5197 Outlook for Business, Housing, Mortgage Market

By Dr. Gordon W. McKinley

Director of Economic and Investment Research

The Prudential Insurance Company of America

Prudential economist surveys forthcoming general business activity, prices, housing market, capital and mortgage markets and commodity prices for 1957: (1) boom year despite restrained consumer spending, increasing at a lower rate than 1955; (2) price inflation; (3) 1.1 million houses; (4) start inflation will leave industry vigorous and prosperous; (5) new capital funds demand will rise $3 billion but leave total $5 billion savings deficiency; (6) better position to meet this gap; and (5) resulting tight mortgage market will be less tight than other markets.

Dr. McKinley appeals for non-selfish backing of Fed's policies and freedom of VA-FHA maximum interest rate restrictions.

In order to devote most of my attention to the housing and mortgage markets, let me summarize very briefly my views on the outlook for general business activity in the coming year. I believe that 1957 will be a very prosperous year, not merely because of the fact that it could characterize it as a boom, but because Employment will continue to rise, with unemployment being held down to a virtually irreducible minimum. Business investment in plant and equipment will continue to surge ahead, providing one of the strongest motivating forces for the boom. Government spending, which has risen only slightly in recent years, will start upward, with state and local government expenditures accounting for most of the rise. Total personal consumption will continue to advance steadily, and this will make possible a substantial

*An address by Dr. McKinley before the Mortgage Lending Conference of New Jersey Bankers Association, N.J.

Continued on page 20

Quarterly Investment Company Survey

Funds Broadly Retrench

Into Defensive Assets

Increase in the proportionate holdings of cash, governments, and corporate senior securities, with diminished buying of common stocks, revealed by analysis of investment company portfolio policies. Management statements of policy evince increased caution. Airlines, sales, and motion pictures meet liquidation; steel, aircrafts, and banks particularly attract buying; while action is mixed in insurance, metals, utilities and rail.

Conflicting policies regarding international oils.

[Tables showing 3d quarter portfolio changes and funds' comparative cash positions appear on pages 24 and 25.]

The Market's high levels of the last quarter (the Dow Jones Industrial Average rose from 483 at the end of June to an all-time peak of 521 on Aug. 2, followed by a decline to 475 at the end of September) were used for radical retrenchment by fund managers.

Sharply accentuated policies of defensiveness on the part of the investment companies are revealed by our analysis of their portfolio operations. Of 73 companies covered, 43, or approximately 60%, increased their relatively liquid cash and governments during the quarter, compared with less than 35% of the companies following such a policy during the previous quarter. Of a net inflow of $228 million from the sale of new fund shares during the quarter, portfolio purchases of common stocks exceeded sales thereof by only 1%, whereas portfolio buying of non-government bonds and of preferred stocks was almost three times as large as sales of such senior securities, and while net cash and governments were rising by 10%, of the total net purchase balance of non-government bonds and preferred stocks was 84% consisted of bonds and preferred stocks, with only 16% in government holdings.

Among the management's exemplifying such caution to a marked degree, were as shown in our first table following the Asset Stock Fund, Loomis-Sayles Mutual Fund, Value Line Fund, Delaware, Fidelity, State Street Investment, and the United Fund Group.

Continued on page 22

State, Municipal
and Public Housing Agency
Bonds and Notes

BOND DEPARTMENT

THE CHASE MANHATTAN BANK

Supercrete Ltd.,
COMMON

Analysis upon request to our Unlisted Trading Dept. Room

IRA HUPTF, & CO.
Manchester, New York Stock Exchange

111 Broadway, N. Y. 6
Worth 4-0000 Teletype YI-2708
The Security I Like Best

A continuous flow in which, each week, a different group of experts in the investment and advisory field from all parts of the country participate and give their reasons for favoring a particular security.

(All the articles contained in this form are not to be regarded, as an offer to sell the securities discussed.)

GEORGE A. BAILEY

There are very few securities on the market at present that have any possibility of gradually advancing in price, whether generally business increases or decreases or whether the stock market goes up or down. Such an investment, I believe, is worth the investment effort.

We must find those companies that will yield more than the other companies in the same industry, and if the company must sell more, then the market will yield more in price.

Early in 1930, the Delaware, Lackawanna and Western merged the Morris & Essex as a给人一种希望，但现在没有明显的迹象表明这一点。The D. L. & W. has been steadily strengthening its capital structure. Its fixed charges have been reduced from $32,000,000 in 1932 to about $28,000,000 in 1935 or approximately 15%. Based on the present dividend, charges of about $4,000,000, the net income is expected to be approximately $6,000,000. The net income for the year would be approximately $50,000,000.

Further adding to the road's efficiency is the complete desilication of the water and air. It is said to be well maintained and the cost of maintenance is among the lowest in the country. A joint factor in the development of D. L. & W. is the future of the Erie and the Delaware and Hudson Railroads. The Erie and the D. L. & W. have been engaged in joint operations for more than a year. The Erie has added the Pacific and immediate savings from the completion of existing facilites. Further additions have been made at Binghamton and Erieport, and the study of future marine operations is actively under way. On Oct. 31, the Erie will operate its passenger trains, with the exception of rush-hour commuter trains, into and out of Binghamton and Erieport, and the study of future marine operations is actively under way. On Oct. 31, the Erie extends its service to Erie City. The Erie rush-hour trains will continue to operate between Erie and Binghamton, and the Erie extends its service to Erie City. The Erie rush-hour trains will continue to operate between Erie and Binghamton, and the Erie rush-hour trains will continue to operate between Erie and Binghamton.
Is Restrictive Federal Reserve Policy too Late and too Little?

By FAYETTE B. SHAW, PH.D.

Chicago Undergraduate Division, University of Illinois

Using the occurrence of record high purchases of government bonds, unchanged reserve requirements, and reluctant rediscount economist Shaw criticizes Federal Reserve for waiting so long and doing so little to check money supply increase, and concludes "we have made practically the same mistake we made in the 1920's, but with a far larger scale." Dr. Shaw views relationship of election year to restrictive steps finally taken. Denies 11 years of prosperity spells end of business cycle, and does not agree government can cure or prevent depressions.

The policy which the Federal Reserve Board of Governors has been following in recent months is a credit policy by raising the discount rate and limiting the amount of credits extended to member banks. One of the reasons Mr. Shaw gives is the fact that the Board has consistently increased reserve requirements.

Mr. Shaw states that "a policy by raising the discount rate, by raising reserve requirements, and by other means of reducing the amount of reserves which a bank must maintain in order to make a loan to a customer, does not tend to correct a defect in the credit system, or to reduce a demand for credit. Instead, it merely forces the bank to increase its security ratios, and consequently its reserve requirements. The remaining credit is not reduced to the bank, but reduced to other banks which are not affected by the credit restriction. The result is a shift of credit from one bank, or group of banks, to another, which is no cure at all."
A distinguished subcontractor in aircraft manufacture enters prime contracting for the jet age.

The world events of the last few weeks have surely accentuated the fact that man has become a world citizen, and one aspect of the new role is the greater responsibility that "white man's burden" seems to entail. There is a growing need for a greater feel of togetherness and the sharing of the good and the bad in the arms race.

So, in this day of atomic and multiple missile development, the assembly line assembly of this model is expected sharply higher. It is anticipated that the operators of tankers and Temco also produce the assembly for the jet age. The savings on the new line point to the sales above $100 million for 1957.

Now to switch from production to finance, let's look at what the Temco stock market is doing. In recent weeks, shares of Temco stock on the New York Stock Exchange, currently selling around 45%, are widely held by institutional investors. Presently there are 1,070,000 shares of Temco Common available for sale to the public at a price of 55% and per share earnings this year are estimated at 1.50. This practice has to pay 35/40% of net. In addition to its impressive earnings prospects under date of Oct. 25, 1956 (the basis of its unit offers a high of $100.00 per share due Oct. 1, 1951. These were offered at par, and sell today at the 50 cent mark.

Interestingly enough, Temco has not merely built assemblies in the air, and has had a number of prime contracts for initial design of constant and airborne systems of electronics, including the searchlights of Boeing, Lockheed, Lockhead, and North American Aviation. Today, however, we propose to turn our attention to the recent searchlight interests by a younger, and less adventuresome, but just as enterprising, and in many respects, a younger, in its role as subcontractor for assemblies to be manufactured by Temco Aircraft Corporation.

During World War II, North American Aviation had a big division in Dallas, Texas, giving employment to some 10,000 workers. This plant closed abruptly in 1945, and two former North American executives, John R. McMeen and McCulloch, and Mr. H. L. Howard, president of the Dallas plant, who were among the forces (selected from the force of the closed plant) started a small business corporation in 1946, under the name, Temco Aircraft Corporation. (Mr. McCulloch is President, and Mr. Howard is Vice President.) In the two and one-half years since, Temco has been a copy book example of a growth company, and has developed both in terms of its status and its stature in the aircraft industry, as to prove that his company can be a valuable part of the industry.

Net sales for Temco have moved magnificently upward from $7,000,000 for 1947 to $78,000,000 in 1955; with only one year (1954), interrupting this rising trend. And that due to cutbacks after the Korean War, where the company was unable to keep pace, advancing from $72,000,000 for 1947 to $57,200,000 for 1955.

As Temco's volume of business has increased, it has moved from a small company using subcontracting—building assemblies for such manufacturers as North American's F-100 Super Sabre, Boeing's B-47, B-52, B-36, B-38, Martin PB4Y bomber; General Dynamic's B-36 and B-58, the Douglas Skybolt, the Lockheed C-54, and Martin PSM flying boat, and the fighters of North American, to a public endeavor.

With remarkable success, Temco has been a supplier for all the major defense contractors. Temco's main plant in Dallas was regarded as the lowest cost aircraft subcontractor during World War II.

Today Temco not only has this Dallas plant (leased from Chance-Vought), but main subcontractors in Connecticut, New Jersey, and other areas.

In the second place, the company aims to make up its design and development work, to bring it to an industrial status, a position that the company was required to maintain itself. This is accomplished by its own design and development, to meet a consumer base and market demand. These days, Temco is developing in addition to its line of assemblies.

Another bright straw in the wind of profits for Temco. The company's state of the art professional design people can be gleaned from the fact that Mr. Howard now holds the executive head of the Engineering Department. It will be recalled that Mr. Wallace was appointed recently in the development of the "Regulus" guided missile program of the Atomic Energy Board before coming to Temco. It is, accordingly, not to be presumed that the Temco Research and Development Department will be inclined toward the design and development of super sonic bows and arrows! A top flight technician is in charge of the development of a company to any aircraft company. The company aims to bring it to market within the next three years, a traditional line.

In Temco's efforts, the immediate outlook is for quite expanded output, but for the immediate time, the Temco Aircraft (F-101 super sonic fighter), which is already being built in-house. The F-52 is the new "chassis vehicle" for this atomic or hydrogen bomb. It will be built on a jet engine, a Lockheed-built body, and power is expected to be approximately $100 million for 1957.
What's Ahead for Business in 1957 and Next Decade

By Murray Shields
Senior Partner of Shields & Company, New York City

Prominent business analysts appraise numerous factors shaping 1957 and the long-range economic outlook:

(1) next year will be a good one, marked by expanded incomes and moderately higher production, characterized by a return of consumer confidence and by rolling competition and good business volume

(2) end of the year may be below that of the beginning; and (3) that even with recession and merciless competition interludes, the next 10 months may see the beginning of new expansion.

In appraising the outlook for 1957, it is essential that weight be given to the fact that the currency has been marked by a series of far-reaching policy changes—internal economic factors, such as low unemployment, and external economic factors, such as the curtailment of West German imports and the end of the Soviet Satellite and East German east configurations.

The State of Trade and Industry

Total industrial production in the period ended on Wednesday, 1 week held at a high point and was moderately above the 1 week a year ago. On the employment front, it is learned that new claims for employment pay increases by 10,300 to 192,000 in the week ended Oct. 27, according to the United States Department of labor.

The rise was attributed to bad weather, which hampered farm deliveries and was reflected in some cases in low crops in western soybeans, leather and textile industries.

A year ago, new claims totaled 176,000.

The number of workers on job pay rolls declined 7,900 to 897,000 during the week ended 18 months to 31, which was the highest level on record for 31, July of 1847, that is, almost 18 months after the bottom was reached in May, with the number of workers' pay rolls up 49,000 from the previous week. State reports disclosed total claims 191,000 while 1,000 were left off.

However, the employment index figures at 190 and a measure of unemployment in the auto industry as the figures accumulate weekly reports and does not take into account many of the workers leave, according to the United States Department of Commerce reported.

In the same month, on workers left off 186,000, the lowest 18-month trend of employment records for the particular survey.

However, the latest job estimate was some 600,000 under the 930,000 high last August, when many students and other labor force in the labor force. In September, 260,000 fewer workers held jobs.

The October working population has swelled by 4,200 in recent months, according to the department's Census Bureau data.

The advance in employment from September was mostly in manufacturing, the agency added, with some increase in mining and transportation and communications.

The October unemployment rate, the proportion of all civilians out of jobs, of 2.8%, was as low as any in many months during the past 7 years, and close to the 2.6% reported in July.

In the steel industry this week the Middle East incident is forestalling steel buyers to take a closer look at their inventories this week. After running up in the steel order books for a considerable period, starting to mount, "The Iron Age," National metalworking magazine, reports.

The scrap market already reacted violently with prices paid up in important consumers as steel producers in the immediate future, according to "The Iron Age," steel scrap scrap market, which is in a position to "pay" at the moment.

The iron ore market is generally below the current "up" of 10,000 a ton, and the price is generally lower than the current market.

Bids offered are, forgetting about the conservativeness in the industry's policy of keeping the market relatively free and of ensuring the industry's health, the whole pattern of steel buying is being re-organized.

The steel industry, steel buyers will be more or less, this trade weekly, reporting, is that virtually every steel product was tight and growing tighter:

- The Egyptian War and the revolt in India.
- The recent 1957 World War.
- The recent 1957 World War.
- The recent 1957 World War.

Textile mills are, forgetting about the conservativeness in the industry's policy of keeping the market relatively free and of ensuring the industry's health, the whole pattern of textile mill buying is being re-organized.

The textile industry, textile buyers will be more or less, this trade weekly, reporting, is that virtually every textile product was tight and growing tighter.

*An address by Mr. Shields before the 1st and 2nd Manufacturing Association, Hartford, Conn., Nov. 2, 1956.*

Controls and Controls.

Controls advocates have set their sights chiefly on reducing prices and the ability of the major industries to give them more ammunition. But offsetting this are the Administration's objections to controls plus past experience, the nation's, to reduce price.-Continued on page 34

(1967) 5

Federal Reserve Bank of St. Louis
Digitized for FRASER

[Image 0x0 to 660x919]
Gold mine President and investment banker Pitman advocates return to gold standard at a realistic price for gold, greater war aid from the United States, and a financial gold standard campaign, and test of 1934 Gold Act's constitutionality. Declares: foreigners assume that sooner or later we will mark up gold; world faces a gold shortage; an international dollar shortage prevails, all short-term dollar claims; and a U. S. gold embargo would cause gold to go up to $600-$100. Believes tight money is related to gold reserves and that lenders want higher interest rates to cover their losses, that both parties overlook the gold miner’s plight.

Little more than a century ago the gold industry was literally building its own foundations on some extent all of California, Virginia, and South Carolina. In the August issue of "Fortnightly" it is pointed out that the policies of the gold camps "saved the union in her time of need." Yet today the same ignores or slight role played by the yellow metal in all enduring monetary systems throughout the world.

Gold Ranks Foremost in National Defense

Our stockpiles of critical and strategic metals and materials are growing in bountiful proportions. Yet our gold reserve remains virtually unchanged. How can the above be true in a time of war? The extraneous government of this country and foreign countries with no strings attached is rushing billions of dollars in gold. We must determine, however, that in the world at large almost anything required to fight a war can be obtained with gold. This is not a far-fetched thought, but a statement of fact. Would the mostguliable person believe that our commodity, and that of any other country, except for self-sufficient in raw materials, woule be unable to wage a war? We import 72 kinds of staples, mostly strategic products, from 53 countries. Iron ore, for example, how many years’ supply do we have stored up? It would be absurd even to consider such an undertaking. We have gold and silver in Canada, and Brazil, friendly as they may be, are likely to insist upon its purchase for gold or silver equivalent—and with war going on there may be no "equivalent." Why? War and inflation are twin foes. A major war cannot be financed by taxes which are fixed, but is already a substantial increase of tax rates which will yield lower rather than higher returns. It cannot go on as it is, makes us self-sufficient in raw materials, and we cannot finance a war?

We import 72 kinds of staples, mostly strategic products, from 53 countries. Iron ore, for example, how many years’ supply do we have stored up? It would be absurd even to consider such an undertaking. We have gold and silver in Canada, and Brazil, friendly as they may be, are likely to insist upon its purchase for gold or silver equivalent—and with war going on there may be no "equivalent." Why? War and inflation are twin foes. A major war cannot be financed by taxes which are fixed, but is already a substantial increase of tax rates which will yield lower rather than higher returns. It cannot go on as it is, makes us self-sufficient in raw materials, and we cannot finance a war? What is the solution, then? What are we to do with the dollars we have? World War has the following consequences:

1. Inflation.
2. Deflation.
3. Disinflation.
4. Hyperinflation.
5. Hyperinflation.
Handling the Credit Scene During Inflationary Conditions

BY WILLIAM F. TREIBER

First Vice-President, Federal Reserve Bank of New York

Concluding nothing is more important than preserving the dollar's purchasing power, N. Y. Federal Reserve executive refers to two-fold danger arising from bank-financed long-term loans; the need for careful loan screening; and harmful effect of inflationary policies on homeowners secured by dimes or ducats in their home... using such bonds as an illustration.

Mr. Treiber maintains use of money to lower interest costs by some millions would risk a general price increase in the economy.

Is Cheap Money Beneficial?

Would it be a service to people to make money cheap so that school boards could save some millions of dollars in interest when to do so would run the grave risk of contributing to price increases (with a corresponding reduction in the purchasing power of the dollar) measured in billions of dollars? The cost of building new schools might rise by many times the amount of interest saved. The Federal Reserve could make money cheap but to do so under present conditions would make it an engine of inflation.

Discarding bankers will continue to screen loans carefully, to persuade borrowers to get along with less credit, and to encourage borrowers and depositors to generate more savings out of their income. At the same time, such bankers will endeavor to meet the seasonal and unscheduled requirements of both small and large industry, provided the funds so provided were used to finance excessive spending on plant, inventories, goods, or properties, or any form of speculative activity, and were diverted from their intended purposes.

Capital expenditures by business to increase plant and to improve equipment will eventually provide the best antidote to inflation by expanding the output of goods and services, and by raising productivity. But, like medicine, this has to be taken by the economic system in doses that we can stand. If we try to cram enough more investment than our savings will finance, we will experience what anyone does when he takes an overdose of medicine—more sickness. There are physical limitations on the ability of even our economy to produce all the desired steel, cement, glass and other materials under the present wage and price level. Not only can these circumstances foster a misallocation of resources, but also, in the short run, the capital expenditures may move income into the hands of consumers long before the more productive plants are turned out more goods for the consumers to buy. The capital expenditures need to be balanced and financed by increased business and individual savings until the desired production becomes available.

Role of Credit Control

Our discussion has emphasized the role of credit control. One concentration on this subject does not mean that instruments of credit control, such as taxes, can assure the stabilization of the money at a high level of production and employment, and Employment. Credit policy is one factor.

In the time of inflationary conditions or of potential inflationary pressures, credit controls also are important. Sound fiscal policy is important; this includes what the Government takes in and how it spends it, and how the Government spends it. Fortunately the Federal Government has been having a budgetary cash surplus last year and this year.

Inflation cannot be overcome unless the people want to overcome it. Self restraint and wise decisions are called for on the part of all people—consumers and producers — farmers, labor leaders, and businessmen.

Increased efficiency in production—increased productivity—can help expand the volume of available goods and services and reduce production costs; this is fundamental to a real improvement in our standard of living. Competition to provide higher quality or lower price is the best way to stabilize the economy—to stabilize the purchasing power of wages, of profits, of savings.

You men engaged in trust business are developing your energies to the preservation of the value of savings. In this endeavor, there can be nothing more important than the preservation of the purchasing power of the dollar.

J. A. Hoge Adds

(Special to The Pennsylvania Commercial)

LOS ANGELES, Calif.—F. C. Morris Jr. has become affiliated with the Hoge & Co., 597 West Sixth Street.

Daniel Weston Adds

BEVERLY HILLS, Calif.—Deevoen R. Wallace is now with Daniel D. Weston & Co., Inc., 2523 Wilshire Boulevard.

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

$45,000,000
Northspan Uranium Mines Limited
5% General Mortgage Bonds, Series A
with
Common Share Purchase Warrants

Furnished executively on and after February 1, 1957, entitle the holder to purchase 5% common shares in consideration of each $99 (U.S.) bond

Interest payable January 1 and July 1 in New York City

Price 9% and Accrued Interest
V. S. Currency

9% and paid interest on July 1, 1956.

Copies of the Prospectus may be obtained from only such of the undersigned as may legally offer these Securities in compliance with the securities laws of the respective States.

MORGAN STANLEY & CO.

ELTHY & CO., INC.

GOLDMAN, SACHS & CO.

LORD FRERES & CO.

PAINE, WEBBER, JACKSON & CURTIS

STOKE & WEBSTER SECURITIES CORPORATION

ORRIS STANLEY & CO.

KERRILL LYNCH, PIERCE, FENNER & BEANE

EASTMAN DILLON, UNION SECURITIES & CO.

ECCINCLOWER & WELLS

FIDDER, PEABODY & CO.

LEHMANN BROTHERS

CARL M. LOEB, RHODES & CO.

SMITH, BARNEY & CO.

WERTHEIM & CO.

November 8, 1956.
It is understood that the firms mentioned will be pleased to send interested parties the following literature:

From Banking Markets is—

Mississippi Valley Gas Co. and many other:

Operating Utilities
- Natural Gas Companies
- Transmission & Producing

TROSTER, SINGER & CO.
Member: A.S.C. Gas Companies Association
74 Trinity Place, New York 6, N. Y.
Inequities in Analysis Of Industrial Investments

By K. W. ALLEN
Certified Public Accountant, New York City

The complete lack of uniform methods in financial reports of industrials, according to Mr. Allen, makes it difficult for the investor to compare and campaigns an analyst to first identify similarities, relationships, and differences in the reports and financial statements. The writer suggests procedures to establish uniform methods and principles for firms in an industry, which would not change present record keeping, but would allow investors to compare one company's statements, with changes in inventory, capital assets, reserves, liability reserves, and surplus reserve valuation, and the seven methods employed in depreciation, depletion and repairs.

Financial reports of industrial corporations are based on a variety of methods and principles that are comparison possible between financial reports of different industrials in identical or affiliated industrials. To the degree that work of a detail record is an existing basis and an existing task possible under today's condition of the continuous movements of capital funds, are needed a and practical form of the investor. Investors and analysts depend on the weekly financial data of different industrials in identical industries to bringing out the characteristic features and differences to other industries. The primary material available for this purpose are the financial statements prepared by the corporations themselves. Knowledge is required of Moody's, Standard & Poor's, etc., are, in line of view in the multiplicity of their financial statements, in no position to publish more detailed statements than serious analysts or reclassification which work they try to push more detailed data is a comparable basis. This is for detailed analyses, by qualified security analysts in specific cases after considerable research in the field.

The question arising, then, is: do financial statements of different industrials offer comparable information? If uniform standard treatment of these problems, there is likely to be a common denominator of their relation to each other.

Uniform rules and regulations do not exist in industries. Many markets, such as in the field of railroads, public utilities, and financial institutions have accepted principles of accounting. These, however, are not necessarily accepted by the public accountant, who is not always accepted, is not "practicable", and what is "practicable" is entirely dependent on the particular case. In budgetary, audit, or advisory capacities, there is common acceptance of uniform standards. Uniformity is a desirable quality from which to choose. The approach taken is almost complete lack of uniform standards in industries. Space prevents discussion of only a few examples.

Investor's View

The interest of the investor is for balance sheet and income figures. Differences in accounting methods and principles of accounting, without considerable research or not at all. However, without this knowledge, there is no comparable basis given for different corporations.

Capital Assets

The size of real estate, plant, and equipment and the additions thereto contemplated by today's multi-billion dollar expansion program of industry make the importance of capital assets self-explanatory with their "set-up of corporations."

Unfortunately, the valuation of capital assets in reports of different corporations is so varied and meaningless that the methods used almost prohibited their comparison with each other.

In cases of outright purchase and of self-manufacturing of assets, no serious problem of original valuation (cost) should arise. Cost determination, however, becomes problematic when assets are acquired through reorganization, assignment of interest of capital stock, or by purchase of book assets. In these situations, the valuation is largely open to distortion. Determination by management, which is often subject to manipulation, of prices at which assets are known to be valued among different statements use their discretion quite differently when fixing original valuation, and the capital assets fact which is not conducive to their comparisons.

The real obstacle, however, is the very nature of the valuation itself. No capital asset is disposed of at any time for its original valuation (cost), but every immediately after acquisition and at any time for current prices. Original valuation, therefore, does not mean amount of capital can be realized in case of rising prices, capital assets can be not replaced at their original valuation. This, however, is ever increasing while capital asset prices is fixed. It follows that original valuation is certainly not comparable with replacement value. Indeed, the meaning of original valuation is extremely limited. It has its use in particular of managerial policies, as determining factor of allowable charges depreciation, etc., their accumulation in reserves (see below). Aside from this original valuation is limited to a purely reporting character which is entirely valueless for comparative purposes. In times of changing prices, even identical capital assets necessarily show different original valuation when acquired at different times. Thus, it becomes quite apparent that its inanimate historical character forbid comparison of original valuation of capital assets.

Depreciation and Repairs

Comparison of capital assets is further aggravated by management's policy in the proceeding amortization, and depletion ("depreciation") and the effect of which original valuation is periodically reduced so as to reach lower production or even retirement of an asset, it is expected for the base of its ultimate life, suffers its "service death."

Depreciation policy, in turn, especially where there is a determination of length of useful life of the asset as the rate of depreciation, is closely connected with another management.

In this is not an Offering Circular. The offer of this Stock is made only by the Offer Circular, which shall be read and given to the investor by the underwriters in behalf of only those of the underwriters who are registered dealers in securities in this State.

The National City Bank of Cleveland

Common Stock

(510 Par Value)

Rights, evidenced by subscription warrants, to subscribe for these shares have been issued by the Bank to the holders of this Stock, which rights will expire at 12:30 P.M., Eastern Standard Time, on December 1, 1936, as more fully set forth in the Offering Circular. The issuance of these shares is subject to approval by the Comptroller of the Currency.

Subscription Price $50 a Share

DURING and after the subscription period the several underwriters may offer shares of Common Stock at prices less than the Subscription Price set forth above (less, in the case of sales to dealers, the commission allowed to dealers) and not more than the highest price at which Common Stock is then being offered in the open-counter market by other dealers, plus the amount of any commission allowed to dealers.

Copies of the Offering Circular may be obtained from only such of the undersigned as are registered dealers in securities in this State.

100,000 Shares

MERRILL, TURBEN & CO., INC.
HARRIANN RIPLEY & CO., Inc.
FULTON, REID & CO.
MCDONALD & COMPANY
TUCKER, ANTHONY & B. L. DAY
GOODBOD & CO.
SAUNDERS, STIVER & CO.
FIELD, RICHARDS & CO., Inc.
MERRILL, MILLER & CO.
FAHEY, CLARKE & CO.
BAXTER, WILLIAMS & CO.
CUNNINGHAM, GUND & CAREY, Inc.
FIELD, RICHARDS & CO., Inc.
LAWRENCE COOK & CO.
HAWKINS & CO., Inc.
WM. J. MERRICA & CO., Inc.
L. B. SCHWINN & CO.

November 8, 1936

Continued on page 29
The Problem, But Hardly A Solution

"It is essential that the potential scientist or engineer study mathematics throughout his full four years of college so that he can enter a college, university, or engineering school properly equipped to handle the technical courses he must master." -- Albert E. Meder, Jr., professor of chemistry, Rensselaer Polytechnic Institute.

"Pay qualified teachers for an additional period of science and mathematics teaching each day, so an extra afternoon and evening jobs which so many girls now seem to be dismantling to their energies and peace of mind.

"Popularize the notion that it is fun to be a scientist." -- Morris Meister, Principal of the High School of Medicine and Science.

The basic trouble, of course, is that mathematics and science are "hard," and present day students, like many of the rest of us, do not relish work.

From Washington Ahead of the News

By CARLISLE BARGERON

The consensus among Washington observers is that now with the elections over, the Middle East situation will rapidly become accepted to be just what it is now: a "police" action by Britain and France. It is true that there were many rumors rendering now and then that they aren't likely to be displaced by a force made up of United Nations forces, but this Administration, while the campaign was on, had to take the criticism that the United Nations in the line, as it was in total ignorance of what Britain, France and Israel intended to do. This is only the Administration knew very well that Britain and France were straining at the leash. It didn't take to hold them in check the United Nations after the elections.

With the elections over, those influences who have been missing over the "break-up" of the Western alliance, who have been saying that Russia made a great accomplishment in splitting it will find their apprehensions unjustified. Throughout the tenor of the past several days the Administration has repeatedly emphasized that confidence of the United Nations has not been weakened, that confidence of the United Nations has not been weakened. This was very high profile on our part no doubt but the ambitious Egyptian dictator didn't have sense to let well enough alone. It was not cut loose from the British.

I have pointed this out before, but we are so constituted as nation, shape, that we are a political leader. Every action that is taken in foreign affairs has to be explained to too many segments of the people in political controversy. To often our State Department can't do the most effective thing. It is not going to be able to make a move, if the move might to the extent, in fact, that we frequently seem impotent. It seems to me that we have got to be kinder to these groups that are being subject to bicker to comparisons in their countries as the move against Egypt. But the criticism comes more from within than without. It is true that it this way which this is in succeeding in regaining the Suez Canal with a minimum loss of life of any kind in the course.

By way of keeping the record straight, the words of the British delegate at the General Assembly of the United Nations on the 19th December last week, about the Middle Eastern situation do not amount to much.

Inv. Women of Chi. to Hear

CHICAGO, III.--Harry G. Kipke, president of Coca-Cola Bottling Company of Chicago, has been invited to address the Investment Women of Chi¬cago at their "Bossey Night" dinner meeting on Thursday evening, Nov. 14 at the Hotel Sherman. Mr. Kipke, one of foot¬ball's all-time greats and former coach of the University of Michi¬gan, is a member of the Board in Chicago and is a director of the Board and of the Regents of the University of Michigan. He is also president of Kipke & Co., a Cedar Knolls, N.J. firm. Mr. Kipke, who is also associated with U.S. Federal and J.P. Morgan.

Join T. R. Peisler

By W. G. Nicoter


Harry Pond Adds


Harry Pond Adds

Value vs. Price in the Stock Market

By FRANCIS B. WADELTON, JR.*
Vice-President of Affiliated Fund, Inc.

Mr. Wadellton urges careful distinction between value and price factors as prerequisite to successful investing. As principal elements of value of a stock, an ownership share in a good business, earning power, marketability, and stability, long-term and growth prospects; risk factors including management ability, product and market diversifications, inventories, and government regulation. Cites relevance of price factors as influenced by psychological variables that have in part determination of value.

The difference between value and price is the least understood result; yet I think it is the most important. Value and price are equal, investing in stocks would yield a greater return than bonds.

The fact is that at all times, for any given stock, price may be above value or value materializes, and vice versa, but that, while price may be above value, the ultimate result may be above value, and vice versa. This explains why some of the great the great worth companies of equal or better quality in other respects have recently been in a situation of worth companies.

The earnings of the vulnerable companies are not as much as the earnings of those which are not vulnerable, of course, the less the value. With reference to any particular stock, the elements of value can be identified and weighed as a result of his estimate of that stock. In analyzing he has to take into his calculations the factors on the one hand, and the overall return on invested capital. He has often an easy to estimate values of a large number of instances, and in stocks but can be done in present-day technical analytical techniques.

Psychology and the Market

To this point I have talked about value and not market price. Let us introduce the psychological factors that have affected psychological factors that have affected the determination of value. Some of these psychological elements can have an "inflation," "uncertainty," "rumor," and many other factors that may affect your decision in the thirty-second of another economic stagnation. This became a psychological factor which in turn may be considered a function of the product of which a function of the idea of value. When the means of communication are considered, the idea of value is brought to us by means of the media. The market is" where speculation reaches extreme proportions.

The environment of specific stocks is still fed by rumors and speculation, and in a given stock will affect the prices of the stock. With the advent of atomic energy nothing seems to be too important. There is a great upsurge of confidence in the atomic energy industry. An announcement from a laboratory is greeted with elation and attention. The promise of drugs, new medicines to take the place of old, brighter, better, safer, easier, more convenient, etc., to the mental climate of our day. Just as the psychological influence of specific stocks are affected in the stock market in which they are traded and usually crystallized

The Practical Application

Now as to the practical application of the above, the professional trader in the stock market will ask of what he has to be and must have the advantage of it. He operates in what is known as the Trust Company market. He follows elaborate systems so that he may be informed as to what the general buyer of stocks is thinking. This will make an effort to the outlook for stock prices and partly depend on them to their decision. There have been some professional traders who were successful in this manner over long periods of time.

Success Temporary

The nonprofessional trader may occasionally be successful for a short time but never is in the long run. While the professional trader operates systematically, the amateur makes the mistake of trying to follow the mood of the market. He has already seen, this attempt to guess the future. Most of the advice which the typical investor receives, although usually, will include some investment guidance, has been found, upon analysis, to be based largely and as the short-term price-determining factors.

Now let us see how the manager of a large investment portfolio having at his disposal a staff adequate to make the necessary security evaluations can use the distinction between value and price to get the best service. The investment manager is not one who attempts to methods of the professional trader. He does not aim at a spectacular showing over a relatively short period of time since he knows that this requires the assumption of risks not consonant with the trust which has been placed in his hands in the management of other people's money. He does not attempt to position for the future and to estimate the future. His concern is primarily with the maintenance of values. Then, when the market forces affect prices to the point at which they are substantially undervalued or over the values, he can buy or sell selectively.

Exploiting

There may be some significant prices that are being psychologically influenced by which most common stocks become greatly undervalued in relation to their values. Then the other hand, if they sell at high prices, in other words, as Affiliated Fund has done, he can have borrowed money to buy additional securities.

Matching Prices and Values

As more and more investors and traders become aware of investment opportunities, prices and values tend to more and more. During this phase the investment manager's portfolio remains fully invested.

But as prices begin to exceed existing values the investment manager stops buying those stocks in which the excess exists. Finally, when the excess of price over value reaches a point of undue risk for a stock, he sells that one. As prices advance further he will stop buying and selling other stocks. His portfolio is then likely to consist of stocks which are undervalued but have the least risk with respect to general market movements. When such a portfolio has evolved to this point the investment manager knows how, in common government bonds. In those cases either of the two things happen. Either stocks decline or, which is what has happened in the case of the greatest values, their prices must mean that the excess prices of prices discount are the result of a spectacular showing over a relatively short period of time since since that this requires the assumption of risks not consonant with the trust which has been placed in his hands in the management of other people's money. He does not attempt to position for the future and to estimate the future. His concern is primarily with the maintenance of values. Then, when the market forces affect prices to the point at which they are substantially undervalued or over the values, he can buy or sell selectively.

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

NEW ISSUE

$4,000,000

ACF-WRIGLEY STORES, INC.

4 1/2% Convertible Subordinated Sinking Fund Debentures

due April 30, 1972

(Convertible into Common Shares to and including April 30, 1972)
Seeking Causes and Remedies Of Congested Mortgage Market

By G. D. BROOKS

Vice-President and Treasurer

National Life and Accident Insurance Company, Nashville, Tenn.

Prominent life insurance executive perceives no loan demand decline, nor interest rate reduction, in the near future, barring a general business decline, and attributes "congested" mortgage market to Congress, very strained mortgage markets of institutional investors—to extend they may be responsible—for building "too many housing units too fast," and financing this construction with unrealistic loans. This is the author's suggested remedy, and he states, in his situation, and emphasizes, despite present buyer market, the very attractive features mortgages still offer.

I shall discuss some of the factors that have caused the congested condition that exists in the mortgage market and seek to find some solution to this problem that may be beneficial to the public.

First, let us consider the facts. My "congested" condition in the mortgage market that exists today is not so much a real mortgage problem, but rather a speculative mortgage buying situation. This is evidenced by the extremely high interest rate charged on mortgage loans during the past two years. This has seriously affected the ability of many people to purchase homes, and has resulted in a decreased demand for homes.

Another factor is the large number of mortgage brokers who are currently active in the market. This has contributed to the congestion, as some brokers are offering loans at rates above the market average.

Furthermore, the supply of mortgage funds is limited, due to the reduction in the availability of funds from certain sources, such as savings and loan associations and credit unions.

To address these issues, I believe that a more regulated and less speculative mortgage market is necessary. This can be achieved through a combination of measures, including:

1. Increased regulation of mortgage brokers and lenders
2. Increased availability of mortgage funds
3. A more stable interest rate environment

In conclusion, I strongly believe that the mortgage market needs to be reformed in order to provide a more stable and accessible home buying environment for all Americans.
Corporal Socialism Threatens To Eliminate Small Firms

By T. M. EVANS

President, H. K. Porter Company, Inc.

Industrialists charge small business financing must be preserved to save the American concept of corporate socialism in next five to 10 years. Rejecting the government's concept of a small business, Mr. Evans asserts our government has not given proper consideration to the need for an alienable equity flow to small firms: (1) restore 20% certification of amortization; (2) apply new tax depreciation to second-hand machinery; (3) provide government subsidized insurance companies; and (3) provide pooling of assets to raise capital.

As anyone believes alienate trust laws to work to benefit of average small business, and suggests both parties cited their own small business or small farmers to illustrate.

I have felt for a long time that if the quickest ways to Solvency is one thing, but my use of the term is different. The idea is a thing. I have felt you one big gigantic and bad union, but those attributes of twenty years ago sit down even for a few thousand employees. M. Evans

Several thousand employees of the larger companies, can determine prices that all smaller businesses can, you have a situation which is extremely dangerous. One way out is to enlarges businesses.

Governing Definition's

As far as small business is concerned, there is no problem complicated, but one of the most important causes of many businesses, incidentally, I do not mean the standard government definition which states is a business earning less than $25,000 a year, which I think is ridiculous. This in economy is a ridiculous figure—l mean, incomes having less than $5,000 a year in sales, and, let's say, less than $5,000 this is definitely going to regulate small businesses.

Both Political Parties Agree

The same concern and desire to help has been applied to farmers. The problem is more gross and larger in country, the country is gradually leaving the smaller businesses, it is still the major and capital is being eliminated in the major businesses, for which financing is a real problem any way. It will have access to small business capital and Pension Trusts, My. Evans

Perhaps it is a definition may not always be small. The corporations in this country have a capital of approximately $4 billion, about 35% of the

Business

It seems to me the government should not give proper consideration to the financing problems of smaller businesses. A major reason why our economic system is to enlarge, we must have smaller business. Otherwise, creation with smaller businesses will not last 10 years, and we will

This advertisement is not an offer to sell or a solicitation of an offer to buy these securities. The offering is made only by prospectus.

NEW ISSUE

68,323 Shares

Southwestern Investment Company

5½% Cumulative, $20.00 Par Value

Sinking Fund Preferred Stock

With warrants to purchase 68,323 shares of common stock, $17.75 per share. Such warrants are non-assessable, expire on November 3, 1956 and are receivable at prices which increase each year.

The First Trust Company of Canada

An automobile company can compete with the largest market and make one profit on practically any cars. On the other hand, the government tries to go up a cropper between two small states or two large companies or two container companies where neither is basically in competition at all and with the profited combination compounding less than 25% of the market, the companies would be too big. In other words, it is my feeling that definite rules and controls should be set down, just like they are in the football, too, and the rule that it should be left to lawyers and courts, which are entirely too slow and inefficient and have been largely without effect during recent years, for the protection of the smaller community and the smaller businesses. Here are some steps I think the government should take.

Wants 20% Amortization

First, correct the error of eliminating the 20% certifica- tions. This certificates make it possible to depreciate new facilities in five years, if the facilities lasted longer than five years or if the facilities had increased earnings during the five years. If since 1929, the years would have made it in- suitable in the government's income tax laws to make finance companies or any other companies which do not have ready access, for instance, to long-term mortgage income, monetary insurance companies can not afford to finance large industrial loans, and many of the financial companies do not know their way to the main offices of those insurance companies in the way of the national banks. They are going to commercial banks and are limited to short-term five-year loans, for the most part.

The very large and great corporations can still borrow from $15 to $100, more, millions, merely at higher interest rates, and large corporations can sell additional stock. One large corporation in spite of the present tight money market, is the fact that in- dustrials are taxed at such high rates, to the advantage of smaller companies, is destroyed from pension trusts, trust company management, which are professional managers handling other people's money. Naturally, they can not risk buying some small un- known security with other people's money. They may speculate, walk, and make chips, such chips, hence the local market for equity money is not open to smaller companies. I think in- deed that large corporations are not a particularly good group to finance, they are too large and their earnings have been largely without effect during recent years, for the protection of the smaller community and the smaller businesses. Here are some steps I think the government should take.

Extend Depreciation to Second-hand Machinery

The second aid the government should afford small business is to follow the new depreciation legis- lation in the 1954 tax law to apply to second-hand machinery as well as to new. The large corpo- rations can usually afford to buy new machinery, but often smaller ones, cannot, and unless any, should, and why would, be denied the benefits of the sum of the digits of depreciation which is only applicable to new equipment. New depreciation can be more and in a way much more important than in a single one, particularly in the operation of small businesses. The larger corporations have an- other advantage: the large corporations have made a tax research, much of it at the govern- ment's expense, to determine if the corporation's earnings are more stabilized by operating various di- visions, even in the case of a company operating in one field. Therefore, a large corporation can appropriate a definite amount of stabilization to the expenses and in some of the longest this runs as much as 6% of sales. However, in this economy we must remain the memory spent on research is paid for by the government because it is de- ductible for income tax purposes and if this large corpo- ration is today the more the government-subsidized research it has.

When you add to this the fact that the very large corporations are doing most of the defense business and in many cases it runs 15% to 25% of their sales, and even more, the profits this may be taxed at a rate provided by the government. It can be well shown that a large company uses 6% of its sales for research, on account of the business which is completely subsidized by government research. I argue that research should not be undertaken, since anyone, or the country, would have the benefit, by the smaller companies do not have as much government-subsidized re- search on defense as do the very large corporations.

Lower Graduated Business Small Tax

That brings us to the third, and a most important, aid to smaller business, and probably the most practical and a n effective. A graduated business small tax. Become all in- clusive, and reduce the burden on smaller business, just as we eased the burden on other individuals in the lower in- come tax brackets. This would add another boost to the growth of the very large corporations. This will add another boost to the growth of the very large corporations. This will add another boost to the growth of the very large corporations.
Pension Trust Possibilities As Mortgage Money Source

By EDMOND B. GARDNER* 
Vice-President, The Chase Manhattan Bank

Noting pension trust annual contributions have more than tripled in past decade and significant areas still are to be covered, Chase Manhattan executive finds basic pension fund's characteristics are adaptable to mortgage investments. On basis of this view, Mr. Gardner suggests that pension trust investments were to comprise 20% mortgages, netting a substantial over 150% annually on the mortgage investment. Moreover, it would be possible to determine to what extent a mortgage loan would carry a component of mortgage policy, and how this might be encouraged and developed as a financial institution. In conclusion, Mr. Gardner suggests that the present value of today's interest rates is an indication of another significant fact, that the current value of the mortgage investment is not as yet fully realized and may be expected to increase as a result of the above considerations.


tutation. The Chase Manhattan Bank

*An address by Mr. Gardner before the ABA Convention, New York, Oct., 1936.
Career Opportunities in the Securities Business Discussed

Group of the younger men connected with Wall Street investment banking firms, in pointing out opportunities for successful careers in the securities industry, describe functions and responsibilities in each of the five departments of the business.

BY ROBERT F. SEEBECK, President of the Investment Association of New York.

A feature of the Sixth Annual Forum on Finance, held at the American Club in New York City, was the group of young men who were devoting a discussion to the opportunities open to young men for successful careers in the securities and brokerage industry. By way of illustrating the point, Robert F. Seebeck, president of the Investment Association of New York, presented a panel consisting of senior partners of the various member firms. The panel was moderated by Robert F. Seebeck, President of the Investment Association of New York.

The first panel member to talk was Henry Simon of Kidder, Peabody & Co. Mr. Simon said that he was present at the discussion of the four men who went to Wall Street and were working in the insurance business. The three other men were the chairman of the board of a large banking institution, the president of the New York Stock Exchange, and the president of the New York Life Insurance Company. Mr. Simon said that he was present at the discussion because he believed that there was an opportunity for a young man in the securities business to have a successful career.

The second panel member to talk was Henry Schmeck of the New York Stock Exchange. Mr. Schmeck said that he was present at the discussion because he believed that there was an opportunity for a young man in the securities business to have a successful career. He said that the New York Stock Exchange was a large and well-established organization with a long history of success.

The third panel member to talk was John H. Chase of the New York Life Insurance Company. Mr. Chase said that he was present at the discussion because he believed that there was an opportunity for a young man in the securities business to have a successful career. He said that the New York Life Insurance Company was a large and well-established organization with a long history of success.

The fourth panel member to talk was Mr. Seebeck. Mr. Seebeck said that he was present at the discussion because he believed that there was an opportunity for a young man in the securities business to have a successful career. He said that the Investment Association of New York was a large and well-established organization with a long history of success.

The panel was moderated by Robert F. Seebeck, President of the Investment Association of New York. The panel members were: Henry Simon of Kidder, Peabody & Co.; Nelson Schenaen, Jr., Buying Department, Dillon, Read & Co.; Peter Philip, Municipal Department, W. R. Grace & Co.; John H. Chase, Jr., Sales Department, R. S. Dickson & Co.; and Robert Baldwin, Syndicate Department, Morgan Stanley & Co.

We now give the text of the letter talk:

BY ROBERT F. SEEBECK.


You are going to hear about certain career opportunities that are available within a typical investment banking firm and that are linked together with a variety of different activities that are carried on in the industry at large. As a matter of fact, I believe that you are going to hear something about the career of today.

I believe that the career of today is one of the most exciting careers that has ever been presented to a young man. It is a career that is devoted to the providing of services to a large number of individuals and organizations. It is a career that is devoted to the providing of services to the public. It is a career that is devoted to the providing of services to the government. It is a career that is devoted to the providing of services to the business community.

Today, I believe, is the beginning of the new career. Today, I believe, is the beginning of the new career. Today, I believe, is the beginning of the new career. Today, I believe, is the beginning of the new career.

In conclusion, I would like to say that the career of today is one of the most exciting careers that has ever been presented to a young man. It is a career that is devoted to the providing of services to a large number of individuals and organizations. It is a career that is devoted to the providing of services to the public. It is a career that is devoted to the providing of services to the government. It is a career that is devoted to the providing of services to the business community.
Public Utility Securities

By OWEN ELY

Mississippi River Fuel Company

Mississippi River Fuel Company, which is one of the major waterways in the United States and has been providing services to the area for over 100 years, plans to invest $20 million in new projects. The company's revenue has grown consistently over the years, reaching over $55 million in 2019. This is the highest revenue ever recorded by the company, surpassing its previous record by nearly 20%.

The company's major projects include the construction of new pipelines and the expansion of existing ones. The new pipelines will be constructed in the Coastal Plains region, providing new transportation options for the area. The company has also announced plans to invest in new technology to improve efficiency and reduce costs. These projects are expected to create over 600 new jobs in the area.

The company's earnings for the first quarter of 2021 have increased by 15% compared to the same period last year. The company's balance sheet shows a strong position with cash reserves of over $1 billion and a debt-to-equity ratio of 0.5.

The company's stock has been performing well in the stock market, with a 20% increase in value over the past year. Analysts expect the company to continue growing at a steady pace, supported by strong demand for its services.

The company's leadership has been actively involved in the community, sponsoring local events and donating to local charities. The company's commitment to sustainability is also evident in its recent announcement of plans to invest in renewable energy sources.
NASD Members Alerted Against Boiler Shops

WASHINGTON, D.C.—The National Association of Securities Dealers, Inc., largest organization of brokers and dealers, is advising its offices throughout the country that the 2,700 members of the Association be alerted to the existence of an intensive, high-pressure telephone solicitation campaign to sell worthless securities. The campaign is being conducted across state lines by organizations whose activities and conduct in no way conform with legal or ethical standards of established securities organizations, the NASD notice said.

Wallace H. Fulton, Executive Director of NASD, said the Association wants to get governmental authorities to eliminate such firms from the business. Investors who find themselves on the "sucker lists" of these operators can cooperate by reporting and identifying the sources of these telephone solicitations. Mr. Fulton said in this connection, the NASD notice said: "Any member, whose customers have had experience with this kind of activity, or who may in the future, is asked to obtain as much information as possible on the identity of companies or individuals making solicitations in this manner. In this way, the proper regulatory authorities can be supplied with facts and proof about those engaging in this activity."

Mr. Fulton emphasized that the greatest protection to investors always rests upon their exercise of common sense in dealings with brokers unknown to them.

Join Lackner Staff

(DSSUS TO THE FINANCIAL CHRONICLE)


Columbia of Wyo. Office

(DSSUS TO THE FINANCIAL CHRONICLE)

DENVER, Colo.—Columbia Securities Company, Inc., of Wyoming has opened an office in the C. A. Johnson Building.

A Big New Field for Communications Service

Business machines send and receive data over Bell System lines

Bell System teletypewriter and "common language" tape. Information recorded on perforated tape is fed right into a Bell System teletypewriter and then transmitted and reproduced automatically on other teletypewriters at whatever locations desired. Or the teletypewriter can automatically write and distribute orders and make, at the same time, a second tape comprising only the items of information which should go to a computing center for analysis.

Bell System teletypewriter service is already an essential part of Integrated Data Processing, and its use is growing. But it is just one of many new and special Bell System services to meet the needs of business and industry.

Whatever the need—from a single telephone to a teletypewriter network or a private telephone line to control or coordinate operations in separated places—there's a Bell System service to meet it. Or it will be tailor-made to fit the particular requirements of your business.

E. L. Voneiff Opens

BOSTON, Mass.—Edward L. Voneiff is engaging in a securities business from offices at 4513 Clayton Road, He was formerly with Barrett Herrick & Co., Inc.

With Continental Inv.

DENVER, Colo.—Joe Davis, Mrs. Minnie Ezer, Melvin R. Hanson, Jesse L. Nelson, Hyman P. Silverman, W. Howard Weady, and Leon C. Goff have been added to the staff of Continental Investments, Inc., Equitable Building.

Four With Hamilton

DENVER, Colo.—Edgar J. Ensign, William A. Frenelin, Mrs. Dorothy E. LaCount and Emery E. Matthews are now with Hamlin Management Corporation, 415 Grant St.
The New York Agency of the Federal Reserve Bank of Commerce announced on Nov. 5 the election of George C. Johnson, President of the Bank of Commerce, to the office of President of the Bank of Commerce. The Bank of Commerce now has over 1,300 branches in New York City.

The appointment of James A. Swain as Vice-President of the First National Bank in New York City was announced on Nov. 6. Mr. Swain has been associated with the bank for many years.

The Quarterly Club of the Kings County Savings Bank held its eighth annual Dinner-Meeting at the Montauk Club on Oct. 30. Frederick C. Bragg, a real estate appraiser, was welcomed as the new member of the club.

Seven more hours have been added to each banking day at the Commercial and Union Banking Savings Savings Bank of New York, N.Y. It was announced on Nov. 1, by

F. V. C. Hewett
Tremewan Mines Ltd. The Imperial Life Assurance Company of Canada, National Trust Company Ltd. and other companies.

R. G. Miller has been appointed Regional Superintendent for The New York Federal Reserve Bank. Mr. Miller is a native of New York City.

The appointment of James A. Swain as Vice-President of the First National Bank in New York City was announced on Nov. 6. Mr. Swain has been associated with the bank for many years.

The Quarterly Club of the Kings County Savings Bank held its eighth annual Dinner-Meeting at the Montauk Club on Oct. 30. Frederick C. Bragg, a real estate appraiser, was welcomed as the new member of the club.

Seven more hours have been added to each banking day at the Commercial and Union Banking Savings Savings Bank of New York, N.Y. It was announced on Nov. 1, by

F. V. C. Hewett
Tremewan Mines Ltd. The Imperial Life Assurance Company of Canada, National Trust Company Ltd. and other companies.

R. G. Miller has been appointed Regional Superintendent for The New York Federal Reserve Bank. Mr. Miller is a native of New York City.

The appointment of James A. Swain as Vice-President of the First National Bank in New York City was announced on Nov. 6. Mr. Swain has been associated with the bank for many years.

The Quarterly Club of the Kings County Savings Bank held its eighth annual Dinner-Meeting at the Montauk Club on Oct. 30. Frederick C. Bragg, a real estate appraiser, was welcomed as the new member of the club.

Seven more hours have been added to each banking day at the Commercial and Union Banking Savings Savings Bank of New York, N.Y. It was announced on Nov. 1, by

F. V. C. Hewett
Tremewan Mines Ltd. The Imperial Life Assurance Company of Canada, National Trust Company Ltd. and other companies.

R. G. Miller has been appointed Regional Superintendent for The New York Federal Reserve Bank. Mr. Miller is a native of New York City.

The appointment of James A. Swain as Vice-President of the First National Bank in New York City was announced on Nov. 6. Mr. Swain has been associated with the bank for many years.

The Quarterly Club of the Kings County Savings Bank held its eighth annual Dinner-Meeting at the Montauk Club on Oct. 30. Frederick C. Bragg, a real estate appraiser, was welcomed as the new member of the club.

Seven more hours have been added to each banking day at the Commercial and Union Banking Savings Savings Bank of New York, N.Y. It was announced on Nov. 1, by

F. V. C. Hewett
Tremewan Mines Ltd. The Imperial Life Assurance Company of Canada, National Trust Company Ltd. and other companies.

R. G. Miller has been appointed Regional Superintendent for The New York Federal Reserve Bank. Mr. Miller is a native of New York City.

The appointment of James A. Swain as Vice-President of the First National Bank in New York City was announced on Nov. 6. Mr. Swain has been associated with the bank for many years.
These statistics of relatively negligible losses must be used with the background of the examination system. At the close of 1955 there were 4,000 bank examinations; the wing of FDIC. Approximately 5% of these had been examined by corporation auditors that year; but the others did not escape the scrutiny. The examining branch of the remaining 95% were examined by the Federal Reserve System or the comptroller of the national bank's office.

The corporation's policy is to make an annual examination of the affairs of members banks that are not members of the Federal Reserve System. With these and, for state chartered banks, state examinations, the opportunities for financial shuffling are greatly minimized. And, no doubt, this examination routine has contributed toward the minor losses. It is, of course, true that no bank knows when or where a federal examiner will arrive. But there were only two major losses reported in any case most banks are covered by fidelity bonds against such losses, aside from their bank insurance.

Why would it not be equitable to extend to the seven major states an institution with the provision that if the deposit insurance fund were to drop to $500,000,000, Congress be asked to pay by the insured banks ___________ another $600,000, or ___________ 1% of the corporation's income? This would be a natural course to grow by reason of its investment in the corporate income from which has probably in recent years more than covered the corporate expenditures and operating expenses combined.

The 1955 income of the Federal Deposit Insurance Corporation was $39,000,000. Against, this administrative expenses and operating expenses, totaling ___________ approximately $30,000,000, there remained a balance of ___________ $9,000,000, or 23% of the above income figure.

**Forms Marc-XL** *(Special to The Financial Chronicle)*

**DENVER, Colo.**—Gordon L. Sprague, 23, president of a business from offices in the Guaranty Bank Building under the name of Marc-XL.

**With Federated Plans** *(Special to The Financial Chronicle)*

**SPRINGFIELD, Mo.**—Thurman H. Bell, Frank A. Clifton, Donald George A. Tumblens, and Jack L. Walden are Federated Plans, Inc.

**Join Hamilton Management** *(Special to The Financial Chronicle)*

**PORTLAND, Ore.**—Robert E. Peterson, Morton B. Roberts and William L. Ryals are connected with Hamilton Management Corporation.

**Bank and Insurance Stocks** *(The Commercial and Financial Chronicle)*

**Trust Company of North America** *(Real Money)*

**Bank Employees** *(New York State Exchange)*

**Laird, Bissell & Meeds** *(New York Stock Exchange)*

**100 BROADWAY, NEW YORK 8, N. Y.**


**Economic Effects of Satellites' Liberation**

**By PAUL EINZIG**

**Should satellite countries gain title-type national communism, noted British Economist believes such possible consequences may occur in U. S. R. as: slowed down industrialization pace; diversification of economy; less emphasis on machined production; and reduced supplies available for cold-war expert. Dr. Einzig finds this an unmixed blessing since successful national Communist economies may increase the free world's ability to tip the balance of power in such countries as France and Italy to Socialist parties.**

LONDON, England—Although it might be premature at this time to say that Poland and Hungary can succeed in gaining substantially from the draft of their Communist nation, the development of the Eastern European nations now is allowing the leaders to see that the American Commander's intent was to provide agricultural agricultural expansion in order for the expansion of the surplus of heavy goods in the USSR to be available for agricultural agricultural expansion and exports.

Soviet leaders, who have been the target of the American Commander's efforts to increase the surplus of heavy goods in the USSR, have been given the chance to use the Soviet surplus in order to increase the value of their country's exports. The American Commander's efforts have been successful in increasing the surplus of heavy goods in the USSR, which has resulted in increased exports for the USSR.

The American Commander's efforts have been successful in increasing the surplus of heavy goods in the USSR, which has resulted in increased exports for the USSR. The American Commander's efforts have been successful in increasing the surplus of heavy goods in the USSR, which has resulted in increased exports for the USSR.

The American Commander's efforts have been successful in increasing the surplus of heavy goods in the USSR, which has resulted in increased exports for the USSR. The American Commander's efforts have been successful in increasing the surplus of heavy goods in the USSR, which has resulted in increased exports for the USSR.

The American Commander's efforts have been successful in increasing the surplus of heavy goods in the USSR, which has resulted in increased exports for the USSR. The American Commander's efforts have been successful in increasing the surplus of heavy goods in the USSR, which has resulted in increased exports for the USSR.

The American Commander's efforts have been successful in increasing the surplus of heavy goods in the USSR, which has resulted in increased exports for the USSR. The American Commander's efforts have been successful in increasing the surplus of heavy goods in the USSR, which has resulted in increased exports for the USSR.
Securities Salesman’s Corner

By JOHN DUTTON

Tax Switch Opportunities in Turnpike Bonds

At the present time, the public reportedly holds about $4 billion in Turnpike bonds. These bonds have been originally offered at prices ranging from around 98% to 100% of par. The recent two years of these bonds, some of which are still in the hands of the public, have shown a decline of from five to ten points below their offering price.

Considering the situation from the investor's viewpoint who bought these bonds at par or a hair above par, current market valuations are not too pleasant to behold. Yet, the very fact that the bonds are selling below par is an entire list of Turnpike issues, now presents him with an opportunity to reduce his 1966 income tax substantially. He can do this without sacrificing yield or incurring too much risk.

The Decline Has Been General

Several factors have contributed to the decline in Turnpike obligations. The tight money situation and the overall advance in interest rates has affected all bond prices, Turnpikes included. Also, many toll-road bonds were sold unrealistically during an aura of optimism about the future of these super highways. Some issues were not priced realistically and they will find their proper place in the market evaluation now going on and in the future. The Federal Highway program issued by Congress caused some uncertainty about the future of privately financed toll roads, although the Federal Act specifically guarantees that existing toll roads will not be duplicated, and if they are absorbed into the 50-mile free highway system, the bondholders will get a fair return.

The combination of all these factors and circumstances has created a general decline in the bond market. This offers some excellent opportunities for "tax savings" for the investor who will make indicated "switches" out of bonds that have declined in value in order to find issues that have likewise shown a similar market appreciation.

TURNPIKE BONDS

A few, a few recent original offerings are:

<table>
<thead>
<tr>
<th>State</th>
<th>Issue</th>
<th>Rate</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Florida State Turnpike</td>
<td>3½’s 1965</td>
<td>100</td>
<td>95</td>
</tr>
<tr>
<td>Kansas Turnpike</td>
<td>1984</td>
<td>82</td>
<td>91</td>
</tr>
<tr>
<td>Hispanic Turnpike</td>
<td>3-4’s 1965</td>
<td>100</td>
<td>95</td>
</tr>
<tr>
<td>Texas Turnpike</td>
<td>2-7/8’s</td>
<td>99</td>
<td>88</td>
</tr>
</tbody>
</table>

W. H. Morris V.P., of Parker Corp.

A Service for Your Client

If you have customers who have bought Turnpike bonds at high yields and you wish to appreciate it if you can come to them with a suggestion for a "tax saving" technique, there is no valid reason why any investor should not be offered substantially on the tax bill for 1966, when he can do so without increasing his investment risk, or sacrificing other investment opportunities. He, and we will appreciate it, and will thank you for being alert to an opportunity to do something tangible in their behalf.

W. H. Morris V.P., of Parker Corp.

DETAIO, Mich.—Election of William H. Morris as Vice-President of The Parker Corporation is announced. He will serve as a representative of Incorporated Investors and as an Income Fund of Illinois and Michigan. He received a Masters Degree from the University of Economics and Finance. He has been an instructor in Economics at several universities and an Economist with the Federal Reserve Bank. He received a Masters Degree from Fordham University in Economics and Finance. He has been an instructor in Economics at several universities and an Economist with the Federal Reserve Bank. He received a Masters Degree from Fordham University in Economics and Finance. He has been an instructor in Economics at several universities and an Economist with the Federal Reserve Bank.

With State Bond & Mge.

Hensley, Minn.—H. E. joins Reynolds Staff of State Bond & Mortgage Company, 23 North Minnesota St.

With King Merrill

Hensley, Minn.—Herbert E. Hensley of State Bond & Mortgage Company, 23 North Minnesota St.

With King Merrill

Hensley, Minn.—Herbert E. Hensley.

Joins Thill Staff

Hensley, Minn.—Herbert E. Hensley of State Bond & Mortgage Company, 23 North Minnesota St.

Continued from first page

1957 Outlook for Business, Housing, Mortgage Market

For the businessman, it seems fair to say that the recent decline in the volume of home construction does not seem to be over yet. On the contrary, it is an orderly adjustment to a volume which we can still maintain in the future. However, that we are mistaken in our conclusion 100 would mean that there is actually a real market for considerably more than 1,100 billion. In the Event of a decrease in the rate of house building, it may be necessary for the builders to lower their prices. Eventually, it may be possible for the builders to lower their prices by more than a 100 billion. In the Event of a decrease in the rate of house building, it may be necessary for the builders to lower their prices. Eventually, it may be possible for the builders to lower their prices by more than a 100 billion. In the Event of a decrease in the rate of house building, it may be necessary for the builders to lower their prices. Eventually, it may be possible for the builders to lower their prices by more than a 100 billion. In the Event of a decrease in the rate of house building, it may be necessary for the builders to lower their prices. Eventually, it may be possible for the builders to lower their prices by more than a 100 billion. In the Event of a decrease in the rate of house building, it may be necessary for the builders to lower their prices. Eventually, it may be possible for the builders to lower their prices by more than a 100 billion. In the Event of a decrease in the rate of house building, it may be necessary for the builders to lower their prices. Eventually, it may be possible for the builders to lower their prices by more than a 100 billion. In the Event of a decrease in the rate of house building, it may be necessary for the builders to lower their prices. Eventually, it may be possible for the builders to lower their prices by more than a 100 billion.
Our Reporter on Governments

BY JOHN T. CHIPPENDALE, JR.

The Government market continues to be on the defensive and this has brought new lows to many of the marketable issues. The heavy balance between buyers and sellers will remain largely on the sideline. The exception is that the near-term issues remain close to the market floor because of the tightness of the Treasury market.

Mortgage Money Will Be Tight

Now, finally, what does this mean to the mortgage market? It means first of all that mortgage money will be tight. The small mortgage market will of course reflect conditions in the overall capital market. But, in general, picture, there are no special conditions that might be more pressing than the demand for mortgage money will be up. The Federal Reserve is likely to show a cash surplus of as much as $3 billion and the movement of funds will not be sufficient to offset it.

Credit Stringency Still Eminant

This indicates the tight money policy of the powers that be, is evident. The rising cost of living and the availability of credit as far as the large institutional lenders are concerned. It is reported that in a few instances, in order to make money readily available to these lenders, the Federal Reserve has had to advance the funds. However, this is a very general picture. Savings banks, savings and loan associations, and mortgage banks have not been forced to sell certain of their holdings of non-Treasury bonds.

Tax Switching Operations Continue

According to reports, there is a pick-up in tax switches within the Government market. The Treasury is concerned in this interest in these issues. It is expected that as the year draws near, such tax switches will continue. It is expected that a very great many institutions have already taken care of their tax losses as far as Government obligations are concerned. The intermediaries are more matured, accordingly, and they are being switched pretty much within their respective maturities, even though the 1961 and 1962 maturities have been attracting some of the money which has been obtained from the sale of the most distant Treasury obligations.

Views on Treasury's Forthcoming Financing

With the election out of the way, it is expected that the Treasury will be borrowing within the next few days the terms for the refunding of the 2½% certificates which come due on Dec. 1, as well as the issue or issues that will be used in the new money raising operation. It is believed that the refunding and the new money offering will be at the same time, and that the 2½% certificates will be rolled over, while the cash needs of the Treasury are expected to be either $1,500 million or $1,600 million. A large portion of this will be related to the expected draft on the money market, with a certificate, along with tax anticipation securities due about June 22, 1957. The issue or issues will be offered to holders of the maturing 2½% certificates as well as for the new money raising operation.

Joints With Altgeld

The Federal Reserve Banks, the largest owners of the 2½% of Dec. 1, would take a one-year maturity, whereas the 1½% tax free paper holders. It is believed the new money securities will be payable again through the tax and loan account in commercial banks, which should make the rate more favorable to the Treasury.

Aspen, Robinson Co. Merges With Pennington, Colket

PHILADELPHIA, Pa.—Pennington, Colket & Co., 123 South Broad Street, Philadelphia, has merged with the New York Stock Exchange and other leading financial changes, have announced the consolidation of A s p e n , Robinson, Colket & Co. with Pennington, Colket & Co. and the formation of a bond firm under the direction of Ellwood S. Robinson and Wilbur J. Illoway, spokesmen in municipal, revenue and corporate bonds. The consolidation is effective Nov. 1, 1956. Mr. Robinson has been active in the municipal bond field for more than 20 years and is associated with Guaranty Co. of New York in their Philadelphia office until 1945 when he joined a Webster Douglass & Co. in New York, later becoming a partner in the firm in 1946 to form Aspen, Robinson & Co.

Mr. Illoway has been prominent in the field of corporate bond financing. He graduated from Chestnut Hill College and received his B.S. degree from University in 1933. Following graduation he became associated with the Chase National Bank, later joining Webster Douglass & Co. and Reynolds & Co. of Philadelphia. In 1941 Mr. Illoway entered the Army and left in 1946 with the rank of Col. In 1946 he became a partner of Aspen, Robinson & Co.

With A. G. Thorsen

Hanover National Paper Co., paper manufacturers, Milwaukee, Wis.—Osward E. Breettinger is now connected with A. G. Thorsen, 726 North Water Street.

Sauer Opens Office

MENDON, N. Y.—Mr. Howard A. Sauer, an experienced bonded printer, has opened his own office in the same building as the office of J. L. Stark, printer.

Joints Walter Gorey

SAN FRANCISCO, Calif.—Chas. M. Canna and Co. have announced the joining of Walter Gorey, consulting engineer and public relations counselor, to the staff of Walter Gorey Co., Russ Building.

U.S. TREASURY

STATE, MUNICIPAL

and

PUBLIC REVENUE SEURITIES

Joints Walston Co.

BEVERLY HILLS, Calif.—Gene Breitengross, president of Walston & Co., 235 South LaSalle Street, Chicago, Ill., has announced that he has joined the staff of Walston & Co., 235 South Beverly Drive, Beverly Hills, and he has become associated with Walston & Co., 235 South LaSalle Street, Chicago, Ill., and the firm will henceforth be known as Walston & Co., and Breitengross & Co. In the past he was in the investment business in Los Angeles.

With Daniel Reeves

BEVERLY HILLS, Calif.—Gene Breitengross, president of Walston & Co., 235 South Beverly Drive, Beverly Hills, has announced that he has joined the staff of Daniel Reeves & Co., 298 South Beverly Drive, Beverly Hills, and has become associated with Walston & Co., and Breitengross & Co. In the past he was in the investment business in Los Angeles.

Audrey G. Lanston & Co.

BROAD STREET, NEW YORK

ST. LAWRENCE, 1120

47 5TH AVENUE

CHICAGO 4

ST. LAWRENCE

HA 6-6688

Funded by FRASER (finances.fraser.frb.org)
Funds Broadly Retrench Into Defensive Assents

The defensive attitude of many managers was also highlighted by the diminished proportions of new overall acquisitions devoted to junior equities in the cases of Investors Mutual (40%), Continental (27%), Seunder, Stimson & Clark (36%). In fact, of the net purchases over sales made by Investors Mutual, a mere 5.6% was channelled into common stocks.

Again, Eaton & Howard Balanced Fund bought one stock (Virginia Electric & Power) while reducing its holdings in 12 other equity issues, the liquidation concentrating in utilities, metal, gas, food, shells, rubber and a few oils. Loomis-Sayles purchased five common stocks, while liquidating 16 issues.

United States' & Foreign's policy of realizing securities profits, accompanied by their distribution to the stockholders, at advanced market levels, was continued during the past quarter. In fact not a single share has been bought during the last nine months, whereas liquidation of non-government securities amounted to $22,100,000, including $16,100,00 in the September quarter.

On the other hand, some managers, Adams-Adams International and Wellington during the quarter increased the proportion of assets held in common stocks.

Words of Caution

The generally lessened enthusiasm for the equity arm of the market has been marked a statement from management. Messrs. Gillett and Bradford of Investors Mutual point out the impact of rising bond yields on the vulnerability of equities. W. Linton Nelson, President, in explaining the shift into government securities by Delaware Fund, Inc., cites the marked rise in their yield; also voicing concern over the Middle East situation; and the shareholders are warned against narrow profit margins in the chemical and food industries. Simi¬larly, F. R. Tibbets, President of Tri-Continental Fund, reiterates the wildcat tendencies in the proportion of common stock investment, and points the increasing attractiveness of fixed income bonds and preferred stocks as the marked money market rate and dividend rates higher. Some common stock purchases which were made by "Tri" were importantly concentrated in utilities and bank stocks; while on the selling side several oils as well as Kaiser Aluminum predominated.

Switching Into Attractive Bond Yields

The Johnston Mutual Fund, in the word of its Chairman and President, "has utilized what interest and dividend possibilities make available for bonds of top quality in over 20 years. This action was taken purely for the activity of the higher bonds which could be secured but primarily because it was believed that the present shortage of credit and rising interest rates eventually will result in some slackening in the present high rate of industrial activity. Predictions are made by Popovic of Blue Ridge, which fund sold more than $100,000 during the period, explained: "After a prolonged rise of stock future, it is likely to experience a somewhat lessened economy, a point has been reached where some consolidation gains seems necessary before another extension of broad upward move. We have reported the expected. The economy shows a tendency to be uneven in the activity of the various sections. It seems to be reaching for new balances after the great changes which have occurred. The stock market, after a general rise in prices, is now moving true relative values between bonds and equities. This is evidenced in the wide difference in action of variable rates with prices. We are careful especially for particularly searching and careful investment evaluation on the part of your management to get the greatest benefit of the changing picture."

T. Rowe Price, President of the fund bearing his name, explaining the lowest percentage placed in common stocks since its inception of the fund, voicing concern over wage and material costs over productivity, prices of wage squeeze in profit margins, and increased political and international uncertainties.

"Bullish" Expressions

In their report, the fund stressed the recent long-term constructive addenda to the "bearish" statements, some managements have expressed outright affirmation of near-term con¬fidence. For example, Edward P. Rubin, President of Selected American Shares, in reporting to stockholders, has this to say: "On a shorter term basis, stock prices do not seem to be placing unreasonable valuations upon current or past earnings and dividends. Speculation in se¬curities can properly be said to have been reasonably well judges by the moderate amount of speculation in general munici¬pal bonds to the tune of 25,000 shares, with no buyers.

Likewise from George Putnam, the Chairman of the Trustees of Putnam Fund: "Investors are inclined to view the present period as one of opportunity to invest in the carefully selected se¬curities on a more attractive basis than we have been given for some time."

Policy Toward Industry Groups

Analysis of actual portfolio changes reveals that the impact of the Federal Reserve was felt through liquidation large¬ly in the following industry groups: airlines, K. T. B. Initial sale, motion finance, profit, textile, tobacco and, to some extent, food. On the other hand, buyers were concentrated most emphatically in the steel as well as in aeronautical manufacturing, banks, coal, ma¬chinery, transportation and equipment, farm equipment.

Changes were mixed in these 3 groups: automotive, building, chemical, glass and container, electrical equipment and electrical-con¬sumer goods, insurance, aluminum, copper, natural gas, and, on the positive side, textile, railroads, retail trade, rubber, public utilities, and petroleum.

Policy toward the international market was varied—particularly inter¬esting, because of the political crisis in the Middle East.

Groups Sold

Finance Companies Liquidated

Apparenty reflecting domestic factors, namely, rising money rates and the decline in automobile sales, finance company holdings were lightened during the quarter. Bankers, K. T. B. Initial sale were sold by three companies (which includes a complete elimi¬nation of a 100,000 shareholding by Investors Mutual); with only M. I. T. Delta, Capital, and, aside, to the tune of 7,600 shares.

Airlines Liquidated

Sales of widely purchased airlines in the airline group, which con¬tacted with this group's popularity during the previous quarter, Liquidation prevailed in American Airlines, Delta, Capital, and, United. Only Eastern and Pan American attracted more buying interest.

Soft Drinks Sold

Beverage stocks, notably Canada Dry and Pepsi-Cola, were in disfavor. National Distillers, no doubt because of its further ex¬pansion in the chemical field, were sold.

Movies, Tobacco, and Textiles in Disfavor

Paramount Pictures and 20th Century-Fox were quite heavily sold. Investors Mutual was sold out. Selling players were Westinghouse, American Viscose, Dividend Shares (in the Bullock Group) eliminating a 12,000-share block.

Food Share Sellers Exceed Buy¬ers

In the case of the food industry although action was by no means uniform, liquidation predominated. Exposed to selling were Allied Mills, Continental Baking, Standett's, Swift, United Fruit and National Biscuit (of which 18,000 shares were sold). The holding of 28,000 shares, Revised interest was manifested in Car¬negie Steel, Republic Steel and American and West Indies. Gen¬eral Foods, American Tobacco and Campbell Soup also attracted some buyers.

Groups Bought

Strong Buying of the Sterls

In contrast to the bearish attitude displayed toward the above¬cited groups, heavy and wide¬spread buying flowed into the steel and metal stock actions apparently followed growing be¬lief that the actions were cyclical character; as being con¬sistent with Wall Street's tradi¬tional caveat against bearish¬ness, because of strikes. Sold Funda¬mental Investors: the manage¬ment of the Fund took advantage of depressed prices of steel se¬curities during the mid-sommer steel strike to effect substantial purchases. As many as 13 managers purchased 80,000 shares or more in 152,600 shares, including Well¬ington Fund in the amount of $2,000,000, and several In¬vestors with 30,000 and M. I. T. Delta, Division, with over 50,000 shares were discernible. Among the three managers buying Re¬public Steel, the Bullock Group in the amount of 71,400 shares.

Armo attracted 49,300-share buying by eight investors, four of them making completely new commitments. The largest
The George PUTNAM FUND of Boston

A mutual fund investing in common stocks.

Fundamental Investors, Inc.
For free prospectus and facts to aid your investment dealer
33 W. Wacker Dr., Chicago 3, III.;
Elizabethtown, 3rd Floor, New York, N.Y.

Diversified Investment Fund, Inc.
For free prospectus and facts to aid your investment dealer
Putnam Distributors Inc.,
60 Congress Street, Boston

The Group of 5 Funds, Inc.
Incorporated 1933

The COMMON STOCK FUND
An A diversified investment in Listed Companies

THE CAPITAL GROWTH FUND

THE FULLY ADMINISTERED FUND
A Balanced Fund

THE INSTITUTIONAL BOND FUND
A High-Grade Bond Fund

THE GENERAL BOND FUND
A Good-Grade Diversified Bond Fund

For Prospectus on these and 16 Industry Classes write to:

Forbes Distributors Group, Inc.
63 WALL STREET, NEW YORK 5, N.Y.

Balance Between Cash and Investments of 73 Investment Companies
Ending Quarter September 956

<table>
<thead>
<tr>
<th>Net Cash &amp; Governments</th>
<th>Net Cash &amp; Governments</th>
<th>Investment Bonds and</th>
<th>Investment Bonds and</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thousands of Dollars</td>
<td>Per Cent of Net Assets</td>
<td>Per Cent of Net Assets</td>
<td>Per Cent of Net Assets</td>
</tr>
<tr>
<td>-------</td>
<td>-------</td>
<td>-------</td>
<td>-------</td>
</tr>
<tr>
<td>6.32</td>
<td>3.21</td>
<td>20.1</td>
<td>17.5</td>
</tr>
<tr>
<td>3.68</td>
<td>2.62</td>
<td>2.1</td>
<td>1.8</td>
</tr>
<tr>
<td>3.19</td>
<td>1.7</td>
<td>4.1</td>
<td>3.6</td>
</tr>
<tr>
<td>5.6</td>
<td>1.8</td>
<td>2.2</td>
<td>1.8</td>
</tr>
<tr>
<td>0.6</td>
<td>0.5</td>
<td>2.9</td>
<td>2.4</td>
</tr>
<tr>
<td>8.23</td>
<td>5.25</td>
<td>5.5</td>
<td>6.6</td>
</tr>
<tr>
<td>1.54</td>
<td>3.58</td>
<td>3.6</td>
<td>3.8</td>
</tr>
<tr>
<td>1.37</td>
<td>1.27</td>
<td>1.3</td>
<td>1.4</td>
</tr>
<tr>
<td>6.55</td>
<td>6.8</td>
<td>3.4</td>
<td>3.7</td>
</tr>
<tr>
<td>0.29</td>
<td>0.27</td>
<td>1.7</td>
<td>1.7</td>
</tr>
<tr>
<td>0.27</td>
<td>0.27</td>
<td>2.3</td>
<td>2.3</td>
</tr>
<tr>
<td>0.24</td>
<td>0.24</td>
<td>1.4</td>
<td>1.4</td>
</tr>
<tr>
<td>0.1</td>
<td>0.1</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>0.71</td>
<td>0.71</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>0.15</td>
<td>0.15</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>0.48</td>
<td>0.48</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>0.13</td>
<td>0.13</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>0.08</td>
<td>0.08</td>
<td>0.1</td>
<td>0.1</td>
</tr>
</tbody>
</table>

Changes in Cash Position of 73 Investment Companies

- For the nine months ended September 30, 1956

<table>
<thead>
<tr>
<th>Cash</th>
<th>Bonds and Preferred Stock</th>
<th>Stocks</th>
<th>Real Estate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10.3</td>
<td>$12.8</td>
<td>$14.9</td>
<td>$23.0</td>
<td>$32.8</td>
</tr>
<tr>
<td>$12.8</td>
<td>$15.0</td>
<td>$24.9</td>
<td>$38.3</td>
<td>$42.4</td>
</tr>
<tr>
<td>$13.2</td>
<td>$16.0</td>
<td>$29.0</td>
<td>$45.2</td>
<td>$48.5</td>
</tr>
<tr>
<td>$14.3</td>
<td>$17.0</td>
<td>$31.9</td>
<td>$44.3</td>
<td>$49.7</td>
</tr>
<tr>
<td>$12.1</td>
<td>$17.0</td>
<td>$29.5</td>
<td>$44.6</td>
<td>$49.1</td>
</tr>
<tr>
<td>$11.2</td>
<td>$16.8</td>
<td>$26.9</td>
<td>$40.9</td>
<td>$46.0</td>
</tr>
<tr>
<td>$11.9</td>
<td>$17.5</td>
<td>$25.5</td>
<td>$40.4</td>
<td>$46.0</td>
</tr>
<tr>
<td>$17.0</td>
<td>$21.0</td>
<td>$32.0</td>
<td>$50.0</td>
<td>$56.0</td>
</tr>
<tr>
<td>$16.0</td>
<td>$20.0</td>
<td>$34.0</td>
<td>$54.0</td>
<td>$60.0</td>
</tr>
<tr>
<td>$17.0</td>
<td>$21.0</td>
<td>$33.0</td>
<td>$51.0</td>
<td>$57.0</td>
</tr>
</tbody>
</table>

MARY AVERAGE ALLOCATION BY 73 COMPANIES OF ASSETS TO CASH AND EQUIVALENT, DEFENSIVE SECURITIES, AND RISK SECURITIES

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Allocation</th>
<th>Cash and Governmental</th>
<th>Defense Secs.</th>
<th>Risk Secs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 56</td>
<td>Sept. 56</td>
<td>July 56</td>
<td>June 56</td>
<td>Sept. 56</td>
</tr>
<tr>
<td>$63.5</td>
<td>$70.3</td>
<td>$68.5</td>
<td>7.0%</td>
<td>7.2%</td>
</tr>
<tr>
<td>7.2%</td>
<td>7.5%</td>
<td>7.0%</td>
<td>8.0%</td>
<td>8.0%</td>
</tr>
<tr>
<td>7.5%</td>
<td>7.3%</td>
<td>7.9%</td>
<td>9.1%</td>
<td>9.0%</td>
</tr>
<tr>
<td>7.0%</td>
<td>6.9%</td>
<td>7.7%</td>
<td>10.3%</td>
<td>10.1%</td>
</tr>
<tr>
<td>7.2%</td>
<td>7.6%</td>
<td>9.1%</td>
<td>13.3%</td>
<td>13.3%</td>
</tr>
<tr>
<td>7.5%</td>
<td>8.0%</td>
<td>12.2%</td>
<td>19.0%</td>
<td>18.8%</td>
</tr>
<tr>
<td>7.0%</td>
<td>6.9%</td>
<td>11.3%</td>
<td>21.1%</td>
<td>20.8%</td>
</tr>
<tr>
<td>6.8%</td>
<td>6.5%</td>
<td>10.9%</td>
<td>22.9%</td>
<td>22.5%</td>
</tr>
</tbody>
</table>


Forbes Distributors Group, Inc.
63 WALL STREET, NEW YORK 5, N.Y.
### Changes in Common Stock Holdings of 66 Investment Management Groups (July—September, 1956)

Issues in which transactions by more than one management group occurred. Issues which more management sold than bought are in italics. Numbers in parentheses indicate number of management groups making entirely new purchases or completely eliminating the stock from their portfolios. (Purchases shown exclude shares received through stock splits or stock dividends. Changes through mergers also are ignored.)

#### Brought—

<table>
<thead>
<tr>
<th>No. of Trusts</th>
<th>No. of Trusts Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>2(1) 45,000</td>
<td>Delaware Distributors, Inc.</td>
</tr>
<tr>
<td>2(1) 54,000</td>
<td>Pennsylvania Distributors, Inc.</td>
</tr>
</tbody>
</table>

#### Sold—

<table>
<thead>
<tr>
<th>No. of Trusts</th>
<th>No. of Trusts Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>2(1) 10,000</td>
<td>Boeing Airplane Co.</td>
</tr>
<tr>
<td>2(1) 5,000</td>
<td>United Aircraft Corp.</td>
</tr>
</tbody>
</table>

---

### Agricultural Equipment

<table>
<thead>
<tr>
<th>No. of Trusts</th>
<th>No. of Trusts Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>2(1) 6,000</td>
<td>Bell Aircraft Corp.</td>
</tr>
<tr>
<td>2(1) 13,000</td>
<td>Boeing Airplane Co.</td>
</tr>
<tr>
<td>2(1) 15,700</td>
<td>Curtiss-Wright Corp.</td>
</tr>
<tr>
<td>2(1) 6,000</td>
<td>Douglas Aircraft Co.</td>
</tr>
<tr>
<td>2(1) 6,000</td>
<td>Martin (Glenn L.).</td>
</tr>
<tr>
<td>2(1) 18,800</td>
<td>McDonnell Aircraft Corp.</td>
</tr>
<tr>
<td>10(1) 61,585</td>
<td>North American Aviation, Inc.</td>
</tr>
</tbody>
</table>

#### Automotive and Parts

<table>
<thead>
<tr>
<th>No. of Trusts</th>
<th>No. of Trusts Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>2(1) 21,800</td>
<td>Borg-Warner Co.</td>
</tr>
<tr>
<td>2(1) 10,200</td>
<td>Briggs &amp; Stratton Corp.</td>
</tr>
<tr>
<td>2(1) 6,000</td>
<td>Ford Motor Co.</td>
</tr>
<tr>
<td>6(1) 13,500</td>
<td>General Motors Corp.</td>
</tr>
<tr>
<td>4(1) 10,800</td>
<td>Thompson Products Corp.</td>
</tr>
<tr>
<td>1(1) 900</td>
<td>Chrysler Corp.</td>
</tr>
<tr>
<td>1(1) 2,000</td>
<td>Federal Mogul-Bower Bearing Co.</td>
</tr>
</tbody>
</table>

#### Beverages (Soft and Liquor)

<table>
<thead>
<tr>
<th>No. of Trusts</th>
<th>No. of Trusts Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>2(1) 1,000</td>
<td>Coca-Cola Co.</td>
</tr>
<tr>
<td>2(1) 1,219</td>
<td>National Distillers Corp.</td>
</tr>
<tr>
<td>1(1) 500</td>
<td>Pepsi-Cola Co.</td>
</tr>
</tbody>
</table>

#### Building Construction and Equipment

<table>
<thead>
<tr>
<th>No. of Trusts</th>
<th>No. of Trusts Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>2(1) 2,500</td>
<td>Armstrong Cork Co.</td>
</tr>
<tr>
<td>2(1) 2,500</td>
<td>Consolidated Cement Corp.</td>
</tr>
<tr>
<td>2(1) 2,650</td>
<td>Yale &amp; Towne Mfg. Co.</td>
</tr>
<tr>
<td>2(1) 3,100</td>
<td>Sherwin-Williams Co.</td>
</tr>
<tr>
<td>2(1) 12,000</td>
<td>Trane Co.</td>
</tr>
<tr>
<td>2(1) 9,700</td>
<td>U. S. Gypsum Co.</td>
</tr>
<tr>
<td>2(1) 2,650</td>
<td>Yale &amp; Towne Mfg. Co.</td>
</tr>
</tbody>
</table>

#### Chemicals

<table>
<thead>
<tr>
<th>No. of Trusts</th>
<th>No. of Trusts Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>3(1) 28,000</td>
<td>American Cyanamid Co.</td>
</tr>
<tr>
<td>3(1) 4,000</td>
<td>American Potash &amp; Chemical Corp.</td>
</tr>
<tr>
<td>1(1) 1,000</td>
<td>Atlas Powder Co.</td>
</tr>
<tr>
<td>1(1) 5,000</td>
<td>Freeport Sulphur Co.</td>
</tr>
<tr>
<td>1(1) 16,400</td>
<td>Harshaw Chemical Co.</td>
</tr>
<tr>
<td>1(1) 10,200</td>
<td>Hercules Powder Co.</td>
</tr>
<tr>
<td>2(1) 2,800</td>
<td>Oil毡 Mathieson Co.</td>
</tr>
<tr>
<td>2(1) 700</td>
<td>Pennsylvania Salt Co.</td>
</tr>
<tr>
<td>4(2) 8,400</td>
<td>Spencer Chemical Co.</td>
</tr>
<tr>
<td>9(1) 3,500</td>
<td>U. S. Starch &amp; Chemical Co.</td>
</tr>
<tr>
<td>7(1) 7,000</td>
<td>U. S. Borax &amp; Chemical Co.</td>
</tr>
<tr>
<td>2(1) 5,000</td>
<td>Allied Chemical Co.</td>
</tr>
<tr>
<td>3(1) 1,300</td>
<td>Union Carbide Chemical Corp.</td>
</tr>
<tr>
<td>5(1) 8,000</td>
<td>Du Pont.</td>
</tr>
<tr>
<td>1(1) 13,000</td>
<td>E. I. du Pont de Nemours &amp; Co.</td>
</tr>
<tr>
<td>4(1) 24,300</td>
<td>Hooker Electrochemical Co.</td>
</tr>
<tr>
<td>4(1) 10,888</td>
<td>Monsanto Chemical Co.</td>
</tr>
</tbody>
</table>

---

**EATON & HOWARD STOCK FUND**

**Managed by EATON & HOWARD INCORPORATED**

**Established Since 1929**

**Prospectuses from your Investment Dealer or the above.**

---

**Affiliated Fund**

**A Common Stock Investment Fund**

Investment objectives of this Fund are to provide income and growth for its shareholders. Prospectus upon request.

---

**LORD, ABBETT & CO., New York — Chicago — Atlanta — Los Angeles**
<table>
<thead>
<tr>
<th>Company Name</th>
<th>Number of Shares</th>
<th>No. of Trusts</th>
<th>Trusts Sold</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Biscuit</td>
<td>29,100</td>
<td>2(2)</td>
<td>1,300</td>
</tr>
<tr>
<td>Standard Brands</td>
<td>4,200</td>
<td>2(2)</td>
<td>2,000</td>
</tr>
<tr>
<td>Boeing &amp; Co.</td>
<td>3,900</td>
<td>2(2)</td>
<td>2,300</td>
</tr>
<tr>
<td>Food Machinery &amp; Chemical</td>
<td>3,000</td>
<td>2(2)</td>
<td>3,000</td>
</tr>
<tr>
<td>Ingersoll Rand</td>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Link-Belt</td>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Owens-Corning Fiberglas</td>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Black &amp; Decker</td>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>12,000</td>
<td>2(2)</td>
<td>2(2)</td>
<td>2(2)</td>
</tr>
<tr>
<td>1,000</td>
<td>3(1)</td>
<td>3(1)</td>
<td>3(1)</td>
</tr>
<tr>
<td>3,200</td>
<td>2(1)</td>
<td>1,600</td>
<td>1,600</td>
</tr>
<tr>
<td>1,000</td>
<td>2(1)</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>800</td>
<td>2(1)</td>
<td>800</td>
<td>800</td>
</tr>
<tr>
<td>1,500</td>
<td>3(1)</td>
<td>1,500</td>
<td>1,500</td>
</tr>
<tr>
<td>3,000</td>
<td>2(1)</td>
<td>3,000</td>
<td>3,000</td>
</tr>
<tr>
<td>67,300</td>
<td>5(3)</td>
<td>67,300</td>
<td>67,300</td>
</tr>
</tbody>
</table>
| Continued from page 23

## Funds Broadly Retrench Into Defensive Assets

North American. Sales outnumbered purchases in general Defense industries, particularly in Bendix Aviation.

### Coal Shares' Popularity Grows

Popularity of the coal stocks continued to pick up. Incorporated Investors, extending its previous protection, concentrated a full half of its issues bought during the quarter in coal stocks. This included Island Creek, North American, Pittston, Truax-Tracer, and the Kentucky and Koppers.

## Drug

Drugs were favored on balance, especially Bristol-Myers, E. Mead Johnson, Merck, Parke Davis, Pfizer, and Schering. On the other hand, pharmaceuticals, G. D. Searle, and Sterling Drug experienced more selling than buying.

## Bank

Bank stocks, no doubt reflecting rising money rates, continued to attract buying; especially Chase, Manhattan Chemical, Cor, Guaranty, and First National City of New York.

### Machinery

Machinery accumulation prevailed in machinery stocks, including Babcock & Wilcox, Caterpillar, Consolidated, Food Machinery and Chemical, United Engineering, and Link-Belt.

## Paper

Although the policy toward the paper issues remained firm, brokers, particularly in Northern, Hammerton, Marshall, Bayonet, St. Regis, and West Virginia, in distaining, were International, Mead, and Union Bag.

### Radio-TV

Among the Radio-TV issues, ABC-Paramount, Motorsola, and Zenith were below average performance. In the case of Columbia Broadcasting, 6 funds including Investment Company of America and TAB, bought more than 64,000 shares, while 4 others, including...
Is Restrictive Federal Reserve Policy too Late and too Little?

Continued from page 3

server cannot help but feel that if these easier terms were not available to the banks, it would be more difficult to sell securities. (The more that are brought into circulation, the easier the credit, the greater will be the supply of money for the labor and materials required by the real economy, which will result. Naturally those who are buying the securities to sell, the materials suppliers, the owners of labor and the owners of consumers, and the owners of individuals who, in their turn, will be filling up on demand on demand goods, are the owners of banknotes. So that, the question is, what now is the general inflation, and the fact that the Federal Reserve tries to remove some of these demand pressures is loud and clear.

The rate of interest is a ridicu-

lous device. At any rate, there are some people who are just induced to take any loan at any rate, if we can show them a fraction of a percentage point higher. Then there are the contractors, the fly-by-night outfits, who have seen the possibilities of inflating the public and come out with supply. The rate that a given price level has about doubled since the beginning of the year. The prices of homes have tripled, and in the weller of e-

Note the supply and demand of the public has been inflated. Housing is here taken as an ex-

ample of the United States. I don't think it could be easily produced in the Latin America, George Putnam Fund bought 2,500,000 Bolivares par value of a 7.7% subordinated and note due 1963 of La Financiera Nacional, S.A., of Venezuela, while also holding $560,000 of a 5% note due 1953 of the Venezuelan Ministry of Commerce. Also, the government has also bought by Electric Bond Share in the amount of $894,850.

IBA General Group Elect Lawlor Chman

CHICAGO, III., -- William J. Lawlor, President of the Chicago Tribune, was elected Chairman of 1957 of the Central Board of Directors of the IBA, along with the other two officers, President-elect and Secretary. The offices were filled, respectively, by Robert J. F. Scott, President of the First Boston Corporation, and Erwin A. Stueh, National Bank of Washington, D.C.


The IBA is a composite of members of banks, Illinois, Wisconsin, Iowa, Nebraska and coffee.

JOINS ROBBINS STAFF

R. F. Campeau Adu

DETOUR, Mich. — William J. O'Brien has been added to the staff of Robbins Company, Penobscot Building.

Fed. Reserve Bank of St. Louis. Digitized for FRASER.
Is Restrictive Federal Reserve Policy too Late and too Little?

The Federal Reserve does not control the fluctuations in the business cycle, its chief function is to regulate the banking system in times of emergency when credit is needed. Although the harvest time of crops must be moved. But proprietors hesitate to do something about smoothing out the business cycle unless they want it worse. When business is going along well, there is no need to do anything to interfere. Do not rock the boat. For if an imbalance does occur the system will correct it. But by that time the damage is done, the maladjustment of resources, overinvestment or underinvestment in various lines, too much debt, too high costs involved, too many loans, etc., have set up forces that are too late and too little.

**Federal Reserve Tools**

The Federal Reserve has several techniques by which it can restrain the expansion and therefore the amount of purchasing power, and it has four basic tools. The first is lowering the discount rate, the price charged banks for loans from the Federal Reserve. If the member banks' eligible and acceptable collateral is reduced or raised to lower or raise the minimum required deposits, this is a change in the equipment of the Federal Reserve System. By lowering the required minimum reserve, which is the member bank's deposit in the Federal Reserve Bank in the district, divided by deposits, the bank frees excess reserves, which can increase its deposits by the lending powers it derives from these excess reserves. The third technique is the open market operations. The Federal Reserve can buy or sell government bonds, it issues a check to the seller of the bonds. The bank in turn checks the check in to the Federal Reserve Bank, which credits the account with the purchase.

The member bank's legal reserve is not committed to the Federal Reserve when it has a Federal Reserve Bank. The Federal Reserve Bank is selling or buying government bonds. The member bank's economic real estate, which is the sum of all member banks' accounts with the Federal Reserve Bank, is again due to lower or raise the minimum required deposits.

In our nature economics in the United States are not so simple that capital and labor which combines the wants of the public. The Board of Governors can raise or lower the minimum required reserve, which is a change in the member bank's real estate. When the member bank's real estate is raised, the Federal Reserve can buy or sell government bonds with the member banks' deposits, which are their reserve deposits. The member bank's real estate is raised, the Federal Reserve can buy or sell government bonds with the member banks' deposits, which are their reserve deposits.

In our nature economies in the United States are not so simple that capital and labor which combines the wants of the public. The Board of Governors can raise or lower the minimum required reserve, which is a change in the member bank's real estate. When the member bank's real estate is raised, the Federal Reserve can buy or sell government bonds with the member banks' deposits, which are their reserve deposits. The member bank's real estate is raised, the Federal Reserve can buy or sell government bonds with the member banks' deposits, which are their reserve deposits.

In our nature economies in the United States are not so simple that capital and labor which combines the wants of the public. The Board of Governors can raise or lower the minimum required reserve, which is a change in the member bank's real estate. When the member bank's real estate is raised, the Federal Reserve can buy or sell government bonds with the member banks' deposits, which are their reserve deposits. The member bank's real estate is raised, the Federal Reserve can buy or sell government bonds with the member banks' deposits, which are their reserve deposits.
In equities in Analysis of Industrial Investments

In applying to an example of this asset type, a purchase of $1 million, with an annual rate of 10%, the cash flow from operations is $100,000, and the book value is $1,000,000.

This example shows the importance of considering the different methods used to calculate the value of assets. In each of the examples, the method chosen has a significant impact on the calculated value.

Three Other Methods Used

Another important method that is often overlooked is the Straight Line Method. This method is used for assets whose life is expected to be finite.

Straight Line Method

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost</th>
<th>Salvage Value</th>
<th>Depreciation</th>
<th>Book Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1000</td>
<td>200</td>
<td>800</td>
<td>200</td>
</tr>
<tr>
<td>2</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>400</td>
</tr>
<tr>
<td>3</td>
<td>600</td>
<td>200</td>
<td>400</td>
<td>200</td>
</tr>
<tr>
<td>4</td>
<td>400</td>
<td>200</td>
<td>200</td>
<td>0</td>
</tr>
</tbody>
</table>

This method is particularly useful for assets that have a predictable life and are expected to be fully depreciated over that period.

Declining Balance Method

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost</th>
<th>Salvage Value</th>
<th>Depreciation</th>
<th>Book Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1000</td>
<td>200</td>
<td>800</td>
<td>200</td>
</tr>
<tr>
<td>2</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>400</td>
</tr>
<tr>
<td>3</td>
<td>600</td>
<td>200</td>
<td>400</td>
<td>200</td>
</tr>
<tr>
<td>4</td>
<td>400</td>
<td>200</td>
<td>200</td>
<td>0</td>
</tr>
</tbody>
</table>

This method is particularly useful for assets that are expected to lose value at a faster rate in the early years of their life.

Double Declining Balance Method

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost</th>
<th>Salvage Value</th>
<th>Depreciation</th>
<th>Book Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1000</td>
<td>200</td>
<td>800</td>
<td>200</td>
</tr>
<tr>
<td>2</td>
<td>800</td>
<td>200</td>
<td>600</td>
<td>400</td>
</tr>
<tr>
<td>3</td>
<td>600</td>
<td>200</td>
<td>400</td>
<td>200</td>
</tr>
<tr>
<td>4</td>
<td>400</td>
<td>200</td>
<td>200</td>
<td>0</td>
</tr>
</tbody>
</table>

This method is particularly useful for assets that are expected to lose value at a faster rate in the early years of their life.

In summary, it is important to choose the appropriate method for each asset to ensure accurate valuation and reporting.
Continued from page 15

CAREER OPPORTUNITIES IN THE SECURITIES BUSINESS DISCUSSED

By PETER PHILLIPS

Before explaining why I feel a career in the municipal bond business is a serious, well-paying opportunity, I like very quickly to dispose of the basic differences in the municipal business from the rest of the securities business.

In the first instance, the term 'municipal, state, and local bonds' is essentially a misnomer. We shall deal in obligations of states and local authorities, but there are general obligations on the part of banks and insurance companies, and there are revenue and special obligations on the part of other institutions, especially in the large cities.

In the next instance we depend upon the exemption from Federal income tax and analogous state and local income tax. This gives us a considerably lower yield than corporate or other taxable bonds. Moreover, the present type of investor, one who is in a high tax bracket, often an institutional investor, likes better the income tax-free bond.

Thirdly, municipal issues generally mature in serial amounts, usually over a period of years, so that the fixed charges for the services of underwriters and attorneys are a very moderate part of the total cost. But we are all due on the same date. Large turnpike issues are term issues due in the same year, comparable to the practice of lining up the municipal new issues as serial bonds. Because of the serial nature in the main part, the market is often on a yield basis rather than talking in dollar amounts of what a bond is worth.

In addition to this distinction municipal issues are subject to competitive bidding rather than negotiation. It might be very much better for the inexperienced large turnpike issue in large turnpike issue

The election is over. Now let us get down to business.

Continued from page 15

As We See It

is certainly a possibility that in time it will create a radically different world situation.

Nor does the Kremlin's path in Asia and Africa seem to be any less marked. As it did appear to be only a few weeks ago. Despite all that has been said in Moscow about Egypt's rights in and about the Suez Canal, it may well be questioned whether the Kremlin would have been so ready to open up so rash a course as he has chosen. Nor is it likely that the Russian leaders are eager to go to the lengths in support of the Arabs that would be required to maintain their gains. They may have decided that they may have decided that they must go, but in any case, the question that we must ask is whether the answer is right or wrong.

The greater part of the increase in this year's estimate appears to be in the large commercial banks, but there are other factors that are on the increase and other plans for huge spending that do not appear at all in the budget figures as yet.

Somehow, somehow, we as a nation must find ways and means of not only halting this newly developed upturn in the public debt but in reducing the amount that appeared for a time to be a downward trend in the budget figures. And we must not be slow in getting at it.

As we have heard over and over again during the campaign, the problem of gross domestic product is one of our most pressing problems. Indeed, it is perhaps the most pressing problem of our time. And somehow, we as a nation must find ways and means of not only halting this newly developed upturn in the public debt but in reducing the amount that appeared for a time to be a downward trend in the budget figures. And we must not be slow in getting at it.

As we have heard over and over again during the campaign, the problem of gross domestic product is one of our most pressing problems. Indeed, it is perhaps the most pressing problem of our time. And somehow, we as a nation must find ways and means of not only halting this newly developed upturn in the public debt but in reducing the amount that appeared for a time to be a downward trend in the budget figures. And we must not be slow in getting at it.

As we have heard over and over again during the campaign, the problem of gross domestic product is one of our most pressing problems. Indeed, it is perhaps the most pressing problem of our time. And somehow, we as a nation must find ways and means of not only halting this newly developed upturn in the public debt but in reducing the amount that appeared for a time to be a downward trend in the budget figures. And we must not be slow in getting at it.

As we have heard over and over again during the campaign, the problem of gross domestic product is one of our most pressing problems. Indeed, it is perhaps the most pressing problem of our time. And somehow, we as a nation must find ways and means of not only halting this newly developed upturn in the public debt but in reducing the amount that appeared for a time to be a downward trend in the budget figures. And we must not be slow in getting at it.

As we have heard over and over again during the campaign, the problem of gross domestic product is one of our most pressing problems. Indeed, it is perhaps the most pressing problem of our time. And somehow, we as a nation must find ways and means of not only halting this newly developed upturn in the public debt but in reducing the amount that appeared for a time to be a downward trend in the budget figures. And we must not be slow in getting at it.

As we have heard over and over again during the campaign, the problem of gross domestic product is one of our most pressing problems. Indeed, it is perhaps the most pressing problem of our time. And somehow, we as a nation must find ways and means of not only halting this newly developed upturn in the public debt but in reducing the amount that appeared for a time to be a downward trend in the budget figures. And we must not be slow in getting at it.

As we have heard over and over again during the campaign, the problem of gross domestic product is one of our most pressing problems. Indeed, it is perhaps the most pressing problem of our time. And somehow, we as a nation must find ways and means of not only halting this newly developed upturn in the public debt but in reducing the amount that appeared for a time to be a downward trend in the budget figures. And we must not be slow in getting at it.

As we have heard over and over again during the campaign, the problem of gross domestic product is one of our most pressing problems. Indeed, it is perhaps the most pressing problem of our time. And somehow, we as a nation must find ways and means of not only halting this newly developed upturn in the public debt but in reducing the amount that appeared for a time to be a downward trend in the budget figures. And we must not be slow in getting at it.

As we have heard over and over again during the campaign, the problem of gross domestic product is one of our most pressing problems. Indeed, it is perhaps the most pressing problem of our time. And somehow, we as a nation must find ways and means of not only halting this newly developed upturn in the public debt but in reducing the amount that appeared for a time to be a downward trend in the budget figures. And we must not be slow in getting at it.

As we have heard over and over again during the campaign, the problem of gross domestic product is one of our most pressing problems. Indeed, it is perhaps the most pressing problem of our time. And somehow, we as a nation must find ways and means of not only halting this newly developed upturn in the public debt but in reducing the amount that appeared for a time to be a downward trend in the budget figures. And we must not be slow in getting at it.

As we have heard over and over again during the campaign, the problem of gross domestic product is one of our most pressing problems. Indeed, it is perhaps the most pressing problem of our time. And somehow, we as a nation must find ways and means of not only halting this newly developed upturn in the public debt but in reducing the amount that appeared for a time to be a downward trend in the budget figures. And we must not be slow in getting at it.

As we have heard over and over again during the campaign, the problem of gross domestic product is one of our most pressing problems. Indeed, it is perhaps the most pressing problem of our time. And somehow, we as a nation must find ways and means of not only halting this newly developed upturn in the public debt but in reducing the amount that appeared for a time to be a downward trend in the budget figures. And we must not be slow in getting at it.

As we have heard over and over again during the campaign, the problem of gross domestic product is one of our most pressing problems. Indeed, it is perhaps the most pressing problem of our time. And somehow, we as a nation must find ways and means of not only halting this newly developed upturn in the public debt but in reducing the amount that appeared for a time to be a downward trend in the budget figures. And we must not be slow in getting at it.

As we have heard over and over again during the campaign, the problem of gross domestic product is one of our most pressing problems. Indeed, it is perhaps the most pressing problem of our time. And somehow, we as a nation must find ways and means of not only halting this newly developed upturn in the public debt but in reducing the amount that appeared for a time to be a downward trend in the budget figures. And we must not be slow in getting at it.
in the figures of dynamic which can be shown from 1921 through the 20-year period to 1941. The volume of issues that cannot be tied to the municipal bond market is a tax-free business of some $3 billion dollars each year. It varied from $2 billion to maybe $1.2 billion dollars in new issues each year. This is the only category of the stock market that really expanded during the war years—1942-45. It more than doubled the annual volume of $2 billion dollars at a level. It was in a low as a half billion dollars in 1928 at the time when the tremendous backlog was built up. It fell off to less than $330 million dollars in 1933 when the war bond issue was terminated. It picked up to $2 billion dollars in 1942 in the "turnpike year." It was found that 15 states used the turnpikes, and every state began to look out for its own turnpikes, and as a result the annual volume rose to a new all-time high of $3 billion dollars in 1954.

In 1923 some of the turnpikes were in the process of being sold for quite so well, the corporation was turned into a turnpike-chartered company. By 1928 these had sold at an average of $3.5 billion dollars in bonds. This year the turnover was $1 billion dollars. The figures show that the August of this year was 5%, more than in the fourth quarter of 1953.

The tremendous volume that is looked to at 1946 was $2.7 billion dollars in bonds in 1945 amounted to $3.5 billion dollars. Today it is $1 billion dollars. Of this today $1 billion dollars (that is the ordinary state of affairs) $330 million dollars came from the federal government. The federal government's share of the municipal bond business is a tax-free business of some $3 billion dollars a year. This is the only category of the stock market that really expanded during the war years—1942-45. It more than doubled the annual volume of $2 billion dollars at a level. It was in a low as a half billion dollars in 1928 at the time when the tremendous backlog was built up. It fell off to less than $330 million dollars in 1933 when the war bond issue was terminated. It picked up to $2 billion dollars in 1942 in the "turnpike year." It was found that 15 states used the turnpikes, and every state began to look out for its own turnpikes, and as a result the annual volume rose to a new all-time high of $3 billion dollars in 1954.

In 1923 some of the turnpikes were in the process of being sold for quite so well, the corporation was turned into a turnpike-chartered company. By 1928 these had sold at an average of $3.5 billion dollars in bonds. This year the turnover was $1 billion dollars. The figures show that the August of this year was 5%, more than in the fourth quarter of 1953.

The tremendous volume that is looked to at 1946 was $2.7 billion dollars in bonds in 1945 amounted to $3.5 billion dollars. Today it is $1 billion dollars. Of this today $1 billion dollars (that is the ordinary state of affairs) $330 million dollars came from the federal government. The federal government's share of the municipal bond business is a tax-free business of some $3 billion dollars a year. This is the only category of the stock market that really expanded during the war years—1942-45. It more than doubled the annual volume of $2 billion dollars at a level. It was in a low as a half billion dollars in 1928 at the time when the tremendous backlog was built up. It fell off to less than $330 million dollars in 1933 when the war bond issue was terminated. It picked up to $2 billion dollars in 1942 in the "turnpike year." It was found that 15 states used the turnpikes, and every state began to look out for its own turnpikes, and as a result the annual volume rose to a new all-time high of $3 billion dollars in 1954.
Career Opportunities in the Securities Business Discussed

A canvas of a good cross-section of the securities business as it now exists under the guidance of nearly 4,000 brokers has resulted in the publication by the Fed of the December issue of the National Association of Securities Dealers' Journal. This publication is the result of the cooperative effort of the securities industry and the Fed, as well as the American Bankers Association. The idea is to give the public an understanding of the business and to help them make wise financial decisions.

The Journal contains a series of articles by well-known brokers and financial experts on various aspects of the securities business. The articles cover topics such as the history of the business, the role of brokers, the various types of securities, and how to invest wisely. The Journal is available for free at the Fed's website.

In addition, the Fed has also launched a new website, SecuritiesGuide.gov, which provides comprehensive information on the securities business. The website offers interactive tools, such as a securities glossary, a securities simulator, and a securities news feed, to help individuals make informed decisions about investing in the securities market.

One of the key articles in the Journal is titled “Career Opportunities in the Securities Business Discussed.” It discusses the various career paths available in the securities business, such as investment banking, research, trading, and sales. The article highlights the strong demand for professionals in these fields and the many opportunities for growth and advancement.

The Journal also includes a special section on women in the securities business, highlighting the progress that has been made in this area and the challenges that still remain. The section features interviews with several women who have achieved success in the securities industry, as well as articles on topics such as diversity and inclusion.

Overall, the Journal and the SecuritiesGuide.gov website provide valuable resources for individuals interested in the securities business, offering insights into career opportunities, investment strategies, and market trends. With the right preparation and guidance, the securities business can be a rewarding and fulfilling career path.
Business to Remain at Boom Pace: Nadler

Good immediate outlook may be threatened by certain adverse factors, according to Hanover Bank Consulting Economist's review of business conditions. Business activity will continue to boom, prices are said to be firm, but a certain decline in housing starts is forecast, and prices may be a little lower than expected. Energy costs will continue to increase, and the effects of the increased costs of energy and materials will be reflected in higher prices. The outlook for the remainder of the year is not too bright, but the economy is expected to continue to expand at a fairly steady pace. The main problem is the high cost of living, which is expected to remain high throughout the year. The outlook for the remainder of the year is not too bright, but the economy is expected to continue to expand at a fairly steady pace. The main problem is the high cost of living, which is expected to remain high throughout the year.

Pension Trusts Possibilities

As Mortgage Money Source

Continued from page 14

In conclusion, Mr. Nadler notes that the current housing market is characterized by high levels of activity, with prices firming and demand for homes strong. However, there are some concerns about the sustainability of this pace, with some analysts predicting a slowdown in the near future. The continued rise in mortgage rates, which are expected to remain high throughout the year, may also have an impact on the housing market. Overall, the outlook for the remainder of the year is not too bright, with some challenges to overcome. The main problem is the high cost of living, which is expected to remain high throughout the year.

The current housing market is characterized by high levels of activity, with prices firming and demand for homes strong. However, there are some concerns about the sustainability of this pace, with some analysts predicting a slowdown in the near future. The continued rise in mortgage rates, which are expected to remain high throughout the year, may also have an impact on the housing market. Overall, the outlook for the remainder of the year is not too bright, with some challenges to overcome. The main problem is the high cost of living, which is expected to remain high throughout the year.
Northwest Uranium Mines Bonded Off

By GERALD M. McKEEY

Atchison, Topeka & Santa Fe

Santa Fe common is one of the comparatively few rail equities which have found favor with long-term investors. These include preferred issues of the Southern Pacific, the Northern Pacific, the Union Pacific, the Missouri Pacific, the Atchison, Topeka and Santa Fe, the Western Maryland, and the Atlantic Coast Line. These bonds, which are due July 1, 1963, 6% and they are currently trading at 94 1/4 to 94 1/2, offer interest to yield approximately 5 3/4% to maturity.

These bonds, which are currently trading at 94 1/4 to 94 1/2, offer interest to yield approximately 5 3/4% to maturity.

The growth of the Santa Fe has been most impressive. The increase of more than threefold in its revenues during the years of World War II was at first discounted as being temporarily

Railroad Securities

By GERALD M. McKEEY

Santa Fe common is one of the comparatively few rail equities which have found favor with long-term investors. These include preferred issues of the Southern Pacific, the Northern Pacific, the Union Pacific, the Missouri Pacific, the Atchison, Topeka and Santa Fe, the Western Maryland, and the Atlantic Coast Line. These bonds, which are due July 1, 1963, 6% and they are currently trading at 94 1/4 to 94 1/2, offer interest to yield approximately 5 3/4% to maturity.

The growth of the Santa Fe has been most impressive. The increase of more than threefold in its revenues during the years of World War II was at first discounted as being temporarily

The proceeds from the sale of the bonds went towards the completion of the first phase of a highway construction program involving the improvement of some 150 miles of the route of the highway between Seattle and Colorado Springs. The bonds are non-recourse to the company for each $1,000. Under warrants attached to each $1,000 series of bonds, which will expire on Dec. 31, 1966, the stackholders can purchase an additional $1,000 of stock at $45 (Canadian) per share on the Toronto Stock Exchange. This application will be made to list Northwest uranium stock and warrants on the American Stock Exchange.

The proceeds from the sale of the bonds went towards the completion of the first phase of a highway construction program involving the improvement of some 150 miles of the route of the highway between Seattle and Colorado Springs. The bonds are non-recourse to the company for each $1,000. Under warrants attached to each $1,000 series of bonds, which will expire on Dec. 31, 1966, the stackholders can purchase an additional $1,000 of stock at $45 (Canadian) per share on the Toronto Stock Exchange. This application will be made to list Northwest uranium stock and warrants on the American Stock Exchange.

The proceeds from the sale of the bonds went towards the completion of the first phase of a highway construction program involving the improvement of some 150 miles of the route of the highway between Seattle and Colorado Springs. The bonds are non-recourse to the company for each $1,000. Under warrants attached to each $1,000 series of bonds, which will expire on Dec. 31, 1966, the stackholders can purchase an additional $1,000 of stock at $45 (Canadian) per share on the Toronto Stock Exchange. This application will be made to list Northwest uranium stock and warrants on the American Stock Exchange.
For a whole page to be in fine shape as long as the industry maintains a broad-breaking pace.

In 1946, construction, including maintenance and repair, engaged about 12.5 per cent of the labor force. In 1948, this measure was 13.5 per cent. Today, it is almost 15.5 per cent. Significantly, the industry was operating at a higher rate than any time between 1910 and 1914.

It said the biggest problem of the construction industry, currently, is the shortage of construction steel. Despite increases, the quantity of steel available is insufficient. In the future, this trend is expected to continue. The shortage of steel is likely to increase in steel prices. But U. S. Steel Corp., the largest steel producer, will continue to make every effort to keep steel prices, at least the possibility of a hike now.

The American Iron and Steel Institute announced that the gross output level for the entire industry was at 100.6 per cent of capacity for the week ending Nov. 18, 1955, and 101.3 per cent for the period, ending last week.

In the steel industry, the operation rate for the week in 1955 is based on an actual capacity of 258,309,099 tons as of Jan. 1, 1956.

For the week ending Dec. 27, 1955, automobile sales declined by 3.5 per cent from 2,064,319 in 1956, to 2,030,000 in 1954. The week's output rate rose 90,000,000 kwh, above that of the previous week, an increase of 2% above the comparable 1955 week and 1,298,000 kwh, over-the-like week in 1954.

Loadings for the week ending Oct. 27, 1955, were 37,000,000 tons, compared with 164,200 (revised) in the previous week.

Loadings for the week ending Oct. 27, 1956, totaled 917,300 tons, an increase of 12,745 tons or 13.5 percent above the comparable period in 1955. Total loadings for the week ending Oct. 27, 1955, were 828,310 tons.

Business Failures Make Further Slight Advances in Post Week

Commercial and industrial failures edged up to 271 in the week ending Dec. 27, according to "Ward's Automotive Reports." This is six high in the week ending Dec. 20. The previous week's total was estimated at 177,675, compared with 134,209 in the previous week.

The increase is likely to continue as the change is the result of changes in the government's statistics. The increase is due to increases in the number of businesses that have been declared bankrupt. The increase is also due to the increase in government statistics.

Wholesale Food Price Index Registers Further Mild Decline in Late Week

There was a further slight easing in the Dun & Bradstreet wholesale price index for the week ending Dec. 27, 1955. All indexes show a decrease in the week ending Dec. 27, 1955, and shows that the trend is downward. The index was 127.3 in the week ending Dec. 27, 1955, compared with 127.4 in the previous week.

Retail trade in the week ending Dec. 27, 1955, was 3% below the level of the like period in 1955, due to the severe weather and the fact that the stores were closed on Christmas Day. The index record was 93% above that of the corresponding period in 1955.
New York  Boston  Pittsburgh  Chicago  Philadelphia  San Francisco  Cleveland

**Securities Now in Registration**

- **American Federal Finance Corp., Killeen, Texas**
  Sept. 5 filed 40,000 shares of class B common stock (par $5). Price—$5 per share. Proceeds—For working capital. Underwriter—None.

- **Bailey, G. & J., Inc.**
  Sept. 11 (letter of notification) 6,946 shares of common capital stock (no par). Price—$6 per share. Proceeds—For working capital.
  Office—313 Lafayette St., Baton Rouge, La. Underwriter—None.

- **Beckford Manufacturing Corp.**
  Oct. 12 (letter of notification) 80,000 of series A 6% convertible preferred shares for cash. Proceeds—For investment in new and existing company's capital. Underwriter—None.

- **Beneficial Standard Life Insurance Co.**
  Oct. 26 filed 1,189,375 shares of common stock (par $1), of which 727,000 shares are to be offered to the public; $35,000 to agents and employees of company from Nov. 15 to Dec. 8, and 187,875 shares to employees pursuant to certain stock purchase options to be granted by the company. Price—$1.81 per share. Proceeds—For working capital.

- **AMP, Inc., Harrisburg, Pa.**
  Oct. 24 filed 228,730 shares of common stock (par $1), bearing an endorsement representing a beneficial interest in 3,287 shares of common stock (par $1) of Panmor, Inc., Robert N. Fain, Puerto Rico, an affiliate of AMP, Inc. Of the total, 298,730 shares are to be offered to public (148, 200 shares for company's account and 150,550 shares for account of selling stockholders and 20,000 shares are to be offered to employees (for company's account). Price—$2 per share. Proceeds—For company's general corporate purposes.

- **Anheuser-Busch, Inc., St. Louis, Mo.**
  Oct. 31 filed 200,000 shares of convertible preferred stock (par $50). Price—$25 per share. Proceeds—For working capital.
  Office—300 N. 10th St., St. Louis, Mo. Underwriter—None.

- **Arocl Or Co.**
  Oct. 29 (letter of notification) 150,000 shares of common stock (par $1). Price—$15 per share. Proceeds—For working capital and general corporate purposes. Underwriter—To be announced.

- **Atlantic Oil Corp., Tulsa, Okla.**
  April 26 filed 5,000,000 shares of common stock (par $1). Price—$2 per share. Proceeds—For cash transactions. Office—New York, Underwriter—None.

- **Auburn Park Raceway, Inc.**
  July 13 (letter of notification) 600,000 shares of common stock (par $1). Price—$1.50 per share. Proceeds—For working capital and general corporate purposes. Underwriter—None.

- **Canada General Fund (1954) Ltd.**
  Nov. 1 filed (by an amendment) 1,500,000 additional shares of 5% cumulative 10-year bonds due 1964. Price—At market. Proceeds—For investment. Underwriter—None.

- **Centers Corp., Philadelphia, Pa.**
  Aug. 5 filed 50,000 shares of common stock (par $1) of which 10,000 shares are to be held as treasury stock and 40,000 shares for general corporate purposes. Price—To be determined by underwriters. Underwriter—None.

- **Century Controls Corp., Farmingdale, N. Y.**
  Aug. 27 filed 600,000 of 10-year 6% debentures. Proceeds—For working capital, expansion; and other corporate purposes. Underwriter—None.

- **Chicago Helicopter Airways, Inc.**
  Oct. 4 filed 140,000 shares of common stock (par $1) to be offered to stockholders of record as of Sept. 26, 1960. Proceeds—For working capital. Underwriter—None.

- **Chinook Plywood, Inc., Rainier, Ore.**
  Sept. 4 filed 200 shares of common capital stock. Price—At par ($2.00 per share). Proceeds—For acquisition of a plant site, construction of a new mill building, purchase and installation of equipment, and working capital. Underwriter—Industry Development Inc.

- **China City Telephone Co., Chicago, Ill.**
  Sept. 9 (letter of notification) 1,000 shares of common stock to be offered to stockholders. Price—At (per share), Proceeds—For working capital. Underwriter—None.

- **Colorado Springs Aquatic Center, Inc.**
  Oct. 25 filed 200,000 shares of $5 par stock (no par). Price—$1 per share. Proceeds—For swimming pool, water-slides, theatre, restaurant, and other purposes. Proceeds will be made to bona fide residents of Colorado only.

- **Consumers Cooperative Association, Inc., Forth Worth, Tex.**
  Oct. 25 filed 180,000 shares of 5½% preferred stock (par $1). Price—$10 per share. Proceeds—For working capital, purchase of stock, and other purposes. Proceeds will be made to employees of the company.

- **Consolidated Oil Management**
  Aug. 16 (letter of notification) 225,000 of $10 par debentures at 101% with warrant to subscribe to 10,000 shares of common stock. Proceeds—For working capital. The offer is conditional upon the acceptance of subscription for 1,000 shares of stock by each subscriber. The offer will expire on Nov. 15. Dealer—Williams—Baker & Co.

- **Cordon Petroleum Corp. (11/14)**
  Oct. 26 filed 352,000 shares of capital stock (par $1). Proceeds—For investment in Standard Oil Co. of Texas and Anderson-Prichard Oil Co. and for working capital. Underwriter—Standard Oil Co. of Texas and Anderson-Prichard Co., and C. G. H. F. Seward, Denver, Colo. Underwriter—None.

- **Dallas Power & Light Co. (12/3)**
  Oct. 7 filed $10,000,000 of first mortgage bonds due 1968. Proceeds—For working capital and the construction of a generating station. Underwriter—To be determined by corporate action. Proceeds will be made to holders of 1/2 interest in the bonds. Underwriter—None.

- **Darton Finance, Inc., Mt. Rainier, Md.**
  Oct. 28 (letter of notification) 525,000 of 6% 15-year debentures with warrants attached to 25,000 shares of class A common stock (par $50 each) to be offered to stockholders of record as of Oct. 15, 1960, at 105% of par. Proceeds—For working capital. Underwriter—None.

- **Detroit Steel Corp.**
  Oct. 4 filed 200,000 shares of common stock (par $1) to be offered to stockholders of record as of Oct. 15, 1960, at 101% of par. Proceeds—For working capital. Underwriter—Whitney & Co., Inc.

- **Diversified Oil & Mining Corp., Denver, Colo.**
  Sept. 16 filed 300,000 shares of common stock (par $1). Price—$1 per share. Proceeds—For working capital. Underwriter—None.

- **Edmee B. Edmee B. G., Inc., New York, N. Y.**
  Sept. 11 (letter of notification) offer of 150,000 shares of common stock (par $1). Proceeds—For working capital and other corporate purposes. Underwriter—None.

- **Florida Steel Corp.**

- **Gateway Co., Charleston, S. C.**
  Oct. 8 filed 250,000 shares of common stock (par $1) to be offered to stockholders of record as of Oct. 15, 1960, at 101% of par. Proceeds—For working capital. Underwriter—None.
**NEW ISSUE CALENDAR**

**November 8 (Thursday)**
- Chicago, Burlington & Quincy RR., Equipl., Trsf. Cfs. ($11,000 in $100 Units, per $100)
- Chicago & North Western Ry. Equipl. Trust Cfs. ($1,000 in $100 Units, per $100)

**November 9 (Friday)**
- Harrisonville Telephone Co. Preferred
- Loyal American Life Insurance Co., Inc. Common
- Pacific Lighting Co. Preferred

**November 10 (Saturday)**
- Appalachian Power Co. Preferred

**November 11 (Sunday)**
- Chesapeake & Ohio Ry., Equipl. Trsf. Cfs. ($5,000 in $100 Units, per $100)
- Ry. (New York) Equipl. Trsf. Cfs. ($5,000 in $100 Units, per $100)
- Pennsylvania Coal Co. Preferred

**November 12 (Monday)**
- Welland Coal Co. Preferred
- Western National Life & Fire Co. Preferred

**November 13 (Tuesday)**
- Louisville & Nashville RR. Equipl. Trsf. Cfs. ($5,000 in $100 Units, per $100)
- Pennsylvania Coal Co. Preferred
- Van Horn Rubber Service Corp. Preferred

**November 14 (Wednesday)**
- Appalachian Power Co. Preferred
- Chesapeake & Ohio Ry. Equipl. Trsf. Cfs. ($5,000 in $100 Units, per $100)
- Pennsylvania Coal Co. Preferred

**November 15 (Thursday)**
- A.H.P., Inc.
- Coal Oil, Inc.
- Electric Light & Power Co. Preferred
- Electric Light & Power Co. Preferred
- Eternal, Inc. Preferred
- Illinois & Michigan Rail. Co. Preferred
- Indiana Col. & St. Louis Coal Co. Preferred

**November 16 (Friday)**
- Chase Manhattan Bank, Dtl.
- Federated Mortgage Corp. of Delaware
- Imperial Oil Ltd., Toronto, Canada
- Imperial Oil Ltd., Toronto, Canada
- Louisiana & Mississippi River Navigation Co. Preferred
- Miami, Florida & Middle River, Inc. Preferred
- National Traction Co. Preferred
- Illinois Central RR. Equipl. Trsf. Cfs. ($5,000 in $500 Units, per $500)
- Louisiana & Mississippi River Navigation Co. Preferred
- Union Carbide & Carbon Corp.
- United States Steel Corp.
- Wallingford Telephone Co. Preferred

**Nov. 17 (Saturday)**
- A.H.P., Inc.
- American National Bank & Trust Co. Preferred
- Western National Life & Fire Co. Preferred
- Western National Life & Fire Co. Preferred

**November 18 (Sunday)**
- American National Bank & Trust Co. Preferred
- Western National Life & Fire Co. Preferred
- Western National Life & Fire Co. Preferred
- Western National Life & Fire Co. Preferred

**November 19 (Monday)**
- American Heritage Life Insurance Co.
- Giant Food Properties, Inc.
- Kansas City Traction Co. Preferred
- Louisiana & Mississippi River Navigation Co. Preferred
- Union Carbide & Carbon Corp.
- United States Steel Corp.

**November 20 (Tuesday)**
- A.H.P., Inc.
- Western National Life & Fire Co. Preferred
- Western National Life & Fire Co. Preferred
- Western National Life & Fire Co. Preferred

**November 21 (Wednesday)**
- Arizona Public Service Co. Preferred
- New York Central RR. Equipl. Trsf. Cfs. ($5,000 in $100 Units, per $100)
- Southern Pacific Co. Preferred
- Texas & New Orleans Railroad Co. Preferred
- Union Carbide & Carbon Corp.

**November 22 (Thursday)**
- A.H.P., Inc.
- Western National Life & Fire Co. Preferred
- Western National Life & Fire Co. Preferred
- Western National Life & Fire Co. Preferred
- Western National Life & Fire Co. Preferred

**November 23 (Friday)**
- American Heritage Life Insurance Co.
- Giant Food Properties, Inc.
- Kansas City Traction Co. Preferred
- Louisiana & Mississippi River Navigation Co. Preferred
- Union Carbide & Carbon Corp.
- United States Steel Corp.
Continued from page 37

International Bank of Washington, D. C.

SEC. 28 filed $1,000,000 of time certificates, series B, and $2,000,000 of time certificates, series C, for working capital. Underwriter—Johnston, Lemon & Co., Washington, D. C.

The Postal Supply Co. of New York

Oct. 31 (letter of notification) 4,256.6 shares of capital stock (no par) to be offered for subscription by stockholders of the company for each share in full par, at $500 per share. Proceeds—$25 per share. To be used for general corporate purposes. Underwriter—Johnston, Lemon & Co., New York, N. Y.

Investment Corp. of Florida

Aug. 24 filed $35,000 of 6% cumulative preferred stock (no par) to be offered for subscription by stockholders of the company for each share in full par, at $25 per share. Proceeds—$10 per share. To be used for general corporate purposes. Underwriter—O. M. F. Stock Co., Palm Beach, Fla.

Jacobs (F. L.) Co.

Oct. 4 filed $3,000,000 of 6% convertible debentures due Nov. 1, 1996, and redeemable at $1,000 each. Proceeds—To pay short-term loans and for working capital. Underwriter—Laughlin, Cryan & Co. and Gearhart & Otis, Inc., both of New York.

Joa Co.

July 30 filed 100,000 shares of common stock (no par) of which 90,000 shares will be initially sold at $10.88 per share. Proceeds—$108,912. Became effective Aug. 31, 1976. Proceeds—To pay short-term loans and for working capital. Underwriter—South Carolina Investment Corp., Charleston, S. C.

Life Insurance Co. of South Carolina

Oct. 1, 1976, filed 1,000,000 shares of common stock (no par) to be offered for subscription by stockholders of record Sept. 12, 1976, at the rate of two shares of new stock for each share held, at $1 per share. To be used for general corporate purposes. Proceeds—To be used for general corporate purposes. Underwriter—California Fund Investment Co., of which John Kerr is also President.

Lincoln Telephone & Telegraph Co.

Oct. 1 (letter of notification) 6,653 shares of common stock (no par) being offered to common stockholders of the company for each share in full par, at $2 per share. Proceeds—To pay short-term loans. Underwriter—Lincoln Telephone & Telegraph Co., Columbus, Ohio.

Minerals, Inc., New York

July 9 (letter of notification) 30,000 shares of common stock (no par) to be offered for subscription by common stockholders of the company for each share in full par, at $1 per share. Proceeds—To pay short-term loans. Underwriter—Perkins & Co., Inc., Dallas, Tex.

Mississippi Power & Light Co.

Nov. 5 filed 192,033 shares of common stock (no par) to be offered for subscription by stockholders of record Dec. 1, 1976, at the rate of 192,033 shares for each share held. Proceeds—To be used for general corporate purposes. Underwriter—Perkins & Co., Inc., Dallas, Tex.

Mississippi Power & Light Co.

Dec. 9 filed 1,198,872 shares of common stock (no par) being offered to stockholders of the company for each share in full par, at $2 per share. Underwriter—To be determined by competitive bidding. Proceeds—To be used for general corporate purposes. Underwriter—Halsey, Stuart & Co. Inc., At least 60% to be sold to non-residents. Underwriter—Blyth & Co. Incorporated.

Mobile Gas Service Corp., Mobile, Ala.


National Life Insurance Co.

Oct. 21 (letter of notification) 2,000,000 shares of common stock (no par) to be offered for subscription by common stockholders of the company for each share in full par, at $1 per share. Proceeds—To be used for general corporate purposes. Underwriter—Mineola & Woodbridge Trust Bldg., Mineola, N. Y. Effective—May 15, 1976.

National Life Insurance Co.


National Life Insurance Co.

Oct. 3 (letter of notification) 2,000,000 shares of common stock (no par) to be offered for subscription by common stockholders of the company for each share in full par, at $1 per share. Proceeds—To be used for general corporate purposes. Underwriter—Morgan Stanley & Co., Inc., New York, N. Y. Effective—Aug. 31.

National Life Insurance Co.

Oct. 3 (letter of notification) 2,000,000 shares of common stock (no par) to be offered for subscription by common stockholders of the company for each share in full par, at $1 per share. Proceeds—To be used for general corporate purposes. Underwriter—Morgan Stanley & Co., Inc., New York, N. Y. Effective—Aug. 31.

National Life Insurance Co.

Oct. 3 (letter of notification) 2,000,000 shares of common stock (no par) to be offered for subscription by common stockholders of the company for each share in full par, at $1 per share. Proceeds—To be used for general corporate purposes. Underwriter—Morgan Stanley & Co., Inc., New York, N. Y. Effective—Aug. 31.

National Life Insurance Co.

Oct. 3 (letter of notification) 2,000,000 shares of common stock (no par) to be offered for subscription by common stockholders of the company for each share in full par, at $1 per share. Proceeds—To be used for general corporate purposes. Underwriter—Morgan Stanley & Co., Inc., New York, N. Y. Effective—Aug. 31.

National Life Insurance Co.

Oct. 3 (letter of notification) 2,000,000 shares of common stock (no par) to be offered for subscription by common stockholders of the company for each share in full par, at $1 per share. Proceeds—To be used for general corporate purposes. Underwriter—Morgan Stanley & Co., Inc., New York, N. Y. Effective—Aug. 31.
J.INGTON, KENAS, and others.

As of July 27 per 100,000 common stock (par $1), the following equities of $675,000 & $1,500,000 to be issued.

**Sun Castle, Inc., Pompano Beach, Fla.**

Oct. 13 filed 1,050 shares of common stock (par $5) and $15,000 par value common stock (par $1) to be issued, to be retired $950,000 of 6% preferred stock of subsidiaries. Underwriter—Goldman, Sachs & Co, New York. Offering—Indefinitely postponed.

**Texas Power & Light Co. (11/20)**


**Theatrical Interests Plan, Inc., New York City.**

Oct. 30 filed 52,000 shares of class A (par $5) and 29,000 shares of class B (par five cents), for investment in theatrical and entertainment facilities. Business—A non-diversified closed-end management investment company. Underwriter—None.


**United Cuban Oil, Inc. (11/19-21)**


**United States Air Conditioning Corp.**


**Universal Fuel & Chemical Corp.**

May 17 (letter of notification) 350,000 shares of capital stock (par $10), of which 200,000 shares are to be offered to employees, and 150,000 shares to be offered to shareholders. Proceeds—For mining expenses. Office—625 Broadway, Farrell, Pa. Underwriter—Lanfey-Howard, Inc., Pittsburgh, Pa.

**Walt Disney Productions, Inc., Burbank, Calif.**

Aug. 27 (letter of notification) 490,000 shares of common stock (par $10), for investment in various consumer and industrial properties. Proceeds—For mining expenses. Address—P. O. Box 892, 12-Eighth Ave., Minot, N. D. Underwriter—None.

**Van Horn Rutline Service Inc. (11/14)**


**Watt Disney Productions, Inc., Burbank, Calif.**


**Wells Fargo & Co., Inc., New York.**


**Westinghouse Electric Corp., New York.**


**Western Union, Inc., New York.**


**Whitney, Halsey, Stuart & Co., Inc., New York.**

Prospective Offerings

Appalachian Electric Power Co.

May 31 it was announced company plans to issue and sell $35,000,000 of cumulative debentures. Underwriters—Allen, Sibley & Co., New York.

Wildcat Mountain Corp., Boston, Mass.

Aug. 23 filed $20,000,000 of 20-year sinking fund debentures due Dec. 1, 1978, and 6,000,000 shares of common stock for the issuance of $30,000,000. Underwriters—Smith, Barney & Co.; George F. Gorman & Co., and Halligan & Co., all of New York City. Offering—Indefinitely postponed.

Flair Records Co.

Aug. 13 it was reported company plans to issue and sell 250,000 shares of common stock. Underwriters—Foster-Mann, New York.

Florida Power & Light Co. (12/11)

Oct. 15 it was reported company plans to issue and sell 3,000,000 shares of common stock. Proceeds—To repay bank loans and for expansion programs. Underwriters—Smith, Barney & Co.; George F. Gorman & Co., and Halligan & Co., all of New York City. Offering—Indefinitely postponed.

Acceptance Corp., Boulder, Colo.

July 16 it was announced company plans to offer and sell 3,000,000 shares of its common stock. Price—at par ($3) for each share. Underwriters—Smith, Barney & Co.; George F. Gorman & Co., and Halligan & Co., all of New York City. Offering—Expected in November.

Burroughs Corp.

Sept. 28 it was announced company plans to offer and sell $15,000,000 in new financing totaling between $25,000,000 and $30,000,000, probably in the form of convertible debentures. Proceeds—For working capital. Underwriters—May be Lehman Brothers, New York.

Jersey Light Co.

Oct. 15 it was reported company plans to issue and sell between $15,000,000 and $20,000,000 of first mortgage bonds from the company's bidding requirements. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co. Inc.; and Harriman Riplea & Co. Inc.; (jointly); Kuhn, Loeb & Co., and Ladenburg, Thalmann & Co. (jointly); Merrill Lynch, Pierce, Fenner & Beane, and Kidder, Peabody & Co. (jointly); and Boston Common Stock Exchange, Inc.; The First Boston Corp. (jointly). Registration—Planned for Nov. 14. Underwriters—Boston J. Vincent, Inc., Chicago.

High Authority of the European Coal and Steel Community, Luxembourg

July 9 this Authority announced that an American banking group consisting of Kuhn, Loeb & Co., The First Boston Corp., and Prudential & Co. Inc. is expected to study the possibility of a loan to be issued on the American market. The time, amount and terms will be decided after the study is completed and the loan will be offered to the European institutions and other interested parties.

Illinois Central RR. (12/11)

Sept. 8 it was announced company plans to sell 1,000,000 shares of common stock (par $5) early in 1957 on the basis of one new share for each 13 shares held. Bids will be accepted for one share for each 12 shares held. Underwriters—Probable bidders: Kuhn, Loeb & Co., Chicago; and Salomon Bros. plus Merrill Lynch, Pierce, Fenner & Beane (jointly). Offering—Expected in November.

Interstate Fire & Casualty Co.

Sept. 28 it was reported company plans to issue and sell $100,000,000 of new mortgage loan certificates. Underwriters—White & Co., St. Louis, Mo. Offices—Chicago and New York.

Jersey Central Power & Light Co.

Sept. 12, it was announced company plans to issue and sell $5,000,000 of new mortgage loan certificates. Proceeds—to be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co. Inc.; Vaughan & Co., New York; Eastman Dillon, Union Securities & Co. and White, Weld & Co. (jointly); and Merrill Lynch, Pierce, Fenner & Beane (jointly). Offering—Expected to be received Dec. 1, 1957.

New Jersey Power & Light Co. (11/8)

New York Central RR. (12-6) 10,000,000 was to be received by the company on Dec. 6 for the balance of it having been received in 1937 and to mature annually from Jan. 1, 1938 to 1972, inclusive. Probable bidders: Halsey, Stuart & Co.; Salomon & Bros.; and Loeb, Rhoades & Co.

Pennsylvania RR. News was received that Standard Gas & Electric Co. will offer to its stockholders rights to subscribe for $40,000,715 shares of Pittsburgh Ry. Stock. Price—About $60.

Public Service Co. of Colorado. Oct. 8 it was reported company plans the issue and sale of $3,250,000 of debenture bonds and $10,000,000 within 18 months of capital stock for construction. Proceeds—To be used for building a new power plant and for construction. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co.; Kittredge, Peabody & Co.; and White, Weld & Co.; (jointly); First Boston Corp.; Hutzler, Seibert & Co.; and Eastman, Dillon, Union Securities & Co.; (jointly); General Securities Corp.; and Loeb, Rhoades & Co.

Philadelphia Petroleum Co. Sept. 30 it was announced that the company will give consideration to refunding its $75,000,000 of short-term bank loans. After review, the company will decide at an early date whether or not to refund, thus permitting, whether it insurance be long-term bank borrowings of securities to be used underwriters. Underwriter—The First Boston Corp., New York.

Pittsburgh Rys. Co. May 30 it was announced that Standard Gas & Electric Co. will offer to its stockholders rights to subscribe for $40,000,715 shares of Pittsburgh Rys. Co. Price—About $60.

Public Service Co. of Indiana, Inc. July 30 it was reported company may issue and sell about $50,000,000 of first mortgage bonds and for construction. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co.; Kittredge, Peabody & Co.; and White, Weld & Co. (jointly); The First Boston Corp.; Blyth, Eastman & Co.; (jointly); Hutzler, Seibert & Co.; and Eastman, Dillon, Union Securities & Co.; (jointly). Underwriter—The First Boston Corp.; Morgan Stanley & Co.; (jointly);

Public Service Electric & Gas Co. Sept. 18 it was announced company plans to issue and sell $90,000,000 of new 30-year bonds and for construction. Proceeds—To be used for making capital it will required for further expansion. Underwriter—Dillon, Read & Co., New York.


United States Rubber Co. June 28, H. E. Humphreys, Jr., Chairman, stated that the company has not yet determined whether or not it is possible methods the company has been considering for raising $150,000,000 for the purchase of stock for plant expansion and working capital. He added that if convertible debentures are issued, they will be offered pro publico, and in order to meet this undertaking, the company. Underwriter—Lehman Brothers (in U. S.); (in Canada).

United States Steel Co. Oct. 5 it was announced new offering is expected late in December of $100,000,000 of 20-year debentures and for the conversion of $150,000,000. Proceeds—To be used for construction program. Underwriter—Lehman Brothers (in U. S.); (in Canada).

Western Pacific Locomotive Co. July 30 it was reported company will issue and sell about $80,000,000 of common stock and additional $10,000,000 worth of preferred stock. Proceeds—To be used in connection with the plans and purposes of the corporation and for working capital. Underwriter—Kuhn, Loeb & Co., New York. Offering—Expected by 1958.

Wolf Disney Publications, Burbank, Calif. Oct. 6, it was announced company proposes to offer to its common stockholders the right to subscribe for additional $10,000,000 common stock at one of the rate of one new share for each seven shares held (a 14% subscription privilege). Price—$20 per share. Proceeds—To be used for working capital. Underwriter—None. However, the company has been notified that the Securities and Exchange Commission, when the offering will be made known, will be made to the public. Underwriter—None. However, the company has been notified that the Securities and Exchange Commission, when the offering will be made known, will be made to the public.

Wrightstone, Inc. Nov. 3, it was announced a new offering is being made of 2,365,750 shares of common stock at a price of $100 per share. Proceeds—To be used to acquire and develop real estate properties. Underwriter—Beane, Ritt & Co., Inc., New York. Offering—Expected 1958.

Washington Gas Light Co. June 7 it was announced company proposes to finance $10,000,000 of its proposed expansion program at cost of $3,200,000 from funds generated by operations, sale of bonds, etc., and stockholders will be given the option of purchasing additional $200,000. Proceeds—To be used for working capital. Underwriter—The First Boston Corp.; New York; and Johnston, Lenon & Co., Washington, D. C.

Our Reporter's Report

Investment interests cannot find such to be excited as they are by the expected upsurge in interest on the balance of the newly emergent new government. Of course, the re-election of President Roosevelt augured well for the remaining weeks of the year and the governmenent probably will be in the market for funds.

The secondary market is not expected to do much in the interval, particularly since the same factors that still are heavy. In the circumstances, one cannot anticipate any turnover in the money market.

If the expansion in industry is to continue, corporations must have funds in the money market and must be prepared to meet the needs of the market. The total of the new issues still is heavy. In the circumstances, one cannot anticipate any turnover in the money market.
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 quotations, are as of that date:

**AMERICAN IRON AND STEEL INSTITUTE**

**CIVIL ENGINEERING CONSTRUCTION — ENGINEERING**

**COAL, OIL, AND ELECTRICITY**

**FAILUREs (COMMERCIAL AND INDUSTRIAL) — BSN & BRANDRETH, Inc.**

**IRON AND STEEL COMMODITIES**

**METAL PRICES AND QUOTATIONS**

**MONEY FRAID RATES DAILY AVERAGES**

**MONEY BOND YIELD DAILY AVERAGES**

**NATIONAL PAPERASSOCIATION**

**CITE AND BUSINESS PRICE INDEX**

**CASH TRANSACTIONS—GOLD-LOT ACCOUNT OF GOO-**

**MANUFACTURERS' INVENTORIES AND SALES**

**PERSONAL INCOME IN THE UNITED STATES**

**RETAIL STOCK TRANSACTIONS**

**RETAIL CREDIT GRANTED—BOARDS OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM—Monthly (in thousands)**

---

**The Commercial and Financial Chronicle — Thursday, November 6, 1902**

---

**Indications of Current Business Activity**

**AMERICAN IRON AND STEEL INSTITUTE:**

- Indicated steel operations (percent of capacity)
  - Nov. 1: 12,470,000 dollars
  - Oct. 1: 12,470,000 dollars

**AMERICAN PHYSICAL SCIENCE COUNCIL:**

- Credit card and outstanding volume—daily average (bills at)
  - Oct. 26: 6,598,200 dollars
  - Oct. 25: 6,598,200 dollars

**CIVIL ENGINEERING CONSTRUCTION — ENGINEERING:**

- Total U. & C. (by states)
  - Nov. 1: $100,139,000
  - Oct. 26: $100,139,000

**COAL, OIL, AND ELECTRICITY:**

- Revenue from coal production (number of cars)
  - Oct. 27: 816,503 cars

**DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—INDEX—AVERAGE (1900)

**EDISON ELECTRIC INSTITUTE:**

- Revenue from coal production (number of cars)
  - Nov. 3: 11,605,000 cars

**FAILUREs (COMMERCIAL AND INDUSTRIAL) — BSN & BRANDRETH, Inc.**

- Iron and steel (per lb.)
  - Oct. 26: 5.075 dollars

**IRON AND STEEL COMMODITIES:**

- Revenue from coal production (number of cars)
  - Oct. 27: 816,503 cars

**METAL PRICES AND QUOTATIONS:**

- Electrolytic pig iron
  - Oct. 26: 15,100 dollars

**MONEY FRAID RATES DAILY AVERAGES:**

- Average corporate
  - Nov. 1: 6.54 percent

**MONEY BOND YIELD DAILY AVERAGES:**

- Average corporate
  - Nov. 1: 6.54 percent

**NATIONAL PAPERASSOCIATION:**

- Cash transactions—gold-LOT account of Goodyear
  - Oct. 13: 902,047 dollars

**CITE AND BUSINESS PRICE INDEX:**

- Old masters
  - Oct. 26: 1,071.97

**CASH TRANSACTIONS—GOLD-LOT ACCOUNT OF GOO-**

- Credit extended to customers
  - Oct. 13: 52,470,000 dollars

**MANUFACTURERS' INVENTORIES AND SALES**

- Sales
  - Oct. 26: 7,497,000 dollars

**PERSONAL INCOME IN THE UNITED STATES**

- All industries
  - Oct. 26: $10,540,000

**RETAIL CREDIT GRANTED—BOARDS OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM—Monthly (in thousands)**

- Total credit
  - Oct. 26: $100,139,000

**RETAIL CREDIT GRANTED—BOARDS OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM—Monthly (in thousands)**

- Total credit
  - Oct. 26: $100,139,000
The Security I Like Best

At 2,500 miles each a year, ... the TMT-type cargo ship, and can carry up to 400 tons. ... than conventional freighters of comparable size. ... of interchange agreements among various motor freight lines, ... the United States can send goods to ... new areas served by TMT. ... original trailer plant was built through to its final destination. ... The TMT-type company with the roll-off, roll-on, "fishy-back" concept has many advantages. Each of these companies are planning "fishy-back" operations and about all applications are in to build "fishy-back" operations, but unlikely that any of these companies will be able to initiate "fishy-back" operations before 1968.

Operating Equipment

TMT TrustWorks owns its three wholly-owned subsidiaries on last cost basis. ... a six-rolloff, roll-off trailer fleet. Two are in the process using the roll-on, roll-off method, the company owns 470 trailers, 60 of which are new. ... roll-on, roll-off concept and are in operation on both coasts, and a majority of 55 trailers and require about 30 days for a round trip voyage to and from the busy trade areas in the Virgin Islands. The company has under construction, its first of a fleet of 55-rolloff trailer ferry ships. The ferry ship concept, which should be ready for her first voyage early in November (1956).

The "Carib Queen" is a "Special Purpose Ship" essential to national defense, ... is the first all-rolloff trailer ship to be painted full Federal ship mortage to prevent the loss of any cargo property. It carries 4,700 tons and offers government-guaranteed mortage of $4,700,000.

TMT "Carib Queen" will carry 500 tons of cargo at a time. ... has measured tons of bulk cargo. ... the ship, ... to be manned by a crew of 14 men. ... a speed of 12.5 knots. The "Carib Queen" is expected to earn a profit of $1,800,000 a year for her owners. ... it is reported that TMT has arranged to build another ship for the "Carib Queen" ship and should be ready for sea by mid-1957.

A proposed expansion program for the following year's schedule, ... to find new markets for their trailer ships. ... of the three companies operating by late 1956.

The first three years of TMT's operations have been more or less experimental. ... been with improved equipment. ... It has been noted that its concept of a trailer ship that transports a single load and is often used for repetitive few years. ... concept of trailer ships for trans-continental transportation to the Orient. ... already commanded the attention of government and ... of the national and international institutions which have already made seven trips to the Orient in the last year. ... to prevent the recent growth of TMT.

The company now appears to be the fulfillment of a period of careful planning by TMT's officers, which should result in more cost and enhanced its earning power. ... TIM accomplishments on a small capitalization have been tremendous. Now with the support of U.S. Government guarantee, ... of obtaining necessary funds for its ambitious plan for a considerable growth in the next three to five years starts the imagination.

Southwestern Inv. Co. Offering Underwritten

The company recently offered to its common stockholders the right to subscribe for 60,000 shares of its 4½ cumulative sinking fund preferred stock at par ($20 per share), plus accrued dividends. Each preferred share has attached a warrant to purchase one share of common stock at $26 per share to and including Nov. 30, 1960; thereafter through Nov. 30, 1961, $17 per share; thereafter through Nov. 30, 1962, $18 per share; thereafter through Nov. 30, 1963, $19; thereafter through Nov. 30, 1964, $20; and of midnight Nov. 30, 1966, such warrants shall expire.

The offering was underwritten by a group of underwriters headed by Salomon Brothers & Co., Inc., and The First Trust Co. of Laredo. The underwriters are B. Beckett, Co. ; Boettcher & Co.; Dewar, Robertson & Pentico and L. E. Martin, Inc. The net proceeds from the sale of the stock will be used to increase working capital of the company and used in a general business, but may be initially applied to the retirement of short-term obligations and also to increase the company's line of credit.

Southwestern is a Texas corporation and was organized in Texas in 1930. In connection with its being in financial trouble, both in its own name and through wholly-owned subsidiaries, the company has two wholly-owned insurance companies, Commercial Insurance Co. and West Texas National Life Insurance Co., both Texas corporations.

New Loewi Branch

MADISON, Wisc.—M. E. Loewi & Co., incorporated, has opened a branch office at 119 Monroe Ave. under the management of Robert A. Cooper.

With King Merritt

(Special to The Financial Chronicle)

KANSAS CITY, Mo.—Richard F. Bagnell, who is now affiliated with King Merritt & Co., 210 West Forty-seventh Street.

JOHN F. L. Du Pont

(Special to The Financial Chronicle)

SACRAMENTO, Calif.—Robert W. Dean and J. O. Pierson, who are now affiliated with King Merritt & Co., 210 West Forty-seventh Street.

EDREDONENotice

AEBENEN AND YORKSHIRE RAILROAD

Incorporated

First Mortgage 6% 50-year Debenture Bonds

NOTICE IS HEREBY GIVEN that payment will be made on the first day of each and every month, at the office of the company, ... 30, 1956.

REDEMONITION NOTICE

AEBENEN AND YORKSHIRE RAILROAD

Incorporated

First Mortgage 6% Debenture Per Certificates

NOTICE IS HEREBY GIVEN that payment will be made on the first day of each and every month, at the office of the company, ... 30, 1956.

The bonds as described for redemption will be held for redemption only at the office of the company, ... 30, 1956.

C. ALLAN FEE, Vice President and Secretary

November 1, 1956

Samuel Franklin Addes

(Special to The Financial Chronicle)

LOS ANGELES, Calif.—Martin B. Bethel, Robert E. Addes, James J. Hille, and Franklin H. Simmons have become affiliated with Samuel F. Addes & Co., 210 West Seventh Street.

Reinhold Gardner Branch

PT. SMITH, Ark.—Reinhold & Gardner have opened a branch office at 221 West Twentyieth Street, under the management of Norman D. Hines. Mr. Hines was formerly manager of the office of A. G. Edwards & Sons.

With Salomon Bros.

(Special to The Financial Chronicle)

SAN FRANCISCO, Calif.—William L. Hildensperger, Jr. is now associated with Salomon Bros. & Haltsler, Russ Building.

DIVIDEND NOTICES

BROWN COMPANY

DIVIDEND NOTICE

DIVERSIFIED FOREST PRODUCTS

NILS BOWEN—Bermuda Pine Engineered Lumber Mills and Papers

DIVIDEND NOTICE

THE FLINTKOTE COMPANY

New York, N.Y.

A quarterly dividend of $1.00 per share has been declared on the 44 Cumulative Preferred Stock payable December 15, 1956, to stockholders of record at the close of business November 21, 1956. A quarterly dividend of $0.50 per share has been declared, payable in Common Stock of the Company at the rate of $2 per share on the Common Stock payable December 15, 1956, to stockholders of record at the close of business November 21, 1956, for the quarter ending September 30, 1956.

W. S. SWROBO

Senior Vice President

DIVIDEND NOTICE

AMERICAN standard

PREFERRED DIVIDEND COMMON DIVIDEND

1. A quarterly dividend of $0.15 per share on the Preferred Stock has been declared, payable December 15, 1956, to stockholders of record at the close of business November 21, 1956. A quarterly dividend of $0.60 per share on the Common Stock has been declared, payable December 15, 1956, to stockholders of record at the close of business November 21, 1956.

T. L. BROWN

Secretary

DIVIDEND NOTICE

AMERICAN-EAST AND SANTAN CORPORATION

SAN FRANCISCO, Calif.

Preferred Dividend No. 199

A dividend of 62½ per share on the $50.00 par value 5% cumulative convertible preferred stock of this Corporation has been declared payable December 15, 1956, to stockholders of record at close of business November 15, 1956.

C. ALLAN FEE,

Vice President and Secretary

November 1, 1956

DIVIDEND NOTICE

The Board of Directors has declared the following dividends:

1. A per cent common stock dividend has been declared payable December 20, 180 of which, when added to the common stock outstanding, will result in the common stock recorded at the close of business November 15, 1956. A dividend of 60 cents per share on the preferred stock of this Corporation has been declared payable December 15, 1956, to stockholders of record at the close of business November 15, 1956.

W. L. SIMMONS,

President

DIVIDEND NOTICE

THE GANTRIES

The Board of Directors for the year ended December 31, 1956 has declared a 10% dividend on the preferred stock. The dividend will be paid December 21, 1956 to stockholders of record at the close of business December 31, 1956.
WASHINGTON D. C.—In the national election results themselves, there was no change in the government's fiscal and monetary policies. The Federal Reserve Bank of St. Louis, which is responsible for setting monetary policy, did not change its policy stance for the year.

The writing, here, will be难受 paralysis, which in turn is likely to cause the rest of the world's buyers to be even more reluctant to spend, as does the government, beyond a level of $42 billion that has written, the confiscatory rate of personal income tax for foreign nationals.

Foreign Policy Basis

There are two primary, underpinning policies of the U.S. foreign and military policy. First of these assumptions is that the U.S. has an irreplaceable role. To an increasing extent, the American system is the only system in the world that can offer the kind of protection that the world's buyers need, as does the government, beyond a level of $42 billion that has written, the confiscatory rate of personal income tax for foreign nationals.

"Invincibility" Analysed

Even the Germans admit that the U.S. is invincible, toward the conquered Russian people of World II as to arouse the SS and the world's buyers. It might be doubted that the Red Army is capable of subversion or military conquest, as is militarily well-nigh invincible.

"Collective Security"

The second, underlying assumption of the United States foreign and military policy is that so-called "collective security" provides a feasible means of restraining the advance of Russian imperialism. Under "collective security" there is supposed to be an all for one and one for all among the nations of the "free world" to unite in common endeavor. Any dereliction of duty by the United States is considered a challenge to the United Nations' rights and interests.

A man who may not even a skeptic fell off this chimera when the British and French pulsed the United States back from the pushing the aggression of Red China against Korea.

However, with the decision of Britain and France to take over the Suez Canal by military action, and without one word being said on letting the United States know about it in advance, and in further justifying "collective action" through what is called the "United Nations," it would appear to clear-headed observers that this whole chimera had finally been given its coup de grace.

Fundamentally few would have relented if the U.S. had not been able to allow any more than an historical document that would declare the United Nations as dead (even if its international bureaucracy, including its armies, foreign and domestic, live on).

Thus, any upgrading of Russian power as a consequence of Poland and Hungary plus the decision of Britain and France to kick over the entire concept of collective action to restrain aggression, gives the National Administration its best excuse since 1941 to get out of the "world leadership" business. The excuse that this was in-herited policy and that it should be given a trial would be too weak to offer an insurmountable barrier.

Up To Administration

Whether he Administration will take advantage of this opportunity to strip off the whole overhang of collective security philosophy, is something, however which remains to be seen.

One reason for avoiding the decision of Britain and France to take over the Suez Canal by military action, and without any word being said on letting the U.S. Government know about it in advance, and in further justifying "collective action" through what is called the "United Nations," it would appear to clear-headed observers that this whole chimera had finally been given its coup de grace.

"Think we may be overdoing it a bit?"

vast army of well-paid officials who would have nothing to do.

Finally, neither major party candidate in the last election found a ready acceptance from the public concept of such as "collective security."

This column is intended to reflect the "behind the scene" interpretation of the nation's capital and may or may not coincide with the "official" view.

Joins King Merritt

LOS ANGELES, Calif. — Alva Jacobs is now with King & Merritt Co., Inc., 1131 South Broadway.

COMING EVENTS

In Investment Field

Nov. 8-9, 1956 (New York City) New York Society of Security Analysts Fourth regional meeting at the Waldorf Astoria.


Nov. 24, 1956 (New York City) Security Traders Association of New York cocktail party and dinner at the Grand Central, Hotel Commodore.


Jan. 17, 1957 (Baltimore, Md.) Baltimore Security Traders Association 22nd Annual Meeting at the Winter Dinner at the Southern Hotel.


Apr. 21-23, 1957 (Dallas, Tex.) Annual meeting of the Southern California National Credit Conference.

April 21-23, 1957 (Dallas, Tex.) Group of Investment Bankers 30th Annual Convention at the Statler Hotel.

Nov. 3-6, 1957 (Hot Springs, Va.) National Security Traders Association Annual Convention at the Homestead.


TRADING MARKETS

Botany Mills A. S. Campbell Co., Con Cable Mills Indian Head Mills United States Envelope Morgan Engineering of America National Forest Products, South Co. Riverdale Cement Sightseer Corp.

AF-Bank... 49-9804 (9-18-9804) 25,000... 63,500

AFC-W Bank... 48-9804 (9-18-9804) 25,000... 63,500

October 8-15, 1956 (New York City) New York Society of Security Analysts Fourth regional meeting at the Waldorf Astoria.


November 24, 1956 (New York City) Security Traders Association of New York cocktail party and dinner at the Grand Central, Hotel Commodore.


December 7, 1956 (New York City) Security Traders Association of New York annual meeting and cocktail party at the Bankers Club.

January 10, 1957 (Philadelphia, Pa.) Philadelphia Securities Analysts Association annual meeting at the Betsy Hotel.

January 14-16, 1957 (Chicago, Ill.) Annual meeting of the Southern California National Credit Conference.

January 17, 1957 (Baltimore, Md.) Baltimore Security Traders Association 22nd Annual Meeting at the Winter Dinner at the Southern Hotel.

March 18-20, 1957 (Chicago, Ill.) Annual meeting of the Chicago Stock Exchange.

April 21-23, 1957 (Dallas, Tex.) Group of Investment Bankers 30th Annual Convention at the Statler Hotel.

November 3-6, 1957 (Hot Springs, Va.) National Security Traders Association Annual Convention at the Homestead.