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The Financial Situation

Some weeks ago the London "Economist," as a well-known and well-recognized admirer of the United States, undertook to defend Great Britain from the charges, slurs and "hypocrisy" emanating from this country. What this publication had to say in the course of this leading editorial was at times about as pointed as the barbs that have been directed from amongst us across the Atlantic in the direction of Great Britain and Russia—and about as often beside the point.

In his recent remarkable "report" to Parliament, Mr. Churchill entered the fray with these words:

"Is having a navy twice as big as anybody else's in the world power politics? Is having the largest air force in the world with bases in every part of the world, power politics? Is having all the gold in the world, power politics? If so we are certainly not guilty of this offense. I am very sorry to say that they are luxuries far away from us."

Continuing his account of the policy and position of Great Britain, and not taking much pains to conceal the darts directed toward the United States, the Prime Minister assured the world that "we have sacrificed everything in this war. We shall emerge from it for the time being more stricken and impoverished than any other victorious country. We declared war not for any ambition of material advantage but for the sake of our obligation to do our best for Poland against German aggression, in which aggression, it must in fairness be stated, our preservation was involved.

"After the defeat of France in June, 1940, for more than a year, we stood alone. We kept nothing back in blood or effort or treasure from what has now become the common cause of more than 30 nations. We seek no territory; we covet no oil fields; we demand no bases for forces of air or (Continued on page 548)

Uncle Sam's Post-War Plans

Roger W. Babson Discusses Social Security

BABSON PARK, MASS.—We hear much from Washington about "the need for more manpower," and hear even more from labor about the "need for



Roger W. Babson

higher wages." Perhaps both are needed; but government officials and labor leaders are making a big mistake to do so much talking about it. Why? Here is my answer: Such talk is driving employers to install more and more labor-saving machines and processes which may add chaos to confusion after the war.

Pay Envelopes Have Big Leaks

Let me explain: Readers are continually asking the reason for the deductions on their pay envelopes. One came in to me this morning from a single person getting \$30.00 per week with four pay envelope deductions: 1% for Social Security, 1% for Unemployment Insurance. (Collected from employees in only a few States, but from employers in all.) 13.7-10% for Income Taxes, 16 2/3% for U. S. Savings Bond Purchases. All of these took about ten dol-

lars out of his pay envelope. The last item was partly voluntary and this bond purchase can be redeemed at any time, but the other three are compulsory and make big leaks in all pay envelopes.

Of the three compulsory deductions to your pay, the income tax money you can kiss good-by. That is your contribution to the war and surely it is very small compared to what our boys in the service are paying in blood and sweat. The Social Security payment is to give you "ten to fifty-six dollars" per month (depending on years of employment) when you get too old to work, plus 1/2 worker's benefit for wife when she is 65 years of age; while the Unemployment Insurance is to give you from two to thirty dollars a week, depending upon State in which you reside for the first weeks of your next period of unemployment to be caused by the labor-saving machines and processes which employers are now being forced to install.

Uncle Sam's Credit Good

Because some reports claim that Uncle Sam is spending your Social Security payments for current expenses instead of investing the money or "saving it up" as an insurance company would do, some people are fearful. They are afraid that when they get old or become unemployed Uncle Sam (Continued on page 549)

The Bretton Woods Proposals And International Law

By ARTHUR K. KUHN*

Member, Board of Editors, American Journal of International Law.

Maintaining That Both the International Fund and the Bank if They Are to be Permanent, Must be Fitted to the Legal Systems of the Member States, Mr. Kuhn Points Out the Absence of Provisions Which Permit Legal Actions Against the Institutions in Their Dealings With Private Organizations, Although in the Case of the Bank Action May be Permitted by Private Authorities in Territories of a Member in Which the Bank Has an Office. Holds That the Immunities, Conferred Under the Plans, Should Not Be Enlarged to the Extent of Placing the Fund and the Bank Outside the Jurisdiction of the Domestic Courts in Transactions With Individuals and He Advocates That the Bretton Woods Agreements Be Made a Part of Plans for Political Cooperations, Such as the Dumbarton Oaks Proposals. Says Provision in the Plans for Settling Disputes by Arbitration Provide Merely for "Interpretations" and Are Too Meager to Insure the Life and Growth of the Monetary Institutions.

The Secretary of the Treasury, Mr. Morgenthau, has recently remarked: "International monetary and financial cooperation is indispensible for the maintenance of economic stability; and economic stability, in turn, is indispensable to the maintenance of political stability." (Foreign Affairs, January, 1945, p. 186.) It does not require a very long memory to recall how the disequilibrium caused by reparation payments without adequate international cooperation soon caused a serious degeneration in political relations between the Allied and Associated nations and throughout the world after World War I. The Bretton Woods Conference seeks to avoid this error by devising a practical system of exchange stability which might be applied as



Arthur K. Kuhn

soon as hostilities cease or earlier, and at the same time establish a better system of international economic relationship leading to a mutually advantageous world exchange of goods and services. Now the legal structure for effecting these objects might conceivably have been accomplished by multilateral accord between the Powers for establishing parities and the granting of various credits, followed by frequent consultation. This indeed seems to have been the suggestion of the French experts and did not envisage one or more separately created international organisms as finally recommended by the Bretton Woods Conference. Although we are still in the

midst of a devastating world-wide conflict, it is already manifest that the governments of the United Nations do not plan to liquidate all the problems of the war by a comprehensive peace treaty like that of Versailles. Various autonomous international agencies are to have a more or less permanent status and each will perform special functions within the particular field for which they will be created by separate multilateral conventions. This approach has already given rise to the UNRRA; also to a plan for a permanent United Nations Food and Agricultural Organization, an International Air Administration covering civil aviation, to plans for a "permanent international petro- (Continued on page 551)

From Washington Ahead of the News

By CARLISLE BARGERON

The Republicans in 12 years, not having been able to get rid of the New Deal, and as of this writing, offering no prospects of being able to do so in the future, it would be amazing if the New Deal should get rid of itself. That would certainly seem to be within the realm of possibility now that we are being offered the unusual phenomenon of two indispensable men. Few stricken countries, in all history, and regardless of their wealth, have ever been so endowed. It would seem to be a situation not long to endure.



Carlisle Bargeron

One of these indispensable men is in office, and the newly developed one, as the situation stands today, is to be roving up and down the country without a job, stirring up the common man. Apparently he is to be symbolic of the unemployed which faces the country because he was not permitted to take over the administration of the Federal loan agencies.

There are those in Washington who say that Mr. Roosevelt has outsmarted himself this time.

The widely held theory is that his appointment of Henry Wallace to be Secretary of Commerce, with its accompanying letter to Jesse Jones, was intended as a clever device by Harry Hopkins to get rid of the two of them. In Harry's book, Roosevelt is the indispensable man. He is smart enough to know that there can't be two indispensable men. So he is supposed to have coupled with the little chore of dismissing Jesse, a plan to get rid of Henry at the same time. At least, the Wallace people think this. They have been screaming bloody murder that FD come to their rescue. Military security prevents a discussion of his whereabouts but it is permissible to say that he is not available to help them. Neither is Jimmy Byrnes. Looking over the available in Washington today it is difficult to see where Henry can get any help at all.

But—and this is supposed to be where FD and Harry outsmarted themselves—we are assured that (Continued on page 548)

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Does He Mean Collectivism?

"America's mighty industrial production in the defense of democracy exceeded the fondest hopes of our optimists, and crushed the hopes of our enemies. This record-breaking production was possible only by the splendid patriotic cooperation between all Americans—on the farm, in the factory and on the fighting fronts.

"The complicated problems of reconstruction and rehabilitation also can be solved only by a united effort for the benefit of all.

"The basic domestic problem before America is to continue the spirit of cooperation from war production to that of peace. Productive efficiency and domestic harmony should permit wider distribution of the good things of life to more Americans. If we produce wisely and maintain a united front for peaceful prosperity, there should be little reason why Americans might not expect the post-war period to be one of steady progress in keeping with our democratic ideals."—Vice-President Truman.

If such utterances were but the occasional outbursts of politicians they would probably be about as harmless as they are vague and meaningless.

Similar statements now have the endorsement of a great many influential leaders, and without doubt are beginning to have a definite effect upon current thinking about post-war matters—and that effect is not particularly helpful.

Our future depends not upon making collectivism effective, but upon releasing an already vigorous individualism.

Wallace Nomination Supported by Morgenthau; Former Vice-President Proposes Post-War Plan

Supporting the President's nomination of Henry A. Wallace for the post of Secretary of Commerce, it was declared by Secretary of the Treasury Morgenthau on Jan. 26 to be his (the latter's) belief that Mr. Wallace "has done the country a genuine service in offering a concrete program for achieving the President's goal of 60,000,000 jobs after the war." Mr. Morgenthau's reference had to do with a statement made by Mr. Wallace before the Senate Commerce Committee on Jan. 25 incident to his fitness for the post to which he has been named. Following the announcement of Mr. Wallace's nomination (Jan. 22) the Committee on Jan. 23 deferred a vote on the nomination pending action on the proposal of Senator George to sever from the Commerce Department the several Federal lending agencies.

In addressing the Committee on Jan. 25 Mr. Wallace said in part:

I appreciate the opportunity you have extended to me to appear before this committee on S. 575. Obviously I am deeply concerned with any proposal that has for its purpose the stripping of the Department of Commerce of its present lending functions. I would be less than frank if I were to give you the impression that my concern springs solely from the fact that important functions are being carved out from under the jurisdiction of the Department of Commerce. You know and I know, that of even greater significance is the fact that my nomination as Secretary of Commerce was the occasion for this particular proposal.

There are some who have suggested—perhaps in an effort to save my feelings or face—that this separation of the lending functions from the Commerce Department is desirable because of my alleged "lack of experience." Rather it is a case of not liking the experience I have.

Let me be specific: For eight years, I was Secretary of Agriculture. During that period the Commodity Credit Corporation, the Farm Security Administration, the Farm Credit Administration, and the Rural Electrification Administration were under my supervision. During that period

plish in so far as the power conferred upon the Commerce Secretary would permit.

His exposition of the "economic bill of rights" was made to the Senate Commerce Committee, which for the second day held hearings upon the bill, introduced by Senator George, which would divest the Commerce Secretary of all authority over Federal lending agencies.

The committee chairman, Senator Josiah Bailey, asked Mr. Wallace whether the latter's proposal for credit guarantees involved equity financing by the Government of small business. To this Mr. Wallace replied that he hoped small business could be aided by having the Federal Government provide credit insurance locally. But he asked the committee for permission to file a statement with it later explaining his views on the question of equity financing.

In explaining his credit guarantee plan, Mr. Wallace said that the methods employed would be substantially those which have been used in T and V loans and in Federal Housing Administration loans.

The other points in his "economic bill of rights" stressed by Mr. Wallace were as follows:

1. Wages: While limitations on wage increases during wartime are necessary as an anti-inflationary measure, wage levels must be steadily pushed upward in the post-war period. Labor's wartime gains must be preserved and post-war deflationary trends should be combated by keeping wages at least to wartime levels. A start should be made jointly by Government, business, and labor toward the objective of an annual guaranteed wage, though Mr. Wallace conceded that it is not an objective which can be realized overnight.

2. Farm Issues: The farmer must be given an "adequate floor" on farm prices; a comprehensive Federal crop insurance program must be set up to assure stability of farm income; rural electrification must be expanded.

3. Monopoly: "No special class of business deserves to be the spoiled darling of government. The American people have no interest in preserving the vested interests and monopolistic privileges of greedy big business. The interest of the American people lies in using the resources of the country to achieve a prosperous America, prosperous for all business, large and small, and for all the people.

"We must break through the barriers of monopoly and international cartels that stand in the way of a healthy expansion of free enterprise.

"We must overcome the monopolistic frame of mind which thinks of business in terms of restricted output at high prices per unit. We must pass on to workers and consumers the benefits of technological progress and large-scale production. Free enterprise in the American tradition can flourish only by doing a large volume of business at a small profit per unit.

"We must protect free enterprise against monopolies and cartels through continued vigorous enforcement of the anti-trust laws. Private enterprise yields its full advantage to the consuming public and to other business only when it is genuinely free and competitive. He is a sinister enemy of free enterprise who pays lip service to competition but also abels every anti-trust prosecution as 'persecution.'

"Our economy has important new expanding sectors in air transport, frequency modulation, television, and fibers, plastics and many other fields. These new expanding business areas in particular must be kept free of the constricting hand of monopoly. There must be a place in these new business areas—as everywhere in our economy—for enterprising small

firms. It is from these new and small firms that the great industries of the future will grow. We need new industries and new firms to have industrial progress. We must not permit them to be stifled by monopoly."

4. Housing: Adoption of a housing program looking toward the construction through private enterprise of 2,000,000 housing units a year. This to be done through making available private credit on terms which will "reduce the down payment and cut by one-third the monthly cost of buying homes." Mr. Wallace did not explain how this reduction in "monthly cost" was to be achieved.

5. Medical Care: Health insurance to be made "an integral part" of the social security program.

6. Social Security: Expansion of the existing program both by way of extending the coverage to larger numbers and increasing the benefits.

7. Education: Extension of the principle of free education to embrace technical and higher education.

Without naming the man President Roosevelt wants him to succeed as Secretary of Commerce and head of the multi-billion dollar RFC, Wallace lashed back at Mr. Jones, who yesterday called him unqualified to preside over such big business matters.

Wallace did it this way—he proposed to the Senate Commerce Committee that Congress investigate the administration of the lending agencies to determine if they should be stripped from the Commerce Department.

The day's proceedings wound up in an executive session after which Chairman Bailey announced the committee would vote tomorrow afternoon on the George bill.

After that vote, he said, any committee member can move to take up the Wallace nomination itself.

The following is the statement issued on Jan. 26 by Secretary Morgenthau:

"I have studied Mr. Wallace's statement before the Senate Committee on Commerce.

"I believe he has done the country a genuine service in offering a concrete program for achieving the President's goal of 60,000,000 jobs after the war. Without attempting at this time to weigh the merits of each of his proposals, we can all thank Mr. Wallace for the courage he has displayed in coming forward with specific suggestions. Only through thorough study and discussion of these proposals and others that will be stimulated by them will this country be prepared to meet with intelligence and purpose the economic problems we shall face after the war. Intelligent planning for problems we know will arise after the war spells the difference between an orderly transition period and a log jam of poorly considered measures conceived in the throes of emergency and crisis.

"I think too that Mr. Wallace is correct in stating that the real issue involved is not his lack of experience in the financial field. As Secretary of the Treasury during most of the period Mr. Wallace was in charge of the Commodity Credit Corporation, the Farm Security Administration and the Rural Electrification Administration, I can say that I know that Mr. Wallace's record in making loans in excess of \$6,000,000,000 is beyond reproach. He is in the truest American tradition—a Yankee business man with the horse sense to recognize that we are living in a world of change.

"I know that Henry Wallace made a genuine contribution to good government and free enterprise as Secretary of Agriculture. I believe he can make an even greater contribution as Secretary of Commerce."

Tax Payers Reminded "Unforgiven Tax" Due

Joseph D. Nunan, Jr., Commissioner of Internal Revenue, announced on Jan. 24 that separate bills are being sent to approximately 4,000,000 taxpayers who postponed payment of part of the "unforgiven tax" shown on their 1943 income tax returns. These bills are being mailed by the collectors of internal revenue in the taxpayers' home districts and are payable not later than March 15, 1945, said the Bureau, which added:

"Commissioner Nunan explained that this type of payment is due from only about 4,000,000 out of the estimated 50,000,000 individuals who are required to file 1944 income tax returns by March 15, 1945. Therefore, in order to avoid confusing the majority of taxpayers who must file 1944 returns but do not owe any unforgiven tax for the previous year, the Bureau of Internal Revenue is treating these items as entirely separate transactions.

"The bills for 'unforgiven tax' arise from the switchover to the pay-as-you-go system of income tax collection. To avoid collecting two years' taxes from individuals in one year, Congress forgave in most cases at least 75% of the individuals' 1942 tax and added the unforgiven part to their 1943 tax. At least one-half of the unforgiven part was payable March 15, 1944, and the balance is due March 15, 1945. It is this balance for which bills are now being mailed."

Price Trend Charts On 2% Treasury Bonds

Manufacturers Trust Company, New York, is distributing to its correspondent banks a chart that shows the price trend of the fully taxable 2% Treasury Bonds issued in recent years. In an accompanying explanatory letter the bank points out that using the optional call dates instead of final maturity, the chart clearly indicates that with the passage of time these 2% bonds appreciate in price for several years from the issue date, remain static for a further period and eventually decline as the call date approaches. The price peak generally occurs between four and five years prior to call date.

The chart also reveals the following interesting facts:

"1. All fully taxable 2% bonds issued during the past two and one-half years have advanced at an average rate of one-half point per year.

"2. The price peak under prevailing money market conditions is roughly 102 and is reached between four and five years prior to the first call date as evidenced by the price action of the 2s, 3/15/50-48.

"3. It is possible for a four to five year 2% Government issue to be declining marketwise at the same time that a five to six year 2% issue is advancing."

Redeem Brisbane Bonds

Holders of City of Brisbane Thirty-Year Sinking Fund 5% Gold Bonds due March 1, 1957, are being notified that, in operation of the sinking fund, \$41,000 of the bonds have been drawn by lot for redemption on March 1, 1945, at 100%. The selected bonds, with unmatured interest coupons attached, should be surrendered at the National City Bank of New York, 55 Wall Street, New York. Interest on the selected bonds will cease from and after the redemption date. On January 22, 1945, \$20,000 principal amount of bonds previously called for redemption had not been presented.

Industrial Activity Up Slightly in December Federal Reserve Board Reports

"Production and employment at factories increased somewhat in December, retail buying was exceptionally active in December and the first half of January and wholesale commodity prices advanced," according to the summary of general business and financial conditions in the United States, based upon statistics for December and the first half of January, issued Jan. 25, by the Board of Governors of the Federal Reserve system. The Board's advices continued:

Industrial Production

"Total industrial production was maintained in December at the level of the preceding month, which was 232% of the 1935-39 average, according to the Board's index. Manufacturing output showed a slight rise because of increased output of war products, while minerals production declined, reflecting a sharp drop in coal production.

"Gains over the November levels of activity in the machinery, transportation equipment, chemicals, petroleum refining, and rubber industries followed a renewed drive to expand output of critical munitions. Military events in December resulted in higher production schedules for munitions and in additional Federal measures to assure manpower for war output and to increase inductions into the armed services. Stringent limits were placed on the use of metals in civilian products under the programs initiated last fall.

"Output of metals decreased somewhat further in December. In the first three weeks of January steel production continued to decline, partly because of severe weather conditions. Output of aluminum has been held at a level of about 90 million pounds per month since last autumn. The curtailment of aluminum sheet production during 1944 was reported in January to have led to a critical supply situation for this product in the light of the recently raised aircraft schedule.

"Lumber production showed the usual seasonal decline in December. Output for the year 1944 was about 5% below 1943, and a further decline is expected in 1945 due to continued shortages of manpower and equipment.

"Cotton consumption and output of manufactured foods were maintained in December at the level of the preceding month. There were declines in shoe production and in activity at paper mills.

"Output of coal in December was about 12% below average production in the preceding 11 months. In order to assure supplies to meet the most essential needs, restrictions on less essential civilian uses of coal were instituted in January. Crude petroleum production was maintained in December in large volume, while output of iron ore showed the large seasonal decline customary in this month.

Distribution

"During the November-December Christmas shopping season department store sales rose to new high levels and were 15% larger than in the corresponding period a year ago. The high level of sales was maintained in the first half of January, taking into account usual seasonal changes in trade.

"Carloadings of railroad freight declined more than usual in December. During the first two weeks of January loadings were 5% less than during the same period a year ago, owing to decreases in all classes of freight except miscellaneous shipments.

Commodity Prices

"The general level of wholesale commodity prices advanced somewhat from the early part of December to the middle of January. Prices of most farm products were higher. After the middle of January grains and cotton declined but were still above early December levels. Steel

scrap, which had been considerably below ceiling levels in the autumn, showed a sharp price rise. Prices of non-ferrous metal scrap, cement and various other industrial materials also increased in December and the early part of January.

Bank Credit

"In the four weeks ended January 17, Government security holdings at weekly reporting member banks increased further. Loans for purchasing and carrying Government securities declined from the level reached during the Sixth War Loan Drive; most of the decline was in the loans to customers, but loans to brokers and dealers also were reduced moderately. The Government securities added to reporting member bank holdings in this period consisted mainly of bonds and bills.

"Excess reserves held by member banks declined relatively little from the peak reached during the Sixth War Loan Drive. Reserve requirements increased, but member bank reserve balances also increased by approximately the same amount. Spending of Treasury balances and a reduction of nonmember deposits at Reserve Banks more than offset a decline in holdings of Government securities by the Federal Reserve Banks. Currency in circulation declined 130 million dollars during the three weeks following the Christmas peak, the largest decline for any corresponding period since early 1942.

"Following the Sixth War Loan Drive, adjusted demand deposits renewed their increase, and time deposits increased at a more rapid rate than demand deposits. Between war loan drives, time deposits in all banks have been increasing at the rate of almost three-quarters of a billion dollars a month."

Changes Recommended In Savings Investment Policy and Accounting

The number one program of the Savings Division of the American Bankers Association during 1945 will be to bring about a realization that savings accounts can be profitable to banks, according to H. R. Templeton, President of the division, who is also Vice-President of the Cleveland Trust Company, Cleveland, Ohio. Mr. Templeton said that members of the Committee on Savings Management and Operations of the Savings Division believe that most banks which are not required by law to segregate time and demand deposits take into consideration the percentage of time deposits in determining the length of their maturities in investing bank funds. Because of this the committee contends that savings deposits are entitled to a better yield than the average earnings of the bank.

Following its recent executive meeting in New York, the Committee on Savings Management and Operations decided that this philosophy of savings funds investment should be promoted and that banks with time deposits should be urged to invest in longer maturities. To advance this program, the committee, of which Fred F. Spellissy, Vice-President of the Market Street National Bank, Philadelphia, Pa., is chairman, will revise its cost analysis on savings department operations.

N. Y. Curb Reports on Market Value of Securities in 1944

Total market value of all stocks traded on the New York Curb Exchange at the close of 1944 advanced \$1,283,648,613 to a total of \$11,176,042,989. Average price per share for each of the 883 issues was \$17.91 as against \$15.41 in 1943 when 935 stocks were traded. Shares outstanding decreased 18,079,572 to 623,769,323. The Curb's advices also state:

"Average price per \$100 par value of bonds was up \$1.34 to \$97.09 while the outstanding amount dropped \$520,888,381 to \$2,214,610,820 and total market value of the 163 issues traded showed a decline of \$469,065,914 to \$2,150,382,528. At December 31, 1943 there were 201 bond issues, listed and unlisted, traded.

"Market value of listed common stock issues was up \$384,686,502 to \$1,535,089,570, and the average price rose \$2.19 to \$8.10 despite a drop of seven in number of such issues to 332 and a decrease of 4,967,394 to 189,430,810 in the outstanding amount. Listed preferred issues had a similar trend, with market value up \$27,824,046 to \$445,971,994 and average price improved by \$6.03 to \$48.45 while their number was 10 less at 90 and the outstanding amount was off 652,238 to 9,204,245.

"In the unlisted common stock section, market value advanced \$388,844,006 to \$7,268,485,923 and average price rose \$2.66 to \$18.60. Number of issues here dropped 17 to 320 and the outstanding amount was 9,496,774 lower at 390,658,906. Unlisted preferreds had a market value of \$1,926,495,502 off \$17,705,941 under the total on December 31, 1943 and an average price of \$55.88 which was \$3.95 ahead of that in 1943. Number of issues declined 18 to 141 and the outstanding amount was off 2,963,166 to 34,475,362.

"Listed bonds showed a \$19,393,393 decrease in market value to \$359,613,297 and an average price that was \$1.70 better at \$103.61. The outstanding amount of the 23 issues (28 at the close of 1943) was \$347,053,535 or \$24,816,296 below that in 1943.

"Unlisted bonds had a market value of \$1,790,769,231 which was \$449,672,521 under the 1943 total. An average price of \$95.88 reflected a rise of \$1.10. The 140 issues in this group showed an outstanding amount of \$1,867,557,285, a drop of \$496,072,085 under 1943 when 173 unlisted bond issues were traded."

Cotton Spinning for Dec.

The Bureau of the Census announced on Jan. 19 that, according to preliminary figures, 23,105,942 cotton spinning spindles were in place in the United States on Dec. 31, 1944, of which 22,219,768 were operated at some time during the month, compared with 22,257,040 for November, 22,228,138 for October, 22,279,574 for September, 22,240,676 for August, and 22,573,582 for December, 1943. The aggregate number of active spindle hours reported for the month was 8,733,356,074, an average of 379 per spindle in place, compared with 9,706,627,504, an average of 420 per spindle in place for last month and 9,912,069,228, an average of 425 per spindle in place for December, 1943. Based on an activity of 80 hours per week, cotton spindles in the United States were operated during December, 1944, at 118.5 percent capacity. This percentage compares, on the same basis, with 120.6 for November, 117.4 for October, 122.3 for September, 116.3 for August, and 115.4 for December, 1943.

The State of Trade

Some years ago Francis P. Garvin, first President of the Chemical Foundation (Inc.), summed up the purpose of the chemical industry in the following words, "The products of the American chemical industry are but its by-products. Its main product and purpose is the advancement of our knowledge of scientific truth—and the truth shall set us free from the limitations and oppressions of nature, from the envious and interference and fears of other nations, and from the wastes and ignorance of our past and present." From the standpoint of its purpose or objective, the chemical industry has come a long way toward its fulfillment.

Today, the chemical industry of America enjoys the distinction of being the medium through which we as a nation are able to achieve scientific progress so necessary to our national defense and upon which the constant development of our agriculture, our industries and the health of our people depends in our efforts to attain final victory and peace.

In World War I the United States was not in such a fortunate position as it finds itself today, since it had to lean heavily upon Germany and other countries for much of its chemicals and natural products, but the war did bring to us the realization that we should take steps to remedy this situation. Much progress has been made in this direction, and in the present conflict, cut off as we are from our original sources of supply of some natural products, we are able to carry on thanks to the foresight of the chemical industry in providing our armed forces with substitutes where necessary, which in some cases and under certain conditions surpass the natural product. This splendid progress is reflected in the fruits of long and tedious research on the part of American chemists in the perfection of synthetic rubber, new types of gasoline and fuel oil and in the development of new drugs, dyes, plastics, rayon and a multiplicity of products that make for a more comfortable and more independent America.

With the increased tempo in production to meet the stepped-up needs of our fighting forces one may wonder what the prospects are for the chemical industry in the year ahead. Some insight into the picture for 1945 is afforded in the observations made during the latter part of 1944 by the chief of the Chemical Unit of the Department of Commerce, Mr. C. C. Concannon, in his article entitled "Outlook for Chemicals," in the current issue of "Domestic Commerce."

"Favorable conditions in the industry as a whole should prevail throughout 1945 regardless of the turn of events," states Mr. Concannon. Should the war in Europe end early in the year, military requirements for certain chemicals may be lessened somewhat, but manufacturers of civilian goods normally consuming large amounts of chemicals are prepared to take up the slack. There will, observes the chief of the Chemical Unit, undoubtedly be large stocks of a few chemicals, civilian demand for which will not be sufficient to dispose of the entire amounts promptly, but civilian needs in the main will more than offset the diminished war demands.

Relaxation of present war controls and regulations are expected to occur soon after the defeat of Germany with foreign trade in chemicals and allied products continuing to expand to fill present demands and those to come. According to Mr. Concannon, there has already been a resumption of imports of certain chemical raw materials from liberated areas. The progress made by the industry in the development of new products for war will find ready acceptance for peacetime purposes both at home and abroad.

With respect to dye production, the author points out that coal-tar dyes at present are closely

linked to military procurements of uniforms, clothing and miscellaneous items of equipment, and since no substantial lessening in such demands appears likely until the end of the war is clearly in sight, it may be assumed that 1945 will see a continuation of at least current rates.

The supply situation in dye intermediates is generally tight, the article notes, with no immediate improvement visible, since crudes from which they are derived are also directly and indirectly vital to our war effort in the fields of aviation fuel, ammunition, chemical warfare, medicine and plastics. The relationship of these various demands to total supplies of crudes has become reasonably stabilized and from current indications the dye industry, in the opinion of the chief of the Chemical Unit, should be as well supplied with raw materials as it has been this past year.

Capital Flotations in 1944—The aggregate of all corporate issues for 1944 was \$3,113,393,083, compared with \$1,080,868,131 in 1943. The 1944 total was the largest for any single year since 1936, when \$4,631,945,681 was reported. Of the 1944 figures, \$652,522,345, or 20.9%, was for new capital and \$2,460,870,738, or 79.1%, for re-funding purposes.

Indebtedness incurred by the Treasury last year through the public sale of its securities amounted to the stupendous total of \$148,663,630,800 as compared with \$63,182,839,168 in 1943, \$50,409,965,253 in 1942 and \$11,512,617,001 in 1941.

Of the total corporate issues for 1944, bonds and notes added up \$2,602,863,000 compared with \$907,077,500 in 1943 and stocks totaled \$510,530,083, as against \$173,790,631 in 1943. Of the total corporate financing for 1944, the largest portion went to public utilities, the total being \$1,360,131,582, as against \$399,148,600 in 1943; other industrial and manufacturing took up \$699,277,673 as compared with \$460,858,692 in 1943; railroads accounted for \$622,770,000 against \$152,436,000 the previous year; iron, steel, coal, copper, etc., \$124,287,500, as against \$14,267,754 in 1943. The balance aggregating \$306,926,328 was made up of equipment manufacturers, \$220,000; oil, \$95,838,900; rubber, \$46,500,000; land, buildings, etc., \$24,115,000; investment trusts, \$9,823,540, and miscellaneous, \$130,428,888.

Steel Industry—Whatever the turn, favorable or otherwise in the war news, the steel industry is fully aware that every effort must be made to keep the raw and finished steel output rate from falling to new lows. Due to a combination of factors, the steel industry has not yet been able to regain its pre-holiday and pre-storm level, the effects of which may prove highly detrimental to already extended steel deliveries. February and probably for succeeding months, states "The Iron Age," in its review of last week's steel trade, placed increased emphasis on shell steel to be produced at the expense of hot rolled bars, semi-finished steel and rails, while order directives for emergency steel continued to roll in at a fast clip. As a result, there will be a great tendency toward an expansion in carryovers of previously accepted orders for these products.

Several mills are sifting some orders with the purpose of pushing less critical consumers off rolling mill schedules into carryovers, thus making certain that

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The Financial Situation

(Continued from first page)

sea. We are an ancient Commonwealth dwelling and wishing to dwell at peace within our own habitations. We do not set ourselves up in the stigma of rivalry or might with any other community in the world. We stand on our own rights. We are prepared to defend them. But we do not intrude for our advantage upon the rights of any friendly country in the world, great or small. We have given and we shall continue to give everything we have.

"We ask nothing in return except that consideration and respect which are our due, and if that is denied us, we would still have good conscience."

Less Than Frank

There is a good deal, of course, which the Prime Minister did not say. He may, by and large, be somewhat less than wholly frank. He would certainly have been more precise had he said that Great Britain had given its all and would continue to give its all to defend itself and what it considers its own. The Prime Minister's country has certainly set an example of determined resistance and self-defense against great odds which will never be surpassed and may never again be equalled. It has hardly done all this for the sake of "civilization," of the "world" or of "humanity" as one might almost gather from the general drift of Mr. Churchill's remarks. In light of developments after the last world war, one may be forgiven for entertaining certain doubts whether in the settlement to come, after this one, Great Britain will be quite so devoid of ambition as this account would suggest. In any event, the position of the British Empire is naturally at this stage of its existence one of defense of the status quo in all essentials rather than further spreading out. All this doubtless is well known to Mr. Churchill who, however, speaks as if it had never occurred to him.

Probably it would be a counsel of perfection to ask the head of a mighty empire to call a spade a spade at all times, yet we can with difficulty suppress our regret that Mr. Churchill felt it necessary to do less upon this occasion. In expressing this regret we do not intend any particular criticism of the Prime Minister. His jibes at this country may or may not have been warranted. We certainly are—and always have been—fond of the cloak of self-righteousness, but the fact that we have so large a navy and air force is something for which Great Britain may well be thankful. Indeed the fact that we have them may in one sense be put down as a tri-

umph of the Prime Minister himself, who had no little to do with bringing about conditions which ultimately placed us in a position in which we had no choice but build such a navy and such an air force.

But Why the Evasions?

But it is not the Prime Minister's attitude that we regret so much as it is the conditions or circumstances—whatever they are—which seem to impel him as well as practically all other national and international leaders to deal in such essentially hypocritical fashion with questions such as these. Whatever may be the intentions and whatever may presently be the course of this country, it is obvious that Messrs. Stalin and Churchill are viewing the situation in accord with historical tradition—and that tradition does not call for self-abnegation or self-immolation. Mr. Churchill's rather lame tu quoque defense—if that is what it is intended to be—does nothing to alter the situation or to change or to excuse this general policy on the part of the British Empire or of the Russian nation.

But why must we have excuses, evasions, euphemisms, or obviously vain disavowals? For our part, we do not think any the less of the British Prime Minister for looking after the interests of his country. Why should any one else do so? Or, does any one else do so? One of the most unfortunate aspects of these global wars is the fact that the rank and file—certainly of the United States of America, which now appears predestined to be drawn into them—are so sadly misled in their ideas of the origin, cause, and results of them. In such frays lofty "ideological" principles are for the most part useful chiefly for explaining and arousing the people to pursue with vigor conflicts which have a wholly different origin. One gathers the impression that this time at all events, the British people have not been as realistic in these matters as they have in the past, or else that they have in unwonted degree begun to "think" about them—and as is so often the case with popular "thinking"—have gone very far astray.

The "Economist," less fond of jibes and more given to Olympian observations, dusts off the old, old argument that whatever the United States may have done in aid of Great Britain or of the British Empire was, according to its own official pronouncements, necessary in its own defense, that if the British were kept going by the assistance of the United States, it was only, as its own leaders have always told the world, because it was

obliged to do so in order that it might not at a somewhat later date suffer a fate similar to that which threatened Great Britain. Technically, of course, the "Economist" is quite correct. It cites our officials and our laws accurately. What this highly respected publication does not take into account, but what must be well-known to its editor, is the fact that there are many reasons to doubt whether the great rank and file of the American people, in their sober moments, have ever believed the defense of our shores necessitated much that was done in its name in the early years of the war. Under stress of emotion generated by events and carefully nurtured by British and American political leaders, they may for a time have accepted these notions rather uncritically, but such acceptance, if it ever occurred, was too transient to form a sound basis for permanent policy. Both the "Economist" and the Prime Minister should also be well aware that the American people are saturated with an idealism which is not found elsewhere, perhaps, anywhere in the world—and, we might add, a corresponding lack of first hand acquaintance with world problems where they are the toughest and certainly a corresponding want of sympathy with traditional modes of solution.

This strange idealism has led a substantial proportion of the American people—possibly a majority of those who have given the matter a thought—to hope for if not to expect, its own often ill-informed notions about international relations to find expression in postwar settlements. Hence the current wave of discouragement, and even anger, about Poland, Greece and a number of other small countries. This sort of thing was inevitable from the very beginning, and certainly should not surprise the "Economist" or Mr. Churchill. They must adjust themselves to it as best they may.

But we, too, would do well to take stock quite dispassionately. As to purely European problems, let no one suppose for a moment that Mr. Churchill, despite all his protestations of disinterestedness and of unselfish sacrifice, has any notion whatever of giving any British treasure or British blood to take any kind of political "religion" to any nation in the world. He knows, whatever he may think it discreet to say, that what we call "democracy," or popular rule, has its limitations, and that on the continent of Europe, certainly the institution of such a form of Government is beset with great difficulties in many instances. It is doubtful if the people of most countries on that Continent are at this time particularly interested in, or even thinking much about, the institution of what

we think of as democracy in the years which immediately follow this war. The struggle is usually between what is vaguely called Communism and what is even more vaguely termed Fascism—in either case governments of force and violence by minorities or by majorities which ruthlessly dispose of any minorities that may get in their way.

Heaven knows how to deal most effectively with such a situation, but certainly it is not by means of such idealism as is found in this country. May Mr. Churchill's speech not delay our realization of that fact.

Gustav Cassel Dies

Professor Gustav Cassel, internationally known authority on monetary problems, died at Stockholm on Jan. 15, it was made known in Associated Press advices, which said:

"He had been an adviser on finance to the Swedish government since 1904, the year he was made Professor of National Economy and Finance at Stockholm University. He was 78 years old."

The New York "Herald Tribune" of Jan. 16 had the following to say regarding the late monetary expert:

"Although he was responsible for many of the internal monetary policies which helped Sweden weather in relative prosperity the depression after the World War, Professor Cassel's reputation was mostly based upon his contribution to world economics and international finance.

"He was twice asked by the League of Nations to prepare reports on the currency problems of the world, and these reports, together with his book, 'Theoretical National Economics,' formed the basis for most of the modern discussions of international economics. He also helped prepare a report on the economic situation in Germany for the German government in 1922."

"Many of Professor Cassel's public statements were on the subject of the gold standard. For years he insisted there were only two logical policies to be adopted in the gold question. One was to stabilize the value of gold by a rational regulation of the monetary demand for gold, and the alternative was to abandon the gold standard entirely.

"One of the faults with the gold standard unless some method of stabilization were found, he argued, is that the mining of new gold does not keep pace with the increase of world wealth, so that the price of gold is always subject to fluctuation. He predicted that some day a new monetary system would be employed in which a currency with no metallic base would be managed in relation to changes in the price level so that the purchasing power would always be about the same.

"Professor Cassel was born in Stockholm and taught mathematics at Stockholm University for a number of years before specializing in economics. He took a leave of absence from the university in 1898 and studied economics in England and Germany until 1904, when he returned as professor of political economy. One of his first important books was 'High Prices and the Paper Money Surplus,' published in 1917.

"In 1928 he was called in by the United States Committee on Currency and Finance to give a report on the stabilization of the dollar. He was a delegate to the World Economic Conference in London in 1933. He held honorary degrees from the Universities of Munich, Cologne, Innsbruck and Stockholm."

From Washington Ahead of The News

(Continued from first page)

Wallace will be more of an influence, more of an indispensable man, outside of office than he is in. The Republicans have been approached on this line. They have been told, and it carried some weight, that they were foolish to oppose Wallace lest they make a martyr of him. The martyrdom, however, it is apparent upon analysis, will work against FD, not against the Republicans. It is apparent that he, or rather the crusade behind him, is splitting the New Deal forces.

Mr. Roosevelt's success in being elected for four terms lay in his ability to keep down aspirants for the job in his own party, to keep them from developing. Paul McNutt still carries the scars of having taken the Presidency, in 1940, at his word that he did not want a third term. Henry, too, has been badly scarred since his triumphal tour of Latin America, some two years ago. But he will not down. And now we are assured that the more he is beaten the bigger he will grow. It is not a reassuring spectacle for the Roosevelt followers to contemplate.

It is a little difficult to understand his supporters—to understand just what their purpose is. They are the CIO, almost exclusively. The gentlemen enjoying this great taste of power owe everything they have to Roosevelt. They have risen with him and there is every indication they will fall with him. Just why, under the circumstances, they keep antagonizing him with Wallace, why they keep building up Wallace against him, is really something to think about. They may think so, but they aren't building him up against the Republicans.

All in all, Washington certainly presents a pretty picture as the Big Three prepare to meet again. It was being contended that the work or fight legislation was needed mostly to fortify FD in his bargaining with Stalin and Churchill. Unless we had something like this, they might put it up to him, so we were told, that we were not going all out in the war. It sounded right ridiculous with our armies over there pushing on the Western front, but, nevertheless, this was the propaganda in Washington.

It so happens, however, that nobody in the executive branch seems interested any more in the outcome of the legislation. Jimmy Byrnes, who started it all, has gone off, for just what purpose it is hard to imagine. Paul McNutt wasn't even in the country looking after manpower when the demand for the legislation was made.

There is an amazing story going the authoritative rounds in connection with the legislation. It is to the effect that Jimmy was burning up, not about the manpower situation in this country, but because when he went to France he found 400 boats waiting to be unloaded. They couldn't be unloaded because of our lack of port facilities. He was telling friends that the Army certainly should have known that it had to have ports and what he wanted to do was to blow the lid off. Instead of that, he asked, in his routine report to Congress, for mild manpower legislation. FD came along with the drastic work-or-fight proposal. Closely following this, came Wallace's appointment, the episode of Elliott's dog and his subsequent appointment to be brigadier-general. It is more than the country can digest and it was probably not expected to do so.

Combined Allied Supply Boards to Remain Until End of Japanese War

The decision to maintain the Combined Production and Resources Board, the Combined Raw Materials Board and the Combined Food Board until the end of the Japanese war was made known on Jan. 19 in a joint statement issued in behalf of the Boards by President Roosevelt and the Prime Ministers of Great Britain and Canada. At the same time the President gave out a statement in which he said:

"We hear a good bit about differences between the United States and Britain, but perhaps we hear less of how really effectively they are working together in winning the war; and, also, in meeting the economic problems of the areas they liberate." The President added that "together with Prime Ministers Churchill and MacKenzie King, I have just outlined the work the Combined Boards are to do from now until the end of the war with Japan. The Combined Food Board, the Combined Raw Materials Board and the Combined Production and Resources Board provide a strikingly successful example of United Nations collaboration on some of the urgent and difficult problems of the day."

The statement of Mr. Roosevelt continued:

"The Boards are dealing now with serious shortages in such commodities as tires and trucks, coal, textile, footwear, animal protein foods and fats and oils. In each of these items the shortage is big enough to affect military requirements, civilian needs and relief activities in all areas. In the case of the Combined Food Board, representatives of other countries also have participated in the development of appropriate international programs for certain commodities; e. g. Newfoundland fish and Australian wheat.

"There have also recently been added to certain commodity committees on the Combined Food Board representatives of countries whose supplies and requirements, through progress of military operations, have again become, or will become, important factors in the international distribution of vital supplies; e. g. France, Belgium, the Netherlands and Norway in the case of fats and oils.

"The requirements of the U. S. S. R. have been related to the activities of the Boards through the departments of the member governments concerned with the conclusion of the annual protocols by which the U. S. S. R. supply programs are determined.

"Through the Boards, former occupied countries are being helped to start up their manufacturing because we want to ease shortages of plants and manpower here, in Britain and in Canada. We are acting with awareness, too, of the acute need to restore employment in the liberated areas, thus minimizing unrest.

"Coal offers a good example of the working of the Combined Boards. It was clear at the beginning of 1943 that the United Nations as a whole faced a serious deficit. The Boards worked out solutions through the appropriate national agencies.

"These solutions reached dramatic proportions. From Britain came expert opinion that production could be stepped up if surface outcroppings could be worked on a mass production basis similar to our American strip mining. As a consequence, the used machinery market of the United States was scoured for such types of machinery—some machines, for instance, which had been in service along the Mississippi levees for 20 years were requisitioned—and a total quantity of machinery estimated to exceed in capacity that used in digging the Panama Canal was expedited to Britain during 1944.

"Most of it has now arrived and in many parts of Britain the operations are under way with the result that 12,000,000 additional tons are expected to be mined before the end of the present coal year. This coal helps supply SHAFV needs in Northwest Europe as

well as those relief requirements for the Mediterranean that can be filled by our present limited transportation.

"The Combined Food Board has proved to be a most useful mechanism for assuring an efficient and reasonably equitable distribution of vital food resources among the various United Nations. On the basis of detailed information interchanged constantly among its commodity committees, the Combined Food Board has developed many international plans for meeting the increased war demands and for offsetting, in so far as possible, the early loss to the enemy of important items.

"The shortage of rice after the fall of Burma and other areas of southeastern Asia is illustrative of the problems which have confronted the Combined Food Board. The Japanese occupation absorbed areas which normally export 95% of the rice entering world trade. The Board moved promptly to insure: (1) that exports from the remaining rice areas were maximized; (2) that such supplies were equitably shared and (3) that wherever possible rice substitutes were provided.

"The Boards have set a model for economic cooperation between the United Nations in overcoming excessive nationalism and in gaining cooperation between former rivals both on the national and international plane.

"On the American side, the direction of the Raw Materials Board has been, since its inception, the job of William L. Batt. We owe him a deep debt of gratitude for his part in keeping an effective flow of strategic materials coming during the war, despite the fact that many of the former rich sources for these materials have been continuously in Axis hands. It has been a magnificent job."

In the joint announcement of the President and the Prime Ministers regarding the decision to continue the Boards until the end of the Japanese war it was stated:

"This announcement followed a review by the member Governments of the past work of these Boards and of their future operations. It was the official view that there will be a large field of usefulness for these boards for the rest of the war, even though many materials and products may be in easier supply as the war progresses.

"It will be their continuing function further to coordinate the war effort of their member countries, and as appropriate, of the other United Nations, in the production, allocation and supply of those products, raw materials and foodstuffs which continue to require combined planning in order to meet military and essential requirements.

"In many cases it will be desirable for the boards to consult, as hitherto, with others of the United Nations and with UNRRA before making recommendations."

In making this announcement concerning the future of the Combined Boards, the following statement on behalf of the President and the two Prime Ministers was released:

"We have followed with close interest the excellent work which the Combined Boards have done in coordinating our production and supply. These Boards were created for the purpose of combining our economic and industrial power during a period of increasingly intensive military preparation. Despite the fact that as the war progresses there will be a substantial diminution in de-

mand for certain military items, studies indicate that there will be continuing global shortages of a limited number of products and materials which are necessary to military operations and to the maintenance of essential civilian economics. We expect the Boards, in the future as in the past, to continue to play their part in facilitating the prompt and adequate use of our economic resources for the common war effort.

"2. In addition, new economic and industrial problems which may require common action are sure to develop before the end of hostilities. The power to act and make decisions in the economic sphere on behalf of our respective nations will remain in the duly constituted national agencies. However, the Boards can perform a very valuable additional service by providing a forum or focal point for consultation and the interchange of information and ideas on such common economic and industrial problems.

"3. In their activities we shall expect the members of these Boards and the agencies of our Governments which work with them to collaborate increasingly with representatives of other United Nations in the common interest."

Mtge. Loan Servicing Manual to Be Prepared

A study of the servicing of mortgage loans with a view toward preparation of a home mortgage loan servicing manual will be an important part of the program of the Savings Division of the American Bankers Association during 1945, to aid members of bank real estate and mortgage departments to keep their mortgage loans sound, according to H. R. Templeton, President of the Division, who is also Vice-President of the Cleveland Trust Company, Cleveland, Ohio. The A. B. A. announcement says:

"This mortgage loan servicing manual will be prepared by the Savings Division in cooperation with the department of Research Mortgage and Real Estate Finance and will be a companion work to be used with the 'Home Mortgage Loan Manual,' published by the A. B. A. in 1943. Members of the Committee on Real Estate Mortgages of the Savings Division, agreed to write descriptions of the service procedure in effect in their banks and to provide copies of the forms used, as well as to collect similar material from other banks in their areas which will be used in preparation of the manual.

"The decision to prepare the mortgage loan servicing manual was reached at an executive session of the committee held recently at A. B. A. headquarters in New York City. The committee, of which Earl B. Schwulst, first vice-president, the Bowery Savings Bank, New York, N. Y., is chairman, discussed real estate loans based on present market prices. It was the consensus of the committee that the Savings Division should caution member banks as to the danger in indiscriminate high ratio loans based on present inflated market prices."

R. L. Hoguet, president of the Emigrant Industrial Savings Bank, New York, N. Y., was appointed to follow this study and keep other members of the committee informed of any new developments. It is stated that inasmuch as the Association is represented by a Committee on Service to War Veterans, members of the Committee on Real Estate Mortgages decided that it was not necessary for the Savings Division to take action on this matter except to emphasize that "(1) mortgage loans should be made whenever possible, and (2) that great care should be exercised in the making of these loans to veterans."

ABA Trust Meeting To Be A Conference In Print

The 26th Mid-Winter Trust Conference of the Trust Division of the American Bankers Association will be held "in print," even though the actual meeting scheduled at The Waldorf-Astoria in New York, Feb. 6-8, has been canceled. This action was taken in conformity to the request of War Mobilization Director James F. Byrnes that all conventions and large business gatherings be canceled in deference to the heavy military

demands on the railroads and hotels. The addresses that would have been made by the members will be published in the A.B.A. "Trust Bulletin" and will be made available to the press. This announcement was made on Jan. 9 by Frederick A. Carroll, Vice President and Trust Officer of The National Shawmut Bank of Boston, in a letter addressed to the members of the Division. The letter follows:

"Last Saturday War Mobilization Director James F. Byrnes made public his request that all conventions and large business gatherings be canceled because of existing heavy demands on railroads and hotels.

"In view of this request the officers of the Trust Division promptly decided to cancel the forthcoming 26th Mid-Winter Trust Conference scheduled to be held in New York on Feb. 6, 7 and 8, even though all plans for the conference had been completed. We wired Mr. Byrnes to this effect and we believe that this action will have the full approval of the entire Trust Division membership.

"Enclosed is a copy of the conference program, which was on the press when the meeting was canceled. Consequently, we plan to hold our conference 'in print.' We have wired each speaker to send to us a copy of his address. These will be released to the banking, financial, and public press on Feb. 6, 7 and 8, the days on which the conference was originally scheduled. These talks will then be published in the February and March issues of the 'Trust Bulletin' and will be sent to the entire Trust Division membership.

"This 26th Mid-Winter Trust Conference was planned to be a serious business meeting to provide trustmen with helpful information on present and post-war problems affecting trust institutions and the customers and beneficiaries they serve. Since the conference cannot be held 'in person,' I hope each of you will read the printed addresses and will find them helpful."

The program which had been arranged for the New York conference, included the following speakers, whose speeches will be prepared and mailed to members of the division:

Frederick A. Carroll, William C. Way, President, American Institute of Banking, and Trust Officer, Central National Bank of Cleveland, Cleveland, Ohio; W. Randolph Burgess, President, American Bankers Association and Vice Chairman of Board, The National City Bank of New York; Murray Shields, economist, Irving Trust Company, New York; Carlyle A. Bethel, Chairman, Committee on Employees' Trusts, Trust Division, A.B.A., and Trust Officer, Wachovia Bank and Trust Company, Winston-Salem, N. C.; Gilbert T. Stephenson, director, Trust Research, The Graduate School of Banking, A.B.A., Wilmington, Del.; Noel L. Mills, Assistant Trust Officer, Deposit Guaranty Bank and Trust Company, Jackson, Miss.; George H. Arnold, Vice President and Trust Officer, The Illinois National Bank and Trust Company, Rockford, Ill.; A. A. Payne, Vice President and Trust Officer, The Central Trust Company, Charleston, W. Va.; Evans Woolen, Jr., Chairman, Executive Committee, Trust Division, A.B.A., and President, Fletcher Trust Company, Indianapolis, Ind.; Earl B. Schwulst, First Vice President, Bowery Savings Bank, New York; Clarence E. Hunter, Vice President, The New York Trust Company, New York; Samuel S. Hall, Vice Presi-

dent, New England Mutual Life Insurance Company, Boston, Mass.; Raymond Stevens, Vice President, Arthur D. Little, Inc., Cambridge, Mass.; Louis H. Roseberry, Vice President and Manager, Trust Department, Security-First National Bank of Los Angeles, Calif.; Mayo A. Shattuck, Hauserman, Davison & Shattuck, Boston, Mass.; Thomas H. Beacon, Jr., Vice President, The First National Bank of Chicago, Chicago, Ill.; Chester R. Davis, Chairman, Committee on Service for War Veterans, A.B.A., and Vice President and Trust Officer, Chicago Title and Trust Company, Chicago; Francis A. Ohleyer, Senior Trust Officer, Fletcher Trust Company, Indianapolis, Ind., and David A. Simmons, President, American Bar Association, and member, Simmons & Smythe, Houston, Texas.

The only constructive portion of the program deleted under the "in print" arrangement will be the luncheon session which was to have been tendered on Feb. 8, to the visiting delegates by the New York Clearinghouse Association. The consultation hour was a new feature planned by President Carroll, designed to give every attending trust man an opportunity to derive added benefit from the conference. It was planned to have officers of the Trust Division, executive committee members, and conference speakers available to answer questions and discuss trust problems. This new feature will be held in abeyance until conditions permit resumption of the usual trust conference.

Uncle Sam's Post-War Plans

(Continued from first page)
 or the State will not have the money "in reserve" to pay the promised benefits. Don't let any insurance salesman scare you with such foolish talk. The U. S. Treasury is investing your weekly payments in Government Bonds or their equivalent, which is the very best investment any insurance company ever made with your money.

When you deposit money in a Savings Bank, the bank does not lock your money in its vault and wait until you want to draw it out. The bank loans it to some one to build a house or do something else—or the bank itself may use it to buy Government Bonds! In this case the money is being treated just the same as your Social Security money is being treated. As to how much your Social Security money will buy—in food, clothing and shelter—when you get old is another question. This depends upon how long the war lasts and the postwar inflation. There, however, is nothing to fear from the argument that "the Federal Government has no reserve funds" for you.

Both State and Federal Funds Needed

One more thing: Because the present Social Security rate of 1% now provides "more than enough money" to meet all requirements, it probably, nevertheless, should be increased immediately after the war to 2%. This would be according to the advice of expert insurance statistical actuaries. The fact that the States now have a reserve of five billion dollars for unemployment, etc., is no reason why we should suspend payments to the Federal Fund. Unless our School Committees now wake up to prevent postwar unemployment. State Unemployment Funds may be insufficient to take care of you during the next depression!

Items About Banks, Trust Companies

Irving Trust Co. of New York announced on Jan. 25 the following official promotions:

Donald C. Adams, credit review division, Assistant Secretary, elected Assistant Vice-President; Harry S. Bayer, personal trust division, Assistant Secretary, elected Assistant Vice-President; C. Gordon Lynn, Wall Street division, Assistant Secretary, elected Assistant Vice-President; Douglas E. McNamara, out-of-town division, Assistant Secretary, elected Assistant Vice-President; Sigmund M. Hadel, personnel division, elected Assistant Secretary, and Michael W. O'Brien, Fifth Avenue office, elected Assistant Secretary.

William G. Green, President of the New York Savings Bank, at Eighth Avenue and 14th Street, New York, announced on Jan. 12, at a meeting of the board of trustees of the bank, that Richard L. Maloney Jr. was elected a trustee and the Executive Vice-President. At the same meeting Clarence B. Plantz was elected a trustee and reelected Vice-President and Treasurer. Casimir J. F. Patrick, an associate of White & Case, was appointed the attorney for the bank.

Adrian Van Sinderen, President of the Brooklyn (N. Y.) Savings Bank, on Jan. 25 announced the election of Harry G. Willnus, Vice-President and director of Intertype Corp., as a trustee of the bank.

The election of James A. Platz as Assistant Secretary of the Brooklyn Federal Savings & Loan Association, is announced by J. J. Middlemiss, President. "Mr. Platz was associated with J. R. Timmins, Wall Street broker, for a number of years," said the Brooklyn "Eagle" of Jan. 28, "and is well known in Brooklyn business circles."

Two top-ranking officers of the Rochester Trust & Safe Deposit Co. of Rochester, N. Y., with a combined service record of 100 years to the bank, have retired, according to the Rochester "Times-Union," which stated that they are Robert C. Watson, Chairman of the board of directors, with 55 years of service to the bank, and Leigh H. Pierson, Vice-President, with 45 years of service. The "Times-Union" of Jan. 11 also stated:

"The announcement of their retirement was made by George H. Hawks, President, following the annual meeting and election of officers. Mr. Watson had requested that, in view of his health, his name not be presented for election as an active officer of the company. He will, however,

continue as a director of the bank, a post to which he was elected April 14, 1903, and will continue to serve on various committees and have an office at the bank to conduct his own personal affairs. He celebrated his 50th anniversary in banking April 12, 1939.

"John Craig Powers, who has been Vice-President and Chairman of the executive committee for the last 24 years, and who celebrated his 50th anniversary in banking July 18, 1942, was elected Chairman of the board to succeed Mr. Watson. Named Assistant Trust Officer is Thomas J. Sercu, who joined the bank last Oct. 2 after 29 years in the banking and trust fields.

"Mr. Watson joined the Rochester Trust on Aug. 12, 1899, 16 months after the bank opened as Rochester's first trust company."

At the annual meeting of the board of directors of the Genesee Valley Trust Co. of Rochester, N. Y., Norbert D. Greene was elevated from Comptroller to Vice-President and is succeeded by Donald R. Clark, who has been Auditor and Assistant Secretary. The Rochester "Times-Union," in reporting this, further said: "T. Chester Meisch, formerly Secretary, also was made a Vice-President, while Perry J. Sheehan, Treasurer, was named Secretary."

In addition, directors renamed John W. Jardine President for the third time. All other officers were reelected.

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In its statement of condition as of Dec. 31, 1944, the Commercial Trust Co. of New Jersey, Jersey (Continued on page 560)

Allied-Hungarian Armistice Signed at Moscow

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From the United Press accounts we also quote:

"The three major powers acted in the name of all the United Nations at war with Hungary, Moscow said, and the Czechoslovak and Yugoslav Ambassadors witnessed the signing. The text of the armistice will be published separately, the broadcast added."

(The Associated Press reported from Washington that the text of the armistice agreement would be made public Sunday. It said it was understood that the reparations figure was considerably below Russia's original demand for \$400,000,000 in four years, and that Czechoslovakia and Yugoslavia would receive reparations.)

W. Averill Harriman, American Ambassador to Russia, was chief American representative at the negotiations and his assistants included Major General John R.

Deane, John Balfour, British Charge d'Affaires, and Embassy Secretary P. G. Crosthwaite represented Great Britain.

Foreign Commissar Viacheslav M. Molotov and V. G. Dekanozov, Vice-Commissar of Foreign Affairs headed the Soviet negotiators, and Marshall Kelemen E. Voroshilov signed the armistice agreement "by authorization of the governments of the Soviet Union, Great Britain and the United States." For Hungary, Foreign Minister Janos Gyongyos, Defense Minister Colonel General Janos Voeres and the State Secretary of the Cabinet, Istvan Balog, signed.

The Hungarian provisional national government, with Colonel General Bela Miklos as Premier,

was formed last month after Russian armies had overrun a large portion of Hungary.

President Roosevelt on Jan. 20 designated H. F. Arthur Schoenfeld, former Minister to Finland, as United States representative for Hungary, according to special Washington advices to the New York "Times" on Jan. 20, which also stated:

"The appointment was announced after the State Department had received information that the armistice agreement with Hungary had been signed.

"Mr. Schoenfeld, who will hold the personal rank of Minister, will act for the general protection of American interests, the State Department said. As in the case of our Ministers to Rumania and Bulgaria, the representative to Hungary will function "in addition to and separate from our control commission."

Mr. Schoenfeld, a career diplomat, has recently served with the United Nations Relief and Rehabilitation Administration.

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"American officials showed pleasure today at the Hungarian armistice terms, which, it is believed, come more closely to this country's ideas than the armistice agreements with Bulgaria or Rumania.

"Negotiations were carried on in Moscow, because, it was explained, the European Advisory Commission in London was too busy with plans for Germany to take up formulation of Hungarian terms.

"The two main points on which the United States Government was primarily interested were reparations and the Allied Control Commission.

"It is expected that payments for Czechoslovakia and Yugoslavia, which were occupied by Hungarian troops, will be included in the smaller reparations figure.

"The American attitude has been opposed to lump sum reparations, holding that they should be calculated for all the enemies at the same time rather than piecemeal, and tied to plans for post-war stabilization of Europe's economy.

"While it is not believed that the United States was successful in eliminating a flat figure, American representatives are expected to play a far greater role in supervising payments than in other countries."

AIB Cancels Meeting Planned for Cleveland

In compliance with the request of the Office of Defense Transportation, the American Institute of Banking, educational section of the American Bankers Association, has canceled its National Wartime Conference, scheduled to be held in Cleveland, Ohio, June 5-7, by action of the institute's officers and Executive Council. For the last three years this conference has been a streamlined meeting with limited attendance. William C. Way, Trust Officer of the Central National Bank, Cleveland, Ohio, is President of the American Institute of Banking. In making this the announcement of the cancellation of the meeting, he stated that "this action will in no way interfere with the continuation of the regular educational program of the Institute through its 300 chapters and study groups." The decision to cancel the National Wartime Conference at Cleveland was announced at the close of the annual mid-winter meeting of the A. I. B. Executive Council which was recently held at Jacksonville, Fla.

David T. Scott, Assistant Cashier of the First National Bank, Boston, Mass., is Vice President of the Institute, and Dr. William A. Irwin of New York City is Educational Director.

Senator Ball Says Maximum Efficiency Would Overcome Man-Power Shortage

Senator Joseph H. Ball, Republican, speaking at a meeting of the International Ladies Garment Workers Union Officers Institute in New York City on Jan. 19, asserted that if every one now working produced at maximum efficiency "we wouldn't have any man-power shortage." The New York "Herald Tribune" of Jan. 20, from which we quote, gave other remarks of Mr. Ball as follows:

In many instances management shares the blame for the waste, Mr. Ball noted, citing the practice of "labor hoarding."

Mr. Ball, contending that "brakes" on only "10% of its employees are enough to destroy the morale of a plant," referred to reports he said have reached him, particularly about Detroit, and to an inspection tour of the New York Navy Yard, in Brooklyn, in which he participated last Wednesday.

Shop stewards "in Detroit auto plants" seem to vie with one another to set the lowest production quotas for individual workers and "in the middle of the war," he said. After the meeting Mr. Ball noted to reporters that "they can't seem to get over the idea that scarcity is the principle they have to follow."

Citing the idling he said he observed at the Navy Yard, Mr. Ball said: "If men at the yard are producing at 50% of capacity I'd be surprised. I think it's lower—and they want 4,000 more men in the yard. It just doesn't make sense.

"I haven't any doubt in my own mind" he continued, "that if we devise some system to get every man to give everything in him we wouldn't have any man power shortage in the country. We would have a surplus. We could double

our man power capacity overnight." He suggested incentive wages as a remedy.

Mr. Ball protested also against labor union malpractices, in which he said restricted the freedom of the individual worker. Noting that the post-war employment problem is shared by labor, he said he was confident in his own mind that until a labor relations code is adopted by the government management will go slow in planning for the post-war period. He scored labor for opposing generally any form of labor legislation and advised it to co-operate with management and Congress in preparation of the code.

Emphasizing its importance in the post-war need "for 60,000,000 jobs," Mr. Ball said the code, defining procedures in disputes and the rights and responsibilities of labor and management, "is our biggest job and should be accomplished before the war ends."

How to achieve maximum post-war production at the lowest cost, the highest possible standard of living, and the preservation of individual freedom were described by Mr. Ball as the major problems facing labor and those it should help answer in co-operation with management and government.

MBA Head Predicts 22 Billion Will Be Available For Mortgage Investments in Post-War Period

Estimating that there may be as much as 22 billion dollars of private funds available for mortgage investments immediately after the war, L. E. Mahan, St. Louis, President of the Mortgage Bankers Association of America, said on Jan. 20 that a study he has just completed indicates that private enterprise is capable of financing all the postwar construction the country must have—even if it should reach the most optimistic prediction being made now. Mr. Mahan's estimate resulted from a research project undertaken primarily for presentation at a congressional hearing this month. "Insurance companies are sure to be much heavier buyers of mortgage loans in the postwar period than they have in the past provided the mortgages are available—and there is every reason to believe they will be available in tremendous volume because of the acute housing shortage," Mr. Mahan said.

In 1861, he pointed out, total admitted assets of insurance companies were only \$27,176,339 of which \$16,088,393, or slightly over 59%, were invested in mortgages. In nearly 85 years, total admitted assets have grown to more than 40 billion dollars. Mr. Mahan added:

"Yet at the end of 1943 only 18% of life insurance assets were invested in mortgages as against 32% at the close of the last war. I believe most insurance company executives would maintain that about 40% of their portfolios could well be employed in mortgage loans. The life insurance companies now hold about 5½ billion dollars of mortgage investments. If 40% of their admitted assets were invested in mortgage loans it would mean that there is a sufficient volume of funds available in life insurance companies, alone to carry on a construction program in the first two postwar years equal to the highest construction year we have ever had. This is in addition to the vast sums held by other investor groups—banks, trust companies, fraternal organizations, trust funds and individuals.

"I would venture the prediction that after the war at least 22 billion dollars will be available for mortgage investments—if we can

produce them and we certainly should be able to do so in view of the great need existent now for more housing."

FDR Proclaims Tax Treaty With France

A Presidential proclamation making effective the tax treaty between the United States of America and France has been issued, it was reported in Washington advices to the "Wall Street Journal" published in its issues of Jan. 9, which added:

The State Department issued the following statement: "On January 5 the President proclaimed the convention and protocol between the United States of America and France, signed at Paris on July 25, 1939, for the avoidance of double taxation and the establishment of rules of reciprocal administrative assistance in the case of income and other taxes.

"It is provided in Article 27 of the convention that it shall become effective on the first day of January following the exchange of the instruments of ratification. According to information cabled to the Department by the American Embassy in Paris, the instruments of ratification of the two governments were exchanged in the French Foreign Office at 7 P. M. on December 30, 1944. The convention and the protocol become effective, therefore, on January 1, 1945, as indicated in the President's proclamation.

"It is provided also in Article 27 that upon the coming into effect of the convention, the convention for the avoidance of double income taxation between the United States of America and France, signed April 27, 1932, shall terminate."

The Bretton Woods Proposals And International Law

(Continued from first page)

leum council" like the one envisaged by the Anglo-American Agreement on Petroleum of August 8, 1944. Most important of all, the United Nations have determined to place within the control of two international agencies, the International Monetary Fund and the International Bank for Reconstruction and Development, the function of promoting permanent international monetary cooperation along the following lines: a balanced growth of international trade, the stabilization of exchange, the establishment of a multilateral system of payments and the establishment of equilibrium in the international balance of payments. These two instrumentalities are to come into existence upon the ratification of the articles of agreement elaborated by the United Nations Monetary and Financial Conference which met at Bretton Woods in July, 1944. We leave to others on this program the discussion of the economic and monetary questions which are presented by these proposals, giving attention here only to the legal problems in connection with these agencies. The Fund and the Bank must both be fitted into the legal systems of the member-states and must also be closely integrated with whatever international court or judicial system will have jurisdiction after the close of the war.

It is essential, of course, in the creation of an autonomous international agency that it shall have legal personality, with the capacity to sue and be sued. The extent to which this capacity is to be recognized in the courts of the member-states is fixed by the statute of its creation. There seemed to be no serious difference of opinion at the Bretton Woods Conference upon this point and so both the Fund and the Bank are stated to have "full juridical personality, and, in particular, the capacity: (1) to contract; (2) to acquire and dispose of immovable and movable property; (3) to institute legal proceedings." The Fund, its property and assets, are to enjoy immunity from judicial process unless it waives its immunity for the purpose of any proceedings or by contract. Its property is to be free from restrictions, regulations, controls and moratoria of any nature, to the extent necessary to carry out its operations. Officers and employees of the Fund are to be immune from legal process with respect to acts performed by them in their official capacity and are accorded special privileges of immigration and travel. The Fund is also to be immune from taxation and custom duties.

Differing from the provisions with respect to the Fund, however, actions may be brought against the Bank "in territories of a member in which the Bank has an office, has appointed an agent for the purpose of accepting service or notice of process or has issued or guaranteed securities." No such actions may be brought by members or by persons claiming through members. The Bank is to enjoy the freedom from local restrictions, regulations and controls similar to that enjoyed by the Fund. Officers and employees of the Bank are to enjoy similar privileges and immunities to those accorded to officers and employees of the Fund. The Bank is likewise to be free of all taxation and custom duties.

In view of Secretary Morgenthau's statement that the chief purpose of the Bank is to guarantee private loans through the usual investment channels, the provisions relating to the securities to be issued or guaranteed by the Bank have unusual significance. No taxation of any kind may be

levied on any obligation or security issued by the Bank, including any dividend or interest thereon, which discriminates against such obligations or security solely because it is issued or guaranteed by the Bank, or if the sole basis for such taxation is the place or the currency in which it is issued or payable, or because of the location of any office or place of business of the Bank. Each member is to take such action as is necessary for the purpose of making these principles effective in terms of its own law in its own territories and shall inform the Bank of the detailed action which it has taken. The property and assets of the Bank are to be immune from search, confiscation, expropriation, or any form of seizure by executive or legislative action. Actions are permitted by private persons and corporations against the Bank but not by members or persons acting for or deriving claims from members. As the Bank can be sued, it must be presumed that a judgment may be rendered against it, although its assets are to be immune from attachment or execution up to the time of the delivery of final judgment against the Bank.

It will be observed that while the Fund is given immunity from judicial process except upon its own waiver, no other procedure is provided by which claims can be adjudicated against the Fund. If a claim is asserted against the Fund by a member-state, it is quite conceivable that adjustment could be reached by negotiation with its board of governors, or through the diplomatic process with other member-states. Any disputes arising out of the interpretation of the terms of the agreement setting up the Fund is to be decided by the executive directors, or eventually by the board of governors. In the event of the withdrawal of a member or liquidation of the Fund, provision is made for an arbitration. However, the Bank will operate and the Fund may operate by buying and selling currency and exchange bill over the world and will, therefore, have to deal not alone with governments but also with private individuals, banks and other corporations. It must be assumed that the officials of the Fund and of the Bank will treat fairly all those who have business with them. High business standards are as necessary for the success of such an institution as its own financial solvency. On the other hand, experience teaches that when immunity from process is granted to a state or governmental agency, either by international or municipal public law, officials even when acting in perfect good faith, are more apt to make one-sided interpretations and to delay settlement, than if they were answerable to an impartial tribunal.

Nothing we have said is to be interpreted as being opposed to protecting the property of both the Fund and the Bank from local restrictions, regulations and controls or from impositions of local fiscal charges by any of the countries in which these agencies are to do business. These would hinder their essential operations. Immunities should not, however, be enlarged to the extent of placing these institutions outside the realm of the competent jurisdiction of domestic courts as to transactions with private individuals and commercial banks. Under the Bretton Woods project, the Bank is subject to judicial process in the territories of any member in which the Bank has an office, or an agent appointed for accepting service, or has issued or guaranteed securities; but such process cannot be initiated by preliminary seizure or attachment of

the property of the Bank (Art. VII, Sec. 3). By implication, execution could be levied on such property after a final judgment has been rendered against the Bank. It is to be noticed on the other hand that the agreement with reference to the Fund does create an absolute immunity from judicial process. It is quite understandable that the ordinary transactions of the Fund will be with its own members and not otherwise. On the other hand, the Fund is not prohibited from dealing outside the circle of its members. Thus, the Fund may be called upon to replenish its holdings of scarce currencies and for this purpose it is provided that the Fund may "borrow such currency" from some other source than the state of issue, either within or outside the territory of the member, provided it has the approval of the member. Accordingly, legal disputes may arise which may not be entirely a family dispute within the Fund.

The question now arises as to the method of settling disputes between the Fund and one or more of its members, and disputes between the Bank and one or more of its members. This is of great importance because as Secretary Morgenthau has indicated, the smooth working of these institutions has political as well as economic significance. The agreement with reference to the Fund provides that any question of interpretation which arises between any member and the Fund, or between the members of the Fund themselves, shall be submitted to the Executive Directors for their decision. If the question affects a member not entitled to appoint an Executive Director, the members may send a representative (Art. XII, Sec. 3j). A final appeal is allowed to the Board of Governors. However, serious disagreements are more likely to arise where a member has withdrawn from the Fund. Any such disagreement is to be submitted to an arbitration of three arbitrators, one appointed by the Fund and another by the member and the third is to be an umpire to be appointed by the President of the Permanent Court of International Justice, or such other authority as may have been prescribed by regulation adopted by the Fund. The agreement with reference to the Bank contains parallel provisions with reference to any question of interpretation arising between any member and the Bank or between members of the Bank.

It is a question to be considered whether the provisions for arbitration are sufficiently broad for institutions of the kind contemplated. The provisions for arbitration refer only to "any question of interpretation of the provisions" of the respective Agreements. Both the Fund and the Bank are conceived of as permanent institutions. They are expected to serve purposes of solving the many monetary and financial problems growing out of the war but they also are expected to continue as permanent institutions for the promotion of continual cooperation on monetary problems, the continual maintenance of orderly exchange arrangements, and the promotion of foreign trade of a long-range and balanced basis. The main objective is the removal of trade and economic barriers which all admit to be a potent cause of war. Disputes will inevitably arise which can by no definition be described as mere interpretation of the provisions of the Agreements. They are rather questions of the conduct of officials of the Fund or of the Bank toward member-states or on the part of the members toward the Fund or the Bank. The furnishing of credits in the way of foreign exchange or of scarce currencies, the guarantee and placement of loans are inevitably tied up with the maintenance of certain standards of domestic economy. Where is the conduct of a member respecting

its domestic economy to be judged with reference to undertakings with the Fund or the Bank? The local courts will not be competent to entertain any proceedings against a sovereign state because of the well-known rule of international law, a principle which has been extended to cover not merely a state itself but also corporations deemed to be instrumentalities or agencies of its government. It may be remarked parenthetically, that this principle is being applied more and more with alarming implications because states, even those who would resent being characterized as not democratic, are engaging in private business under corporate forms and then insisting upon complete exemption from judicial process when sued in foreign courts.

The rather meagre provisions for arbitration of disputes as to the interpretation of the Agreements relating to the Fund and the Bank compare unfavorably with the carefully drafted provisions contained in the Agreement signed January 20, 1930, with Germany by the representatives of the Allied Powers, creating the Bank for International Settlements. This convention actually set up an arbitral tribunal and did not limit itself to a mere agreement to arbitrate disputes. The competence of the tribunal embraced any dispute between the signatory governments and the Bank for International Settlements, or between any of the governments themselves, as to the interpretation or application of the entire plan, then referred to as the "New Plan." Specific provisions are contained for the appointment of the arbitrators and the filling of vacancies, the power of the chairman of the tribunal to make any interlocutory order with a view to preventing any violation of the rights of the parties, the power of the tribunal to proceed ex parte even in default of appearance in the absence of terms of submission, and a final reference to the Permanent Court of International Justice in the event of a dispute between governments as to a question of jurisdiction. (Documents of The Hague Conference on Reparations, January, 1930, Agreement with Germany, Art. XV.)

We consider this comparison with the precedent of the Bank for International Settlements as of considerable importance. The Bretton Woods proposals create institutions which at least in part are the natural heirs of the Bank for International Settlements. It is understood that the latter institution is to be wound up "root and branch" so to speak, for various good and sufficient political considerations which need not be here discussed. However, the example and experience of the Bank for International Settlements should not be lost in the creation of the new institutions which are to take its place. They will, of course, perform many functions which the older bank was never intended to assume. It is to be remembered that the Bank for International Settlements was not created by charter of the signatory Powers. It was and is a Swiss corporation chartered by Switzerland under a convention with that government, having powers and immunities strictly provided for, not only in the agreement with Switzerland, but also in the agreements between the interested Powers and the German Reich.

We are living in a period of economic strain and we should not leave out of account the possibility that one or another of the parties to the Bretton Woods Agreements may at some time default upon some of their undertakings. There should be a more comprehensive procedure for enforcement or at least for a judicial pronouncement of the obligations of the parties. Governments come and go. States remain but new governments may have different

fiscal policies. The anticipation of changes of government in Germany were taken full account of in the agreements relating to the Bank for International Settlements. Accordingly, the interested Powers demanded and obtained a declaration from Germany that the creditor Powers might submit to the Permanent Court of International Justice the question whether any future German government had determined to destroy the New Plan. In the event of an affirmative decision by the Court, the creditor Powers might resume their full liberty of action. (Annex 1.)

As a result of a lack of enforcement-provisions in the Bretton Woods Agreements, one would say that some link should be forged with the general international organization contemplated by the Dumbarton Oaks proposals. Doubtless coordination of this nature is envisaged in plans for the development of the Economic and Social Council made part of the Dumbarton Oaks proposals. The State Department Note of October 7, 1944, recognizes that the Economic and Social Council should be empowered to receive and consider reports from the economic, social and other organizations and agencies brought into relationship with the organization, i.e., the International Authority, and to coordinate their activities through consultations with, and recommendations to such organizations or agencies. The Social and Economic Council is to carry out recommendations of the General Assembly and also to assist the Security Council upon its request. The Economic and Social Council as indeed the other organs contemplated by the Dumbarton Oaks proposals are, of course, still in the planning stage. Having in mind the proposed permanency of the institutions elaborated at Bretton Woods, it is to be hoped that the Fund and Bank shall not be allowed to develop in a vacuum, but that there shall repose somewhere a responsibility to some organ of the International Authority. These institutions, being institutions of peace, must be "capable of life and growth" to use the phrase of President Roosevelt in his recent message to Congress of January 6, 1945. As they are to be created by international legislation, their economic and political future will depend upon intergration with the general structure of international cooperation.

Credit Pool Formed By Pittsburgh Banks

Some of the larger Pittsburgh, Pa., banks, on Jan. 18 subscribed to a \$25,000,000 bank credit group to aid small business in the reconversion and post-war period.

Arthur E. Braun, President of the Pittsburgh Clearing House, Pittsburgh, announced that the ten member banks of the clearing house are the subscribers to the pool, viz: Colonial Trust, Commonwealth Trust, Farmers Deposit National, Fidelity Trust, First National, Mellon National, Peoples-Pittsburgh Trust, Pitt National, Union National and Union Trust.

Business Messages Between U. S. and Netherlands

Allan Sproul, President of the Federal Reserve Bank of New York, announced recently that at the request of the Treasury Department the New York banks were advised that on January 15 facilities were restored for the transmittal of non-illustrated post cards between the United States and various areas in the Netherlands; that, notwithstanding General Ruling No. 11, persons in the United States and the Netherlands may exchange business, commercial, and financial information through this service; and that transactional communications continue to be prohibited.

Items About Banks, Trust Companies

Irving Trust Co. of New York announced on Jan. 25 the following official promotions:

Donald C. Adams, credit review division, Assistant Secretary, elected Assistant Vice-President; Harry S. Bayer, personal trust division, Assistant Secretary, elected Assistant Vice-President; C. Gordon Lynn, Wall Street division, Assistant Secretary, elected Assistant Vice-President; Douglas E. McNamara, out-of-town division, Assistant Secretary, elected Assistant Vice-President; Sigmund M. Hadel, personnel division, elected Assistant Secretary, and Michael W. O'Brien, Fifth Avenue office, elected Assistant Secretary.

William G. Green, President of the New York Savings Bank, at Eighth Avenue and 14th Street, New York, announced on Jan. 12, at a meeting of the board of trustees of the bank, that Richard L. Maloney Jr. was elected a trustee and the Executive Vice-President. At the same meeting Clarence B. Plantz was elected a trustee and reelected Vice-President and Treasurer. Casimir J. F. Patrick, an associate of White & Case, was appointed the attorney for the bank.

Adrian Van Sinderen, President of the Brooklyn (N. Y.) Savings Bank, on Jan. 25 announced the election of Harry G. Willnus, Vice-President and director of Intertype Corp., as a trustee of the bank.

The election of James A. Platz as Assistant Secretary of the Brooklyn Federal Savings & Loan Association, is announced by J. J. Middlemiss, President. "Mr. Platz was associated with J. R. Timmins, Wall Street broker, for a number of years," said the Brooklyn "Eagle" of Jan. 28, "and is well known in Brooklyn business circles."

Two top-ranking officers of the Rochester Trust & Safe Deposit Co. of Rochester, N. Y., with a combined service record of 100 years to the bank, have retired, according to the Rochester "Times-Union," which stated that they are Robert C. Watson, Chairman of the board of directors, with 55 years of service to the bank, and Leigh H. Pierson, Vice-President, with 45 years of service. The "Times-Union" of Jan. 11 also stated:

"The announcement of their retirement was made by George H. Hawks, President, following the annual meeting and election of officers. Mr. Watson had requested that, in view of his health, his name not be presented for election as an active officer of the company. He will, however,

continue as a director of the bank, a post to which he was elected April 14, 1903, and will continue to serve on various committees and have an office at the bank to conduct his own personal affairs. He celebrated his 50th anniversary in banking April 12, 1939.

"John Craig Powers, who has been Vice-President and Chairman of the executive committee for the last 24 years, and who celebrated his 50th anniversary in banking July 18, 1942, was elected Chairman of the board to succeed Mr. Watson. Named Assistant Trust Officer is Thomas J. Sercu, who joined the bank last Oct. 2 after 29 years in the banking and trust fields.

"Mr. Watson joined the Rochester Trust on Aug. 12, 1889, 16 months after the bank opened as Rochester's first trust company."

At the annual meeting of the board of directors of the Genesee Valley Trust Co. of Rochester, N. Y., Norbert D. Greene was elevated from Comptroller to Vice-President and is succeeded by Donald R. Clark, who has been Auditor and Assistant Secretary. The Rochester "Times-Union," in reporting this, further said: "T. Chester Meisch, formerly Secretary, also was made a Vice-President, while Perry J. Sheehan, Treasurer, was named Secretary."

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W. Averhill Harriman, American Ambassador to Russia, was chief American representative at the negotiations and his assistants included Major General John R. Deane, John Balfour, British Charge d'Affaires, and Embassy Secretary P. G. Crosthwaite represented Great Britain.

Foreign Commissar Viacheslav M. Molotov and V. G. Dekanozov, Vice-Commissar of Foreign Affairs headed the Soviet negotiators, and Marshall Kelemen E. Voroshilov signed the armistice agreement "by authorization of the governments of the Soviet Union, Great Britain and the United States." For Hungary, Foreign Minister Janos Gyongyos, Defense Minister Colonel General Janos Voeres and the State Secretary of the Cabinet, Istvan Balog, signed.

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Mr. Schoenfeld, who will hold the personal rank of Minister, will act for the general protection of American interests, the State Department said. As in the case of our Ministers to Rumania and Bulgaria, the representative to Hungary will function "in addition to and separate from our control commission."

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"American officials showed pleasure today at the Hungarian armistice terms, which, it is believed, come more closely to this country's ideas than the armistice agreements with Bulgaria or Rumania.

"Negotiations were carried on in Moscow, because, it was explained, the European Advisory Commission in London was too busy with plans for Germany to take up formulation of Hungarian terms.

"The two main points on which the United States Government was primarily interested were reparations and the Allied Control Commission.

"It is expected that payments for Czechoslovakia and Yugoslavia, which were occupied by Hungarian troops, will be included in the smaller reparations figure.

"The American attitude has been opposed to lump sum reparations, holding that they should be calculated for all the enemies at the same time rather than piecemeal, and tied to plans for post-war stabilization of Europe's economy.

"While it is not believed that the United States was successful in eliminating a flat figure, American representatives are expected to play a far greater role in supervising payments than in other countries."

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AIB Cancels Meeting Planned for Cleveland

In compliance with the request of the Office of Defense Transportation, the American Institute of Banking, educational section of the American Bankers Association, has canceled its National Wartime Conference, scheduled to be held in Cleveland, Ohio, June 5-7, by action of the institute's officers and Executive Council. For the last three years this conference has been a streamlined meeting with limited attendance. William C. Way, Trust Officer of the Central National Bank, Cleveland, Ohio, is President of the American Institute of Banking. In making this the announcement of the cancellation of the meeting, he stated that "this action will in no way interfere with the continuation of the regular educational program of the Institute through its 300 chapters and study groups." The decision to cancel the National Wartime Conference at Cleveland was announced at the close of the annual mid-winter meeting of the A. I. B. Executive Council which was recently held at Jacksonville, Fla.

David T. Scott, Assistant Cashier of the First National Bank, Boston, Mass., is Vice President of the Institute, and Dr. William A. Irwin of New York City is Educational Director.

Senator Ball Says Maximum Efficiency Would Overcome Man-Power Shortage

Senator Joseph H. Ball, Republican, speaking at a meeting of the International Ladies Garment Workers Union Officers Institute in New York City on Jan. 19, asserted that if every one now working produced at maximum efficiency "we wouldn't have any man-power shortage." The New York "Herald Tribune" of Jan. 20, from which we quote, gave other remarks of Mr. Ball as follows:

In many instances management shares the blame for the waste, Mr. Ball noted, citing the practice of "labor hoarding."

Mr. Ball, contending that "brakes" on only "10% of its employees are enough to destroy the morale of a plant," referred to reports he said have reached him, particularly about Detroit, and to an inspection tour of the New York Navy Yard, in Brooklyn, in which he participated last Wednesday.

Shop stewards "in Detroit auto plants" seem to vie with one another to set the lowest production quotas for individual workers and "in the middle of the war," he said. After the meeting Mr. Ball noted to reporters that "they can't seem to get over the idea that scarcity is the principle they have to follow."

Citing the idling he said he observed at the Navy Yard, Mr. Ball said: "If men at the yard are producing at 50% of capacity I'd be surprised. I think it's lower—and they want 4,000 more men in the yard. It just doesn't make sense.

"I haven't any doubt in my own mind" he continued, "that if we devise some system to get every man to give everything in him we wouldn't have any man power shortage in the country. We would have a surplus. We could double

our man power capacity overnight." He suggested incentive wages as a remedy.

Mr. Ball protested also against labor union malpractices, in which he said restricted the freedom of the individual worker. Noting that the post-war employment problem is shared by labor, he said he was confident in his own mind that until a labor relations code is adopted by the government management will go slow in planning for the post-war period. He scored labor for opposing generally any form of labor legislation and advised it to co-operate with management and Congress in preparation of the code.

Emphasizing its importance in the post-war need "for 60,000,000 jobs," Mr. Ball said the code, defining procedures in disputes and the rights and responsibilities of labor and management, "is our biggest job and should be accomplished before the war ends."

How to achieve maximum post-war production at the lowest cost, the highest possible standard of living, and the preservation of individual freedom were described by Mr. Ball as the major problems facing labor and those it should help answer in co-operation with management and government.

NBA Head Predicts 22 Billion Will Be Available For Mortgage Investments in Post-War Period

Estimating that there may be as much as 22 billion dollars of private funds available for mortgage investments immediately after the war, L. E. Mahan, St. Louis, President of the Mortgage Bankers Association of America, said on Jan. 20 that a study he has just completed indicates that private enterprise is capable of financing all the postwar construction the country must have—even if it should reach the most optimistic prediction being made now. Mr. Mahan's estimate resulted from a research project undertaken primarily for presentation at a congressional hearing this month. "Insurance companies are sure to be much heavier buyers of mortgage loans in the postwar period than they have in the past provided the mortgages are available—and there is every reason to believe they will be available in tremendous volume because of the acute housing shortage," Mr. Mahan said.

In 1861, he pointed out, total admitted assets of insurance companies were only \$27,176,339 of which \$16,088,393, or slightly over 59%, were invested in mortgages. In nearly 85 years, total admitted assets have grown to more than 40 billion dollars. Mr. Mahan added:

"Yet at the end of 1943 only 18% of life insurance assets were invested in mortgages as against 32% at the close of the last war. I believe most insurance company executives would maintain that about 40% of their portfolios could well be employed in mortgage loans. The life insurance companies now hold about 5½ billion dollars of mortgage investments. If 40% of their admitted assets were invested in mortgage loans it would mean that there is a sufficient volume of funds available in life insurance companies, alone to carry on a construction program in the first two postwar years equal to the highest construction year we have ever had. This is in addition to the vast sums held by other investor groups—banks, trust companies, fraternal organizations, trust funds and individuals.

"I would venture the prediction that after the war at least 22 billion dollars will be available for mortgage investments—if we can

produce them and we certainly should be able to do so in view of the great need existent now for more housing."

FDR Proclaims Tax Treaty With France

A Presidential proclamation making effective the tax treaty between the United States of America and France has been issued, it was reported in Washington advices to the "Wall Street Journal" published in its issues of Jan. 9, which added:

The State Department issued the following statement: "On January 5 the President proclaimed the convention and protocol between the United States of America and France, signed at Paris on July 25, 1939, for the avoidance of double taxation and the establishment of rules of reciprocal administrative assistance in the case of income and other taxes. It is provided in Article 27 of the convention that it shall become effective on the first day of January following the exchange of the instruments of ratification. According to information cabled to the Department by the American Embassy in Paris, the instruments of ratification of the two governments were exchanged in the French Foreign Office at 7 P. M. on December 30, 1944. The convention and the protocol become effective, therefore, on January 1, 1945, as indicated in the President's proclamation.

"It is provided also in Article 27 that upon the coming into effect of the convention, the convention for the avoidance of double income taxation between the United States of America and France, signed April 27, 1932, shall terminate."

The Bretton Woods Proposals And International Law

(Continued from first page)

leum council" like the one envisaged by the Anglo-American Agreement on Petroleum of August 8, 1944. Most important of all, the United Nations have determined to place within the control of two international agencies, the International Monetary Fund and the International Bank for Reconstruction and Development, the function of promoting permanent international monetary cooperation along the following lines: a balanced growth of international trade, the stabilization of exchange, the establishment of a multilateral system of payments and the establishment of equilibrium in the international balance of payments. These two instrumentalities are to come into existence upon the ratification of the articles of agreement elaborated by the United Nations Monetary and Financial Conference which met at Bretton Woods in July, 1944. We leave to others on this program the discussion of the economic and monetary questions which are presented by these proposals, giving attention here only to the legal problems in connection with these agencies. The Fund and the Bank must both be fitted into the legal systems of the member-states and must also be closely integrated with whatever international court or judicial system will have jurisdiction after the close of the war.

It is essential, of course, in the creation of an autonomous international agency that it shall have legal personality, with the capacity to sue and be sued. The extent to which this capacity is to be recognized in the courts of the member-states is fixed by the statute of its creation. There seemed to be no serious difference of opinion at the Bretton Woods Conference upon this point and so both the Fund and the Bank are stated to have "full juridical personality, and, in particular, the capacity: (1) to contract; (2) to acquire and dispose of immovable and movable property; (3) to institute legal proceedings." The Fund, its property and assets, are to enjoy immunity from judicial process unless it waives its immunity for the purpose of any proceedings or by contract. Its property is to be free from restrictions, regulations, controls and moratoria of any nature, to the extent necessary to carry out its operations. Officers and employees of the Fund are to be immune from legal process with respect to acts performed by them in their official capacity and are accorded special privileges of immigration and travel. The Fund is also to be immune from taxation and custom duties.

Differing from the provisions with respect to the Fund, however, actions may be brought against the Bank "in territories of a member in which the Bank has an office, has appointed an agent for the purpose of accepting service or notice of process or has issued or guaranteed securities." No such actions may be brought by members or by persons claiming through members. The Bank is to enjoy the freedom from local restrictions, regulations and controls similar to that enjoyed by the Fund. Officers and employees of the Bank are to enjoy similar privileges and immunities to those accorded to officers and employees of the Fund. The Bank is likewise to be free of all taxation and custom duties.

In view of Secretary Morgenthau's statement that the chief purpose of the Bank is to guarantee private loans through the usual investment channels, the provisions relating to the securities to be issued or guaranteed by the Bank have unusual significance. No taxation of any kind may be

levied on any obligation or security issued by the Bank, including any dividend or interest thereon, which discriminates against such obligations or security solely because it is issued or guaranteed by the Bank; or if the sole basis for such taxation is the place or the currency in which it is issued or payable, or because of the location of any office or place of business of the Bank. Each member is to take such action as is necessary for the purpose of making these principles effective in terms of its own law in its own territories and shall inform the Bank of the detailed action which it has taken. The property and the assets of the Bank are to be immune from search, confiscation, expropriation, or any form of seizure by executive or legislative action. Actions are permitted by private persons and corporations against the Bank but not by members or persons acting for or deriving claims from members. As the Bank can be sued, it must be presumed that a judgment may be rendered against it, although its assets are to be immune from attachment or execution up to the time of the delivery of final judgment against the Bank.

It will be observed that while the Fund is given immunity from judicial process except upon its own waiver, no other procedure is provided by which claims can be adjudicated against the Fund. If a claim is asserted against the Fund by a member-state, it is quite conceivable that adjustment could be reached by negotiation with its board of governors, or through the diplomatic process with other member-states. Any disputes arising out of the interpretation of the terms of the agreement setting up the Fund are to be decided by the executive directors, or eventually by the board of governors. In the event of the withdrawal of a member or liquidation of the Fund, provision is made for an arbitration. However, the Bank will operate and the Fund may operate by buying and selling currency and exchange all over the world and will, therefore, have to deal not alone with governments but also with private individuals, banks and other corporations. It must be assumed that the officials of the Fund and of the Bank will treat fairly all those who have business with them. High business standards are as necessary for the success of such an institution as its own financial solvency. On the other hand, experience teaches that when immunity from process is granted to a state or governmental agency, either by international or by municipal public law, officials, even when acting in perfect good faith, are more apt to make one-sided interpretations and to delay settlement, than if they were answerable to an impartial tribunal.

Nothing we have said is to be interpreted as being opposed to protecting the property of both the Fund and the Bank from local restrictions, regulations and controls or from impositions of local fiscal charges by any of the countries in which these agencies are to do business. These would hinder their essential operations. Immunities should not, however, be enlarged to the extent of placing these institutions outside the realm of the competent jurisdiction of domestic courts as to transactions with private individuals and commercial banks. Under the Bretton Woods project, the Bank is subject to judicial process in the territories of any member in which the Bank has an office, or an agent appointed for accepting service, or has issued or guaranteed securities; but such process cannot be initiated by preliminary seizure or attachment of

the property of the Bank (Art. VII, Sec. 3). By implication, execution could be levied on such property after a final judgment has been rendered against the Bank. It is to be noticed on the other hand that the agreement with reference to the Fund does create an absolute immunity from judicial process. It is quite understandable that the ordinary transactions of the Fund will be with its own members and not otherwise. On the other hand, the Fund is not prohibited from dealing outside the circle of its members. Thus, the Fund may be called upon to replenish its holdings of scarce currencies and for this purpose it is provided that the Fund may "borrow such currency" from some other source than the state of issue, either within or outside the territory of the member, provided it has the approval of the member. Accordingly, legal disputes may arise which may not be entirely a family dispute within the Fund.

The question now arises as to the method of settling disputes between the Fund and one or more of its members, and disputes between the Bank and one or more of its members. This is of great importance because as Secretary Morgenthau has indicated, the smooth working of these institutions has political as well as economic significance. The agreement with reference to the Fund provides that any question of interpretation which arises between any member and the Fund, or between the members of the Fund themselves, shall be submitted to the Executive Directors for their decision. If the question affects a member not entitled to appoint an Executive Director, the members may send a representative (Art. XII, Sec. 3j). A final appeal is allowed to the Board of Governors. However, serious disagreements are more likely to arise where a member has withdrawn from the Fund. Any such disagreement is to be submitted to an arbitration of three arbitrators, one appointed by the Fund, another by the member and the third is to be an umpire to be appointed by the President of the Permanent Court of International Justice, or such other authority as may have been prescribed by regulation adopted by the Fund. The agreement with reference to the Bank contains parallel provisions with reference to any question of interpretation arising between any member and the Bank or between members of the Bank.

It is a question to be considered whether the provisions for arbitration are sufficiently broad for institutions of the kind contemplated. The provisions for arbitration refer only to "any question of interpretation of the provisions" of the respective Agreements. Both the Fund and the Bank are conceived of as permanent institutions. They are expected to serve purposes of solving the many monetary and financial problems growing out of the war but they also are expected to continue as permanent institutions for the promotion of continual cooperation on monetary problems, the continual maintenance of orderly exchange arrangements, and the promotion of foreign trade of a long-range and balanced basis. The main objective is the removal of trade and economic barriers which all admit to be a potent cause of war. Disputes will inevitably arise which can by no definition be described as mere interpretation of the provisions of the Agreements. They are rather questions of the conduct of officials of the Fund or of the Bank toward member-states or on the part of the members toward the Fund or the Bank. The furnishing of credits in the way of foreign exchange or of scarce currencies, the guarantee and placement of loans are inevitably tied up with the maintenance of certain standards of domestic economy. Where is the conduct of a member respecting

its domestic economy to be judged with reference to undertakings with the Fund or the Bank? The local courts will not be competent to entertain any proceedings against a sovereign state because of the well-known rule of international law, a principle which has been extended to cover not merely a state itself but also corporations deemed to be instrumentalities or agencies of its government. It may be remarked parenthetically, that this principle is being applied more and more with alarming implications because states, even those who would resent being characterized as not democratic, are engaging in private business under corporate forms and then insisting upon complete exemption from judicial process when sued in foreign courts.

The rather meagre provisions for arbitration of disputes as to the interpretation of the Agreements relating to the Fund and the Bank compare unfavorably with the carefully drafted provisions contained in the Agreement signed January 20, 1930, with Germany by the representatives of the Allied Powers, creating the Bank for International Settlements. This convention actually set up an arbitral tribunal and did not limit itself to a mere agreement to arbitrate disputes. The competence of the tribunal embraced any dispute between the signatory governments and the Bank for International Settlements, or between any of the governments themselves, as to the interpretation or application of the entire plan, then referred to as the "New Plan." Specific provisions are contained for the appointment of the arbitrators and the filling of vacancies, the power of the chairman of the tribunal to make any interlocutory order with a view to preventing any violation of the rights of the parties, the power of the tribunal to proceed ex parte even in default of appearance in the absence of terms of submission, and a final reference to the Permanent Court of International Justice in the event of a dispute between governments as to a question of jurisdiction. (Documents of The Hague Conference on Reparations, January, 1930, Agreement with Germany, Art. XV.)

We consider this comparison with the precedent of the Bank for International Settlements as of considerable importance. The Bretton Woods proposals create institutions which at least in part are the natural heirs of the Bank for International Settlements. It is understood that the latter institution is to be wound up "root and branch" so to speak, for various good and sufficient political considerations which need not be here discussed. However, the example and experience of the Bank for International Settlements should not be lost in the creation of the new institutions which are to take its place. They will, of course, perform many functions which the older bank was never intended to assume. It is to be remembered that the Bank for International Settlements was not created by charter of the signatory Powers. It was and is a Swiss corporation chartered by Switzerland under a convention with that government, having powers and immunities strictly provided for, not only in the agreement with Switzerland, but also in the agreements between the interested Powers and the German Reich.

We are living in a period of economic strain and we should not leave out of account the possibility that one or another of the parties to the Bretton Woods Agreements may at some time default upon some of their undertakings. There should be a more comprehensive procedure for enforcement or at least for a judicial pronouncement of the obligations of the parties. Governments come and go. States remain but new governments may have different

fiscal policies. The anticipation of changes of government in Germany were taken full account of in the agreements relating to the Bank for International Settlements. Accordingly, the interested Powers demanded and obtained a declaration from Germany that the creditor Powers might submit to the Permanent Court of International Justice the question whether any future German government had determined to destroy the New Plan. In the event of an affirmative decision by the Court, the creditor Powers might resume their full liberty of action. (Annex 1.)

As a result of a lack of enforcement-provisions in the Bretton Woods Agreements, one would say that some link should be forged with the general international organization contemplated by the Dumbarton Oaks proposals. Doubtless coordination of this nature is envisaged in plans for the development of the Economic and Social Council made part of the Dumbarton Oaks proposals. The State Department Note of October 7, 1944, recognizes that the Economic and Social Council should be empowered to receive and consider reports from the economic, social and other organizations and agencies brought into relationship with the organization, i.e., the International Authority, and to coordinate their activities through consultations with, and recommendations to such organizations or agencies. The Social and Economic Council is to carry out recommendations of the General Assembly and also to assist the Security Council upon its request. The Economic and Social Council is indeed the other organs contemplated by the Dumbarton Oaks proposals are, of course, still in the planning stage. Having in mind the proposed permanency of the institutions elaborated at Bretton Woods, it is to be hoped that the Fund and Bank shall not be allowed to develop in a vacuum, but that there shall repose somewhere a responsibility to some organ of the International Authority. These institutions, being institutions of peace, must be "capable of life and growth" to use the phrase of President Roosevelt in his recent message to Congress of January 6, 1945. As they are to be created by international legislation, their economic and political future will depend upon intergration with the general structure of international cooperation.

Credit Pool Formed By Pittsburgh Banks

Some of the larger Pittsburgh, Pa., banks, on Jan. 18 subscribed to a \$25,000,000 bank credit group to aid small business in the reconversion and post-war period. Arthur E. Braun, President of the Pittsburgh Clearing House, Pittsburgh, announced that the ten member banks of the clearing house are the subscribers to the pool, viz: Colonial Trust, Commonwealth Trust, Farmers Deposit National, Fidelity Trust, First National, Mellon National, Peoples Pittsburgh Trust, Pitt National, Union National and Union Trust.

Business Messages Between U. S. and Netherlands

Allan Sproul, President of the Federal Reserve Bank of New York, announced recently that at the request of the Treasury Department the New York banks were advised that on January 15 facilities were restored for the transmittal of non-illustrated post cards between the United States and various areas in the Netherlands; that, notwithstanding General Ruling No. 11, persons in the United States and the Netherlands may exchange business, commercial, and financial information through this service; and that transactional communications continue to be prohibited.

Senate Committee Rejects Nomination of Wallace for Secretary of Commerce

On Jan. 26 the Senate Commerce Committee rejected by a vote of 14 to 5 the nomination sent to the Senate on Jan. 22 by President Roosevelt of Henry A. Wallace to be Secretary of Commerce.

Disclosure that President Roosevelt had requested Jesse H. Jones to relinquish his post as Secretary of Commerce to make a place for Mr. Wallace, who retired on Jan. 20 as Vice-President of the United States, came on Jan. 21 when Mr. Jones made public the correspondence between the President and himself. As indicated in special advices from Washington Jan. 21 to the New York "Herald Tribune" the resignation of Mr. Jones, who was appointed Commerce Secretary by President Roosevelt in September, 1940, carries with it his resignation as Chairman and member of the Reconstruction Finance Corporation and its subsidiary agencies—the Defense Plant Corporation, the Defense Supplies Corporation, and others. Consideration of the Wallace nomination was deferred on Jan. 23 by a 10 to 2 vote of the Senate Commerce Committee pending action on the proposal of Senator George to sever the Federal lending agencies from the Commerce Department.

In rejecting on Jan. 26 the nomination of Mr. Wallace, the Commerce Committee decided by a vote of 15 to 4 to report out the bill of Senator George stripping the Commerce Department of the RFC and all its subsidiary financing agencies. This would leave the Cabinet post only such routine bureaus as the Coast and Geodetic Survey, the census, and kindred activities, said the Associated Press, which added:

"A similar measure divorcing the lending agencies from the Department has been introduced in the House, but leaders there say it will take considerable time for passage."

On Jan. 29 the Senate declared a three-day recess, which postponed until Thursday (Feb. 1) at the earliest a vote on either of the issues revolving about the nomination of Mr. Wallace, said special advices from Washington on that date to the New York "Times," from which we also quote:

"The time until the Senate meets again, it was indicated, will bring much jockeying by opponents and backers of the former Vice-President."

"Those most opposed to Mr. Wallace hope to force action first on confirmation of the nomination. They believe that the vote would be overwhelmingly in the negative and thus dispose in full of the question of whether Mr. Wallace would get the Cabinet post."

In his letter to Mr. Jones the President expressed the hope that he would "continue to be a part of the Government" and that he (Mr. Jones) would "during the next few days think about a new post," the President at the same time stating that "there are several Ambassadorships which are vacant, or about to be vacated." Mr. Jones in his reply to the President stated that "While I want to be of any further service that I can, I would not want a diplomatic assignment." He further said, "I can best be helpful in the line of my life's work—business and finance—but I seek no job."

Senate opposition to the President's plan to name Mr. Wallace to the post held by Mr. Jones was immediately evident with the issuance of the letters in the matter, and on Jan. 22 advices to the New York "Journal of Commerce" from its Washington bureau said in part:

"The attacks upon the President's appointment of Wallace and the legislative efforts to restrict the new Secretary's functions to the narrowest possible administrative limits forecast a bitter struggle in the Senate to whom the Wallace nomination has already been formally submitted.

"But despite the character of the criticism voiced among Senators and Representatives, it was the consensus of informed observers here that the nomination will eventually be confirmed by the Senate."

"Cabinet appointees are regarded by tradition as personally responsible to the President for the effective administration of their posts and for that reason there is great reluctance among Senators, however voluble their criticism, to turn down a Cabinet nomination presented by the Chief Executive."

"The realization that Senatorial objections to Mr. Wallace would probably not go so far as to deny him the appointment is believed to have prompted the move to limit the authority which the Secretary-designate would have in his commerce post."

"This move was taken by Senator Walter F. George, Chairman of the Finance Committee, who introduced a bill to remove most lending agencies from the Department of Commerce and to restore them to an independent Federal loan agency. Under the George proposal all lending agencies, except the Export-Import Bank, and all subsidiaries of the Reconstruction Finance Corporation would be put under the separate loan agency."

"However, there was considerable doubt in Capitol quarters that even such a move would have much chance of success if opposed by the President. Mr. Roosevelt, it was noted, could veto any legislation designed to deprive Mr. Wallace of these functions and the prospects of overriding such a veto are regarded as extremely remote."

"One possibility is not excluded. If the opposition to Mr. Wallace should reach a point where his confirmation would be thrown into serious doubt, the President might compromise by interposing no objections to the George proposal. But that is a possibility which depends entirely upon the ability of those objecting to Mr. Wallace to sustain the critical tempest at a high rate of velocity."

"Both the nomination and the George bill have now been referred to the Senate Commerce Committee whose chairman, Joseph W. Bailey of North Carolina, commented today that the George proposal may offer a way out of the 'difficulty.'"

The following is the letter addressed to Mr. Jones by the President:

THE WHITE HOUSE

Washington, Jan. 20, 1945.

Dear Jesse:

This is a very difficult letter to write—first, because of our long friendship and splendid relations during all these years and also because of your splendid services to the government and the excellent way in which you have carried out the many difficult tasks during these years.

Henry Wallace deserves almost any service which he believes he can satisfactorily perform. I told him this at the end of the campaign, in which he displayed the utmost devotion to our cause, traveling almost incessantly and working for the success of the ticket in a great many parts of the country. Though not on the ticket himself, he gave of his utmost toward the victory which ensued.

He has told me that he thought he could do the greatest amount of good in the Department of Commerce, for which he is fully

sued, and I feel, therefore, that the Vice-President should have this post in the new Administration.

"It is for this reason only that I am asking you to relinquish this post for Henry, and I want to tell you that it is in no way a lack of appreciation for all that you have done, and that I hope you will continue to be a part of the Government."

During the next few days I hope you will think about a new post—there are several Ambassadorships which are vacant—or about to be vacated. I make this suggestion among many other posts and I hope you will have a chance, if you think well of it to speak to Ed Stettinius.

Finally, let me tell you that you have my full confidence and that I am very proud of all that you have done during these past years.

With warm regards, always sincerely,

FRANKLIN D. ROOSEVELT.

The Honorable the Secretary of Commerce, Washington, D. C.

Secretary Jones' reply follows:

The Secretary of Commerce
Washington, Jan. 20, 1945.

Dear Mr. President:

I have your letter of today, asking that I relinquish my post as Secretary of Commerce, which carries with it the vast financial and war production agencies within the Reconstruction Finance Corporation and its subsidiaries, so that you can give it to Henry Wallace as a reward for his support of you in the campaign.

You state that Henry thinks he could do the greatest amount of good in the Department of Commerce and that you consider him fully suited for the post. With all due respect, Mr. President, while I must accede to your decision, I cannot agree with either of you.

You refer very kindly to our long friendship and our splendid relations during all the years, and state that you appreciate my splendid services to the Government and the excellent way I have carried out the many difficult tasks during these years. You are also good enough to say that I have your full confidence, and that you are very proud of all I have done during these past years, and that you hope I will continue to be a part of the Government, probably in a diplomatic post. It is difficult to reconcile these encomiums with your avowed purpose to replace me. While I want to be of any further service that I can, I would not want a diplomatic assignment.

I fell and have felt a great sense of responsibility to the Congress and to you for the proper administration of the laws with respect to the RFC that have been passed in the expectation that they would be administered by me or someone experienced in business and finance.

I have had satisfaction in my Government service because I have had the confidence of the Congress, as well as your own. I have had that confidence because I have been faithful to the responsibilities that have been entrusted to me. For you to turn over all these assets and responsibilities to a man inexperienced in business and finance will I believe, be hard for the business and financial world to understand.

I appreciate the opportunity you have given me to serve my country through the depression and in time of war. My thirteen years of Government service are ample evidence of my desire to be of any assistance I can to the Government. I can best be helpful in the line of my life's work—business and finance—but I seek no job.

With best wishes,
Faithfully yours,

(Signed) JESSE H. JONES.

With the announcement of his appointment as Secretary of Com-

Net Profit of Irving Trust in 1944 \$5,374,401 Compared With \$4,522,401 Previous Year

Operating profit of the Irving Trust Co. of New York for 1944 was \$5,374,401 as compared with \$5,022,401 in 1943, according to the annual report made available to the stockholders. These figures, it is noted, exclude net security profits and net recoveries on assets previously charged off which were transferred to reserves. In 1944 net security profits amounted to \$231,558 and net recoveries to \$2,080,083.

The net profit of the company for 1944 was \$5,374,401, or \$1.07 a share, compared with \$4,522,401, or 90 cents a share in 1943. In each of these years net profit represented profit less \$500,000 transferred to reserves, says the report, submitted by William N. Enstrom, President, and Harry E. Ward, Chairman. The report was issued in advance of the stockholders' meeting on Jan. 17, to permit shareholders planning to attend the meeting to familiarize themselves in advance with its contents. The present year's report differs substantially in form and content from those heretofore issued by the company, and it is pointed out that it has been the endeavor in the new report not only to provide more information to the stockholders, but also to present the data in more interesting and useful form.

The report indicates that regular dividends of \$3,000,000 and an extra dividend of \$500,000, or a total of \$3,500,000, were declared during the year. The balance of net profit for the year, amounting to \$1,874,401, was added to undivided profits. Deposits at Dec. 31 were \$1,141,041,213, with the ratio of deposits to capital funds approximately 10½ to 1. A year earlier deposits were \$964,143,274, with the ratio of deposits to capital funds approximately 9 to 1. Loans and discounts totaled \$267,469,810 on Dec. 31, 1944, compared with \$207,516,206 at the end of 1943. The company's holdings of U. S. Government securities to first call date were distributed as follows: Within one year, \$241,453,166, 32%; one to five years, \$246,095,238, 33%; five to ten years, \$260,244,638, 35%. The

average rate of interest on loans was 1.86%, and the average yield on U. S. Government securities was 1.23%. From the report we quote in part:

"The best measure of the bank's earning performance is its operating profit, since it represents net income exclusive of all recoveries on assets previously charged off and all securities profits and before transfers to reserves. Irving's operating profit in 1944 continued the upward trend of recent years."

"Expanding earnings assets have been primarily responsible for the upward trend of operating profit. However, the continued low level of interest rates and increasing taxes have acted to keep the amount of operating profit relatively low when compared with that of the twenties and when expressed in terms of rates earned on deposits and capital funds and on capital funds alone. In 1944 Irving's operating profit was at the rate of 0.54% of average net deposits and capital funds, and 5.46% of average capital funds. The rate earned on deposits and capital funds is a good index of the rate of earnings on assets. The rate earned on capital funds is in part determined by the ratio of deposits to capital funds, which for the Irving was 10.5 to 1 on Dec. 31, 1944."

"Irving Trust Co. capital stock is one of the most widely held bank stocks. As of Dec. 12, the date of record for the most recent dividend payments, the company had 60,163 stockholders. More than 28,700 of the registered stockholders were women, owning approximately 31% of the outstanding shares. Approximately 36% of stockholders owned 10 shares each or less. Registered stockholders owning more than 500 shares each numbered 987. More than 28,000 of the stockholders lived in New York State and the remainder included residents of every other State in this country, and of many foreign countries."

As to the company's foreign division, the report says:

"Business relations are maintained with customers in practically every country of the world except Germany and Japan and the countries which they occupy. In spite of many restrictions imposed by the war, the foreign business handled in 1944 was substantial both as to volume and profits. It is expected that in the post-war period a material expansion will be witnessed. To aid customers who are planning to extend their markets abroad, the company has organized a foreign trade information department. One of its principal functions is to assist United States exporters in establishing contacts with suitable agents and representatives abroad and to assist importers in obtaining agencies and representations of foreign shippers."

"1. We must work out a clear-cut program for post-war employment, with special attention for returning soldiers.

"2. We must attempt to bring about maximum production, at reasonable prices for the consumer.

"3. Opportunity for free enterprise among business men must be expanded, particularly among small business men.

"4. Sound Government programs for River Authorities, irrigation works, etc., which by their very nature increase opportunities for small business men, must be worked out.

"We must plan for full use of our resources and manpower. The common man need not tolerate less prosperity in time of peace than he had in time of war."

To Honor Moffatt

At a dinner at the Park Lane Hotel on Feb. 21, Fred C. Moffatt, retiring President of the New York Curb Exchange since 1942 will be the honored guest. Mr. Moffatt, a member of the Exchange since 1923, has asked to be relieved of his duties as Acting President when his term as Chairman of the board of governors expires in February.

Priority System to Draw From Essential Industry 26-29 Age Group for War Jobs

James F. Byrnes, Director of War Mobilization and Reconversion, established on Jan. 15 a priority system designed to draw from essential industry during the first six months of 1945 some 200,000 men in the 26-29 year age group for the armed services. His plan said the United Press is designed to "minimize as much as possible the effect on essential activities." It would place young men under 30 in five categories, with those least necessary to the war effort being called up first. The press advices from Washington, from which we quote, added:

Mr. Byrnes' indication that 200,000 would be drawn from the groups under 30 was 130,000 less than Selective Service indicated last week would be drawn from farm and factory to fill out armed services' requests for 902,000 men by July 1.

Mr. Byrnes said that the war programs, for purposes of his classification, were either "critical" or "essential." Men employed in them would be called up in this order:

1. Registrants not employed in any of the special list of essential activities.

2. Registrants engaged in relatively unimportant jobs in the essential but not critical phase of the war program and who may be replaced "without difficulty."

3. Men employed in relatively unimportant jobs in the critical war programs and registrants in such programs who may be replaced without difficulty.

4. Registrants engaged in relatively more important jobs in essential but not critical activities.

5. Registrants engaged in more important jobs in critical activities.

Although Mr. Byrnes did not list activities considered essential, the War Manpower Commission said it would include those embraced in the list announced last February, but that several on that list will be changed from the "essential" to the "critical" category.

Critical jobs were listed as follows by the War Manpower Commission within the 35 general categories of essential activities, according to the Associated Press.

Production of Aircraft and Parts—Production, maintenance and repair of aircraft, gliders, parachutes, dirigibles, balloons, aircraft engines, aircraft parts, pontoons, propellers and similar products.

Production of Ships, Boats and Parts—Production, maintenance and repair of ships, boats, ship and boat parts and equipment.

Production of Ordnance and Accessories—Production, maintenance and repair of firearms, guns, howitzers, mortars, gun turrets and mounts, tanks, sighting and fire control equipment, torpedo tubes and similar products.

Production of Ammunition—Production of bombs, mines, torpedoes, grenades, chemical warfare projectiles, small arms, rockets, explosives, fuses, pyrotechnics, as well as products such as glycerine which go into the manufacture of ammunition.

Processing of Food—Meat packing and slaughtering, production of dairy products, eggs and sugar.

Forestry, Logging, Lumbering and Forest Industries—Timber tracts and logging camps, cutting of plywood, wood for tanning extract, sawmills, veneer, plywood mills.

Construction—Construction of approved industrial plants, hospitals and military projects.

Coal Mining—The mining of anthracite, bituminous and semi-anthracite coal.

Metal Mining—The mining of iron, copper, lead, zinc, mercury, molybdenum, vanadium.

Non-Metallic Mining and Processing and Quarrying—The mining, processing, quarrying of phosphate rock, sulphur, potash, graphite pyrites, graphite, borates

and other salines, fluorspar, abrasive sands.

Smelting, Refining and Rolling of Metal Scrap Salvage—Primary and secondary smelting and refining, alloying, rolling and drawing of iron, steel, copper, lead, zinc, magnesium, aluminum, brass, bronze, nickel, tin, cadmium, ferro alloys and other metals in the production of war materials.

Production of Metal Shapes and Forgings for Essential Products—The manufacture of castings, die castings, forging, wire, nails, chains, anchors, axles, pipe, springs, screws, bolts, tubings, stampings, pressings, structural shapes, and machined parts for essential products.

Production of Industrial and Agricultural Equipment—Power boilers, wiring devices and supplies.

Agricultural Implements—Electric lamps, storage and primary batteries, pumps, compressors and pumping equipment, recording, controlling and measuring instruments and meters, conveyors, industrial cars and trucks, blowers, exhausts and ventilating fans; mechanical power transmission equipment such as clutches, drives and shafts; mechanical stokers; tools, files and saws; plumbers' supplies; professional and scientific instruments; photographic apparatus and optical instruments, and all equipment necessary to operate plants producing essential commodities.

Production of Machinery—Engines and turbines; metal working machinery and equipment; electrical generating, distribution and industrial apparatus for electric public utility, manufacturing, mining, transportation and construction use, for use in manufactured products or in service industries; construction, mining, agricultural, oil field, smelting and refining machinery, as well as all machinery necessary to produce, equip and maintain aircraft, ships, ordnance and other military equipment.

Production of Chemicals and Allied Products—Industrial organic chemicals, coal and petroleum crudes and intermediates, dyes, color lakes and toners, explosives and components of explosives, synthetic fibers, synthetic rubbers, plastics materials, non-coal tar intermediates and solvents and miscellaneous organic chemicals; gum and wood chemicals, plasticizers, rubber chemicals and tanning, extracts, Drugs, medicines and insecticides; Drug grinding, crude botanical drugs, botanical drugs, derivatives and synthetic equivalents, biological products, drugs of animal origin, pharmaceuticals for use in proprietary remedies and prescriptions, insecticides, fungicides, fumigants, rodenticides. Heavy inorganic chemicals: Acids, alkalies, carbonates and miscellaneous heavy chemicals. Industrial, industrial fine and related inorganic chemicals: Inorganic compounds. Compressed and liquefied gases: Gaseous hydrocarbons, elemental and non-hydrocarbons. Vegetable and animal oils and fats; animal oils and fats, vegetable oils. Miscellaneous chemical and chemical products: Bleaching compounds, boiler treating compounds, catalysts, chemical cotton pulp, emulsifiers, oil treating compounds, photographic and pharmaceutical gelatine, synthetic resin, adhesives and glue, analytical reagents, water treating compounds and wetting agents, including sulfo-nated oils.

Production of Essential Rubber

Products—Essential rubber products: Tires, tubes and other essential products, including parts and components and other products included in the essential activities list.

Production of Leather Products—The production of shoe and belting leather; industrial belting for transmission of power.

Production of Textiles—Production of cotton duck, tent twill, tire cord, including synthetic fibers, nylon cloth, netting, including rope netting; processing of all materials for rope and twine, rope making. Production of wool tops, processing and spinning of worsted yarn.

Production of Stone, Clay and Glass Products—Scientific and glass productions; acid-brick, firebrick and other refractory products; abrasive wheels, stones, paper, cloth and related products; crucibles and retorts.

Production of Petroleum, Natural Gas and Petroleum Coal Products—Drilling, rig-building, production of petroleum, natural gas and gasoline and field service operations and petroleum refining. Production of liquefied petroleum gas.

Production of Finished Lumber Products—Wooden parts of aircraft, ships and other military equipment.

Production of Motor Vehicles—Trucks, ambulances, fire engines, buses and military motorized units; essential parts and accessories of such vehicles; locomotives and parts; railroad and street cars and equipment.

Transportation Services—Air transportation; line-haul railroads; switching and terminal; railway and air express; rail inspection; maintenance and repair of railroad equipment, right-of-way and rolling stock; over-the-road bus; offshore and inter-coastal water transportation including shore service such as stevedoring and harbor operations; pipeline transportation; transportation services on the inland waterways; Great Lakes; harbors, bays, sounds and waters connected with the seas; including shore service such as stevedoring; over-the-road trucking; warehousing of essential (perishable and non-perishable) commodities.

Production of Pulp, Paper and Materials for Packing and Shipping Products—Production of pulp: (Made from pulpwood and other substances): Production of cordage.

Production of Communication Equipment, Radio and Radio Equipment—Radar, telephone, telegraph, cable, television, signaling apparatus, electrical sound equipment.

Communication Services, Military, naval and technical charts and maps, instructional and technical manuals; radio communications, radio-telephone and radio-telegraph, cable service (land or submarine), telegraph, telephone.

Heating, Power, Water Supply and Illuminating Services—Electric light and power, water and gas utility; steam heating services; sewerage systems.

Repair Services—In plant maintenance and repair of industrial and mining machinery and equipment; repair of automobiles, buses, trucks, tractors and farm equipment; tires.

Health and Welfare Services—Physicians, surgeons, dentists, oculists, osteopaths, sanitary engineers and veterinarians (engaged in treatment of farm livestock); medical, dental and optical laboratories; pharmaceutical services; hospitals; nursing services; institutional care.

Educational Services—United States maritime service training program.

In addition, all technical, scientific and research personnel, whether their particular activity is listed or not, regarded as being engaged in critical activities.

Net Operating Earnings of Bankers Trust Co. In 1944 Increase as Compared With 1943

In reporting gross operating earnings for the year 1944 of \$26,495,464, in comparison with \$22,167,030 during 1943, S. Sloan Colt, President of the Bankers' Trust Company of New York, states that operating expenses of the bank for the year amounting to \$15,536,186 show an increase of \$2,855,994 over the 1943 figures. The principal reasons for this he says "were an increase of \$1,350,000 in the amount

set aside for taxes and a payment of \$712,425 as a contribution out of 1944 earnings in accordance with the Profit-Sharing Plan which is being voted upon at the annual meeting, subject to the required Governmental agencies concerned." The net operating earnings of the company of \$10,959,278 in 1944 compare with \$9,486,833 in 1943. From President Colt's report we also quote:

"As a further step toward strengthening the capital funds, the directors recommended, and the stockholders authorized an increase in capital stock from 2,500,000 to 3,000,000 shares. This increase was effected on Dec. 29, 1944, by transferring \$5,000,000 from the General Reserve Account to Capital. On the same day a dividend aggregating 500,000 shares of stock was paid to stockholders of record as of Dec. 12, 1944, on the basis of one share of additional stock for each five shares held.

"Coincident with this change in the capital structure of the Company, the Board of Directors authorized the transfer of \$5,000,000 from Undivided Profits to Surplus so that the capital funds of the Company at the end of the year consisted of: capital, \$30,000,000; surplus, \$80,000,000; undivided profits, \$27,344,871—totaling \$137,344,871.

"The total capital funds of \$137,344,871 compares with \$125,366,747 at the end of 1943, or an increase of \$11,978,124, of which \$5,000,000 came from General Reserve to provide for the increase in capital stock. The items accounting for this increase are explained in the statements in this report covering the operating earnings and the changes in Undivided Profits for the year.

"The balance in the General Reserve Account on Dec. 31, 1944 shows a decrease of \$3,406,737.73 during the year and stands at \$10,859,551.45. Following our usual practice, the balance in the General Reserve Account has been used in the Statement of Condition to reduce the value of assets.

"Because of the interest that has been evidenced by our stockholders in the Profit-Sharing Plan mentioned above, it is proposed to inform each stockholder later in the year of the results of the vote taken at the Annual Meeting, and whether the Government approvals required to make the Plan effective as of Jan. 1, 1944 have been secured. It should be noted that the Declaration of Trust for the Profit-Sharing Plan provides that if the Plan and the Trust do not secure Governmental approval by July 1, 1945, or by such later date as the Company may specify, the amount then in the Fund may be returned to the Company."

Noting that the profit-sharing plan is for all employees from the charwomen to the President the New York Herald Tribune recently pointed out:

Before adoption, the plan will be subject also to approval of the Treasury and the National War Labor Board.

One of the outstanding features of the proposal, as explained by spokesmen for the bank, is that it is not likely to involve any difficulty with the staff at any time, since the directors' suggestion provides that 5% of net operating earnings before taxes will be set aside every year. Disbursements, however, are not to exceed 15% of salaries and wages, and according to present anti-inflationary hold-the-line measures of the government, payments will begin in ten years, except in cases of

death and termination of employment.

The same paper in its Jan 12 issue stated:

The meeting approved the profit-sharing plan and amendments to the by-laws relating to the indemnification of directors, officers and others which might arise out of possible lawsuits. This was a routine matter and in conformity with recently passed state legislation.

The report of President Colt states that on Dec. 31, 1944 the gross deposits aggregated \$1,726,073,556.53, in comparison with \$1,594,694,072.48 at the end of 1943. These figures include United States Government deposits which amounted to \$583,022,892.44 at the end of 1944 and \$297,799,420.20 at the end of the preceding year.

Report of Savings Banks Trust Company

August Ihlefeld, President, stated on Jan. 17 at the annual meeting of stockholders of Savings Banks Trust Company, which is completely owned by the savings banks in New York State, that the year's successful results reflected increasing use of its facilities. Because savings banks placed on deposit with the Trust Company a record volume of funds, and because of war loan credits resulting from subscriptions to new Treasury offerings placed by savings banks through the Trust Company in the aggregate of \$1,370,000,000, the savings banks in New York State received the largest amount of interest and the highest dividends in the company's eleven-year history, it is announced. The advices regarding the meeting further state:

"Dividends of \$40 per share were paid against earnings of \$85.34 per share. This compared with dividends of \$24 per share and earnings of \$81.15 per share for 1943. The net addition to undivided profits was \$1,133,464, as against \$538,750 the year previous, and raised total capital accounts to \$43,391,284.

"Total resources at the year-end were \$846,482,713. United States Government obligations held totaled \$819,529,951. The weighted average maturity of these securities was 1 year and 6 months to optional date and 1 year and 10 months to final maturity.

"With total deposits at \$801,555,774, the liquidity ratio of cash and Government securities to total deposits was 105% and the ratio of capital accounts to deposits was 5.4%.

Mail to the Netherlands

Postmaster Albert Goldman announced on Jan. 11 information has been received from the Post Office Department, that effective Jan. 15, non-illustrated postcards, which may relate to business as well as personal or family matters, but limited to an exchange of information and ascertainment of facts, shall be accepted for mailing to civilians in the following areas of the Netherlands:

"The cities of Eindhoven, Gel-drop, Valkenswaard, Tilburg, Oisterwijk, Boxtel, and Schijndel.

"All Netherlands territory south of the river Scheldt.

"The postage rate for these cards is 3 cents each. No remittances may be sent to the Netherlands at this time. Registration, money order, air mail and parcel post services likewise are not available at present."

Electric Output for Week Ended Jan. 27, 1945 Increased 1.2% 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 Jan. 27, 1945, was approximately 4,576,713,000 kwh., which compares with 4,523,763,000 kwh. in the corresponding week a year ago, and 4,588,214,000 kwh. in the week ended Jan. 20, 1945. The output of the week ended Jan. 21, 1945, was 1.2% in excess of that in the same week last year.

PERCENTAGE INCREASE OVER PREVIOUS YEAR

Major Geographical Divisions—	Jan. 27	Jan. 20	Jan. 13	Dec. 30
New England	1.8	2.5	3.5	0.4
Middle Atlantic	0.2	0.9	0.7	*5.1
Central Industrial	4.1	4.2	3.4	0.7
West Central	9.8	10.6	10.2	6.4
Southern States	6.4	5.3	5.4	*1.7
Rocky Mountain	*12.6	*11.1	*9.6	*12.4
Pacific Coast	*0.4	*3.6	*0.2	*3.8
Total United States	1.2	1.2	1.7	*2.6

*Decrease under similar week in previous year.

Note—Because the same week a year ago contained the New Year holiday, no percentage comparison is available for the week ended Jan. 6.

DATA FOR RECENT WEEKS (Thousands of Kilowatt-Hours)

Week Ended—	1944	1943	% Change over 1943	1942	1932	1929
Oct. 7	4,375,079	4,341,754	+ 0.8	3,702,299	1,507,503	1,806,403
Oct. 14	4,354,575	4,382,260	- 0.6	3,717,360	1,528,145	1,798,633
Oct. 21	4,345,352	4,415,405	- 1.6	3,752,571	1,533,028	1,824,160
Oct. 28	4,358,293	4,452,592	- 2.1	3,774,891	1,525,410	1,815,749
Nov. 4	4,354,939	4,413,863	- 1.3	3,761,961	1,520,730	1,798,164
Nov. 11	4,396,595	4,482,665	- 1.9	3,775,878	1,531,584	1,793,584
Nov. 18	4,450,047	4,513,299	- 1.4	3,795,361	1,475,268	1,818,169
Nov. 25	4,368,519	4,403,342	- 0.8	3,766,381	1,510,337	1,718,002
Dec. 2	4,524,257	4,560,158	- 0.8	3,883,534	1,518,922	1,806,225
Dec. 9	4,538,012	4,566,905	- 0.6	3,937,524	1,563,384	1,840,863
Dec. 16	4,563,079	4,612,994	- 1.1	3,975,873	1,554,473	1,860,021
Dec. 23	4,616,975	4,295,010	—	3,655,926	1,414,710	1,637,683
Dec. 30	4,225,814	4,337,287	- 2.6	3,779,993	1,619,265	1,542,000

Week Ended—	1945	1944	% Change over 1944	1943	1932	1929
Jan. 6	4,427,281	4,567,959	- 3.1	3,952,587	1,602,482	1,733,810
Jan. 13	4,614,334	4,539,083	+ 1.7	3,952,479	1,598,201	1,736,721
Jan. 20	4,588,214	4,531,662	+ 1.2	3,974,202	1,588,967	1,717,315
Jan. 27	4,576,713	4,523,763	+ 1.2	3,976,844	1,588,853	1,728,203

The State of Trade

(Continued from page 547)

urgent war needs are not disturbed.

New orders in the past week while fractionally lower in volume than in recent weeks, were still at a high level, the trade magazine notes. Indications were that the January volume at some mills might be twice as great as was registered in December.

Projected landing mat production in the second half of 1945 will require close to 350,000 tons of hot rolled sheets compared with about 480,000 tons in first half, the magazine observes, and will measure up to about two-thirds of the 1944 program.

An illustration of the pressure under which the industry is laboring may be gleaned from fabricating contracts which have been let for Bailey adapters requiring 15,000 tons of carbon and alloy steel shapes, heavy aircraft demand for stainless steel sheets, coupled with a Navy inquiry involving 24,000 tons of special sheet piling and about 1,200 tons of standard piling. Difficulty has been experienced in placing a sizable tonnage of concrete reinforcing bars for February and March rollings to be used in rehabilitation abroad.

"Although the shell steel program received a tremendous shot in the arm a few months ago, there were indications this week that even more substantial increases are in sight for the third and fourth quarters of this year," states "The Iron Age." These plans may subsequently be revised, but it is significant that the number of new companies coming into the shell picture is surprisingly high.

The recent interim price increase caused some confusion in the steel industry because it applied to the delivered price and not the base price, but this misunderstanding has largely disappeared. Contrary to some opinion the interim price increase is considered to be a stop-gap until the OPA makes a more complete detailed study of steel industry costs after which it will make its final price adjustment. The latter is expected some time late in February or early in March. Despite guesses, so-called inside information and plain crystal gazing, those close to the steel price situation had no definite conclusions this week on what further price

adjustments will be made on steel products when OPA has its final say.

The American Iron and Steel Institute announced last Tuesday that the operating rate of steel companies (including 94% of the industry) will be 90.1% of capacity for the week beginning Jan. 29, compared with 92.6% one week ago. On a tonnage basis, steel production in the United States this week is at the lowest level for any full week since the one beginning Feb. 9, 1942. This week's operating rate is equivalent to 1,625,200 net tons of steel ingots and castings, compared with 1,670,300 tons last week and 1,734,800 net tons one year ago.

Electric Production—The Edison Electric Institute reports that the output of electricity increased to approximately 4,588,214,000 kwh. in the week ended Jan. 20, 1945, from 4,614,334,000 kwh. in the preceding week. Output for the week ended Jan. 20, 1945, was 1.2% above that for the corresponding weekly period one year ago.

Consolidated Edison Co. of New York reports system output of 196,500,000 kwh. in the week ended Jan. 21, 1945, comparing with 226,200,000 kwh. for the corresponding week of 1944, or a decrease of 13.1%.

Local distribution of electricity amounted to 184,900,000 kwh. compared with 208,900,000 kwh. for the corresponding week of last year, a decrease of 11.5%.

Railroad Freight Loading—Carloadings of revenue freight for the week ended Jan. 20, 1945, totaled 777,320 cars, the Association of American Railroads announced. This was a decrease of 5,067 cars, or .06% below the preceding week this year and a decrease of 21,330 cars, or 2.7% below the corresponding week of 1944. Compared with a similar period in 1943, an increase of 74,026 cars, or 10.5% is shown.

Coal Industry—The Solid Fuels Administration, U. S. Department of the Interior, in its latest report, places total production of soft coal in the week ended Jan. 20, 1945, at 11,960,000 net tons, a decrease of 190,000 tons, or 1.6% from the week previous. Production in the corresponding week of 1944 amounted to 12,650,000 tons.

According to the U. S. Bureau of Mines, output of Pennsylvania anthracite for the week ended

Jan. 20, 1945, was estimated at 999,000 tons, a decrease of 124,000 tons, or 11% from the preceding week. When compared with the corresponding week in 1944 a decrease of 254,000 tons, or 20.3% is reflected.

Beehive coke for the week ended Jan. 20 increased by 6,200 tons over the previous week, but was 61,700 tons less than for the similar week of 1944.

Crude Oil Production—Daily average gross crude oil production for the week ended Jan. 20, as estimated by the American Petroleum Institute, was 4,733,750 barrels. This represented an increase of 11,100 barrels per day over the preceding week and 9,050 barrels higher than the daily average figure recommended by the Petroleum Administration for War for the month of January, 1945. When compared with the corresponding week last year, crude oil production was 344,550 barrels per day higher. For the four weeks ended Jan. 20, 1945, daily output averaged 4,710,200 barrels.

Reports from refining companies indicate that the industry as a whole ran to stills (on a Bureau of Mines basis) approximately 4,686,000 barrels of crude oil daily and produced 14,554,000 barrels of gasoline. Kerosene output totaled 1,556,000 barrels, with distillate fuel oil placed at 4,586,000 barrels and residual fuel oil at 9,082,000 barrels during the week ended Jan. 20, 1945. Storage supplies at the week-end totaled 45,782,000 barrels of civilian grade gasoline, 42,926,000 barrels of military and other gasoline; 9,445,000 barrels of kerosene; 35,041,000 barrels of distillate fuel, and 52,554,000 barrels of residual fuel oil.

Lumber Shipments—The National Lumber Manufacturers Association reports that lumber shipments of 467 reporting mills were 2.0% above production for the week ended Jan. 20, 1945, while new orders of these mills were 19.0% more than production. Unfilled orders files amounted to 94% of stocks.

For the year-to-date shipments of reporting identical mills exceeded production by 5.10% and orders ran 20.2% above output.

Compared to the average corresponding week of 1935-39, production of reporting mills was 46.4% greater, shipments 36.2% greater, and orders 37.9% greater.

Paper Production—Paper production for the week ended Jan. 20 was 89% of capacity, as against 83.7% of capacity in the preceding week, the American Paper and Pulp Association's index of mill activity disclosed. The rate during the week ended Jan. 22, last year, was 86.1% of capacity. As for paperboard, production for the same period was reported at 94% of capacity, a decline of 1 point from the previous week.

Silver—The London market was quiet and unchanged at 25 1/2 d. for basis .999 silver. The New York Official continued at 44 1/2 c. for foreign silver and 70 1/2 c. for domestic silver.

Business Failures—Commercial and industrial failures in the week ended Jan. 25 continued without change at a low figure, about two-thirds that of the corresponding week of 1944. Concerns failing, Dun & Bradstreet, Inc., reported, numbered 16, the same as the previous week, against 24 in the comparable week a year ago. Failures in different size and industry groups fluctuated only slightly. Large failures with liabilities of \$5,000 or more increased from 11 a week ago to 13 in the week just ended, against 16 a year ago. Manufacturing failures dropped from 7 to 5, while retailing, wholesaling and construction each showed a gain of one failure over last week's figure. Canadian failures numbered 4 as compared with 2 in the previous week and 4 in corresponding week of 1944.

Commodity Price Index—Lead-

ing commodity markets trended irregularly downward during the past week, largely reflecting more favorable war news. According to Dun & Bradstreet, Inc., daily wholesale commodity price index, a drop of 17 points occurred the past week, placing the index at 175.39 on Jan. 23, as against 175.57 a week earlier and at 171.52 on the corresponding date a year ago.

Grain markets moved generally lower with cotton markets easier following a steady upward trend over the previous four weeks. In the Boston raw wool market, trading volume reached substantial proportions last week, prompted by the assurance of capacity mill operations for the next several months.

Food Price Index—The Dun & Bradstreet wholesale food price index for Jan. 23 remained at \$4.10, unchanged from the previous figure. This represented the highest level since June 1, 1943, and marked a rise of 2.0% over the 1944 comparative of \$4.02. Advances during the week occurred in corn, potatoes, sheep, and lambs, while declines included wheat, rye, oats, and eggs.

The index represents the sum total of the price per pound of 31 foods in general use.

Retail and Wholesale Trade—Moderate improvement took place in retail trade for the country as a whole the past week. Seasonal lines which attracted a growing consumer response contributed to the rise, especially new spring merchandise which is at present widely displayed in apparel departments. A great drawback to increased sales was low inventories and continued delay in shipments to fill in lines of stock. Higher-priced merchandise still ruled a favorite in consumer demand. House furnishing and food lines shared in the moderate rise in sales volume during the week, with business volume for hotels, restaurants, and liquor and drug stores well above a year ago.

Millinery sales have been heavy and spring lines were rated as one of the best retailing items. A high demand continued for leather handbags, blouses, and sweaters, but in other accessory lines reports indicated some reduction in demand. Lingerie sales continued favorable.

In men's lines, suits especially, moved freely, with considerable inquiry for overcoats, but certain types and styles were not available. Activity was also noted in infants' and children's wear.

Home furnishings held up well in spite of the irregular supply, with draperies, blankets, bedding, linoleums, and other staples enjoyed a good turnover. In the piece goods line, sales continued to mount; however, inventories of cottons, rayons and woollens were low.

Sales of many food items were improving, although shortages, particularly in meats, continue.

Retail sales for the country were estimated from 6 to 9% over a year ago. Regional percentage increases were: New England, 2 to 4%; East, 3 to 5%; Middle West, 4 to 8%; Northwest, 6 to 8%; Southwest, 7 to 10%; South and Pacific Coast, 10 to 14%.

In the wholesale markets, wholesalers enjoyed another good week; sales were high but slightly below a week earlier. Opened markets displayed a wide variety of goods; attendance continued large and demand exceeded available supplies. In apparel lines, merchandise moved briskly and house furnishings, glassware, cooking utensils, and food lines continued to hold their own.

Department store sales on a country-wide basis, as taken from the Federal Reserve Board's index, were 11% ahead of a year ago for the week ended Jan. 20, 1945. This compared with a revised figure of 14% in the preceding week. For the four weeks ended Jan. 20, 1945, sales increased 9%.

Trading here in New York was

President Roosevelt Pledges Greece Aid

A pledge by President Roosevelt of American aid in the rehabilitation of Greece "in collaboration with our Allies," was contained in a message from the President to Prime Minister Nicolas Plastiras of Greece, sent in answer to a telegram from the Greek leader, asking for American support in the reconstruction of Greece.

Mr. Roosevelt's message took note of promises by Prime Minister Plastiras that the end of hostilities in Greece "will not be followed by reprisals, but will be the prelude to early decisions by means of free democratic processes on the vexed questions which led to civil strife."

Reporting this, Associated Press advices from Washington on Jan. 16 gave as follows the Greek Premier's message to Mr. Roosevelt: "In assuming the heavy task which my government has undertaken I wish to express to you, Mr. President, and to the Government and the people of the United States of America the profound gratitude of the Greek Government and people for the friendship and solicitude always displayed by your great country to our sorely tried nation. In the defense of the liberties so recently restored to this ancient cradle of democracy and so dear to them, the Greek people place their faith in the noble principles of the great American democracy and hope that in her efforts to reconstruct the ruins accumulated by the long enemy occupation of the country Greece will be able to rely on the full and so precious support of your Excellency and the United States."

The President in his reply said: "Thank you for your friendly message. I speak for the American people as well as for myself when I say that the recent tragic bloodshed in Greece has been a cause of profound sorrow. "In assuming the leadership of the Greek Government at this critical time you are faced with problems, the solution of which is of great importance to the future of your country and the successful conclusion of the Allied struggle against a common enemy. "I have been reassured by your recent statements that the cessation of hostilities will not be followed by reprisals but will be the prelude to early decisions by means of free democratic processes on the vexed questions which led to civil strife. "The Government, in collaboration with our Allies, stands ready to assist wherever practicable in the rehabilitation of your long suffering nation. I wish you all success in the patriotic duties you have undertaken."

According to the Associated Press, it is understood that the President is withholding a detailed statement of American policy until he has conferred with Prime Minister Churchill and

very active notwithstanding abnormally low temperatures. In fact the cold weather left retailers' shelves bare of what little winter stocks remained on hand. With the decline in buyers' arrivals, major wholesale markets reflected diminished activity. It has been reported that stocks of merchandise in most lines are tighter than at any time since Pearl Harbor.

According to the Federal Reserve Bank's index, department store sales in New York City for the weekly period to Jan. 20, 1945, increased by 5% over the same period of last year. This compared with an increase of 8% in the preceding week. For the four weeks ended Jan. 20, 1945, sales rose by 5%.

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Moody's Bond Prices And Bond Yield Averages

Moody's computed bond prices and bond yield averages are given in the following table.

MOODY'S BOND PRICES† (Based on Average Yields)										
1945—	U. S.	Avg.	Corporate by Ratings*				Corporate by Groups*			
Daily	Govt.	Corpo-	Aaa	Aa	A	Baa	R. R.	P. U.	Indus.	
Averages	Bonds	rate*								
Jan. 30	120.97	113.89	119.41	118.00	113.70	105.17	103.24	113.89	118.60	
29	120.81	113.89	119.41	118.00	113.50	105.17	103.24	113.89	118.60	
27	120.84	113.89	119.41	118.00	113.70	105.17	103.24	113.89	118.60	
25	120.88	113.89	119.41	118.00	113.70	105.17	103.24	113.89	118.60	
24	120.82	113.70	119.20	118.00	113.50	105.00	103.06	113.89	118.60	
23	121.13	113.70	119.20	117.80	113.50	105.00	103.06	113.70	118.60	
22	121.14	113.70	119.20	117.80	113.31	105.00	103.06	113.70	118.60	
20	121.16	113.70	119.20	117.80	113.70	105.00	103.06	113.70	118.60	
19	121.09	113.70	119.20	118.00	113.70	105.00	103.06	113.70	118.60	
18	121.17	113.70	119.20	117.80	113.70	105.00	103.06	113.70	118.60	
17	121.20	113.70	119.20	117.80	113.70	105.00	103.06	113.70	118.60	
16	121.03	113.70	119.00	117.80	113.70	105.00	103.06	113.70	118.40	
15	121.16	113.70	119.00	117.80	113.50	105.00	103.06	113.70	118.40	
14	121.25	113.70	119.00	118.00	113.50	104.83	103.06	113.70	118.40	
12	121.25	113.70	119.00	118.00	113.50	104.83	103.06	113.70	118.40	
11	121.22	113.50	119.00	118.00	113.31	104.83	103.06	113.70	118.40	
10	121.03	113.50	119.00	118.00	113.31	104.66	103.06	113.70	118.40	
9	120.79	113.50	119.00	118.00	113.31	104.66	103.06	113.70	118.40	
8	120.78	113.50	119.00	118.00	113.31	104.66	103.06	113.70	118.40	
7	120.67	113.50	119.00	117.80	113.50	104.66	103.06	113.89	118.20	
6	120.66	113.50	119.00	117.80	113.50	104.66	103.06	113.89	118.20	
5	120.65	113.50	119.00	117.80	113.50	104.48	103.06	113.89	118.20	
4	120.62	113.50	118.80	117.80	113.50	104.48	103.06	113.89	118.20	
3	120.55	113.50	119.00	117.80	113.31	104.48	103.06	113.89	118.20	
2	120.55	113.50	119.00	117.80	113.31	104.48	103.06	113.89	118.20	
1	Stock Exchange Closed									
High 1945	121.25	113.89	119.41	118.00	113.70	105.17	103.24	113.89	118.60	
Low 1945	120.55	113.50	118.80	117.80	113.31	104.48	103.06	113.70	118.20	
1 Year Ago										
Jan. 29, 1944	119.47	111.07	118.20	116.22	111.25	100.16	104.14	113.31	116.41	
2 Years Ago										
Jan. 30, 1943	117.03	108.70	117.60	115.04	109.79	94.56	99.04	112.56	115.43	

MOODY'S BOND YIELD AVERAGES (Based on Individual Closing Prices)										
1945—	U. S.	Avg.	Corporate by Ratings*				Corporate by Groups*			
Daily	Govt.	Corpo-	Aaa	Aa	A	Baa	R. R.	P. U.	Indus.	
Averages	Bonds	rate*								
Jan. 30	1.76	2.96	2.68	2.75	2.97	3.44	3.21	2.96	2.72	
29	1.77	2.96	2.68	2.75	2.98	3.44	3.21	2.96	2.72	
27	1.77	2.96	2.68	2.75	2.97	3.44	3.21	2.96	2.72	
26	1.77	2.96	2.68	2.75	2.97	3.44	3.21	2.96	2.72	
25	1.77	2.97	2.69	2.75	2.98	3.45	3.22	2.96	2.72	
24	1.77	2.97	2.69	2.75	2.98	3.45	3.22	2.97	2.72	
23	1.75	2.97	2.69	2.76	2.98	3.45	3.22	2.97	2.72	
22	1.75	2.97	2.69	2.76	2.99	3.45	3.23	2.97	2.72	
20	1.75	2.97	2.69	2.76	2.97	3.45	3.23	2.97	2.72	
19	1.75	2.97	2.69	2.76	2.97	3.45	3.23	2.97	2.72	
18	1.75	2.97	2.69	2.76	2.97	3.45	3.23	2.97	2.72	
17	1.74	2.97	2.69	2.76	2.97	3.45	3.22	2.97	2.72	
16	1.76	2.97	2.70	2.76	2.97	3.45	3.22	2.97	2.72	
15	1.75	2.97	2.70	2.76	2.98	3.45	3.22	2.97	2.72	
14	1.74	2.97	2.70	2.75	2.98	3.46	3.23	2.97	2.72	
13	1.74	2.97	2.70	2.75	2.98	3.46	3.23	2.97	2.72	
12	1.74	2.97	2.70	2.75	2.98	3.46	3.23	2.97	2.72	
11	1.74	2.97	2.70	2.75	2.98	3.46	3.23	2.97	2.72	
10	1.76	2.98	2.70	2.75	2.99	3.46	3.23	2.97	2.72	
9	1.78	2.98	2.70	2.76	2.99	3.47	3.24	2.97	2.72	
8	1.78	2.98	2.70	2.76	2.99	3.47	3.24	2.97	2.72	
7	1.78	2.98	2.70	2.76	2.98	3.47	3.24	2.96	2.74	
6	1.79	2.98	2.70	2.76	2.98	3.47	3.24	2.96	2.74	
5	1.79	2.98	2.70	2.76	2.98	3.48	3.24	2.96	2.74	
4	1.79	2.98	2.71	2.76	2.98	3.48	3.24	2.96	2.74	
3	1.80	2.98	2.70	2.76	2.99	3.48	3.25	2.96	2.74	
2	1.80	2.98	2.70	2.76	2.99	3.48	3.25	2.96	2.74	
1	Stock Exchange Closed									
High 1945	1.80	2.98	2.71	2.76	2.99	3.48	3.25	2.97	2.74	
Low 1945	1.74	2.96	2.68	2.75	2.97	3.44	3.21	2.96	2.72	
1 Year Ago										
Jan. 29, 1944	1.87	3.11	2.74	2.84	3.10	3.74	3.50	2.99	2.83	
2 Years Ago										
Jan. 30, 1943	2.06	3.24	2.77	2.90	3.18	4.10	3.81	3.03	2.88	

*These prices are computed from average yields on the basis of one "typical" bond (3% coupon, maturing in 25 years) and do not purport to show either the average level or the average movement of actual price quotations. They merely serve to illustrate in a more comprehensive way the relative levels and the relative movement of yield averages, the latter being the true picture of the bond market.

†The latest complete list of bonds used in computing these indexes was published in the issue of Jan. 14, 1943, page 202.

New Capital Issues In Great Britain

The following statistics have been compiled by the Midland Bank Limited. These compilations of issues of new capital, which are subject to revision, exclude all borrowings by the British Government; shares issued to vendors; allotments arising from the capitalization of reserve funds and undivided profits; sales of already issued securities which add nothing to the capital resources of the company whose securities have been offered; issues for conversion or redemption of securities previously held in the United Kingdom; short-dated bills sold in anticipation of long-term borrowings; and loans of municipal and county authorities which are not specifically limited. In all cases the figures are based upon the prices of issue.

SUMMARY TABLE OF NEW CAPITAL ISSUES IN THE UNITED KINGDOM (Compiled by the Midland Bank, Ltd.)			
Year—	£	Year—	£
1919	237,541,000	1932	113,038,000
1920	384,211,000	1933	132,869,000
1921	215,795,000	1934	150,190,000
1922	235,669,000	1935	182,824,000
1923	203,760,000	1936	217,221,000
1924	223,546,000	1937	170,906,000
1925	219,897,000	1938	118,098,000
1926	253,266,000	1939	66,294,000
1927	314,714,000	1940	4,096,000
1928	362,519,000	1941	2,326,000
1929	253,749,000	1942	3,907,000
1930	236,160,000	1943	8,583,000
1931	88,666,000	1944	7,576,000

NEW CAPITAL ISSUES IN THE UNITED KINGDOM (Compiled by the Midland Bank, Ltd.)				
Year—	Geographical distribution—			
	Total	United Kingdom	British overseas countries	Foreign countries
1935	182,824,000	161,934,000	18,038,000	2,852,000
1936	217,221,000	190,808,000	23,353,000	3,060,000
1937	170,906,000	138,768,000	24,938,000	7,200,000
1938	118,098,000	92,746,000	21,284,000	4,067,000
1939	66,294,000	43,335,000	18,313,000	4,646,000
1940	4,096,000	3,544,000	357,000	195,000
1941	2,326,000	1,927,000	399,000	—
1942	3,907,000	3,871,000	36,000	—
1943	8,583,000	7,059,000	645,000	879,000
1944	7,576,000	6,688,000	397,000	491,000

Bank Debits for Month of December

The Board of Governors of the Federal Reserve System issued on Jan. 10 its usual monthly summary of "bank debits," which we give below:

SUMMARY BY FEDERAL RESERVE DISTRICTS (In millions of dollars)				
Federal Reserve District—	Dec.		—3 Months Ended—	
	1944	1943	1944	1943
Boston	4,271	3,584	11,408	10,212
New York	40,373	31,489	103,718	83,214
Philadelphia	4,056	3,600	11,151	9,453
Cleveland	5,756	5,186	15,693	14,086
Richmond	3,230	2,803	8,868	7,367
Atlanta	3,011	2,669	8,105	7,967
Chicago	13,826	12,027	37,507	32,804
St. Louis	2,430	2,222	6,820	6,444
Minneapolis	1,552	1,532	4,591	4,336
Kansas City	2,814	2,582	7,715	7,023
Dallas	2,537	2,249	6,753	6,076
San Francisco	7,415	6,555	20,602	18,649
Total, 334 centers	91,271	76,497	242,937	207,789
*New York City	37,678	28,936	96,252	76,252
*140 other centers	45,490	40,155	124,207	110,984
193 other centers	8,104	7,407	22,479	20,553

National Fertilizer Association Commodity Price Index Advances

The weekly wholesale commodity price index, compiled by The National Fertilizer Association and made public on Jan. 29, advanced to its previous high level of 140.1 in the week ending Jan. 27, 1945, from 139.9 in the preceding week. A month ago the index stood at the same level of 140.1, and a year ago at 137.2, based on the 1935-1939 average as 100. The Association's report went on to say:

Gains in the farm products group were directly responsible for the rise in the general index. These gains more than offset small declines in the foods and textiles indexes. The grains subgroup advanced due to rather substantial increases in the prices for wheat. Quotations for rye showed a small decline. The livestock subgroup moved upward again after declining for three consecutive weeks, with prices for cattle, hogs, lambs, and sheep advancing and egg prices declining. The cotton index was again lower with cotton prices off 1.4% under a week ago. The foods index declined as a result of lower quotations for eggs and in spite of higher prices for potatoes. The textiles index again declined because of the lower prices for raw cotton. All other groups in the index remained the same.

During the week 9 price series in the index advanced and 3 declined; in the preceding week there were 9 advances and 8 declines; in the second preceding week there were 6 advances and 6 declines.

Civil Engineering Construction Volume \$8,791,000 for Week

Civil engineering construction volume in continental United States totals \$8,791,000 for the week. This volume, not including the construction by military engineers abroad, American contracts outside the country, and shipbuilding, is the lowest weekly total reported since July 6, 1933. It is 68% under the preceding week, 74% below the volume for the corresponding 1944 week and 60% below the previous four-week moving average as reported to "Engineering News-Record." The report made public on Jan. 25 went on to say:

Private construction for the week is 64% lower than last week and 66% under last year. Public construction is 70 and 76% lower, respectively, than a week ago and a year ago, as both State and municipal volume and Federal work reported decreases.

The current week's volume brings 1945 construction to \$88,193,000 for the four-week period, a decrease of 44% from the \$156,518,000 for the four weeks of 1944. Private construction, \$32,362,000, is 33% higher than in the 1944 period, but public construction, \$55,831,000, is down 58% as a result of the 67% drop in Federal. State and municipal construction is up 95% compared with last year.

Civil engineering construction volumes for the 1944 week, last week, and the current week are:

	Jan. 27, 1944	Jan. 18, 1945	Jan. 25, 1945
Total U. S. Construction	\$33,241,000	\$27,702,000	\$8,791,000
Private Construction	7,486,000	7,175,000	2,576,000
Public Construction	25,755,000	20,527,000	6,215,000
State and Municipal	3,379,000	4,401,000	744,000
Federal	22,376,000	16,126,000	5,471,000

In the classified construction groups, gains over last week are reported in bridges, and earthwork and drainage. Industrial building is the only class of work to report an increase over the 1944 week. Subtotals for the week in each class of construction are: waterworks, \$280,000; sewerage, \$325,000; bridges, \$268,000; industrial buildings, \$1,778,000; commercial building and large-scale private housing, \$204,000; public buildings, \$3,470,000; earthwork and drainage, \$283,000; streets and roads, \$343,000, and unclassified construction, \$1,840,000.

New capital for construction purposes for the week totals \$2,417,000, and is made up entirely of State and municipal bond sales. The week's new financing brings 1945 volume to \$103,217,000, a volume 30% below the \$147,172,000 reported for the four-week 1944 period.

Market Value of Bonds on New York Stock Exch.

The New York Stock Exchange announced on Jan. 11 that as of the close of business Dec. 30, there were 1,063 bond issues, aggregating \$111,115,844,155 par value listed on the New York Stock Exchange with a total market value of \$112,620,708,662. This compares with the figures as of Nov. 30 of 1,057 bond issues, aggregating \$100,449,974,298 par value; total value \$101,377,604,946.

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

Group	Dec. 30, 1944		Nov. 30, 1944	
	Market Value	Average Price	Market Value	Average Price
U. S. Government (incl. N. Y. State, Cities, etc.)	96,298,474,594	102.99	85,472,469,842	102.95
U. S. companies:				
Amusement	7,387,500	98.50	7,378,125	98.38
Automobile	5,930,500	102.25	5,945,000	102.50
Building	12,928,240	102.74	12,936,355	102.80
Business and office equipment	15,097,653	106.75	15,186,046	107.37
Chemical	40,325,000	104.39	42,631,500	104.49
Electrical equipment	39,363,917	102.85	40,071,503	103.13
Financial	239,557,035	106.02	246,147,959	106.03
Food	13,171,800	80.12	12,690,900	77.20
Land and realty	29,996,604	102.65	35,000,561	102.70
Machinery and metals	97,031,550	77.60	98,678,817	77.19
Mining (excluding iron)	32,111,417	104.28	32,111,566	104.29
Paper and publishing	638,485,644	104.05	639,377,913	104.07
Railroad	8,120,166,571	89.64	7,966,876,644	87.21
Retail merchandising	13,261,652	98.92	13,225,673	98.65
Rubber	69,152,303	105.00	69,643,778	105.75
Shipping services	20,461,270	96.15	20,351,380	95.63
Steel, iron and coke	343,350,571	104.61	339,612,951	104.31
Textiles	35,832,005	104.50	35,789,144	104.38
Tobacco	251,438,971	102.81	150,963,474	104.43
Utilities:				
Gas and electric (operating)	2,742,183,074	106.80	2,598,515,110	107.59
Gas and electric (holding)	60,121,813	107.52	60,890,360	108.89
Communications	1,130,093,763	112.04	1,137,917,473	112.15
Miscellaneous utilities	116,430,712	74.87	96,510,738	87.13
U. S. companies oper. abroad	155,005,576	89.51	153,055,201	87.13
Miscellaneous businesses	32,330,000	162.63	8,818,750	103.75
Total U. S. companies	14,278,303,641	95.62	13,860,826,921	94.02
Foreign government	1,381,977,941	70.42	1,386,013,505	70.39
Foreign companies	661,952,436	92.56	658,294,678	92.01
All listed bonds	112,620,708,662	101.35	101,377,604,946	100.92

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:

Year	Market Value	Average Price	Year	Market Value	Average Price
1942	70,583,644,622	96.70	1943	90,274,071,634	99.38
Dec. 31			1944		
1943			Jan. 31	90,544,387,232	99.78
Jan. 30	71,038,674,932	97.47	Feb. 29	96,837,573,171	100.28
Feb. 28	71,346,452,852	97.79	Mar. 31	95,713,288,544	100.32
Mar. 31	71,575,183,604	98.24	Apr. 29	95,305,318,075	100.31
Apr. 30	71,857,596,488	98.69	May 31	93,849,254,814	100.62
May 29	81,048,543,830	99.47	June 30	96,235,324,054	100.53
June 30	80,704,321,646	99.64	July 31	102,284,657,208	100.71
July 31	80,352,221,151	99.35	Aug. 31	102,328,885,992	100.74
Aug. 31	80,109,269,964	99.23	Sep. 30	102,017,012,414	100.61
Sept. 30	80,149,558,292	99.37	Oct. 31	101,801,493,498	100.71
Oct. 30	90,501,768,934	99.45	Nov. 30	101,377,604,946	100.92
Nov. 30	90,076,888,558	99.02	Dec. 31	112,620,708,662	101.35

Over \$25 Million of Surplus War Property Disposed of by Government in November

The Surplus Property Board announced on Jan. 9 that five disposal agencies—Reconstruction Finance Corporation, the Procurement

Division of the Treasury Department, United States Maritime Commission, War Food Administration and Foreign Economic Administration—disposed of \$25,557,000 worth of surplus war property during the month of November, at 74% of cost or appraised value. The advices further state:

The November figures include \$1,283,000 disposed of to other Government agencies and \$3,268,000 for Lend-Lease. These five disposal agencies, together with the National Housing Agency, acquired \$149,113,000 of surplus war property during the month and on Nov. 30 held inventories totaling \$851,756,000. Aircraft, airplane engines and equipment accounted for \$93,593,000 of total acquisitions in November (RFC) and accounted for \$503,059,000 of the \$851,756,000 total inventory.

In the six months from June 1 to Nov. 30, 1944, surplus war property disposed of by disposal agencies amounted to \$135,164,000, which compares with total acquisitions of \$913,239,000 during the same period.

Summarized below are acquisitions and disposals by agencies and per cent disposed of during the six months since June 1, and the inventories on hand by agencies on Nov. 30.

	Acquisitions	Disposals	Percent Disposed of Inventories
Treasury Procurement	\$134,097,000	\$64,924,000	39.5
Reconstruction Finance Corporation	758,058,000	65,873,000	8.2
Maritime Commission	20,565,000	4,221,000	20.5
War Food Administration	323,000	144,000	44.6
Foreign Economic Administration	30,000	2,000	6.7
National Housing Agency	166,000	—	0.0
Total	\$913,239,000	\$135,164,000	\$851,756,000

The Treasury Procurement Division accounted for \$13,945,000 of the \$25,557,000 total disposals in the month of November. The largest individual transaction by the Treasury Procurement Division in November involved 34 incinerators, sold to Ohio Incinerator Co., Cleveland, Ohio, for \$102,000, which was the appraised value.

The Reconstruction Finance Corporation accounted for disposals of \$9,101,000 in the month of November.

Non-Ferrous Metals—Heavy Movement Assured For February—Aluminum Output Short of Needs

"E. & M. J. Metal and Mineral Markets," in its issue of Jan. 25, stated: "Though war developments of an encouraging nature aroused widespread interest last week, producers of major non-ferrous metals were deeply concerned with the immediate problem of shipping vast tonnages for the enlarged materials program. From present indications, the movement of metals during February will be of record proportions for the second month of the year. A five-day freight embargo, covering the movement of goods into the area north of the Ohio and east of the Mississippi, is not expected to affect the final result. Antimony has moved into a tight supply position. Quicksilver was less active and business was placed below the \$160 level." The publication further went on to say in part:

Producers are absorbing larger quantities of Prime Western.

Increased consumption of zinc oxide by the rubber industry is expected for 1945.

Aluminum
Production of primary aluminum for the first quarter of 1945 is estimated at 275,000,000 lb., approximately 100,000,000 lb. less than estimated requirements, J. A. Krug, Chairman of the War Production Board, announced. To meet the demand, it is expected that the Aluminum Co. of America will purchase a minimum of 150,000,000 lb. of ingots from Metals Reserve Co. stocks. A stronger inventory position at fabricating plants is aimed at, Mr. Krug said.

The government's stockpile of primary aluminum as of Dec. 31, 1944, was estimated at 534,000,000 lb. The secondary reserve was 31,000,000 lb. Stocks at reduction plants at the close of the year were light.

Stated sheet aluminum requirements for the first quarter totaled 241,000,000 lb. Order acceptances for the January-March period point to a total of 270,000,000 lb. of sheet. WPB estimates the practical production of the fabricating system at 220,000,000 lb. About 5,000 new workers will be required to meet the demand.

Next to aluminum sheet, extrusions present the most critical problem. More than 35,000,000 lb. of extruded product must be delivered for the aircraft and floating bridge program prior to July 1. The immediate manpower requirement to attain this production is 2,200 men.

Orders for aircraft forgings have increased and additional manpower for the job is urgently needed. A potential demand for increased supplies of aluminum powder exists, and building of new facilities is contemplated. Demand for wire for cable is expected to increase. No special problems are anticipated in meeting tubing requirements.

A total of 9,000 new workers is indicated for the enlarged aluminum program.

Antimony
Demand for antimony oxide, used extensively in fireproofing fabrics, has continued at a rate

that promises to create a supply problem among antimony producers. In fact WPB now views the outlook as critical, and a move pointing to allocation of the metal and the oxide is expected in trade circles. Allocation was discussed at a meeting of the advisory committee held in Washington recently. Consumption of antimony is in excess of production, and the reserve supply has been shrinking.

Cadmium
Estimated requirements for cadmium for 1945 will be 5% larger than last year's needs, WPB officials informed members of the Cadmium Industry Advisory Committee at a recent meeting. From present indications, output will drop about 10%, which will keep cadmium high on the list of critical materials. The principal source of cadmium production is as a byproduct of zinc smelting, and present output is limited for lack of manpower. It was stated that new equipment at the Bradley smelter, Kellogg, Idaho, to treat flue dust, will eventually yield 300,000 lb. of cadmium.

Larger quantities of cadmium will be consumed this year in plating, according to military authorities.

Recovery of cadmium from scrap has been relatively poor.

Tin
Exports of tin concentrates from Bolivia in 1944 contained 39,340 metric tons of tin, against 40,958 tons in 1943 and 38,901 tons in 1942. Patino exported 19,458 tons; Hochschild 10,099 tons; Aramayo 2,613 tons; medium producers 3,555 tons; and small producers 3,615 tons. Exports in December totaled 3,499 tons of tin contained, against 3,347 tons in November.

Canada produced 258 short tons of tin in 1944, according to a preliminary report by the Dominion Bureau of Statistics. This compares with an output of 388 tons in 1943.

The price situation in tin remains unchanged. Straits quality tin for shipment, in cents per pound, was nominally as follows:

	Jan.	Feb.	March
January 18	52.000	52.000	52.000
January 19	52.000	52.000	52.000
January 20	52.000	52.000	52.000
January 22	52.000	52.000	52.000
January 23	52.000	52.000	52.000
January 24	52.000	52.000	52.000

Chinese, or 99% tin, continued at 51.125¢ per pound.

Quicksilver
Interest centered in press accounts of the new "Tropical Dry Battery" that has been the cause of all the excitement in quicksilver since last summer.

So far as market activity in the metal was concerned, buying last week was described by most operators as slow. The war news might have slackened buying ardor. Also, a scramble for quicksilver in an almost bare market would accomplish little more at present than raise the price level, market authorities claim. Though Pacific Coast advices again named higher asking prices, the market here, based on sales, covered a range of \$158 to \$165 per flask.

Silver
The London market for .999 silver remained quiet last week and the price was maintained at 25 1/2 d. The New York Official for foreign silver continued at 44 3/4¢, with domestic metal at 70 3/8¢.

Earnings of St. Louis Reserve Bank for 1944
C. M. Stewart, Secretary of the bank, announced on Jan. 10 that earnings of the Federal Reserve Bank of St. Louis during 1944 amounted to \$4,840,000, while expenses and other deductions were \$2,531,000, leaving net earnings of \$2,309,000. The bank paid dividends for the year of \$294,000 to its member banks, and transferred the remaining net earnings to surplus and reserves.

Weekly Coal and Coke Production Statistics

The Solid Fuels Administration, U. S. Department of the Interior, in its latest report, states that the total production of soft coal in the week ended Jan. 20, 1945, is estimated at 11,960,000 net tons, a decrease of 190,000 tons, or 1.6%, from the preceding week. Production in the corresponding week of 1944 amounted to 12,650,000 tons. For the calendar year to Jan. 20, 1945, soft coal output totaled 34,685,000 tons, a decrease of 10.8% when compared with the 38,880,000 tons produced in the calendar year to Jan. 22, 1944.

According to the U. S. Bureau of Mines, production of Pennsylvania anthracite for the week ended Jan. 20, 1945, was estimated at 999,000 tons, a decrease of 124,000 tons (11%) from the preceding week. When compared with the output in the corresponding week of 1944 there was a decrease of 254,000 tons, or 20.3%. Output for the calendar year to date totaled 2,914,000 tons, as compared with 3,550,000 tons in the corresponding period in 1944.

The Bureau also reported that the estimated production of beehive coke in the United States for the week ended Jan. 20, 1945, showed an increase of 6,200 tons when compared with the output for the week ended Jan. 13, 1945, but was 61,700 tons less than for the corresponding week of 1944.

Commodity Groups—	Week Ended			Jan. 1 to Date—		
	Jan. 20, 1945	Jan. 13, 1945	Jan. 22, 1944	Jan. 20, 1945	Jan. 22, 1944	1944
Bituminous coal & lignite—	11,960,000	12,150,000	12,650,000	34,685,000	38,880,000	38,880,000
Total, including mine fuel—	1,993,000	2,025,000	2,108,000	1,971,000	2,079,000	2,079,000
Daily average—	1,993,000	2,025,000	2,108,000	1,971,000	2,079,000	2,079,000

Commodity Groups—	Week Ended			Calendar Year to Date—		
	Jan. 20, 1945	Jan. 13, 1945	Jan. 22, 1944	Jan. 20, 1945	Jan. 22, 1944	1944
Penn. anthracite—	999,000	1,123,000	1,253,000	2,914,000	3,550,000	3,184,000
Commercial produc.	959,000	1,078,000	1,203,000	2,797,000	3,408,000	3,025,000
Beehive coke—	106,200	100,000	167,900	282,800	497,500	208,900

State—	Week Ended		
	Jan. 13, 1945	Jan. 6, 1945	Jan. 15, 1944
Alabama	378,000	360,000	396,000
Alaska	7,000	7,000	4,000
Arkansas and Oklahoma	110,000	95,000	83,000
Colorado	173,000	147,000	198,000
Georgia and North Carolina	1,000	1,000	1,000
Illinois	1,467,000	1,307,000	1,606,000
Indiana	584,000	525,000	593,000
Iowa	60,000	55,000	55,000
Kansas and Missouri	162,000	160,000	172,000
Kentucky—Eastern	1,055,000	987,000	1,003,000
Kentucky—Western	343,000	330,000	352,000
Maryland	34,000	26,000	39,000
Michigan	2,000	2,000	6,000
Montana (bitum. & lignite)	115,000	101,000	113,000
New Mexico	34,000	33,000	40,000
North & South Dakota (lignite)	76,000	53,000	79,000
Ohio	682,000	502,000	678,000
Pennsylvania (bituminous)	2,780,000	2,195,000	3,000,000
Tennessee	146,000	130,000	165,000
Texas (bituminous & lignite)	4,000	4,000	4,000
Utah	157,000	134,000	143,000
Virginia	400,000	378,000	429,000
Washington	32,000	25,000	36,000
West Virginia—Southern	2,184,000	1,980,000	2,340,000
West Virginia—Northern	924,000	853,000	1,007,000
Wyoming	220,000	185,000	207,000
Other Western States	—	—	1,000
Total bituminous & lignite	12,150,000	10,575,000	12,750,000

(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.)

†Includes washery and dredge coal, and coal shipped by truck from authorized operations. †Excludes colliery fuel. ‡Subject to revision. §Revised.

Wholesale Prices Up 0.1% for Week Ended Jan. 20, Labor Department Reports

"The Bureau of Labor Statistics' index of commodity prices at the primary market level rose 0.1% during the week ended Jan. 20 to a new high," said the U. S. Department of Labor in its weekly announcement released Jan. 25, which went on to say: "There were substantial increases in prices for cotton and wool and for apples, oranges, onions and potatoes. In the industrial field, the OPA granted higher prices for five important steel items and for certain types of brick. At 104.8% of the 1926 average the all-commodity index was 0.2% higher than at this time last month and 1.7% higher than a year ago."

The Department's advices continued: "Farm Products and Foods—Average prices for farm products rose 0.2%. Prices were higher for oats, cotton and wool, for heavy hogs and for most fruits and vegetables. Eggs declined seasonally by more than 5%. Corn, rye and wheat declined slightly, lambs dropped 3.5%, and lower prices were also reported for lemons. In the past four weeks prices for farm products in primary markets have advanced 0.3% to a point nearly 4% higher than at the same time last year.

"The increase in prices for fruits and vegetables together with higher prices for oatmeal brought average prices for foods up 0.3% during the week. Notwithstanding this increase, food prices have declined 0.7% in the past four weeks and were less than one-half of 1% higher than at this time last year.

"Industrial Commodities—An industry-wide price rise for five basic steel products—hot rolled carbon plates and sheets, galvanized sheets, rails and nails—together with a further increase of more than 8% in prices for mercury brought the Bureau's index of metals and metals products up 0.2%. Average prices for building materials rose 0.3% during the week. In addition to higher prices for nails, OPA allowed higher ceiling prices for fire clay and silica

brick produced in certain areas. Turpentine advanced 0.6% while butyl acetate declined 3.7%."

The following notation was included in the Labor Department's report: "Note—During the period of rapid changes caused by price controls, materials allocation, and rationing, the Bureau of Labor Statistics will attempt promptly to report changing prices. The indexes must be considered as preliminary and subject to such adjustment and revision as required by later and more complete reports.

An upward adjustment was made by OPA in prices for paperboard made from waste paper and straw and sold East of the Rocky Mountains.

The following tables show (1) index numbers for the principal groups of commodities for the past three weeks, for Dec. 23, 1944 and Jan. 22, 1944, and the percentage changes from a week ago, a month ago, and a year ago and (2) percentage changes in subgroup indexes from Jan. 13, 1945 to Jan. 20, 1945.

Commodity Groups—	Percentage change to Jan. 20, 1945 from—							
	1-20 1945	1-13 1945	1-6 1945	12-23 1944	1-22 1944	1-13 1944	12-23 1943	1-22 1943
All commodities	104.8	104.7	104.6	104.6	103.0	+0.1	+0.2	+1.7
Farm products	126.6	126.3	125.9	126.2	121.9	+0.2	+0.3	+3.9
Food	105.0	104.7	104.6	105.7	104.6	+0.3	-0.7	+0.4
Hides and leather products	117.9	117.9	117.9	116.7	117.9	0	+1.0	0
Textile products	99.0	99.0	99.0	99.0	97.2	0	0	+1.9
Fuel and lighting materials	83.9	83.9	83.6	83.7	82.8	+0.2	+0.2	+1.3
Metals and metal products	104.2	104.0	103.9	103.9	103.8	+0.2	+0.3	+0.4
Building materials	116.7	116.4	116.4	116.4	113.4	+0.3	+0.3	+2.9
Chemicals and allied products	104.9	104.9	104.9	104.8	100.4	0	+0.1	+4.5
Housefurnishing goods	106.1	106.1	106.1	106.1	104.4	0	0	+1.6
Miscellaneous commodities	94.0	94.0	93.9	93.9	93.0	0	+0.1	+1.1
Raw materials	115.8	115.6	115.4	115.4	112.3	+0.2	+0.3	+3.1
Semimanufactured articles	94.8	94.7	94.7	94.7	93.1	+0.1	+0.1	+1.8
Manufactured products	101.6	101.4	101.3	101.3	100.4	+0.2	+0.3	+1.2
All commodities other than farm products	100.0	99.9	99.9	99.8	98.9	+0.1	+0.2	+1.1
All commodities other than farm products and foods	99.3	99.2	99.1	99.0	97.9	+0.1	+0.3	+1.4

Commodity Groups—	Increases		Decreases	
	Index	Change	Index	Change
Brick and tile	4.3	Iron and steel	0.6	
Fruits and vegetables	3.9	Other building materials	0.3	
Other farm products	0.7	Fertilizer materials	0.1	
Meats	0.1			
Other foods	1.2	Grains	0.3	
Livestock and poultry	0.2			

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.

Period	Orders Received Tons	Production Tons	Unfilled Orders Remaining Tons	Percent of Activity	
				Current	Cumulative
1944—Week Ended					
October 7	217,096	158,946	541,424	96	94
October 14	139,347	154,719	523,875	96	94
October 21	133,028	156,269	499,929	94	94
October 28	146,003	157,606	486,882	95	94
November 4	207,817	157,644	535,745	96	94
November 11	207,151	158,266	515,738	96	94
November 18	135,644	156,667	494,062	96	94
November 25	110,144	149,062	450,898	91	94
December 2	189,731	154,682	484,811	94	94
December 9	173,669	154,822	501,946	95	94
December 16	137,936	152,695	480,929	94	94
December 23	126,115	149,031	451,891	94	94
December 30	109,895	88,105	471,289	57	93
1945—Week Ended					
January 6	189,769	125,882	532,194	80	80
January 13	149,921	150,011	524,308	95	87
January 20	131,901	150,876	503,240	94	89

Notes—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.

Latest Summary of Copper Statistics

The Copper Institute on Dec. 12 released the following statistics pertaining to production, deliveries and stocks of duty-free copper:

U. S. Duty Free Copper	Production		Deliveries to Customers		Stocks End of Period	Stock Increase (+) or Decrease (-)
	*Crude	Refined	†Domestic	Export		
Year 1939	836,074	818,289	814,407	134,152	159,485	+17,785
Year 1940	992,293	1,033,710	1,001,886	48,537	142,772	-41,417
Year 1941	1,016,996	1,065,667	1,545,541	307	75,564	-48,671
Year 1942	1,152,344	1,135,708	1,635,236	—	65,309	+16,636
Year 1943	1,194,899	1,206,871	1,643,677	—	52,121	-12,172
Year 1944	1,055,444	1,098,788	1,636,295	—	66,780	-43,344
Jan., 1944	95,400	92,781	101,779	—	45,800	+2,619
Feb., 1944	95,712	87,128	124,800	—	36,489	+8,584
Mar., 1944	101,247	99,118	156,083	—	37,259	+2,129
Apr., 1944	92,530	95,280	156,233	—	38,382	-2,750
May, 1944	94,534	98,580	165,887	—	37,074	-4,046
June, 1944	89,070	93,958	141,139	—	42,467	-4,888
July, 1944	86,224	93,650	121,898	—	48,050	-1,426
Aug., 1944	82,769	91,047	139,515	—	50,991	-8,278
Sept., 1944	82,776	88,384	118,054	—	51,412	-5,608
Oct., 1944	82,653	89,068	126,590	—	49,358	-6,415
*Nov., 1944	76,466	87,145	127,517	—	58,051	-10,679
Dec., 1944	76,063	82,649	156,800	—	66,780	-6,586

*Mine or smelter production or shipments, and custom intake including scrap. †Beginning March, 1941, includes deliveries of duty paid foreign copper for domestic consumption. ‡At refineries, on consignment and in exchange warehouses, but not including consumers' stocks at their plants or warehouses.

United States Trust Net Operating Earnings

Williamson Pell, President of the United States Trust Co. of New York, announced in his annual report that net operating earnings for the year 1944 amounted to \$1,886,265, compared to \$1,741,420 for the year 1943. After paying \$1,400,000 in dividends and applying \$100,000 to write down the book value of the banking house, \$185,000 was transferred to reserves and \$201,265 was added to Undivided Profits. According to the report, presented to the stockholders at their annual meeting on Jan. 17, in addition to these earnings, net profits realized from the sale of securities amounted to \$878,166, compared to \$294,401 for the preceding year. "In accordance with our present custom," said Mr. Pell, "these profits, after deducting taxes applicable thereto, were added to Securities Valuation Reserve, which is used to write down the book value of the Company's security investments." Mr. Pell further reported: "Net charge-offs totalling \$300,340, arising principally from the liquidation of real estate mortgages, were applied to Reserves previously established for that purpose. All Reserves, I believe, are more than sufficient to cover any needs which at this time can be foreseen.

"The Company's capital funds at the close of the year amounted to \$30,551,246, consisting of \$2,000,000 in Capital, \$26,600,000 in Surplus, and \$2,551,246 in Undivided Profits.

"In my last report to stockholders I stated that your company was broadening its banking activities, with favorable results. This trend has continued. A generally higher level of deposits has permitted a larger investment in loans and securities, with the result that income from invested assets amounted to \$2,025,577, compared to \$1,819,262 in 1943. Through the purchase of short-term Government obligations with all funds available above required reserves and operating balances, a more fully invested position was maintained throughout the entire year.

"Due to the scarcity of consumer's goods and because of other restrictions placed upon consumer borrowing, loans to individuals continued to decline but the loss was more than offset by an increase in other loans.

"For the year 1944 the Company's tax liability was \$1,139,780, equivalent to \$56.99 a share. "The average maturity of the Company's investments on December 30, 1944, was 4 years and 8 months to earliest call dates, and 6 years and 3 months to maturity."

Mr. Pell also reported that as of Dec. 31, 1944 deposits were \$146,655,180 compared with \$114,707,033 on Dec. 31, 1943. Loans and bills purchased at the latest date amounted to \$45,397,167 against \$30,279,348 last year, and holdings of U. S. Government Securities are now \$91,121,536 compared with \$74,702,667 a year ago. Undivided Profits on Dec. 31, 1944 were shown as \$2,551,246 against \$2,349,981 at the end of 1943.

Foley Heads Life Managers

Timothy F. Foley was elected president of the Life Managers' Association of Greater New York on Jan. 18 at its annual meeting held at the Hotel Pennsylvania. Mr. Foley is a general agent in New York City for the State Mutual Life Assurance Company of Massachusetts. Others elected at the meeting were: Alfred J. Johannsen, General Agent for the Northwestern Mutual Life Insurance Company, Vice-President; John M. Fraser, General Agent for the Connecticut Mutual Life Insurance Company, Secretary-Treasurer.

Daily Average Crude Oil Production for Week Ended Jan. 20, 1945, Increased 11,100 Bbls.

The American Petroleum Institute estimates that the daily average gross crude oil productions for the week ended Jan. 20, 1945, was 4,733,750 barrels, an increase of 11,100 barrels per day over the preceding week and a gain of 344,550 barrels per day when compared with the corresponding week in 1944. The current figure was also 9,050 barrels higher than the daily average figure recommended by the Petroleum Administration for War for the month of January, 1945. Daily output for the four weeks ended Jan. 20, 1945, averaged 4,710,200 barrels. Further details as reported by the Institute follow:

Reports received from refining companies indicate that the industry as a whole ran to stills on a Bureau of Mines basis approximately 4,686,000 barrels of crude oil daily and produced 14,554,000 barrels of gasoline, 1,556,000 barrels of kerosine, 4,586,000 barrels of distillate fuel, and 9,082,000 barrels of residual fuel oil during the week ended Jan. 20, 1945, and had in storage at the end of that week 45,782,000 barrels of civilian grade gasoline, 42,926,000 barrels of military and other gasoline, 9,445,000 barrels of kerosine, 35,041,000 barrels of distillate fuel, and 52,554,000 barrels of residual fuel oil.

DAILY AVERAGE CRUDE OIL PRODUCTION (FIGURES IN BARRELS)

	*P. A. W. Recommendations January	*State Allowables Begin. Jan. 1 1945	Actual Production Week Ended Jan. 20, 1945	Change from Previous Week	4 Weeks Ended Jan. 20, 1945	Week Ended Jan. 22, 1944
Oklahoma	352,000	356,000	362,500	+ 1,750	351,100	329,800
Kansas	274,000	269,400	276,550	+ 3,900	262,550	281,050
Nebraska	1,200		11,000		1,000	1,500
Texas	2,124,000	2,124,054	2,135,150	+ 14,800	2,121,850	1,899,650
Panhandle Texas			88,700		88,700	97,900
North Texas			143,150		142,500	140,200
West Texas			478,600		476,800	364,600
East Central Texas			144,050		143,400	116,400
East Texas			385,700	+14,800	374,600	366,200
Southwest Texas			342,350		343,150	293,550
Coastal Texas			552,600		552,700	520,800
North Louisiana	69,000	69,000	69,000	- 50	69,900	77,500
Coastal Louisiana	289,200	289,200	289,200	-	289,300	280,900
Total Louisiana	358,200	358,200	358,200	- 50	359,200	358,400
Arkansas	80,000	79,975	81,700	+ 300	81,200	78,400
Mississippi	53,000	47,600	42,550	- 2,550	49,900	45,700
Alabama	300	250	250	- 50	250	
Florida		50	50		50	
Illinois	200,000	198,250	198,250	- 5,400	202,750	204,700
Indiana	12,500	12,550	12,550	- 450	12,650	12,650
Eastern (Not incl. Ill., Ind., Ky.)	68,200	63,800	63,800	+ 1,450	61,550	71,300
Kentucky	32,000	20,450	20,450	+ 800	30,550	22,450
Michigan	47,000	42,550	42,550	- 8,150	48,650	51,600
Wyoming	100,000	95,750	95,750	+ 1,850	96,550	90,600
Montana	23,000	20,400	20,400	-	20,650	21,100
Colorado	9,500	9,450	9,450	+ 100	9,500	7,500
New Mexico	105,000	105,000	103,150	- 100	103,200	113,100
Total East of Calif.	3,836,700	3,843,350	3,843,350	+ 8,200	3,823,150	3,589,500
California	888,000	888,000	890,400	+ 2,900	887,050	799,700
Total United States	4,724,700	4,733,750	4,733,750	+ 11,100	4,710,200	4,389,200

*P.A.W. recommendations and state allowables, as shown above, represent the production of crude oil only, and do not include amounts of condensate and natural gas derivatives to be produced.

†Oklahoma, Kansas, Nebraska figures are for week ended 7:00 a.m. Jan. 18, 1945. ‡This is the net basic allowable as of Jan. 1 calculated on a 31-day basis and includes shutdowns and exemptions for the entire month. With the exception of several fields which were exempted entirely and of certain other fields for which shutdowns were ordered for from 2 to 15 days, the entire state was ordered shut down for 7 days, no definite dates during the month being specified; operators only being required to shut down as best suits their operating schedules or labor needed to operate leases, a total equivalent to 7 days shutdown time during the calendar month.

Recommendation of Conservation Committee of California Oil Producers.

CRUDE RUNS TO STILL; PRODUCTION OF GASOLINE; STOCKS OF FINISHED AND UNFINISHED GASOLINE, GAS OIL AND DISTILLATE FUEL AND RESIDUAL FUEL OIL, WEEK ENDED JAN. 20, 1945

(Figures in thousands of barrels of 42 gallons each)

Figures in this section include reported totals plus an estimate of unreported amounts and are therefore on a Bureau of Mines basis

District	% Daily Crude Runs Refining to Stills	% Daily Crude Runs Averaged	% Operating	% Gasoline Production of Ref. Blended	% Stocks of Gas Oil & Dist. Fuel Oil	% Stocks of Residual Fuel Oil	% Gasoline Stocks Military & Other	% Stocks of Civilian Grade
East Coast	100.0	735	100.8	1.730	7.858	5.215	6.379	5.975
Appalachian								
District No. 1	83.9	103	79.2	232	362	288	1,366	1,286
District No. 2	87.2	57	121.3	164	216	249	614	1,065
Ind., Ill., Ky.	85.2	772	93.7	2,959	5,290	2,774	6,107	13,991
Okla., Kans., Mo.	80.2	390	93.3	1,368	1,970	1,284	2,097	6,662
Inland Texas	66.9	240	86.3	970	381	656	1,128	1,695
Texas Gulf Coast	90.5	1,111	95.4	3,362	6,817	9,147	9,989	5,265
Louisiana Gulf Coast	95.5	245	101.2	828	1,368	1,359	2,386	1,870
No. La. & Arkansas	68.0	82	78.8	204	781	263	971	1,867
Rocky Mountain								
District No. 3	17.0	11	84.6	37	20	23	15	66
District No. 4	58.3	124	87.9	391	346	526	567	1,164
California	89.9	816	99.9	2,259	9,632	30,765	11,307	4,896
Total U. S. B. of M. basis Jan. 20, 1945	87.2	4,686	95.5	14,554	35,041	52,554	42,926	45,782
Total U. S. B. of M. basis Jan. 13, 1945	87.2	4,570	93.1	14,139	36,410	54,207	42,724	45,090
U. S. Bur. of Mines basis Jan. 22, 1944	4.372	12,865	38,112	53,121	35,983	43,461		

*Includes aviation, military, solvents and naphthas, and gasoline blending stocks currently indeterminate as to ultimate use, and 12,662,000 barrels of unfinished gasoline this year, compared with 11,779,000 barrels a year ago. †Stocks at refineries, at bulk terminals, in transit and in pipe lines. ‡Not including 1,556,000 barrels of kerosine, 4,586,000 barrels of gas oil and distillate fuel oil and 9,082,000 barrels of residual fuel oil produced during the week ended Jan. 20, 1945, which compares with 1,469,000 barrels, 4,408,000 barrels and 8,993,000 barrels, respectively, in the preceding week and 1,699,000 barrels, 4,452,000 barrels and 8,833,000 barrels, respectively, in the week ended Jan. 22, 1944.

Note—Stocks of kerosine at Jan. 20, 1945, amounted to 9,445,000 barrels, as against 10,185,000 barrels a week earlier and 8,657,000 barrels a year before.

Trading on New York Exchanges

The Securities and Exchange Commission made public on Jan. 24 figures showing the 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 Jan. 6, continuing a series of current figures being published weekly by the Commission. Short sales are shown separately from other sales in these figures.

Trading on the Stock Exchange for the account of members (except odd-lot dealers) during the week ended Jan. 6 (in round-lot transactions) totaled 2,850,464 shares, which amount was 16.61% of the total transactions on the Exchange of 8,578,480 shares. This compares with member trading during the week ended Dec. 30 of 2,558,813 shares, or 17.35% of the total trading of 7,357,730 shares. On the New York Curb Exchange, member trading during the week ended Jan. 6 amounted to 625,805 shares, or 14.27% of the total volume on that exchange of 8,578,480 shares. During the Dec. 30 week trading for the account of Curb members of 465,405 shares was 13.55% of total trading of 1,717,180 shares.

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

WEEK ENDED JAN. 6, 1945

	Total for week	%
A. Total Round-Lot Sales:		
Short sales	200,570	
†Other sales	8,377,910	
Total sales	8,578,480	
B. Round-Lot Transactions for Account of Members, Except for the Odd-Lot Accounts of Odd-Lot Dealers and Specialists:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	690,970	
Short sales	83,470	
†Other sales	614,530	
Total sales	704,000	8.13
2. Other transactions initiated on the floor—		
Total purchases	452,230	
Short sales	26,400	
†Other sales	434,150	
Total sales	460,550	5.32
3. Other transactions initiated off the floor—		
Total purchases	250,409	
Short sales	22,110	
†Other sales	270,195	
Total sales	292,305	3.16
4. Total—		
Total purchases	1,393,609	
Short sales	137,980	
†Other sales	1,318,875	
Total sales	1,456,855	16.61

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

WEEK ENDED JAN. 6, 1945

	Total for week	%
A. Total Round-Lot Sales:		
Short sales	23,475	
†Other sales	2,169,035	
Total sales	2,192,510	
B. Round-Lot Transaction for Account of Members:		
1. Transactions of specialists in stocks in which they are registered—		
Total purchases	141,570	
Short sales	12,720	
†Other sales	175,845	
Total sales	188,565	7.53
2. Other transactions initiated on the floor—		
Total purchases	86,360	
Short sales	4,000	
†Other sales	80,015	
Total sales	84,015	3.88
3. Other transactions initiated off the floor—		
Total purchases	62,820	
Short sales	600	
†Other sales	61,875	
Total sales	62,475	2.86
4. Total—		
Total purchases	290,750	
Short sales	17,320	
†Other sales	317,735	
Total sales	335,055	14.27
C. Odd-Lot Transactions for Account of Specialists—		
Customers' short sales	0	
†Customers' other sales	66,316	
Total purchases	66,316	
Total sales	66,316	

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

†In calculating these percentages the total of members' purchases and sales is compared with twice the total round-lot volume on the Exchange for the reason that the Exchange volume includes only sales.

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

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

Moody's Common Stock Yields

Annual average yields for the years 1929 to 1941, inclusive, and monthly yields for 1941 are published in the "Chronicle" of June 11, 1942, page 2218. Yields for 1942 are on page 202, Jan. 14, 1943, issue, and for 1943, on page 1130, March 16, 1944 issue.

MOODY'S WEIGHTED AVERAGE YIELD OF 200 COMMON STOCKS

	Industrials (125)	Railroads (25)	Utilities (25)	Banks (15)	Insurance (10)	Average Yield (200)
January, 1944	4.6%	7.0%	5.5%	3.8%	3.9%	4.8%
February, 1944	4.6	6.7	5.5	3.7	4.0	4.8
March, 1944	4.6	6.9	5.5	3.8	3.7	4.8
April, 1944	4.6	7.0	5.6	3.8	3.8	4.9
May, 1944	4.7	6.7	5.4	3.6	3.7	4.8
June, 1944	4.4	6.6	5.2	3.5	3.7	4.6
July, 1944	4.5	6.6	5.3	3.6	3.7	4.7
August, 1944	4.5	6.7	5.2	3.5	3.7	4.7
September, 1944	4.5	6.7	5.3	3.5	3.7	4.7
October, 1944	4.5	7.0	5.3	3.5	3.6	4.7
November, 1944	4.6	6.8	5.3	3.3	3.6	4.8
December, 1944	4.5	6.1	5.2	3.3	3.7	4.6

Results Of Treasury Bill Offering

The Secretary of the Treasury announced on Jan. 29 that the tenders of \$1,300,000,000 or thereabouts, of 91-day Treasury bills to be dated Feb. 1 and to mature May 3, 1945, which were offered on Jan. 26, were opened at the Federal Reserve Banks on Jan. 29. The details of this issue are as follows:

Total applied for, \$2,056,718,000. Total accepted, \$1,315,758,000 (includes \$57,790,000 entered on a fixed price basis at 99.905 and accepted in full).

Average price 99.905, equivalent rate of discount approximately 0.375% per annum.

Range of accepted competitive bids:

High, 99.910, equivalent rate of discount approximately 0.356% per annum.

Low, 99.905, equivalent rate of discount approximately 0.376% per annum.

(60% of the amount bid for at the low price was accepted.)

There was a maturity of a similar issue of bills on Feb. 1 in the amount of \$1,311,028,000.

China Reimbursed for Supplying U. S. Troops

The U. S. Treasury Department announced on Jan. 22 that it had completed transfer to the Republic of China of \$210,000,000 in settlement for advances of local currency and for supplies, services and military construction furnished the U. S. Forces in China. The announcement also says:

"This excludes certain aid furnished to the United States by the Chinese Government in the form of reciprocal aid.

"A portion of the settlement came from U. S. funds already in China, a portion from funds previously placed to China's credit in the United States and the remainder in the form of a check for approximately \$150,000,000 which Secretary Morgenthau gave to Dr. H. H. Kung here."

NYSE Odd-Lot Trading

The Securities and Exchange Commission made public on Jan. 24 a summary for the week ended Jan. 13 of complete figures showing the daily volume of stock transactions for odd-lot account of all odd-lot dealers and specialists who handled odd lots on the New York Stock Exchange, continuing a series of current figures being published by the Commission. The figures are based upon reports filed with the Commission by the odd-lot dealers and specialists.

STOCK TRANSACTIONS FOR THE ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON THE N. Y. STOCK EXCHANGE

Week Ended Jan. 13, 1945

	Total for Week
Odd-Lot Sales by Dealers (Customers' purchases)	34,078
Number of orders	1,012,032
Number of shares	638,872,290
Dollar value	
Odd-Lot Purchases by Dealers— (Customers' sales)	285
Number of Orders:	
Customers' short sales	285
Customers' other sales	35,407
Customers' total sales	35,692
Number of Shares:	9,916
Customers' short sales	9,916
Customers' other sales	994,017
Customers' total sales	1,003,933
Dollar value	\$33,663,711

	Total for Week
Round-Lot Sales by Dealers—	100
Number of Shares:	

Revenue Freight Car Loadings During Week Ended Jan. 20, 1945 Decreased 5,067 Cars

Loading of revenue freight for the week ended Jan. 20, 1945 totaled 777,320 cars, the Association of American Railroads announced on Jan. 25. This was a decrease below the corresponding week of 1944 of 21,330 cars, or 2.7%, but an increase above the same week in 1943 of 74,026 cars, or 10.5%.

Loading of revenue freight for the week of Jan. 20 decreased 5,067 cars, or 0.6% below the preceding week.

Miscellaneous freight loading totaled 379,442 cars, a decrease of 446 cars below the preceding week, but an increase of 11,853 cars above the corresponding week in 1944.

Loading of merchandise less than carload lot freight totaled 97,847 cars, a decrease of 2,195 cars below the preceding week, and a decrease of 3,162 cars below the corresponding week in 1944.

Coal loading amounted to 172,434 cars, a decrease of 1,543 cars below the preceding week, and a decrease of 9,464 cars below the corresponding week in 1944.

Grain and grain products loading totaled 46,034 cars, a decrease of 644 cars below the preceding week and a decrease of 12,823 cars below the corresponding week in 1944. In the Western Districts alone, grain and grain products loading for the week of Jan. 20, totaled 31,078 cars, a decrease of 944 cars below the preceding week and a decrease of 10,573 cars below the corresponding week in 1944.

Livestock loading amounted to 15,414 cars, a decrease of 2,508 cars below the preceding week and a decrease of 750 cars below the corresponding week in 1944. In the Western Districts alone loading of livestock for the week of Jan. 20, totaled 10,948 cars, a decrease of 2,171 cars below the preceding week, and a decrease of 498 cars below the corresponding week in 1944.

Forest products loading totaled 39,109 cars an increase of 155 cars above the preceding week but a decrease of 4,251 cars below the corresponding week in 1944.

Ore loading amounted to 11,905 cars, an increase of 725 cars above the preceding week but a decrease of 2,458 cars below the corresponding week in 1944.

Coke loading amounted 15,135 cars an increase of 1,339 cars above the preceding week, but a decrease of 275 cars below the corresponding week in 1944.

All districts reported decreases compared with the corresponding week in 1944 except the Southern. All reported increases compared with 1943.

	1945	1944	1943
Week of January 6	682,967	769,629	717,176
Week of January 13	782,387	779,531	755,498
Week of January 20	777,320	798,650	703,294
Total	2,242,674	2,347,810	2,175,968

The following table is a summary of the freight carloadings for the separate railroads and systems for the week ended Jan. 20, 1945. During this period only 46 roads showed increases when compared with the corresponding week a year ago.

REVENUE FREIGHT LOADED AND RECEIVED FROM CONNECTIONS (NUMBER OF CARS) WEEK ENDED JAN. 20

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1945	1944	1943	1945	1944
Eastern District—					
Ani Arbor	291	276	227	1,661	1,641
Bangor & Aroostook	2,056	2,534	1,668	509	317
Boston & Maine	6,051	6,473	5,529	13,443	14,859
Chicago, Indianapolis & Louisville	1,250	1,495	1,290	2,282	2,274
Central Indiana	36	31	32	40	35
Central Vermont	961	1,000	951	1,807	2,457
Delaware & Hudson	4,111	5,494	5,916	12,260	13,641
Delaware, Lackawanna & Western	6,724	7,213	6,691	10,515	10,932
Detroit & Mackinac	179	179	213	106	114
Detroit, Toledo & Ironton	1,689	2,099	1,528	1,873	1,865
Detroit & Toledo Shore Line	250	325	278	3,268	3,841
Erie	11,802	12,491	11,328	16,574	20,002
Grand Trunk Western	3,941	3,608	2,939	8,966	9,431
Lehigh & Hudson River	128	168	139	3,341	3,077
Lehigh & New England	1,585	1,904	1,735	1,240	1,302
Lehigh Valley	6,757	8,533	7,135	11,724	16,289
Maine Central	2,078	2,293	2,165	3,850	4,512
Monongahela	5,788	6,376	6,087	295	337
Montour	2,493	2,547	2,511	19	18
New York Central Lines	44,856	48,149	42,242	50,216	55,816
N. Y., N. H. & Hartford	8,769	10,046	8,749	15,911	18,836
New York, Ontario & Western	787	1,013	906	2,793	2,857
New York, Chicago & St. Louis	6,631	6,669	6,676	16,447	16,605
N. Y., Susquehanna & Western	414	622	416	2,139	2,794
Pittsburgh & Lake Erie	7,806	7,771	7,328	7,404	8,036
Pere Marquette	4,794	4,579	3,824	8,002	9,088
Pittsburgh & Shawmut	845	931	628	18	24
Pittsburgh, Shawmut & North	289	243	209	255	275
Pittsburgh & West Virginia	1,012	1,191	852	2,809	2,666
Rutland	305	375	273	782	1,005
Wabash	6,203	6,339	5,465	12,609	13,623
Wheeling & Lake Erie	5,627	4,780	4,655	4,845	4,712
Tot	146,552	157,912	140,735	218,041	243,291
Allegheny District—					
Akron, Canton & Youngstown	803	739	735	1,558	1,209
Baltimore & Ohio	40,688	41,054	35,691	28,497	28,976
Bessemer & Lake Erie	2,433	2,772	2,893	1,497	1,442
Buffalo Creek & Gauley	1	1	341	1	1
Cambria & Indiana	1,359	1,830	1,682	5	3
Central R. R. of New Jersey	5,398	6,379	5,664	18,014	19,569
Cornwall	301	630	570	47	59
Cumberland & Pennsylvania	208	221	255	8	8
Ligonier Valley	103	171	112	41	36
Long Island	1,139	1,278	891	3,104	3,449
Penn.-Reading Seashore Lines	1,620	1,597	1,305	2,411	2,229
Pennsylvania System	75,186	76,492	68,400	65,793	67,262
Reading Co.	12,586	14,650	13,609	28,490	29,959
Union (Pittsburgh)	19,531	19,933	20,046	3,631	4,312
Western Maryland	3,626	3,696	3,711	13,978	13,811
Total	164,981	171,732	155,965	167,074	172,324
Poconos District—					
Chesapeake & Ohio	29,379	22,473	26,119	11,493	11,251
Norfolk & Western	21,676	21,902	21,582	9,381	7,624
Virginian	4,648	4,697	4,694	2,369	2,413
Total	54,044	55,072	52,395	23,243	21,288

Railroads	Total Revenue Freight Loaded			Total Loads Received from Connections	
	1945	1944	1943	1945	1944
Southern District—					
Alabama, Tennessee & Northern	409	363	374	463	513
Atl. & W. P.—W. R. R. of Ala.	791	709	711	2,669	2,582
Atlanta, Birmingham & Coast	926	756	599	1,438	1,341
Atlantic Coast Line	13,750	13,059	14,807	13,237	11,340
Central of Georgia	3,982	3,767	3,460	5,810	4,961
Charles & Western Carolina	402	384	371	1,955	1,774
Clinchfield	1,686	1,594	1,778	3,439	3,377
Columbus & Greenville	350	274	316	457	226
Durham & Southern	135	108	94	883	732
Florida East Coast	3,557	3,007	2,769	1,552	1,500
Gainesville Midland	40	47	41	117	115
Georgia	1,079	1,215	1,206	2,905	2,619
Georgia & Florida	445	418	369	900	760
Gulf, Mobile & Ohio	4,781	3,936	3,560	4,044	3,838
Illinois Central System	26,534	28,774	26,030	18,038	16,081
Louisville & Nashville	26,815	24,205	24,794	12,343	11,910
Macon, Dublin & Savannah	185	178	213	905	867
Mississippi Central	260	268	179	502	537
Nashville, Chattanooga & St. L.	3,269	3,123	3,175	4,733	4,924
Norfolk Southern	923	856	1,144	1,862	1,743
Piedmont Northern	407	435	335	1,419	1,641
Richmond, Fred. & Potomac	433	356	365	10,735	10,839
Seaboard Air Line	10,711	10,086	10,654	8,961	8,961
Southern System	23,720	22,698	21,468	27,436	24,394
Tennessee Central	669	701	486	783	1,049
Winston-Salem Southbound	147	149	89	1,108	1,066
Total	126,406	121,466	119,387	128,694	119,690

Northwestern District—					
Railroads	1945	1944	1943	1945	1944
Chicago & North Western	14,811	16,173	12,373	14,404	15,905
Chicago Great Western	2,700	2,814	1,855	3,492	3,344
Chicago, Milw., St. P. & Pac.	22,280	22,002	15,970	11,226	11,593
Chicago, St. Paul, Minn. & Omaha	3,364	4,311	3,235	3,920	4,088
Duluth, Missabe & Iron Range	1,214	1,333	1,087	211	251
Duluth, South Shore & Atlantic	643	891	568	634	554
Elgin, Joliet & Eastern	9,659	9,619	8,066	12,910	10,519
Fl. Dodge, Des Moines & South	332	413	300	110	110
Great Northern	11,242	12,855	8,431	5,636	5,189
Green Bay & Western	546	535	425	79	1,014
Lake Superior & Ishpeming	290	291	207	79	56
Minneapolis & St. Louis	1,964	2,355	1,490	2,826	2,459
Minn., St. Paul & S. S. M.	4,758	5,841	4,197	3,357	3,491
Northern Pacific	9,677	10,875	7,437	5,961	5,643
Spokane International	256	148	63	448	586
Spokane, Portland & Seattle	2,322	2,461	1,265	3,868	3,028
Total	85,486	92,317	66,969	69,965	67,820

Central Western District—					
Railroads	1945	1944	1943	1945	1944
Aitch., Top. & Santa Fe System	24,115	22,729	19,216	14,139	13,163
Alto	3,454	3,308	3,095	4,721	3,851
Bingham & Garfield	375	624	472	85	105
Chicago, Burlington & Quincy	20,335	22,087	15,858	12,737	12,378
Chicago & Illinois Midland	5,237	2,790	2,920	1,101	1,114
Chicago, Rock Island & Pacific	12,527	12,519	10,319	14,621	12,997
Chicago & Eastern Illinois	2,801	2,887	2,184	5,365	6,393
Colorado & Southern	721	782	668	2,203	2,028
Denver & Rio Grande Western	3,860	3,774	3,632	5,808	7,238
Denver & Salt Lake	772	879	787	17	11
Fort Worth & Denver City	763	938	978	1,357	1,625
Illinois Terminal	2,103	2,260	1,555	2,060	1,833
Missouri-Illinois	876	960	817	564	492
Nevada Northern	1,465	1,793	1,914	107	119
North Western Pacific	674	790	731	949	798
Peoria & Pekin Union	12	48	17		
Southern Pacific (Pacific)	29,468	29,234	22,042	14,468	13,796
Foledo, Peoria & Western	300	473	389	2,054	1,914
Union Pacific System	17,859	16,973	12,741	16,110	17,147
Utah	509	707	591	3	4
Western Pacific	1,715	1,881	1,784	4,346	4,765
Total	127,941	128,235	102,730	102,872	101,632

Southwestern District—					
Railroads	1945	1944	1943	1945	1944
Burlington-Rock Island	368	205	862	710	331
Gulf Coast Lines	7,032	7,144	6,121	2,623	2,253
International-Great Northern	2,485	1,980	3,311	3,649	3,788
Kansas, Oklahoma & Gulf	239	243	373	991	1,022
Kansas City Southern	4,615	5,130	4,768	2,751	2,316
Louisiana & Arkansas	3,475	3,278	3,480	2,517	2,529
Litchfield & Madison	337	293	219	1,401	1,174
Midland Valley	642	856	571	485	540
Missouri & Arkansas	127	178	116	550	456
Missouri-Kansas-Texas Lines	6,664	5,567	5,072	5,650	5,004
Missouri Pacific	17,019	17,167	14,550	18,579	20,118
Quannah Acme & Pacific	54	94	71	383	393
St. Louis-San Francisco	9,372	8,629	7,838	8,630	9,527
Texas and New Orleans	3,369	3,082	3,123	6,812	6,722
Texas & Pacific	11,169	13,057	10,823	5,554	5,095
Wichita Falls & Southern	4,819	4,902	3,701		

Items About Banks, Trust Companies

(Continued from page 550)

City, N. J., announced that total deposits at the end of 1944 were \$114,923,971, against \$101,523,774 on Dec. 31, 1943, and total assets to be \$122,466,760, compared with \$108,858,869 a year ago. Cash and due from banks was reported to be \$17,121,684, and U. S. Government obligations \$82,263,538, compared, respectively, with \$17,471,978 and \$66,656,150 last year. The capital stock and undivided profits of the bank was unchanged at \$3,400,000 and \$123,057, respectively, but the surplus was increased from \$3,225,000, Dec. 31, 1943, last year, to \$3,335,000 for Dec. 31, 1944.

William J. Egan, member of the board and general counsel of the Union National Bank of Newark, Newark, N. J., at the annual meeting of the board was elevated to the position of Vice-President.

The following changes in the official staff of the West Side Trust Co. of Newark, N. J., were announced following the annual meeting of the board of directors, according to the Newark "News" of Jan. 10:

"Newark's West Side Trust Co. directors named Myron D. Goggin, Assistant Treasurer, to the additional office of Secretary, formerly held by Morrison J. Feldman, Vice-President. Paul N. Anderson, manager of the Hawthorne Avenue branch, formerly Assistant Treasurer, was named an Assistant Vice-President. Miss Lillian M. Giuliano, former assistant to the officers, was elected Assistant Treasurer and Assistant Secretary. Theodore R. Habing-reither was elected Auditor."

James Cheston, Third Vice-President and Treasurer of the Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, Pa., died on Jan. 26 at the age of 60.

Following the annual meeting of the board of directors of the Riggs National Bank, Washington, D. C., on Jan. 11, four promotions were announced in the bank's staff. Daniel J. Callahan Jr., formerly Assistant Vice-President, was made a Vice-President. In reporting this, S. Oliver Goodman of the Washington, D. C., "Post," also said:

"Three branch aides were promoted to Assistant Cashiers. They are: Norman C. Napier of the Dupont Circle branch; Peyton B. Fletcher Jr. of the Park Road branch, and Richard W. Miller of the Farmers & Mechanics branch. All three retain their present positions as Assistant Branch Managers."

The election of Loring Lusk Gelbach as President of the Central National Bank, Cleveland, Ohio, was announced on Jan. 13, as to which the Cincinnati "Enquirer" said:

"Mr. Gelbach succeeds Brig. Gen. Benedict Crowell, President of the bank since 1938, who is the newly-elected Chairman of the directors' executive committee."

The advancement of R. M. Bourne, W. J. Sharp and L. M. Wittington from Assistant Vice-Presidents to Vice-Presidents of the Cleveland Trust Co., Cleveland, Ohio, was announced on Jan. 16. From the Cleveland "Plain Dealer" of Jan. 17 it is also learned that additional promotions were:

S. H. Anthony and G. M. Dallas from Assistant Treasurers to Assistant Vice-President; R. H. Benedict from Assistant Manager to Assistant Treasurer; H. W. Hopf and C. E. Orcutt to Assistant Counsel.

The resignation of Fred A. Dowd as President of the First National Bank, Henderson, Ky.,

to join the First National Bank of Cincinnati as Vice-President was reported in the Louisville "Courier Journal" of Jan. 11, which added:

"He was an examiner for the State Banking Department of Kentucky for a year, and seven years ago he became Vice-President of the bank at Henderson."

It is announced by the Commercial Merchants National Bank & Trust Co. of Peoria, at Peoria, Ill., that effective Jan. 20 the name of the bank was changed to Commercial National Bank of Peoria, Peoria, Ill.

Holman D. Pettibone, President of Chicago Title & Trust Co. of Chicago, announced on Jan. 22 the appointment of Harry E. Frey and Gordon Marcovitz as Assistant Secretaries of the company.

The United Savings Bank of Detroit, Detroit, Mich., announced recently that Edward Anderson had been elected Vice-President and Cashier; Joel K. Riley has become Vice-President, and Ralph E. Hinga, Auditor.

The stockholders of the American State Bank of Milwaukee, Wis., at their annual meeting on Jan. 9 approved the proposal to increase the bank's capital stock from \$300,000 to \$400,000 and the surplus from \$200,000 to \$250,000. This is learned from the Milwaukee "Journal" of Jan. 10, which added that "resources of the bank increased \$3,346,300 during 1944, and as of Dec. 31 stood at \$12,961,693."

In its issue of Jan. 10 the Milwaukee "Journal" stated:

"Marshall & Ilsley Bank directors promoted six officers at their annual meeting Tuesday (Jan. 9). Edward J. Bauer and Edward Schroeder were promoted from Assistant Vice-Presidents to Vice-Presidents, and Charles N. Christiansen, Sherburn M. Driessen, Stanley L. Rewey and Gertrude M. Jacobs from Assistant Cashiers to Assistant Vice-Presidents. New Assistant Cashiers elected were: C. Ray Cook, Alvin J. Rindfleisch, Elmer J. Gerlach, Lyle B. Schellinger and Algott W. Anderson."

William B. Frank, Cashier of the City Bank & Trust Co., Milwaukee, Wis., was elected Vice-President at the annual meeting of the stockholders, held recently. Advices from the Milwaukee "Journal" state:

"Roland H. Freitag, formerly Assistant Cashier, was promoted to Cashier. Other bank officers were reelected."

At the annual meeting of the First Wisconsin National Bank of Milwaukee, on Jan. 11, George F. Kasten and Edward R. Droppers were advanced from Assistant Cashiers to Assistant Vice-Presidents, according to the Milwaukee "Journal" of Jan. 12. Edwin J. Wigdale was promoted to Assistant Cashier.

The office of Chairman of the board of the Northwestern National Bank, Minneapolis, Minn., instituted in 1939 and since held by Theodore Wold, former President, has been discontinued. Mr. Wold, however, remains as a director.

The Minneapolis "Journal," from which this is learned, also reported:

"New officers elected were: Raymond Clausen, Edward P. Wells and Michael J. Crowe, Trust Officers; Melville A. R. Krogness, Assistant Cashier, and Sumner Sinclair, Auditor.

"Donovan E. Crouley, Frederick W. Conrad and Floyd E. Simons were advanced from Assistant Vice-President to Vice-President, while Joseph D. Husbands, Assistant Vice-President,

became Vice-President and Cashier.

"Charles E. Harmon, Herman P. Meder and Harry L. Bergquist, Assistant Cashiers, were made Assistant Vice-Presidents. Edward D. Stowe was promoted from Assistant Secretary of the trust department to become Assistant Cashier with the commercial department.

"Leonard L. Berglund, formerly Assistant Manager of the Lake Street office, was elected Assistant Cashier of the main office.

"Directors voted to increase the bank's surplus from \$7,000,000 to \$8,000,000 by transfer of \$1,000,000 from undivided profits."

The retirement of three Vice-Presidents of Northwestern National Bank, Robert E. Macgregor, John Burgess and Clarence E. Drake, was announced on Jan. 9 by Shirley S. Ford, President, who stated that they were the first to leave the bank under a recently-adopted plan calling for retirement of employees and officials reaching 65 years of age.

Arnulf Ueland, President of the Midland National Bank & Trust Co., Minneapolis, Minn., following the annual meeting of its shareholders and directors, announced the election of Calvin Aurand as Vice-President and director of the bank. The Minneapolis "Journal" on Jan. 9, reporting this, added:

"Mr. Aurand joined Midland in 1925 and subsequently was made Assistant Cashier, and in 1938 became Vice-President. He left Midland July 1, 1941, to become Vice-President and Treasurer of Northwest Bancorporation, with which Midland is affiliated. He is now resigning that position to return to Midland bank."

The Continental National Bank of Lincoln, Lincoln, Neb., reported in its statement of condition as of Dec. 30, 1944, that total deposits were \$28,752,160 and total resources \$29,820,931, compared, respectively with \$24,293,916 and \$25,406,115 for Dec. 31, 1943. The outstanding items listed in the resources group were cash and due from banks, \$7,045,212, against \$6,361,235 a year ago; U. S. Government bonds and certificates, \$19,179,299, compared with \$15,595,210 a year ago. The capital stock of the bank was reduced from \$650,000 Dec. 31, 1943, to \$600,000 on Dec. 30, 1944. The surplus has shown an increase from \$270,000 to \$350,000. The undivided profits are now \$91,785, compared with \$169,797 a year ago. The leading officers of the bank are: T. B. Strain, President; C. W. Battey, Executive Vice-President, and E. A. Becker, Vice-President.

The Mercantile-Commerce Bank & Trust Co., St. Louis, Mo., reported in its statement of condition as of Dec. 30, 1944, that total deposits and total assets at the end of 1944 were \$318,603,501 and \$340,852,741, compared, respectively, with \$278,220,447 and \$298,811,511 on Dec. 31, 1943. Cash and due from banks was shown to be \$76,265,720, against \$72,354,810 a year ago, while U. S. Government obligations stood at \$177,037,629, compared with \$152,482,950 at the end of 1943. The capital and surplus of the bank were unchanged at \$10,000,000 and \$4,000,000, respectively, but the undivided profits have advanced from \$4,532,818 a year ago to \$5,411,626 at the present time.

The First National Bank in St. Louis, St. Louis, Mo., reported in its statement of condition as of Dec. 30, 1944, that total deposits were \$433,362,527, compared with \$363,895,021 a year ago, and total resources \$459,229,659, against \$387,700,523 on Dec. 31, 1943. In the assets group the leading items are cash and due from banks, which is shown to be \$107,858,488, against \$97,496,566 on Dec. 31, 1943, and U. S. Government securities, which were \$253,470,129,

and loans and discounts, \$88,038,120, compared, respectively, with \$185,813,446 and \$90,965,398 a year ago. The capital of the bank is unchanged at \$10,200,000, but the sum of the surplus and undivided profits has risen from \$11,027,384 on Dec. 31, 1943, to \$12,680,405 at the end of December, 1944.

The election of George O. Boomer and Ira J. Porter to the board of directors of the Louisville Trust Co. of Louisville, Ky., was announced on Jan. 23 by Earl R. Muir, President of the bank. Both Messrs. Boomer and Porter, it is pointed out, are outstanding men in the community. Mr. Boomer, newly-elected President of the Girdler Corp., will fill a vacancy in the bank's board created by the death of Walter H. Girdler. Mr. Boomer was associated with Mr. Girdler for many years. Mr. Porter, who is Vice-President of the bank, was named to the directorate formerly held by the late Alex T. Farnsley. Mr. Porter, it is also indicated, has many valuable connections. In the Louisville "Courier-Journal" of Jan. 24 it was stated:

"Mr. Boomer for many years was a close associate of the late Mr. Girdler. They served together as directors of the Kentucky Oxygen-Hydrogen Co. Mr. Boomer prior to that was Vice-President of the Ewald Iron Co. and President of the Pittsburgh Fuel Co. He long has been active in social and civic affairs.

"Mr. Porter obtained his first banking experience under his father in the Bank of Caneyville. After graduating from Georgetown College in 1920, he was employed in banks at Pineville and Lexington. Mr. Porter came to Louisville Trust in 1931 as Treasurer and was elected Vice-President in 1934.

"Mr. Porter is a director of Louisville Bedding Co., Standard Printing Co., Stimpson Computing Scale Co., Lexington Railway System, and the Kentucky River Mills, Frankfort. He also is a trustee of Georgetown College, Kentucky Baptist Hospital, and Community Hospital Service, and is Past President of the Kiwanis Club. He served in the U. S. Navy during the first World War."

The Liberty National Bank & Trust Co. of Louisville, Ky., announced recently stock and cash dividends to its common stockholders. Donald McWain, financial editor of the Louisville "Courier-Journal," in reporting this, stated, in part:

"Merle E. Robertson, President of Liberty National, said the bank retired, at the order of its directors, \$75,000 of preferred stock held by the Reconstruction Finance Corporation. Effective Dec. 26, the retirement cut the issue of preferred stock from \$225,000 to \$750,000.

"Directors voted an extra dividend of 25 cents a share on common stock, payable Feb. 1, with the regular semi-annual dividend of 50 cents a share.

"At the same time Mr. Robertson announced that an extra stock dividend of \$1.25 a share would be paid to stockholders by increasing par value of common from \$13.75 to \$15 a share. To accomplish this the directors authorized placing of \$75,000 from earnings into a reserve for dividends payable in common stock."

At the annual meeting of the shareholders of the First National Bank, Atlanta, Ga., Hal S. Dumas, President of the Southern Telephone & Telegraph Co., was made a director of the bank. According to the Atlanta "Constitution," other elections were:

Joseph C. Greenfield, Trust Officer; D. H. Dickson, Assistant Vice-President, and W. T. Jordan and B. E. Holloway Jr., Assistant Cashiers.

The First National Bank of Miami, Miami, Fla., reported in its

statement of condition as of Dec. 30, 1944, that total deposits and total resources were \$90,990,664 and \$94,876,651, respectively, compared with \$74,226,755 and \$77,269,653 on Dec. 31, 1943. Cash on hand and due from banks was shown to be \$20,625,892, against \$21,701,033, while U. S. Government securities were reported as \$68,051,402, compared with \$49,338,209. The capital and surplus and undivided profits on Dec. 31, 1943, were \$1,200,000 and \$1,794,898, respectively, while at the end of 1944 capital was reported as \$1,500,000 and surplus and undivided profits at \$1,997,031.

John A. Bandi Jr. has become affiliated with The Hibernia National Bank in New Orleans, La., it is announced by President A. P. Imahorn. Mr. Bandi, as a member of the correspondent banks division of the Hibernia, will act as traveling representative and thus will have frequent occasions to visit banks and bankers in the Southern States. A West Virginian, he has lived in New Orleans ever since early youth. He has had both mercantile and banking experience, and recently completed a 2½ years' service as supervisor of the materials division of a large airplane production plant.

The proposal to increase the number of shares of capital stock of the First National Bank, Dallas, Tex., from 480,000 to 600,000 was approved by the stockholders at their annual meeting on Jan. 9. The increase was proposed at a meeting of the directors in December. The Dallas "Times Herald" of Jan. 9 stated:

"The additional 120,000 shares of stock would be sold at \$30 per share pro rata to present stockholders. It will mean that old stockholders have the right to buy one share of new stock for every four shares of old stock now held."

At the annual meeting of the shareholders of the Mercantile National Bank, Dallas, Tex., on Jan. 9, six new officers, as follows, were elected to the bank's staff. They are, according to the Dallas "Times Herald":

"E. O. Terry, Vice-President; James Rankin, Assistant Vice-President; Martin Benno, Henry Flusche, Ben F. Treadway and V. R. Waller, Assistant Cashiers. Murray L. Humphreys moved up in the election from Assistant Cashier to Assistant Vice-President.

"Mr. Terry has been President of the Texas Bank & Trust for many years."

W. H. Thomson, President of the Anglo California National Bank, San Francisco, Cal., reported recently that the bank has retired an additional \$800,000 of its preferred stock and has increased its surplus \$320,000, bringing it up to \$5,650,000. The San Francisco "Chronicle" of Jan. 9, in reporting this, said:

"This is the eighth retirement of preferred and brings the total to 500,000 shares, representing cash payments totaling \$5,000,000. The bank's preferred capital stock now stands on the books at \$6,000,000 par value and consists of 1,500,000 shares outstanding. Common capital stock stands at 500,000 shares, or \$10,000,000 par value."

The election of Charles F. Frankland as President of the Pacific National Bank of Seattle, Seattle, Wash., was announced on Jan. 12 by the Portland "Oregonian," which also stated that: "Mr. Frankland, who is 44 years old, becomes one of the Pacific Coast's youngest bank Presidents. The promotion, it is added, came at the end of 21 years of banking for Mr. Frankland, who started in that business shortly after his graduation from the University of Washington in 1922."