,278,039	30.08
Financial	659,035,260	42.65	579,496,376	44.21
Food	737,783,223	14.96	758,111,694	14.76
Garment	2,535,811,033	27.04	2,586,867,532	27.69
Land and realty	41,251,474	24.64	42,272,407	25.23
Leather	15,193,964	3.12	14,999,125	3.08
Machinery and metals	180,643,410	21.54	186,998,544	22.30
Mining (excluding iron)	1,289,195,116	19.09	1,365,853,207	20.23
Paper and publishing	1,340,588,545	22.68	1,387,438,750	23.47
Petroleum	367,233,592	16.59	389,968,477	17.62
Railroad	4,374,562,423	22.75	4,353,174,713	22.64
Retail merchandising	2,774,757,074	24.88	2,880,718,589	25.87
Rubber	2,023,025,895	27.59	2,141,987,481	29.21
Shipping building and operating	348,621,574	32.92	348,320,613	32.89
Shipping Services	100,153,719	23.37	100,280,889	23.40
Steel, iron and coke	8,699,320	4.74	9,381,330	5.11
Textiles	2,037,544,836	40.09	2,103,306,810	41.39
Tobacco	317,006,220	23.32	322,104,563	23.69
Utilities:	1,096,206,245	41.00	1,203,718,652	45.02
Gas and electric (operating)	1,690,334,615	18.30	1,782,526,330	19.29
Gas and electric (holding)	812,568,798	8.48	857,354,709	8.95
Communications	3,149,471,056	76.51	3,279,643,000	79.87
Miscellaneous	79,789,788	10.96	78,598,414	10.01
U. S. companies operating abroad	490,860,013	14.91	477,871,174	14.51
Foreign companies	629,039,887	15.54	698,226,976	17.25
Miscellaneous businesses	109,266,779	18.61	113,725,142	19.37
All listed stocks	37,882,316,239	25.87	39,057,023,174	26.66

We give below a two-year compilation of the total market value and the average price of stocks listed on the Exchange:

1939—	Market Value	Average Price	1940—		1941—			
			Market Value	Average Price	Market Value	Average Price		
Aug. 31	\$41,652,664,710	\$29.12	Oct. 31	\$42,873,890,518	\$29.38	Nov. 29	\$37,882,316,239	25.87
Sept. 30	47,440,476,682	33.15	Nov. 30	41,848,246,961	28.72	Dec. 31	41,890,646,959	28.80
Oct. 31	47,373,972,773	33.11	Dec. 31	41,890,646,959	28.80	Jan. 31	40,279,504,457	27.68
Nov. 30	45,505,228,611	31.79	Jan. 31	40,279,504,457	27.68	Feb. 28	39,398,228,749	27.08
Dec. 30	46,467,616,372	32.37	Feb. 28	39,398,228,749	27.08	Mar. 31	39,696,269,155	27.24
1940—			Mar. 31	39,696,269,155	27.24	Apr. 30	37,710,958,708	25.78
Jan. 31	45,636,655,548	31.68	Apr. 30	37,710,958,708	25.78	May 31	37,815,306,034	25.84
Feb. 29	46,058,132,499	31.96	May 31	37,815,306,034	25.84	June 30	39,607,836,569	27.07
Mar. 30	46,694,763,118	32.34	June 30	39,607,836,569	27.07	July 31	41,654,256,215	28.46
Apr. 30	46,769,244,271	32.35	July 31	41,654,256,215	28.46	Aug. 30	41,472,032,904	28.32
May 31	46,546,583,208	25.26	Aug. 30	41,472,032,904	28.32	Sept. 30	40,984,419,434	28.02
June 29	38,775,241,138	26.74	Sept. 30	40,984,419,434	28.02	Oct. 31	39,057,023,174	26.66
July 31	39,991,865,997	27.51	Oct. 31	39,057,023,174	26.66	Nov. 29	37,882,316,239	25.87
Aug. 31	40,706,241,811	28.00	Nov. 29	37,882,316,239	25.87			
Sept. 30	41,491,698,705	28.56						

## Corporate Profits Show 3rd Quarter Advance

The Federal Reserve Board of New York reports that its seasonally adjusted index of the net profits of 167 commercial and industrial companies rose approximately 10% between the second and third quarters of 1941, primarily as a result of a more favorable showing by the automotive industry than is usual during the third quarter. The bank's study, presented in its "Monthly Review" for December, indicates that corporation profits showed no great change during the first nine months of 1941, while industrial production, under the stimulus of the defense effort, was rising rapidly to record high levels. Ordinarily fluctuations in production are reflected to a large extent in corresponding changes in net profits, with profits rising or falling at a faster rate than production. During the past nine months, however, increases in taxes, together with higher wage and material costs, have reached such proportions as to offset, in large measure, the effect on profits of the increased volume of sales together with associated reductions in costs per unit. At current levels profits of these corporations are 20% below the 1929 peak, although the volume of production is about 40% greater. The bank's analysis continues:

A compilation of the aggregate sales, expense, and profit and loss data published by 60 companies indicates that for the first nine months of 1941 gross sales of this group rose approximately \$1,570,000,000, or some 45% above those in the corresponding period of 1940. Profits, before Federal tax accruals, rose 96% while profits, after Federal taxes, were 21% larger than in the first nine months of 1940; the aggregate amount set aside for Federal taxes was approximately four times the amount in the comparable period of 1940.

The accompanying table shows that reported net profits of a broader list of 401 commercial and industrial companies during the third quarter were 41% larger than a year earlier. This rather large gain is attributable in part to the fact that last year's reported third quarter earnings generally were restricted by deductions for retroactive tax charges (under the Second Revenue Act of 1940) applicable to the first six months of that year, whereas during the 1941 third quarter such retroactive charges were less common because corporations had to a large extent anticipated the increases in tax rates provided for in the Revenue Act of 1941. Other important factors were the high third quarter automobile earnings referred to previously and a substantial increase in steel company profits. Net profits of petroleum companies also were much larger than a year earlier as

a result of a higher price structure for petroleum products and a continued large demand.

For the first nine months of the year net profits of this same group of 401 companies were 26% above the level for the corresponding period of 1940. All groups, with the exception of bakery products, gold and silver mining, and cigar companies, had larger profits than in 1940. The largest percentage gains occurred in the motion picture, coal mining, lumber and roofing products, hardware, and copper and brass fabricating groups. In general, gains in net profits over 1940 were the greatest in companies producing durable goods; 185 such companies included in the table showed an aggregate gain over 1940 of 32%, while profits of 33 mining companies rose 17%, and 183 companies in the nondurable goods and service lines showed an increase of 20%. Profits in durable goods industries generally fluctuate much more widely than profits in nondurable goods industries.

Owing to the large volume of freight traffic and also to general exemption from payment of excess profits taxes because earnings are still relatively low on the large amounts of invested capital, net income, after all charges, of Class I railroads aggregated \$188,000,000 during the September quarter, as compared with \$70,000,000 during the corresponding period of 1940. For the full nine months net income was about six times that of 1940, amounting to approximately \$360,000,000 as against \$61,000,000 a year before, and was the largest since 1930. Net income of other public utilities (excluding telephone companies) showed a year-to-year decline of 6% and 1% respectively, during the third quarter and the nine months periods.

(Net Profits in Millions of Dollars)

Corporation Group—	No. of cos.	Third Quarter—			First nine months—		
		1937	1940	1941	1937	1940	1941
Advertising, printing & publishing	6	1.5	2.4	2.6	9.5	8.2	8.3
Aircraft manufacturing	5	2.2	11.3	15.8	5.8	23.3	32.2
Automobiles	13	53.8	15.1	58.7	199.9	160.5	207.0
Automobile accessories (excl. tires)	32	11.0	6.9	12.9	46.4	34.1	44.2
Building materials:							
Hardware	4	0.9	0.9	1.4	3.8	2.4	4.2
Heating and plumbing	7	5.2	5.0	4.6	12.5	8.2	11.2
Lumber and roofing	6	2.9	2.9	4.1	8.0	6.0	10.5
Other	11	9.5	7.5	6.7	28.5	22.4	22.8
Chemicals	26	37.8	33.9	39.5	119.9	112.7	119.8
Copper and brass fabricators	4	1.8	1.8	2.9	8.4	5.6	9.6
Drugs, cosmetics, and soaps	11	13.1	13.2	17.4	44.4	44.5	53.4
Electrical equipment	12	17.2	14.0	16.5	53.8	47.8	54.2
Food:							
Bakery products	8	6.3	4.7	4.2	15.5	13.6	12.7
Beverages	5	3.0	2.5	5.9	10.5	8.2	12.3
Confectionery	7	5.0	4.8	5.3	14.1	14.8	16.5
Flour milling & cereal products	6	4.2	5.1	7.2	15.9	19.0	22.5
Other	8	7.1	7.5	11.6	25.1	25.3	31.8
Industrial machinery & accessories	28	14.2	7.9	13.2	42.5	25.8	37.2
Mining:							
Coal	12	—0.4	2.1	3.8	0.1	4.8	8.5
Copper	5	11.7	9.6	13.5	40.0	34.4	44.5
Gold and silver	9	6.1	4.6	4.0	19.9	18.2	12.3
Other	7	16.5	10.7	11.7	49.5	33.5	35.1
Motion pictures	4	4.0	0.8	4.3	13.6	15.1	24.1
Office equipment	9	5.0	3.1	7.3	13.4	4.8	10.3
Paper and paper products	14	6.6	8.9	9.7	18.6	15.1	20.5
Petroleum	34	59.1	23.2	51.2	150.4	83.7	118.8
Railroad equipment	12	9.8	7.1	7.2	32.0	21.2	27.0
Steel and iron	32	69.7	77.2	75.6	216.7	172.2	234.4
Stores	12	8.4	9.1	9.8	23.0	20.7	22.1
Textiles	9	2.3	3.5	3.6	9.0	9.7	10.8
Tobacco (cigars)	5	1.1	1.3	1.2	2.4	3.3	3.3
Miscellaneous	38	10.9	10.9	17.2	21.6	21.2	32.2
Total, 32 groups	401	407.5	319.5	450.4	1,280.5	1,042.1	1,314.3
Class I railroads (net income)	137	42.5	69.8	188.4	81.4	60.7	359.7
Other public utilities (excl. telephone companies) net income	62	58.7	54.3	50.8	185.0	193.7	191.8
— Deficit.							

## SEC Issues Two Industry Reports

The SEC has made public the fourth and fifth of a new series of industry reports of the Survey of American Listed Corporations. These reports cover the calendar years of 1939 and 1940 and extend earlier reports which generally covered the period 1934-1939. Balance sheets and profit and loss statements, expressed both in dollars and percentages, as well as surplus statements and financial ratios, are presented for individual companies and for the industry group as a whole in uniform tabular form which permits easy reference and comparison. Reference to previous reports in the series as made in our issue of Dec. 4, page 1342.

As to report No. 4, issued Nov. 28, the Commission had the following to say:

Report No. 4 covers companies engaged primarily in the manufacture of agricultural machinery and tractors which had securities registered under the Securities Exchange Act of 1934 at Dec. 31, 1940. This group of registrants comprises practically all of the large companies in this industry during the period covered. A majority of the companies in this industry have negotiated prime defense contracts.

The 10 corporations included in this report are: Allis-Chalmers Manufacturing Co. B. F. Avery & Sons Co. J. I. Case Co. Caterpillar Tractor Co. The Cleveland Tractor Co. Deere & Co. International Harvester Co. Minneapolis-Moline Power Implement Co. New Idea, Inc. Oliver Farm Equipment Co.

Combined sales reported by the entire group amounted to \$634,000,000 in 1940 compared

with \$535,000,000 in 1939. Net profit after all charges totaled \$53,000,000 in 1940 against \$31,000,000 in 1939, equivalent to 8.3% and 5.9% of sales or 8.5% and 5.3% of net worth at book value. Total dividends paid out by these enterprises were \$30,000,000 in 1940 against \$25,000,000 in 1939. The combined assets of these 10 enterprises totaled \$821,000,000 at the end of 1940 compared with \$763,000,000 at the end of 1939, while surplus increased to \$194,000,000 at the end of 1940 from \$172,000,000 at the end of 1939.

Report No. 5 of the series was made available on Dec. 5 and an announcement by the SEC thereon said:

Report No. 5 covers two groups of companies in closely related industries, one composed of the companies engaged primarily in the manufacture of automobiles, but in several important instances other types of vehicles and products as well, and the other of companies primarily manufacturing commercial cars and trucks. All of the corporations in these two groups had securities registered under the Securities Exchange Act of 1934 at Dec. 31, 1940. The group comprising the manufacturers of automobiles includes, with one major exception, all of the companies in the

industry during the period covered.

The 10 corporations comprising the automobile group are: Checker Cab Manufacturing Co. Chrysler Corp. General Motors Corp. Graham-Paige Motors Corp. Hudson Motor Car Co. Hupp Motor Corp. Nash-Kelvinator Corp. Packard Motor Car Co. The Studebaker Corp. Willys-Overland Motors, Inc.

The group of 12 corporations engaged largely in the manufacture of commercial cars and trucks are:

Diamond T Motor Co. Divco-Twin Truck Co. Federal Motor Truck Co. The Four Wheel Drive Auto Co. Fruehauf Trailer Co. Mack Trucks, Inc. The Meteor Motor Car Co. Reo Motors, Inc. The Seagrave Corp. Twin Coach Co. The White Motor Co. Yellow Truck & Coach Manufacturing Co.

For the 10 automobile companies combined sales amounted to \$2,903,000,000 in 1940 as compared with \$2,254,000,000 in 1939. Net profit after all charges totaled \$235,000,000 in 1940 against \$217,000,000 in 1939, equivalent to 8.1% and 9.6% of sales or 17.6% and 16.9% of net worth at book value. Total dividends paid out by these enterprises were \$195,000,000 in 1940 against \$182,000,000 in 1939. The combined assets of these 10 enterprises totaled \$2,025,000,000 at the end of 1940 compared with \$1,736,000,000 at the end of 1939, while surplus increased to \$674,000,000 at the end of 1940 from \$638,000,000 at the end of 1939.

For the 12 corporations manufacturing commercial cars and trucks sales reported for 1940 amounted to \$233,000,000 as compared with \$165,000,000 in 1939. Net profit after all charges totaled \$11,000,000 in 1940 against \$5,100,000 in 1939, equivalent to 4.6% and 3.1% of sales or 8.7% and 4.4% of net worth at book value. Total dividends paid out by these enterprises were \$8,400,000 in 1940 against \$3,200,000 in 1939. The combined assets of these 12 enterprises totaled \$180,000,000 at the end of 1940 compared with \$152,000,000 at the end of 1939, while surplus increased to \$91,000,000 at the end of 1940 from \$82,000,000 at the end of 1939.

Single copies of the reports in the series may be secured without charge by request to the Publications Unit of the SEC, Washington, D. C.

## Corn Loan Repayments

The Department of Agriculture reported on Dec. 15 that 91,628 loans made by Commodity Credit Corporation, representing 96,857,499 bushels of 1940 corn and 1938-39 resealed corn, were repaid from Jan. 1, 1941, through Dec. 6, 1941.

The Department's announcement further said:

Repayments were made on 57,930,108 bushels pledged under loan in 1938-39 and resealed under farm storage, and on 38,927,391 bushels of 1940 corn. There remained outstanding a total of 174,301 loans on 199,506,429 bushels.

## 1941 Wheat Loans

The Department of Agriculture reported on Dec. 15 that through Dec. 6, 1941, Commodity Credit Corporation made 487,973 loans on 331,849,807 bushels of 1941 wheat in the amount of \$325,982,119. The wheat under loan includes 102,704,190 bushels stored on farms and 229,145,617 bushels stored in public warehouses.

## Savings and Loan League Strongly Urges Government To Quit Housing Business

Paul Endicott, President of the United States Savings and Loan League, told the opening session of the League's convention at Coral Gables, Fla., on Dec. 2 that "in every defense area where private enterprise can reasonably assume the risks incident thereto, savings and loan associations have been in the forefront of home-financing activities; and private enterprise, in turn has to date provided a very large percentage of the new defense housing which has been completed in such areas." Addressing over 1,000 savings and loan executives, Mr. Endicott said that the present is by no means a period of business as usual and "all indications are that we face a period very much further removed from business as usual."

Emphasizing the contribution which private enterprise has made to housing the defense workers, he said:

Despite these facts, however, public housing continues to carry a threat to private enterprise housing interests due to the zeal of public housers who see in the present situation a golden opportunity to advance the cause of permanent subsidized low-rent housing, of socialized housing, under the guise of defense housing; who oppose temporary housing, for example, with the rather obvious hope of being able to take over and operate defense housing on a permanent basis after the war, if such housing is of permanent character.

The shortening of maturities on home loans to persons enjoying high income at this time was recommended to the League in a report by its Economic Policies Committee. The report, emphasized that existing borrowers should be encouraged to pay ahead on their loans, and that local home lending institutions should consider adopting a loan plan, providing for a more rapid rate of amortization in the early years of the loan.

Among other recommendations of the Committee were (1) that associations continue to make construction loans where materials are available; (2) that associations give careful consideration to any loan delinquencies which may result from "priorities unemployment"; and (3) that associations should take advantage of the rising real estate market and liquidate the real estate on their books.

In resolutions adopted Dec. 5, the League asked the Federal Government today to get out of the housing business. According to Associated Press advices, the resolutions called for liquidation of the Home Owners' Loan Corporation, for the Federal Housing Authority to stop placing guarantees behind mortgages on existing properties and eventually to stop giving new home building loans. The advices further declared:

The League declared the FHA cost the government \$58,000,000 in the first five years of its operation.

In defense housing, the government was requested to limit the program to "rapidly built, demountable units providing only the necessities of comfortable and livable shelter."

The Administration's foreign policy was approved, and delegates favored unlimited expenditures for necessary defense efforts, but they demanded drastic curtailment of spending in non-defense fields.

Speaking to the League convention on the Defense Bond program in which the savings and loan institutions are participating, Preston A. Delano, Comptroller of the Currency, said on Dec. 3 that the great problem of trying to control the price level in the midst of deficit financing can partially be solved by delaying the use of the excess earning power now being generated in America. The Defense Bond program is a means to that end. He said he had never, in his years in public office, seen a finer spirit of cooperation than

exists today between the financial institutions and the government.

"Our job is to fight the pessimism, the impression that no matter what form the final victory in this war takes, our American institutions will be sacrificed in the struggle," Mr. Delano added. "We have the tools to fight that pessimism and it is our obligation to use them. We have the tools successfully to fight any attempt to take away our fundamental institutions."

Fermor S. Cannon, Indianapolis, President of the Railroadmen's Federal Savings and Loan Association, was elected President of the League at the third session of the annual convention on Dec. 4, succeeding Mr. Endicott. Other officers chosen include: Ralph H. Cake, Portland, Ore., First Vice President; John F. Scott, St. Paul, Minn., Second Vice President; and H. F. Cellarius, Cincinnati, Ohio, Secretary - Treasurer, re-elected for the 45th time to this office.

Four directors were elected: E. M. Van Norden, New York City, for District 1, including New York State and the New England States; William E. Best, Pittsburgh, Pa., re-elected for District 3, comprising Pennsylvania; Carl J. Bergmann, Washington, D. C., re-elected for District 5, comprising all the States South of the Mason and Dixon and the Ohio and West of the Mississippi; and Halsey R. Hanger, Dubuque, Iowa, for District 7, comprising Indiana, Michigan, Illinois, Wisconsin, Minnesota, Iowa, Nebraska, the Dakotas.

## Defense Bond Sale Down

Sales of Defense Savings Bonds in November totaled \$233,487,000, the Treasury announced on Dec. 9, bringing total sales for the seven months since the defense savings program began on May 1 to about \$2,008,611,000. This aggregate does not include proceeds from the sale of Defense Savings Stamps, except in instances where stamps have been turned in as payment for bonds.

Total cash deposits at the Treasury for all three series of bonds by months follows: May, \$349,818,000; June, \$314,527,000; July, \$342,132,000; August, \$263,606,000; September, \$232,327,000; October, \$270,813,000.

## November Output And Shipments Of Slab Zinc

The American Zinc Institute on Dec. 6 released the following tabulation of slab zinc statistics:

TOTAL SLAB ZINC SMELTER OUTPUT (ALL GRADES) 1929-1941									
(Tons of 2000 lb.)									
	Stock at Beginning	Production	Domestic Shipments	Exports	Stock End of Period	Unfilled Orders End of Period	Daily Ave. Prod.		
1929	46,430	631,601	596,249	6,352	75,430	18,585	1,730		
1930	75,430	504,463	436,079	196	143,618	26,651	1,355		
1931	143,618	300,738	314,473	41	129,844	18,273	822		
1932	129,842	213,531	218,347	170	124,856	8,478	583		
1933	124,856	324,705	343,762	239	105,560	15,978	890		
1934	105,560	366,933	352,515	148	119,830	30,786	1,004		
1935	118,005	431,499	465,687	59	83,758	51,186	1,182		
1936	83,758	523,166	561,969	0	44,955	78,626	1,429		
1937	44,955	589,619	569,241	0	65,333	48,339	1,615		
1938	65,333	456,990	395,534	20	126,769	40,829	1,252		
1939	126,769	538,198	598,972	0	65,995	53,751	1,475		
1940									
Jan.	74,262	58,442	54,291	5,535	72,878	36,808	1,885		
Feb.	72,878	55,518	50,386	3,481	74,529	47,469	1,914		
Mar.	74,529	58,890	49,183	3,633	80,623	34,580	1,900		
Apr.	80,623	57,299	45,468	4,804	87,820	45,326	1,910		
May	87,820	58,320	53,557	13,526	79,057	55,389	1,881		
June	79,057	53,273	52,946	3,854	79,530	59,043	1,778		
July	75,530	57,168	56,064	8,627	68,007	52,726	1,844		
Aug.	68,007	57,196	59,511	13,478	52,214	69,508	1,845		
Sept.	52,214	59,800	63,045	12,148	36,821	95,445	1,993		
Oct.	36,821	63,338	63,970	9,129	27,060	116,420	2,043		
Nov.	27,060	61,502	61,200	4,864	22,498	126,120	2,050		
Dec.	22,498	65,354	64,984	5,286	17,582	125,132	2,108		
Monthly Average	706,100	674,615	88,165						
	58,842	56,217	7,347						
Daily Average									
1941									
Jan.	17,582	66,121	63,930	4,914	14,859	121,026	2,133		
Feb.	14,859	61,603	57,663	8,155	10,644	108,151	2,200		
Mar.	10,644	70,341	65,011	2,629	13,345	97,638	2,269		
Apr.	13,345	68,543	65,035	5,379	11,474	95,256	2,285		
May	11,474	73,449	61,696	11,394	11,833	98,435	2,369		
June	11,833	70,837	61,546	10,023	11,101	92,583	2,361		
July	11,101	74,641	62,714	9,180	13,848	81,456	2,408		
Aug.	13,848	75,524	61,061	10,342	17,969	68,604	2,436		
Sept.	17,969	73,225	64,673	7,094	19,427	67,079	2,441		
Oct.	19,427	75,980	61,594	12,219	21,594	62,559	2,451		
Nov.	21,594	74,710	60,193	12,209	23,182	84,101	2,490		

### PRODUCTION BY GRADES

Month	Spec. H.G.	High Grade	Inter-mediate	Brass Spcl.	Select	Prime Western	Total
1941—							
Sept.	16,352	*14,921	4,548	*5,152	1,456	30,796	73,225
Oct.	16,078	*18,043	3,599	*7,077	1,456	29,730	75,980
Nov.	18,404	16,399	4,695	4,364	1,417	29,431	74,710

\*Corrected figures.

Note—Commencing with January 1940, production from foreign ores is included in the monthly figures which reflect the total output at smelters of Slab Zinc of all grades, as reported by all producers represented in the membership of the Institute. The unchanged totals for previous years do not include production from foreign ores, which was not a vital factor in those years; this explains the discrepancy between stock shown at end of 1939 and at the beginning of 1940.

## Labor Dept. Reports Oct. Manufacturing Employment Unchanged; Payrolls Higher

Manufacturing employment showed virtually no change from mid-September to mid-October, although payrolls advanced by more than the usual seasonal amount, Secretary of Labor Frances Perkins reported on Nov. 29. "Employment increases continued in durable goods industries, high-lighted by further marked expansions in shipbuilding and aircraft," she said. "These gains were offset by decreased employment in nondurable goods caused largely by a sharp seasonal decline in the canning and preserving industry. As a result, total manufacturing employment fell by 14,000 workers, or 0.1%. Shortages of materials caused serious employment dislocations in many industries, notably plumbers' supplies, stoves, vacuum cleaners, washing machines, refrigerators, electrical appliances, metal furniture, structural steel, brass, bronze and copper, silk and rayon, and hosiery." Secretary Perkins added:

Total civil nonagricultural employment in October amounted to 40,749,000 according to revised estimates, an increase of ap-

proximately 34,000 over September. In each month since February of this year, nonagricultural employment has exceeded all previously recorded levels. Revised estimates show that there has been an increase of 3,374,000 since October, 1940, and that nonagricultural employment exceeds the 1929 peak by more than 3,000,000.

One of the important contributing factors to the increase in nonagricultural employment from mid-September to mid-October was a rise in construction employment. This increase was brought about largely by the building of new defense plant facilities financed by the Federal Government.

The Federal construction program in recent months has resulted in substantial employment gains comparable to those experienced during the final quarter of 1940 and early this year, when the Army cantonment program was under way. The only other major group to show a substantial rise in employment over the month was trade, where the usual seasonal expansion occurred. During the past year manufacturing employment has increased 1,854,000, compared to gains in excess of 300,000 in construction, trade, and the Federal, State, and local government services. The armed forces of the Nation now amount to 2,014,000, a rise of 1,281,000 since October, 1940, in addition to the 3,374,000 increase of employment noted above.

Since the defense program was inaugurated in June, 1940, there has been an increase of more than 2,500,000 wage earners in private manufacturing establishments, or 31%. During this same interval, 18 defense industries which have handled a greater proportion of the defense production orders have shown an employment increase of more than 1,100,000, or 69%. Approximately half of this increase has occurred in three basic industries: blast furnaces, steel works and rolling mills; foundries and machine shops; and electrical machinery, apparatus and supplies. Among the major defense industries the greatest percentage gains have occurred in aircraft and shipbuilding, and even in terms of the aggregate number of workers employed, the gains in these industries have been comparable to those in the basic metal working industries. In October shipbuilding and aircraft continued to lead all major defense industries in employment increases as indicated by the following table:

Industry	Est. No. of wage earners Oct., 1941	Gain from Sept. to Oct.
Shipbuilding (private)	263,100	24,000
Aircraft	256,400	16,400
Engines	108,500	5,500
Electrical machinery	377,900	2,700
Foundry and machine shop products	586,700	2,400
Machine-tool accessories	62,700	1,700
Machine tools	102,300	1,400

Two important defense industries showed decreases in employment from mid-September to mid-October. Blast furnaces, steel works, and rolling mills reported a decrease of 2,800 caused largely by a critical shortage of steel scrap and inability of finishing mills to secure rough steel. Serious shortages of copper, zinc, nickel, and steel are largely responsible for an employment decrease of 1,000 in the brass, bronze, and copper products industry. Shortages of raw materials extended to many nondurable goods industries, but the principal factor in the decline in that group was the sharp seasonal decrease of 92,300 in the canning and preserving industry.

The employment index for all manufacturing industries combined in October stood at 135.1 of the 1923-25 average, and the payroll index reached 166.7. During the past year, there has been a considerably greater increase in payrolls than in employment, reflecting expansion in working hours, overtime payments and wage-rate increases. Slight employment gains were reported in anthracite and bituminous coal mining. Employment in metal mines remained at the September level, while in quarries and in the oil fields employment was slightly curtailed. Wholesale trade employment showed the usual seasonal advance, while the increase in retail stores was of slightly less than seasonal proportions.

Employment on construction projects financed from regular Federal appropriations passed the 1,000,000 mark in the month ending Oct. 15, with a gain of 87,300 over the preceding month. Nonresidential defense building construction was mainly responsible for the increase. Employment on construction projects financed from Reconstruction Finance Corporation funds showed an increase of 7,600 for defense work while only slight increases were reported in the number of employees on the U. S. Housing Authority construction projects and on State-financed road maintenance projects. It is estimated that in the month of October, the executive service of the Federal Government employed 1,515,000 persons, an addition to the staff of 27,100. The number of persons on WPA projects and in CCC camps declined 3,300 and 17,500 respectively during the month. The corresponding decline in the number over the past year amounted to almost three-quarters of a million persons. The school-work program of the NYA, which was being expanded in September due to the reopening of school, employed 274,000 persons in the month of October, while the out-of-school-work program of the NYA employed 293,000, or 19,100 fewer persons than in September.

The following tabulations were made available by the Department of Labor:

### EMPLOYMENT AND PAYROLLS ON CONSTRUCTION PROJECTS FINANCED WHOLLY OR PARTIALLY FROM FEDERAL FUNDS AND ON ROADS FINANCED FROM STATE FUNDS, OCTOBER, 1941

	Employment			Payrolls		
	Oct. 1941*	Sept. 1941	Change from 1940	Oct. 1941*	Sept. 1941	Change from 1940
Financed by regular Federal Program	1,031.0	+87.3	+554.0	\$170,912	+\$33,468	+\$119,185
Appropriations†	809.0	+88.8	+504.0	146,161	+ 33,253	+ 115,558
Defense	222.0	- 1.5	+ 50.0	24,751	+ 215	+ 3,627
U. S. Housing Authority‡	42.0	+ 1.2	- 10.6	5,006	+ 447	- 571
Defense	12.1	+ 2	+ 8.4	1,369	+ 16	+ 1,071
Other	29.9	+ 1.0	- 19.0	3,637	+ 430	- 1,642
Financed by PWA‡	4.4	- 2	- 33.5	475	- 50	- 3,717
Financed by RFC‡	23.9	+ 7.4	+ 21.6	3,432	+ 769	+ 3,190
Defense	21.8	+ 7.6		3,150	+ 795	
Other	2.1	- 2		282	- 26	
State Roads§	195.0	+ 1.0	- 13.0	16,791	+ 343	+ 1,277

\*Preliminary. †Data for the month ending the 15th, except data for Federal-aid roads which are for the calendar month. Employment data represent the maximum number employed in any one week. Data for Federal-aid roads for October, 1941, are estimated. ‡Data are for the month ending the 15th. Employment data represent the maximum number employed in any one week. §Defense and other categories not set up. ¶Data are for the calendar month. Employment data represent the average number working during the month. Data for October, 1941, are estimated.

EMPLOYMENT AND PAYROLLS IN REGULAR FEDERAL SERVICES, OCTOBER, 1941

Service	Employment (In Thousands)			Pay Rolls (In Thousands)		
	Change from			Change from		
	Oct. 1941*	Sept. 1941	Oct. 1940	Oct. 1941*	Sept. 1941	Oct. 1940
Executive†	1,515.0	+27.1	+423.1	\$228,441	+ \$4,300	+ \$61,220
Legislative	6.3	+	4	1,364	+	12
Judicial	2.6	+	+	654	+	8
Military	2,014.0	+22.4	+1,281.0	138,645	+ 5,614	+ 90,743

\*Preliminary. †Data estimated. ‡Changes of less than 100.

EMPLOYMENT AND PAYROLLS ON RELIEF PROGRAMS, OCTOBER, 1941

Program	Employment (In Thousands)			Payrolls (In Thousands)		
	Change from			Change from		
	Oct. 1941*	Sept. 1941	Oct. 1940	Oct. 1941*	Sept. 1941	Oct. 1940
WPA Projects†	1,040.0	+ 3.3	-743.0	\$62,800	+ \$1,575	- \$39,944
Defense	328.0	+ 7.5	+	19,400	+ 468	+
Other	712.0	+ 10.8	+	43,400	+ 52	+
NYA Projects:						
Student work program†	274.0	+241.0	-79.3	1,730	+ 1,583	- 517
Out-of-school work prog.†	293.0	- 19.1	+ 56.8	7,191	- 261	+ 2,235
Civilian Conservation Corps‡	173.0	- 17.5	-145.0	8,511	- 747	- 5,548

\*Preliminary. †Data are for the calendar month. ‡Defense and other categories not set up. §Data on employment are for the last day of month; payrolls for the entire month.

ESTIMATES OF TOTAL NONAGRICULTURAL EMPLOYMENT

	Employment (In Thousands)			Payrolls (In Thousands)		
	Change from			Change from		
	Oct. 1941 (preliminary)	Sept. 1941	Oct. 1940	Oct. 1941 (preliminary)	Sept. 1941	Oct. 1940
Total civil non-agricult. employment*	40,749	40,715	+ 34	37,375	+ 3,374	+ 3,374
Employees in non-agricult. establish.*	34,606	34,572	+ 34	31,232	+ 3,374	+ 3,374
Manufacturing*	12,768	12,782	- 14	10,814	+ 1,854	+ 1,854
Mining	908	908	+ 2	856	+ 52	+ 52
Contract construction	1,980	1,936	+ 44	1,654	+ 326	+ 326
Transportation and public utilities	3,364	3,367	- 3	3,121	+ 243	+ 243
Trade	7,068	7,008	+ 60	6,706	+ 362	+ 362
Finance, service and miscellaneous*	4,252	4,325	- 73	4,105	+ 147	+ 147
Federal, State and local government	4,266	4,248	+ 18	3,876	+ 390	+ 390
Military and naval forces (not included above)	2,014	1,992	+ 22	733	+ 1,281	+ 1,281

\*Revised. Earlier figures available on request.

The Department of Labor also issued the following data:

The estimates of "Total civil nonagricultural employment," given on the first line of the above table, represent the total number of persons engaged in gainful work in the United States in nonagricultural industries, excluding military and naval personnel, persons employed on WPA or NYA projects, and enrollees in CCC camps. The series described as "Employees in nonagricultural establishments" excludes also proprietors and firm members, self-employed persons, casual workers and persons in domestic service. The estimates for "Employees in nonagricultural establishments" are shown separately for each of seven major industry groups. Data for the manufacturing and trade groups have been revised to include adjustments to preliminary 1939 census data.

The figures represent the number of persons working at any time during the week ending nearest the middle of each month. The totals for the United States have been adjusted to conform to the figures shown by the 1930 Census of Occupations for the number of nonagricultural "gainful workers" less the number shown to have been unemployed for one week or more at the time of the Census.

Indexes of employment and payrolls for all manufacturing industries combined, Class I steam railroads, and for those non-manufacturing industries for which information is available, are shown below for October, 1941, with percentage changes from September, 1941 and October, 1940. The 3-year average (1923-25) is used as a base in computing the indexes for the manufacturing industries and the 5-year average (1935-39) as a base for Class I steam railroads. For the other nonmanufacturing industries information for years prior to 1929 is not available from the Bureau's records, and the 12-month average for 1929 is used as a base in computing the index numbers. These indexes are not adjusted for seasonal variation.

The data for manufacturing, mining, building construction, laundries, and dyeing and cleaning cover wage earners only; those for railroads cover all employees while the data for water transportation cover employees on vessels of 1,000 gross tons or over in deep-sea trades only. The data for other industries exclude proprietors and firm members, corporation officers, executives, and others whose work is mainly supervisory.

Industry	Employment			Pay Roll		
	Percentage change from			Percentage change from		
	Index Oct. 1941*	Sept. 1941	Oct. 1940	Index Oct. 1941*	Sept. 1941	Oct. 1940
Manufacturing	(1923-25=100)			(1923-25=100)		
	113.1	- 0.1	+ 18.7	116.7	+ 2.3	+ 43.5
Class I Steam Railroads†	(1935-39=100)			(1935-39=100)		
	119.3	+ .5	+ 13.5			
Trade:	(1929=100)			(1929=100)		
Wholesale	96.6	+ 1.0	+ 6.1	92.0	+ 1.2	+ 14.7
Food products		+ .1			††	
Groceries & food spec.		+ .2			+ .7	
Dry goods & apparel		+ .5			+ 1.7	
Mach. equip. & suppl.		+ .3			+ 1.3	
Farm products		+ 9.4			+ 9.6	
Petrol. and petrol. prod. (incl. bulk tank sta.)		- 1.0			- 1.1	
Automotive		+ .3			+ 1.2	
Retail:						
Food	100.8	+ .9	+ 7.0	97.5	+ 1.8	+ 13.6
General merchandising	116.6	+ .8	+ 6.6	107.2	+ 1.3	+ 11.9
Apparel	115.6	+ 3.5	+ 11.7	110.3	+ 3.5	+ 19.5
Furniture	96.7	+ 1.0	+ 5.8	92.5	+ 2.4	+ 12.5
Automotive	81.0	+ 1.9	+ 4.1	85.0	+ 9.1	+ 21.3
Lumber & bldg. mater.	87.5	+ 2.5	+ 2.9	86.2	- .1	+ 8.2
Public Utilities:						
Tel. & Tel.	190.6	+ .3	+ 14.5	117.6	+ .3	+ 15.1
Electric light & power	193.9	- 1.1	+ 1.7	116.0	+ .9	+ 8.4
Street rys. & buses**	170.1	- .3	+ 2.0	178.1	+ .1	+ 10.5
Mining:						
Anthracite	50.3	+ .6	+ 1.8	49.2	- .9	+ 52.2
Bituminous-coal	95.0	+ .9	+ 6.5	122.6	+ 6.2	+ 46.7
Metalliferous	79.4	††	+ 9.4	88.4	+ 3.0	+ 24.0
Quarrying & nonmetallic	53.8	- .8	+ 10.1	60.8	+ .4	+ 30.3
Crude-petrol. production	61.3	- .9	- 1.9	63.0	- 2.2	+ 9.3
Services:						
Hotels (year-round)	95.6	- 1	+ 2.3	102.0	+ 2.3	+ 9.3
Laundries	110.9	- 1.8	+ 10.7	103.2	- 2.0	+ 17.2
Dyeing & cleaning	121.0	- .4	+ 10.6	98.4	- 1.2	+ 19.3
Brokers	47.6	- .4	- 7.9	45.4	+ .9	- 1.8
Insurance	119.1	- .1	+ 1.8	112.1	+ 1.0	+ 5.6
Building Construction		+ 1.3	+ 4.7		- 2.8	+ 13.1
Water Transportation	\$77.6	- 1.1	- 3.0			

\*Preliminary. †Adjusted to preliminary 1939 Census figures. ‡Source: Interstate Commerce Commission. §Not available. ¶Retail-trade indexes adjusted to 1935 Census, public utility indexes to 1937 Census. \*\*Covers street railways and trolley and motorbus operations of subsidiary, affiliated and successor companies. ††Less than 1/10 of 1%. ‡‡Cash payments only; value of board, room, and tips cannot be computed. §§Based on estimates prepared by the United States Maritime Commission.

INDEX NUMBERS OF EMPLOYMENT AND PAY ROLLS OF WAGE EARNERS IN MANUFACTURING INDUSTRIES ADJUSTED TO 1937 CENSUS OF MANUFACTURES, EXCEPT AS INDICATED IN NOTES † AND ‡

Manufacturing Industries—	Employment			Pay Rolls		
	Change from			Change from		
	Oct. 1941	Sept. 1941	Oct. 1940	Oct. 1941	Sept. 1941	Oct. 1940
All Industries†	135.1	135.3	113.8	166.7	163.0	116.2
Durable Goods†	143.7	142.2	112.8	191.6	184.0	123.4
Non-durable Goods†	126.9	128.7	114.8	138.9	139.5	108.1
Durable Goods—						
Iron & steel & their products, not including machinery	139.8	140.5	117.1	174.7	171.3	123.5
Blast furnaces, steel works, and rolling mills	148.2	148.9	125.2	182.8	178.6	131.0
Bolts, nuts, washers, & rivets	169.3	170.6	121.3	253.5	246.3	149.5
Cast-iron pipe	98.5	97.7	83.9	120.6	115.9	84.8
Cutlery (not including silver & plated cutlery), & edge tools	131.8	127.8	111.3	155.7	149.5	106.3
Forgings, iron and steel	114.0	113.0	80.4	178.7	172.9	102.2
Hardware	116.4	115.8	105.3	161.5	156.5	118.8
Plumbers' supplies	99.0	99.0	91.1	114.0	106.6	87.3
Stamped & enameled ware	226.8	228.4	189.5	293.8	292.6	216.7
Steam & hot-water heating apparatus & steam fittings	127.5	127.4	99.4	157.3	154.9	102.5
Stoves	115.7	116.2	106.2	130.3	127.9	106.7
Struct. & ornamental metalwork	107.9	109.3	85.6	124.8	122.8	79.6
Tin cans & other tinware	135.8	145.0	101.4	171.6	187.8	113.1
Tools (not incl. edge tools, mach. tools, files & saws)	145.5	144.4	106.1	203.2	196.6	113.9
Wirework	206.9	210.8	190.6	282.3	278.0	226.3
Machinery, not incl. transportation equipment	180.3	178.5	127.3	256.7	248.1	145.4
Agricultural impl. (incl. tractors)	170.8	170.7	134.9	232.2	230.7	158.8
Cash registers, adding machines, & calculating machines	174.9	173.7	132.2	226.4	229.8	142.3
Elec. mach., apparatus, & suppl.	169.9	168.7	116.1	244.7	241.4	138.2
Engines, turbines, water wheels, & windmills	340.2	323.0	191.6	611.5	569.6	265.1
Fdy. & mach. shop products	147.6	147.0	106.7	197.2	187.8	111.7
Machine tools	361.4	356.4	257.9	597.3	577.8	352.3
Radios & phonographs	216.4	212.5	163.6	260.5	254.4	164.3
Textile machinery & parts	109.1	108.5	79.7	141.7	141.1	78.8
Typewriters & parts	158.5	158.2	126.8	230.6	233.4	163.2
Transportation equipment	200.0	190.8	139.5	279.7	253.3	163.2
Aircraft	9,156.7	8,571.2	4,115.9	12,615.4	11,302.1	4,639.4
Automobiles	125.6	123.4	125.1	171.7	158.9	149.2
Cars, electric- & steam-rail'd	97.2	95.6	56.2	117.4	102.5	50.3
Locomotives	83.0	81.2	39.3	112.3	110.6	40.1
Shipbuilding	483.7	439.6	197.4	794.4	700.1	244.0
Non-ferrous metals & their prod.	147.2	147.9	126.1	185.2	187.5	136.3
Aluminum manufactures†	243.0	245.7	209.7	363.0	358.8	259.6
Brass, bronze, & cop. products	193.4	194.9	154.9	262.0	273.2	190.0
Clocks, watches and time-recording devices	111.6	112.3	104.6	150.7	149.5	119.1
Jewelry	121.0	119.8	110.4	122.9	121.8	97.3
Lighting equipment	128.0	126.6	106.8	150.4	146.7	96.5
Silverware & plated ware	87.6	85.8	76.5	107.0	103.7	79.5
Smelting and refining copper, lead, and zinc	101.3	103.0	94.6	118.5	118.2	93.4
Lumber and allied products	79.8	80.5	74.4	92.1	92.5	73.7
Furniture	108.4	108.3	96.8	121.9	119.1	91.3
Lumber:						
Millwork	76.7	76.4	69.3	74.5	72.9	58.4
Sawmills	69.2	70.4	66.6	77.4	77.6	65.1
Stone, clay, and glass products	102.7	101.8	87.5	110.3	105.5	83.0
Brick, tile, and terra cotta	78.0	79.1	65.0	76.1	76.2	55.1
Cement	82.6	83.8	75.7	93.4	93.5	75.5
Glass	133.2	130.3	113.2	176.0	161.0	129.8
Marble, granite, slate, and other products	47.2	45.9	47.9	38.0	36.8	37.3
Pottery	124.9	121.0	98.0	131.1	124.8	92.8
Non-Durable Goods—						
Textiles and their products	114.6	115.5	104.5	122.3	123.4	93.2
Fabrics	106.1	106.3	96.1	120.2	118.0	89.5
Carpets and rugs	90.5	91.0	79.6	93.6	96.6	72.8
Cotton goods	110.8	110.2	95.1	135.2	130.2	90.3
Cotton small wares	107.2	107.4	83.2	124.8	126.5	83.0
Dyeing & finishing textiles	133.8	136.0	128.6	134.3	135.7	111.4
Hats, fur-felt	78.6	79.1	80.0	76.1	80.3	66.9
Hosiery	136.2	136.2	142.8	162.3	151.6	158.1
Knitted underwear	82.6	82.5	75.3	79.8	80.6	65.6
Knitted underwear	88.4	87.9	76.0	100.1	95.9	72.1
Knit cloth	149.4	160.4	157.3	147.9	156.8	136.3
Silk and rayon goods	61.7	63.2	64.6	61.8	61.5	52.4
Woolen and worsted goods	109.9	110.5	94.1	128.1	129.2	87.6
Wearing apparel	128.9	131.2	118.9	119.0	126.3	94.8
Clothing, Men's	123.7	123.6	104.3	113.3	114.7	

### Weekly Statistics of Paperboard Industry

We give herewith latest figures received by us from the National Paperboard Association, Chicago, Ill., in relation to activity in the paperboard industry.

The members of this Association represent 83% of the total industry, and its program includes a statement each week from each member of the orders and production, and also a figure which indicates the activity of the mill based on the time operated. These figures are advanced to equal 100%, so that they represent the total industry.

#### STATISTICAL REPORTS—ORDERS, PRODUCTION, MILL ACTIVITY

Period	Orders Received Tons	Production Tons	Unfilled Orders Remaining Tons	Percent of Activity	
				Current	Cumulative
<b>1940—Month of—</b>					
January	528,155	579,739	167,240	72	71
February	420,639	453,518	137,631	70	71
March	429,334	449,221	129,466	69	70
April	520,907	456,942	193,411	70	70
May	682,490	624,184	247,644	76	72
June	508,005	509,781	236,693	79	73
July	544,221	587,339	186,037	72	73
August	452,613	487,127	162,653	74	73
September	468,870	470,228	163,769	72	73
October	670,473	648,611	184,002	79	73
November	488,990	509,945	161,985	77	73
December	464,537	470,099	151,729	71	73
<b>1941—Month of—</b>					
January	673,446	629,863	202,417	75	75
February	608,521	548,579	261,650	81	77
March	652,128	571,050	337,022	82	77
April	857,732	726,459	447,525	83	77
May	656,437	602,323	488,993	84	77
June	634,884	608,995	509,231	88	77
July	509,231	807,440	737,420	86	77
August	659,722	649,031	576,529	94	77
September	642,879	630,524	578,402	94	77
October	839,272	831,991	568,264	99	77
November	640,188	649,021	554,417	98	77
<b>1941—Week Ended—</b>					
July 5	149,197	129,019	529,633	74	82
July 12	147,365	131,531	542,738	77	82
July 19	168,431	156,989	550,902	92	81
July 26	182,603	160,609	572,532	92	82
Aug. 2	159,844	159,272	572,635	93	83
Aug. 9	174,815	159,894	587,498	91	83
Aug. 16	169,472	162,899	592,840	92	83
Aug. 23	158,403	162,964	584,484	94	83
Aug. 30	157,032	163,284	576,529	97	84
Sept. 6	147,086	133,031	591,414	80	84
Sept. 13	164,057	166,781	589,770	88	84
Sept. 20	176,263	166,797	583,716	99	84
Sept. 27	155,473	163,915	578,402	98	85
Oct. 4	178,619	168,256	582,287	100	85
Oct. 11	159,337	164,374	575,627	98	85
Oct. 18	167,440	165,795	574,961	98	85
Oct. 25	165,279	168,146	568,161	100	88
Nov. 1	170,597	165,420	568,264	99	88
Nov. 8	169,585	159,860	576,923	97	86
Nov. 15	156,394	165,397	570,430	99	87
Nov. 22	145,098	160,889	550,383	96	87
Nov. 29	169,111	164,875	554,417	101	87
Dec. 6	181,185	166,800	567,373	102	87

Note—Unfilled orders of the prior week plus orders received, less production, do not necessarily equal the unfilled orders at the close. Compensation for delinquent reports, orders made for or filled from stock, and other items made necessary adjustments of unfilled orders.

### Value Of Bonds On N. Y. Stock Exchange

As of the close of business Nov. 29, there were 1,281 bond issues aggregating \$57,821,383,127 par value listed on the New York Stock Exchange with a total market value of \$54,812,793,945, it was announced by the Exchange on Dec. 8. This compares with 1,274 bond issues aggregating \$57,855,667,727 par value listed on the Exchange Oct. 31, 1941, with a total market value of \$55,106,635,894.

In the following tables listed bonds are classified by governmental and industrial groups with the aggregate market value and average price for each:

Group	Nov. 29, 1941		Oct. 31, 1941	
	Market Value \$	Average Price	Market Value \$	Average Price
U. S. Government (incl. States, Cities, etc.)	39,607,192,166	108.17	39,753,699,340	108.59
U. S. companies:				
Amusements	45,406,942	99.19	45,203,578	99.27
Automobile	13,992,814	103.50	14,133,762	104.34
Building	21,033,896	91.60	21,521,402	93.72
Business and office equipment	15,356,250	102.38	15,337,500	102.25
Chemical	76,522,500	99.51	75,798,250	98.57
Electrical equipment	16,125,000	107.50	16,125,000	107.50
Financial	50,213,886	102.87	50,358,763	102.70
Food	211,495,570	105.37	211,295,637	105.27
Land and realty	9,032,768	64.44	9,376,438	65.48
Machinery and metals	49,870,914	99.89	49,864,845	99.88
Mining (excluding iron)	38,959,796	55.11	91,030,506	56.34
Paper and publishing	59,495,196	100.69	59,721,127	101.08
Petroleum	587,938,111	104.45	598,076,993	104.44
Railroad	6,378,719,448	61.03	6,453,056,399	61.65
Retail merchandising	11,871,528	77.26	11,926,703	77.62
Rubber	75,304,488	101.54	75,086,781	101.24
Ship building and operating	23,313,818	101.63	23,170,418	101.00
Shipping services	17,582,062	63.26	17,415,376	62.66
Steel, iron and coke	560,931,700	101.82	568,150,661	101.86
Textiles	26,611,140	100.25	26,642,060	100.36
Tobacco	41,023,259	121.83	41,194,740	122.34
Utilities:				
Gas and electric (operating)	3,182,878,376	108.30	3,192,560,678	108.63
Gas and electric (holding)	116,704,375	105.14	117,073,125	105.47
Communications	1,229,382,762	109.56	1,231,990,072	109.79
Miscellaneous utilities	80,515,755	54.49	81,696,082	55.26
U. S. companies oper. abroad	102,723,415	53.72	100,240,374	52.42
Miscellaneous businesses	32,216,875	105.63	32,261,250	105.77
Total U. S. companies	13,125,222,644	77.07	13,230,308,520	77.54
Foreign government	1,304,941,359	45.28	1,344,633,609	46.59
Foreign companies	775,437,776	59.98	777,994,425	60.01
All listed bonds	54,812,793,945	94.80	55,106,635,894	95.25

The following table, compiled by us, gives a two-year comparison of the total market value and the total average price of bonds listed on the Exchange:

1939—	Market Value	Average Price	1940—	Market Value	Average Price
Oct. 31	\$47,621,245,885	\$90.79	Nov. 30	\$50,755,887,399	\$93.58
Nov. 30	47,839,377,778	91.24	Dec. 31	50,831,283,315	93.84
Dec. 30	49,919,813,386	92.33	1941—		
Jan. 31	49,678,905,641	92.02	Jan. 31	50,374,446,095	93.05
Feb. 29	49,605,261,998	91.97	Feb. 28	50,277,456,796	92.72
Mar. 30	50,006,387,149	92.86	Mar. 31	52,252,053,607	93.73
Apr. 30	49,611,937,544	92.48	Apr. 30	52,518,036,554	94.32
May 31	46,936,861,020	87.87	May 30	52,321,710,056	94.22
June 29	47,665,777,410	90.14	June 30	53,237,234,699	94.80
July 31	48,601,638,211	90.96	July 31	53,259,696,637	95.04
Aug. 31	49,238,728,732	91.33	Aug. 30	53,216,897,846	94.66
Sept. 30	49,643,200,867	92.08	Sept. 30	53,418,055,935	94.74
Oct. 31	50,438,409,964	92.84	Oct. 31	55,106,635,894	95.25
			Nov. 29	54,812,793,945	94.80

### Agriculture Dept. Lowers Cotton Crop Forecast

The Agricultural Department at Washington on Dec. 8 issued its report on cotton acreage, condition and production as of Dec. 1. None of the figures take any account of linters. Below is the report in full:

A United States cotton crop of 10,976,000 bales is forecast by the Crop Reporting Board of the United States Department of Agriculture, based upon indications as of Dec. 1, 1941. This is a reduction of 44,000 bales from the forecast as of Nov. 1 and compares with 12,566,000 bales ginned in 1940, 11,817,000 bales in 1939, and 13,246,000 bales, the 10-year (1930-39) average. The indicated yield per acre for the United States of 235.4 pounds compares with 252.5 pounds in 1940, 237.9 pounds in 1939, and 205.4 pounds, the 10-year (1930-39) average.

Harvested acreage is now estimated at 22,376,000 acres which is 93.8% of the 23,861,000 acres harvested in 1940. The December estimate is about 1.1% less than used in preparing the reports for September, October, and November. The area in cultivation on July 1 is placed at 23,250,000 acres with abandonment estimated at 3.8%. In estimating abandonment the Board made allowance for acreage removed by farmers after July 1 for compliance with the Agricultural Conservation program.

During much of the 1941 season, growing conditions were favorable in the Mississippi River delta and in Western Oklahoma and Texas, but unfavorable in the southeast. The crop was earlier than usual throughout the season from Mississippi east and later than usual in Texas, Oklahoma, and the Western States. Up to August 1, boll weevils multiplied rapidly because of frequent showers and the heaviest infestation since 1932 was in prospect. The infestation was most serious in central South Carolina and Georgia.

Unfavorable weather continued during August in the entire area from Georgia to Arkansas and east Texas, and boll weevil damage continued. Precipitation in Oklahoma and Texas was favorable in the western parts of those States and hot weather in Virginia and North Carolina held boll weevils in check.

During September there was improvement in the crop in States adjoining the Mississippi River and in Alabama due to dry weather and high temperatures which checked weevil activities and caused rapid development of the crop. Moderate rainfall was helpful in Oklahoma, but excessive rainfall caused deterioration in Louisiana and Texas except in the northwest where it further improved prospects.

By Nov. 1 further evidence of boll weevil damage had developed in Mississippi, Louisiana, and Arkansas, but in North Carolina, Tennessee, and Missouri, light rainfall and above-normal temperatures in October facilitated harvesting and increased prospective production. In South Carolina and Louisiana and to a considerable extent in Georgia and east Texas crop prospects continued unfavorable through the season.

The proportion of the crop ginned to Dec. 1 was higher than average in all States east of Texas and Oklahoma. Missouri had exceptionally high percentage ginned. In Texas and Oklahoma, where most of the unpicked cotton is in the West, and in the Western States, the percentage ginned to Dec. 1 was much below average. New high record yields were recorded in Missouri and Tennessee and the highest yield of recent years in Oklahoma. Yields were very low in South Carolina, Georgia, Louisiana, and Florida. The yield in Alabama was just about average. Other States had above average yields, with high yields in northwest Texas more than offsetting the low yields in the central and eastern parts of that State.

#### Cotton Report As Of Dec. 1, 1941

The Crop Reporting Board of the U. S. Department of Agriculture makes the following report from data furnished by crop correspondents, field statisticians, and cooperating State agencies. The final total ginnings for the season will depend upon whether the various influences affecting the harvesting of the portion of the crop still in the field, will be more or less favorable than usual.

State	Acreage for 1941 crop		Yield per acre		Average gross wt. of running bales*		Product (Ginnings) †	
	Left for harvest	In cultivation	July 1	Aver.	1941 (Dec. 1 est.)	1941 (Dec. 1 est.)	1940	1930-39
Missouri	1,000	1,000	1,930	39	454	570	292	388
Virginia	36	37	260	370	373	495	33	25
N. Carolina	796	813	286	427	335	492	629	739
S. Carolina	1,172	1,233	265	375	165	494	824	966
Georgia	1,826	1,874	221	250	164	493	1,132	1,010
Florida	65	67	146	154	125	491	32	21
Tennessee	700	710	257	340	411	518	465	509
Alabama	1,755	1,800	216	190	216	508	1,145	779
Mississippi	2,375	2,459	246	240	287	511	1,585	1,250
Arkansas	2,020	2,097	236	349	343	521	1,281	1,501
Louisiana	1,032	1,087	237	194	147	508	703	456
Oklahoma	1,658	1,731	136	211	217	516	750	802
Texas	7,794	8,180	154	169	169	520	3,766	3,234
New Mexico	114	117	440	576	483	509	100	128
Arizona	250	253	401	424	389	512	159	195
California	351	355	538	749	609	509	333	545
All other	20	21	320	394	635	493	16	18
United States	22,376	23,250	205.4	252.5	235.4	511.8	13,246	12,566
Island	34.4	40.0	—	72	39	394	—	4.0
Am. Egyptian	134.4	135.9	236	233	223	512	17	33

\*Lower Calif. (Old Mex.) 179 180 205 236 270 — 28 60 101  
 †Continuing round bales as half bales. †Allowances made for interstate movement of seed cotton for ginning. Not including production of linters. †Included in State and United States totals. See Island grown principally in Georgia and Florida. American Egyptian grown principally in Arizona. †Not included in California figures, nor in United States total.

### Business Organizations Pledge Fullest Cooperation To Government In War Effort

Following the declaration of war by Congress on Dec. 8, various business organizations sent telegrams to President Roosevelt pledging full cooperation and offering their services in the national war effort.

Industry's pledge was given in the following statement to the President sent by Walter D. Fuller, President of the National Association of Manufacturers, and William P. Witherow, President-elect of the Association: Industry stands squarely behind the President and Congress in the fateful action taken today.

American lives have been lost in bombings; ships sunk; planes destroyed. These lives will be avenged through uninterrupted production on the factory front. The munitions of war can and will be replaced.

Industry will build two battleships for every one that sinks.

It will match every enemy bomb with a dozen.

It will blacken the skies with planes to replace the ones shot down.

Industry's production to arm our fighting forces will be limited only by the human endurance of the men who man and manage its facilities.

We Americans have not always seen eye to eye among ourselves. But, as always, aggression from without fuses our family differences in unity of purpose. The enemies of our democratic way will find us one unbreakable phalanx in which class

## Retail Prices Gained Further In November According To Fairchild Publications Index

There was a further advance in retail prices during November, the Fairchild Publications Retail Price Index having gained 1.2%, reaching a new high in the present upward movement. Current prices are also 14.7% above the corresponding period a year ago, and 20.9% above the low immediately preceding the outbreak of hostilities in 1939. The advance of 1.2% during the month compares with the gain of 1% during the previous month. Current quotations are also 11.3% above the 1937 high.

The following is also from an announcement issued Dec. 12 by Fairchild Publications:

Each one of the major groups advanced again during the month, with piece goods recording the greatest gain. Home furnishings, for the first time in months, showed the smallest advance. Piece goods also showed the greatest gain above a year ago, with infants' wear recording the smallest advance. In comparison with the period immediately preceding the outbreak of hostilities, piece goods showed the greatest gain, and infants' wear showed the smallest gain. With the exception of furs, each item in the index either gained or remained unchanged. The greatest advances during the month were recorded by cotton piece goods, men's underwear and shoes. In comparison with a year ago the greatest advances were recorded by cotton piece goods, sheets and pillow cases, women's hosiery, women's aprons and house dresses, furs and furniture. These items also showed the greatest gains over the period immediately preceding the outbreak of war in 1939.

Retail prices are still below replacement levels at wholesale. Therefore a further gain in retail quotations is indicated, according to A. W. Zlomek, economist, under whose supervision the index is compiled. He points out, however, that the gain during coming months will be at a lower rate of advance.

### THE FAIRCHILD PUBLICATIONS RETAIL PRICE INDEX

Jan. 3, 1931=100

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	May 1, 1933	Dec. 1, 1940	Sept. 2, 1941	Oct. 1, 1941	Nov. 1, 1941	Dec. 1, 1941
Composite index	69.4	93.7	102.6	105.2	106.2	107.5
Piece goods	65.1	86.8	97.1	99.9	101.6	103.7
Men's apparel	70.7	89.3	93.3	95.5	96.5	97.5
Women's apparel	71.8	92.4	100.4	104.1	105.7	106.9
Infants' wear	76.4	97.7	100.0	101.2	102.1	103.2
Home furnishings	70.2	95.6	104.9	106.9	108.5	109.5
Piece Goods—						
Silks	57.4	69.1	76.7	78.9	79.8	80.7
Woolens	69.2	88.0	95.8	98.4	99.5	101.2
Cotton wash goods	68.6	103.2	118.7	122.4	125.6	129.2
Domestics—						
Sheets	65.0	93.5	104.8	108.9	111.4	113.2
Blankets & comfortables	72.9	116.7	122.8	123.8	124.4	125.3
Women's Apparel—						
Hosiery	59.2	73.4	79.4	83.4	86.0	87.8
Aprons & house dresses	75.5	106.4	114.6	121.4	124.6	127.4
Corsets & brassieres	83.6	92.9	96.3	99.1	100.1	102.1
Furs	66.8	106.9	133.0	138.1	138.1	136.4
Underwear	69.2	85.9	90.7	93.8	95.7	97.7
Shoes	76.5	88.9	89.5	89.6	89.6	89.8
Men's Apparel—						
Hosiery	64.9	87.6	91.3	94.3	94.8	96.0
Underwear	69.6	92.0	96.6	100.3	102.8	105.5
Shirts & neckwear	74.3	86.0	88.3	90.0	91.4	91.8
Hats & caps	69.7	83.3	86.9	89.0	89.1	89.4
Clothing incl. overalls	70.1	92.1	97.1	98.3	99.2	99.7
Shoes	76.3	94.8	99.6	101.0	101.7	102.6
Infants' Wear—						
Socks	74.0	103.8	105.3	106.3	106.3	107.3
Underwear	74.3	95.2	96.8	98.8	100.3	100.7
Shoes	80.9	94.1	97.9	98.6	99.6	101.5
Furniture	69.4	102.7	120.5	123.1	124.7	125.5
Floor coverings	79.9	127.8	136.7	138.3	138.6	140.4
Musical instruments	50.6	53.8	58.9	61.3	*64.6	*65.6
Luggage	60.1	76.0	81.8	84.2	*89.2	*89.7
Electrical Household—						
Appliances	72.5	79.9	87.1	89.0	*90.4	*91.1
China	81.5	94.7	103.4	104.1	105.1	105.6

Note:—Composite index is a weighted aggregate. Major group indexes are arithmetic averages of subgroups.  
\*The Federal tax of 10% at retail is excluded in the computation of the fur index. The excise taxes on luggage, radios, and electrical appliances are levied on the manufacturers.

## Trading On New York Exchanges

The Securities and Exchange Commission made public on Dec. 12 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 Nov. 29, 1941, continuing a series of current figures being published by the Commission. Short sales are shown separately from other sales in these figures, the Commission explained.

Trading on the Stock Exchange for the account of members (except odd-lot dealers) during the week ended Nov. 29 (in round-lot transactions) totaled 591,727 shares, which amount was 11.01% of total transactions on the Exchange of 5,164,270 shares. This compares with member trading during the previous week ended Nov. 22 of 387,770 shares or 11.34% of total trading of 3,657,060 shares. On the New York Curb Exchange, member trading during the week ended Nov. 29 amounted to 165,175 shares, or 12.76% of the total volume on that Exchange of 1,293,800 shares; during the preceding week trading for the account of Curb members of 104,145 shares was 12.34% of total trading of 844,045 shares.

The Commission made available the following data for the week ended Nov. 29:

The data published are based upon weekly reports filed with the Exchange and the New York Curb Exchange by their respective members. These reports are classified as follows:

	N. Y. Stock Exchange	N. Y. Curb Exchange
Total Number of Reports Received—	1,055	764
1. Reports showing transactions as specialists	188	98
2. Reports showing other transactions initiated on the floor	181	28
3. Reports showing other transactions initiated off the floor	205	106
4. Reports showing no transactions	569	538

Note—On the New York Curb Exchange, odd-lot transactions are handled solely by specialists in the stocks in which they are registered and the round-lot transactions of specialists resulting from such odd-lot transactions are not segregated from the specialists' other round-lot trades. On the New York Stock Exchange, on the other hand, all but a fraction of the odd-lot transactions are effected by dealers engaged solely in the odd-lot business. As a result, the round-lot transactions of specialists in stocks in which they are registered are not directly comparable on the two exchanges.

The number of reports in the various classifications may total more than the number of reports received because a single report may carry entries in more than one classification.

## Total Round-Lot Stock Sales on the New York Stock Exchange and Round-Lot Stock Transactions for Account of Members\* (Shares)

Week Ended Nov. 29, 1941

	Total For Week	Per Cent a
<b>A. Total Round-Lot Sales</b>		
Short sales	109,420	
Other sales b	5,054,850	
<b>Total sales</b>	<b>5,164,270</b>	
<b>B. Round-Lot Transactions for the Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists</b>		
<b>1. Transactions of specialists in stocks in which they are registered</b>		
Total purchases	292,740	
Short sales	87,500	
Other sales b	254,160	
<b>Total sales</b>	<b>634,400</b>	
<b>2. Other transactions initiated on the floor</b>	<b>321,660</b>	<b>5.95</b>
Total purchases	129,710	
Short sales	14,600	
Other sales b	107,920	
<b>Total sales</b>	<b>252,230</b>	<b>2.44</b>
<b>3. Other transactions initiated off the floor</b>	<b>123,200</b>	
Total purchases	12,150	
Short sales	135,397	
<b>Total sales</b>	<b>147,547</b>	<b>2.62</b>
<b>4. Total</b>	<b>545,650</b>	<b>11.01</b>
Total purchases	94,250	
Short sales	497,477	
Other sales b	591,727	

## Total Round-Lot Stock Sales on the New York Curb Exchange and Stock Transactions for Account of Members\* (Shares)

Week Ended Nov. 29, 1941

	Total For Week	Per Cent a
<b>A. Total Round-Lot Sales</b>		
Short sales	7,385	
Other sales b	1,176,415	
<b>Total sales</b>	<b>1,183,800</b>	
<b>B. Round-Lot Transactions for the Account of Members</b>		
<b>1. Transactions of specialists in stocks in which they are registered</b>		
Total purchases	68,415	
Short sales	5,185	
Other sales b	113,955	
<b>Total sales</b>	<b>187,555</b>	<b>7.92</b>
<b>2. Other transactions initiated on the floor</b>	<b>15,300</b>	
Total purchases	400	
Short sales	13,700	
<b>Total sales</b>	<b>14,100</b>	<b>1.24</b>
<b>3. Other transactions initiated off the floor</b>	<b>53,320</b>	
Total purchases	1,000	
Short sales	30,865	
<b>Total sales</b>	<b>31,865</b>	<b>3.60</b>
<b>4. Total</b>	<b>137,035</b>	<b>12.76</b>
Total purchases	6,585	
Short sales	158,590	
Other sales b	165,175	
<b>C. Odd-Lot Transactions for the Account of Specialists</b>		
Customers' short sales	0	
Customers' other sales c	80,033	
<b>Total purchases</b>	<b>80,033</b>	
<b>Total sales</b>	<b>36,253</b>	

\* The term "members" includes all regular and associate Exchange members, their firms and their partners, including special partners.

a Shares in members' transactions as per cent of twice total round-lot volume. In calculating these percentages, the total members' transactions is compared with twice the total round-lot volume on the Exchange for the reason that the total of members' transactions includes both purchases and sales, while the Exchange volume includes only sales.

b Round-lot short sales which are exempted from restriction by the Commission rules are included with "other sales."

c Sales marked "short exempt" are included with "other sales."

## Flour Production Falls Sharply In November Below October Levels

Flour production, according to reports received by "The Northwestern Miller" by plants representing 65% of the total national output, in November fell sharply under that of the previous month—more than 850,000 bbls., in fact—and trailed about 258,000 bbls. behind the output of November, 1940.

Total production for November was compiled at 5,614,551 bbls., compared with 6,439,796 the month before and 5,872,252 the same month last year. All the major producing sections registered decreases from their October, 1941, figures.

The Northwestern decline over the month was about 220,700 bbls., but the total of 1,342,045 bbls. represented a 30,000-bbl. increase over the 1940 total for November. Buffalo mills showed a drop of 74,000 bbls. from October but made a gain of 24,350 bbls. over the 1940 figure.

Southwestern production, totaling 2,061,596 bbls. for November, was 37,400 bbls. under that of October and 52,600 bbls. below the November, 1940, figure.

In the Pacific Northwest, big decreases were also noted, especially the 237,000-bbl. slip from last year's monthly total. In the eastern Central West, a gain was made over the 1940 output, however.

Below is a detailed table, with comparable figures:

	TOTAL MONTHLY FLOUR PRODUCTION (Reported by mills producing 65% of the flour manufactured in the U. S.)			
	November 1941	Previous month	1940	November 1938
Northwest	1,342,045	1,562,742	1,312,016	1,245,656
Southwest	2,061,596	2,433,107	2,114,191	2,014,031
Buffalo	817,839	891,998	793,494	715,294
Central West—Eastern Division	590,049	623,779	545,842	527,653
Western Division	216,049	273,007	231,299	254,685
Southeast	103,817	107,751	134,687	124,799
Pacific Coast	483,356	577,412	720,723	474,388
Totals	5,614,551	6,469,796	5,872,252	5,356,713

\* Includes Indiana, since 1938 under Central West, Eastern Division.

## Canadian Industrial Activity Still Rising

The level of Canadian industrial activity as a whole has continued to rise, partly to fill Government war orders and partly to satisfy increased consumer demand, mainly for non-capital goods, it is stated by A. E. Arscott, General Manager of The Canadian Bank of Commerce. "Our index," Mr. Arscott said, "registered 165 at mid-November (1937=100) as compared with 162 in October and 134 in November, 1940. The percentage of factory capacity utilized rose in the month from 114 to 117." He continued:

The output of foodstuffs, especially confectionery, cereals and meats, increased, but the clothing group receded as a whole owing to a sharp seasonal decline in women's clothing which more than offset moderate increases in men's clothing and furnishings, knitted and piece goods and footwear.

Less activity in the manufacture of paper bags and boxes and in pulp and newsprint lowered the index for the pulp and paper group. There was no net change in other forest products, although furniture factories were slightly busier.

The major factor causing a rise in the composite index was the speeding up in the automotive trades to a point approaching that of the past summer; most of this activity is of course due to Government orders. There was no net change in either the iron and steel or the non-ferrous metal groups, but there has been a trend towards stabilization of the heavy sections and an acceleration of the lighter trades, many of which are working on war orders. There appears to be a definite recession in the output of household and other civilian goods in these groups, as is only to be expected in this period of war effort. Industrial products such as leather and rubber accounted for a moderate rise in the miscellaneous group.

Our wage payroll index for October was 189 (1937=100) compared with 174 for September (revised) and 142 for October, 1940. The most important rise was in manufacturing payrolls which increased nearly 11% but other major industries also showed increases, with the exception of the retail section of trade.

## New York Loan Bank Gen'l Counsel Resigns

George MacDonald, Chairman of the Board of Directors of the Federal Home Loan Bank of New York, has announced the resignation of Judge Fred G. Stickel, Jr. of Newark, N. J., as General Counsel of the Bank. Judge Stickel tendered his resignation a number of months ago so that he might devote his entire time to his law practice, but stayed on at the request of the Board of Directors until the many important legal phases of the New Jersey Building and Loan reorganization program were disposed of and until satisfactory arrangements could be made for a successor. "The legality of that program having now been sustained by the Courts and the program being well under way, the Board has reluctantly and regretfully accepted Judge Stickel's resignation," Mr. MacDonald said.

At the same time Mr. MacDonald announced the appointment of Joseph F. X. O'Sullivan of Bayonne, N. J., as the Bank's office attorney. Mr. O'Sullivan was admitted to the Bar of New Jersey in 1933 and there engaged in the practice of law, later becoming associated with the Federal Savings and Loan Insurance Corporation handling legal matters for the Second Federal Home Loan Bank District.

### Weekly Coal And Coke Production Statistics

The Bituminous Coal Division, U. S. Department of the Interior, in its latest coal report, stated that the total production of bituminous coal in the week ended Dec. 6 is estimated at 10,700,000 net tons. This is in comparison with 11,280,000 tons in the preceding week and 9,820,000 tons in the corresponding week last year.

The U. S. Bureau of Mines reported that the production of Pennsylvania anthracite for the week ended Dec. 6 was estimated at 775,000 tons, a decrease of 33,000 tons from the preceding week. Output in the corresponding week of 1940 amounted to 1,032,000 tons.

ESTIMATED UNITED STATES PRODUCTION OF SOFT COAL (IN THOUSANDS OF NET TONS), WITH COMPARABLE DATA ON PRODUCTION OF CRUDE PETROLEUM

	Week Ended			Calendar Year to Date		
	Dec. 6, 1941	Nov. 29, 1941	Dec. 7, 1940	1941	1940	1929
Bituminous coal a	10,700	11,280	9,820	469,727	421,665	501,610
Total, including mine fuel	1,783	71,958	1,636	1,646	1,467	1,733
Daily average	1,783	71,958	1,636	1,646	1,467	1,733
Crude petroleum b	6,580	6,546	5,787	299,294	288,640	216,088

a Includes for purposes of historical comparison and statistical convenience the production of lignite. b Total barrels produced during the week converted to equivalent coal assuming 6,000,000 B.t.u. per barrel of oil and 13,100 B.t.u. per pound of coal. Note that most of the supply of petroleum products is not directly competitive with coal ("Minerals Yearbook," 1939, page 702). c Sum of 49 full weeks ended Dec. 6, 1941, and corresponding 49 weeks of 1940 and 1929. d Revised. e Subject to current adjustment. f Average based on 5.76 working days.

ESTIMATED PRODUCTION OF PENNSYLVANIA ANTHRACITE AND BEEHIVE COKE (IN NET TONS)

	Week Ended			Calendar Year to Date		
	Dec. 6, 1941	Nov. 29, 1941	Dec. 7, 1940	1941	1940	1929
Penn. anthracite—						
Total, incl. colliery fuel b	775,000	808,000	1,032,000	51,008,000	47,199,000	68,035,000
Comm'l production c	736,000	768,000	980,000	48,463,000	44,839,000	63,136,000
Beehive coke—						
U. S. Total	148,900	135,900	120,100	5,850,700	2,670,000	6,178,200
Daily average	24,817	22,650	20,017	20,105	9,175	21,231

(a) Adjusted to comparable periods in the three years. (b) Includes washery and dredge coal, and coal shipped by truck from authorized operations. (c) Excludes colliery fuel.

ESTIMATED WEEKLY PRODUCTION OF COAL, BY STATES (In Thousands of Net Tons)

(The current weekly estimates are based on railroad carloadings and river shipments and are subject to revision on receipt of monthly tonnage reports from district and State sources or of final annual returns from the operators.)

State	Week Ended					Nov. average 1923 e
	Nov. 29, 1941	Nov. 22, 1941	Nov. 30, 1940	Dec. 2, 1939	Nov. 30, 1929	
Alaska	3	4	4	3	3	(f)
Alabama	355	217	314	259	294	409
Arkansas and Oklahoma	89	97	94	51	131	100
Colorado	187	156	196	164	274	236
Georgia and North Carolina	1	1	1	1	1	(f)
Illinois	1,242	1,170	1,179	1,096	1,389	1,571
Indiana	573	547	432	404	364	536
Iowa	67	66	72	65	91	128
Kansas and Missouri	168	160	156	161	160	175
Kentucky—Eastern	928	601	757	656	852	724
Western	260	230	183	181	313	218
Maryland	37	18	32	40	43	35
Michigan	8	5	5	9	15	26
Montana	98	100	84	70	78	83
New Mexico	30	31	24	23	52	62
North and South Dakota	83	96	85	53	56	735
Ohio	700	620	451	454	403	764
Pennsylvania bituminous	2,406	1,684	2,397	2,361	2,443	2,993
Tennessee	134	141	112	109	104	117
Texas	8	9	9	16	15	29
Utah	107	94	106	80	141	112
Virginia	402	328	292	308	248	217
Washington	49	52	44	39	54	72
West Virginia—Southern a	2,275	1,513	1,865	1,735	1,864	1,271
Northern b	891	520	650	660	632	776
Wyoming	179	154	168	122	155	184
Other Western States c	1	1	1	1	1	1
Total bituminous coal	11,280	8,615	9,712	9,119	10,176	10,878
Pennsylvania anthracite d	808	875	918	856	1,385	1,896
Total, all coal	12,088	9,490	10,630	9,975	11,561	12,774

a Includes operations on the N. & W.; C. & O.; Virginian; K. & M.; B. C. & G.; and on the B. & O. in Kanawha, Mason, and Clay counties. b Rest of State, including the Panhandle District and Grant, Mineral, and Tucker counties. c Includes Arizona, California, Idaho, Nevada, and Oregon. d Data for Pennsylvania anthracite from published records of the Bureau of Mines. e Average weekly rate for entire month. f Alaska, Georgia, North Carolina, and South Dakota included with "other Western States." \* Less than 1,000 tons.

ESTIMATED PRODUCTION OF COAL, BY STATES, IN OCTOBER, WITH TOTAL OUTPUT FOR FIRST TEN MONTHS OF 1941, 1940 AND 1937 (In Thousands of Net Tons)

(Figures are preliminary estimates based on railroad carloadings and river shipments of coal and beehive coke, supplemented by direct reports from a number of mining companies, local coal operators' associations, and detailed monthly production statistics compiled by the State Mine Departments of Colorado, Illinois, Pennsylvania, Washington, and West Virginia. In making the estimates, allowance is made for commercial truck shipments, local sales, and colliery fuel, and for small trucking mines producing over 1,000 tons a year.

The estimates here given are based upon the latest information available, and differ in some cases from the current figures previously published in the Weekly Coal Report.)

State	October, 1941		Sept., 1941		Oct., 1940		Calendar year to the end of October		
	Net tons	% of total	1941	1940	1941	1940	1941	1940	1937
Alaska	15	.03	14	10	144	114	111	111	111
Alabama	1,223	2.42	1,264	1,330	12,390	12,542	10,242	10,242	10,242
Arkansas and Oklahoma	458	.91	540	287	2,696	2,385	2,321	2,321	2,321
Colorado	655	1.29	696	555	5,355	4,952	5,607	5,607	5,607
Georgia and N. Car.	3	.01	3	2	21	24	24	24	24
Illinois	4,868	9.82	4,658	4,077	43,260	39,447	41,054	41,054	41,054
Indiana	2,270	4.43	2,018	1,440	18,039	14,801	14,801	14,801	14,801
Iowa	232	.46	194	235	1,927	2,298	2,828	2,828	2,828
Kansas and Missouri	655	1.29	636	535	5,997	5,294	5,454	5,454	5,454
Kentucky:									
Eastern	4,370	8.63	4,083	3,220	34,540	33,520	32,307	32,307	32,307
Western	957	1.89	886	635	9,640	7,046	6,765	6,765	6,765
Maryland	166	.33	168	120	1,426	1,206	1,281	1,281	1,281
Michigan	34	.07	30	43	299	356	434	434	434
Montana	406	.80	314	298	2,664	2,296	2,327	2,327	2,327
New Mexico	106	.21	97	88	946	873	1,449	1,449	1,449
North and So. Dakota	322	.64	186	288	1,725	1,561	1,696	1,696	1,696
Ohio	3,107	6.14	2,930	1,650	23,838	18,332	20,946	20,946	20,946
Pennsylvania bituminous	12,205	24.11	11,150	10,782	101,094	92,404	95,614	95,614	95,614
Tennessee	681	1.34	620	460	5,523	5,030	4,297	4,297	4,297
Texas	37	.07	27	41	312	581	753	753	753
Utah	465	.92	450	340	3,153	2,662	3,046	3,046	3,046
Virginia	1,845	3.64	1,712	1,270	14,730	12,535	11,549	11,549	11,549
Washington	190	.38	176	146	1,512	1,317	1,644	1,644	1,644
West Virginia:									
Southern (a)	10,663	21.07	9,798	7,879	84,873	80,114	76,174	76,174	76,174
Northern (b)	3,951	7.80	3,689	2,401	31,132	25,674	24,695	24,695	24,695
Wyoming	728	1.44	659	564	5,153	4,456	4,722	4,722	4,722
Other West. States (c)	3	.01	2	4	24	13	11	11	11
Total bituminous coal	50,615	100.0	46,880	38,700	412,423	371,833	371,415	371,415	371,415
Penn. anthracite (d)	5,380		5,143	4,355	46,401	42,671	42,659	42,659	42,659
Total, All Coal	55,995		52,023	43,055	458,824	414,504	414,073	414,073	414,073

(a) Includes operations on the N. & W.; C. & O.; Virginian; K. & M.; B. C. & G.; and on the B. & O. in Kanawha, Mason, and Clay counties. (b) Rest of State, including the Panhandle District and Grant, Mineral, and Tucker counties. (c) Includes Arizona, California, Idaho, Nevada, and Oregon. (d) Data for Pennsylvania anthracite from published records of the Bureau of Mines.

### Wholesale Prices Comparatively Steady In Pre-War Week, Reports Labor Bureau

During the week preceding the attack upon the United States by the Japanese, prices in wholesale commodity markets were comparatively steady. The Bureau of Labor Statistics' index of nearly 900 price series declined by 0.1% to 92.2% of the 1926 average, largely because of lower prices for foods. At this level, wholesale commodity prices were nearly 23% above those prevailing in August, 1939, when war broke out in Europe, and 15.5% higher than in the first week of December, 1940.

The Labor Bureau's announcement of Dec. 11 further said: In addition to a decline of 0.6% in wholesale food prices, farm products and fuel and lighting materials dropped 0.3%. Textile products and miscellaneous commodities, on the other hand, advanced 0.1%.

Average wholesale prices for fresh fruits and vegetables dropped 1.4%. Oranges declined more than 21% and prices of apples and potatoes in Eastern markets were considerably lower than in the previous week. A sharp decline was reported for bread in the Chicago area and quotations were lower for butter, eggs, lard, rye flour, tea, mutton, ham and veal. Higher prices were reported for milk at Chicago, bread at Cincinnati, crackers, rice, flour, corn meal, certain canned and dried fruits and vegetables, lemons, fresh beef and pork, and for cocoa beans, molasses, pepper and cottonseed oil. Average wholesale prices for foods were slightly lower than in early November but were 20% above a year ago.

A sharp drop in livestock prices largely accounted for the decline in the average prices of farm products. Lambs and wethers were down about 9%; cows, nearly 5%; hogs and calves, more than 2%; and live poultry at New York, 5%. Grain prices, on the contrary, averaged 5 1/2% higher than for the previous week; rye advanced 10%; wheat, corn and oats, about 5%; and barley, over 2%. In addition cotton rose 2.4% and quotations were also higher for hay, hops, seeds and wool.

Advancing prices for raw cotton permitted higher prices for cotton yarns and textiles under the sliding scale established by the Office of Price Administration. Manila hemp and raw jute declined nearly 6%.

The movement in prices for building materials was mixed. Prices were higher for rosin, shellac, gravel, sand, lime, for maple and oak lumber, and for certain types of yellow pine, such as boards, finish, flooring and timbers. Lower prices were reported for Douglas fir timbers, red cedar shingles and for yellow pine drop siding, dimension and lath. Turpentine declined nearly 2% during the week.

Aside from a sharp advance in prices for silver nitrate and phosphate rock, there was little change in quotations for chemicals and allied products.

The following tables show (1) index numbers for the principal groups of commodities for the past 3 weeks, for Nov. 8, 1941 and Dec. 7, 1940, and the percentage changes from a week ago, a month ago, and a year ago; (2) percentage changes in subgroup indexes from Nov. 29 to Dec. 6, 1941.

Commodity Groups	1941			1940			1929		
	12-6	11-29	11-22	11-8	12-7	11-29	11-8	12-7	
All Commodities	92.2	92.3	92.2	91.7	79.8	-0.1	+0.5	+15.5	
Farm products	90.8	91.1	90.3	89.6	69.8	-0.3	+1.3	+30.1	
Foods	88.7	89.2	89.5	88.8	73.9	-0.6	-0.1	+20.0	
Hides and leather products	115.4	115.4	114.9	114.1	103.0	0.0	+1.1	+12.0	
Textile products	90.7	90.6	90.4	90.4	74.3	+0.1	+0.3	+22.1	
Fuel and lighting materials	79.2	79.4	79.4	79.7	72.8	-0.3	-0.6	+8.8	
Metals and metal products	103.3	103.3	103.4	102.2	97.5	0.0	+1.1	+5.9	
Building materials	107.4	107.4	107.4	107.1	99.1	0.0	+0.3	+8.4	
Chemicals and allied products	89.7	89.7	89.5	89.8	77.6	0.0	-0.1	+15.6	
Housefurnishing goods	101.9	101.9	101.7	101.1	90.2	0.0	+1.8	+13.0	
Miscellaneous commodities	87.2	87.1	87.1	87.1	80.2	0.0	+0.9	+22.6	
Raw materials	90.0	90.2	89.7	89.2	73.4	-0.2	+0.9	+22.6	
Semi-manufactured articles	89.7	89.6	89.5	89.5	80.5	+0.1	+0.2	+11.4	
Manufactured products	93.9	93.9	94.0	93.5	83.1	0.0	+0.4	+13.0	
All commodities other than farm products	92.6	92.6	92.6	92.2	82.1	0.0	+0.4	+12.8	
All commodities other than farm products and foods	93.7	93.7	93.6	93.1	84.4	0.0	+0.6	+11.0	

Percentage Changes in Subgroup Indexes from Nov. 29 to Dec. 6, 1941	Increases		Decreases	
	Nov. 29 to Dec. 6	Nov. 22 to Nov. 29	Nov. 29 to Dec. 6	Nov. 22 to Nov. 29
Grains	5.5	0.5	Fertilizer materials	0.4
Fertilizer materials	0.4	0.4	Cotton goods	0.3
Cotton goods	0.3	0.3	Meats	0.2
Meats	0.2	0.2	Other miscellaneous	0.1
Other miscellaneous	0.1	0.1	Woolen and worsted goods	0.1
Woolen and worsted goods	0.1	0.1	Livestock and poultry	2.2
Livestock and poultry	2.2	2.2	Fruits and vegetables	1.4
Fruits and vegetables	1.4	1.4	Other foods	1.3
Other foods	1.3	1.3	Other farm products	0.8
Other farm products	0.8	0.8		

### Anthracite Shipments—November, 1941

Shipments of Anthracite for the month of November, 1941, as reported to the Anthracite Institute, amounted to 3,166,083 net tons. This is a decrease, as compared with shipments during the preceding month of October, of 1,208,168 net tons, and when compared with November, 1940, shows a decrease of 230,305 net tons.

Shipments by originating carriers (in net tons) were reported as follows:



## Revenue Freight Car Loadings During Week Ended Dec. 6 Amounted To 833,375 Cars

Loading of revenue freight for the week ended Dec. 6, totaled 833,375 cars, the Association of American Railroads announced on Dec. 11. The increase above the corresponding week in 1940 was 94,862 cars or 12.8%, and above the same week in 1939 was 149,402 cars or 21.8%.

Loading of revenue freight for the week of Dec. 6, decreased 32,814 cars or 3.8% below the preceding week.

Miscellaneous freight loading totaled 378,846 cars, a decrease of 9,768 cars below the preceding week, but an increase of 60,007 cars above the corresponding week in 1940.

Loading of merchandise less than carload lot freight totaled 156,420 an increase of 3,917 cars above the preceding week, and an increase of 1,101 cars above the corresponding week in 1940.

Coal loading amounted to 150,518 cars, a decrease of 13,810 cars below the preceding week, but an increase of 2,112 cars above the corresponding week in 1940.

Grain and grain products loading totaled 42,754 cars, an increase of 1,852 cars above the preceding week, and an increase of 7,289 cars above the corresponding week in 1940. In the Western Districts alone, grain and grain products loading for the week of Dec. 6 totaled 26,743 cars, an increase of 1,521 cars above the preceding week, and an increase of 4,950 cars above the corresponding week in 1940.

Live stock loading amounted to 14,631 cars, a decrease of 16 cars below the preceding week, and a decrease of 965 cars below the corresponding week in 1940. In the Western Districts alone, loading of live stock for the week of Dec. 6 totaled 10,988 cars, an increase of 72 cars above the preceding week, but a decrease of 376 cars below the corresponding week in 1940.

Forest products loading totaled 41,005 cars, a decrease of 3,442 cars below the preceding week, but an increase of 1,172 cars above the corresponding week in 1940.

Ore loading amounted to 36,087 cars, a decrease of 11,309 cars below the preceding week but an increase of 23,599 cars above the corresponding week in 1940.

Coke loading amounted to 13,114 cars, a decrease of 238 cars below the preceding week, but an increase of 547 cars above the corresponding week in 1940.

All districts reported increases compared with the corresponding weeks in 1940 and 1939.

	1941	1940	1939
4 Weeks of January	2,740,095	2,557,735	2,288,730
4 Weeks of February	2,824,188	2,488,879	2,282,866
5 Weeks of March	3,817,918	3,123,916	2,976,655
4 Weeks of April	2,793,563	2,495,212	2,225,188
5 Weeks of May	4,160,527	3,351,840	2,926,406
4 Weeks of June	3,510,137	2,896,953	2,563,955
4 Weeks of July	3,413,427	2,822,450	2,532,236
5 Weeks of August	4,464,458	3,717,933	3,387,672
4 Weeks of September	3,539,171	3,135,122	3,102,256
4 Weeks of October	3,657,882	3,269,476	3,355,701
5 Weeks of November	4,317,738	3,780,423	3,708,292
Week of Dec. 6	833,375	738,513	683,973
<b>Total</b>	<b>40,072,479</b>	<b>34,378,452</b>	<b>32,033,916</b>

The following table is a summary of the freight carloadings for the separate railroads and system for the week ended Dec. 6, 1941. During this period 105 roads showed increases when compared with the corresponding week last year.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS)—WEEK ENDED DEC. 6

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1941	1940	1939	1941	1940
<b>Eastern District—</b>					
Ann Arbor	631	537	533	1,558	1,346
Bangor & Aroostook	1,497	1,332	1,391	217	183
Beston & Maine	8,618	7,979	7,942	13,081	11,461
Chicago, Indianapolis & Louisville	1,586	1,430	1,574	2,562	2,406
Central Indiana	27	18	23	54	57
Central Vermont	1,363	1,348	1,353	2,688	2,372
Delaware & Hudson	5,513	5,860	4,631	10,821	8,512
Delaware, Lackawanna & Western	8,955	9,161	7,448	8,556	7,771
Detroit & Mackinac	7,483	397	370	177	117
Detroit, Toledo & Ironton	2,537	2,943	2,771	1,112	965
Detroit & Toledo Shore Line	349	459	328	4,526	3,795
Erie	14,315	13,549	12,149	15,883	13,845
Grand Trunk Western	5,897	6,008	4,956	10,320	8,387
Lehigh & Hudson River	227	151	137	2,813	2,093
Lehigh & New England	1,811	1,496	1,292	1,587	1,372
Lehigh Valley	8,221	9,474	8,110	10,119	7,297
Maine Central	3,030	2,917	2,857	2,979	2,235
Monongahela	6,128	3,970	4,608	404	221
Montour	1,746	1,600	1,432	30	37
New York Central Lines	50,277	44,256	40,556	50,293	43,210
N. Y., N. H. & Hartford	12,332	11,214	10,470	15,559	13,761
New York, Ontario & Western	1,017	1,021	906	2,357	2,012
N. Y., Chicago & St. Louis	6,745	5,348	5,865	14,793	12,255
N. Y., Susquehanna & Western	565	420	354	1,196	1,645
Pittsburgh & Lake Erie	8,751	7,403	7,183	7,977	6,236
Pere Marquette	6,804	6,360	6,366	6,924	5,975
Pittsburgh & Shawmut	510	438	518	36	36
Pittsburgh, Shawmut & North	362	367	360	265	196
Pittsburgh & West Virginia	940	648	881	2,402	1,961
Rutland	580	620	628	10,973	9,989
Wabash	6,207	5,749	5,715	10,973	9,989
Wheeling & Lake Erie	4,625	3,782	3,984	4,568	3,717
<b>Total</b>	<b>172,649</b>	<b>158,265</b>	<b>147,181</b>	<b>208,125</b>	<b>176,864</b>
<b>Allegheny District—</b>					
Akron, Canton & Youngstown	679	577	433	1,044	966
Baltimore & Ohio	39,300	32,290	31,703	21,606	18,722
Bessemer & Lake Erie	5,571	2,375	2,697	1,725	1,963
Buffalo Creek & Gauley	303	246	294	2	5
Cambria & Indiana	1,884	1,700	1,718	15	12
Central R.R. of New Jersey	7,260	6,839	5,067	15,987	13,550
Cornwall	567	601	604	47	70
Cumberland & Pennsylvania	345	287	305	32	44
Ligonier Valley	130	147	121	58	37
Long Island	812	808	563	2,445	2,715
Penn.-Reading Seashore Lines	1,668	1,420	1,182	1,699	1,463
Pennsylvania System	83,384	67,977	68,216	51,302	42,817
Reading Co.	15,228	15,927	13,685	24,937	20,152
Union (Pittsburgh)	19,202	19,084	19,120	5,508	2,837
Western Maryland	4,444	3,528	3,697	10,207	7,862
<b>Total</b>	<b>180,777</b>	<b>153,806</b>	<b>149,405</b>	<b>137,614</b>	<b>113,210</b>
<b>Peachontas District—</b>					
Chesapeake & Ohio	27,615	22,262	21,855	13,294	9,882
Norfolk & Western	23,782	20,454	17,938	6,177	5,335
Virginian	4,623	4,009	4,238	2,252	1,514
<b>Total</b>	<b>56,020</b>	<b>46,725</b>	<b>44,031</b>	<b>21,723</b>	<b>16,731</b>

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1941	1940	1939	1941	1940
<b>Southern District—</b>					
Alabama, Tennessee & Northern	356	286	259	310	159
Atl. & W. P.—W. R.R. of Ala.	879	807	828	2,048	1,647
Atlanta, Birmingham & Coast	796	722	646	1,266	1,127
Atlantic Coast Line	11,478	11,781	9,919	7,157	6,247
Central of Georgia	4,411	4,257	3,939	4,626	3,666
Charleston & Western Carolina	451	414	420	1,806	1,386
Cinchfield	1,802	1,395	1,504	2,900	2,570
Columbus & Greenville	281	294	352	362	281
Durham & Southern	183	179	189	516	426
Florida East Coast	952	896	791	1,082	1,144
Gainsville Midland	37	46	35	71	91
Georgia	1,564	1,150	977	2,404	1,821
Georgia & Florida	427	325	351	828	512
Gulf, Mobile & Ohio	4,311	3,595	3,291	3,675	2,863
Illinois Central System	26,958	24,190	21,837	12,893	12,516
Louisville & Nashville	24,104	23,586	20,518	8,575	6,458
Macon, Dublin & Savannah	182	144	153	715	857
Mississippi Central	137	146	167	440	467
Nashville, Chattanooga & St. L.	3,452	3,360	2,774	3,759	3,341
Norfolk Southern	1,350	1,139	1,161	1,427	1,275
Piedmont Northern	554	474	406	1,599	1,399
Richmond Fred. & Potomac	451	374	332	6,806	5,339
Seaboard Air Line	11,453	11,092	9,170	1,175	5,945
Southern System	24,897	23,138	21,441	21,700	16,924
Tennessee Central	577	456	403	744	685
Winston-Salem Southbound	148	147	171	944	853
<b>Total</b>	<b>122,191</b>	<b>114,393</b>	<b>102,025</b>	<b>95,834</b>	<b>79,999</b>
<b>Northwestern District—</b>					
Chicago & North Western	18,427	16,115	14,750	13,997	11,927
Chicago Great Western	2,783	2,816	2,432	3,617	3,479
Chicago, Milw., St. P. & Pac.	22,556	21,776	20,164	9,674	9,015
Chicago, St. P., Minn. & Omaha	4,475	4,414	4,272	4,777	3,784
Duluth, Missabe & Iron Range	12,625	784	874	310	169
Duluth, South Shore & Atlantic	724	584	596	583	434
Elgin, Joliet & Eastern	10,861	9,423	8,717	11,055	8,089
Ft. Dodge, Des Moines & South	568	444	411	176	159
Great Northern	15,620	11,669	10,810	4,198	3,414
Green Bay & Western	530	552	570	753	724
Lake Superior & Ishpeming	706	229	194	72	69
Minneapolis & St. Louis	1,989	1,926	1,829	2,345	2,117
Minn., St. Paul & S. S. M.	6,066	5,384	4,827	3,316	3,007
Northern Pacific	11,813	11,418	9,960	4,097	3,915
Spokane International	82	131	134	339	249
Spokane, Portland & Seattle	2,227	2,157	1,462	2,310	1,799
<b>Total</b>	<b>112,052</b>	<b>89,821</b>	<b>82,002</b>	<b>61,519</b>	<b>52,350</b>
<b>Central Western District—</b>					
Atch. Top. & Santa Fe System	23,745	19,903	19,562	8,487	6,768
Alton	3,222	3,099	2,729	2,812	2,342
Bingham & Garfield	533	470	469	101	92
Chicago, Burlington & Quincy	18,845	18,655	15,736	11,059	5,712
Chicago & Illinois Midland	2,672	2,661	2,656	973	911
Chicago, Rock Island & Pacific	13,038	12,229	11,481	9,311	9,263
Chicago & Eastern Illinois	2,809	2,893	2,544	3,636	2,728
Colorado & Southern	1,183	1,204	670	1,774	1,576
Denver & Rio Grande Western	3,890	3,837	3,263	4,107	3,230
Denver & Salt Lake	682	743	510	11	15
Fort Worth & Denver City	1,573	813	1,056	1,282	1,080
Illinois Terminal	2,033	1,763	1,900	1,695	1,465
Missouri-Illinois	1,165	896	865	499	369
Nevada Northern	2,023	1,863	1,873	135	154
North Western Pacific	869	800	622	412	366
Peoria & Pekin Union	22	25	29	0	0
Southern Pacific (Pacific)	26,717	26,978	23,943	8,142	6,237
Toledo, Peoria & Western	438	347	318	1,756	1,247
Union Pacific System	18,413	17,595	15,238	11,333	10,227
Utah	513	449	390	7	11
Western Pacific	2,142	2,060	1,968	2,988	2,147
<b>Total</b>	<b>126,627</b>	<b>119,283</b>	<b>107,842</b>	<b>70,520</b>	<b>59,932</b>
<b>Southwestern District—</b>					
Burlington-Rock Island	172	160	158	268	238
Gulf Coast Lines	4,037	3,267	3,162	2,245	1,082
International-Great Northern	1,845	1,673	1,542	2,495	2,458
Kansas, Oklahoma & Gulf	314	167	215	936	1,097
Kansas City Southern	2,750	2,379	2,035	3,152	2,080
Louisiana & Arkansas	2,718	2,191	1,818	2,080	1,564
Midland Valley	335	363	393	1,102	913
Missouri & Arkansas	670	764	594	237	205
Missouri-Kansas-Texas	210	150	183	497	367
Missouri-Pacific	4,959	4,470	3,987	3,789	2,885
Quannah Acme & Pacific	166	125	106	239	136
St. Louis-San Francisco	9,697	8,896	7,596	6,157	4,828
St. Louis Southwestern	3,487				

**Economics and Farm Management, New York State College of Agriculture, also addressing the meeting Dec. 5, declared that present retail food prices are not high, being still more than 10% below the 1926 level, and the criticism of consumers to present food costs is based upon memories of the abnormally low food prices. Dr. Myers said that during the 30's city people became accustomed to food prices that were too low for national welfare and too low to be maintained. He also warned New York State farmers and bankers to be on the lookout for "over-enthusiasm" in land values, adding:**

Good farms are still cheap, but the ingredients of a land boom are present. Farm prices and incomes are rising. Government subsidies in AAA payments are continuing at the high levels of the depression. Farm mortgage interest rates are the lowest in history, and are reduced to still lower levels by direct Government subsidies to Federal Land Bank borrowers. The result of these inflationary forces is inevitable as the memories of the depression grow dim.

Dr. Myers stated that a "reasonable" recovery in land values is desirable, but he warned that "no one gains from a land boom in the long run, and steps should now be taken to reduce that danger."

**Supply Position Of Eastern Cane Sugar Refiners Reported**

A second report on the supply and shipping position of eastern cane sugar refiners for the remainder of 1941 was made public Dec. 5 by the Department of Agriculture. Statistics contained in the report and prepared by the Sugar Division of the Agricultural Adjustment Administration, show that the quantity of offshore sugar the refiners south of Cape Hatteras had on hand on Nov. 1, their receipts of sugar between that time and Nov. 22, and their sugars afloat or for which vessels had been chartered as of Nov. 22, amounted to 154,957 short tons, raw value. This supply, together with the estimated 275,000 tons of mainland cane sugar from the 1941 crop which will be available for melting by these refiners during the balance of the year, totals 429,957 tons, as compared with their meltings of 219,792 tons during the last two months of 1940. The report notes:

The comparable 1941 figures on stocks, afloats, and charterings of offshore sugar of the refiners north of Cape Hatteras totaled 533,313 tons. The meltings of these refiners in the November-December, 1940, period amounted to 468,711 tons. Therefore, the raw sugar supplies of all eastern refiners for the 1941 period under discussion amounted to 963,270 tons as compared with total meltings of 688,503 tons during the last two months of 1940. Distribution by these refiners during November and December, 1940, totaled 748,430 tons.

These figures do not include the raw sugar stocks of firms refining sugar for their own use in manufactured articles or balances of quota sugars to be chartered. In addition to the raw sugar supplies, eastern refiners had about 155,000 tons of refined sugar on hand on Nov. 1 while eastern importers of direct consumption sugar had approximately 79,000 tons of quota sugar on the same date. Moreover, continental cans mills normally market about 35,000 tons of direct-consumption sugar during the last two months of the year.

**World Prices Steady**

General Motors Corp. and Cornell University, which prior to the European war had collaborated in the publication of a world commodity price index, have resumed issuance of international price statistics, but on a different basis than before the war. Instead of a composite index of world prices, these organizations now are publishing the information only as individual country indexes.

The index is built upon 40 basic commodities and the list is the same for each country in so far as possible. Each commodity is weighted uniformly for each country, according to its relative importance in world production. The actual price data are collected weekly by General Motors overseas operations from sources described as "the most responsible agencies available in each country, usually a government department." The commodities involved include "a comprehensive list of several groups, including grains, livestock and livestock products, miscellaneous foods (coffee, cocoa, tea, sugar, &c.), textiles, fuels, metals and a list of other miscellaneous materials (rubber, hides, lumber, newsprint, linseed oil, &c.)." Weights assigned in the index to the different commodity groups are as follows: Grains, 20; livestock and livestock products, 19; vegetable fats and other foods, 9; textiles, 12; fuel, 11; metals, 11; miscellaneous, 18.

The indexes, which are based on prices expressed in the currency of each country, were reported Dec. 15 as follows:

	Argentina	Australia	Canada	England	India	Mexico	New Zealand	Sweden	Switzerland	United States
(August, 1939=100)										
<b>1940—</b>										
May	120	118	120	143	116	113	112	131	132	112
June	118	118	120	144	116	113	114	133	136	109
July	118	118	120	145	115	112	114	132	140	109
August	118	119	120	150	115	111	120	132	144	109
September	116	120	121	145	116	110	122	135	153	111
October	113	123	122	145	117	110	120	139	158	114
November	113	125	124	146	118	111	118	142	164	118
December	113	126	126	149	120	111	119	144	168	118
<b>1941—</b>										
January	114	127	126	150	120	111	119	144	172	120
February	114	126	127	150	121	113	119	147	171	120
March	119	122	129	150	123	114	119	154	176	122
April	121	121	131	150	125	115	119	156	180	125
May	126	120	134	152	129	117	120	156	189	129
June	133	121	137	155	131	119	121	155	193	132
July	r135	r121	r141	r156	r136	r125	r122	r155	194	r136
August	138	121	r142	157	138	127	123	156	196	138
September	r140	122	145	r157	138	r130	r123	156	203	143
October	140	123	143	r158	139	132	126	156	207	140
November	141	124	143	158	141	133	124	157	209	141
<b>1941—</b>										
Weeks end:										
Nov. 1	r140	124	142	158	140	r133	126	157	208	140
Nov. 8	140	124	142	158	140	r133	125	157	209	r139
Nov. 15	140	124	142	*157	141	133	124	157	209	r141
Nov. 22	142	124	143	*157	141	133	124	157	209	r141
Nov. 29	142	123	143	*158	*141	132	124	157	209	r141
Dec. 6	141	122	143	*158	---	137	124	157	209	142

\* Preliminary. † Revised

**Bank Debts Up 19% From Last Year**

Bank debts as reported by banks in leading centers for the week ended Dec. 10 aggregated \$10,914,000,000. Total debits during the 13 weeks ended Dec. 10 amounted to \$144,395,000,000, or 24% above the total reported for the corresponding period a year ago. At banks in New York City there was an increase of 20% compared with the corresponding period a year ago, and at the other reporting centers there was an increase of 27%.

**SUMMARY BY FEDERAL RESERVE DISTRICTS (In millions of dollars)**

Federal Reserve District	Week Ended		13 Weeks Ended	
	Dec. 10, 1941	Dec. 11, 1940	Dec. 10, 1941	Dec. 11, 1940
Boston	610	668	8,073	6,933
New York	4,421	3,825	57,849	48,265
Philadelphia	597	490	7,621	6,040
Cleveland	764	602	10,480	8,086
Richmond	437	353	5,894	4,533
Atlanta	609	368	29	4,775
Chicago	1,609	1,282	21,614	17,118
St. Louis	373	305	4,913	3,656
Minneapolis	220	170	2,851	2,197
Kansas City	325	260	4,501	3,546
Dallas	281	215	3,871	2,909
San Francisco	910	729	11,952	9,451
Total, 274 reporting centers	10,914	9,190	144,395	116,412
New York City*	4,060	3,538	52,875	44,149
140 Other leading centers*	5,888	4,883	78,939	62,345
133 Other centers	966	768	12,582	9,918

\* Included in the national series covering 141 centers, available beginning with 1919

**Preliminary Estimate Of Nov. Coal Production**

According to preliminary estimates made by the Bureau of Mines and the Bituminous Coal Division of the United States Department of Interior, bituminous coal output during the month of November, 1941, amounted to 42,865,000 net tons, compared with 40,012,000 net tons in the corresponding month last year and 49,800,000 net tons in October, 1941. Anthracite production during November, 1941, totaled 3,832,000 net tons, as against 3,980,000 net tons in the same month a year ago and 5,380,000 net tons in October, 1941. The consolidated statement of the two aforementioned organizations follows:

	Total for Month	Number of Working Days	Average per Working Day (Net Tons)	Cal. Year to End of November (Net Tons)
November, 1941 (Preliminary)	46,697,000	23.6	1,978,700	54,473,000
Bituminous coal a	42,865,000	23.6	1,816,000	50,233,000
Anthracite b	3,832,000	---	---	5,020,000
Beehive coke	530,000	---	---	---
October, 1941 (Revised)	49,800,000	27	1,844,000	---
Bituminous coal a	45,380,000	---	---	---
Anthracite b	612,800	---	---	---
Beehive coke	612,800	---	---	---
November, 1940 (Revised)	40,012,000	24	1,667,000	41,845,000
Bituminous coal a	3,980,000	---	---	46,651,000
Anthracite b	---	---	---	---
Beehive coke	416,800	---	---	2,567,700

a Includes for purposes of historical comparison and statistical convenience the production of lignite.  
b Total production, including colliery fuel, washery and dredge coal and coal shipped by truck from authorized operations.

Note—All current estimates will later be adjusted to agree with the results of the complete canvass of production made at the end of the calendar year.

**Fertilizer Assn. Price Average Rises**

The general level of wholesale commodity prices was moderately higher last week, according to the price index compiled by The National Fertilizer Association and issued Dec. 15. This index, in the week ended Dec. 13 rose to 119.1, the highest point recorded since February, 1930, from 117.2 in the preceding week. The index was 116.5 a month ago and 98.8 a year ago, based on the 1935-1939 average as 100.

The food index continued its uptrend, rising to the highest level recorded since 1929, with 19 items included in the group advancing and only 1 declining. The farm product index soared upward as grains, livestock, eggs, and hay increased in price during the week; a slight decline in the price of raw cotton had very little effect on the group index. Increased prices for cottonseed meal, and cattle feed pushed the index of miscellaneous commodities upward. The textile price average registered a fractional advance. The only other group index to change during the week was the fuel price average which declined somewhat due to lower bunker oil quotations.

During the week advances in price series included in the index outnumbered declines 39 to 3; in the preceding week there were 31 advances and 10 declines; in the second preceding week there were 25 advances and 15 declines.

**WEEKLY WHOLESALE COMMODITY PRICE INDEX**  
Compiled by The National Fertilizer Association  
1935-1939=100\*

Each Group Bears to the Total Index	GROUP	Latest Preceding Month			Year Ago
		Dec. 13, 1941	Dec. 6, 1941	Nov. 8, 1941	
25.3	Foods	116.6	113.1	113.5	91.3
	Fats and Oils	129.0	124.4	122.7	68.9
	Cottonseed Oil	156.0	149.3	143.6	66.1
23.0	Farm Products	124.4	119.2	116.4	89.6
	Cotton	163.1	163.4	153.8	91.5
	Grains	117.0	109.2	107.7	85.0
	Livestock	118.4	112.5	110.5	88.6
17.3	Fuels	111.9	113.3	112.3	101.1
10.8	Miscellaneous Commodities	126.9	126.2	126.0	110.6
8.2	Textiles	140.8	140.7	138.6	111.5
7.1	Metals	104.0	104.0	104.0	103.0
6.1	Building Materials	131.2	131.2	131.3	118.5
3	Chemicals and Drugs	112.0	112.0	112.3	103.8
3	Fertilizer Materials	114.9	114.8	114.6	104.3
3	Fertilizers	109.8	109.8	107.5	103.0
3	Farm Machinery	100.7	100.7	100.2	99.6
100.0	All Groups Combined	119.1	117.2	116.5	98.8

\*Base period changed Jan. 4 from 1926-1928 average to 1935-1939 average as 100. Indexes on 1926-1928 base were: Dec. 13, 1941, 92.8; Dec. 6, 1941, 91.3; Dec. 14, 1940, 77.0.

**Electric Output For Week Ended Dec. 13, 1941 Shows 14.2% Gain Over Same Week Last Year**

The Edison Electric Institute, in its current weekly report, estimated that the production of electricity by the electric light and power industry of the United States for the week ended Dec. 13, 1941, was 3,431,328,000 kwh. The current week's output is 14.2% above the output of the corresponding week of 1940 when production totaled 3,003,543,000 kwh. The output for the week ended Dec. 6, 1941 was estimated to be 3,368,870,000 kwh., an increase of 13.2% over the corresponding week a year ago.

**PERCENTAGE INCREASE OVER PREVIOUS YEAR**

Major Geographic Regions	Week Ended			
	Dec. 13, '41	Dec. 6, '41	Nov. 29, '41	Nov. 22, '41
New England	19.6	18.2	23.2	9.5
Middle Atlantic	13.3	10.6	9.9	11.2
Central Industrial	16.0	14.3	13.2	14.5
West Central	12.7	11.9	12.8	14.8
Southern States	14.9	13.8	9.3	13.0
Rocky Mountain	17.5	18.7	16.3	17.4
Pacific Coast	*6.8	*9.8	*12.2	*10.5
Total United States	14.2	13.2	12.3	12.9

\*Percentage should be higher; data under revision.

**DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)**

Week Ended	1941	1940	Percent Change			
			1941 from 1940	1939	1938	
July 5	2,866,865	2,425,229	+18.2	2,145,033	1,937,486	2,139,281
July 12	3,141,158	2,651,626	+18.5	2,402,893	2,164,099	2,358,438
July 19	3,162,586	2,681,071	+18.0	2,377,902	2,152,779	2,321,531
July 26	3,183,925	2,760,935	+15.3	2,426,631	2,159,667	2,312,104
Aug. 2	3,226,141	2,762,240	+16.8	2,399,805	2,193,750	2,341,103
Aug. 9	3,195,009	2,743,284	+16.5	2,413,600	2,198,266	2,360,960
Aug. 16	3,200,318	2,745,697	+16.6	2,453,556	2,206,560	2,365,659
Aug. 23	3,193,404	2,714,193	+17.7	2,434,101	2,202,454	2,351,233
Aug. 30	3,223,609	2,736,224	+17.8	2,442,021	2,216,648	2,380,301
Sept. 6	3,095,746	2,591,957	+19.4	2,375,852	2,109,985	2,211,398
Sept 13	3,281,290	2,773,177	+18.3	2,532,014	2,279,233	2,338,370
Sept 20	3,232,192	2,769,346	+16.7	2,538,118	2,211,059	2,231,277
Sept 27	3,233,278	2,816,358	+14.8	2,558,538	2,207,942	2,331,415
Oct. 4	3,289,692	2,792,067	+17.8	2,554,290	2,228,586	2,339,384
Oct. 11	3,314,952	2,817,465	+17.7	2,583,366	2,251,089	2,324,750
Oct. 18	3,273,184	2,837,730	+15.3	2,576,331	2,281,328	2,327,212
Oct. 25	3,299,120	2,866,827	+15.1	2,622,267	2,283,831	2,297,785
Nov. 1	3,338,538	2,882,137	+15.8	2,608,664	2,270,534	2,245,449
Nov. 8	3,325,574	2,858,054	+16.4	2,588,618	2,276,904	2,214,337
Nov. 15	3,304,464	2,889,937	+14.3	2,587,113	2,325,273	2,263,679
Nov. 22	3,205,034	2,839,421	+12.9	2,560,962	2,247,71	

# Daily Average Crude Oil Production for Week Ended Dec. 13, 1941 Up 1,600 Barrels

The American Petroleum Institute estimates that the daily average oil production for the week ended Dec. 13, 1941 was 4,109,550 barrels. This was an increase of 1,600 barrels over the output of the preceding week and the current week's figure was below the 4,139,000 barrels calculated by the U. S. Department of the Interior to be the total of restrictions imposed by the various oil-producing States during December. Daily average production for the four weeks ended Dec. 13, 1941 is estimated at 4,160,250 barrels. The daily average output for the week ended Dec. 14, 1940 total 3,578,950 barrels. Further details as reported by the institute follow:

Reports received from refining companies owning 86.7% of the 4,622,000 barrel estimated daily potential refining capacity of the United States, indicate that the industry as a whole ran to stills, on a Bureau of Mines' basis, 3,997,000 barrels of crude oil daily during the week, and that all companies had in storage at refineries, bulk terminals, in transit and in pipe lines as of the end of the week, 87,422,000 barrels of finished and unfinished gasoline. The total amount of gasoline produced by all companies is estimated to have been 13,610,000 barrels during the week.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	aB. of M. Calcu- lated Re- quire- ments (December)	State Allow- ables	Actual Production— Week Ended Dec. 13 1941	Change From Previous Week	4 Weeks Ended Dec. 13 1941	Week Ended Dec. 14 1940
Oklahoma	460,000	428,000	4410,100	+ 6,450	419,750	384,250
Kansas	260,700	264,000	2255,950	+ 15,250	250,000	199,050
Nebraska	6,100	-----	65,150	+ 700	5,650	3,000
Panhandle Texas	-----	-----	87,800	- 11,350	91,750	76,550
North Texas	-----	-----	107,800	- 50	109,550	106,750
West Central Texas	-----	-----	31,300	+ 100	31,700	31,150
West Texas	-----	-----	290,800	+ 1,500	299,800	218,250
East Central Texas	-----	-----	84,300	- 2,350	86,900	81,500
East Texas	-----	-----	369,250	- 50	386,600	375,050
Southwest Texas	-----	-----	215,650	- 1,000	225,150	199,050
Coastal Texas	-----	-----	292,000	- 50	303,100	243,350
Total Texas	1,479,700	1,555,192	1,478,900	- 13,250	1,534,550	1,331,650
North Louisiana	-----	-----	81,700	+ 200	81,700	68,750
Coastal Louisiana	-----	-----	276,000	- 2,250	271,800	218,800
Total Louisiana	340,000	354,705	357,700	- 2,050	353,500	287,550
Arkansas	76,500	75,297	73,600	- 350	73,750	68,750
Mississippi	60,300	-----	675,600	+ 900	75,950	13,350
Illinois	426,500	-----	386,650	- 11,950	397,650	325,400
Indiana	19,700	-----	618,650	- 1,450	18,800	19,800
Eastern (not incl. Ill and Ind.)	96,900	-----	94,550	+ 1,250	94,800	93,850
Michigan	52,300	-----	56,900	+ 3,750	56,150	42,450
Wyoming	81,900	-----	86,100	+ 550	84,300	68,350
Montana	20,700	-----	22,600	+ 1,150	21,700	18,150
Colorado	5,800	-----	5,050	- 400	5,300	3,500
New Mexico	116,100	117,000	117,750	- 50	117,700	101,400
Total East of Calif.	3,503,200	-----	3,445,250	- 13,800	3,509,550	2,960,450
California	635,800	6613,200	664,300	+ 15,400	650,700	618,500
Total United States	4,139,000	-----	4,109,550	+ 1,600	4,160,250	3,578,950

aThese are Bureau of Mines' calculations of the requirements of domestic crude oil based upon certain premises outlined in its detailed forecast for the month of December. As requirements may be supplied either from stocks, or from new production, contemplated withdrawals from crude oil inventories must be deducted from the Bureau's estimated requirements to determine the amount of new crude to be produced.

bOkla., Kans., Neb., Miss., Ind. figures are for week ended 7 a. m. Dec. 10.

cThis is the net basic 31-day allowable as of Dec. 1, but experience indicates that it will increase as new wells are completed, and if any upward revisions are made. With a few exceptions the entire State was ordered shut down on Dec. 6, 7, 13, 14, 21, 25, 28 and 30.

dRecommendation of Conservation Committee of California Oil Producers.

NOTE—The figures indicated above do not include any estimate of any oil which might have been surreptitiously produced.

## CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE AND GAS AND FUEL OIL, WEEK ENDED DEC. 13, 1941

(Figures in Thousands of Barrels of 42 Gallons Each)

District	Po- ten- tial port- ing Rate	P. C. Re- ver- sion	Daily Aver.	Crude Runs to Still	Gasoline Produc- tion	Stocks of Re- fined & Unfin- ished Gaso- line	e Stocks of Gas and Fuel Oil	Stocks of Re- fined & Unfin- ished Gaso- line	Stocks of Gas and Fuel Oil	Stocks of Gas and Fuel Oil
East Coast	704	100.0	624	88.6	1,836	19,675	21,146	12,809	E. Coast	7,280
Appalachian	168	83.9	129	91.5	475	3,365	626	428	428	587
Ind., Ill., Ky.	765	84.7	617	95.2	2,430	15,802	5,433	4,258	Interior	1,497
Okla., Kans., Mo.	413	80.7	283	85.0	1,096	8,011	1,869	2,103	1,497	1,497
Inland Texas	265	63.4	147	87.5	636	2,413	464	1,242	-----	-----
Texas Gulf	1,117	91.2	985	96.7	3,423	13,167	6,920	8,153	G. Coast	2,669
Louisiana Gulf	172	95.3	167	101.8	513	2,619	1,636	2,348	-----	-----
No. La. & Arkansas	95	49.9	50	106.4	156	478	313	339	-----	-----
Rocky Mountain	136	50.1	44	64.7	174	1,161	134	322	Calif.	6,880
California	787	90.9	566	79.2	1,511	15,331	12,693	62,585	2,127	6,880
Reported	86.7	3,612	90.1	12,250	82,022	51,234	94,587	6,880	6,880	6,880
Est. unreported	-----	385	-----	1,360	5,400	1,575	1,175	-----	400	400
aEst. Total U. S.	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Dec. 13, 1941	4,622	-----	3,997	-----	13,610	87,422	52,809	95,762	7,280	7,280
aEst. Total U. S.	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Dec. 6, 1941	4,567	-----	3,945	-----	13,610	87,422	52,809	95,762	7,280	7,280
U. S. B. of Mines	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
aDec. 14, 1940	-----	-----	3,942	-----	11,301	80,769	44,598	102,517	6,332	6,332

a Estimated Bureau of Mines' basis. b Finished, 79,388,000 bbl.; unfinished, 8,034,000 bbl. c At refineries, bulk terminals, in transit and pipe lines. d Included finished and unfinished gasoline total.

## Bonds In Moderate Recovery

Since last Wednesday there has been a general recovery in bond prices. High-grade corporates and Treasury bonds have regained perhaps a fourth of the loss experienced upon the advent of war, with lower-grade corporates lagging in the recovery.

High-grade railroad bonds have acted better this week and prices have been fractionally higher. Kansas City Terminal 4s, 1960, gained 1/4 at 109. Medium-grade rail bonds have been higher while speculative rail issues in good trading volume scored advances. Among the latter Southern Pacific 4 1/2s, 1981, advanced 2 to 45 1/2. New York Central 4 1/2s, 2013, at 43 1/2 were up 1/2. Through the Association of American Railroads, Class 1 roads petitioned the ICC to grant increased passenger and freight rates to enable them to meet the higher costs resulting from the recently awarded wage increase.

The utility bond market has partially recovered from last week's falling prices reflecting early uncertainty over war developments. High grades have gained fractions over prices of a week ago, Brooklyn Edison 3 3/4s, 1966, advancing 3/4 to 108 3/4 and Southwestern Bell Telephone 3s, 1968, gaining 1/4 at 106 3/4. Advances among speculatives assumed larger proportions. Laclade Gas 5 1/2s, 1953, at 79 3/4 were up 5/8. Cities Service 5s, 1958, advanced 3/4 to 83 3/4 and Standard Gas & Electric 6s, 1957, recovered 3 points to 74 1/2.

Group movements among industrial bonds have been much more pronounced this week than for some time in the past. Thus, paper, sugar, textile, coal and oil bonds gained, with steel company bonds showing mixed changes, although gains have been predominant. The best gains in the oil group have been made by such high grades as Phillips Petroleum 1 3/4s, 1951, Socony-Vacuum 3s, 1964, and Texas Corporation 3s, 1965, the foregoing gaining 1 to 2 3/4 points; other gains registered by oil bonds have been fractional. Tobacco company bonds have been mixed, with Liggett & Myers 7s, 1944, gaining fractionally whereas the Lorillard 5s, 1951, lost 3 1/2 points at 122. Among machinery and machine tool bonds, issues such as the Allis Chalmers 4s, 1952, and R. Hoe 4 1/2s, 1944, gained one or more points while others in the group have been steady.

After their sharp break, foreign issues developed some rallying strength but for the most part prices have remained below last week's closing levels. Canadian loans have been comparatively steady with losses limited to one point and less; better-grade Latin-American issues such as Argentine 4s were over a point lower while declines in Buenos Aires issues extended to several points. Panama 3 1/4s, 1994, were 1/4 lower at 59 3/4 and Cuba 4 1/2s, 1977, gained 1/2 point at 73 1/2. Among Brazilian bonds the Sao Paulo Coffee 7s, 1940, suffered a loss of 2 1/2 points at 55 1/2. Denmark 6s and Norwegian long terms showed the most impressive rally in late dealings.

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

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

1941 Daily Average	U. S. Govt. Bonds	Ave. Corporate Rate	Corporate by Ratings			Corporate by Groups			
			Aaa	Aa	A	Baa	R. R.	P. U.	Indus.
Dec. 16	118.16	106.56	117.00	114.08	107.98	90.34	96.07	110.70	114.27
15	118.09	106.56	117.00	114.08	107.98	90.06	96.07	110.52	114.08
13	118.13	106.39	116.80	113.70	107.98	90.06	95.92	110.52	113.89
12	118.18	106.21	116.80	113.70	107.80	89.78	95.77	110.52	113.70
11	117.71	106.21	116.81	113.31	107.98	90.06	95.92	110.52	113.50
10	117.70	106.21	116.61	113.31	107.80	89.78	95.77	110.52	113.31
9	118.17	106.39	116.80	113.50	108.16	89.78	95.92	110.88	113.31
8	118.69	107.44	117.80	114.85	109.06	90.91	96.85	111.81	114.86
6	119.59	108.16	118.40	115.43	109.60	91.77	97.31	112.19	115.82
5	119.62	108.16	118.40	115.43	109.60	91.91	97.47	112.19	116.02
4	119.56	108.16	118.60	115.43	109.60	91.91	97.47	112.37	116.02
3	119.58	108.16	118.60	115.43	109.60	91.91	97.47	112.37	116.02
2	119.59	108.16	118.60	115.63	109.60	91.91	97.31	112.37	116.02
1	119.65	108.16	118.40	115.43	109.60	91.91	97.31	112.37	116.02
Nov. 28	119.77	108.16	118.60	115.63	109.60	91.62	97.16	112.37	116.02
21	119.96	108.16	118.60	115.62	109.60	91.77	97.47	112.37	116.02
14	119.98	108.16	118.60	115.62	109.62	91.77	97.31	112.37	116.02
7	120.04	108.34	118.60	115.62	109.60	92.20	97.78	112.37	116.22
Oct. 31	120.03	108.16	118.40	115.62	109.42	92.06	97.47	112.19	116.01
24	119.43	108.16	118.40	115.63	109.42	92.06	97.47	112.19	116.02
17	119.23	107.98	118.40	115.43	109.06	91.77	97.00	112.00	116.02
10	119.16	107.98	118.20	115.24	109.06	91.91	97.16	112.00	116.02
3	119.21	107.98	118.40	115.43	109.06	91.77	97.00	112.00	116.02
Sept. 24	118.95	107.44	118.00	114.85	108.70	91.19	96.69	111.81	115.43
17	118.82	107.62	118.20	114.66	108.70	91.48	96.69	111.62	115.43
10	119.02	107.62	118.00	114.66	108.70	91.62	97.00	111.81	115.24
5	119.13	107.80	118.20	114.85	108.88	95.06	97.31	112.00	115.24
Aug. 29	119.14	107.80	118.40	114.85	108.88	91.77	97.16	111.81	115.43
July 27	119.55	107.60	118.00	114.66	108.52	92.06	97.47	112.00	115.04
June 27	119.45	107.44	118.00	114.66	107.80	91.77	97.16	114.44	114.66
May 29	118.71	106.39	116.61	113.31	107.09	91.05	96.69	110.70	112.75
Apr. 25	118.62	106.21	116.61	112.75	106.56	91.19	96.69	110.34	112.11
Mar. 28	117.80	105.86	116.41	112.19	106.04	91.05	96.54	109.79	111.81
Feb. 28	116.93	105.86	117.20	112.93	106.21	89.78	95.92	109.79	112.75
Jan. 31	117.14	106.39	118.00	113.70	106.39	90.48	96.85	109.79	113.74
High 1941	120.05	108.52	118.60	116.02	109.60	92.50	97.78	112.56	116.43
Low 1941	115.89	105.52	116.22	112.00	106.04	89.23	95.62	109.42	111.62
High 1940	119.63	106.74	119.00	115.04	106.74	89.92	96.07	110.88	114.86
Low 1940	113.02	99.04	112.19	109.60	99.52	79.37	86.38	105.52	106.56
1 Year ago	-----	-----	-----	-----	-----	-----	-----	-----	-----
Dec. 16, 1940	119.60	106.56	118.80	114.66	106.74	89.64	95.92	110.	

tion for overtime work and likewise does not alter the employee's regular hourly rate of pay. The considerations which dictate that interpretation are like those which control here. The employer's records must, of course, show the hours of absence and the amount paid therefor, if a sum so paid is to be excluded when an employee's regular rate of pay and overtime compensation under the Act are computed.

### Non-Farm Real Estate Foreclosures Up In Oct.

The Federal Home Loan Bank Board announced Dec. 1 that the 4% rise in the seasonally-adjusted index of non-farm foreclosure activity, which was noted during the month of October, represents a reversal from the lowering foreclosure trend of the past eight years. This increase from September was caused almost entirely by accelerated foreclosure actions in those areas which are not experiencing a shortage of housing due to increased defense activity. Of interest also is the fact that the smaller communities of the nation displayed sizeable expansion in the September-to-October comparison, while foreclosures in the largest metropolitan cities continued with a favorable downward movement. The Board further reports:

In terms of actual cases, non-farm real estate foreclosures in the United States increased less than 1%, from 4,374 cases in September to 4,408 in October. This is somewhat unfavorable in view of the customary 3% decline expected at this time of year. After adjustment for this seasonal factor, the foreclosure index rose 4% in the month of October and now stands 34.2 as compared to the average month of the 1935-1939 period.

More than half of the States in the country show increases in October as compared with September. Out of the 12 Federal Home Loan Bank Districts, eight participated in this upward movement, thus more than offsetting decreases shown by the Pittsburgh, Winston-Salem, Des Moines and Topeka districts.

### Social Security Booklet

Ninety-five per cent of employees in American industry do not know that they and their families are entitled to substantial cash benefits from the Social Security Program while under 65 years of age, according to a survey by the International Relations Division of Commodity Research Bureau, Inc. The survey also revealed that the great majority of employees did not realize how large a sum their employers were contributing regularly to the various Social Security benefits.

To fill the evident need for more information on this important subject, a comprehensive 32-page booklet has been prepared by Commodity Research Bureau for distribution by employers to their workers. All information was compiled from official Government sources and is presented in finished form in an attractive red, white and blue cover design. On the first page, the publishers state that the booklet "Social Security" is a "special study dealing with one of the many advantages of the American way of life. It is designed to help our citizens get full measure out of what this country has to offer."

Copies are offered to employers in quantity lots at nominal prices. All employers and executives are invited to request a free specimen copy of "Social Security" which may be obtained by writing Commodity Research Bureau, Inc., 82 Beaver St., New York City.

## Sugar Statistics First 10 Months 1941

The Department of Agriculture issued on Dec. 5 its monthly statistical statement covering the first 10 months of 1941, consolidating reports obtained from cane sugar refiners, beet sugar processors, importers and others. The statement, prepared by the Sugar Division of the Agricultural Adjustment Administration, shows that total deliveries of sugar during the period January-October, 1941 amounted to 6,802,693 short tons, raw value, compared with 5,742,273 tons during the corresponding period last year. The Department gave the following details:

Distribution of sugar in continental United States during the first ten months of 1941, in short tons, raw value, was as follows:

Raw sugar by refiners (Table 1)	7,988
Refined sugar by refiners (Table 2, less exports)	4,609,134
Beet sugar processors (Table 2)	1,638,635
Importers' direct-consumption sugar (Table 3)	503,166
Mainland cane mills for direct consumption (Table 4)	43,770
<b>Total</b>	<b>6,802,693</b>

The distribution of sugar for local consumption in the Territory of Hawaii for the first ten months of 1941 was 30,534 tons and in Puerto Rico 67,256 tons (Table 5).

Stocks of sugar on hand Oct. 31, in short tons, raw value, were as follows:

	1941	1940
Refiners' raws	412,795	320,420
Refiners' refined	297,707	359,975
Beet sugar processors	666,483	780,844
Importers' direct-consumption sugar	103,380	77,106
Mainland cane factories	16,907	16,157
<b>Total</b>	<b>1,497,272</b>	<b>1,554,502</b>

These data were obtained in the administration of the Sugar Act of 1937.

\*Not including raws for processing held by importers other than refiners, which amounted to 19,835 short tons, commercial value, in 1941, and 38,168 short tons, commercial value, in 1940.

Table 1—Raw Sugar; Refiners' Stocks, Receipts, Meltings and Deliveries for Direct Consumption for January-October, 1941 (Short Tons, Raw Value)

Source of Supply	Stocks on Jan. 1, 1941		Receipts	Meltings	Deliveries for direct consumption	Lost by fire, etc.	Stocks on Oct. 31-41
	1941	1940					
Cuba	87,288	2,045,279	1,938,847	2,663	92	0	170,965
Hawaii	34,798	820,290	780,384	2,063	0	0	72,641
Puerto Rico	88,889	780,185	844,044	1,100	69	0	23,861
Philippines	65,727	775,935	737,726	13	123	0	103,800
Continental U. S.	48,223	124,749	162,418	2,149	20	0	8,385
Virgin Island	0	4,602	4,602	0	0	0	0
Other countries	12,437	220,609	199,901	0	2	0	133,143
Miscellaneous (sweepings, etc.)	0	384	384	0	0	0	0
<b>Total</b>	<b>337,362</b>	<b>4,772,033</b>	<b>4,688,306</b>	<b>7,988</b>	<b>306</b>	<b>0</b>	<b>412,795</b>

Compiled in the Sugar Division, from reports submitted by sugar refiners.

\*Includes 143,757 tons in customs' custody.

†Includes 9,838 tons in customs' custody.

Table 2—Stocks, Production and Deliveries of Cane and Beet Sugar by United States Refiners and Processors, January-October, 1941 (short tons, raw value)

	Refineries	Domestic beet factories
Initial stocks of refined, Jan. 1, 1941	271,268	1,601,654
Production	4,683,034	703,464
Deliveries	4,656,595	1,638,635
Final stocks of refined, Oct. 31, 1941	297,707	666,483

Compiled by the Sugar Division, from reports submitted by the sugar refiners and beet sugar factories.

\*The refineries' figures are converted to raw value by using the factor 1.063030 which is the ratio of meltings of raw sugar to refined sugar produced during the years 1939 and 1940.

†Deliveries include sugar delivered against sales for export. The Department of Commerce reports that exports of refined sugar amounted to 47,461 short tons, raw value, during January-September, 1941. Data for exports during October are not yet available.

‡Larger than actual deliveries by a small amount representing losses in re-processing, &c.

Table 3—Stocks, Receipts and Deliveries of Direct-Consumption Sugar from Specified Areas, January-October, 1941 (short tons, raw value)

Source of Supply	Stocks on Jan. 1, '41		Receipts	Deliveries or usage	Stocks on Oct. 31, '41
	1941	1940			
Cuba	25,702	375,287	325,805	*75,184	0
Hawaii	0	4,013	4,013	0	0
Puerto Rico	241	130,642	118,129	†12,754	0
Philippines	12,932	53,041	51,238	14,735	0
Other foreign areas	303	4,385	3,981	707	0
<b>Total</b>	<b>39,178</b>	<b>567,368</b>	<b>503,166</b>	<b>103,380</b>	<b>0</b>

Compiled in the Sugar Division from reports and information submitted by importers and distributors of direct-consumption sugar.

\*Includes 4,192 tons in customs' custody. †Includes 5,350 tons in customs' custody.

Table 4—Mainland Cane Mills' Stocks, Production and Deliveries, January-October, 1941 (short tons, raw value)

Stocks on Jan. 1, '41	Production	Deliveries		Stocks on Oct. 31, '41
		For direct consumption	For further processing	
60,214	111,139	43,770	110,676	16,907

Table 5—Distribution of Sugar for Local Consumption in the Territory of Hawaii and Puerto Rico January-October, 1941 (short tons, raw value)

Territory of Hawaii	30,534
Puerto Rico	67,256

## Living Costs Rose 1% In November According To National Conference Board

The cost of living for wage earners' families in the United States rose 1.0% in November, according to the monthly survey conducted by the Division of Industrial Economics of The Conference Board, and issued on Dec. 12. Since November, 1940, living costs have gone up 8.7%. They are now 29.6% above the April, 1933, low point, 8.0% below November, 1929, costs, and 10.6% above August, 1939, prices. The survey further noted:

Food and clothing prices advanced the most in November. They both increased 1.7%. Food has increased 19.4% since November, 1940, and 22.4% since August, 1939. Clothing prices in November were 8.9% higher than a year previous. The rise during the war period (since August, 1939) has not been nearly so steep as the rise in food prices and has amounted to only 10.7%.

Advances in the costs of other necessities have been more modest. Coal prices increased 0.4% in November. Since November, 1940, they have advanced 7.1%. For fuel and light taken as a whole, the November increase was only 0.2%, and the increase since August, 1939, has been 7.4%.

Rents in November rose on the average 0.3%, and were 2.3% higher than in November, 1940. They have risen only 3.7% since August, 1939. Miscellaneous purchases, or "sundries" cost 0.4% more in November than in October, and 3.9% more than in November, 1940. They were 5.2% more expensive than in August, 1939.

The purchasing value of the dollar was 107.6 cents in November as compared with 108.7 cents in October, 117.0 cents in November, 1940, 99.0 cents in November, 1929, and 100.0 cents in 1923.

The following table shows The Conference Board's indexes for the major items of the family budget in October and November, 1941, and the percentages of change in each:

Item—	Relative Importance in Family Budget	Indexes of the Cost of Living 1923=100		Pct. of Inc. (+) or Dec. (-) from Oct., 1941 to Nov., 1941
		Nov., 1941	Oct., 1941	
*Food	33	92.2	90.7	+1.7
Housing	20	89.5	89.2	+0.3
Clothing	12	89.6	78.3	+1.7
Men's		87.3	86.2	+1.3
Women's		71.9	70.4	+2.1
Fuel and light	5	90.2	90.0	+0.2
Coal		92.4	92.0	+0.4
*Gas and electricity		85.9	85.9	0
Sundries	30	101.9	101.5r	+0.4
Weighted average of all items	100	92.9	92.0r	+1.0
Purchasing value of dollar		107.6	108.7r	-1.0

\*Based on The Conference Board index of food prices for Nov. 14, 1941, and Oct. 15, 1941. †Based upon retail prices of 35 kilowatt hours of electricity, 1,000 cubic feet of natural gas, or 2,000 cubic feet of manufactured gas. r Revised.

## November Steel Output Second Only To October

Weekly production of steel during November was the second highest in history, according to a report released Dec. 9 by the American Iron and Steel Institute.

An average of 1,624,706 net tons of ingots and castings was produced per week during November, only slightly less than the record of 1,634,917 tons per week achieved in October. In November a year ago, steel production averaged 1,507,950 tons per week, a peak up to that time.

Because of the shorter month, the total production of 6,969,987 tons of steel during November fell short of the October record figure of 7,242,683 tons. A total of 6,469,107 tons was produced in November, 1940.

In the first eleven months of 1941, a total of 75,763,558 tons of steel has been produced, 25% more than output of 60,486,305 tons in the corresponding period of 1940 and 50% more than production of 50,467,880 tons in the whole year 1917, the peak in World War I.

During the month just closed the steel industry operated at an average of 98.3% of capacity, compared with 99.0% in October and 96.6% in November of last year.

The following tabulation shows steel ingot production by months for 1940 and 1941 to date:

PRODUCTION OF OPEN HEARTH, BESSEMER AND ELECTRIC STEEL INGOTS AND STEEL FOR CASTINGS

Period	Estimated Production—All Companies—		Calculated weekly production, all companies (net tons)	Number of weeks in month
	Net tons	Percent of capacity		
1941 †				
January	6,928,085	96.9	1,563,902	4.43
February	6,237,900	96.6	1,559,475	4.00
March	7,131,641	99.7	1,609,851	4.43
1st Quarter	20,297,626	97.8	1,578,353	12.86
April	6,756,949	97.6	1,575,046	4.29
May	7,053,238	98.7	1,592,153	4.43
June	6,800,730	98.2	1,585,252	4.29
2nd Quarter	20,610,917	98.2	1,584,237	13.01
1st 6 months	40,908,543	98.0	1,581,312	25.87
July	6,821,682	93.4*	1,543,367	4.42
August	7,000,957	95.7	1,580,351	4.43
September	6,819,706	96.4	1,593,389	4.28
3rd Quarter	20,642,345	95.2	1,572,151	13.13
9 months	61,550,888	97.0	1,578,228	39.00
October	7,242,683	99.0	1,634,917	4.43
November	6,969,987	98.3	1,624,706	4.29
1940 †				
January	5,764,723	83.4	1,301,292	4.43
February	4,525,797	70.0	1,093,188	4.14
March	4,389,183	63.5	990,786	4.43
1st Quarter	14,679,703	72.3	1,129,208	13.00
April	4,100,474	61.2	955,821	4.29
May	4,967,782	71.8	1,121,395	4.43
June	5,657,443	84.5	1,318,751	4.29
2nd Quarter	14,725,699	72.5	1,130,875	13.01
1st 6 months	29,405,402	72.4	1,130,542	26.01
July	5,724,625	83.0	1,295,164	4.42
August	6,186,383	89.5	1,396,475	4.43
September	6,056,246	90.6	1,415,011	4.28
3rd Quarter	17,967,254	87.7	1,368,412	13.12
9 months	47,372,656	77.5	1,210,339	39.14
October	6,844,542	96.1	1,499,897	4.43
November	6,469,107	96.6	1,507,950	4.29
December	6,495,357	94.1	1,469,538	4.42
4th Quarter	19,809,006	95.6	1,492,314	13.14
Total	66,981,662	82.1	1,281,210	52.28

\* Revised. † Based on Reports by Companies which in 1940 made 98.43% of the Open Hearth, 100% of the Bessemer and 85.82% of the Electric Ingot and Steel for Castings Production.

Note—In 1940 the percentages of capacity operated are calculated on weekly capacities of 1,410,136 net tons open hearth, 114,956 net tons Bessemer and 36,011 net tons electric ingots and steel for castings, total 1,561,097 net tons; based on annual capacities as of Dec. 31, 1939 as follows: Open hearth 73,721,592 net tons, Bessemer 6,009,929 net tons, electric 1,882,630 net tons. In 1941 the percentages of capacity operated in the first 6 months are calculated on weekly capacities of 1,430,102 net tons open hearth, 134,187 net tons Bessemer and 49,603 net tons electric ingots and steel for castings, total 1,613,892 net tons; based on annual capacities as of Dec. 31, 1940 as follows: Open hearth 74,565,510 net tons, Bessemer 6,996,520 net tons, electric 2,586,320 net tons. Beginning July 1, 1941, the percentages of capacity operated are calculated on weekly capacities of 1,459,132 net tons open hearth, 130,292 net tons Bessemer and 62,761 net tons electric ingots and steel for castings, total 1,652,185 net tons; based on annual capacities as of June 30, 1941 as follows: Open hearth, 76,079,130 net tons, Bessemer 6,793,400 net tons, Electric 3,272,370 net tons.

### Sugar Quota Entries Above Last Year

The U. S. Department of Agriculture issued on Dec. 6 its eleventh monthly report on the status of the 1941 sugar quotas for the various offshore sugar-producing areas supplying the United States market. The report, prepared by the Sugar Division of the Agricultural Adjustment Administration, shows that the quantity of sugar charged against the quotas for all offshore areas, including the full-duty countries, amounted to 5,320,738 short tons raw value, during the first 11 months of the year, as compared with 4,222,311 tons in the corresponding periods of 1940. An announcement by the Department of Agriculture also had the following to say:

The report includes sugar from all areas recorded as entered or certified for entry before Dec. 1, 1941. The figures are subject to change after final outturn weight and polarization data for all entries are available.

There were 165,110 short tons of sugar, raw value, charged against the quota for the mainland cane area, and 1,638,635 short tons, raw value, against the quota for the continental sugar beet area, during the period January-October this year. Data for these two areas are not yet available for November.

The quantities charged against the quotas for the offshore areas during the first eleven months of the year and the balances remaining are as follows:

Area—	—1941 Sugar Quota—		Quantity Charged Against Quota	Balance Remaining
	(Short Tons, 96 Degree Equivalent)	(Short Tons, 96 Degree Equivalent)		
Cuba	2,887,429		2,450,051	437,378
Philippines	1,387,383		851,689	†
Less amount reallocated	404,720	982,663		
Puerto Rico	1,148,160		985,567	25,625
Less amount reallocated	136,968	1,011,192		
Hawaii	1,263,700		847,023	146,499
Less amount reallocated	270,178	993,522	4,602	†
Virgin Islands	12,829		181,806	†
Foreign countries other than Cuba	440,304			
Total	6,327,939	5,320,738		†

\*Of which approximately 165,000 tons were in U. S. Customs' custody. †The quantity available for entry during the remainder of the year is expected to be less than the quota balance.

#### DIRECT-CONSUMPTION SUGAR

Direct-consumption sugar is included in the above amounts charged against the various quotas.

Area—	—1941 Sugar Quota—		Quantity Charged Against Quota	Balance Remaining
	(Short Tons, 96 Degree Equivalent)	(Short Tons, 96 Degree Equivalent)		
Cuba	375,000	355,940	19,060	375,000
Puerto Rico	126,033	112,190	13,843	126,033
Hawaii	29,616	4,028	2,428	6,456
Philippines	80,214	55,489	551	56,040
Total	610,863	527,647	35,882	47,334

#### QUOTAS FOR FULL-DUTY COUNTRIES

Area—	1941 Quota (in pounds)		Quantity Charged Against Quota (in pounds)	Balance Remaining (in pounds)
	1941 Quota	Quantity Charged Against Quota		
Canada	7,279,181	592,834	6,686,347	
China and Hongkong	3,682,673	276,281	3,406,392	
Dominican Republic	180,909,920	130,919,262	49,990,658	
Dutch East Indies	2,505,181	85,405	2,419,776	
Guatemala	3,969,033	369,191	3,599,842	
Haiti	25,002,562	13,585,865	11,416,697	
Mexico	72,004,758	796,042	71,208,716	
Peru	301,515,838	216,977,931	84,537,907	
†Quotas not used to date	276,387,300		276,387,300	
Unallotted reserve	7,351,754	0	7,351,754	
Total	880,608,000	363,612,832	516,995,168	
Tons	440,304	181,806	258,498	

\*In accordance with Section 212 of the Sugar Act of 1937, the first 10 short tons of sugar, raw value, imported from any foreign country other than Cuba have not been charged against the quota for that country. †This total includes the following (in pounds): Argentina, 172,756; Costa Rica, 244,105; Honduras, 40,680,533; Nicaragua, 121,132,598; Salvador, 97,282,227; United Kingdom, 4,155,876; Venezuela, 3,436,912; other countries, \$9,282,293.

137 pounds have been imported from various countries, but under the provisions of Section 212 of the Sugar Act, referred to in footnote \*, these importations have not been charged against the quota.

### Nov. Living Costs Up In Industrial Cities

Living costs rose in November in 59 of the 60 industrial cities surveyed each month by the Division of Industrial Economics of the Conference Board. Under date of Dec. 15, the Board explained:

The increases ranged from 0.1% in Sacramento to 1.8% in St. Paul. A median rise of 0.8% was recorded for Atlanta, Chicago, Dayton, Des Moines, Providence, Rochester, Spokane and Wilmington. In Richmond, living costs averaged the same in November as in October.

Since November, 1940, increases of 6.5% to 14.0% have occurred in the 56 cities for which this information is available. For the United States as a whole, the year's rise was 8.7%. Living costs advanced the least over the year in Kansas City, Missouri and Cincinnati, Ohio. Costs went up the most in Syracuse.

Percentage changes from October to November, in order of size, are tabulated below:

Percentage Changes in Living Costs in 60 Cities October to November, 1941					
Source: The Conference Board					
City	% Chge.	City	% Chge.	City	% Chge.
St. Paul	+1.8	New Orleans	+1.0	Pittsburgh	+0.7
Boston	+1.7	Omaha	+1.0	Newark	+0.6
Cleveland	+1.5	St. Louis	+1.0	New Haven	+0.6
Dallas	+1.3	Seattle	+1.0	Portland	+0.6
Houston	+1.3	Baltimore	+0.9	Syracuse	+0.6
Lynn	+1.3	Detroit	+0.9	Birmingham	+0.5
New York	+1.3	Indianapolis	+0.9	Bridgeport	+0.5
Akron	+1.2	Milwaukee	+0.9	Buffalo	+0.5
Denver	+1.2	San Francisco	+0.9	Erie	+0.5
Fall River	+1.2	Atlanta	+0.8	Front Royal	+0.5
Toledo	+1.2	Chicago	+0.8	Parkersburg	+0.5
Duluth	+1.1	Dayton	+0.8	Philadelphia	+0.5
Grand Rapids	+1.1	Des Moines	+0.8	Wausau	+0.5
Lansing	+1.1	Providence	+0.8	Meadville	+0.4
Louisville	+1.1	Rochester	+0.8	Youngstown	+0.4
Manchester	+1.1	Spokane	+0.8	Macon	+0.3
Memphis	+1.1	Wilmington	+0.8	Oakland	+0.3
Minneapolis	+1.1	Chattanooga	+0.7	Roanoke	+0.3
Kansas City, Mo.	+1.0	Cincinnati	+0.7	Sacramento	+0.1
Los Angeles	+1.0	Muskegon	+0.7	Richmond	0

### November Pig Iron Production At 97.7%

The Dec. 11th issue of the "Iron Age" reported that coke pig iron production in November dropped to 4,702,927 net tons compared with 4,856,306 tons in October and 4,716,901 tons in September, the previous 30-day month. Output on a daily basis last month, however, increased slightly to 156,764 tons from 156,655 tons a day in October. The operating rate for the industry in November was 97.7% of the new increased capacity of 160,408 net tons a day compared with 98.2% in October.

On Dec. 1 there were 215 furnaces in blast, producing at the rate of 156,855 tons a day, compared with 214 in blast on Nov. 1 with a production rate of 156,265 tons. The United States Steel Corp. took one furnace off blast. Independent producers put three in and took off two and merchant producers blew in two furnaces and took off two.

Furnaces blown included: One Lackawanna, Bethlehem Steel Co.; one Brier Hill, Youngstown Sheet & Tube Co.; one Toledo, Pickands, Mather & Co., and one Palmerton, New Jersey Zinc Co.

Among the furnaces blown out or banked were: One Central American Steel & Wire Co.; one National, National Steel Co.; and two Woodward, Woodward Iron Co.

MERCHANT IRON MADE, DAILY RATE—NET TONS					
	1941	1940	1939	1938	1937
January	20,812	16,475	11,875	11,911	18,039
February	21,254	14,773	10,793	9,916	18,496
March	23,069	11,760	10,025	9,547	18,432
April	20,434	13,656	9,529	9,266	16,259
May	21,235	16,521	7,883	7,203	21,821
June	21,933	13,662	8,527	6,020	17,774
July	21,957	16,619	9,404	6,154	21,962
August	22,578	17,395	11,225	7,408	19,971
September	21,803	17,571	12,648	12,550	22,473
October	23,243	18,694	16,409	12,095	21,224
November	22,690	22,792	16,642	14,793	17,541
December		19,779	16,912	10,266	12,289

PRODUCTION OF COKE PIG IRON AND FERROMANGANESE—NET TONS					
	Pig Iron		Ferromanganese		
	1941	1940	1941	1940	
January	4,063,695	4,032,022	35,337	43,240	
February	4,197,872	3,311,480	33,627	38,720	
March	4,704,135	3,270,499	55,460	46,260	
April	4,334,267	3,137,019	56,871	43,384	
May	4,599,966	3,513,683	58,578	44,973	
June	4,553,165	3,818,897	53,854	44,631	
Half-year	27,053,100	21,083,600	293,727	261,208	
July	4,770,778	4,053,945	57,710	43,341	
August	4,791,432	4,238,041	52,735	37,003	
September	4,716,901	4,176,527	46,932	33,024	
October	4,856,306	4,445,961	55,495	32,270	
November	4,702,927	4,403,230	47,669	31,155	
December		4,547,602		35,666	
Year		46,948,906		473,667	

x These totals do not include charcoal pig iron. y Included in pig iron figures.

DAILY AVERAGE PRODUCTION OF COKE PIG IRON					
	1941		1940		1939
	Net Tons	% Capacity	Net Tons	% Capacity	
January	150,441	95.5	130,061	85.8	78,596
February	149,924	95.2	114,189	75.1	82,407
March	151,745	96.9	105,500	68.9	86,516
April	144,475	91.8	104,567	68.6	76,764
May	148,386	93.8	113,345	74.8	62,052
June	151,772	95.9	127,297	83.9	79,089
Half-year	149,465	94.5	115,844	76.1	77,486
July	153,896	97.1	130,772	86.3	85,130
August	154,562	97.5	136,711	90.4	96,096
September	157,230	99.2	139,218	92.2	107,466
October	156,655	98.2	143,419	94.8	131,061
November	156,764	97.7	146,774	97.1	138,877
December			146,697	97.2	136,146
Year			128,276	84.6	96,769

### November Cotton Consumption Continues High

Under date of Dec. 15, 1941, 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 November, 1941, and 1940. Cotton consumed amounted to 849,733 bales of lint and 117,628 bales of linters, as compared with 741,170 bales of lint and 107,892 bales of linters in November, 1940.

November consumption of cotton includes 4,000 bales distributed by Surplus Marketing Administration through various cotton mattress programs. The following is the statement.

#### NOVEMBER 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 November 30		Cotton spindles active during November (number)
	November (bales)	4 mos. ending Nov. 30 (bales)	In establishments consuming public stores (bales)	In active stores (bales)	
	1941	1940	1941	1940	
United States	849,733	3,553,128	2,249,638	13,964,018	23,069,146
	741,170	2,801,125	1,684,018	14,726,496	22,685,622
Cotton-growing States	726,584	3,017,522	1,868,931	13,595,328	17,413,090
	635,934	2,398,790	1,453,157	14,561,536	17,170,154
New England States	99,122	420,076	320,974	350,696	5,011,340
	83,005	326,368	191,621	154,847	4,891,702
All other States	24,027	115,530	59,733	17,944	644,716
	22,231	75,967	39,240	10,113	623,766
INCLUDED ABOVE					
Egyptian cotton	6,001	24,418	32,649	2,811	
	4,267	17,499	30,350	4,607	
Other foreign cotton	9,051	37,332	51,879	45,965	
	4,997	22,700	28,852	25,808	
Amer.-Egyptian cotton	2,892	11,250	10,878	12,484	
	1,761	7,518	7,766	10,225	
NOT INCLUDED ABOVE					
Linters	117,628	511,679	476,966	95,903	
	107,892	403,342	453,586	70,278	

\*November consumption of cotton includes 4,000 bales distributed by Surplus Marketing Administration through various cotton mattress programs.

#### Imports And Exports Of Cotton And Linters

In the interest of national defense the Department of Commerce has decided to discontinue until further notice the publication of statistics concerning imports and exports.

#### World Statistics

Because of war conditions and the difficulties in obtaining dependable world statistics such data are being omitted from this report for the time being.

### Italian Bank Agencies In New York Seized

William R. White, New York State Superintendent of Banks, on Dec. 11 assumed possession of the business and property of all agencies of Italian banks in New York City. The Department's announcement of Dec. 11 said:

The Banking Department is acting in cooperation with the Treasury Department, and representatives of both the Banking Department and the Treasury Department are present on the premises of each of the agencies. The Banking Department will exercise a protective custody over the records and assets of the agencies pending definite decision as to their final disposal.

The agencies in question include those of Banca Commerciale Italiana, Banco di Napoli, Banco di Roma, and Credito Italiano.

The Treasury Department this morning revoked all licenses under which the Banco di Napoli Trust Co. has been conducting its business. The effect of this action is to require the institution to suspend payments to depositors and creditors. For this reason the Banking Department, acting jointly with representatives of the Treasury Department, has taken possession of the business and property of the Banco di Napoli Trust Company. The deposits of the institution are insured by Federal Deposit Insurance Corp. Every effort will be made by the Banking Department to have deposits made available at the earliest possible date.

### Sept. Gas Co. Statistics

The American Gas Association in November, 1941, reported that revenues of manufactured and natural gas utilities amounted to \$62,066,500 in September, 1941, as compared with \$58,591,500 for the corresponding month of 1940, an increase of 5.9%. Revenues from industrial and commercial users rose from \$21,744,600 a year ago to \$25,121,300 in September, 1941, a gain of 15.5%. Revenues from domestic uses such as cooking, water heating and refrigeration, etc., were \$36,945,200 for September, 1941, as compared with \$36,846,900 a year ago, an increase of 0.3%.

The manufactured gas industry reported revenues of \$29,835,300 for the month, an increase of 2.4% from the same month of the preceding year. Revenues from commercial sales of manufactured gas gained 2.1%, while revenues from industrial uses were 24.4% higher than for September, 1940. Revenues from domestic uses were 0.2% more than for the corresponding period of 1940.

The natural gas utilities reported revenues of \$32,231,200 for the month, or 9.4% more than for September, 1940. Revenues from sales of natural gas for industrial purposes increased 19.2%, while the increase in revenue from sales for domestic purposes was 0.4%.

### Chain Store Sales Index

November chain store sales in all major groups reported business at a point substantially greater than for the preceding month, or else at the same high level, according to "Chain Store Age."

The "Chain Store Age" index of sales for the month was 151 of the 1929-1931 average as 100, compared with 146 in October and 124 in November, 1940.

The index figures by groups for November compare as follows:

	Nov., 1941	Oct., 1941	Nov., 1940
Variety	153	147	132
Apparel			

### The London Stock Exchange

Quotations of representative stocks as received by cable each day of the past week:

	Saturday Dec. 6	Monday Dec. 8	Tuesday Dec. 9	Wednesday Dec. 10	Thursday Dec. 11	Friday Dec. 12
Boots Pure Drugs	37/6	37/6	36/6	36/6	36/6	36/6
British Amer. Tobacco	95/6	91/3	87/6	87/6	87/6	90/6
*Cable & W. ord	£69	£68 1/4	£67	£65	£66 1/2	£66 1/2
Central Min. & Invest.	£13 1/2	£13 1/2	£13 1/2	£13 1/2	£13 1/2	£13 1/2
Cons. Goldfields of S. A.	45/-	45/6	45/-	43/9	43/9	43/9
Courtauld's (S.) & Co.	35/-	34/9	34/-	33/9	34/-	34/-
De Beers	£9 3/4	£9	£8 3/4	£8 3/4	£8 3/4	£8 3/4
Distillers Co.	74/3	73/9	71/-	71/-	72/3	72/3
Electric & Musical Ind.	Closed	14/6	14/6	13/6	14/-	13/9
Ford Ltd.	24/9	24/9	24/6	24/3	24/6	24/6
Hudsons Bay Company	25/6	25/3	24/6	24/6	24/6	24/6
Imp. Tob. of G. B. & I.	130/-	127/6	124/6	123/9	127/6	127/6
*London Mid. Ry.	£16 1/2	£16 1/4	£16	£16	£16 1/2	£16 1/2
Metal Box	76/6	76/6	75/6	75/6	75/6	75/6
Rand Mines	£7 1/2	£7 1/2	£7 1/2	£7 1/2	£7 1/2	£7 1/2
Rio Tinto	£8	£8	£8	£8	£8	£8
Rolls Royce	90/-	90/6	89/6	87/6	89/3	89/3
Shell Transport	62/-	55/-	50/-	52/6	53/-	53/-
United Molasses	30/-	29/6	28/3	29/3	30/3	30/3
Vickers	17/9	17/9	17/3	17/3	17/-	17/-
West Witwatersrand	£5 1/2	£5 1/2	£4 3/4	£4 3/4	£4 3/4	£4 3/4
Areas	£5 1/2	£5 1/2	£4 3/4	£4 3/4	£4 3/4	£4 3/4

### Cottonseed Receipts, Stocks Surpass Last Year

On Dec. 12 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 the 4 months ended with November, 1941 and 1940:

State	Received at mills*		Crushed		On hand at mills	
	Aug. 1 to Nov. 30 1941	1940	Aug. 1 to Nov. 30 1941	1940	Nov. 30 1941	1940
United States	3,088,435	2,905,305	1,782,028	1,777,216	1,436,936	1,167,596
Alabama	156,410	111,901	114,821	90,703	52,762	21,780
Arizona	45,515	40,542	31,244	28,648	14,488	11,902
Arkansas	423,005	360,810	201,831	165,030	246,104	201,335
California	89,735	167,564	43,946	43,246	52,284	127,387
Georgia	158,520	191,104	137,876	143,573	39,560	48,663
Louisiana	73,962	100,192	61,111	78,587	13,377	21,879
Mississippi	510,897	321,045	260,070	190,368	254,853	137,191
North Carolina	166,083	171,387	100,644	111,875	75,175	63,122
Oklahoma	178,312	159,739	110,671	111,257	68,173	48,990
South Carolina	74,619	131,231	61,164	111,664	16,463	20,083
Tennessee	365,142	270,087	159,704	120,255	226,106	150,958
Texas	720,351	797,033	440,512	538,834	307,033	274,611
All other States	125,884	82,670	58,434	43,196	70,558	39,695

\*Does not include 130,529 and 39,507 tons on hand Aug. 1 nor 22,843 and 8,377 tons reshipped for 1941 and 1940 respectively.

Item	Season	On hand		Produced Aug.		Ship. out Aug.		On hand	
		Aug. 1	Nov. 30	1 to Nov. 30	1 to Nov. 30	1 to Nov. 30	Nov. 30		
Crude oil	1941-42	29,708	550,092	488,172	159,259				
(thousand pounds)	1940-41	37,352	564,630	465,991	183,925				
Refined oil	1941-42	1294,005	1382,376		1273,448				
(thousand pounds)	1940-41	493,658	372,856		397,015				
Cake and meal	1941-42	164,444	777,544	585,318	356,670				
(tons)	1940-41	79,501	792,151	717,964	153,688				
Hulls	1941-42	151,439	447,740	355,497	243,682				
(tons)	1940-41	20,914	443,387	320,118	144,182				
Linters	1941-42	123,154	514,125	500,358	126,312				
(running bales)	1940-41	123,340	462,781	369,056	203,085				
Hull fiber	1941-42	1,834	14,681	13,823	4,008				
(500-lb. bales)	1940-41	1,215	10,148	7,355	4,008				
Crabbits, notes, &c.	1941-42	6,183	21,940	11,986	16,137				
(500-lb. bales)	1940-41	12,449	17,396	18,241	11,604				

\*Includes 13,192,000 and 66,879,000 pounds held by refining and manufacturing establishments and 7,859,000 and 21,803,000 pounds in transit to refiners and consumers Aug. 1, 1941 and Nov. 30, 1941 respectively.

†Includes 7,268,000 and 4,194,000 pounds held by refiners, brokers, agents, and warehousemen at places other than refineries and manufacturing establishments and 3,903,000 and 4,016,000 pounds in transit to manufacturers of shortening, oleomargarine, soap, etc. Aug. 1, 1941 and Nov. 30, 1941 respectively.

‡Produced from 406,861,000 pounds of crude oil.

### Exports and Imports of Cottonseed Products

In the interest of national defense, the Department of Commerce has decided to discontinue until further notice the publication of statistics concerning imports and exports.

### Wheat Imports Under Quotas

The Bureau of Customs announced on Dec. 11 preliminary figures showing the quantities of wheat and wheat flour entered, or withdrawn from warehouse, for consumption under the import quotas established in the President's Proclamation of May 28, 1941, for the 12 months commencing May 29, 1941, as follows:

Country of Origin	Wheat		Wheat flour, semolina, crushed or cracked wheat, and similar wheat products	
	Established Quota (Bu.)	Imports to Nov. 29, 1941 (Bu.)	Established Quota (Lbs.)	Imports to Nov. 29, 1941 (Lbs.)
Canada	795,000	795,000	3,815,000	553,328
China			24,000	6,136
Hungary			13,000	
Hong Kong			13,000	7,365
Japan			8,000	
United Kingdom	100		75,000	
Australia			1,000	
Germany	100		5,000	
Syria	100		5,000	
New Zealand			1,000	
Chile			1,000	
Netherlands	100		1,000	
Argentina	2,000		14,000	
Italy	100		2,000	
Cuba			12,000	97
France	1,000		1,000	
Greece			1,000	
Mexico	100		1,000	
Panama			1,000	
Uruguay			1,000	
Poland and Danzig			1,000	
Sweden			1,000	
Yugoslavia			1,000	
Norway			1,000	
Canary Islands			1,000	
Rumania	1,000			
Guatemala	100			
Brazil	100			
Union of Soviet Socialist Republics	100			
Belgium	100			
Total	800,000	795,000	4,000,000	566,926

### Electric Light and Power Industry Statistics

Electrical research statistics for the months of September and August, 1941 and 1940, covering 100% of the electric light and power industry, as released by the Edison Electric Institute, follow:

	—Month of September—		% Change	—Month of August—		% Change
	1941	1940		1941	1940	
*Generation (net)—	10,351,185,000	8,129,390,000	+27.3	10,610,211,000	8,475,640,000	+25.2
By fuel burning plants	3,996,637,000	3,854,995,000	+3.7	3,929,636,000	3,968,158,000	-1.0
By water power plants						
Total generation	14,347,822,000	11,984,385,000	+19.7	14,539,847,000	12,443,798,000	+16.8
Add—Net imports over intern. boundaries	73,176,000	75,836,000	-3.5	63,905,000	79,677,000	-19.8
Less—Company use	222,315,000	125,756,000	+76.8	226,356,000	128,389,000	+76.3
Less—Energy used by producer	297,039,000	449,936,000	-34.0	258,777,000	470,705,000	-45.0
Net energy for distribution	13,901,644,000	11,484,529,000	+21.0	14,118,619,000	11,924,381,000	+18.4
Losses and unaccounted for	1,779,376,000	1,427,900,000	+24.6	2,037,461,000	1,819,400,000	+12.0
Sales to ultimate customers	12,122,268,000	10,056,629,000	+20.5	12,081,158,000	10,104,981,000	+19.6

  

	—As of Sept. 30—		% Change	—As of Aug. 31—		% Change
	1941	1940		1941	1940	
Number of Customers—	25,735,023	24,723,826	+4.1	25,582,828	24,555,173	+4.2
Residential or domestic	974,969	67,173		967,292	672,929	
Rural (distinct rural rates)						
Commercial or industrial:						
Small light and power	4,286,847	4,249,193		4,285,648	4,239,021	
Large light and power	174,351	181,627	+0.7	173,437	180,563	+0.9
Other customers	117,908	112,842		115,982	110,545	+4.6
Total ultimate customers	31,289,098	29,944,661	+4.5	31,125,187	29,758,231	+4.6

  

	—Month of September—		% Change	—Month of August—		% Change
	1941	1940		1941	1940	
Kilowatt Sales—	2,031,692,000	1,891,428,000	+7.4	1,969,498,000	1,827,998,000	+7.7
Residential or domestic	296,612,000	259,966,000	+14.1	329,429,000	288,030,000	+14.4
Rural (distinct rural rates)						
Commercial or industrial:						
Small light and power	2,120,200,000	1,925,776,000	+10.1	2,131,426,000	1,915,360,000	+11.3
Large light and power	6,747,359,000	5,115,115,000	+31.9	6,724,427,000	5,191,335,000	+29.5
Street and highway lighting	170,231,000	164,701,000	+3.4	154,246,000	148,938,000	+3.6
Other public authorities	250,251,000	222,214,000	+12.6	258,843,000	224,062,000	+15.5
Railways and railroad:						
Street and interurban railways	298,231,000	291,555,000	+5.9	300,348,000	299,146,000	+0.4
Electrified steam railroads	168,459,000	150,490,000	+11.9	173,147,000	152,318,000	+13.7
Interdepartmental	39,233,000	35,384,000	+10.9	39,794,000	37,794,000	+31.1
Total to ultimate customers	12,122,268,000	10,056,629,000	+20.5	12,081,158,000	10,104,981,000	+19.6
Revenue from ultimate customers	\$225,751,400	\$204,434,000	+10.4	\$223,560,900	\$201,993,100	+10.7

  

	—12 Months Ended Sept. 30—		% Change	—12 Months Ended Aug. 31—		% Change
	1941	1940		1941	1940	
Average customer data—						
Kilowatthours per customer	976	936	+4.3	974	934	+4.3
Average annual bill	\$36.70	\$36.32	+1.0	\$36.72	\$36.33	+1.1
Revenue per kilowatthour	3.76c	3.88c	-3.1	3.77c	3.89c	-3.1

### November Department Store Sales

The Board of Governors of the Federal Reserve System announced on Dec. 4 that the value of department store sales increased more than seasonally in November, following a sharp decline in the previous month, and the Board's seasonally adjusted index advanced to 115% of the 1923-25 average.

	INDEX OF DEPARTMENT STORE SALES† 1923-25 AVERAGE=100			
	Nov. 1941	Oct. 1941	Sept. 1941	Nov. 1940
Adjusted for seasonal variation	115	105	116	100
Without seasonal adjustment	132	112	125	114

Federal Reserve District—	Change from Corresponding Period a Year Ago (%)											
	Nov. 29	Nov. 22	Nov. 15	Nov. 8	Nov. 29	Nov. 1	Sept. 27	Aug. 30	Nov. 29	Nov. 22	Nov. 15	Nov. 8
Boston	+33	-9	+28	+9	+15	+8	+16	+37	+16			
New York	+6	+3	+14	+6	+7	+3	+9	+33	+12			
Philadelphia	+11	+14	+24	+13</								

# LEGAL ODDITIES

## THE DANGEROUS MOTIVE

An interesting financial situation occurs when John Doe sells his stock in a corporation and approaches the transfer clerk thereof.

"Register this transfer of my stock to Richard Roe," Doe demands. "He's getting control of the company, and 100 shares more will put him in the saddle. Then he's going to 'bounce' the whole Board of Directors and all you officials at the next meeting."

"If that's your motive, we'll register no transfer," the clerk tells him. "Those are my orders from the company."

"My motive has nothing to do with it—register or take the consequences," Doe threatens.

This point has been before the American Courts on several occasions, and the general rule which has been laid down is that a stockholder, who complies with all the required conditions in reference to transferring his stock, is entitled to have it transferred, and the corporation has no right of inquiry as to his motive for doing so. One case in which this principle is laid down is State vs. McIvor, a decision of the South Carolina Court reported in 2 S. C. 25, and there is a Wisconsin decision to the same effect found in 29 N. W. 582.

## Urges Stock Exchange Kept Open During War

Marshall W. Pask, Chairman of the Securities, Commodities and Banking Section, of the New York Board of Trade, on Dec. 10 called for unity and recommended a re-examination of our attitude toward the securities markets. Mr. Pask spoke before the Young Men's Board of Trade at a meeting held in New York at Oscar's Oldelmonico Restaurant.

Excerpts from Mr. Pask's address follow:

The diabolical acts of Japan on Sunday, Dec. 7, and the prompt response of the United States, expressed through its President and its Congress, accepting the challenge to perpetuate a society of free peoples, makes it imperative that we re-examine our attitude toward the Securities Markets.

In my opinion, the financial industry is one of greatest importance, not only to business and the wage earner but also to the very existence of our government itself.

Wherever you find a nation with an unsound financial industry, you will find a weak nation with a low standard of living—one overrun with poverty and ignorance and an easy prey to its enemies.

England has been great because she fostered her financial industry and backed the capital investment of her subjects with her Navy if need be. The United States has grown great because our government in the past encouraged the free flow of capital into industry and developed a free system of private business enterprise.

There is a small group of men and women who believe that the Stock Exchange should be closed for the good of the people. This is especially emphasized by the outbreak of war. I went through a period of some months when the Exchange was closed at the outbreak of the first World War and I would not want to see it closed again.

## Trading Suspended In Axis Securities By N. Y. Stock, Curb and Boston Stock Exchanges

After consultation with the Securities and Exchange Commission and the Treasury Department, the Board of Governors of the New York Stock Exchange on Dec. 11 announced that it has until further notice, suspended from dealings all German, Italian and Japanese securities, including those issued by political sub-divisions and corporations. The New York Curb Exchange and the Boston Stock Exchange made similar announcements affecting securities of the foregoing countries.

A list of the securities suspended by the New York Stock Exchange follows:

### GERMAN

- Free State of Bavaria—20-year 6 1/2% sinking fund gold bonds, due Aug. 1, 1945.
- Berlin City Electric Co., Inc.—25-year 6% debentures, due April 1, 1955.
- 25-year 6 1/2% sinking fund debentures, due Dec. 1, 1951.
- 30-year 6 1/2% sinking fund debentures, due Feb. 1, 1959.
- City of Berlin—30-year 6% external sinking fund gold bonds, due June 15, 1958.
- 25-year 6 1/2% sinking fund gold bonds, municipal external loan of 1925, due April 1, 1950.
- Berlin Electric Elevated & Underground Rys. Co.—30-year first mortgage 6 1/2% sinking fund gold bonds, due Oct. 1, 1956.
- Central Bank for Agriculture, Germany—Farm loan secured 6% gold sinking fund bonds, second series of 1927, due Oct. 15, 1960.
- First lien 7% gold farm loan sinking fund bonds, due Sept. 15, 1950.
- Farm loan secured 6% gold sinking fund bonds, due July 15, 1960.
- City of Cologne—25-year 6 1/2% sinking fund gold bonds, municipal external loan of 1925, due March 15, 1950.
- Consolidated Hydro-Electric Works of Upper Wuerttemberg—First mortgage 7% 30-year sinking fund gold bonds, due Jan. 15, 1956.
- City of Dresden—20-year 7% sinking fund gold bonds, external loan of 1925, due Nov. 1, 1945.
- City of Frankfurt-on-Main—25-year sinking fund 6 1/2% gold bonds, municipal external loan of 1928, due May 1, 1953.
- Free State of Prussia—6 1/2% sinking fund gold bonds, external loan of 1926, due Sept. 15, 1951.
- 6% sinking fund gold bonds, external loan of 1927, due Oct. 15, 1952.
- German General Electric Co.—20-year 7% gold debenture bonds, due Jan. 15, 1945.
- 15-year 6 1/2% gold sinking fund debentures, due Dec. 1, 1940.
- 20-year 6% gold sinking fund debentures, due May 1, 1948.
- German External Loan of 1924—7% gold bonds, due Oct. 15, 1949.
- German Government International Loan of 1930—35-year 5 1/2% gold bonds, due June 1, 1965.
- Good Hope Steel and Iron Works—20-year 7% sinking fund mortgage gold bonds, due Oct. 15, 1945.
- State of Hamburg—20-year 6% gold bonds, due Oct. 1, 1946.
- Harpen Mining Corp.—Gold mortgage 6% bonds, series of 1929, due Jan. 1, 1949.
- City of Heidelberg—External 20-25-year 7 1/2% sinking fund gold bonds, due July 1, 1950.
- Iseder Steel Corp.—Gold mortgage 6% bonds, series of 1928, due Aug. 1, 1948.
- German Provincial and Communal Banks—Consolidated agricultural loan, 30-year 6 1/2% secured sinking fund gold bonds, series A, due June 1, 1958.
- Rudolph Karstadt, Inc.—Deposit certificates for first mortgage collateral 6% sinking fund bonds, due Nov. 1, 1943.
- City of Leipzig—Sinking fund gold bonds, 7% external loan of 1926, due Feb. 1, 1947.
- Miag Mill Machinery Co.—7% closed first mortgage 30-year sinking fund gold bonds, due June 1, 1956.
- City of Nuremberg—External 25-year 6% sinking fund gold bonds, due Aug. 1, 1952.
- Rheinlbe-Union—20-year 7% sinking fund mortgage gold bonds, due Jan. 1, 1946.
- Assented 20-year 3 1/4% sinking fund mortgage bonds, due Jan. 1, 1946.
- Rhine-Main-Danube Corp.—7% sinking fund gold debentures, series A, due Sept. 1, 1950.
- Rhine-Ruhr Water Service Union—25-year sinking fund 6% external gold debentures, due Jan. 1, 1953.
- Rhine-Westphalia Electric Power Corp.—Direct mortgage gold bonds, 7% series, due Nov. 1, 1950.
- Direct mortgage gold bonds, 6% series, due May 1, 1952.
- Consolidated mortgage gold bonds, 6% series of 1928, due Aug. 1, 1953.
- Consolidated mortgage gold bonds, 6% series of 1930, due April 1, 1955.
- Ruhr Chemical Corp.—6% sinking fund mortgage bonds, series A, due April 1, 1949.
- City of Saarbrucken—6% sinking fund gold bonds, due Jan. 1, 1953.
- Saxon State Mortgage Institution—Mortgage collateral sinking fund 7% guaranteed gold bonds, due Dec. 1, 1945.
- Mortgage collateral sinking fund 6 1/2% guaranteed gold bonds, due Dec. 1, 1946.
- Siemens & Halske, A. G.—25-year 6 1/2% sinking fund gold debentures, due Sept. 1, 1951.
- Silesia Electric Corp.—Sinking fund mortgage gold bonds, 6 1/2% series, due Feb. 1, 1946.
- United Steel Works Corp.—25-year 6 1/2% sinking fund mortgage gold bonds, series A, due June 1, 1951.
- Assented 25-year 3 1/4% sinking fund mortgage bonds, series A, due June 1, 1951.
- 25-year 6 1/2% sinking fund mortgage gold bonds, series C, due June 1, 1951.
- United Steel Works Corp.—Assented 25-

- year 3 1/4% sinking fund mortgage bonds, series C, due June 1, 1951.
- 20-year 6 1/2% sinking fund debentures, series A, due July 1, 1947.
- Assented 20-year 3 1/4% sinking fund debentures, series A, due July 1, 1947.
- Bank of the Silesian Landowners Association—First mortgage collateral 6% sinking fund gold bonds, due Aug. 1, 1947.
- Westphalia United Electric Power Corp.—First mortgage 6% sinking fund gold bonds, series A, due Jan. 1, 1953.

### ITALIAN

- Adriatic Electric Co.—25-year 7% external sinking fund gold bonds, due April 1, 1952.
- Ernesto Breda Co.—First mortgage 7% sinking fund bonds, due Feb. 1, 1954.
- Italian Credit Consortium for Public Works—External loan sinking fund 7% secured gold bonds, series B, due March 1, 1947.
- Italian Public Utility Credit Institute—External 7% secured sinking fund gold bonds, due Jan. 1, 1952.
- Kingdom of Italy—External loan sinking fund 7% gold bonds, due Dec. 1, 1951.
- Lombard Electric Co.—First mortgage 7% external sinking fund gold bonds, series A, due Dec. 1, 1952.
- City of Milan—External loan of 1927, sinking fund 6 1/2% bonds, due April 1, 1952.
- City of Rome—Sinking fund 6 1/2% gold bonds, due April 1, 1952.
- Mortgage Bank of Venetian Provinces—25-year 7% external secured sinking fund gold bonds, series A, due Oct. 1, 1952.

### JAPANESE

- Great Consolidated Electric Power Co., Ltd.—First and general mortgage 6 1/2% sinking fund gold bonds, due July 1, 1950.
- First mortgage 7% sinking fund gold bonds, series A, due Aug. 1, 1944.
- Imperial Japanese Government—External loan of 1924, 30-year sinking fund 6 1/2% gold bonds, due Feb. 1, 1954.
- External loan of 1930, 35-year sinking fund 5 1/2% gold bonds, due May 1, 1965.
- Oriental Development Co., Ltd.—External loan, 30-year 6% gold debenture bonds, due March 15, 1953.
- External loan, 30-year 5 1/2% gold debenture bonds, due Nov. 1, 1958.
- Shinyetsu Electric Power Co., Ltd.—First mortgage 6 1/2% sinking fund bonds, due Dec. 1, 1952.
- Taiwan Electric Power Co., Ltd.—40-year sinking fund 5 1/2% gold bonds, due July 1, 1971.
- City of Tokio—5 1/2% sinking fund gold bonds, due Oct. 1, 1961.
- City of Tokio—5% loan of 1912, due Sept. 1, 1952.
- Tokio Electric Light Co., Ltd.—First mortgage gold bonds, 6% dollar series, due June 15, 1953.
- Ujigawa Electric Power Co., Ltd.—First mortgage 7% sinking fund gold bonds, due March 15, 1945.
- City of Yokohama—External loan of 1926, sinking fund 6% gold bonds, due Dec. 1, 1961.

### AUSTRIAN

- Alpine Montan Steel Corp.—7% closed first mortgage 30-year sinking fund gold bonds, due March 1, 1955.
- Austrian Government International Loan of 1930—Sinking fund 7% gold bonds, due July 1, 1957.
- Province of Lower Austria—Secured sinking fund 7 1/2% gold bonds, due Dec. 1, 1950.
- Lower Austrian Hydro-Electric Power Co.—20-year closed first mortgage sinking fund gold 6 1/2% bonds, due Aug. 1, 1944.
- Tyrol Hydro-Electric Power Co.—7 1/2% 30-year closed first mortgage sinking fund gold bonds, due May 1, 1955.
- 7% guaranteed secured mortgage sinking fund gold bonds, due Feb. 1, 1952.
- City of Vienna—External loan sinking fund 6% gold bonds, due Nov. 1, 1952.

A list of the securities suspended from dealing by the New York Curb Exchange follows:

- Central Bank of German State and Provincial Banks—6s A, 1952.
- Central Bank of German State and Provincial Banks—6s B, 1951.
- City of Hanover (Germany)—7s, 1939.
- Consolidated Municipalities of Baden—7s, 1951.
- Ercole Marelli Electric Mfg. Co.—6 1/2s A, 1953.
- Fiat ADR's.
- German Consolidated Municipal Loan—7s, 1947.
- German Consolidated Municipal Loan—6s, 1947.
- Gesfuerel—6s, 1953.
- Hamburg Electric Co.—7s, 1935.
- Hamburg Elevated Under. & Street Rys. Co.—5 1/2s, 1938.
- Isarco Hydro Electric Co.—7s, 1952.
- Hungarian Italian Bank, Ltd.—7 1/2s AC, 1963.
- Leonhard Tietz, Inc.—7 1/2s, 1946.
- Mansfield Mining & Smelting Co.—7s, 1941.
- Nippon Electric Power Co., Ltd.—6 1/2s, 1953.
- Piedmont Hydro-Electric Co.—6 1/2s A, 1960.
- Pomerania Electric Co.—6s, 1953.
- Province of Hanover (Germany)—6 1/2s, 1949.
- Prussian Electric Co.—6s, 1954.
- Ruhr Gas Corp.—6 1/2s A, 1953.
- Ruhr Housing Corp.—6 1/2s, 1958.
- Saxon Public Works, Inc.—6s, 1937.
- Terris—6 1/2s A, 1953.
- United Electric Service Co.—7s, A, 1956.

- United Industrial Corp.—6 1/2s, 1941.
- United Industrial Corp.—6s, 1945.

The securities in which trading has been suspended on the Boston Exchange follow:

- Bank of Silesian Landowners Association—6s, s. f. gold bonds, 1947.
- Berlin City Electric Co.—25-year s. f. debts., 6 1/2s.
- 30-year s. f. debts., 6 1/2s, 1959.
- 25-year 6% debts., 1955.
- German Consolidated Municipal Loan of German Savings Bank & Clearing Association—7% series of 1926, 1947.
- 6% series of 1928, 1947.
- German Provincial & Communal Banks—Secured s. f. gold bonds, series A, 6 1/2s, 1958.
- Gt. Cons. Elec. Pr. Co., Ltd.—First mtge. s. f. gold bonds, series A, 7s, 1944.
- 6 1/2s, 1950.
- Hungarian Disc. & Exch. Bank—7% 35-year s. f. g. b. dollar issue, 1963.
- Hungarian Ld. Mtg. Institute—7 1/2% S. F. land mortgage gold bonds, series A & B, 1961.
- 7 1/2% S. F. land mortgage gold bonds, series B & B, 1961.
- Italian Public Utility Credit Institute—External 7% secured sinking fund gold bonds, 1952.
- Rheinlbe-Union—20-year mortgage sinking fund gold bonds, 7s, 1946.
- Rhine-Ruhr Water Service Union—25-year sinking fund 6s, external gold debts., 1953.
- Rhine-Westphalia Elec. Power Corp.—Dir. Mtg. mortgage gold bonds, 7s, 1950.
- Ruhr Chemical Corp.—6% s. f. mtge. bonds, series A, 1948.
- Shinyetsu Elec. Pow. Co., Ltd.—First mtge. sinking fund 6 1/2s, 1952.
- Siemens & Halske, A. G. & Siemens Schuckert-werke—25-year s. f. gold debts. 6 1/2s, 1951.
- Siemens & Halske, A. G.—Part. debts, series A, unassented, 2930.
- United Steel Works Corp.—25-year s. f. gold bonds, series A, 6 1/2s, 1951.
- 20-year 6 1/2s s. f. debts., series A, 1947.
- 25-year s. f. gold bonds, series C, 6 1/2s, 1951.

The Securities and Exchange Commission Dec. 12 issued the following statement:

The Commission has been advised that brokers and dealers may hold open contracts in some of the German, Italian and Japanese securities in which trading has been suspended by the New York Stock and Curb Exchanges and the Boston Stock Exchange. The Commission requests brokers and dealers, who may wish to make offsetting purchases or sales of these securities to complete contracts entered into prior to suspension of trading, to inform the Commission of all the relevant circumstances relating to such contracts before closing them by purchase or sale. Such communications should be addressed to the Director, Trading and Exchange Division, Securities and Exchange Commission, Washington, D. C.

## Knox Reports On Pearl Harbor Attack

(Continued from First Page) apparent by the deception practiced, by the preparations which had gone on for many weeks before the attack, and the attacks themselves, which were made simultaneously throughout the Pacific. In this purpose the Japanese failed.

2. The United States services were not on the alert against the surprise air attack on Hawaii. This fact calls for a formal investigation which will be initiated immediately by the President. Further action is, of course, dependent on the facts and recommendations made by this investigating board. We are all entitled to know it if (A) there was any error of judgment which contributed to the surprise, (B) if there was any dereliction of duty prior to the attack.

3. My investigation made clear that after the attack the defense by both services was conducted skillfully and bravely. The Navy lost—(A) the battleship Arizona, which was destroyed by the explosion of, first, its boiler and then its forward magazine due to a bomb which was said to have literally passed down through the smokestack;

(B) The old target ship Utah, which has not been used as a combat ship for many years and which was in service as a training ship for anti-aircraft gunnery and experimental purposes;

(C) Three destroyers, the Cassin, the Downes and the Shaw;

(D) Mine layer Oglala. This was a converted merchantman formerly a passenger ship on the Fall River Line and converted into a mine layer during the World War.

The Navy sustained damage to other vessels. This damage varies from ships which have been already repaired, and are ready for sea, or which have gone to sea, to a few ships which will take from a week to several months to repair. In the last category is the older battleship Oklahoma, which has capsized, but can be righted and repaired. The entire balance of the Pacific Fleet, with its aircraft carriers, its heavy cruisers, its light cruisers, its destroyers and submarines are uninjured and are all at sea seeking contact with the enemy.

4. The known Japanese material losses were three submarines and 41 aircraft.

5. Army losses were severe in aircraft and some hangars, but replacements have arrived or are on their way.

6. The up-to-date figures of Navy killed and wounded are: officers, 91 dead and 20 wounded; enlisted men, 2,638 dead and 636 wounded.

## Railroads Seek Higher Rates To Meet Costs

To enable them to meet higher operating costs resulting from the recent wage increase and other causes, Class 1 railroads, in a petition filed on Dec. 13 by the Association of American Railroads, asked the Interstate Commerce Commission to grant promptly an increase in passenger and freight rates. The railroads estimate that the proposed increases will yield increased revenue of approximately \$356,525,000 annually.

Public hearings will begin at Chicago on Jan. 5 and the Commission expects them to be concluded within one week.

The proposed increases sought follow:

1. Increase of 10% in all passenger fares except in the 1 1/4 cents per mile rate allowed members of military or naval forces traveling on furlough. There also is no increase proposed in the extra fares charged on particular trains.

2. Increase of 10% in all freight rates except for anthracite and bituminous coal, coke, and iron ore. In the case of anthracite and bituminous coal, the petition proposes an increase of 5 cents in rates stated on a net ton basis and 6 cents where stated on a gross ton basis except that rates from all origins to points west of Chicago and Milwaukee (both in-traterritorial and interterritorial) are to be increased as follows: Rates of 75 cents and less to be increased 3 cents; rates from 76 cents to \$1 to be increased 5 cents; and rates over \$1 to be increased 10 cents.

For coke (the product of coal) an increase the same as bituminous coal is asked.

For iron ore an increase is proposed of 6 cents per gross ton for the entire Western District plus one cent dockage at upper lake ports; an increase of 6 cents per net ton in the Southern District, and an increase of 4 cents per gross ton on all rates plus one cent increase in lake terminal charge in the Eastern District.

3. An increase of 10% in all accessory charges except in demurrage, dockage, tipping, or tollage charges or in the charges for protective service against heat or cold.

Besides additional revenues needed to meet the wage increase, the railroads said that additional funds are required to make certain readjustments in the wages of employees not covered by the wage award and to meet increased operating costs running into many millions of dollars as a result of precautionary measures which they are now taking upon recommendation of the War Department to safeguard their properties and operations during the present war.