EDITORIAL

As We See It

Republican Party preconvention campaigns have been concluded. The convention itself in Chicago with all its fireworks has passed into history. The candidates and the platform of the party have for some days been before the American people. What the Republican party is offering the public is now clear at some points, but as to many other matters the thoughtful man must find himself much inclined to wait and see. Franklin Roosevelt is said to have been fond of quoting the railroad conductor who observed that platforms are made to “get in on, not to stand on.” This has all too often been the philosophy of candidates and parties even if few of them have been willing to admit it so frankly as the author and publisher of this Deal.

It was the manager of the Eisenhower preconvention campaign this year who four years ago was quoted as saying that the Republican platform of that year was “a tent big enough so that everybody can get under it.” Yet unless a candidate is as willing to act in bad faith as was Mr. Roosevelt in 1932 by showing utter contempt for what had been promised in 1932, the platform of the party upon which a candidate asks for election by the people at some points at least fixes the general framework of his campaign. In some instances bona fide observance of promises made rather definitely and closely defines party policy. This is true of the Republican platform this year. It is true despite the tiresome wordiness and the rather disheartening evasiveness and concessions to nonsense which all too often characterize the document.

Take this passage from what the platform had to say about foreign aid, as an example: Continued on page 21

How Near Is Business To the Crestr?

By THEODORE J. KREPS

Professor of Business Economics

Graduate School of Business, Stanford University

Professor Kreps, in viewing business outlook, is of opinion that within a year level of business may reach crest, followed by gradual and mild downturn. Looks for gearing of military outlays to supportable levels of taxation, because of public and political hostility to deficit financing and concludes, though unexpected fluctuations in consumer expenditures and savings will again occur, the long-term outlook, however, is optimistic.

It is with great hesitancy that I offer a few observations on the following propositions:

(1) Sometime toward the middle of 1953 the level of business may reach a crest and be followed by a relatively long trough, I hope, mild downturn (assuming no major war, no crop failure, no dramatic changes in Japan; or in Russia, or some other major untoward event).

(2) Public and political hostility to deficit financing will finally triumph so that even military outlays will be geared to supportable levels of taxation.

(3) Unexpected fluctuations in consumer expenditures and savings will again occur with unpleasant jolts to some branches of industry, commerce, finance.

I shall take up each of these points in turn, devoting to none full treatment its importance deserves.

Will There Be a Downturn in 1953?

To answer in some word, yes. After experiencing a further rise in gross national product and prices in 1952, Continued on page 25

*An address by Prof. Kreps before the Graduate School of Credit and Financial Management, Stanford University, Calif., July 14, 1952.

SECURITIES NOW IN REGISTRATION—Underwriters, dealers and investors in corporate securities are afforded a complete picture of issues now registered with the SEC and potential undertakings in our “Securities in Registration” Section, starting on page 35.

STATE and MUNICIPAL BONDS

Direct Private Wires

J. A. HOGLE & CO.

Established 1871

Members of all Principal Exchanges

50 Broadway New York

Salt Lake City

Denver

Spokane

State and Municipal Bonds

BOND DEPARTMENT

THE CHASE NATIONAL BANK

OF THE CITY OF NEW YORK

Irish A. HOMP & CO.

Members, New York and London Stock Exchanges

111 Broadway, N. Y., 6

Wall 4-6000

Teletype 1-1708

Boston Telephone: Enterprise 1820

El Paso Electric Power Company

COMMON

Analysis upon request

For Banks, Brokers and Dealers

HARDY & CO.

Members New York Stock Exchange

30 Broad St. New York 4

Tel. Didy 6-7800

For Banks, Brokers and Dealers

HARDY & CO.

Members New York Stock Exchange

30 Broad St. New York 4

Tel. Didy 6-7800

Teletype 1-733

STOCK and BOND BROKERAGE SERVICE

Pacific Coast & Hawaiian Securities

Direct Private Wires

DEAN WITTER & CO.

14 Wall Street, New York, N. Y.

Members of Municipal, Government, and Security Exchange

San Francisco • Los Angeles • Chicago

Bonds • Bills

STATE and MUNICIPAL BONDS

Direct Private Wires

J. A. HOGLE & CO.

Established 1871

Members of all Principal Exchanges

50 Broadway New York

Salt Lake City

Denver

Spokane

State and Municipal Bonds

BOND DEPARTMENT

THE CHASE NATIONAL BANK

OF THE CITY OF NEW YORK

Irish A. HOMP & CO.

Members, New York and London Stock Exchanges

111 Broadway, N. Y., 6

Wall 4-6000

Teletype 1-1708

Boston Telephone: Enterprise 1820

El Paso Electric Power Company

COMMON

Analysis upon request

For Banks, Brokers and Dealers

HARDY & CO.

Members New York Stock Exchange

30 Broad St. New York 4

Tel. Didy 6-7800

Teletype 1-733

STOCK and BOND BROKERAGE SERVICE

Pacific Coast & Hawaiian Securities

Direct Private Wires

DEAN WITTER & CO.

14 Wall Street, New York, N. Y.

Members of Municipal, Government, and Security Exchange

San Francisco • Los Angeles • Chicago

Bonds • Bills

STATE and MUNICIPAL BONDS

Direct Private Wires

J. A. HOGLE & CO.

Established 1871

Members of all Principal Exchanges

50 Broadway New York

Salt Lake City

Denver

Spokane

State and Municipal Bonds

BOND DEPARTMENT

THE CHASE NATIONAL BANK

OF THE CITY OF NEW YORK

Irish A. HOMP & CO.

Members, New York and London Stock Exchanges

111 Broadway, N. Y., 6

Wall 4-6000

Teletype 1-1708

Boston Telephone: Enterprise 1820

El Paso Electric Power Company

COMMON

Analysis upon request

For Banks, Brokers and Dealers

HARDY & CO.

Members New York Stock Exchange

30 Broad St. New York 4

Tel. Didy 6-7800

Teletype 1-733
The Security I Like Best
A continuous forum in which, each week, a different group of experts in the investment and advisory field from all sections of the country participate and give their reasons for favoring a particular security.

(The articles contained in this forum are not intended to be, nor are they to be regarded as, an offer to sell the securities discussed.)

A. HAWLEY PETERSON
Porter, Roberts & Co., New York City

Newspapers in which the above securities are mentioned in the following article by A. Hawley Peterson are as follows: New York Daily News, New York World-Telegram, New York Sun, New York Times, and the Wall Street Journal.

The Security I Like Best
A. Hawley Peterson

Net Markets maintained for Dealers and Institutions, in

A. T. & T. Co.
3 1/2% Conv. Deb.
Due December 31, 1964
Subscription Warrants
(When Issued)
Prospectus upon request

Specialists in
Rights & Scrip
Since 1917

McDonnell & Co.
Members New York Stock Exchange
New York City Exchange
Baltimore Stock Exchange
20 Broadway, New York 5
100 E. Illinois at State St.
Chicago

Trading Interest In
American Furniture
Bassett Furniture Industries
Camp Manufacturing
Commonwealth Natural Gas
Dun River Mills

STRADER, TAYLOR & CO., Inc.
Lynchburg, Va.
LD 30
TWX LY 77

Established 1908

H. Hentz & Co.
Member
New York Stock Exchange
New York Curb Exchange
New York Commodity Exchange, Inc.
Chicago
Newington Cotton Exchange and other Exchanges.

N. Y. Cotton Exchange Bldg.
NEW YORK 4, N. Y.

CHICAGO DETROIT PITTSBURGH GENOA, SWITZERLAND

The Security I Like Best
A continuous forum in which, each week, a different group of experts in the investment and advisory field from all sections of the country participate and give their reasons for favoring a particular security.

(The articles contained in this forum are not intended to be, nor are they to be regarded as, an offer to sell the securities discussed.)

A. HAWLEY PETERSON
Porter, Roberts & Co., New York City

Net Markets maintained for Dealers and Institutions, in

A. T. & T. Co.
3 1/2% Conv. Deb.
Due December 31, 1964
Subscription Warrants
(When Issued)

Trading Interest In
American Furniture
Bassett Furniture Industries
Camp Manufacturing
Commonwealth Natural Gas
Dun River Mills

STRADER, TAYLOR & CO., Inc.
Lynchburg, Va.
LD 30
TWX LY 77

Established 1908

H. Hentz & Co.
Member
New York Stock Exchange
New York Curb Exchange
New York Commodity Exchange, Inc.
Chicago
Newington Cotton Exchange and other Exchanges.

N. Y. Cotton Exchange Bldg.
NEW YORK 4, N. Y.

CHICAGO DETROIT PITTSBURGH GENOA, SWITZERLAND

The Security I Like Best
A continuous forum in which, each week, a different group of experts in the investment and advisory field from all sections of the country participate and give their reasons for favoring a particular security.

(The articles contained in this forum are not intended to be, nor are they to be regarded as, an offer to sell the securities discussed.)

A. HAWLEY PETERSON
Porter, Roberts & Co., New York City

Net Markets maintained for Dealers and Institutions, in

A. T. & T. Co.
3 1/2% Conv. Deb.
Due December 31, 1964
Subscription Warrants
(When Issued)
Prospectus upon request

Specialists in
Rights & Scrip
Since 1917

McDonnell & Co.
Members New York Stock Exchange
New York City Exchange
Baltimore Stock Exchange
20 Broadway, New York 5
100 E. Illinois at State St.
Chicago

Trading Interest In
American Furniture
Bassett Furniture Industries
Camp Manufacturing
Commonwealth Natural Gas
Dun River Mills

STRADER, TAYLOR & CO., Inc.
Lynchburg, Va.
LD 30
TWX LY 77

Established 1908

H. Hentz & Co.
Member
New York Stock Exchange
New York Curb Exchange
New York Commodity Exchange, Inc.
Chicago
Newington Cotton Exchange and other Exchanges.

N. Y. Cotton Exchange Bldg.
NEW YORK 4, N. Y.

CHICAGO DETROIT PITTSBURGH GENOA, SWITZERLAND
LETTERS TO THE EDITOR:

More Comments on "UN—Why It Is Doomed to Fail"

Providence received more letters commenting on William A. Robertson's article in which he contended that the United Nations, because of its mixed and nonrepresentative composition, among other reasons, is incapable of achieving the objectives, including maintenance of world peace, which were its establishment. Suggesting U.S. withdrawal from UN, Mr. Robertson argued that this country, acting independently, could accomplish more for the world than any such body as the UN.

We have received so many communique during the past week in connection with the news expression by William A. Robert¬son, member of the New York Bar, in the article "The United Nations—Why It Is Doomed to Fail," as appeared on the page 3 of the "Chronicle" of July 19. These recent comments are given further, in the same subject heading appearing in our issues of July 3 and July 19.

In his article Mr. Robertson set forth the reason for his be¬lief that the United Nations is incapable of achieving any of its stated objectives, included in the pre¬vention of the war. The very feature of the UN that has hailed it as its crowning virtue—its com¬posable and internationalism—has, in reality, its outstanding weakness, said Mr. Robertson. Another insurmountable impediment to its success, he wrote, is "its voiced and unvoiced members,"axter the manipulation the inclusion of nations of Europe and Asia, for example, which have nothing in common and hence cannot agree on any measures that conflict with their selfish interests.

Mr. Robertson concluded that the United States would serve its best interest and that of the entire world by withdraw¬ing from the United Nations. Actively, by his opinion, the United States could achieve more for the world than any "federation of 60 nations that don't talk with their own minds." Hereafter are the communica¬tions regarding Mr. Robertson's article which appeared in the past week.—Editor.

DONALD L. ROGERS
Business and Financial Editor, News-Herald Tribune (Cincinnati, Ohio)

I found Mr. Robertson's article in the United States a very thought-provoking, though distur¬bingly discouraging piece. I have given it good deal of thought and am writing on this very problem and have come to the conclusion that I have no valid conclusion to as whether or not the United States should continue to support the U.N. In the noble experiment of the United Nations.

As for your part, I am sure that you are rendering a very valuable service in printing the opinions of thoughtful men on this all-import¬ant subject.

HUGH C. GRUVELL

I have read the very interesting comments by Mr. Robertson in the New York Times and have also made a study of the situation. As to the national security of the U.S. it seems to me that the U.N. is the only organization that can keep the peace in the world. We must work with the U.N. or we must give up the illusion of the world's peace. The United States must be a leader in the world and the U.N. is the only organization that can keep the peace.

Hank C. Gravell

INDEX

Articles and News

Page

Will Be Substitute Smiles for Inquest—A. Wildred May... 8

How Near Is Business to the Credit—Theodore J. Krop... 7

Taxes, Inflation and Executive Compensation—Y. Rothschild... 6

No Top Convertibles—Ir. J. Cobleigh... 5

Low Interest Rate Policy—A Hindrance to Banks—William A. Long... 6

We Have Drifted Too Long—William F. Edwards... 8

Foreign Entanglements—O. R. Mcguire... 11

Forecasting—Roger W. Babson... 16

United Nations: A Failure—Alden A. Potter... 17

..., ..., 

Additional Comments on "United Nations—Why It Is Doomed to Fail"... 3

Food for Thought! (Boxed)... 10

Business Brilliant Toward Prosperity Era, says Walter H. Imann... 10

Britain's Gold and Dollar Position... 13

The Republican Monetary Plan Analyzed by Walter E. Spahr... 14

FIC Banks Place Debentures... 19

Regular Features

As We See It (Editorial)... 20

Bank and Insurance Stocks... 29

Business Man's Bookshelf... 35

Canadian Securities... 22

Coming Events in Investments Field... 33

Dealer-Broker Investment Recommendations... 8

Elections—"British and the Sterling Area"... 15

From Washington Ahead of the News—Carlisle Bargeron... 9

Indications of Current Business Activity... 24

Moral Funds... 33

NSA Notes... 33

News About Banks and Bankers... 18

Observations—A. Wildred May... 9

Our Reporter's Report... 9

Our Reporter on Governments... 14

Prospective Security Offerings... 21

Public Utility Securities... 33

Railroad Securities... 17

Securities Salesman's Corner... 12

Securities New in Registration... 29

The Interest I Like Best... 2

The State of Trade and Industry... 5

Tomorrow's Markets (Walter Whyte Sayes)... 12

Washington and You... 36

*See article by Mr. May on cover page.

Published Twice Weekly
TUESDAY, JUNE 17, 1952

THE COMMERCIAL AND FINANCIAL CHRONICLE


lend, or Edwards & Smith.

Copyright 1952 by William A. Dana Company

Street, New York 9, N. Y.

1-1825 & NY

61 Broadway, New York 6

BO 5-0133

Directed Wires

Philadelphia and Los Angeles

Halle Mines

Lock Thread

National Alalfa*

National Chlorophril*

Natural Gas & Oil

*Prospects on request

J. F. Reilly & Co.

Interpreted

61 Broadway, New York 6

BO 5-0133

Teleplay NY 1-3270

Direct Wires

Philadelphia and Los Angeles

Associated Development and Research Corp.

National Alalfa

Whiting Corp.

•

SINGER, BEAN & MACKIE, Inc.

HA 4-2046

40 Exchange Pl. N.Y.

Teleplay NY 1-1825 & NY 1-1820

KINGWOOD OIL

BELLE ISLE

*GULF SULPHUR

*TRI-TOC OIL

Ltd.

PETER MORGAN & CO.

31 Nassau Street, N. Y. 8

Tel. Dibby 9-3440

Tele: NY 1-2078

For many years we have specialized in

PREFERRED STOCKS

Spencer Trask & Co.

Members New York Stock Exchange

25 BROAD ST, NEW YORK 4, N. Y.

TELEPHONE Bainter 2-3400

TELETYPE N. Y. 15

New York * Boston * Chicago * Glens Falls * Savannah * Westminster * Wa¬shington

Private Wire to CROWELL, WEDDON & CO.

LOS ANGELES, CALIFORNIA

*Prospects on Request
Call Merrill Lynch

That's a good suggestion any time in unliked securities—especially when it's hard to find the buyers or sellers you want.

Why?

Because we have 65,000 miles of private wire that link 160 offices in 68 countries, with over a million thousand customers and dealers for the particular issues or quotas you want.

What's the best way to do it. So, any time you think we can help, just—

"Call Merrill Lynch"

Trading Department

MERRILL LYNCH, PIERCE, FENNER & BEANE

Underwriters and Distributors of Investment Securities
Brokers in Securities and Commodities

7 PINE STREET
NEW YORK 5, N. Y.

Offices in 101 Cities

"That's a good suggestion any time in unliked securities—especially when it's hard to find the buyers or sellers you want.

Why?

Because we have 65,000 miles of private wire that link 160 offices in 68 countries, with over a million thousand customers and dealers for the particular issues or quotas you want.

What's the best way to do it. So, any time you think we can help, just—

"Call Merrill Lynch"

Trading Department
The State of Trade and Industry

Overall industrial production continued last week to record declines for the sixth successive week as industry suffered from factory closings and other labor troubles. It is reported that workers already away from their employment because of the steel dispute, lay-offs in the automobile industry, continued to spread. Vacation schedules also reduced output.

Aggregate output was moderately lower than that of a year ago. This graphed below the all-time peak reached in the middle of World War II.

Claims for unemployment insurance benefits rose 8% above the previous week showing the like period of last year.

In the aviation industry hiring has slowed somewhat as a result of the Army's "stretchout" of aircraft production schedules. The United States Department of Labor reported.

The agency said a survey of 175 aircraft and parts plants showed employment increases between February and April were smaller than in any previous period since the outbreak of the Korean War.

Monday of this week, the "Fair Trade" Bill was signed by President Truman. The new law will enable manufacturers in the 43 States which have "fair trade" laws to fix minimum resale prices. It is expected to force them to contract with that effect to one retailer in each State. The measure was adopted by Congress as a Supreme Court decision was handed down May 15, that such contracts were not binding on non-signers.

Price controls were removed by the Office of Price Stabilization from 50% of products in the fruit and vegetable lines, including all frozen vegetables and fresh fruits and all canned and frozen citrus juices.

Price Administrators, Arrall said that he was forced to take the action under an amendment to the new laws controlling fresh and processed foods and vegetables.

Steel ingot production last week included up to 14.2% of capacity, a rise of 0.8 of a point, as some small steel producers settled with the union.

Settlement of the steel strike could come this week if "Top Brass" in both management and union can reach an agreement, according to "The Iron Age," national metalworking weekly. Basis for agreement could be settlement of the industry compromise offer of union security, the Bethlehem union, and a multiplicity of other points.

Philip Murray, President of the union, personally rejected the compromise offer. However, he did accept the union security clause, accepting the plan which goes a long way toward meeting their demands for more production. Without putting companies in the position of actually administering compromise offer, this trade weekly states.

Intense pressure for settlement is being felt on all sides. The financial drain on companies will show up on balance sheets later this month. Workers, their savings exhausted, have been forced to apply for relief.

Strangely enough there is little left to predict about the out¬come of this strike. Steel producers have already offered a 16¢ per hour wage increase plus fringes amount¬ing to about $15.50 per month on demands on holidays, vacations, shift differential and southern pay scale premiums.

The only big issue remaining is the union shop.

Settlement of the iron ore miners' strike has become an integral part of the problem of peace in the steel industry. This was stated last week as the industry faces losses which collapsed last week-end, this trade journal points out.

The supply outlook is desperate. Shipping losses have already mounted up to about some blast furnace shutdowns may be inevitable next spring.

Steel inventories, which some manufacturers worked up last week or more to build, have been wiped out. It will not be possible to resume operations until at least some inventory has been accumulated. Even consumers with the highest priority can not expect steel shipments for two weeks or more after the strike's end. The outlook now is that the steel market will be tight—perhaps until the first quarter of next year.

Auto production in the United States may be "blacked out" by July 25 because of the steel strike, said "Ward's Automotive Report." Production output will be the lowest this month since 1946, this agency predicts.

Last week steel shortages caused auto output to fall to 52,797 units, down 17.7% from the 64,129 of last week. In the like 1951 week the industry turned out 86,037 cars.

"Losses in car and truck output due to the steel strike have already swelled to the 70,000 mark," Ward's notes. The total production losses will be pushed over 100,000 this week as more plant shutdowns are announced.

Chrysler Corp. began closing its plants on Monday. Output at Willys Overland Motors, Inc., and Packard Motor Car Co. plants was shut down in New York, "Ward's Report." Operations at General Motors Corp.'s home plant for Cadillacs at Olds¬mobile and Pontiac "will struggle through to near the end of the month.

All this means that July will be the poorest production month since postwar operations were resumed in 1946, according to "Ward's" newspaper.
Low Interest Rate Policy—A Hindrance to Savings Banks

BY WILLIAM A. LYON* New York State Superintendent of Banks

Scoring low interest rate policy as a disservice to savings banks, New York State Banking Superintendent attacks low mortgage interest rates fixed by government agencies as discouraging investment in FHA and VA insured loans. Sees need for equity investments by savings banks to give to lift earnings, but warns banks should exercise caution. Recommends savings banks be permitted to buy bank stocks.

There is nothing as stable as a shift from railroad bonds. In the past, great Romani said, “that every thing is the result of change, and get used to thinking that there is nothing Nature loves so well as to change externals daily and to make new ones like them.”

Most assuredly, what has not over­ looked an institutional shift in the banking business in this country during its original 200 years or a century and a half, but only in its purpose and not in its method. The basic structure of those fixed and changing institutions remains. It was, of course, the deposit bank­ ing. Now it is in a good many states a highly sophisticated, complex form of banking. It has been evolutionary.

A number of decades of savings banking was for the most part a charitable institution as a sort of civic duty. In their own calling they were men of substance and a high accomplishment, but in banking, that is, savings banking, they were amateurs. The Legislature spelt out fully the purpose for which the institution was to show the main business of banking, which was, of course, to lend and deposit bank­ ing. Now it is in a good many states a highly sophisticated, complex form of banking.

With respect to railroad obligations it is not necessary to go into detail to show that there has been some changes made, to show that change is also a law of nature in savings banking. Railroad bonds have taken a back seat to savings banks investments and other obligations have come forward to take their place. This

Low Income From Bonds

As to securities we may say that government intervention in the economic scene has cut down the number of bonds which can make toward the ability of savings banks to draw savings to them. You can’t make a success in getting the public to bring its savings to you unless the return you pay makes some return on mortgages. You pay dividends out of earnings, and bond portfolio earnings are very low.

The average rate borne by mortgages is usually held in the public mind to be a very low rate of interest. This is not correct. The actual rate of interest on the Federal Reserve Bank of St. Louis

a

STATE AND MUNICIPAL BONDS

Corporate Bonds

Local Stocks

Continued on page 20

Pouring steel into America's production from the largest open hearth furnaces in the world

The great bulk of America's steel production—almost nine tons out of every ten—comes from open hearth furnaces. In the volcanic heat of these giant cauldrons, pig iron, scrap steel and other materials are refined into new steel...precision-made for its many thousands of uses in products ranging from tin cans to army tanks.

The world's largest open hearth furnaces are in the plants of National Steel. National's smallest furnace is half again as large as the average furnace in the steel industry. Thirteen of its total of thirty furnaces now have the capacity to produce 550 tons of steel in a single heat...about twice the capacity of the largest furnaces of other companies. Two of the other furnaces also will be increased to the 550-ton size.

National's enlargement of open hearth facilities is an important part of its general program to expand steel capacity to a total of 6,000,000 tons by the middle of 1953...the fastest growth of any major steel company since the war. This expansion of capacity contributes importantly to America's assurance that it will have plenty of steel, both for defense and for steadily increasing civilian use in the present and future.

This is National Steel—a leading steel maker—completely integrated, entirely independent, constantly progressing.
We Have Drifted Too Long

BY WILLIAM F. EDWARDS*
Dean of College of Commerce
Brigham Young University, Provo, Utah

Citing an old Aesop fable as illustrating need of team work in the economic organism, Dean Edwards stresses importance of savings in our American capitalist economy. Says it is bankers' patriotic duty to encourage savings, despite loss of purchasing power to savers from inflation, and sets up as a program: (1) education of the people; (2) restoration of sound fiscal policy; (3) continuation of restricted credits; (4) caution in productive capacity expansion.

Times are changing. We can still marry and then live in the same old house, but the Lord blesses us with a boy and watch him develop. Then at the pot of life he may be drafted into the army and trained to kill or be killed. On the home front we could be more realistic to recall an old Aesop fable that had a moral.

A heron caught a fish and flew up to the cook. "Take that fish," she said, "and make it into a good dinner." The cook was delighted. But he did not know how to prepare it properly. The heron cut it up and carried it back to the bird. "Here is your fish," she said. "Cook it yourself." This was what the bird had in mind all along. It knew that the cook was not trained to prepare the fish, and so it would have the dinner itself.

"An address by Dean Edwards before the Chamber's Association, Grand Canyon, Ariz.

We PURCHASE
Securities
all or the majority shares
in sound SoCal.firms.

HARRY & MYRON KUNIN
PRIVATE INVESTORS
405 W. 8th St. Los Angeles

For Banks, Brokers & Investors
FOREIGN SECURITIES & EXCHANGE

THOMAS D. JENKINS
Broker
509 Madison Ave., N.Y. 22

Telephone — TWX — N.Y. 1-1341

EXX — Oil, Britain & Europe PEL-ST

Bank Stocks—Comparison and analysis of 17 New York City Bank Stocks for second quarter of 1952—Laird, Bissell & Sheps, 120 Broadway, New York 3, N.Y.

Bond Market Developments—Description of the new issues of United States Savings Bonds—Estabrook & Co., 15 State Street, Boston 9, Mass., and 40 Wall Street, New York 5, N.Y.

Cigarette Industry—Survey in forthcoming issue of "Trusts & Estates, Southern and Eastern States, Special Section.


Oil Companies—Financial analysis for 1951 of 30 companies by Frederick G. Coquerton—Chase National Bank of the City of New York, Pine Street, corner of Nassau, New York 1, N.Y.

Public Utilities—First and Memorandum—Kidder, Peabody & Co., 17 Wall Street, New York 3, N.Y.


Albuquerque Associated Oil Co.—Circular—Stanley Peltz & Co., Inc. 52 Broadway, New York 4, N.Y. Also available are circulars on La Palma, Inc.; Katz Cannon Oil & Gas Co., Oklahoma Oil Co.; Sierra Petroleum, Inc.; Tri State Oil & Refining Co., and Phillips Petroleum Co., 120 Broadway, New York 3, N.Y.


Crosina Power & Light Co.—Memorandum—Josephinalia & Co., 120 Broadway, New York 5, N.Y.


City National Bank & Trust Company of Chicago—Circular—Central National Bank, 209 South LaSalle Street, Chicago 3, Ill.


Detroit Harvester Company—Analysis—Straus, Blasers & McDowell, 135 South LaSalle Street, Chicago 3, Ill.


Eastern Metals Corporation Limited—Leaflet—Bittenhouse & Co., 226 Bay Street, Toronto, Ont., Canada.

Erie Freightliner—Recent annual report—de Witt Conklin Organization, 100 Broadway, New York 5, N.Y.

Heine Radio Corporation—Analysis—Conrad, Bruce & Co. of Los Angeles, 330 West Sixth Street, Los Angeles 14, Calif.


Hudson Bay Company—Data—Kippen & Company, Inc., 607 St. James Street, West, Montreal, Que., Canada.

International Business Machines Corp.—Memorandum—White, Weld & Co., 40 Wall Street, New York 5, N.Y.

International Hydro-Electric System — Analysis—Villas & Hickey, 1114 LaSalle Street, Chicago 9, Ill.

Kewanne Oil Company—Study—Troster, Singer & Co., 74 Trinity Place, New York 6, N.Y.

Landers United Brothers & Co.—F. S. Yatnis & Co., 135 South LaSalle Street, Chicago 3, Ill. Also available is an analysis of the Texas & Pacific Public Utilities.

Landers United, Inc.,—Analysis—First California Company, 360 Montgomery Street, San Francisco 20, Calif. Also available is an analysis of California Oregon Power Co.

Continued on page 34

Primary Markets

Huginson Production

Commonwealth Gas

Natural Gas & Oil

"Texas Production"

Dealers-Broker Investment

Recommendations & Literature

It is understood that the firms mentioned will be
sent interested parties the following literature:

Bank Stocks—Comparison and analysis of 17 New York City Bank Stocks for second quarter of 1952—Laird, Bissell & Sheps, 120 Broadway, New York 3, N.Y.

Bond Market Developments—Description of the new issues of United States Savings Bonds—Estabrook & Co., 15 State Street, Boston 9, Mass., and 40 Wall Street, New York 5, N.Y.

Cigarette Industry—Survey in forthcoming issue of "Trusts & Estates, Southern and Eastern States, Special Section.


Oil Companies—Financial analysis for 1951 of 30 companies by Frederick G. Coquerton—Chase National Bank of the City of New York, Pine Street, corner of Nassau, New York 1, N.Y.

Public Utilities—First and Memorandum—Kidder, Peabody & Co., 17 Wall Street, New York 3, N.Y.


Albuquerque Associated Oil Co.—Circular—Stanley Peltz & Co., Inc. 52 Broadway, New York 4, N.Y. Also available are circulars on La Palma, Inc.; Katz Cannon Oil & Gas Co., Oklahoma Oil Co.; Sierra Petroleum, Inc.; Tri State Oil & Refining Co., and Phillips Petroleum Co., 120 Broadway, New York 3, N.Y.


Crosina Power & Light Co.—Memorandum—Josephinalia & Co., 120 Broadway, New York 5, N.Y.


City National Bank & Trust Company of Chicago—Circular—Central National Bank, 209 South LaSalle Street, Chicago 3, Ill.


Detroit Harvester Company—Analysis—Straus, Blasers & McDowell, 135 South LaSalle Street, Chicago 3, Ill.


Eastern Metals Corporation Limited—Leaflet—Bittenhouse & Co., 226 Bay Street, Toronto, Ont., Canada.

Erie Freightliner—Recent annual report—de Witt Conklin Organization, 100 Broadway, New York 5, N.Y.

Heine Radio Corporation—Analysis—Conrad, Bruce & Co. of Los Angeles, 330 West Sixth Street, Los Angeles 14, Calif.


Hudson Bay Company—Data—Kippen & Company, Inc., 607 St. James Street, West, Montreal, Que., Canada.

International Business Machines Corp.—Memorandum—White, Weld & Co., 40 Wall Street, New York 5, N.Y.

International Hydro-Electric System — Analysis—Villas & Hickey, 1114 LaSalle Street, Chicago 9, Ill.

Kewanne Oil Company—Study—Troster, Singer & Co., 74 Trinity Place, New York 6, N.Y.

Landers United Brothers & Co.—F. S. Yatnis & Co., 135 South LaSalle Street, Chicago 3, Ill. Also available is an analysis of the Texas & Pacific Public Utilities.

Landers United, Inc.,—Analysis—First California Company, 360 Montgomery Street, San Francisco 20, Calif. Also available is an analysis of California Oregon Power Co.

Continued on page 34

Primary Markets

Huginson Production

Commonwealth Gas

Natural Gas & Oil

"Texas Production"

"Prospects on Request"

TROSTER, SINGER & CO.

Members: N. Y. Security Dealers Association
74 Trinity Place, New York 6, N.Y.
Freedman Appointed To Post by SEC

WASHINGTON, D. C.—Chairman Donald C. Cook of the Securities and Exchange Commission has announced the appointment of Solomon Freedman to the position of Assistant Director, Division of Public Utilities.

Mr. Freedman has served as an attorney in the division since July, 1942, where he has been active in some of the most complex and controversial integration and simplification cases under the Holding Company Act, including those with respect to Associated Gas and Electric Company and Midland Utilities Company. More recently, among his other assignments, he conducted the trial and other legal work in connection with the integration proceedings with respect to General Public Utilities Corporation and the reorganization proceedings for Long Island Lighting Company.

Mr. Freedman has served as an attorney in the division since July, 1942, where he has been active in some of the most complex and controversial integration and simplification cases under the Holding Company Act, including those with respect to Associated Gas and Electric Company and Midland Utilities Company. More recently, among his other assignments, he conducted the trial and other legal work in connection with the integration proceedings with respect to General Public Utilities Corporation and the reorganization proceedings for Long Island Lighting Company.

Joints Goddard Staff

(Boston)—Henry F. Meredith has become associated with J. H. Goddard & Co., Inc., 63 Devenshire Street, members of the Boston Stock Exchange. Mr. Meredith was formerly with J. Arthur Warner & Co. and H. M. Eames & Company.

With Renys, Field

(Boston)—Oscar H. Zam was now connected with Renys, Field & Company, Inc.

New York Central RR. Exp. Tr. Cts. Offered

Hamilton, Stuart & Co. Inc. and associates are offering $8,475,000 of New York Central RR. 2¼% equipment trust certificates, third equipment trust of 1932, matur¬ing annually Aug. 15, 1983 to 1987, inclusive, issued under thePhiladelphia Plan, the certificates are being offered subject to ap¬proval of the Interstate Commerce Commission at prices to yield from 2.25% to 3.40%.

The certificates will be secured by 84 Diesel road freight locomo¬tives, 50 steel tank cars, and 8 steel flat cars having an estimated cost of $11,162,300.

Other members of the offering group are: R. W. Pressprich & Co.;

The place where summer never ends

The slow, steady aging of fine whiskey calls for a summer temperature twelve months of the year. Only in a man-made climate could this ideal weather exist all year round. That’s where summer never ends in Schenley’s many warehouses. Schenley helps Nature, creates and maintains its own wonderful warehouse climate. Even when snow covers the ground, inside it’s balmy, with pleasantly moist air and soft light.

Year after year in this perfectly controlled climate, whiskies mature in sturdy oak barrels which Schenley makes itself. Each barrel is carefully watched over and checked all during the long aging.

Making perfect weather is just one of the quality controls that guard Schenley whiskies from the time the grain is grown till the whisky is in your glass. This is Schenley’s way of making certain that you get the utmost enjoyment in every drop of every drink.

Schenley Distillers, Inc., New York, N. Y.
**Missouri Brevities**

**American Investment Co. of Illinois, of St. Louis, has been granted a certificate under the Holding Act, which authorizes the acquisition of 10% of the capital stock of any corporation. The certificate was issued on July 10 to a group of underwriters for the purchase of the following St. Louis bankers: Noyes, Cook & Co.; trustees for W. H. Simon & Co., and was quickly oversubscribed. The net proceeds will be used for the reduction of current borrowings.**

**Stern Brothers & Co., Stilfel, Nicoll & Co., and Stix & Co. last month participated in the public offering of an issue of $20,000,000 3% sinking fund debentures due 1977 of American Gas & Electric Co. at 100% and accrued interest. This offering was oversubscribed. Among the bankers who participated in the offering of 170,000 shares of common stock (par $10) of the same utility were the following Missouri house Reinhardt & Gardener; A. G. Edwards & Sons, Edwards & Fitch & Co. and J. M. Simon & Co., and was quickly oversubscribed. The net proceeds will be used for the reduction of current borrowings.**

**The Missouri Utilities Co.'s offering to shareholders of record June 14 to subscribe for or before June 15 for $30 shares of common stock at $15.00 per share was undersubscribed. The company, on June 18, cut the price of the common stock to $27.40 and the next day each 14 shares held, with proceeds of the financing to be used by the company for new capital purposes. The offering increased the total shareholders' equity of the company from $5,400,000 to $24,000,000, or $274,200, and is anticipated to be the first future offerings of the company. The quarterly dividend of 25 cents a share was also increased in the common stock.**

**Directors of Merchants Bank voted the usual quarterly dividend of $1 per share, payable July 1 to holders of record June 30.**

**The Gleaner Harverst Co., reported sales from the first nine months of $1,000,000, compared to $600,000 in the corresponding period in the previous fiscal year. Net profit after taxes from the same period was $60,000, compared with $75,000. The company's protein content was raised from 12 to 14%, with a sharp improvement in sales and earnings for the second and third quarters, although the company's relatively poor results attained in the opening quarter, when operations were severely curtailed because of a shortage of material. Output is currently running at about 10 machines a day, according to President George Rehfeldt.**

**Olin Industries**

**Ely Walker Dry Goods Com. & Pds.**

**First National Bank**

**National Oats**

**Moloney Electric Col.**

**Class "A"**

**Scruvens-Vandover-Barney Com. & Pd.**

**Tenn. Production**

**Stix Baer & Fuller Dry Goods Com.**

**Wagner Electric**

**Bought Sold Quoted**

**SCHERCK, RICHET COMPANY**

**Member Missouri Steel Exchange**

**Landreth Building**

Bell Telephone St. Louis 456

St. Louis 2, Mo.

Garfield 6225

L. D. 121

**Food for Thought!**

"The fact is that most of the great forward steps of history have been directly or indirectly inspired by people who have succeeded from negative acts against governments."

"Juno Chara was a negative step. It told King John not what he must do but what he could not do."

"The first ten Amendments to the Constitution, the Bill of Rights, were all negative steps. Some people seem to believe that a law can be constitutionally enacted, and that anything is possible under it."

"And in the absence of guarantees by the Government that it will do certain things for the citizen." —Representative Walter J. Hudd of Minnesota.

**These observations were stimulated by a charge that Mr. Jefferson was a "man of negative liberty," and are intended to indicate a line of effective defense.**

"There is a wholesome food for thought in them. After all, if the people are to run their own affairs in true American tradition, the main thing—or at least one of them—is to keep government from undue meddling."**

**Business Drifting Toward Profitless Era**

Henry H. Heimann, Executive Vice-President, National Association of Credit Men, pays a close watch over the growth of professional profitlessness, which he believes can maintain the inflationary trend it has shown over the past two years. Mr. Heimann pointed out further:

"Despite the fact that commodity prices have been weak throughout the world, the basic inflationary trend is still with us, and it may not be as evident and pronounced as it was in earlier years but it is still a factor with which to reckon."

"Drifting costs in our managed economy and modern day propaganda. With our economic growth now being almost entirely in the realm of corporate growth and the growth of capitalism, it is difficult to explain how it is possible for a man and woman that mild inflation is necessary. It is even more difficult, if not next to impossible, to convince them that mild inflation ever stops at that point. Given time, it develops into serious inflation, and, of course, this exacts its toll from everyone living."

"If a quarter of a century ago, government officials had urged inflation, the world would now accept this as a natural and understandable process. Inflation has been considered incomprehensible. Now they are looked upon as great ex- perts on inflation, and are the only way to reach the millennium with a creditable record. One of the reasons we are now in the situation we are in is because we have given up the idea that a false start in the right direction, at any rate, cannot be allowed."

"But we cannot allow the idea of profitless endeavor to dominate."

"In fact, every effort should be made to prevent the profitless trend from becoming the normal trend of life."

--Henry H. Heimann

**In the opinion of Henry H. Heimann, Executive Vice-President of the National Association of Credit Men, despite a good look for the next six to eight months, in industry is now drifting toward profitless operation. In his recently published Business Outlook Review, he points out that the average net profit is not only far below what it was and what it should be, but that it will increase. The impact of the high tax levy on earnings is so severe that business can look forward to a considerably reduced profit margin, the head of the nationwide credit organization said.**

"First half reports already show that earnings have been unusually low and although they may fall further through the year, there is no real reason to expect that the net income will be more than a token increase. Much, however, depends on how much more there is to be cut out of the Federal income tax. The same is true of the other factors, which may offset the earnings picture is the possibility of an increase in the number of strikes, for union labor leaders seem to believe they can bring with more success just before the national election."

"If sales are to pick up in the near future, Mr. Heimann indicated that new and ingenious promotional methods must be developed in order to stimulate the consumer into buying action."

"We in business must more than ever analyze the psychology of the human being," Mr. Heimann said. "Presently consumers are positive-minded, and until such time as it becomes apparent that the consumer is the master of the production process, it is likely that they will not produce satisfactory results. We feel sure, however, that American business management has not lost its ingenuity and will succeed in finding out new and better real values it can offer and thus will really realize an increased distribution."

"Its present action in easing control and regulations seems to be the key to a healthy reconstruction."
Prominent Washington attorney reviews change in our foreign policy as laid down by George Washington in his Farewell Address—a change, he says, inaugurated by Woodrow Wilson and fostered by Franklin D. Roosevelt.

Washington—The recent and presently existing foreign entanglements of the United States, as far as I can see, are the consequences of our failure to achieve the peace for which we fought the late war. The world's struggle is on, and our country is in the thick of it. Our position is delicate. We cannot sit out the struggle. We shall have to do our share, whether we like it or not. We shall have to stand or fall with the rest of the world. The task before us is big and cannot be shirked.

Wilsonian democracy, as contrasted with the Rooseveltian, has not been confined to the immediate postwar period. It has extended over the past twenty years. The Wilsonian spirit is now deeply rooted in the national life of the United States, and it is difficult to see how any new organization could uproot it.

The chief virtue of Wilsonianism lies in its internationalism. It is essentially a movement that seeks to bring the world together. It has the advantage of being based on a broad and comprehensive view of human society. It is not merely a matter of economics, or of political power, or of military strategy. It is a matter of human relations, and of the need for a more just and stable world order.

Rooseveltianism, by contrast, is a movement that seeks to bring the world apart. It is based on a narrow and exclusive view of human society. It is merely a matter of national power, and of the need for a more competitive world order.

The Wilsonian spirit is the spirit of peace, and of international understanding. It is the spirit of the United States, and it is the spirit of the world.

The Rooseveltian spirit is the spirit of war, and of national self-sufficiency. It is the spirit of the United States, and it is the spirit of the world.

I believe that the Wilsonian spirit is the right spirit for the United States, and for the world. I believe that it is the spirit of the future, and that it is the spirit of peace.
Connecticut Brevities

Torrington Manufacturing Company has acquired the entire amount of stock outstanding of its subsidiary Pratt & Whitney Aircraft, for a consideration of $1,300,000 in cash and $300,000 in Torrington stock. The willis Turbine Laboratory will continue in operation and some of the experimental test cells now used for piston engines will be converted for jet use.

United Aircraft Corporation plans to enlarge the jet engine development operations in its subsidiary Pratt & Whitney Aircraft at East Hartford, Connecticut, to make it a $1,000,000 project.

Flux Corporation, subsidiary of Emhart Manufacturing Company, and subsidiary of the United Aircraft Corporation, and of the United Aircraft Corporation, and of the United Aircraft Corporation, is said to be named the U.S. S. Nautilus.

On June 14, the Electric Boat Division of General Dynamics Corp. laid the keel for the first atomic powered submarine at Groton, Conn., to be named for the U.S. S. Nautilus.

A. C. Gilbert Company has obtained a loan of $1,250,000 from First National Bank of New York to finance the construction of a new building. The proceeds of the loan will be used to retire at par and interest, the $1,250,000 first mortgage bond issue of the company, the coupons of which are payable on July 15th, 1952.

The New Haven Clock & Watch Company has announced receipt of a prime defense contract to manufacture precision parts for the Army. The order, the second defense contract for the company, is for an order of 75,000.

On April 15, the National Union Bank of New York, New York, N.Y., announced the opening of a new branch at 350 Park Avenue, New York City. The branch will be open from 9 A.M. to 4 P.M. daily.

Purchase of American Sintered Alloys, Inc. of Bethel, has been announced by the Sintered Alloys Manufacturing Company. The purchase was completed through a stock exchange offer in which American Sintered Alloys manufacturers an entire portion of its products at the request of other companies. The purchase will place Yale & Towne in a new field in addition to its present production of locks, locksets and materials handling equipment. The company has also announced new orders for industrial trucks valued at $15,000,000.

American Hardware Corporation has been granted a charter by the National City Bank of New York and has obtained an additional $600,000 through a public offering.

We maintain primary markets in:

CONNECTICUT SECURITIES

CONNECTICUT LIGHT & POWER • UNITED ILLUMINATING

HARTFORD ELECTRIC LIGHT • HARTFORD GAS

CHAS. W. SCRANTON & CO.

New Haven, Connecticut Telephone 5-0711

Connecticut Securities

BY JOHN DUTTON

The Commercial and Financial Chronicle . . . Thursday, July 17, 1952

Securities Salesmen’s Corner

Find the Prospects

There has been much writing during the last few years about going out in the highways and byways, and finding so-called “new money,” but so far as the author’s knowledge goes, there is no great gold mine of new money for people who have never bought securities in the past. It is generally true, but it is my humble judgment that the salesmen who find this business more extensive to locate, to educate, and sell will be the ones to go and uncover prospects who at least are interested in investing and selling securities.

Education Is A Costly Business

Good salesmen are hard to find. Good securities salesmen are very hard to find. Experience will prove that it takes a special quality of educational background, temperament, and knowledge, if a man is to succeed in this specialized field of security salesmanship. Let me mention that the old fashioned telephones technical manners of making sales is not the way. The salesmen who in the old days was always looking for a deal, is the way, many of the young men and women are coming into the sales organizations of today are trying to do a wholesales selling the returns on a level, on Municipal Funds. You just can’t learn the investment business in three months, or three years of college courses, or study it. I live, and keep at it day after day. Also you have to learn continuous philosophy.

Of the salesmen that break into the securities business and keep at it, only a small percentage are really successful businessmen. With the burning issue, it is likely that the campaign against securities will be an important factor in the varying trends—daily, weekly, and monthly.

As the fears of further declines mount, and with stocks going off on varying rumors, any and every shred buying will occur. Anybody can buy them when they are going up. It takes a better buying when they seem friendless. (The views expressed in this article do not necessarily at any time coincide with those of the Chronicle. They are presented as of the author only.)

With Lee Peeler Co.

DURHAM, N.C.—Jonathan L. Peeler has joined the staff of J. C. Peeler & Co., Inc., New York, as head of the building.

Waldron, Hoffman Adds

PORTLAND, Ore.—George B. Bdoll and Robert R. Williams have joined the firm of Walden & Goodwin, American Bankers Association.

Two With Wadell & Reed

DETROIT, Mich.—William J. Eby and C. V. Wadell have become affiliated with Wadell & Reed, Inc., 600 Woodward Avenue.

maximum of 280,000 shares of common stock which will be offered to the shareholders of the company or its subsidiaries. Proceedings of not to exceed $1,000,000 will be used to liquidate indebtedness.

It is reported that U. S. Finch-Filet County Manufacturing for sale of the Queen Dyer Division. At the time of the sale, it is the largest customer of this division.

Singer Manufacturing Company has arranged to borrow $25,000,000 from John Hancock Mutual Life Insurance Company and a group of pension trusts.

Tomorrow’s Markets

Walter Whyte says—

By WALTER WHYTE

For the next few weeks the election campaign will play a dominant role in the market. The possibility of any counter charges made by the candidates will have much of an effect. But as the trend toward whichever candidate seems closer to election becomes more evident, his announced policies and those of his political party, plus the platform he’s running on, will be scrutinized more sharply than ever.

In its own fashion the market will interpret these yeering winds with action and reaction depending on the hopes, wishes and desires of those with funds large enough to influence the market.

In an off-the-cuff opinion, I would say that such markets as the best of the best will continue to crystallize into something discernible. Basically, however, running away from what is as well as what is not best an uncertain market period, is hardly the way to trade in any market. By the time a trend becomes definitive enough to the casual observer, the chances are that the move is either at the top or close to it. Putting it another way, it is close to the bottom or near it. It depends on the way of the market you’re trading.

The majority of traders prefer the long side for many reasons

Securities Salesmen’s Corner

BY JOHN DUTTON

New York: Rectory 2-9377

Teletype: NH 194

Hartford 7-2869

With Equitable Secs.

(See The Financial Review)

ATLANTA, Ga.—Richard R. Bhriston, vice president and general counsel of Equitable Securities Corporation, First National Bank Building.

With Republic Inv. Co.

(See The Financial Review)

CHICAGO, Ill.—Earl R. Dutton has become associated with Republic Investment Company, 321 South LaSalle Street, Chicago.
From Washington Ahead of the News

By CARLISLE BARGERON

CHICAGO, Ill.—Any past moment on the Republican convention is justified only in that it throws light on what is coming and this one has that purpose.

Bob Taft has had distinction in the U. S. Senate for nearly 32 years. The day before the final balloting he went to the floor, one of his managers recounted to me that the Senate is the finest automobile men, steel men—and bankers—who in the course of that time had come to the Senator pleading for something or other. It was a situation. The "situation" was a strike; maybe steel interest was involved or it was one of the many problems industry has faced at the hands of the government in recent turbulent years. Bob Taft was the man they invariably came to see in their distress.

But Senator, a quite different manager better named them—up to their necks in the Eisenhower campaign, giving money and pressure to surging delegates.

I am not so naive as to have expected gratitude from these men. It is something you seldom see in politics. And we have no doubt they were acting with the best of motives. Senator Taft, craving a Republican presidential nomination with the propaganda that Taft couldn't win and Eisenhower could; others are obsessed with the belief that our economy is intractibly dependent upon continued spending in Europe.

So we have no fear against these men. But I do deplore their stupidity. With whom do they intend to win these troubles in the future? It is not so much a question of what Taft's disposition will do for them as what it will do to them. It is the issue of his own political stature; to what extent remains to be seen.

Senator, the White House and unqualifiedly that a "conservative" on domestic affairs as Taft, probably more so, partisan then toward labor. That is the principal reason why I am opposed to Taft.

I hope those gentlemen of finance and industry are heartening to win. That is the one lesson of this campaign, the birth of a new Republican Party, a more "enlightened" and a "labor party, of course. But the idea is the end of the Taft "Old Guard," and a taking over the reins by the Eisenhower. As they are reading and listening to all this.

The Senator, himself, has no illusions about what is in store, assuming a Republican victory in November, and he has asked, before the Democrats. If, he expected to remain as Chairman of the Republican Policy Committee, an official title, he said candidly that he didn't know. He implied that he expected some change in his political career.

The Vice-Presidential nominee, Senator Nixon, said graciously in his address, that a Republican victory would make Senator Taft the chairman of the major policy committee instead of the minority policy committee. Whether the California Senator drops this at the suggestion of the President or John Kennedy. He has contested for the Senate leadership against Taft before. In a change that Republican Senators do not bow to the White House as did the Democrats under both Wilson and Roosevelt in the earlier years of their Administration. In the past, under Hoover, for example, they have left the Taft, never giving the Senate themselves.

So, whatever the outcome, I am sure I don't know what is going to happen. As the Democrats begin to assemble, there are signs they may let the Presidency go by default. Barring Adlai Stevenson, Taft can run up with a candidate of sufficient strength to win. Mr. Nixon might be a surprise. There is no doubt that should he be able to inherit the reins, or an able hand they are reading and listening to all this. How he said candidly that he didn't know. He implied that he expected some change in his political career.

The Vice-Presidential nominee, Senator Nixon, said graciously in his address, that a Republican victory would make Senator Taft the chairman of the major policy committee instead of the minority policy committee. Whether the California Senator drops this at the suggestion of the President or John Kennedy. He has contested for the Senate leadership against Taft before. In a change that Republican Senators do not bow to the White House as did the Democrats under both Wilson and Roosevelt in the earlier years of their Administration. In the past, under Hoover, for example, they have left the Taft, never giving the Senate themselves.

So, whatever the outcome, I am sure I don't know what is going to happen. As the Democrats begin to assemble, there are signs they may let the Presidency go by default. Barring Adlai Stevenson, Taft can run up with a candidate of sufficient strength to win. Mr. Nixon might be a surprise. There is no doubt that should he be able to inherit the reins, or an able hand they are reading and listening to all this.

The Vice-Presidential nominee, Senator Nixon, said graciously in his address, that a Republican victory would make Senator Taft the chairman of the major policy committee instead of the minority policy committee. Whether the California Senator drops this at the suggestion of the President or John Kennedy. He has contested for the Senate leadership against Taft before. In a change that Republican Senators do not bow to the White House as did the Democrats under both Wilson and Roosevelt in the earlier years of their Administration. In the past, under Hoover, for example, they have left the Taft, never giving the Senate themselves.

So, whatever the outcome, I am sure I don't know what is going to happen. As the Democrats begin to assemble, there are signs they may let the Presidency go by default. Barring Adlai Stevenson, Taft can run up with a candidate of sufficient strength to win. Mr. Nixon might be a surprise. There is no doubt that should he be able to inherit the reins, or an able hand they are reading and listening to all this.

The Vice-Presidential nominee, Senator Nixon, said graciously in his address, that a Republican victory would make Senator Taft the chairman of the major policy committee instead of the minority policy committee. Whether the California Senator drops this at the suggestion of the President or John Kennedy. He has contested for the Senate leadership against Taft before. In a change that Republican Senators do not bow to the White House as did the Democrats under both Wilson and Roosevelt in the earlier years of their Administration. In the past, under Hoover, for example, they have left the Taft, never giving the Senate themselves.

So, whatever the outcome, I am sure I don't know what is going to happen. As the Democrats begin to assemble, there are signs they may let the Presidency go by default. Barring Adlai Stevenson, Taft can run up with a candidate of sufficient strength to win. Mr. Nixon might be a surprise. There is no doubt that should he be able to inherit the reins, or an able hand they are reading and listening to all this.
The Commercial and Financial Chronicle  

The Republican Monetary Plank

Dr. Walter E. Spahr maintains that despite its defects, it could serve as a step to the gold standard and adequate reserves for foreign leadership.

The money plank of the Republican Party of 1952 was partly praised and some of its features were deplored by Dr. Walter E. Spahr, Executive Vice-President of the Economists National Committee on Monetary Policy, in a statement issued on July 17.

Dr. Spahr said that "in the paragraph which advocates a Federal Reserve System exercising its functions in money and credit system without powers for political purposes from the Treasury or the White House, the words 'for political purposes' should have been deleted for reasons of neither the Treasury nor the White House could be alleged to be for non-political purposes.'

He said that "the paragraph which reads, 'To restore a domestic and economic system, and to use our influence for a world economy, of such stability as will permit the realization of our aim of a dollar on a fully convertible gold basis, is good in the fact that it states that the aim is for a dollar on a fully convertible gold basis.'

Otherwise, he said, 'defects are outstanding. Unfortunately, conditions are offered as prerequisites to the restoration of a redeemable currency which are irreconcilable with the case of the United States. When the ratio of national gold stock to its non-gold money and deposits is adequate, in the light of experience, to support redeemability, as is the case in this country, that fact alone, determines whether a nation can and should institute redeemability. Our ratio is 30% above the average range for the years 1915-1922 and above the average for any one year. When a nation's ratio is adequate, the way to secure it is to retire.

'There is a widespread notion in this country that there can be stability abroad' before we can control our own economy. The notion is, however, a fallacious one. The notion is not entertained by those who controlled the Republican money plank in its final stage. As the plank emerged from the temporary drafting committee, it was highly respectful of this idea but that while it advocated resolution of redeemability, it did not specify the rate of $33 per fine ounce of gold, thus leaving the door open to further devaluation of the dollar, and it used the word 'early' instead of 'prompt.'

'The paragraph should have read as follows: We commit ourselves to provide for the full redemption in our currency at the statutory rate of $33 per fine ounce of gold in the lap of the bill drafters by monetary economists of experience and repute. Such aid and such assistance should have been accepted.

'England led the world in the introduction of a gold standard in 1816-1821, and, as a consequence, the British capital was expanding, London as an international money market, occupied the leading position in the world. In the United States should lead the way, in a similar manner, to a sound currency today. The nation which over the years has had capital inflows and capital outflows, during the decade, that is, that have not only sold and sold but also bought and bought abroad.

'England led the world in the introduction of a gold standard in 1816-1822, and, as a consequence, the British capital was expanding, London as an international money market, occupied the leading position in the world. In the United States should lead the way, in a similar manner, to a sound currency today. The nation which over the years has had capital inflows and capital outflows, during the decade, that is, that have not only sold and sold but also bought and bought abroad."

Wainwright, Ramsey Retained By Fla. Gty

Le Roy F. Harlow, City Manager of the city of Fort Lauderdale, Florida, has announced the employment of Wainwright, Ramsey & Co., of Broad and Pine Street, New York City, consultants on municipal financings, to advise the city in its refunding program of $4,200,000 in five-year sinking fund bonds, and to provide new financing for the purchase of the South Florida Water Company.

Mr. Harlow indicated that he expects the program to start immediately and should be completed within 120 days.

Commercial Bank Activity

Despite the fact that the new payment in the 2 1/2% due 6/15/58, this security is still the principal item of interest in the market and there are plenty of buyers around for this obligation especially when there have been signs of price weakness and bids have appeared in volume. To be sure, while the deposit banks have been retarded to some extent by the tight money conditions in their purchases of the 2 1/2%, they appear to be as able to find funds when this issue gets into the market. By open market, 100 10/32 and 100 12/32. This seems to indicate they want more of the 2 1/2%, but would like to buy them as cheap as possible. However, the reason that all previous issues have failed to get an offer, even though bonds that have appeared in volume, (but not as frequently now as in the past) the bond market stepped up to advertisement to get over them, and perhaps to get them. Accordingly, it is believed in certain circles in the financial district that a temporary trading area is being carved out by the bond market itself with the market level and the higher reaches about 100 16/32. This trading range, it is felt, will prevail for not too long a period, because with the floating supply of the 2 1/2's being rapidly increased, it will not take much buying to push the new bond through into new high price levels. There appears to be no question in the mind of many money market followers but what the 2 1/2% bond represents very good value from the investors' standpoint, and still embodies possibilities of price betterment from current levels.

Extant of Bank Purchases

It was known that the commercial banks throughout the nation had been sizable buyers of the new 2 1/2's, but the weekly figures for the reporting member banks appear to show that up to the present the evidence that for the period ended July 2, they have taken quite a good-sized bite out of the available supply of the new obligation. Although, it is obvious that the limited amount of offerings in this period, when compared to the sales of these bonds in the new issue, it is believed that practically all of the increases in the holdings of bonds reported by these institutions in the 2 1/2's of 1958. Nearly $1,200,000,000 more of bonds were reported during the week ended July 7, with the New York banks in first place, followed by those of San Francisco, Boston, Dallas, Atlanta and Kansas City. State banks have been buying heavily on the highest yielding Treasuries, namely the 2 1/2's due 1967/72. Private pension funds, as well as private trust accounts and savings banks, have also been making commitments in these same bonds. Volume have been kept up to a satisfactory level, placing all the restraint upon a not too sizable floating supply. It is reported that the 2 1/2's due 1962/67 have been getting greater attention, with the decline in prices, as have 2 1/2's due 1968/72. Actually, however, has not increased too appreciably either in these two issues yet.
Britain and the Sterling Area

By PAUL EINZIG

Commenting on criticism of the Sterling Area as being a regional system, a regional trading mechanism, Dr. Einzig states that there is no intention of discrimination in the Sterling Area. For example, the argument for strengthening the Sterling Area as a by-product of defense against Communist Imperialism. The argument for strengthening the Sterling Area is, however, fully as valid. It is based on the fact that curtail trade within both areas as it is necessary to maintain a substantial volume of sterling area. As a matter of principle, the development of regional trading areas is a matter of dependence in the long-range interest of the United States.

The Board of Governors of the Investment Analysts Club of Chicago has held its first meeting and approved the following Committee Chairman for 1952-53:

Dr. Paul Einzig

The argument on which this policy is based appears to imply that there is something inherently vicious in producing largely for sales within the Sterling Area. In reality, there is gross inconsistency between this argument and the oft-repeated argument that the absence of a substantial market in a particular area will place a competitive handicap to British exports owing to the difficulty of reducing overhead costs per unit through mass production. The example of the United States has conclusively proved the advantages of having a domestic market with immense absorbing capacity. Britain could achieve similar advantages through development of the Sterling Area as an area of demarcation.

Admittedly, in the case of certain British industries, it is necessary to explain the fact that owing to the limitations of the capacity of these industries to deliver goods within a reasonable time. As far as the policy is concerned, there is, of course, comparable justification for curtailing their sales to the Sterling Area. It is, however, illogical on the part of those who object to the restriction imposed on demand, to argue in the same breath in favor of a curtailment of exports to Sterling Area countries. If, owing to shortage of labor, raw materials or foreign exchange, British industries have more or less reached the limit of their capacity for the time being, then it is, of course, inevitable to curtail both domestic consumption and sales to the Sterling Area, in order to stimulate sales outside the Sterling Area. It would be gross inconsistency, however, to remove controls in Britain at the same time as curtailing trade with Sterling Area countries.

U. S. Deemed Inconsistent

The American attitude towards the Sterling Area is guilty of a somewhat similar inconsistency. The expansion of trade with the Sterling Area is viewed with strong disfavor in the United States. At the same time, however, American writers and politicians are strongly in favor of expanding trade with the European Payments Union. Yet trade within that area also consists largely of taking in each other's washing. By consuming too much of each other's goods, the countries of the European Payments Union have not only exchanged surplus products for increasing their sales prices to hard currency areas outside Europe. As in the case of sales within the domestic markets or exports to the Sterling Area, the case with which industry is involved in the case of sales to other countries within the European Payments Union weakens the incentive to encourage a vigorous export drive to the Dollar Area. Most arguments used in denouncing the Sterling Area arrangement could be applied also against trade with the European Payments Union.
Forecasting
By ROGER W. RABSON

After explaining his experiences in forecasting business conditions, Mr. Babson pointed out that forecasting is a "three-quarters of the subjects upon which we used to depend in making forecasts are now of little account." Says it is still possible to make accurate forecasts for perhaps six to twelve months, but it is nonsense to attempt to forecast three situations for more than a year ahead.

For over 40 years, I have devoted most of my time to forecasting business, employment, and investment conditions. I started with five employees and now have over 170 on the job. Our record has been good. And I further point out that we have said and done is recorded in public libraries. Up to the time in the Roosevelt Admistration, when we went off gold onto paper currency, we were doing something which we could measure. Moreover, there was a visible change in business which could not go on except at great risk; and a floor below which it could not go without disaster. For instance, when in 1928 we forecasted the end of 1929, it was necessary to pay 8% interest in order to borrow on the best collateral. Today with prices actually higher, these monies are available at 2.5%.

Statistics on Failures, which were one of the best barometers of impending change, were not available in 1929. In 1928 failures were 24,000, with liabilities of $500 million. Yet, today, with nearly twice as many failures, are now running at the annual rate of 8,000, with liabilities of $300 million. This, of course, is due to the Reconstruction Finance Corporation, the Federal Mortgage Bank and the various other government aids that it is necessary for a concern to fall. Therefore, statistics on failures are of little use when making forecasts.

Managed Currency is Pleasant
But Other Things Are Uncertain

The fact is that today there are no economic ceilings and no floors. Three-quarters of the subjects upon which we used to depend in making forecasts are now of little account. Of course, Washington cannot continue indefinitely the present practice of extending the Law of Action and Reaction to all the conditions of the world. Law of Gravity, and must some day result in an economic crash. On the other hand, the government can postpone such a readjustment for some years more by printing more money or more bonds. Furthermore, it will be a great temptation for any administration to adopt this - Republican or Democratic.

This next economic smash will probably be brought about by an ultimate showdown between the Congress and the labor. If such a showdown should ever occur, with a large number of industries involved, the result of such a showdown could have a real depression. All must be solved within sixty days, or one of the largest systems in the world has been shut down for 130 days. To thousands of people and to their employers and the company a million dollars a week. What would happen if a dozen of the country's largest systems were to go out of business? The situation should at least create a great national and international crisis.

How Can We Forecast?
By a study of new subjects, such as dividends and wages received, selling and advertising expenditures, and various commercial and industrial indices, it is possible to make accurate forecasts for perhaps four years if the top is right. In the next six months, I would refuse to "guesstimate" and instead attempt to tell what we believe are the basic, underlying, real economic market conditions will be for more than a year ahead, this is nonsense. Facts now exist to give proper basis for any such long-term forecasts. Some will say, "It is in the hands of the gods." I even deny this and say: "It is in the hands of Congress." If Congress should get fed up with the economy, we now have a roundabout a snowdown, and the labor leaders should be free to refuse to negotiate, a depression could come next year. The probabilities, however, are that Congress will agree to drift for some years. But the longer the crisis runs its course before a surgical operation, the more dangerous the operation will be when it finally takes place.

NYSE Exhibit At Columbia University
An exhibit depicting the activities and functions of the New York Stock Exchange opened July 14 in the main gymnasium of University Hall, Columbia University, Broadway and 116th Street, according to G. Keith Punston, President of the Stock Exchange.

One of the attractions of Columbia University's twenty-eighth Annual Educational Exhibit, the Stock Exchange display will be open to the 14,000 graduate and undergraduate students and teachers, and to the general public from 10 a.m. to 5 p.m. every day this week through Friday.

The exchange display shows that share prices have been down by over $2,000 million. In addition, share prices have been increased in the last three months by about 10%. The company is still doing a highly diversified business with nearly all its business in addition to supplying the military.

The Sales and Profit Record
In 1933, the year of incorporation, sales were barely $4 million, and net profit was $325,617. In 1939, three years later, were $154,997,000 and the net profit was $4,423,994. Of course, 1946 was the wartime high, and at the end of three more years, volume of sales has increased by over a billion dollars. In addition, new product lines have been accelerated in the last three months by about $100 million. The company is still a big job. It is the total company and has the largest and most fruitful is tremendous.

In quality and originality, the exhibit is a credit to the Federal Reserve Bank of St. Louis and the New York Stock Exchange. Each has more to do with this great national and world economy than any single other institution. The country's business is in the hands of a very small group of major institutions, and it is necessary to have an idea of what is going on in these institutions.

The exhibit is a good lesson in the process of growth, and how it has been achieved. It is a lesson in the way to get an idea of what is going on in industries, and how they are being dominated by larger and more fruitful is tremendous.

In quality and originality, the exhibit is a credit to the Federal Reserve Bank of St. Louis and the New York Stock Exchange. Each has more to do with this great national and world economy than any single other institution. The country's business is in the hands of a very small group of major institutions, and it is necessary to have an idea of what is going on in these institutions. The exhibit is a good lesson in the process of growth, and how it has been achieved. It is a lesson in the way to get an idea of what is going on in industries, and how they are being dominated by larger and more fruitful is tremendous.

The exhibit is a good lesson in the process of growth, and how it has been achieved. It is a lesson in the way to get an idea of what is going on in industries, and how they are being dominated by larger and more fruitful is tremendous.

The exhibit is a good lesson in the process of growth, and how it has been achieved. It is a lesson in the way to get an idea of what is going on in industries, and how they are being dominated by larger and more fruitful is tremendous.
LETTER TO THE EDITOR:

United Nations: A Failure!

Alden A. Potter also criticizes MacArthur keynote speech as trying to cool "cold war" by threatening to win another. Says MacArthur's "power" proposals cannot establish law and order on a global scale until the United Nations has been put on an adequate basis.

Alden A. Potter


Offering of $2,400,000 Chicago, Rock Island & Pacific RR. 2 3/4% equipment trust certificates, series B, maturing semi-annually Feb. 1, 1953 to Aug. 1, 1964, inclusive, was made on July 10 by Halsey, Stuart & Company, underwriters. Issued under the Philadelphia plan, the certificates are being offered subject to approval of the Interstate Commerce Commission and prices to yield from 1.9% to 2.975%.

The certificates are secured by 29 new standard-gauge Diesel-electric locomotives estimated to cost not less than $3,301,000. Other members of the underwriting group are—The Illinois Co., Freeman & Co.; and McMaster Hutchinson & Co.

With Harris, Upham

Robert F. Ayers has become associated with Harris, Upham & Co., 747 17th Street, Denver, Colo.—Franklin M. Vess has joined the staff of Peters, Writer & Christiansen, Inc., 724 17th Street.

With Peters, Writer

Peters, Writer & Christiansen, Inc., Denver, Colo.

This announcement is neither an offer to sell nor a solicitation of an offer to buy these securities. The offer is made only by the Prospectus.

Railroad Securities

Estimates of Car Loadings for Third Quarter

The 13 regional Shippers Advisory Boards have recently made their reports of car loadings for the third quarter of 1952. On the whole they are quite optimistic, indicating that the present 12% from the country of only 1.2% from the 25-year average as the year comes to a close. The expectations vary widely, however, in the various sections of the country. Reflecting the highly favorable grain prospects in the Trans-Missouri-Kansas region, we estimate an increase of 11.5% over a year ago in third quarter car loadings. Next comes the Pacific Coast region with an estimated increase of 8.6% and the Central Western region with an estimated rise of 3.2%.

The poorest showing is looked for in the Northwest region where it is estimated that there will be a drop of 9.4% in the third quarter traffic. The only other sizable estimate for decline is for the Ohio Valley region, 7.7%. Other sections where a falling off in traffic volume is looked for are the South Central, which has the Mid-West region and the Southwest region. In these four regions the Shippers Advisory Boards' declines are not of any great proportions. In the case of the telephone traffic increases are expected in the Alabama-Carolina, Great Lakes, and Pacific Northwest regions.

From the present vantage point it does not appear likely that traffic volume will reach the 1941 quarter as has been estimated by the National League. It is particularly true if the steel strike, the pending curtailment of iron ore by operating in the Carolinas, and the strike for any further extended period.

From the slowdown of the Advisory Board's estimates it appears that the potential of the railroads has not been given any considerable weight. It is not in the interest of the iron ore and steel tonnage that is not adversely affecting railroad traffic.

The strikes and curtailments or shut down of curtailment, of cessation, of operations, etc., is the main cause of the shortening of growth of steel.

In the present situation are those concerned the estimate for the country as a whole is for a drop of 2.5% from the 3,300,000 for the same period a year ago. Of this 2.5% in the North-West region is the one that is unrelenting.

The overall drop of the Advisory Board's estimates for the decline of 9.2% in the North-West region is the one that is unrelenting.

Harriman Ripley Offers Deere Common Shares

Harriman Ripley & Co. Incorporated and associates on July 18 offered 691,276 shares of $10 par value common stock of Deere & Co. at 32 per share.

Deere & Co., one of the largest and most diversified agricultural implement and farm tractor manufacturers, will estimate the net worth of about $28,780,000 from the Deere & Co. shares, and from the sale of $56,700,000 of 1 3/4% debenture notes scheduled to take place in about 18 months, to repay $33,000,000 of short-term bank loans; to build, extend the plant and provide additional working capital for a new chemical plant requiring $18,000,000 to $21,000,000; and to pay off $19,000,000 to the general funds of the company.

Hewitt-Robins Inc.

Notes Sold Privately

Thomas Robins, Jr., President of Hewitt-Robins Inc., announced on July 18 that the company has received a private letter of offer from the Northwestern Mutual Life Insurance Company. Proceeds have been used to repay $2,000,000 of current bank loans, reduce long-term bank indebtedness by approximately $1,000,000 and provide additional working capital. The financing was arranged by F. Eberstadt & Co. & Co.

The company's funded debt is now represented by $1,700,000 of 3½% promissory notes due Dec. 16, 1960 and the remaining $4,350,000 of 4% promissory note due July 1972.

The company has also issued to The Northwestern Mutual Life Insurance Co. a warrant to purchase an additional 10,000 shares of common stock, $5 par value, at a price of $100 per share. The warrants are exercisable at a price of $29.26 per share at any time prior to July 15, 1962, $10,000 thereof, and prior to July 15, 1964.

As a result of this financing the company's net working capital has been increased from approximately $7,200,000 to around $10,500,000.

Dewar, Robertson Opens New Branch Office

CORPORUS CHRISTI, Texas—De- war, Robertson & Pancoast, members of the San Antonio Stock Exchange, have opened a new office in Corpus Christi under the direction of Joe F. Nelson.

Harriman Ripley & Co.

Incorporated

Blyth & Co., Inc.
The First Boston Corporation

Smith, Barney & Co.

Merrill Lynch, Pierce, Fenner & Beane

Union Securities Corporation

---

Volume 76 Number 5134 . . The Commercial and Financial Chronicle

(207) 17
## Bank News

**CONSOLIDATIONS**

New Branches of New York, etc. with Headquarters in Chicago

**CAPITALIZATIONS**

- Federal Reserve Bank of St. Louis
- Chemical Bank & Trust Co.
- National City Bank

---

**News About Banks and Bankers**

**Our Report of Condition**

<table>
<thead>
<tr>
<th>Date</th>
<th>Cash and Due From Banks</th>
<th>U.S. Securities (par value or less)</th>
<th>Member of Federal Reserve</th>
<th>Total Liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30, 1932</td>
<td>$24,873,305.07</td>
<td>$6,019,003.05</td>
<td>$30,655,768.95</td>
<td>$75,438,093.87</td>
</tr>
</tbody>
</table>

**Liabilities**

<table>
<thead>
<tr>
<th>Deposit Demands</th>
<th>$85,722,006.67</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time Deposits</td>
<td>$6,070,365.45</td>
</tr>
</tbody>
</table>

**Capital Stock, Com.**

| $750,000.00   |

**Dividends and Profits**

| $1,456,114.67 |

**Capital Investment**

| $5,413,114.67 |

---

**The Commercial and Financial Chronicle**

**Thursday, July 17, 1923**

---

**The Analectic National Bank of Washington, D.C.,**

The Analectic National Bank of Washington, D.C., on the 25th day of June, 1923, sold $1,000,000 of its bonds, at par, to the First National Bank of Salt Lake City, Utah.

---

**Plans for the opening on July 7**

The Bank of America of San Francisco will open a branch at San Francisco, one at Tahoe City and the other at Tahoe Valley, recently appointed Mr. H. E. Klutznick as President of the bank. The new branches will be staffed by the thousands of vacationers, tourists and travelers who come to the area of Lake Tahoe in the Sierra Nevada of California, will remain open one year, each year. The region is buried under heavy snow in winter, and unless the services of these branches will be available to all, as in metropolitan centers, states E. A. Mattison, Executive Vice-President. At the first branches will be opened, he said, that the branches will be a convenience in serving their deposits and travelers, and that it will give them a convenient and easy place of call when traveling on cheques.

---

**Appointment of Mulk Raj Ahuja**

Mulk Raj Ahuja, prominent in international business and in the services of more than 30 years, to represent the Indian State of the Punjab in New Delhi, India, was appointed by the Government of India, Dr. Rajendra Prasad, President of the bank.

---

**The Commercial and Financial Chronicle**

**Thursday, July 17, 1923**

---

**The Analectic National Bank of Washington, D.C.,**

The Analectic National Bank of Washington, D.C., on the 25th day of June, 1923, sold $1,000,000 of its bonds, at par, to the First National Bank of Salt Lake City, Utah.

---

**Plans for the opening on July 7**

The Bank of America of San Francisco will open a branch at San Francisco, one at Tahoe City and the other at Tahoe Valley, recently appointed Mr. H. E. Klutznick as President of the bank. The new branches will be staffed by the thousands of vacationers, tourists and travelers who come to the area of Lake Tahoe in the Sierra Nevada of California, will remain open one year, each year. The region is buried under heavy snow in winter, and unless the services of these branches will be available to all, as in metropolitan centers, states E. A. Mattison, Executive Vice-President. At the first branches will be opened, he said, that the branches will be a convenience in serving their deposits and travelers, and that it will give them a convenient and easy place of call when traveling on cheques.

---

**Appointment of Mulk Raj Ahuja**

Mulk Raj Ahuja, prominent in international business and in the services of more than 30 years, to represent the Indian State of the Punjab in New Delhi, India, was appointed by the Government of India, Dr. Rajendra Prasad, President of the bank.
Taxes, Inflation and Executive Compensation

This brings us to a third type of supplemental compensation. High tax rates make it impossible for top executives to maintain, let alone increase, any substantial estate for his family or for his retirement. In recognition of this fact, Congress has given the States to certain types of plans providing for retirement benefits. By reason of these statutes alone, deferred profit-sharing is becoming an important source of deferred compensation, and a feature of many pension plans. In the absence of deferred profit-sharing and pension plans it is the receipt of income from executive stock. In recent years the market rate has grown. This trend in the price of certain of the mutual funds has been a matter of public concern. In describing the company's plans to the special committee of the board of directors, Mr. O'Brien has been associated with Draper, Sears, & Co., in connection with the New York Stock Exchange and Boston Stock Exchanges.

150,000 Shares

Seaboard Finance Company

$2.12 Convertible Preferred Stock

Per share at 10.75% stock dividends paid at 100

Price $37.50 per share

This advertisement is an offer to sell a subscription of debentures at any time and is not an offer to sell the same to any person residing in any state where the offer or sale would be unlawful.

The First Boston Corporation

Merrill Lynch, Pierce, Fenner & Beane

First National Bank of Boston

100 Federal Street, Boston, Mass.

A successful offering of $111,000,000 of Federal Intermediate Credit Banks was made on June 19 by MacDonald G. Johnston, President of the New York Federal Reserve for the banks. This consisted of $28,880,000 1.90% consolidated debentures dated July 1, 1952, and $82,005,000 3.50% consolidated debentures dated July 1, 1952, and due April 1, 1983. Of the proceeds, $77,800,000 was used to retire the like amount of debentures maturing July 1, 1952, and $34,050,000 is new money.

As of the close of business on July 1, 1952, the total amount of debentures outstanding amounted to $881,855,000.

Volume 176 Number 1214...The Commercial and Financial Chronicle

BOSTON, Mass.—Charles H. Draper, Jr., chairman of the board of the Draper Corporation, has become associated with Draper, Sears, & Co., 53 State Street, members of the New York and Boston Stock Exchanges.

With Blyth & Co. Inc.

234 East Colombo Street, PASADENA, Calif.

Bill Goodman is now connected with Blyth & Co. Inc., 234 East Colorado Street.

This advertisement is an offer to sell a subscription of debentures at any time and is not an offer to sell the same to any person residing in any state where the offer or sale would be unlawful.
Low Interest Rate Policy—A Hindrance to Savings Banks

But is the obligor defaults and the creditors come into a new set of risks which may nullify the rules and principles they should follow in using the voting power that goes with stock proxies. This is a question that deserves careful study. Indeed, instead of voting their shares of stocks so that questions of ownership may be decided or at the best time of some one else is better, it is not better to use the stock they hold.

Unusual opportunity seems to be the situation of many savings banks which, when it is their voting power to override the judgment of the management of the bank whose stock is held. This responsibility is of such size that it should be considered in the context of the widespread reaching consequences.

The leap from a creditor position to an equity position is a logical one. It is often easier to be a one-time take over. Sometimes the leap is one that is not successfully taken even after years of effort. It takes a nice sense

REPORT OF CONDITION OF Underwriters Trust Company

of 55 Broadway, N. Y., N. Y., as at June 30th, 1959, is published in accordance with a call made by the receipt of the Board of Governors of the Federal Reserve System of the State of New York.

ASSETS
Cash, balances in member banking institutions, including U.S. Government bonds, $13,700,674.04
Surplus, Premiums, Surplus and Reserve Fund, $2,543,707.34
 Loans made by Underwriters Trust Company to individual stockholders, $17,933,000.00
Liabilities to States and cities, $4,406,789.00
Vestures, $4,516,957.00
Total Assets, $45,490,642.54

LIABILITIES
Demand deposits of individuals, corporations and partnerships, $23,474,604.00
Time deposits of individuals, corporations and partnerships, $5,204,412.02
Deposits of United States and foreign governments, $28,284.23
Silent participation in Reserve Bank, $4,810.78
Deposit in Federal Reserve Bank, $4,042,977.00
Other deposits and Federal Reserve notes, $455,678.00
Other liabilities, $211,993.00
Total LIABILITIES (and a reserve of $6,590.42 for the obligations shown before), $45,303,735.49

CAPITAL ACCOUNTS
Capital of Underwriters Trust Company, $3,000,000.00
Share fund, $1,000,000.00
Total Capital Accounts, $4,000,000.00

TOTAL CAPITAL AND SURPLUS, $45,490,642.54

Bank and Insurance Stocks

By H. E. JOHNSON

This Week—Insurance Stocks

With the general stock market showing considerable strength and the share averages at or near the highest point in the past 22 years, it is good news as to how insurance stocks have been acting recently.

From the standpoint of the averages the answer seems to be that insurances have been very well for the past six months.

The Dow-Jones Industrial Average of 30 stocks started the year at 131.96 and by June 30th of this year the average declined 19 points reaching a low for the period May 1. Since that time it has been moving upward and on Tuesday, July 15, closed at 146.25 which is 11 points higher than June average or approximately 2.36%.

Sizable increase in the group average, on the other hand, started the year at 146.20. The group moved irregularly higher for the next 2½ months and then declined until the end of April in respect to the market.

From this point it has moved upward in line with the stock market and on July 19 it was 146.47 as compared with a high of 146.25 recorded June 18. Strength in the various insurance issues during the past week has almost surely pushed the average to a new high.

Nevertheless, the gains in the group so far this year amounts to 17.77 points or 12.15%. Thus, on a comparative basis, the insurance group from January up to the present has done considerably better than the general stock market.

Of course, within the insurance group all stocks have not moved uniformly but with one or two exceptions all have gone higher than the beginning of the year. A number of stocks showed sizable gains and are now close to their highs.

In the table below we present the market prices of 24 major insurance companies including the current bid price, the average for the first two months of the current year as of July 1, 1952 as shown by the New York Stock Exchange Price Adjustment Board.

Seaboard Finance Co. Ptd. Stock Offered

Public offering of a new issue of 100,000 shares of $100 par value convertible preferred stock to (no par value—minimum value $33 per share) was made on July 16 by The First Boston Corporation and Associates. The stock was priced at $37.50 per share and is convertible into 100 shares of the company's common stock. Prior to the issue the company had 85,458 shares outstanding, which were purchased for redemption the unconverted portion of the convertible preferred stock, Series B.

Proceeds from the present offering of $10,000,000 will be used for the re-duction of current indebtedness, to increase the capitalization, and to purchase in the market or in banks in order to make available to Seaboard additional funds from which the company can make lending and purchasing receivables. All the company's gross profits and the re-duction of the company's growth by the company's business through expansion and development of its own operations and the acquisition of additional offices. One of the larger companies engaged in the small loan busi-ness operates 190 offices in 24 states. For the six months ending December 31, 1953, the average reported $5,363.52 compared with $5,227,874 for the corresponding period of 1952, an upward of 3.1% per annum.

One of the best lists contains the name of Continental Casualty, a company which has been frequently mentioned lately in the context of the favorable conditions existing in the fire and casualty fields. Then, too, the company is aggressive and recently acquired the controlling stock interest in the United States Life Insurance Company. A company with a long history in New York, although United States Life is not a large company, having only $51,685,365 in admitted assets, move by Continental Casu-ality offers a new field of growth.

Of the companies listed only American Safety is lower than the point at the beginning of the year. The poor underwriting results last year in the automobile liability lines still appears to be influencing the stock market.

All of the others, which are primarily fire companies, have shown a much better market action with gains of over 10% common. With several weeks, the six months of strong statements will be issued. They will be watched to give an indication of just what the operating trends are in the various underwriting lines. The action of the stocks indicates that some improvement is taking place.

Louis B. Field Opens

SOMERVILLE, N. J.—Louis B. Field, president of the Surety Bond Company, has opened an office for the first time in New Jersey at 68 Eastern Avenue. Mr. Field has recently been with Dreyfus & Co. & Co.

Thomas A. Kranner opens

HOUSTON, Tex.—Thomas A. Kranner is engaging in the securities business under the firm name of MacFarlane & Co. at 632 Smith Street. Mr. Kranner opened an office in December in the San Antonio, Second National Bank Building under the firm name of Kranner & Co. He is formerly with Fair-Field, Upham & Co.
We shall always measure our foreign commitments so that the sums will be borne without endangering the econo-
mic health or sound finances of the United States. Stalin said that ‘the moment for the decisive blow’ would be
when the free nations were isolated and were in a state of
practical bankruptcy. Our Government shall not allow itself
to be isolated and economically strangled, and we shall not
let ourselves go bankrupt.

It is possible, by this test, if competently used, will be
more effective than vastly larger sums incompetently spent
for vague and endless purposes. We shall not try to
buy goodwill. We shall earn it by sound, constructive,
self-reliant policies and actions.

Of course, mere lip service to these ideas is a possibil-
ity, but faithful observance and effective action would, so
we think, take us a long way toward liberation from the
mores in which we now flounder.

And if only this promise is kept:

“... we shall review our entire preparedness program and
shall strip it clean of waste, lack of coordination, ineptitude and duff between the services. We shall see
that our fighting men in Korea, or wherever they may be,
shall not lack the best of weapons or other supplies or
services needed for their welfare.”

Certainly no one should know better how to proceed
than the Republican candidate for the Presidency. If he
cannot or will not undertake it, and undertake it with a
will, we are in very real fact in shackles which could well
in their turn be broken.

Take the planks having to do with monetary and rela-
ted policies. Doubtless, it could have been better, but
bona fide adherence to it as it is written would do more to
restore a salutary business climate and really service-
able financial facilities than has been done since the
debacle of 1933—and probably more than has been promised
since that fateful year! We think it worth reproduction
here in full:

“Only with a sound economy can we properly carry
out both the domestic and foreign policies which we ad-
vocate. The wanton extravagance and inflationary poli-
ces of the Administration in power have cut the value of
the dollar in half and imposed the most confiscatory taxes
in our history. These policies have made the effective
control of Government expenditures impossible. If this
Administration is left in power, it will further depreciate
the dollar, rob the wage-earner, impoverish the farmer
and reduce the true value of the savings, pensions, insurance
and retirement funds of millions of our people. Further infla-
tion must be and can be prevented. Sound tax and mone-
tary policies are essential to this end. We advocate the
following tax policies:

(1) Reduction of expenditures by the elimination of
waste, duplication and duplication between the services. We shall not
attempt to do more than balance the budget and a general tax reduction
can be made.

(2) An immediate study directed toward reallocation of
fields of taxation between the Federal, State and mu-
cipal governments so as to allow greater fiscal freedom
to the states and municipalities, thus minimizing double
taxation and enabling the various divisions of government
to meet their obligations more efficiently.

(3) A thorough revision and codification of the pres-
cent hodge-podge of internal revenue laws.

(4) Administration of the tax laws free from politics,
favoritism and corruption.

We advocate the following monetary policies:

(1) A Federal Reserve system exercising its functions in
the money and credit system without pressure for poli-
tical control from the Treasury or the White House.

(2) To restore a domestic economy, and to use our
influence for a world economy, of such stability as will per-
mit the realization of our aim of a dollar on a fully
convertible gold basis.

What strikes us as particularly heartening in this
passage is the apparent understanding and awareness of
some of the things often overlooked which are essential
prerequisites for saving the country. We hope the candi-
dates will give us further assurances on this point as the
campaign progresses.

There are other passages which are heartening. Here
are a number of them covering various aspects of public
policy:

“We are opposed to Federal compulsory health in-
surance with its crushing cost, wasteful inefficiency,
bureaucratic dead weight, and debased standards of med-
cal care. We shall support those health activities by
government which stimulate the development of adequate
hospital services without Federal interference in local
administration.”

“The tradition of popular education, tax-supported
and free to all, is strong with our people. The responsi-
bility for sustaining this system of popular education has
always rested upon the local communities and the
states. We subscribe fully to this principle.”

“We pledge a thorough reorganization of the Federal
Government in accordance with principles set forth in
the report of the Hoover Commission, which was estab-
lished by the Republican Eighty-first Congress.”

“We denounce the duplicity in submitting to Congress
for approval reorganization plans which were represented
as being in accordance with the principles of the Hoover
Commission recommendations but which in fact were
actually intended to further partisan political purposes
of the Administration in power.”

“Under public pressure, the Administration took
reluctant steps to clean house. But it was so eager to
cover up and block more revelations that its clean-up
drive launched with much fanfare ended in a fiasco.
“The Republican party pledges to put an end to cor-
ruption, to oust the crooks and grafters, to administer tax
laws fairly and impartially and to restore honest govern-
ment to the people.”

The Republican candidate has chosen so far to speak
in generalities for the most part. He has been frank to
say that his long absences from the country and his pres-
ence in Northern Ireland and occupation with military matters have left him out of
close touch with many specific issues. However, he doubt-
less has been doing a good deal of intensive study during
the past weeks, and will be obliged to continue such “house
work” in the months ahead. May he as the weeks pass give
all thoughtful people as much ground to admire his basic
commonsense as they now have to like him personally.

Dow Chemical Deb. Offer Over subscribed

Public offering of $100,000,000 Dow Chemical Co. 3½% convertible subordinated debentures dated July 1, 1952 and due July 1, 1982 was made on July 15 by a nation-wide group of 23 underwriters headed by Smith, Barney & Co. The de-

bentures are convertible at the option of the holder at a price of 101.95% to 101.93%.

 proceeds from the offering will be added to the cash funds of Dow Chemical and used, among other things, for the construction of additional facilities required in the manufacture of new products and to meet the increased demand for presently manufactured prod-

tacts. Capital expenditures during the current fiscal year ending May 31, 1954 will approximate $100,000,000 and, depending upon business conditions, a similar amount in the fiscal year ending May 31, 1955, the company esti-

mates. During the fiscal year ending May 31, 1947-1952, includ-
ing the current fiscal year, the company and its subsidiaries ag-

tulated approximately $441,000,000 from $180,427,000 in the fiscal year ended May 31, 1947 to over

$400,000,000 in the fiscal year ended May 31, 1952. For the first

10 months of the fiscal year ended May 31, 1952 consolidated sales were $330,660,000 and net income was $38,700,000.

The debentures are convertible after one year to par and prior to maturity or redemption at the following conversion prices:

$150 per share on or before July 1, 1962, $165 after July 1, 1962 to May 31, 1963, $180 after May 31, 1963, $200 after July 1, 1967 to and including July 1, 1972, $230 after July 1, 1972 to and including July 1, 1977, and at $210 thereafter.

The debentures are redeemable at the option of the company at prices ranging from 104½% to 101%, depending upon the date

of redemption.

Dow Chemical and subsidiaries manufacture a diversified line of organic and inorganic chemicals, plastics and magnesia. The products of
dow Chemical and its subsidiaries are grouped into fiv

major classifications: Industrial, chemical, plastics, magnesia,

Commonwealth Edison 3% Bonds Offered

Kuhn, Loeb & Co., Lehman, Bear, Stearns & Company, American Securities Corp., yesterday (July 16) offered.

$40,000,000 of Commonwealth Edison Co., first mortgage 3½% bonds, series O, due July 1, 1962 at 101.93% and accrued interest. These

bonds were awarded the high bid at $101.6893.

Net proceeds from the sale of the Series O Bonds will be added to working capital and ultimately applied toward the cost of
gas additions to the utility properties of the company and its subsidia-
laries during the four-year period 1952-1956. The construction pro-

gram for the companies for this period, as now scheduled, calls for the expenditure of approximately $500,000,000 for such
costs. Additions of this total, it is expected that approximately $115,000,000 will be spent in 1952, $135,000,000 in 1953, $140,000,000 in 1954 and $130,000,000 in 1955.

Optional redemption of the bonds may be made at redemption prices from 106% to par.

Commonwealth Edison Co. and its subsidiaries serve an area cover-
ing approximately 11,000 square miles and an estimated populat-

ion of 2,500,000 in northeastern Illinois.

1962; $165
1952; $160
1954; $140,000,000
1955; $130,000,000
$210.00
$330,660,000
$38,700,000
104½%
101%
CANADIAN SECURITIES

By WILLIAM J. MCKAY

On July 7, Independence Day, the dollar was quoted in terms of the U.S. dollar above $1.0416/1, a record peak since 1917. This development followed the U.S. abandonment of G. W. Warren’s dollar rate at $1.05. The exchange rate has since fallen, but volatility still seems evident. There appears to be considerable concern on the part of investors. Certain banks and at this time unless currency speculation continues, the market value of Canadian currency will have an adverse effect on Canadian tourist trade and Canadian exports. In fact, Finance Minister Abbott has already told the Canadian Parliament that the time may come when, with the exchange value of the Dominion dollar may again be controlled, Mr. Abbott’s statement was by way of a comment upon the purposes of a bill which has been given final approval by the House of Commons, which establishes the Canadian Government’s right to issue gold coinage under the conditions of a controlled Canadian dollar.

The aspect which repeats the now so-called Foreign Exchange Control Act is the essential provisions of the Ex-Change Act of 1935, which is an essential part of the United States Gold Reserve Act of 1934. The usual demand for Canadian dollars has resulted from two quarters of investment in excess of Canadian securities by Americans and other foreigners in Canadian industries, and the claims of Canadian overseas accounts.

The U.S. investors are buying Canadian securities heavily as demonstrated by the recent formation of a domestic Canadian company operating in Canadian securities. The U.S. has invested more than 87 million Canadian dollars in stocks. The Canadian Government has a 100,000 shares of the Canadian Government, and a further $100,000 of the Canadian Government. The Canadian Government has reported that the short period since its formation, for a brief period, a profit of $1,000,000 on the sale of 100,000 shares of the Canadian Government, and $1,000,000 of the shares of the Canadian Government and associated with the U.S. public on July 15.

The Canadian exports of silver in the recent period have increased, and Canadian dollars are being used as foreign foreign trade. The export trade has shown a sharp expansion in Canadian export shipments which carried the total up to a time high of $350,000,000, bringing in the first year import surplus in nine years.

Imports during May rose to a point more than the estimated, thus exceeding exports by $2,300,000. The next period is expected to show an excess surplus.

The United States is the world’s largest market for Canadian products, with a value of about $200,000,000 in sales of United States dollars falling between the May, 1931, figure of $211,000,000.

As a result of this change in Canadian exports, the proportion absorbed by the United States has increased from 64.3% a year earlier.

In the period of United King- dom’s dollar trouble, Canadian exports rose to $800,000,000 in May, almost double last May’s figure of $478,000,000.

The trend toward international export expansion continues to be expected in the country, according to the Canadian Export Trade Board.

(1) The price of industrial ma-chinery, equipment and other capital goods will average higher than the year ago.

(2) Exports of consumer goods to the United Kingdom and other overseas countries, sales of $230,000,000, are falling in the United States, and the May, 1931, figure of $211,000,000.

(3) The proportion of capital goods to consumer goods, like other industries, has increased.

(4) Public and private capital investment, the money spent by private firms and the expansion of services and production facilities, will reach a peak of $81,000,000, despite declines in the development of new housing.

(5) Lending and wholesale and retail trade, forestry and commercial services.

The investment trend is one of the keys to Canadian prosperity and the indication of the future of Canadian revenue, which is being maintained in Canada.

D. C. Holmes, a professor of Banking and Finance, a member of the Board of Directors of the Royal Bank of Canada, has for several years been manager of the Canadian Bank for North America, and has been a subcommittee for King Merritt, Inc.

CANADIAN STOCKS

A. E. Ames & Co.

INCORPORATED

Two Wall Street
New York, N. Y.

WRT 6430 NY 1-048

Fifty Congress Street
Boston, Mass.

Hudson’s Bay Company

This company, incorporated on May 21, 1821, is probably the oldest retail company in the world. Because of its colonial development in the far west, its growth has been in more domestic and western Canada. In recent years, it has been profitable, and its earnings have increased. It is likely that the company will continue to be profitable.

Inquiries Invited

Incorporated

Investment Securities

601 East James Street, W. L. Mehl Jr., P. O.

Telephone University 6-2453

Kippen & Company, Inc.

Assistant for FRASER

The Commercial and Financial Chronicle . . . Thursday, July 15, 1932
of the Senate doing so provided the American people stand on guard against it. The American people must and will remember that any treaty which the Senate cannot change our Constitution and it is up to the people to decide whether this is a change they want to make.

In conclusion I remind you of the principle that "Every country has the power to do as it pleases in its own country and that in this country the government is self-governed." It is not the government but the people who are in power until the individual is not as well off as the government.

Commendations on "UN—Why It Is Doomed to Fail"

W. C. MULLENDORF President, Southern California Edison Co., in a hearty approval of Mr. Robertson's article, "The United Nations-Why It Is Doomed to Fail," has said: "I have long been convinced that the United Nations is far more useful to the world as an independent power than as an organization. I feel certain that we have weakened the very thing we needed to help other nations since we have been assuming their burdens and I am even more certain that they have jeopardized our own individual strength. The strength of the United States, in fact, is the strength of the people of the United States, and, if we build up a united interest on the part of our own citizens in the continuance of this international program through which we have expressed our "inflation prospect," we can do it.

ANDREW FLETCHER President, St. Joseph Lead Co. In reading Mr. Robertson's article on the United Nations, I am certain of the deep interest and, I must confess, with great sympathy for the fundamental view of the doctrine held by the Tennessee two which is at variance with the views held by the Tennessee majority. It was reported that the $200,000,000 contribution came from the Dolembour Trust but the report was based on a similar amount last year and continues to hold $200,000,000.

Harry Faeth, Jr. Now Major of Milwaukee

Harry W. Faeth, Jr., on military leave from his position as assistant manager of the bond department of the Doblin Trust Co., was recently promoted to the rank of Major in the United States Marine Corps. He is a native of Milwaukee and a graduate of the University of Wisconsin. He was graduated from the United States Military Academy in 1932 and served in the Corps of Engineers in the Pacific Theater of Operations. He has a law degree from the University of Wisconsin and a degree in mechanical engineering from the Massachusetts Institute of Technology.

With Investment Service (A MEMBER OF THE AMERICAN CHAMBER OF COMMERCE)

DENVER, COLO., July 31—W. W. Johnson and Bernard R. Hiltas, principals, have added Henry E. Garrett to the firm.

MILLER & GEORGE ADMIT: PROVIDENCE, R. I.— Miller & George, Hospital Trust Co., from which they had admitted to the firm.

First Ft. Worth Securities

The First National Bank of Fort Worth Securities Company has been formed with offices in the W. T. Waggoner building and is engaged in the securities business. The Mr. Miller is a principal in the firm.

Edwin L. Hillson

Edwin L. Hillson, partner in the Fort Worth, passed away at his home in Los Angeles, Calif., on July 31, 1960.

Joins First California

(From The Financial Chronicle)

LOS ANGELES, Calif.—William E. Eichhold is with First California Securities Company, 414 South Spring Street.
Mutual Fund Notes

A NEW MUTUAL FUND, whose purpose will consist exclusively of common stocks for legal and trust fund investment in the District of Columbia and $400,000 in annual registration process with the Securities and Exchange Commission this week. The new investment company, which will be known as the Washington Mutual Investors Fund, has contracted for the Capital Research and Management Company to manage the fund.

SUITABILITY OF MUTUAL FUNDS

Mutual Fund Notes

American Mutual Fund and Pac-
If American Investors, and this
which this company is already
fund is providing for the administra-
throughout its facilities rather
than by establishing alter-
has entered into a contract
investment firm of Johnston,

Fundamental Investors, Inc.
Manhattan Bond Fund, Inc.
Diversified Investment Fund
Diversified Common Stock Fund

PROSPECTUSES AVAILABLE ON THESE MUTUAL FUNDS FROM YOUR LOCAL INVESTMENT DEALER, OR
HUGH W. LONG AND COMPANY

Investment

Mutual Funds

By ROBERT E. RICH

Mutual Fund Assets at Record Peaks

Total assets of 120 American mutual funds crossed the three- and-one-half billion dollar mark during the second quarter of this year and on June 30 registered a new high record of $3,510,563,000, while industry leaders have moved up an additional $2,000,000 in the last six months.

On unit sales of less than $10,

Common Stock...Fund...

Funds

Bond...


to 1

$10,000, the sales charge will be 3%

Chairman of the Board, President and

Common stock, $10,000, and

1.17

2.62%

1.59

1.82

1.93

2.32%

1.82

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93

2.56

1.93
How Near Is Business to the Crest?

business will turn down about the middle of 1953.

(1) The outlook for the remain-
der part of the year. Military expenditures are a crowding out tendency, as reported retail sales indicate. The money supply is high and is likely to remain there. It is true that some of the major defense projects are nearing completion, but the residential construction is already nearing record levels. 

If now faces the eating off of material reserves, and of Regulation X, the virtual cessation of new investment controls on Sept. 30 in all but a few areas, and a tremendous outpouring from Congress for Fannie Mae. In addition, there has been a response to our military aid to Europe program were running at an unprecedented $7.5 billion rate in May.

Retail sales are picking up rapidly. In May they reached a high of $133.5 billion, 4% over April, and 4% over May, 1952. Consumers are back in the market, especially for cars. Checking accounts outside New York state are down even to the fastest rate in 11 months.

In addition the Congress has been working on a number of characteristic of years divisible by four. Consumers who feel they must buy on time and in part due to a suspension of installment controls under the act, have voted their top prices support. 

Pensions were raised for 1953. Korean veterans were given extended benefits. Bankers were granted permission to take on the Credibility Restriction Program. Price control extensions are being given with the implied promise of burling by the administration. All in all, complete removal of excess taxes in 1953 and reduction of income taxes was raised before camp-

Bellamy's coalition, the conservative Taft-Bryd coalition that has in fact governed this country this past all-time.

Comparison of Budget Figures and Receipts

Actual: Fiscal Year 1951 and 1952

| Estimate: Fiscal Year 1953 | 
|---------------------------|-----------------------------|
| (Billions of Dollars)     |                            |

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Receipts</th>
<th>Expenditures</th>
<th>Surplus/Deficit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1951</td>
<td>$24.1</td>
<td>$28.2</td>
<td>-$4.1</td>
</tr>
<tr>
<td>1952</td>
<td>$29.3</td>
<td>$33.9</td>
<td>-$4.6</td>
</tr>
<tr>
<td>1953</td>
<td>$33.0</td>
<td>$37.5</td>
<td>-$4.5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CLASSIFICATION</th>
<th>1951</th>
<th>1952</th>
<th>1953</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct taxes</td>
<td>$24.1</td>
<td>$29.3</td>
<td>$33.0</td>
</tr>
<tr>
<td>Excise</td>
<td>8.7</td>
<td>9.0</td>
<td>9.6</td>
</tr>
<tr>
<td>Employment tax</td>
<td>0.9</td>
<td>1.3</td>
<td>1.1</td>
</tr>
<tr>
<td>Customs</td>
<td>0.6</td>
<td>0.6</td>
<td>0.6</td>
</tr>
<tr>
<td>Military aid</td>
<td>1.6</td>
<td>1.8</td>
<td>1.7</td>
</tr>
<tr>
<td>Less: Refunds</td>
<td>-2.5</td>
<td>-2.5</td>
<td>-2.5</td>
</tr>
<tr>
<td>Total admin. budget receipts</td>
<td>$48.1</td>
<td>$62.1</td>
<td>$70.0</td>
</tr>
<tr>
<td>Expenditures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Military</td>
<td>$18.0</td>
<td>$19.3</td>
<td>$22.5</td>
</tr>
<tr>
<td>International</td>
<td>5.3</td>
<td>6.0</td>
<td>6.1</td>
</tr>
<tr>
<td>Agriculture</td>
<td>4.7</td>
<td>5.0</td>
<td>6.0</td>
</tr>
<tr>
<td>Other</td>
<td>1.9</td>
<td>1.9</td>
<td>1.9</td>
</tr>
<tr>
<td>Veterans' services</td>
<td>5.3</td>
<td>4.9</td>
<td>4.1</td>
</tr>
<tr>
<td>Total defense and war-connected</td>
<td>$37.3</td>
<td>$37.4</td>
<td>$42.5</td>
</tr>
<tr>
<td>Non-defense</td>
<td>$25.8</td>
<td>$26.7</td>
<td>$27.5</td>
</tr>
<tr>
<td>Total admin. budget expenditures</td>
<td>$63.1</td>
<td>$64.1</td>
<td>$69.5</td>
</tr>
<tr>
<td>Administrative budget</td>
<td>surplus (+) def. (-)</td>
<td>$3.5</td>
<td>-$4.0</td>
</tr>
</tbody>
</table>

CONSOLIDATED CASH BUDGET SUMMARY

Cash receipts from the public... $37.3... $37.4... $42.5
Cash payments to the public... $30.9... $32.9... $35.9
Cash budget: surplus (+) def. (-) | $6.4 | -0.5 | -0.9 |

*Functional classifications of Daily Treasury Payment statements. Based upon large Congress. Inconsistencies exist in cash def leak statements as presently apparent. Expenditures could be larger.

ALL OF THESE SHARES HAVING BEEN PUBLICLY SOLD, THIS ADVERTISEMENT APPEARS AS A MATTER OF RECORD ONLY.

These Securities are offered as a speculation

300 Shares

Sooner State Oil Co., Inc.

(A Delaware Corporation)

Common Stock

Price: $1.00 per Share

The financing of this issue has been arranged through the undersigned

Israel & Company

MEMBERS NATIONAL ASSOCIATION SECURITIES DEALERS

111 Broadway

New York, N. Y.

DIGBY 3-4815-5-67

Continued on page 26
How Near Is Business to the Crest?

outlays for defense ($61.0 billion). For the government to succeed in increasing the physical volume of defense goods by outbidding businesses and consumers seems, therefore, dubious.

In fact, such government action. In the absence of tight, price and control pressures on business investment and consumption, instead of providing the much more defense goods, the government's policy has so far deterred the payment of higher prices and also the assurance of the efficient allocation of resources. The new Congress will be even more independent and skeptical toward government spending. It will take the program of the Committee for Economic Development as its initial blueprint for cutting the military and defense expenses by rigorous screening, unified procurement, use of cheaper materials and sources of supply, elimination of redundancies, etc.

III

What Will Consumers Do Next?

1) Will They Spend More?

In the not-so-old days when this country was less prosperous, it was thought that consumers in general spent about all they had. Consumption was considered a waste of resources.

Now that consumers own more than in the past, they demand that they have a larger share of their incomes in order to support the concept of living standards. They expect more of their money to go for the purchase of goods and services. This expectation is, of course, a function of their income, the prices of goods and services, and their expectations of future income, prices, and other matters.

Under these circumstances, particularly since this economy may be less prosperous than in the past, the question of the consumer's behavior is doubly important under conditions that the country is still in the process of recovery.

The Congress, in its report on military matters, is now considering the cutting down military and defense expenses with a view to reducing the amount of the budgetary deficit.

In 1950 widespread inventory jitters on the part of purchasing agents failed to bring about a tail-off in spending. Large surplus in the inventory caused the consumer to spend even more on goods and services.

In 1950, when the economy was at a low, the WAVES buying brought sharp deflation. In a similar situation, the WAVES buying was greater. The WAVES buying was greater. The poor reports of expectations, the widening opportunities to vary goods and services, and the multiplication of sources that play on consumer plans for spending and saving have made the consumer an ever more important factor in the economic down-

Down-

Market for housing, for example, is surely rising. The rapid rise in the price of new homes, the increase in the number of new houses sold, and the increase in the number of new houses under construction, are all indications of a trend towards more housing in the future.

The trend towards more housing is being accentuated by a number of factors. The increase in the number of new houses sold, the increase in the number of new houses under construction, and the increase in the number of new houses under construction, are all indications of a trend towards more housing in the future.

The trend towards more housing is being accentuated by a number of factors. The increase in the number of new houses sold, the increase in the number of new houses under construction, and the increase in the number of new houses under construction, are all indications of a trend towards more housing in the future.

The trend towards more housing is being accentuated by a number of factors. The increase in the number of new houses sold, the increase in the number of new houses under construction, and the increase in the number of new houses under construction, are all indications of a trend towards more housing in the future.

The trend towards more housing is being accentuated by a number of factors. The increase in the number of new houses sold, the increase in the number of new houses under construction, and the increase in the number of new houses under construction, are all indications of a trend towards more housing in the future.

The trend towards more housing is being accentuated by a number of factors. The increase in the number of new houses sold, the increase in the number of new houses under construction, and the increase in the number of new houses under construction, are all indications of a trend towards more housing in the future.

The trend towards more housing is being accentuated by a number of factors. The increase in the number of new houses sold, the increase in the number of new houses under construction, and the increase in the number of new houses under construction, are all indications of a trend towards more housing in the future.

The trend towards more housing is being accentuated by a number of factors. The increase in the number of new houses sold, the increase in the number of new houses under construction, and the increase in the number of new houses under construction, are all indications of a trend towards more housing in the future.

The trend towards more housing is being accentuated by a number of factors. The increase in the number of new houses sold, the increase in the number of new houses under construction, and the increase in the number of new houses under construction, are all indications of a trend towards more housing in the future.

The trend towards more housing is being accentuated by a number of factors. The increase in the number of new houses sold, the increase in the number of new houses under construction, and the increase in the number of new houses under construction, are all indications of a trend towards more housing in the future.

The trend towards more housing is being accentuated by a number of factors. The increase in the number of new houses sold, the increase in the number of new houses under construction, and the increase in the number of new houses under construction, are all indications of a trend towards more housing in the future.

The trend towards more housing is being accentuated by a number of factors. The increase in the number of new houses sold, the increase in the number of new houses under construction, and the increase in the number of new houses under construction, are all indications of a trend towards more housing in the future.

The trend towards more housing is being accentuated by a number of factors. The increase in the number of new houses sold, the increase in the number of new houses under construction, and the increase in the number of new houses under construction, are all indications of a trend towards more housing in the future.
Federal Reserve Bank of St. Louis
Digitized for FRASER

The State of Trade and Industry

Ward's, it estimates that only 150,000 cars and 25,000 trucks and tractors were sold in the current week. This means that only 35% of the total number of 488,000 cars and trucks made in June.

Steel Industry Continues for Seventh Consecutive Week

The steel strike may not make it as difficult to get steel as you might think. The number of strike-affected Southern steel works has been reduced to two.

Breen Offers Trans-Canada Pat. Shares

Offering of 500,000 common shares of Trans-Canada Petroleum Ltd. was made on July 15 by Comstock Syndicate at $15 per share.

Sooner State Oil Sk."n. Offering Completed

The recent offering "as a speculation" of 100,000 shares of Sooner Oil Co., Inc., common stock at $10 per share, was completed, all of these shares having been sold. The offer was arranged through Israel & Co., New York.

Sooner Oil Co., which was organized May 29, 1932, in Delaware, was designed to "try" to find oil in Lincoln County, Okla., to equip a well and for working capital.

Building Business

Commercial and industrial failures rose to 156 in the week ended July 10 from 131 in the preceding week, Dun & Bradstreet, Inc., disclosing. This is a decrease of 21.3% from the record level of 172, they remained 43% below the prewar total of 272 in the week ended August 4, 1918.

The index of United States business and its chief function is to show the general trend of food prices at the wholesale level.

Wholesale Price Index Rises to Highest Level for Seven Months

Since March 18, Last

Basing sharply for the second consecutive week, the wholesale food price index compiled by Dunn & Bradstreet, Inc., reached 86.75 this week. Last week's index was 86.54. The week's rise amounted to 0.6% from the 86.54 level of July 11, 1932, when it stood at 86.90.

The index represents the sum total of the wholesale prices of commodities and it's change in the index is a measure of the general trend of wholesale prices during the week.

Wholesale Commodity Price Level Holds Generally

Unchanged From Week Ago

The record decline in wholesale commodity prices was halted last week. The past six weeks' low for the current crop would amount to a wholesale commodity price index of 290.43, compared with 290.21 of a week ago and 306.84 for the corresponding period of the week the index touched the lowest level in nearly 21 months.

The long holiday weekend reduced trading sharply in many markets.

Grain prices moved within a narrow range last week, but were generally firm. The outlook for wheat is bright. The anticipated record crops remains, however, and the weakness in the price structure is likely to continue. It was expected that the amount of wheat delivered for government purchase will exceed the previous totals since the beginning of the program in 1938. The substantial rise in the price of wheat for export to foreign markets. While the weather in recent weeks was quite beneficial to the growing of the wheat, it had rather adverse effects on the development of oats and corn.

The prices of oats and rye continued to gain some firmness and under most commodities were above the levels of a year ago.

The crop was estimated as being the smallest in nearly 20 years. The demand for this crop will be created after a still small crop is harvested in the fall.

The prices of cotton and cottonseed oil and cottonseed meal showed prices broken noticeably, but soon covered. Lambs were steady and sheep mark the cotton markets last week as buyers for those products failed to press the market.

Deficit, the cotton acreage planted at Chicago as accumulations of cotton entered the market after the holiday.

Supplies of cottonseed oil and cottonseed meal were plentiful. The current market agreed to the fact that the holiday did not occur in the corresponding week a year ago.

The long holiday weekend and widespread vacations were instrumental in reducing trading activity during the week ending last week held at about the level of the prior week, Post-holiday steel and metal trades were about those of current levels.

Trade Volume Sustained at Previous Week's Level

Although many stores were closed for the long holiday weekend, the overall volume of retail sales was not curtailed to the extent of the previous week's level.

Retail sales in the week was estimated by Dun & Bradstreet to be from 1% below to 3% above that of a year ago.

The aggregate dollar volume of wholesale sales of the 215 stores in the survey was with a year earlier and approximately 10% below the all-time high sustained in the first few months of 1932.

Department store sales on a countrywide basis, as taken from the Federal Reserve Board's index for the week ended July 5, 1932, rose 4% above the like period of last year. For the four weeks ended July 5, 1932, department store sales registered 10% above the corresponding period of the pre-previous year.

Retail trade volume in New York last week was 7% below the like period of 1931, Comparison with a year ago shows up unusually favorable for the current level of the scale promotion sale held in that period by a Manhattan store.

According to the Board's index, department store sales in New York City for the week ended July 5, 1932, decreased 6% below the like period of last year, In the preceding week, the index showed 3% above the like period of the similar week of 1931, while for the four weeks ended July 5, 1932, department store sales registered 3% above the corresponding period of the like period of the year ago.

For the period Jan. 1 to July 5, 1932, department store sales registered a decline of 15% below the like period of the year before.
The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or, in cases of quotients, are as of that date:

### Indicators of Current Business Activity

<table>
<thead>
<tr>
<th>Latest Month</th>
<th>Previous Month</th>
<th>Month Ago</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>15.1</td>
<td>15.4</td>
<td>14.2</td>
<td>13.1</td>
</tr>
</tbody>
</table>

#### Building Construction

#### Agriculture

#### International Trade

#### Indicators of Business Indicators

#### Indicators of Business Indicators

#### Manufacturing

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade

#### National Board of Trade
Securities Now in Registration

NEW ISSUE CALENDAR

July 21, 1952
Pabco Development, Inc., San Diego, Calif. (Allen & Co.)

July 22, 1952
Bryan Merv Truett Company, Inc. (Listed, Russell & Meade)

Deco Records, Inc., Los Angeles, Calif. (Reynolds & Co. and Lawrence M. Marks & Co.)

Gulf States Utilities Co. (Preference)

Hammerich, Schlenker & Co., Chicago, Ill. (J. Frankel & Co.)

July 23, 1952
Byrd Oil Co. (Dallas Bugg & Bieby, Dallas, Texas; E. L. B. Bier & Mcdowell, Debeartures (Harriman Ripley & Co., Inc.)

Leitz (L.), Inc., New York, N. Y. (Biddle & Co.)

July 24, 1952
Blue Ridge Natural Gas & Oil Corp. (Common)

Suzanne Packing Corp, of Pa., Shipping & Debeartures (Henderson, Slone & Co., Inc.)

July 28, 1952
Duquesne Natural Gas Co., Pittsburgh, Pa. (Storrs & Co., Toumey & Co. and C. G. Williams & Co., Inc.)


Russell (P. C.), Inc., New York, N. Y. (McNamara & Co.)

July 30, 1952


August 4, 1952

August 5, 1952
Cheesapeake & Ohio Railway Co. (Equity Trust Cis.)

Pennsylvania Electric Co., Pittsburgh, Pa. (Common) (Bids of $30 bid)

August 11, 1952
Mountain States Power Co., Washington, D. C. (Bull to be received)

September 8, 1952
Texas Gas & Electric Co., Houston, Tex. (Bull to be received)

September 9, 1952
Arkansas Power & Light Co., Little Rock, Ark. (Bonds to be issued)

To two selling stockholders. Underwriter — Scherr, Richter, Co., St. Louis, Mo.

Beaver Lodge Corp., Dallas, Tex. (July 9 (letter of notification) 50,000 shares of common stock (par $1). Price—$3.50 per share. Proceeds—To develop holdings in San Juan Basin, N. M. Office—319 Martirrante Commerce Bldg, Dallas, Tex. Underwriters— Harold S. Stewart & Co., El Paso, Tex., and Garrett & Co., Dallas, Tex.)


Byrd Oil Co., Dallas, Texas (7/23) June 24 filed 180,000 shares of common stock (par $25 cents) of which 100,000 will be for company to be offered for subscription by stockholders at $15 per share. Proceeds—For working capital. Office—Dallas, Texas.


Cinco Oil Co., Houston, Tex. July 11 (letter of notification) 15,250 shares of common stock (par $1) to be offered for subscription by stockholders at rate of 90 to 100 shares for a share held. Price—$5 per share. Proceeds—To retire indebtedness and pay dividends. Office—Mansfield Plant, Fort Worth, Texas. Underwriter—None.


Cincin Color Corp., Burbank, Calif. May 9 filed $420,350 of five-year 5% subordinated sub¬ debentures due May 1, 1965 (with common stock purchase warrants attached) to be offered for sub¬ scriptio by common stockholders at rate of $15 for each debenture for each common share held. Price—At par. Proceeds—To purchase air control of Cinco¬ color (Great Britain), Ltd. and for working capital. Business—Two-color film process. Underwriter—None. Warrants—Will allow holder to buy one share of common stock at par on $1 per share. They are exercisable to May 1, 1962.

Citizens Credit Corp., Washington, D. C. April 10 (letter of notification) $125,000 of 6% sub¬ debentures due Aug. 1, 1967, with warrants attached to purchase 3,750 shares of class A common stock at $15 per share at any time prior to Aug. 1, 1967. Price—At par and accrued interest. Proceeds—To acquire loan offices and subsidiaries. Office—Citizens Credit Corp., Washington, D. C.


Conlon-Moore Corp., Chicago, I1l. July 3 (letter of notification) more than $300,000 of presently outstanding debentures due Jan. 1, 1963, to be offered to extend maturity Oct. 1, 1962, and thereby increase the 3% coupon rate. Price—$36 per $100 par. Proceeds—To pay call on common stock, if required. Office—New York, N. Y.

Conti Oil Co., Houston, Tex. May 14 filed 28,000,000 of interests in The Thrift Plan for employees of this company, together with 490,000 shares of capital stock (par $5) purchasable under certain plans. Underwriter—None.

Corvetawtaining, Inc., Amityville, N. Y. July 9 (letter of notification) 10,000 shares of common stock (par $1) to be sold by the president of the common stockholders of record March 31, 1952, at rates of two shares for $25 per share. Proceeds—To pay call Aug. 15. Price—To stockholders, $8 per share; to public, $10 per share. Proceeds—For working capital. Office—Zahar & Co., New York, N. Y.


Deardorf Oil Corp., Oklahoma City, Okla. April 14 (letter of notification) 2,000,000 shares of common stock. Price—At par (10 cents per share). Proceeds—For working capital. Office—219 Fidelity Bldg, Oklaho¬ ma City, Okla. Underwriter—None.

Decomet, Inc., Chicago, Ill. July 2 filed 128,600 shares of capital stock (par 50 cents) to be offered for subscription by stockholders of record July 22 at rate of one share for each five shares held; rights to expire on Aug. 8. Price—To be supplied by amendment. Proceeds—To increase working interest in Universal Pictures Corp, Inc. Underwriters—Reynolds & Co. and Lawrence M. Marks & Co., both of New York.

D. C. Industries, Inc., Atlanta, Ga. July 27 (letter of notification) 10,000 shares of common stock (par $10) will be offered for subscription by stockholders of record at the rate of $7.50 per share. Price—At par. Proceeds—To increase working interest in D. C. Industries, Inc., Atlanta, Ga.
Continued from page 29


Deeprock Packing Co., Port Jervis, N. Y. Marketing committee (letter of notification) $200,000 of common stock at par (price $3 per share). Proceeds—To refund RFC loan of $41,000 and for working capital.


Devil's Peak Uranium, Ltd., (New) April 26 filed 100,000 shares of common stock (par one cent). Proceeds—For acquisition of aircraft and for working capital. Underwriter—Vickers, Inc., Columbus, Neb.

$ Duquesne Gas & Coke Co. (7/28-4) May 20 (letter of notification) a maximum of 92,784 shares of common stock (par $1) to be offered for subscription by stockholders of record May 22 in an amount equal to 50% of their holdings. Proceeds—For working capital. Office—360 Glenwood Ave., East Orange, N. J.

Eastern Stainless Steel Corp., Baltimore, Md. April 7 (letter of notification) 4,000 shares of common stock (par $1). Proceeds—For equipment and expansion program. Underwriter—None.

Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par $1) to be offered in exchange for outstanding preferred stock. Proceeds—For equipment and for working capital. Underwriter—McLaughlin, Neus & Co., Cleveland, Ohio (5)

$ Drug Products Co., Inc., New York \(\ldots\) June 14 filed 22,900,000 shares of common stock to be offered for subscription by stockholders of record June 21 in an amount equal to 50% of their holdings. Proceeds—For working capital. Office—360 Glenwood Ave., East Orange, N. J.

$ Duquesne Gas & Coke Co. (7/28-4) May 20 (letter of notification) a maximum of 92,784 shares of common stock (par $1) to be offered for subscription by stockholders of record May 22 in an amount equal to 50% of their holdings. Proceeds—For working capital. Office—360 Glenwood Ave., East Orange, N. J.

$ Duquesne Gas & Coke Co. (7/28-4) May 20 (letter of notification) a maximum of 92,784 shares of common stock (par $1) to be offered for subscription by stockholders of record May 22 in an amount equal to 50% of their holdings. Proceeds—For working capital. Office—360 Glenwood Ave., East Orange, N. J.


$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.

$ Electric Furnace Co., Salem, Ohio June 8 (letter of notification) 4,000 shares of common stock (par one cent). Proceeds—For equipment and for working capital. Underwriter—None.
No matter how you look at it...
**American President Lines, Inc.:**

June 16 it was reported that Canadian President Line is establishing a Canadian National Bank, Washington, D. C., will advertise for bids within 90 days for the sale of 250,000 shares of its common stock, each valued at $100. Proceeds—To be divided equally between the two parties. Underwriters—In addition to the sale of $100,000,000 in common stock, the plan includes the sale of $25,000,000 in preferred stock. Registration—Expected within the next two months.

**Arkansas Power & Light Co. (9/9):**


**Atlantic City Electric Co.:**

April 26 it was announced company may sell about $18,000,000 of common stock at an up price of $25,000,000. Proceeds—For drilling and exploration costs. Registration—In expected in near future. Underwriter—Lehman Bros., Philadelphia.

**California Electric Power Co.:**

May 28 it was announced company is selling $7,500,000 of common stock at $1,000,000, and $3,500,000 of preferred stock at $650,000 per share. Proceeds—To be used for expansion program. Underwriters—To be determined by competitive bidding. Probable bidder: Halsey, Stuart & Co.; Inland Securities Corp., and Central Reproduction Corp., New York.

**Sanfu Oil Co., Ltd. (Canada):**

May 6 it was reported company plans to issue and sell about $20,000,000 of common stock at $2,000,000. Proceeds—For construction program. Underwriters—To be determined by competitive bidding. Probable bidder: Halsey, Stuart & Co.; Inland Securities Corp., and Central Reproduction Corp., New York.

**Lincoln Electric Co.:**

March 16 it was announced company may issue and sell about $15,000,000 of common stock at $1,000,000. Proceeds—To be used for expansion program. Underwriter—Lehman Bros., Philadelphia.

**Carolina Gas & Electric Co.:**

July 5 it was announced company is planning to issue and sell about $5,000,000 of 1-year debentures and $800,000 common stock. Proceed—Traditional Underwriter—R. S. Dickson & Co., Charlotte.

**Central Hudson Gas & Electric Corp.:**

March 4 it was reported company plans to sell this Fall an additional $10,000,000 of common stock. Proceed—To be determined by competitive bidding. Probable bidder: Halsey, Stuart & Co.; Inland Securities Corp., and Central Reproduction Corp., New York.

**Central Maine Power Co.:**


** Chesapeake & Ohio Ry. (8/5):**

July 2 company announced plans to issue and sell about $25,000,000 of 12-month, 250,000 shares at $100 to $105 per share. Proceed—For expansion program. Underwriter—H. M. Byrde, New York.

**Cincinnati Enquirer, Inc.:**

June 5 this corporation was formed to take over the Cin¬cinnati Enquirer for the sum of $7,000,000, of which $4,000,000 will be raised through the sale of the bonds and by issuance of $3,000,000 of preferred stock. Proceed—To be determined by competitive bidding. Probable bidder: Halsey, Stuart & Co.; Inland Securities Corp., and Central Reproduction Corp., New York.

**Cleveland Hathaway, Inc.:**

June 16, Richard L. Rosenthal announced that company anticipate raising $20,000,000 through a public offering in 1952, and that it was planned that this would be used to finance mortgage bonds and debentures. No common stock fi¬nance was anticipated.

**Columbus & Southern Ohio Electric Co.:**

April 26 it was announced company expects to enter the permanent financing market about the middle of 1952, with $25,000,000 of common stock at less than 200,000 shares of common stock. Proceed—For construction program. Underwriter—Dillon Read & Co., New York.

**Connecticut Light & Power Co.:**

March 16 it was announced company plans to issue and sell about $5,000,000 of common stock at par. Proceed—To be determined by competitive bidding. Probable bidder: Halsey, Stuart & Co.; Inland Securities Corp., and Central Reproduction Corp., New York.

**Consolidated Gas, Electric Light & Power Co. of Connecticut: **

Dec. 24 it was stated that company plans to issue and sell both stocks and bonds during the first half of 1952. Underwriters—To be determined by competitive bidding. Probable bidder: Halsey, Stuart & Co.; Inland Securities Corp., and Central Reproduction Corp., New York.

**Associated Telephone Co., Ltd. (Calif.):**

June 9 it was reported company may issue and sell about $20,000,000 of preferred stock at $1,000,000. Proceed—To be determined by competitive bidding. Probable bidder: Halsey, Stuart & Co.; Inland Securities Corp., and Central Reproduction Corp., New York.

**Dillon Read & Co., New York: **

April 10, 1952, President, announced that the company's present plans consist of the sale this summer of about 10,000,000 preferred stocks of common stock (par $5). Underwriter—Barham & Cleveland, Coral Gables, Fla.

**Kansas City Power & Light Co.:**

Jan. 16 it was announced company plans to issue and sell about $12,000,000 principal amount first mortgage bonds at an up price of $20,000,000. Proceed—For bonds to be determined by competitive bidding. Probable bidder: Halsey, Stuart & Co.; Inland Securities Corp., and Central Reproduction Corp., New York.

**Lake Shore Gas Co., Ashtabula, Ohio:**

June 11 company received permission of the Ohio P. U. B. Co. on June 11 to purchase $1,500,000 of common stock (par $10). Underwriter—Barham & Cleveland, Coral Gables, Fla.

**Leitch (E.), Inc., New York (7/23):**

July 23 bids will be received at Office of Allen Property, 240 Broadway, New York 13, N. Y., up to 3 p.m. (EDT) on July 23 for the purchase of the Approved United of the States of the corporation's 400 shares of 8% cumulative preferred stock. Proceed—For sale.

**Lone Star Gas Co.:**

April 1 the FPC authorized the company to acquire additional $1,000,000 of common stock at an additional $10,000,000 of common stock at a cost of $1,100,000. Proceed—To be determined by competitive bidding. Probable bidder: Halsey, Stuart & Co.; Inland Securities Corp., and Central Reproduction Corp., New York.

**Manufacturing Co., Inc.:**

March 14 it was reported company plans to issue and sell about $30,000,000 of common stock at $10,000,000. Proceed—For issue and sale of additional $10,000,000 of common stock. Proceed—For expansion program. Underwriter—Morrison, Beiser & Co., Houston, Tex.

**Mississippi Power & Light Co.:**

March 14 it was reported company plans to issue and sell about $20,000,000 of common stock at $15,000,000. Proceed—For expansion program. Underwriter—Morrison, Beiser & Co., Houston, Tex.

**Motorola, Inc.:**

July 1 it was announced company will sell about 25,000,000 additional shares at $10,000,000 of common stock at $10,000,000 of common stock. Proceed—For issue and sale of additional $10,000,000 of common stock. Proceed—For expansion program. Underwriters—To be determined by competitive bidding. Probable bidder: Halsey, Stuart & Co.; Inland Securities Corp., and Central Reproduction Corp., New York.

**National Cash Register Co.:**

July 2 company announced plans to issue and sell about 1,000,000 shares of common stock at $1,500,000. Proceed—To be determined by competitive bidding. Probable bidder: Halsey, Stuart & Co.; Inland Securities Corp., and Central Reproduction Corp., New York.

**Plymouth Mills, Inc.:**

April 1 company applied to FPC for authority to con¬duct a 344-mile pipeline transmission line for the transmission of 200,000,000 cubic feet of gas. Proceed—For expansion program. Underwriter—Morrison, Beiser & Co., Houston, Tex.
Public Utility Securities

By OWEN ELY

Central Public Utility Corp.

Central Public Utility Corp. is one of the few utility holding companies with a good promotional era remaining to be reorganized. The company was incorporated in 1923 in connection with the acquisition of Central Public Service Corp., and while it has been heavily over-capitalized, it has remained out of bankruptcy because all its securities are on an "income" basis. There are two classes of stock, each wholly-cancellable and noncumulative Electric Gas and Inland Gas & Electric—both of which are on a very "good" basis.

A long-planning aim to simplify the capital structure of CPE was realized at the SEC, and the plan will be held before a Federal Court Judge. 75% of the shares will be sold in the next several months. The company plans to continue the business of the various remaining companies, the noncumulative preferred and class A stocks and the common stock, will be all wiped out.

If the market value of the Central Indiana Gas Co. stock is $2,834,000, the cost of new common stock issued in connection with the merger of the assets of Central Indiana Gas Co. with those of Central Public Service Corp. would be $1,774,000.

The following are the prices and estimated shares of Central Indiana Gas Co. as of September 30, 1923:

- $1,774,000
- $2,834,000
- $1,774,000
- $2,834,000
- $1,774,000
- $2,834,000
- $1,774,000

Recent events in the utility field include the following:

- The Security Traders Association of New York will hold their annual auction on Sept. 5 at the Richmond Country Club, Dungen Hills, Staten Island.
- The Association of Stock Exchange Annual Convention will be held on Oct. 5-7 at San Francisco, Calif.
- The National Security Traders Association will meet at the Hospitality Hotel, Hollywood, Calif.
- The Investment Bankers Association Annual Convention will be held at the Atlantic City Hotel, Atlantic City, N.J.
- The Municipal Bond Association of Chicago will hold their annual meeting at the Knollwood Country Club, Knollwood, Ill.
- The Association of Stock Exchange Boards of Governors will meet in Chicago at the Mark Hopkins Hotel, San Francisco, Calif.
- The National Security Traders Association will meet at the Hospitality Hotel, Hollywood, Calif.
Dealer Broker Investment Recommendations & Literature


Louisville & Nashville Railroad Company—Bulletin (No. 99)—The Louisville & Nashville Railroad Company, Louisville 1, Ky. Also available is a bulletin on Texas & Pacific Railroad Company (Bulletin No. 101) and on Kansas City Southern Railway Company.

Max Factor & Co.—Memorandum—Dempsey-Tegel & Co., Inc., 500 Fifth Ave., New York 3, N. Y.

W. L. Masson Corporation—Analysis—Siegel & Co., 40 Wall Street, New York 5, N. Y.


Merchants Mills—Analysis—First Securities Company of the United States, 134 South La Salle Street, Chicago 3, Ill.

Murray Co. of Texas—Memorandum—Dallas & Co., 200 Broadway, Dallas 1, Tex. Also available are memoranda on Shakespeare Co. and Southern Gas.

National City Bank and Trust Co.—The National City Bank of New York, 109 Wall Street, New York 5, N. Y.

Ohio Oil—Analysis—Colou & Co., 1 Wall Street, New York 5, N. Y.

Reo Motors, Inc.—Analysis—Van Alstine, Doyle & Co., 52 Wall Street, New York 5, N. Y.


Rubberboard Company—Analysis—Francis I. du Pont & Co., 1 Wall Street, New York 5, N. Y. In the same bulletin is a brief review of National Distillers Products Co., 30 Broad Street, New York 5, N. Y.

South Jersey Gas Company—Analysis—Golkin & Co., 61 Broadway, New York 6, N. Y.

Standard Oil—Analysis—Kaye-Teel & Co., 72 Wall Street, New York 5, N. Y.

Texas Gulf Oil—Analysis—Buck & Co., 111 Broad Street, New York 5, N. Y. Also available is a brief review of Texas Pacific Coal & Oil and a bulletin on the portfolio of Standard Brands.

Trinity Universal Insurance Company—Analysis—Sanders & Newson, Republic Bank Building, Dallas 1, Tex.

Webb—Analysis of the enemy—Heffelt & Co., 1 Wall Street, New York 5, N. Y.

We have Drifted Too Long

I am almost shocked when I look at it from the investment basis. The situation is that the net income currently of $3,000,000 is required to maintain the present tax rates, or come taxes as against no taxes when the war was going on. The World War II. If, starting at the age of 65, he could retain these added taxes, then he would have a little over an 8 per cent interest rate by the age of 65. The married man with a net income of $15,000 would have an increased tax burden of about $391. If this amount could be retained, the government could increase its tax base by an additional 8 per cent interest rate at the age of 65. The increased taxes on net income of $10,000 would accumulate to $100,000 in 25 years, and for one with a net income of $5,000 the total would be almost $25,000.

While it has become harder to save adequate amounts, the need of savings has become greater due to the increase in cost of living and over a longer period the decline in the purchasing power of interest. This makes even more important the wise investment of these savings.

I can understand many developments, even the action of the union in increasing wages. I do not consider the doctrine preached by the union leaders as undermining the work of our governmental expenditures. On the contrary, I have learned the point in which both. We are in need of more governmental expenditures. I know the point in which both. We are in need of more governmental expenditures.

I received a letter from a friend in a government position asking me to approach retirement age in order to get more work. He then went to his banker for advice regarding his retirement savings. He was concerned over the loss in the value of the folio in which he had accumulated his savings. He was anxious to protect against inflation, but he felt the maximum yield he could without losing his capital was not high enough. His banker suggested that the best thing for him to do was to invest his savings in government bonds.

Billions of dollars of U. S. loans are invested by banks and other financial institutions in the purchase of bonds under the slogan "The Savings of the American People Can Help Win the War." Were the investors told that their savings bonds, series E, in 1942 have now matured with a dollar purchase price of $600 per $1,000 investment or that $1,000 has already been received on the investment? What has become of the matured bond is now substantially less than the buying price of 1942. In effect, the bond is worth less than the buying price for at least 15 years. It is almost certain that, over-all, the over-all results to the investor is a loss of value of the bond, and that he is probably in opposing the government in one of the primary industries, and that he is probably a member of the government in one of the primary industries, and that he is probably in opposing the government in one of the primary industries.

The Bankers' Patriotic Duty

Some of you may say: "We had a long war and the government did not make much out of it. We were really not sure, and it was our patriotic duty to help support our country in every way. And it still is."

But let me ask: Who is your representative? Who is your Congressmen and customer? Mr. James, Mr. Miller, Mr. Mr. Jones, who operates the savings bond policy makers in Washington when the latter are following sound advice and principles? Or are you in the principle of a government by the people, for the people? That is the government for the people, by the people. The government is only a tool in the hands of the Congressmen, which is the Congressmen's tool in the hands of the people. There is no government, there is no government, there is no government, there is no government, there is no government.

George Washington, whose wisdom had an important part in winning the war, was able to ed the way for courageous men to help fight back against the great powers of the world. The situation calls for restraint. The situation calls for restraint. The situation calls for restraint. The situation calls for restraint. The situation calls for restraint.
Continued from first page

Will Ike Substitute "Smiles for Issues?"

delegates' palaver even more than the usual day-to-day personalitics in lieu of issues.

This issue of pre-pelting was already afoot in the minds of some of the early opponents, who, by plastering about in the newspapers, were not only attempting to influence public opinion on a local level, but were also. making an effort to influence the national and international economic matters. This is even more marked than in previous years, when the items occupied but small fractional proportions of the platform of the candidates, but the present ploy is even more widespread. In the past, individuals or groups believed in their own individual way, but the present trend is beginning to compel a few to think alike, and individuals, or groups, or both, in a combined effort, to present their views.

In other words, this year the platform had to be broad enough to fit two people, in lieu of a crowd of potential supporters, to represent the rate of the platform. This rate is an important factor in the planning of any campaign, and inasmuch as the platform is a representation of the people, it should reflect the views of the majority. If the platform is too narrow, it will fail to reflect the views of the people, and if it is too broad, it will not be able to represent the views of any one person.

The problem of maintaining the "American" dollar and the possibility of the national currency is one of the major problems facing the country today. The dollar is used as a medium of exchange, and its value is determined by the supply and demand for it. If the supply of the dollar is greater than the demand, the value of the dollar will decrease, and if the demand for the dollar is greater than the supply, the value of the dollar will increase.

This is one of the reasons why the Federal Reserve Bank of St. Louis has been working to maintain the value of the dollar. The bank is responsible for the creation of new money and the destruction of old money, and it must ensure that the supply of money is appropriate to the demand for it. If the supply is too great, the value of the dollar will decrease, and if the demand is too great, the value of the dollar will increase.

In conclusion, the problem of maintaining the "American" dollar and the possibility of the national currency is one of the major problems facing the country today. The Federal Reserve Bank of St. Louis is working to maintain the value of the dollar, but the problem is complex and requires careful consideration.
WASHINGTON, D. C.—That the delirium of Fair Deal commentators and columnists is fact, or that the left-wing has captured the Republican party and ousted the conservatives, is a proposition which the sober minds in this town will be a long time in accepting.

The happiness of the Fair Dealers is beyond bounds. The Truman Administration has for all its worth built up General Eisenhower. Its present reaction is not like that of a vast party of office-holders, all of whom know they are going to be hounded from their jobs because the opposition has seized an unbeatable presidential candidate.

Tip-off on how Mr. Truman really feels about the effectiveness of the Eisenhower candidacy will come when the Democratic national convention opens next Monday—or maybe sooner. Correct or otherwise, the smart boys have shaped it out that Truman has not yet definitely given the mandate to Gov. Adlai Stevenson or anyone else. So far the President has kept things Democrito-wise in suffi- cient chaos to assure a deadlock. He may end the deadlock by helping to bestow the legacy of nomination on one of the known candidates, or by allowing the deadlock to proceed to a point where only his candidacy can end it.

If the President feels that Eisenhower is unbeatable, the majority expects Vice-President Bar- key to get the award of the nomination.

If the Democrats are to be removed from office by the unbeatable Eisenhower, then North should be more natural than that they should settle upon the elderly Barkley, who as a life-long professional, would work to hold the party organization together.

On the other hand, if Mr. Truman gives it to Stevenson or takes the "draft" himself when it is built up after a deadlock, then one can figure he actually thinks General Eisenhower is a push-over, regardless of what he said in public.

In this connection, incidentally, one outstanding Fair Dealer whose name is a by-word throughout the land, told a private group of "off the record" that he regarded Taft as simply unbeatable in November. "But he will be beaten in the convention," this remark was made some three weeks before the conven-

... The ecstasy of the left-wing crowd is that they have, in their phrase, "broken the Old Guard" of the Republican party.

Actually the General's victory was a compound of three things: (1) left-wing support; (2) a very heavy conservative support as "we can win with Eisenhower" and (3) finally at the convention stage, the brilliant convention strategy of Eisenhower's political brains, Gov. Tom Dewey, whose dislike of Taft is notorious.

As one way out, the salesman- ship of putting across the idea that most of Taft's contests were "steals" and further, that tradi- tional convention power politics should be abandoned "for fair play" as so to overcome the initial disadvantage of Eisenhower, is without meaning.

Such salesmanship ought to be able to sell the Russians on giving over to NATO about 85 of their 90 Army divisions in being since NATO has only 12 inadequately organized and equipped divisions.

The general's victory may be due to the interests of fair play both sides should start even.

... Until the time of General Eis- enhower, many politicians regard- ed the General as possibly an able cynic. They founded this apprais- al upon the fact, that talking un- der the protecting cloak of his military position in complete secrecy, the General managed to convince the most ardent lefties and the most vehement conservatives among the two-tens of thousands who ended at SHAPE headquarters after government jun- kets, that he was scarcely justly his man.

When the General returned and started talking, many changed their minds in this respect com- pletely. They came to realise that the General was simply incurably sincere and well-meaning, but simply didn't understand much of the subject matter about which he talked. After the General began to look a little contradictory, Dewey got him put under wraps until the convention was over.

The General's generous and im- partial offer of friendship to Sena- tor Taft did not look like Dewey to any one. It is pretty well ac- cepted that after the 1948 conven- tion, Taft offered his services to Dewey and was told he wasn't wanted. For that reason Mr. and Mrs. Taft took a trip to Europe.

... As to such burning questions as these:

(1) How much has the Left taken over the Republican party?

(2) Is Eisenhower conservative, leftish, or middle of the road?

(3) Will there be an alliance within the Republican party for the coming campaign?

Careful observers simply will suspend judgment until evidence, now almost wholly lacking, comes in.

Senator Taft appears willing to help the Eisenhower candidacy. But can that intention prevail if his Senate majority with his usual twin of Phil Murray, becomes the adviser of General Eisenhower on labor and social legislation?

Will Tom Dewey let Taft play a part in running and planning the campaign? From whom will Eis- enhower draw his campaign ideas? Old Guard? The Saltonstalls, Ives, Morges, or Margaret Chase Smith?

So far as the General's personal campaign entourage is concerned, preliminary indications are that it will be made up of a close-knit and ad- dominated by Dewey men, a circu- stance which will not augur for harmony with any discontented elements of the party.

There still remains to be seen, however, what kind of men the General will select and listen to for advice on crucial times of his day.

The things to bear in mind about the Patman report, with its not too oblique attack upon the Federal Reserve:

(1) The Patman committee is actually a subcommittee of the Congressional Joint Economic Committee. The JEC has no pow- er to initiate legislation but it has laid a one of its legislative recommendations as such has ever been passed. It is a superb study and propaganda committee.

In fact, two members of the Patman subcommittee dissented from the main tenor of the report. These two were Senators Paul H. Douglas (D., Ill.), an almost but not quite quantitative money and credit theorist, and Rep. Jesse P. Capehart (R., Ind.), who by quantity money crank but figures that it is politically smart to say that the JEC or himself could have stopped inflation if only the JEC had been more powerful.

So in the net the "Patman com- mittee" report consists substanti- 
... Clearly, the picture of the Republican party is not at all what it looks like in the President's Office. It looks much as the President probably would like it to look.

Elected Director

Maurice Meyer, Jr., has been elected as a director of Dairies Cris- tal, Inc. Mr. Meyer is a partner of Hirsch & Co., New York City, members of the New York Stock Exchange.

With J. Arthur Warner J. Arthur Warner & Co., 120 Broadway, New York City, New York, has announced that its Organ has become associated with the firm in its sales department.

For Large Appreciation Potential WE SUGGEST RIVERSIDE CEMENT CO. CLASS B (smoke) STOCK A leading producer of cement and primary products in California. Available around 14 1/2

LERNER & CO. Investment Brokers 19 Post Office Square, Boston, Mass. Telephone: Gilmore 3-0850 Telegraphists: Bryan 82 69

Trading Markets in

Kingwood Oil
South Shore Oil & Dev. Corporation

FIRM TRADING MARKETS
FOREIGN SECURITIES
CARL MARKS & CO., INC.
FOREIGN SECURITIES SPECIALISTS
50 BROAD STREET... NEW YORK 4, N. Y.
TEL. HANNIBAL 2000... TELETYPE: NY 1-971

Washington... And You
Behind-the-Scenes Interpretations from the Nation's Capital
OIL STOCKS
Albuquerque Associated Oil Co.
Crusader Corporation
Kutz Cannon Oil & Gas Co.
Oklahoma Oil Company
Sierra Petroleum, Inc.
Tri-State Oil & Reining Co.
United Oil Corporation

Circulars on Request
Specialists in over 300 Low Priced Issues

STANLEY PELZ & CO.
INCORPORATED
52 BROADWAY, NEW YORK 4, N. Y.
Boulding Green 9-5577 Telepype N.Y. 1-3184

BUSINESS BUZZ
Financial Club

* * *
"But can't you offer someone else besides HIM as a reference?"

* * *