A Happy New Year to All

The COMMERCIAL and FINANCIAL CHRONICLE

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EDITORIAL

As We See It

Prime Minister Nehru of India calls for an end to the "cold war." He is impatient for a beginning at least of some measure of disarmament among the nations of the earth. He wants an end to the domination of one country over another. He is sure in light of recent events that "world opinion" is a force strong enough to hold would-be aggressors in check. The greatest practical difficulty, he finds, is a lack of confidence, the one country in another.

Senator Humphrey, an influential Democrat, would set up some sort of international agency to deal with pressuring Middle Eastern problems. He would also like to see American troops withdrawn from Germany against a corresponding withdrawal of Soviet troops from East Germany.

There have been numerous suggestions or intimations that we should lose no time in showing our generosity (either directly or through one of the international agencies) to various people and more than one section of the world in order to quell unrest and quiet men's minds. Many such suggestions envisage "loans," but most of them would without much doubt prove in the end to be gifts.

Other ideas and proposals might easily be cited, and they all, whether wise or not, are clear evidence, of a full realization of the seriousness of the current world situation. The diversity of ideas on the subject attest to the difficulty of the problems. For our part, we should not venture to offer any specific solution of these problems. We do feel, however, that any effective policy or program must rest upon certain facts about

SECURITIES NOW IN REGISTRATION—Underwriters, dealers and investors in corporate securities are afforded a complete picture of issues now registered with the SEC and potential underwriters in our "Securities in Registration" Section, starting on page 29.

THE SUPPLY OF MONEY AND THE COST OF CREDIT

The supply of money and the cost of credit are closely related factors. In fact, they are interdependent. The supply of money is determined by the monetary authorities, who control the money supply through the use of various tools, such as open market operations, changes in reserve requirements, and changes in the discount rate. The cost of credit is determined by the interest rate, which is influenced by the supply and demand for loans.

The interest rate is the cost of money to the borrower and the return on investment to the lender. It is affected by various factors, such as the level of inflation, the risk of default, and the supply and demand for loans. The supply of money affects the level of inflation, which in turn affects the cost of credit.

The demand for money is affected by various factors, such as the level of income, the level of interest rates, and the risk of default. The supply of money is influenced by the monetary authorities, who control the money supply through the use of various tools, such as open market operations, changes in reserve requirements, and changes in the discount rate.

How to End Coerciveness in A Democratic Government

By BEN MOREELL*

Chairman of the Board, Jones & Laughlin Steel Corp.

Growth of enormous powers and misplaced faith in government to accomplish all sorts of social, economic and even moral purposes is decals, says Jones & Laughlin Steel Chairman who advances the premise that this is an orderly universe of natural law which cannot be undone, as we should retrace our steps to the fundamental principles of American Revolution in order to dissolve the voracious government monster we created. Mr. Moreell proposes not political remedies but the restoration of religious dimensions built into our original political structure. Finds this is not a hopeless challenge, particularly in view of our awareness of government's coercive nature even in a democracy.

*An address by Mr. Moreell before the California State Chamber of Commerce, San Francisco.

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The Security I Like Best

A continuous forum in which, each week, a different group of experts in the investment and advisory field from all sections of the country participate to give their reasons for the security.

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

ALFRED R. HILL
Partner, Hill & Co., Cincinnati, Ohio

Armo Steel Corporation

Although Armo steel stands eighth in the nation in steelmaking capacity, it is running fourth in the amount of earned income. Over the past several years Armo has been a consistent leader in percent of earnings on invested capital and also in net earnings as a percentage of capital in earnings.

Since World War II, Armo has expanded its production capacity 60% more than the national average. It has overhauled its facilities, and recently re-equipped with the latest and most modern of equipment. Armo's net income, over the past three years, has been $1,975,000; earnings per share, $1.15; and book value, $26.25.

The growth the steel industry is achieving over the next 10 years will cost $500 million a year, at the present capital cost of $200 for each ton of new capacity. At today's market values for steel stocks, a firm can purchase 35,000-50,000 shares for about $1,000,000. This is an ideal investment for the individual investor, as the steel industry is expected to continue its growth rates for many years.

Armo has ample supplies of iron ore to meet its needs. The company, entitled to 10% of the ore shipped from the Labrador project of the Inco Company of Canada, produces its own ore, and it is one of the largest producers of iron ore in the world. Armo is also a major producer of nickel and copper.

Armo's major products, including the largest steel plant in the world, are located in Middleport, Ohio, not a point of production which has been lost in the various changes of management and men. During the past five years, the company has increased its capacity from 6,000 to 30,000 tons annually.

Armo is a prime example of the growth potential of steel shares. No other industry has been able to compare with the growth of steel shares in the past 10 years. Armo has had outstanding returns on its investments, compared to the returns on other industries.

In these various years Armo's production costs per ton of new capacity has been $165,000 compared to the industry cost of $200 per ton.

One has one-to-one contact with Armo's management, which has such a combination of business and financial management and can do a far better job as a leader in the steel industry.

ERNST LAX
Research Department, Lazard Freres & Co., Los Angeles, California

Purex Corporation, Ltd.

These are days of war and the manufacture of the household cringes from one international war to another. The Suzo bull rolls over and finally dies as we march in the current of events. The upheavals in the chemical industry, the rerouting of transportation, the high costs of labor and raw materials have affected the investor's interest in the chemical industry over the past year.

In these various times a tranquilizer such as the Purex Corporation, Ltd., common stock may well be prescribed. Regardless of the latest headline - "Bolshevik" or "Soviet" or "Socialist"-the investor may be reassured that the chemical industry is functioning as a part of the national economy.

Purex, the nation's largest producer of bleaching powder, has expanded its capacity to meet the demands of the market, and it is now producing about 4,000,000 tons of bleaching powder annually.

Purex's earnings per share have increased from $0.50 in the fiscal year, to $1.20 during the current fiscal year.

The chemical industry is one of the most important industries in the country, and the demand for its products is expected to continue to grow in the future. The Purex Corporation, Ltd., is a major player in this industry, and its stock offers a good investment opportunity.
Immediate and Intermediate Future Business Prospect

By August Ihlefeld

President, Savings Banks Trust Company, New York City

Note bank sees in prospect for the near future continuation of basic current economic trends; cloudy intermediate outlook if inflationary bank credit expansion continues; and offers an evaluation of the prospects for the pharmaceutical industry.

Mr. Ihlefeld describes the strong role played by capital outlays; describes factors prompting present credit squeeze and inevitability of tight money in coming months; outlines possible developments that might cause a recession; and opines that return to easy money may not suffice to check a recession as it did in 1953-54, but anticipates home building undertaking a dominant role again in the upturn.

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The Beauty of Bank Stocks

By IRA U. COBLEIGH
Enterprise Economist

A brief year-end look at a splendid type of security too frequently neglected by investors, their consideration of top flight equities.

This is not going to be so general a tract on bank stocks as the immediate message of the year, nor is it a detailed account of the generous impulses of the Holiday season to consider banking officers to be a money maker, we plunge, into the icy waters of bank credit, and that overall it is a good business.

Nineteen hundred and fifty-six has been a fine year for the banks, and except perhaps for one rather lop-sided check on an in a certain Illinois institution (the reserves off the defensive, if I believe, been referred to another in that form); and so an increased loaning policy by a Santa Claus-type person of a downtown New York City bank, earning power and dividend payments have increased. Not unlike other merchants, bankers have thrived on rising prices for their product. And since their product is the all-time world-wide

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BOSTON, Mass. — White, Weld & Co., 111 Devonshire Street, will announce, Jan. 1st, limited partnership on January 1st. Mr. Jackson was formerly a part

The State of Trade and Industry

Notwithstanding slight cuts in the output of automobiles, food products and lumber, the total industrial production of the year, by the new index level of the prior week; total output, however, moderately sustained.

Scattered labor disputes somewhat curtailed automotive output during the latter part of the year, but this was offset in part by increased demand for consumer goods. In the year as a whole, the labor market continued to improve, and the unemployment rate was lower than in 1954.

The steel industry continued to operate at near-peak capacity, with the steel capacity utilization rate rising to 87% in December. The copper industry also showed signs of recovery, with the copper capacity utilization rate rising to 82%.

The agricultural sector continued to improve, with the harvest season being very good in most areas. The wheat harvest was particularly good, with the wheat capacity utilization rate rising to 90% in December.

The construction sector showed signs of improvement, with the construction capacity utilization rate rising to 85% in December. The housing market continued to improve, with the new home construction rate rising to 1.2 million units in December.

The retail sector also showed signs of improvement, with the retail sales index rising to 101 in December. The food and drug sector showed the strongest growth, with the food and drug sales index rising to 105 in December.

The service sector also showed signs of improvement, with the service sector sales index rising to 102 in December. The transportation sector showed the strongest growth, with the transportation sales index rising to 104 in December.

Overall, the economy appeared to be in a healthy state, with the national economy showing signs of improvement.
In its peak of 'proclivity', Average rose above the bull’s market. As all-time peak of 488, the business and market forecasters were overwhelmed by bullishness. Pointed out the business's prospective outlays exemplified by General Motors' announcement -- worth in excess of $1 billion -- the public's enthusiasm for its stock was overdone. At the turn of the year, the National Industrial Conference Board's Economic News was favorable. For, in 1956, the bull’s market would decline and the bear's market would rise. The year '1956 will yield the highest economic activity, the largest national output and the greatest volume of industrial production this nation has ever known.'

The market's ensuing action, however, obviously surprised with a 27-point decline, the biggest upset in four months, during the year's first 23 days. At that time, in conformity with the market's behavior, a wave of private and prospective activity -- heavy troubles -- bailed it out of this legal bull's market. Contradicting the Street's long-standing maxim -- 'don't sell on the news, buy on the rumour' -- the market fell from high to low in one day. The strike was made effective. At times of market rallying during the subsequent lengthy strike, price and sentiment settlements were for¬ mulated. And during such bullish market periods the strike's benefit in cutting down excessive inventory were hailed by the market observers.

Liking Ike --Spasmodically

Ike too -- as medical patient and nominee -- befuddled the fore¬ casters and interpreters. During the long nerve-wracking wait for his death, the market's belief in the Eisenhower's (in)ability to hold the mummy's faith in him was typically indicated by such headlines as 'President Eisenhower's decision to run would spur a bull market.' "President Eisenhower's political intentions constitute the market's most important news," stated a Wall Street reporter. The market would try again, the result at the end of February -- proved to be a solid bull market, with heavy selling pressure most of the time, and a 22 point rally on closing.

Consider, the fact that one does not deal in the terms of theory or speculation, it is difficult to relate to electronics as a practical science or in this industry as a field of investment. We have a multitude of facts on which to base our conclusions. A high vacancy field, and this field is facts with which we have not even been able to deal at this moment.

Let's first see what are the facts of electronics are lined up to present a picture of modern living -- that is, what do we know today. Electronics is everywhere in the open where we can see its applications in our homes, in our offices in our laboratories and in our factories. It is also hidden, involved in processes and produces effects where its presence is vital, though publicly unnoticed.

The impact of the electronic industry and its technology will be a major force in shaping the social and economic future of our country. The industry's rapid growth and the many changes it has wrought in the past decade have resulted in widespread public interest in the field of electronics.

Electronics is More Than a Miracle of Modern Living

If electronics is a news, as I say, it is not a news of its science importance in our lives. We live in the field of electronics. This is the 5th largest industry in the United States employing more than a quarter million people. Today it is nine times its size at the end of World War II but not even half that size on World War II.

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**EFFECTIVE JANUARY 1, 1957**

**DECEMBER 31, 1956**

**52 WALL STREET, NEW YORK**
Looking Into Canadian Economy And Continuing Economic Growth

BY A.C. ASHFORTH
President, The Toronto-Dominion Bank, Toronto

Prominent Canadian banker doubts continuation through 1957 of the remarkable growth rate achieved during past two years can be maintained. He questions the maintenance of a stable dollar to assure sound economic growth—objectives of current "tight money" policy and, in view of recent monetary trends, questions the illusory nature of such a proposition.

In the early 1950's, Federal Reserve Bank head George W. Donahue suggested to Canadian bankers that the maintenance of a stable dollar is the key to a sound economic growth. Donahue's suggestion was buttressed by the remarks of his contemporary, A.C. Ashforth, then president of the Toronto-Dominion Bank.

Ashforth's views were endorsed by many Canadian economists, who believed that a stable dollar was essential to a stable economy. However, in the early 1960's, Ashforth's views were challenged by Canadian economist Robert McCallum, who argued that a stable dollar was not necessary to achieve stable economic growth.

In his article, Ashforth argues that the maintenance of a stable dollar is not necessary to achieve stable economic growth. He points out that a stable dollar can be achieved through other means, and that a stable dollar is not always associated with stable economic growth.

Ashforth's views have since been endorsed by many economists, who have argued that a stable dollar is not necessary to achieve stable economic growth. However, there is still some debate on the topic, and some economists argue that a stable dollar is still necessary to achieve stable economic growth.

In conclusion, Ashforth's arguments have been influential in shaping the debate on the topic of stable dollars and stable economic growth. His views have been endorsed by many economists, and his arguments have been influential in shaping the debate on the topic. However, there is still some debate on the topic, and it remains to be seen whether a stable dollar is necessary to achieve stable economic growth.
Aiding the American Investor
With a Better Investment Climate

BY KEITH FUNSTON
President, New York Stock Exchange

Predicting stock financing level is likely to jump 30% over last year to a new all-high of about $3.5 billion. New York Stock Exchange head proposes a basic tax program to help close the gap on the $10 billion need in new financing.

The prediction is a key note of (1) ample precedent recognizing the concept of tax- deferred treatment of capital gains fully reinvested; (2) 46 companies paying 60% or more of their public's profits; and $230 billion of unrealized capital gains that is a great extent potential growth money that's locked-in.

We Americans have always been preoccupied with the future—probably disappointed when it arrived. Today, a major economic future is on the drawing board. There is one important aspect of it that has been over-literally ignored: we should talk with you. It is, I believe, the fellow on whose shoulders we might measure, all the rest depends. It is natural, I suppose, that at the Stock Exchange we should be particularly concerned with wealth. We know how many millions of people are looking to you to live, what kind of job he holds, and how much he earns. At the same time, I am convinced that the significance of the investor's economic potential is not sufficiently appreciated, and that his problems seem to be of relatively little concern to others. In short, we acknowledge the investor's existence. But no one seems to be very worried about him.

The situation is not unlike that in which Norie Morales, the band-leader, found himself some years ago. He was a struggling young unknown. Worried by his anony-mity, he needed a publicity man to noise his name about. Weeks went by, however, without results. Then, he complained, the publicity man pointed out, "Don't worry, Noro. Everybody's talking about you." Then, more weeks passed. Morales couldn't find a line in any of the columns. The trade papers ignored him. He called again. "Don't worry, Noro," he press agent said, "Everybody's talking about you." I knew," said Morales, exasperated, "but they're not saying. The publicity man paused. "Why, he blurted out, "they're talking about your behavior. Whatever happened to Noro Morales?"

Well, it is vitally important, as we face up to tomorrow, that we don't find ourselves facing tomorrow (or the future) just as it ever happened to the American investor. If he is on the verge of advances greater than we have known, But such advances are likely to make unparalleled demands—not only on his wisdom and integrity, but also on our investment philosophy. Our task is to bring to the investor two striking facts about our economic way of life. The first is that the challenge is immediate—the years from now through 1975. It is the problem of choice, its dimensions are ours to decide.

We enjoy the annual National Product of over $400 bil-

Observations...

the Elections in early November did the interest rate's rise act as an effective cumulative stock market factor.

Self-Contradictory Interpretations of Suez

The Suez and general Middle East crises, as are typical with the war factor, were successively interpreted bullishly and bearishly. On the one hand during the August to November fluctuation, the Suez crisis brought about some general inflationary attributions as were stressed, and, on the other, midst or after market declines, the "obviously unsettling" connotations of international crisis were stressed.

Death of a Seasonal Tradition

Traditionally regarded as a plus-sign Santa, the worship, the retail sector of the stock list during the last quarter of this year registered a steady decline without worthwhile recovery. And this in the face of news of satisfactory sales achievement.

So again we see that only the "time-lag" appraisal of the value of individual issues constitutes a feasible investing method!

Jan. 16, 1957 (Philadelphia, Pa.) Philadelphia Securities Associations annual meeting at the Bar-

clay Hotel.


Jan. 18, 1957 (Baltimore, Md.) Baltimore Security Traders Association 22nd Annual Mid-Winter Dinner at the Southern Hotel.

Jan. 26, 1957 (Chicago, Ill.) Bond Traders Club of Chicago annual winter party at the Sheraton Hotel.

Mar. 5-6, 1957 (Toronto, Canada) Toronto Bond Traders Association 36th Annual Dinner at the King Edward Hotel.


April 21-23, 1957 (Dallas, Tex.) Texas Group of Investment Bankers Association annual meeting at the Statler Hilton Conference.

May 8-11, 1957 (White Sulphur Springs, Va.) Investment Bankers Association Spring meeting at the Greenbrier Hotel.

"World Bank" to Offer $100,000,000 of Bonds

The International Bank for Recon-
struction and Development has announced a proposal to make an offering of $100,000,000 of bonds during the month of January, Eugene F. Smith, U.S. Solicitor General (Dec. 27). The issue will be sold through a nationwide underwrit-
ing organization. The joint man-
agement of Morgan Stanley & Co. and The First Boston Corp. is handling the sale. It is expected that the offering will be completed by Jan. 5, and that the yield should be between 4.30% and 4.40% to maturity.

Several features will be incorpor-
ed in the new offering designed to meet operating practices of the World Bank and current market conditions.

Since disbursements on loans granted by the bank are usually made over a period of several years, the bank, in addition to of-
fers for bond redemptions, will extend to certain institutional purchasers of bonds of this new issue the privilege of making de-
layed payments. Within 60 days of an offering for selection of delivery dates be-

 tween Jan. 1 and Jan. 15, 1957. This arrangement is expected to assist in the purpose of coordinating a portion of the bank's borrowings with its dis-
fusion rate of account. It is possible for purchasers to arrange their payments to suit their indi-

vidual preferences in the light of their own projected cash positions.

The bonds will be non-redem-

able prior to Jan. 1, 1967. During the period 1957-1966 when the bonds will be non-redeemable in part or in full, and thereafter equal amounts aggregat-
ing 20% of the new issue will be paid as interest, and the balance will be payable in cash on the maturity date.
A Prosperous Textile Era Ahead

By JOHN M. REEVES, Chairman of the Board, Reeves Brothers, Inc.

The threshold of a truly prosperous textile era, of greater stability and predictable profits, is envisioned by Board Chairman Reeves as a period which holds a promise of a better next five years than the past five years. Specifies how this country can absorb 250,000,000 yards of textiles before the next business year begins.

---

First, gains; look, think, think. The threshold of a more stable era. Not merely a return to the prosperity of the 20's, but a return to prosperity based on the true perennials of the textile industry.

Well, perhaps we haven't been right on some of our earlier predictions, but the fact is that many of our earlier predictions have been vindicated. And I think the textile industry is in a better condition now than it has been at any time in recent years. And this fact is not lost on the nation's labor unions. They see the possibility of a prosperous future for the textile industry and they are looking forward to a time when the industry will once again be able to make a contribution to the nation's welfare.

Grounds for Optimism

During the years 1932 to 1938 our imports experienced an unprecedented drop at a deficit. During the years 1950 to 1953 the deficit was only slightly higher. Both periods, I might add, were periods of economic depression. The last period of the latter part of '31 and early '32, when the Korean conflict was ending, was another period of national insecurity which was detrimental to textiles. It wasn't a big profit, only 2.4% of sales and only half the average profit of all other industries combined, but nevertheless the textile industry finally could prove, over a reasonable length of time, that many of its difficulties were at long last being overcome. Furthermore, the so-called cycles of peaks and valleys have now even been considerable.

Perhaps you might compare our industry, to a game of golf, where the club is so used to being in the rough that you won't take your putter and go after it. What I'm meaning is that we're finding our way among it. What I'm meaning is that we're finding our way through it. What I'm meaning is that we're finding our way around it. What I'm meaning is that we're finding our way through the rough. What I'm meaning is that we're finding our way around the golf course.

I want to speak to the fact that most of us today have seen a number of exciting things. The textile industry, by being so long established could not afford it to such a national business, but it has been done over a period of time.

I'm going to look with pride at the fact that most of us today have seen a number of exciting things. The textile industry, by being so long established could not afford it to such a national business, but it has been done over a period of time.

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I'm going to look with pride at the fact that most of us today have seen a number of exciting things. The textile industry, by being so long established could not afford it to such a national business, but it has been done over a period of time.
Robert Browning observed that "progress is the law of life." I think we can say that progress is the law of business as well. The industries that are standing longest are those that must be changed and adapted to the new ways of doing things. The way things work today, they just aren't going to work tomorrow. Often the grip of progress is so strong that the new is rejected, or delayed, or preserved in a form that looks upon it as somehow wrong.

Let me give you an example. During the Great Depression, China-Japan-Burma pipeline, the supply routes to the U.S. Army with long and maneuvered in Afghanistan and the Maroons. Demonstrations were held to hold us in the new industries, in the new tools, and the Army's trained senior, happy in the thought that the work would be a forward at greater speed.

But the native's way of thinking is too old and it is too hard to change. The word uses too few words in which, on one's head, the dirt, within 24 hours the precise word for the word never changed. The new style baskets for head-carrying. Unfortunately no one is satisfied why these crazy Americans thought such a heavy basket necessary.

We may be amused at such a foolish, but human nature is much the same the world over; it varies only in degree. Do you think that if the United States, there is an average of about 15 years between the time a new drug is tested to the satisfaction of the clinical experts and the time the use of the drug becomes common in the medical profession?

Dr. George Gallup recently cited this same figure. He points out that a similar investigation shows a lag of 12 years between the time the satisfactory results are in public opinion surveying, and the time the results become generally accepted and used by public officials.

Now, the two examples of conflict between old ideas and new procedures. H.W. 

Robert G. Dunlop

"Almost the whole dramatized tiller of the soil are becoming few and fewer in relation to the population they have to work. This is not we are hearing. The fact that the rest of us heard about them and their problem at any the last Congress, we are apparently going to hear more quite anything about them in the coming session."

In his letter to newspapers, "Why the American Farmer is more likely to be a liberal". The idea that in the controversy legislation that went back to the farmer than to the average farmer who ever why legislation went.

But just as in Russia where political heads fall because of the lack of production, in a country political heads fall because of too much production. It is surprising, however, just by the same political parties, nevertheless, are nervous about what did happen.

Robert Dunlop observes that the statistics are not very convincing. In several places the Republicans claim that the American candidate lost because of farmers' defection, there were many other factors such as the operation of the Republican candidate. The plain fact is that organized interest for the Republicans' failure to carry Congress than any farmer bust.

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Business and Financial Forecast for 1957

BY ROGER W. BARSON

Noted Babson Park investment analyst surveys the gym of business, financial, stock market, international, and money and credit problems.

Both presidential candidates, in their pre-election speeches, promised Peace, Prosperity, and Progress. They stated that the best way to do this is for the Employers to continue to support the Wage Agreement of 1946. This is the basis of the US Treasury's proposals for 1957, temporarily reduced by the cutback in defense spending.

(1) World War III will not start

(2) 1957 will witness slowly increasing inflation.

(3) Manufacturers will be faced with higher costs for both materials and labor.

(4) All businesses will be confronted by increased competition, both within their own industries and from other industries.

(5) More advertising will be necessary in 1957, especially by manufacturers and retailers to equal those of 1956.

(6) Federal credit will increase in 1957, both as to numbers and magnitude, but consumer credit will be wiped out. One or two of the larger banks will refuse to extend consumer credit, but face bankruptcy or reorganization.

(7) Cost of living will rise slightly during 1957.

(8) Most labor unions will hesitate to make public fights for higher wages, but will work short hours, pensions, and fringe.

(9) Europe must pay so much more for oil that it will have less money for purchasing consumer goods.

(10) Unexpected events will occur during 1957; however, as a whole, the year will be fairly calm, but with smaller profits.

Money Outlook

(11) All business concerns must pay in gold or dollars for oil, their industries will be handicapped by high cost, and will increase in price for the United States.

(12) The Federal Reserve Board will not relax its restrictions as long as we have full employment in the United States; but if unemployment increases we may expect a relaxation. I am very glad Mr. Robert Cutler will again be Mr. Eisenhower's advisor.

(13) Owing to the tremendous number of employees, suppliers, and retailers dependent upon the large industries, these concern will have less to sell, and will experience a large decline in sales.

Real Estate Outlook

(14) Home building, corporate expansion, and municipal building will be depressed during 1957, therefore, it will not be a good year for real estate.

(15) Interest rates on mortgages will be higher in 1957. Loans that are not "federally" guaranteed will require larger margins.

(16) The cities will continue inactive, with deteriorating prices due to lack of parking facilities.

(17) Suburban real estate will continue active, as fewer new houses will be built. Houses will be sold for bank rates by executives who have lost their well-paid jobs.

(18) Purchasers can give more attention to the size of the lots than to the houses. Better locations can be secured by buying existing houses. Modern kitchens will be in demand.

(19) Acreage near proposed shopping centers will remain unsold for speculation. The automobile will be the largest growth in real estate prices, helping those locations and hurting others.

(20) A settlement of the question of heating, lighting, and other systems will help more houses obsolete.

(21) Large commercial farms will continue inactive, while on the fringes of cities will be operating small medium-sized farms will be both more expensive to operate and hard to sell.

(22) The nearness to schools where the children live will become a more important factor in the re-location of families.

(23) Those wishing to own a well-located home will find 1957 a good year to buy or build, but a dangerous year for speculation.

Stock Market Outlook

(24) It is foolish for anyone to try to make money in 1957. The Dow-Jones Industrial Average, now around 490, may remain near this level during 1957.

(25) All investors will want "safety," but wise investors will decide that they do not want "income" or "profit." Only luck can you obtain all three features with certainty during 1957.

(26) Investors can make money during 1957, well-seasoned preferred stocks (preferentially cumulative) used for financing, with safety, a yield of near 6%.

(27) During 1957, good utility stocks will provide good yield and marketability. The decreases in the stock market will be used for purchasing.

(28) The above recession does not cause the investor to increase taxes on dividends.

(29) The above recession does not cause the investor to increase taxes, or to increase taxes on dividends.

(30) The above recession does not cause the investor to increase taxes, or to increase taxes on dividends.

(31) I am not now prepared to advise investors who do not care much for the stock market, and who are not ready to invest.

As above stated, the Dow Jones Industrial Average, now around 490, may remain near this level during 1957, either 400 or 600. It will be very easy to make a mistake in picking stocks at the time, except for technical analysts, who are willing to say, however, that investors should not sell their oil. Even Gulf Oil, which has the largest interests in the very rich Middle East fields, should not be sold.

(32) All sensible investors will carry a bank balance and re- serve during 1957 so as not to be too badly off when the time happens.

(33) There should be no panic in the stock market during 1957. Stocks which are either fluctuate near their present levels or else will gradually drift downward or upward. It will be risky to borrow money and sell stocks in 1957, rather, one might sell stocks to get out of debt.

(34) To make money in the stock market is: (1) Confining your purchases to the leaders of (b) 16 leading companies in each industry. (2) Diversity moderately and not be a "heart whisperer" in companies, remembering that, whether you wish to sell, one should be able as smart as you) is doing the opposite of what you are doing.

(35) Store up cash when most people are bullish; use this cash to buy stocks when most people are bearish.

(36) We are no longer on the Gold Standard but on a Political with any building, business, investment program, it should be continually kept in mind.

(37) Better fed and more intelligent populations, both in the United States and elsewhere, will continue to increase. Important discoveries and inventions will take place. Twenty years ago, no one was expecting the prosperity based on the atomic Era. Then followed the Motor Car and Oil Era which have recently been enjoying, plus a Chemical and Building Boom. Those coming, together, will result in a great prosperity of the last ten years, some time, we will have our business readjustment, but it will be another ten years for a new Electronic and Nuclear Era. Therefore, be optimistic.

(38) In closing, I urge my friends to read the 8th Chapter of the Bible Book Deuteronomy which was written 3,000 years ago and is as applicable today as ever. Incidentally, it mentions Egypt, which even then was an important sector in world events.

Geo. Woods Director

George D. Woods, chairman of the board of The First Boston Corporation has been elected a director of Commonwealth Oil Refining Company, Inc., it has been announced. Commonwealth Oil Refining Company, organized early in 1954, is in the process of complete construction of a new refinery near Ponce on the southern coast of Puerto Rico.

JOINS EASTMAN DILLON & CO.

William H. Gross has become affiliated with the firm of Eastman Dillon & Co. Inc., 1315 Whipple Boulevard. He was formerly with Dempsey-Tegetow & Co.

With J. D. Creger (Sponsored by the Financial Chronicle)

WHITTIER, Calif. — Jerome B. Miller is now with J. D. Creger & Co., 13412 East Whittier Boulevard.
International Travel and Trade—Today and Tomorrow

by RALPH T. REED
President, Chase Manhattan Bank

Stating new hotels may prove as important as new steel mills to economic health of some foreign countries, Mr. Reed maintains underdeveloped nations can consider expenditures on tourist facilities as basic capital investments.

Highly favorable balance of trade, dollar income of overseas countries, including tourist exchange rates, large promotional campaigns, abolition of travel taxes and red tape, and training of guides are major reasons for this optimism.

I'm thinking of the eloquent theme of this Forty-Third National Foreign Trade Conference—"Providing for the Future: Travel Promotes Prosperity.

What a change! It's a time when thought that these words have the agreement of almost the men of business who has been world an industry about 20 or 30 years, we are in agreement with your guiding principles. We are in agreement with the program of action by private business, government which might further involve us in the affairs of commerce of the world.

The forces making for this change of attitude are many. We have built up in this country the most highly trained and most highly skilled work force available in the world. The same is true of our scientific personnel. We have built up an industry which is now larger than the rest of the world combined. We have built up the most extensive and the most penetrating communications throughout the world.

But this is the tempo of our nation's growth. We cannot help but enjoy it. It's truly an exciting, dynamic tempo, that may mean that the world is the stage for the free world. While the present middle East crisis is having some effect on our calculations for the future, I believe strongly that we should retain confidence in the long-range upward curve. For the future, economic progress in the world today are of great magnitude.

importance of Mobility

In trying to define these forces that are moving the world in the last quarter of the century, let us now step back and again in my thinking about the word "mobility." The mobility of people, of goods, of capital—of thousands of techniques—of a great many more—of this kind of mobility is being speeded up throughout the world in the last three years.

But the progress we have made has been confronted with the War in Korea. That has been a tremendous advance made in a very few years. It is an extraordinary commentary on our changing times that U.S. foreign trade growth rate is only double what they were in 1948.

We have heard almost of new developments which may have startling effect on the coming development of international trade—assuming it as a reasonable degree of world stabilization.

Beginning in 1956, we expect that jet passenger planes will be crossing the oceans. With these planes a traveler will be able to fly from Chicago to New York in four hours. It is the only thing that has been held as opposed to thirteen today. Such speed could have large effects on the world economy. It could improve the travel industry around the world.

With transportation improving so rapidly, a "weekend in Europe" can become an active reality for the American traveler with a week or two in foreign cities. The traveler with a month or two to spare will find a new tourist hotel, may be as important as a new steel mill.

elimination of red tape in customs, border crossing

formalities and health restrictions will be vastly important, in passing.

Meanwhile, our Gross National Product was increasing at an annual rate of well over 400 billion dollars. As a result, our general level of prosperity continues to increase. Prosperity has been producing a fluid flow of consumer discretionary spending into travel and tourism. This sustained condition has direct impact on our balance of trade.

At the outset of any period of prosperity, those folks going to travel and recreation go into durable goods to modernize day-by-day living. Improvement of hotels, purchase of new homes improves the condition of the industry. As the period continues, the consumer begins to think of the future. One talks of travel as he wants. Among other things, he begins to think of travel.

These expenditures are now in the $5 thousand or over. It is a very good indication that we are discovering more and more that the tourism industry is a source of knowledge, fun, and relaxation.

Great Opportunity From Travel

The encouragement of foreign travel is one of the most important things we all know in business, a trend which is destined to be helped—and helped substantially. The fact is that to grow the travel industry has added to the overall national travel needs first-class and multiple transportation channels. It can be of great importance to solve the problem of sales and operational techniques.

Every traveler seeks the answer: why does the buyer wants today—and what he's going to want five years from now?

Many overseas nations have been opening new travel lines during the last ten years. Each country, as a rule, is better at some things than others. Comparative statistics show that government programs to stimulate travel have been beneficial. For themselves many times, over. For the visitor the best method of travel expenditure has on a country's prosperity, I would like to suggest seven points development program which any nation could profitably consider against present accomplishments, in order to increase the volume of their revenues in this vital area.

The future such a program has particular importance, keep-

In the Middle East is shadowing the economic stability of that area, due to the reduced supplies of oil and result-

With a change in some of the travel programs in the Middle East, it is going to be possible to stimulate the tourist industry and business activity. With the rise of oil today, it is going to be possible to stimulate the tourist industry and business activity.

Mobile has this in its ability to visit foreign countries, a very good point. It means more dollars for the foreign trade dollar. It means means more dollars for the foreign trade.

Promotional Companies

First and most important to any such program is the development of larger promotional companies abroad, designed to capture the increasing opportunities that are best implemented by strong promotional campaigns, organizations, developed by the government, transportation industry, and business group.

We are now in a position where the respect the boundaries of nations is a business that has never been more true today.

Ideas in this age move with the speed of sound—literally. In the future, we are going to be very much more dependent on the business operations are never been more true today.

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This age move with the speed of sound—literally. In the future, we are going to be very much more dependent on the business operations are never been more true today.

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There is another area in which mobility will play a vital role at some time. I'm thinking of the mobility of ideas. We've all heard of the old saying, "Curiosity killed the cat." That was a rule of thumb which was correct for the most part. We're going to talk more about this rule of thumb as we approach the new age of space travel. These are the days of unimagined possibilities of what we can achieve.

The American tourist abroad is the Business Council for International Understanding, a program specifically designed to promote the importance of good business, professional, artful, cultural programs, a program of intensified "people to people" movement. It is a program that will have a great deal to contribute to the problem of understanding, of understanding each other.

Some of the countries in which we have been most successful have been those that have been most successful with the American tourist carriage. Among some others have been the countries that have been successful with the American tourist carriage. Among some others have been the countries that have been successful with the American tourist carriage.
talk with citizens of the countries he's visiting. One way or another, the language barrier can be overcome. After that, it's up to him.

In general, I think American tourists have been doing a far more effective job of establishing friendly relations with their hosts abroad than they've been doing at home. The American is usually known abroad for his friendliness and enthusiasm, which often are not exhibited as fully at home. This is due, in part, to the fact that the standard of living in the free world is slowly but steadily rising, as also is the worldwide demand for goods and services. Partly as a result, the level of United States exports and imports have been showing consistent increases. Exports, excluding military goods, are expected to reach $17 billion in 1956, while imports will total a volume of about $13 billion. Both of these represent new records. Were it not for the clouds threatening to lower over the Middle East we could say with confidence that there exists a steadily growing climate of mobility in international trade which we face today and that face tomorrow are integrally connected with this all-pervading fact of increased and increasing mobility.

Despite many heartbreaking setbacks and failures, threats, the fact is that the standard of living in the free world is slowly but steadily rising, as also is the worldwide demand for goods and services. Partly as a result, the level of United States exports and imports have been showing consistent increases. Exports, excluding military goods, are expected to reach $17 billion in 1956, while imports will total a volume of about $13 billion. Both of these represent new records. Were it not for the clouds threatening to lower over the Middle East we could say with confidence that there exists a steadily growing climate of mobility in international trade which we face today and that face tomorrow are integrally connected with this all-pervading fact of increased and increasing mobility.

In conclusion let me say quite simply that today international travel and trade appears to be just about the best insurance we have against the international mis-sle.

Midland Secs. Co. Formed In Kansas City

KANSAS CITY, Mo.—Midland Securities Co., Inc., has been formed with offices at 1016 Baltimore Avenue. Officers are M. J. Coen, president, and M. L. Thompson, secretary and treasurer. Mr. Coen was formerly an officer of, Prugh, Combust & Land, Inc.
Federal Reserve Failures In Pursuing Tight Money

By HON. WRIGHT PATMAN
Chairman, Economic Stabilization Joint Economic Committee

Amongst the impressions gained by Subcommittee Chairman Patman, as result of recent money and credit hearings, are: (1) metal, construction and machinery industries are "administering" the Reserve, (2) Reserve policy wherein interest rates go into higher prices rather than restrict credit to prevent price rises; (2) fiscal policy and credit policy are not coordinated, the result being increased and schools and small businesses are being by-passed. Statement declares hearings substantial need for thorough study of our monetary system, and emphasizes the role of federal government.

The Subcommittee on Economic Stabilization has just concluded another of the "critical" monetary and credit controls. At the opening of hearings on March 14, Chairman Patman pointed out that insofar as the monetary and credit regulations were concerned, the Subcommittee was to undertake what it considered to be the most important study of the entire economic recovery program. The hearings' aim was to gauge the influence of monetary policy generally, and to determine its effects on the economy.

At the opening hearings, Chairman Patman stated that in order to control prices, it was necessary to control the flow of credit, which could affect business activities. The hearings were to examine the question of whether monetary policies were being carried out in a manner that would promote price stability.

The hearings also examined the relationship between monetary policy and economic activity. The Subcommittee was particularly interested in whether monetary policy was coordinating with fiscal policy in order to achieve price stability.

Agreements and Disagreements With Elliott Bell

First, the two days of hearings served to make me feel extremely long, even though they took place two days after the hearings concluded. The concern of many groups about the problems that were discussed during the hearings seemed to me to be appropriate, as well as the issue that incorporates some preliminary impressions.

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First, the two days of hearings served to make me feel extremely long, even though they took place two days after the hearings concluded. The concern of many groups about the problems that were discussed during the hearings seemed to me to be appropriate, as well as the issue that incorporates some preliminary impressions.
In the country is a part of our monetary system and its lending and investing activities affect the supply of credit, the rates of interest, the boards of competence, character, and public confidence. The liberal chartering and branching of such institutions vary enormously.

Lately there has been introduced by the Bank Holding Companies Act of 1956, which took effect this year, which would, according to Governor Harriman of New York, provide a Superintendent of that State, George Moore, with the power of bypassing the State authority with respect to branch banking and the concentration of banking power.

Changing Goals

(2) There is need to reexamine the task now expected of monetary and fiscal policy in this country. When the Federal Reserve was established, its primary purpose was to provide an elastic currency geared to commercial need.

In the last few years, the Federal Reserve System has averted much criticism and has earned the respect of the public. Today, we are committed to a national program which calls for government action to promote high-level employment and to maintain economic stability. In carrying out these objectives, monetary policy has a large role to play. Is the Federal Reserve System adequate to its task? Have its responsibilities in this connection ever been clearly defined so that either the members of the Federal Reserve Board or anyone else can know what its obligations are? What should be the relation between the Federal Reserve and the various other governmental agencies which extend or guarantee credit or regulate financial institutions, and with the Treasury? Is there need for new arrangements to provide for consultation and cooperation among these various agencies?

I ventured recently to suggest the desirability of a National Economic Council which would take a new approach to economic policy, since the National Security Council functions with respect to defense policies. [See "Chronicles" of Nov. 1, 1956, p. 25.]

Pleas Misinterpretation

In some quarters this suggestion has been misinterpreted as an assault upon the independence of the Federal Reserve System. I cannot see it that way.

The Federal Reserve System is a part of the Government's machinery, and its independence is a part of the concept of a neutral reserve system. The Federal Reserve System is the United States' national reserve system. It is, in fact, the national bank system. It is a part of our national economic structure, and it is necessary for the performance of its functions.

Selective Controls as a Lesser Evil

(5) There is need to explore the role of selective credit controls as an instrument of national monetary policy. No one likes to admit it, but they can be made to work. An outstanding example is the selective control of credit relative to margin requirements. There is a great deal of misunderstanding about what this might prove to be a lesser evil than a direct penalization and replacement by something more akin to a European central bank. An organization in which the system is headed by a Governor or Chairman would be more effective.

There have been differences of opinion between the System and its member banks about the level of Reserve requirements. There has been serious disagreement within the System over open market operations. There is confusion and inconsistency with respect to the System's responsibilities towards the Government's securities market. All these questions and controversies need to be examined.

Just a little help can keep things going

In these days of high employment and general economic good health, the threat to a family budget is not so much a complete breakdown as momentary stalling. When this happens perhaps all that is needed is a small loan to keep things going.

The Beneficial Finance System makes such loans available. Beneficial has more loans in number and spread over a wider territory than any similar organization. During 1956 Beneficial made loans amounting to nearly Three Quarters of a Billion Dollars.

"... a BENEFICIAL loan is for a beneficial purpose."
THE MARKET... AND YOU

BY WALLACE STREETE

Stocks held reasonably buoyant on an overall basis, the steel industry continuing to hold on firm. Bids on the front for a week, the market was unusually filled with buyers. Currents are rising lightly in the year-end reached peak proportions.

Strength Selective

Strength was rather selective in the profitable section, and the persistent heaviness of recent months in the rails, some of the metals, and nonferrous metals was the rule generally, with an occasional respite.

Getting to be that

The list already had one almost excessive rebound from the heavy load of tax selling that featured the stalemated market this year. This served mostly to add a more rapid rise in the pressure of profit taking but the list held reasonably close to its recovery peak nevertheless.

If the reinvestment demand that this should inspire makes its appearance any time now, there should really could have had one more good fillip before the list settled back to more a basis, the news of the great stress being put on technicians on the ability of the industrial average to negotiate the 500 level average to have generated considerable caution even in reinvestment circles. The ability of the average to punch through decisively obviously would spur the year-end rally.

Rails continue to be the bagged group with convictions, having come from a gap of around 10 points to 50 points. There are going to show a plus sign for the year. Nor is there much in the way of anticipated news that is left to help them along.

Chemical Sprint

Chemicals for a change were able to put up a somewhat better showing, due to a group that one of which had one of the harder falls around — from 227 to around 213. It was able to join the sprinters on the strong side at times as the talk was revived of splitting the basic tax bill and to enable the issue to bounce a score of points from its low but still at its high close. It will probably long pull since lower earnings the colossus are pretty well assured for this year.

An Interesting Off-Beat

Some culling in off-beat lines continued with issues like Brunswick - Balke - Col- lender appearing on the lists of recommendations. Brunswick was a bit tardy in entering the bowling alley pin market, but does have made rapid strides and original installations for next year promise a good earnings prop.

The price of gold has been in recent months a challenging proposition, and it should be added to a couple of dollars next year, if it works out, about $580 this year.

Brunswick was also a bit tardy in the diversification phase, since its old establishment decided about a four years ago to get into the act, considerable carried backward to a degree very clearly the company, which for half of its corporate life has been mainly in billiard lines, is a factor in school furniture and equipment and in defense products, but this has been for the act, as well as other components for planes. The stock itself has had a marked advance in life, with evident little real, with little against anticipated financing that will have to be done. There has been little discounting, consequently, of the good boosts in sales and earnings due this year as a result of this move.

About the heaviest weight affecting individual issues lately, apart from downright poor showings, is the obvious need in many cases for new financing to pay for expansions already under way. The speed of dilution of earnings appears to be extremely unpopular and riders on the fact that increased earnings are in- evitable sooner or later because of the expansions.

An Outstanding Chemical

One issue that was able to add something, and one of the chemical stocks that one of which had one of the harder falls around — from 227 to around 213. It was able to join the sprinters on the strong side at times as the talk was revived of splitting the basic tax bill and to enable the issue to bounce a score of points from its low but still at its high close. It will probably long pull since lower earnings the colossus are pretty well assured for this year.

Ronald D. Bache

A popular hobby of the week was a look at the earnings of issues most severely depressed by the year-end tax panic business, and in running two- to three-fold a handful issues with a good, yielding a profit, in them. At least, could be classified as bargains. Gulf, Mobile & Ohio cars and especially classified cent representing a return in excess of 8%. Southern Pacific was another 8%, and it will be probably in large measure because of its only 2½% yield.

Oscar Davis

Among the usualrepeaters on such types of lists were Intermountain Western & Southern, Bridgeport Brass; Crane Co.; Sperry Rand; Olin Mathieson Chemical, and Radio Corp. Even some of the rails were "regulars" on such lists, largely because they show, yields well above the money market level and on that basis, at least, could be classified as bargains. Gulf, Mobile & Ohio cars and especially classified cent representing a return in excess of 8%. Southern Pacific was another 8%, and it will be probably in large measure because of its only 2½% yield.

An Atomic Strong Spot

American Potash is an issue worth watching with the chemicals but in some ways the company is an odd member of the group. Its heavy participation in boron and lithium products make it something of an atomic item, and it has used its atomics in atomic energy and guided missiles. These and its heavy line of potash products have been sold moderately in the report, and the company, which was formed in 1954 under the name of Brown Harriman & Co., Incorpor- ated, was changed Jan. 1, 1959 to Davis Harriman & Co., Incor- porated.

Mr. Davis graduated from Yale College in 1917, and he joined the Wall Street firm he now heads as a director of the New York Stock Exchange firm of H. E. L. Blyth & Co. In 1917, he joined the firm of Potash & Company, which was formed in 1942 by Pittsburgh Steel which so far has failed to run lengths quite as optimistic as other steel issues. In fact, it has lost in the fourth quarter result. Pittsburgh has been available at about low since-five times-earnings which is a conservative pricing against the mean for the group. Pittsburgh until recently was recognized as the biggest and most marginal company, which could account for investor apathy, but lately the company has changed its nature drastically with major expansion and modernization program.

(See page 17)

Mr. Davis has been active in the railroad industry all his life. At various times since 1917, he has been a director of several railroad companies. He is now a director of Blyth & Company, a member of its Finance Committee, and a director of several of the Wallach subsidiaries.

During the 1930's he served as the president of the railroad industry's holding company's committee of the Interstate Commerce of the United States.

Mr. Davis became active in the metals business in 1929, as a member of the Board of Directors of Phelps Dodge Corporation. He was elected the Pres- ident of the Corporation in 1942.

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Davis to Retire As

Harriman Railway President.

Harriman Railway President, in the corporation of the American Securities, Department, by C. F. Lyons, C. F. Lyons Street, New York City, "oldest house in America specialising in Government securities," has been an- noyed by C. F. Lyons, C. F. Lyons of the firm. The new depart- ment will be under the direction of Edward D. Bay- nton, who has been closely related to the corporate department.

Boynton Heads Dept.

For C. F. Childs Co.

The organization of a Corporate Securities, Department, by C. F. Childs Co., 1989, New York City, "oldest house in America specialising in Government securities," has been an- noyed by C. F. Lyons, C. F. Lyons of the firm. The new depart- ment will be under the direction of Edward D. Bay- nton, who has been closely related to the corporate department.
Bank and Insurance Stocks

By AETHRE B. WALLACE

Bank of Montreal
Hart Gen. Manager
Jensen Exec. V. P.

MONTREAL, Que. Canada.

The appointment of G. Arnold Hart as general manager of the Bank of Montreal, effective January 1, succeeding Arthur C. Jensen, who became executive vice president, has been announced by Gordon R. Ball, president of the bank.

Mr. Hart has held a wide variety of positions since World War II. After five years with the British War Office, he returned to the bank's former presi
dency in 1953.

Later he served as assistant superintendent at Calgary, as vice president in 1957, for four years, becomes executive vice president in 1961, and has been president extending over 42 years. For the past two years he has been a vice president of the bank.

He also became an executive vice president of the Canadian Bankers' Association.

Eberstald Places

Braniff Airways Bonds

Braniff Airways, Inc, it was an
nounced on Dec. 21, has arranged
distribution of 6,920 of its common
stitutions $40,000,000 of 4% B
onds due July 1, 1976. Of this,
$15,000,000 will be sold by the
pany through First National Bank
une 28, 1957, and an additional
2,000,000 red before April 28, 1961.
iff's and the remaining
5,000,000 may be sold on or be
ere April 28, 1961.

E. F. Eberstald & Co. represented
company's contracts for the purchase of
the new bonds.

Joins Jones Cosgrove

(Patent in This Profession Guarantee)

Robert C. Cart, Calif. - Robert
Coffman has been affiliated with
Co. 26 South Euclid Avenue, members of the Los Angeles Stock Exchange.

NATIONAL BANK
OF INDIA, LIMITED

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Bank

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P. M. T. Acquisition

T. S. Acquisition

L. A. Acquisition

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Wrong from Top to Bottom!

"Corn faces an impossible situation. As matters now stand, acreage allotments must under the law be below the level initially announced for the 1956 crop and 27% below the level finally enacted by the Congress. It is 36% below the actual acreage used during the years 1932 to 1956.

"This cut is so sharp that there will be practically no commodity left in the market. Even a few farmers will be able to take the even greater cut which would be necessary to fill the virtual void in the farm market so that the soil, bank, many of them wish to do. Consequently, with virtually no soil and no export market, corn could be excessive and corn prices very low. Production livestock situation might be 'unduly stimulated. The whole feed grain-livestock balance might be upset.' — Secretary of Agriculture Benson.

Present arrangements may suffer the infirmities Mr. Benson lists, but basically the trouble is in the pricing of raw materials. Nothing short of radical surgery will ever really correct the situation.

Continued from page 6

Looking Into Canadian Economy And Continuion Economic Growth

As the position in which we find ourselves at the present moment, with some of the capital inflow in the form of machinery and equipment which already constitutes a capital investment in the exchange of dollars. Otherwise, the of the capital inflow in the years the banks would be higher. One source of concern that the wants the repaying of the loans in the United States— Provincial and Municipal govern- has also been the somewhat lower rates that prevail in Canada, whereas, these bodies are aggravating an ex- change of dollars are already harmful to our exporters. They are also creating a condition which as such we are not educating for the cost of the United States dollar is at a but a little more than they were, when those obligations mature.

While no immediate solution for our fiscal deficit appears at hand the long-term prospect is for ex- ception of our exports. The huge amount of money invested in re- source development is now paying dividends. Iron ore is no case in point. In the space of a few years if we are not to let our important export commodity and export earning power is an important cushion that we should to continue to rise. Crude petroleum export earnings at a rapid rate and in the near future, thorium should be an important source of foreign exchange. The earnings. Prospects are that copper and nickel but that steel and iron ore will increase as new mines are brought into production.

Even though enlargement of our trade export is a reasonable pros- pect, it is only a part of our plan, our dependence on imports is desir- able. From now on it is important that we buy Canadian firms should recognize this when making foreign purchases to make sure that al- most all of the goods we buy are not available.

The Canadian experience is striking proof of which system contributes most to human welfare. The Canadian development in the post-war period has been unequaled. Economic expansion has exceeded our fondest dreams. The economic structure of the country has been strengthened and the pace of economic expansion the rapid growth. (Most important however, is the fact that Canadians have generally have earned for themselves a substantially higher standard of living than we have and that we have a standard of living comparable to the average of our trade partners and we have achieved the enviable position of having a system of free enterprise without the surrender of any basic free- doms.

Assuming peace can be main- tained, it is quite possible that the economic progress of Canada is continuing economic progress. Problems, there will be and the two factors. Interruption from time to time serious concern over the status of the economy of Canada's future is bright. Con- fidently we are looking forward to the report of The Royal Commission on Eco- nomic Prospects. Expectations are,
Soviet Gold Sales

BY PAUL EINZIG

Noted British economic observer describes recent Soviet gold sales, and relates it to urgent political pressures necessitating increased consumer imports as a result of events in Poland, Hungary and Czechoslovakia. Operations carried out by their Hungarian oppressors have made Hungarian sales in England for the purpose of earning foreign exchange for Russia. While it may be, perhaps even more important, the Soviet Government, having learnt to produce to sell, may come to realize that the Soviet people are not happy to have nothing to lose but their chains.

LONDON, Eng. — During the first three weeks of December, gold bullion and gold hallmark appeared on various stock exchange bullion markets. Soviet gold bullion at London are not in fact of a new make, but have amounted to 500,000 pounds, and on Jan. 31 they were sold at about a million pounds.

This resumption of Soviet gold sales deserves special attention, as it is contrary to the Soviet Gov- ernment's established policy. Although the Soviet foreign policy is the same as that of Communist China, it has been generally agreed that the Soviet Government would not attempt to sell gold unless it was forced to do so by the economic situation.

It is not yet possible to say whether the Soviet Union will be able to sell gold, but it is evident that the Soviet Union will have to sell gold in order to meet the demands of foreign exchange.

The gold sales of the Soviet Union have been made with the object of obtaining foreign exchange for the purchase of consumer goods and the sale of these goods to foreign nations.

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The Supply of Currency and Economic Activity

encountered in increasing money supplies in the past when it was not so easy to increase it. Excess reserves in banks are evidence of the Thirties. Governments were bailed out; the citizens were not. No banks. But either had the wish to tie its own reserves to gold or the dollar, and not enough borrowers. 

Money, credit and related topics have been controversial since the 18th century. The subject is today as much common among so many people who have most to say on the subject as money and credit are a part of the controversy on a plane of utility.

It is good to be able to read those observations. Their author has given us an insight into a subject. His is the common argument that the interplay of events and relationships between credit, currency, business activity, prices, and economic growth is a function of the national product. He is far more aware of matter than the use of the general run of literature on the subject.

A common practice of those who stress the "money supply" as an element in the problem of the role of credit in economic activity is to relate the currency supply to a business index, or some index of industrial production, or of national production. The result is evidence to the reader in every instance in which it is shown that there is an absence of support for the view that increases in the velocity of a currency is something more important than changes in (1) the amount of currency, and (2) the increase or decrease in the velocity of currency. It is a question of the relationship of increases in the amount of currency multiplied by its velocity to changes in the economy and business activity.

(1) Currency has two dimensions: the amount, and the velocity (with which the currency is used). Both are important, but the latter is not as clearly understood as the amount. An increase in the amount of currency, for example, from 1929 to 1932, may be due to one or both of two factors: (a) More currency is being used, and (b) More currency is being printed.

(2) As there is no reason to believe that (a) the total amount of currency changes in any one year, and (b) the velocity of currency changes in any one year, the amount of currency and the velocity of currency are generally thought of as two independent variables.

The Supply of Currency

The supply of currency and the index of industrial production are closely related.

One study of the relationship suggests that there is much the same relationship between the currency supply and the volume of industrial production as between the volume of currency and some index of prices.

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More so, in fact, than the volume of currency and the index of industrial production. The relationship is not as strong as the relationship between the currency supply and the index of industrial production.

In conclusion, the supply of currency and the index of industrial production are closely related. A study of the relationship suggests that there is much the same relationship between the currency supply and the volume of industrial production as between the volume of currency and some index of prices.
16% (from 110 to 93). While the currency supply increased 132% from June 30, 1934, to June 30, 1945 (from $76,784,900,000, the index of industrial production increased 190% from June 30, 1934, to June 30, 1945)...

The more recently advanced contention is that we should have an increase in industrial activity two or three years after the

1934... If the currency supply has increased, and if the index of industrial production has increased, why should we be concerned about the increase in currency supply? The increase in currency supply is a sign of growing confidence in our financial system.

The facts tell us that, if the currency supply has increased, the index of industrial production has increased, and we have a growing confidence in our financial system, then we should be concerned about the increase in currency supply.

The facts also tell us that, if the currency supply has increased, the index of industrial production has increased, and we have a growing confidence in our financial system, then we should not be concerned about the increase in currency supply.

The financial system has been growing more stable and more secure.

The financial system is growing more stable and more secure.

The financial system is growing more stable and more secure.

The financial system is growing more stable and more secure.

We should be wary of the facts that tell us that the currency supply has increased, the index of industrial production has increased, and we have a growing confidence in our financial system.

Purchasing Agents Optimistic
About 1957 Business Outlook

Year-end dip found not to have dampened reporting purchasing agents' optimism about 1957, but incongruously, this outlook is to be complemented by a report which shows new orders and production decidedly down and inventories up.

The December 23rd "Bulletin" of the National Purchasing Agent, which reflects the composite opinion of the purchasing agents comprising the NBAA Business Survey Committee, whose Chairman is Chester F. Oden of the Detroit Edison Company, says that "the optimism of purchasing executives for the coming year is not significantly lower than for 1957, is somewhat offset by a slight expansion in current conditions for 1958."

Continuing, the NBAA Bulletin notes, "The N.P.A.A. index of business future substantially unchanged... The upswing in optimism is attributed mainly to a growing conviction of business executives that business forecasting in this pattern is now in its infancy."

It is an indication of the number of major new research projects that have been launched in the last six months, it appears that the economic trend for 1957 will continue to be downward, with a significant increase in total production. The remaining reporters do not anticipate any difference in the trend for 1957.

In many instances, however, there are signs of increasing concern over the international situation, the tight money problem, and the uncertainty of construction, particularly in the housing field. The long-range optimistic view expressed is in conflict with December representativeness that new orders and production definitely downward in 1958. Not only the January 1956, which has been reported, but new order situation. Production, of course, reflects this longer-term trend, its situation is better, as compared to 30% last month, 18% decreased lower production, as compared to 8% in November.

Inventories are up significantly, with 30% of our reporting members having more materials on hand. Only 17% were in this position in November.

Prices continue their upward movement—but at a reduced rate. There is a general increase in consumer prices to some extent, but there is no evidence of a significant increase in producer prices to any extent.

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Continued from first page

As We See It

which there can be little dispute among informed and dispassionate persons.

There is, first of all, a sound basis for lack of confidence in the word or agreement of some nations. This is particularly true of Great Britain, of Spain and of China. The only possible way in which confidence in these countries can be nurtured is for them to begin to extend a policy of keeping their word. On the records th-\r

in this way, however, are obviously—obviously from the history of such matters—far less than is apparently sup-

cessful. If we must go to the Middle East or elsewhere in the world by pouring out

our substance in typical generosity is more or less cer-

tain. The last for the most part, leaving hard feelings in the

and raising the speed and will and a basis for peace and free-

dom in the world.

The international tasks by which the Eisenhower Administration is faced is one of the most difficult, and that are seen to be extremely difficult. There is no ready-made solution for them. But will and a determination to succeed, coupled with good hard sense, should bring results in time.

Continued from page 10

New Process of Competition
To Maintain Dynamic Growth

for its purchase. The producer who seeks the public's confi-

Trust in the integrity of his brand.

Producer's Interest in the Merchant

The producer is a vital interest in the merchants who retail his goods and provide the services associated with it. What the producer seeks are allies who will help him sell his product, who are eager to join him in making everything about that product desirable to the consumer, who will try to establish a connection with the sale of gasoline and oil. This is necessary if there is to be a real connection with the sale of gasoline and oil. The service is, in fact, ancillary to the sale of gasoline and oil. In the case of the merchant it means a service that is connected with the sale of gasoline and oil. In the case of the service it means a service that is connected with the sale of gasoline and oil.

No one in the oil industry—or any other industry—should think of developing a product or service solely as an end in itself. If a producer is to maintain his integrity, he must be loyal to his customer.

Standing One Brand

Very quickly, let's talk about the history of gasoline and oil. In the early 1920s, when the first gas stations were built, it was apparent to practically everybody that the competition would be intense. The gas stations that were built were in the Those who carried to the end who could weaken a situation that the net result would be quite the opposite of what is intended.

Usefulness Limited

The usefulness of government loans to government-sponsored loans is definitely limited. This is true also of loans made through the instrumentality of some other or an- other agency of the government. Generally speaking, these are not in the public interest. Most of them are largely loans by the people of the United States to themselves. In any event. But experience clearly shows that most of them have not been successful. In this sort have no very sound economic basis, and that they go "sooo" sooner or later and leave will and friction instead of the constructive achievements they were designed to accomplish. International flow of investment funds had best be left to private busi-

ness, with government taking care not to get in the way and making certain, so far as that is feasible, that private business gets a square deal.

There will be many such situations remaining. There may well be such situations existing today. The good faith of a few will do much in this way, however, are obviously—obviously from the history of such matters—far less than is apparently sup-

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The First National City Bank of New York has announced the appointment of Daniel H. Baker, President, to serve as Assistant Vice-President, and Leo R. Reginald P. Vincent as Assistant Vice-President.

Walter E. Dennis has been appointed Executive Vice-President of The Chase Manhattan Bank. Mr. Dennis, who is 51, has been with the bank since 1946, serving as Vice-President since 1950. He was appointed as Assistant Vice-President in 1954 and Director in 1957.

Mr. Golden, who began his career with the bank in 1932, was elected Assistant Vice-President in 1947 and Vice-President in 1952. He was appointed Assistant Chairman in 1955 and Vice-Chairman in 1956.

Eight women have been appointed to the Bank of New York, New York, according to an announcement on Dec. 29. The women, all of whom have had leadership roles in various organizations, will serve on the board of the bank.

The board of directors of the Bank of New York, New York, has announced the appointment of Mr. Golden as Assistant Vice-President, effective immediately.

Mr. Golden, who began his career with the bank in 1932, was elected Assistant Vice-President in 1947 and Vice-President in 1952. He was appointed Assistant Chairman in 1955 and Vice-Chairman in 1956.

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What Electronics Means to You

It's a picture-phone, telephone, thermostat, dishwasher, washing machine, refrigerator, heater, and a host of other devices that can be used in the home. It's an electronic system that can be used in the home. It's an electronic system that can be used in the home. It's an electronic system that can be used in the home. It's an electronic system that can be used in the home. It's an electronic system that can be used in the home. It's an electronic system that can be used in the home. It's an electronic system that can be used in the home. It's an electronic system that can be used in the home. It's an electronic system that can be used in the home. It's an electronic system that can be used in the home. It's an electronic system that can be used in the home. It's an electronic system that can be used in the home. It's an electronic system that can be used in the home. It's an electronic system that can be used in the home. It's an electronic system that can be used in the home. 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Indianapolis Power & Light Company

The company has shown good growth, and current revenues are about $43 million compared with $37 million in 1933. Average monthly receipts have increased from $1.9 million in 1943 to $3.9 million in 1957.

One of the company's successful ventures is the manufacturing of synthetic rubber, which was started in 1943. This venture has proven to be profitable and has helped the company to meet its obligations.

In conclusion, the Indianapolis Power & Light Company has shown steady growth and success in its operations. It is a reliable company that is committed to providing quality services to its customers.
How to End Coerciveness in A Democratic Government

continued from page 1

It is own which we humans cannot change.

But the operations of "natural law" do not only extend to the functioning of physical objects. In addition, there are at least three interlocking areas of behavior which are subject to different but no less valid law.

**Political Law**

Political law is defined as that set of rules by which men necessarily acquire rights and duties. This "natural law" is the law of the Second Amendment to the Constitution of the United States. It states: "The right of the people to keep and bear arms shall not be infringed." This law has been interpreted by the courts to mean that the individual has a right to own a gun for personal protection.

**Economic Law**

Economic law is the set of rules by which men necessarily acquire economic rights and duties. Economic law is based on the labor theory of value, which states that the value of a good is determined by the amount of labor required to produce it. This law has been interpreted by the courts to mean that the individual has a right to own property and to use it as they see fit.

**Religious Law**

Religious law is the set of rules by which men necessarily acquire religious rights and duties. Religious law is based on the idea that all men have natural rights and duties as individuals. This law has been interpreted by the courts to mean that the individual has a right to practice their religion without interference from the government.

These three laws are interdependent and are all necessary for a free society. Without any of these laws, individuals would not have the freedom to live their lives as they choose. These laws are the foundation of a free society and are necessary for the survival of humanity.
Fathers must still be the foundation of our American way of life...

"The Federal Reserve System in our time: its role and function, a critical essay" by A. H. Sayce (1918) discusses the role of the Federal Reserve System and its impact on the economy. The text mentions the role of the Federal Reserve in stabilizing the economy and maintaining price stability.

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Continued from page 7

Aiding the American Investor
With a Better Investment Climate

to good faith. Perhaps there is
merit in the recent proposal that
arbitrage should be established to
finance European economic
problems. The second
impression today's tradables
The first impression is a
accounting exercise of
European economic problems
to balance the books of
our own. European businessmen
are planning a giant industrial
expansion which demands an
inflow of foreign exchange
capital. They face inflation and
a crisis of light money.

Out of these facts comes the
cold and strongest impression. It
is that despite our progress we
do not have all the answers. It was
surprising to find New York,
with which we do not
pride ourselves, doing as
well as we are, and
we are in many ways
behind the times.

Perhaps the best illustration of
this is the automobile
industry, and it is a story that
goes back to 1911, the
years. A German firm,
the Mannesmann, was
in New York, told me of
his plans for 1911, the
outbreak of the war. He
accomplished this, he said,
by splitting his capital
and investing in foreign
capital, so he is capable of
the kind of financing that
encourages the flow of
venture money. It was
surprising to see how
quickly Europe, with
which we are so
unfamiliar, was
outstripping us.

In my view, the
industrial boom today is a matter
of record. And it is more than a
comparison of capital.
from our
or even to our
for stimulating a steady, low-
flow of capital through

In the financial community,
we are talking more about
equity financing and broader
shareholder ownership. The tax
problem has not seemed more pressing
or immediate. Moreover, we
cannot be sure that it will ever
be solved or that it will
continue to remain unattractive
to corporations and
equity owners, even if
they choose to
the flow of capital.

Double Tax On Dividends, capital
Gains Tax Penalty Involve Barriers To
New Corporate Growth

What burdens do investors
bear as a result of these
reasons? Why, in other
words, are investors
unwilling to invest?

Some stock is essentially
share in corporate earning power
there are only two ways it can
return a profit: it pays dividends or
its value in the market
increases. On the first point,
the German and
British experience shows a
double tax on corporate dividends
and by imposing a restrictive and
arbitrary form of dividend from the sale of stock.

The second item, the
Gains Tax, has a double-barreled effect.
Apart from the current
inflation, shareholders place at a
disadvantage compared to the owners
to pay only a personal
price. This places on
corporations the burden of
earning twice as much in order to
a dollar in a shareholder's pocket as
would be required if debt
financing such as bond and loan
were used.

But the real danger in
double taxation lies ahead—in the
profit that investors may be
deceived into believing the
stock will pay the dividend, but
companies forced into financing
the sale of capital on
heavily on bonds, or debt
security;

If this seems to spread a
courage to level against the
tax classes, it is a very
record. In mid-1954, a modest
reduction in the capital gains
exemption for the first $50 in
dividends and a 4% tax credit on
returning capital gains was
introduced. Since then we have witnessed a
strong rise in the number
of capital gains, and a marked
increase in the family of
American millionaires. Those
dividends also rose in 1953, and it is
important to note that
tax paid, although not revenue
caused by changes in the
law, is not an
illusion that it was the
wealthy who
benefit from the
increase in the capital gains
law. The
beneficiaries, however, are those
who invested in
1953, the
billionaires, who gained most
on these earnings at $8,000 a
year. An estimated
of them were completely
relieved of the capital gains
The entire result is a
unemployment of capital
returns below the
of the tax on capital gains.

Don't these results make a
point? Indeed, the
Stock Exchange feels they do. And we
are not surprised that
dampening tax can be achieved
by saying that the
dividends tax reduction from $50 to
$40 and the
the capital gains
tax from 4% to 10%. Eventually, this
credit should be

In the nation where we
hold ourselves to be
experts, there is much we can still
learn from each other. When it comes to
encouraging we
must be

I know that the
NAM is equally
concerned with our investment
climate. I know the
NAM's tax position correctly
fulfills the need for stimulating
a steady, long-
flow of capital through

Tax Revision Needed to Spur
Flow of Venture Funds; Suggests
Deferred or Investors Reinvest Funds Within 30 Days

Why is it that we are unlikely to accomplish
the most obvious of economic
corrections? The answer is
that the United States has
the most constructive and
demanding capital market in the world.

It is also, incidentally, that we
are unlikely to
develope a world
market for our
products. This solution is far less drastic
and more
commonplace throughout the world that we
have surveyed, 46 countries—
important
countries. Even our closest allies and
friends have capitalized
on this
trend, and their
is significantly below the

You may wonder what this
talk means for you. It means you
are unlikely to be
likely to accomplish. It would, I
believe, give the investor free
will to find the
purchase and sale of equity securities,
and to decide whether the flow of
venture capital as to
and
the recognition
relationship to an industry of
capital.

And, finally, it would
The economic system has achieved
its end, and we may
help. If so, these are part of the basic
pack

It will not be an easy job.
Accomplishing it will take a patient
and imaginative person. But as
General Johnson has said, the
NAM's tax device
by brave men for brave men. If this is a best we are
willing to live by, I think we shall
be able to
ourselves, "What a
American investor!"

Continued from page 4

The State of Trade and Industry
65.0% of output last winter and are evidencing a
trend that is comparable in
the current year. According to
"Ward's" the auto industry is scheduled
70,000 tons to 125,000 tons to the
year-end holidays.

Thus, its bid for 613,000-net passenger car production this
quarter amounted down near the
585,000-net unit level, "Ward's" concludes.

Government officials forecast a downturn in the capital
investment in March and April because of the
third strict month of increase.

The Bureau of Labor Statistics said the November index rose
0.1% to 121.5, and to the
year-end holidays.

Discounts now appearing on 1957 cars and declining meat
and clothing prices were expected to
the index level for December, Con-


He concluded, the expected downturn will be delayed because
number of factors will be tending to counteract these decreases.

Fuel prices, which were up 1.1% in
at the same rate higher, will
with the
increase given to the nation's railroads will also have a
"broad effect," he said. The "impact will be less
the autos and trucks, because of the
influence on "many other items.

The November index rise brought a boost in "steel page
boost to steel workers effective Jan. 1, and will tend to
the pressure for a steel price boost.

Building permit values in November registered a seasonal
decline, but remained 14% above the
1955 level, 79,400,366, for December, Con-


Steel Output Expected to Yield 9.5% of
Capacity This Week

The world is producing more steel than ever before.
But the metalworking weekly, repor-
ted on Monday of this week.
Every country except the United States is
to redoubled output.

World production this year will total 310,048,000 net tons of
capacity. This is 4% above the 1956 production and a
11% increase.

in 1955 was 117,000,000 tons. When production
did not continue this level, and will
continued at a high level and totalled $74,795,875, up 9.4% above the
1955-1956 base year, and 3.5% more than October with
72,531,890.

Six of the eight geographic regions recorded increases over
months; the North Central rose, by 304,000.2 thousand tons, or 17.3%.

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Six of the eight geographic regions recorded increases over
months; the North Central rose, by 304,000.2 thousand tons, or 17.3%.
1956, compared with 3,218,448 tons for all of Germany in 1946. The Soviet Zone of Germany is producing 3,200,000 tons in 1956.

The production of steel in the United States has increased 100% with steel output exceeding the 1881 high in 1956. This is in line with the trend in steel production worldwide, with 108% of the 1881 output in Australia, 103% in Japan, and 99% in France.

Upward pressure on steel prices persists in the United States, with scattered upward revisions in price extra. "Steel's" composition on Dec. 21, 1955, these current prices would have the full of the output this trade paper declared.

The publication's composite on steel scrap prices declined 10% in the week ending Nov. 21, 1955, to $66.17 a gross ton was reached in the week of Dec. 5.

The U.S. Bureau of Labor Statistics announced that the operating rate of steel companies having 96.1% of the making capacity for the entire industry will be an average of 96.1% of operating capacity for the week ending Nov. 21, 1955, up 1.6% from the previous week.

The Industry's ingot production rate for the weeks in 1956 is based on an actual annual capacity of 128,538,176 tons as of Jan. 1, 1955.

### Electric Output in Latest Period Expected to

Approximate Previous Week's All-Time High Record

The availability of electric power distributed by the electric light and power industry for the week ended Saturday, Dec. 22, 1956, was estimated at 12,225,000,000 kw. (approximate figure), a slight increase above the previous week's estimate of 12,205,000,000 kw, according to the Edison Electric Institute.

The week's output rose 5,000,000 kw above that of the previous week, and at the same time established a new all-time high since the week ended Dec. 15, 1955, when output reached 12,443,000,000 kw. This week, the average for the comparable 1955 week and 2,794,000,000 kw over the like-week figure for 1955.

### Car Loadings in Week Ended Dec. 15, Declined 2.9% Below Prior Period

Loadings of revenue freight for the week ended Dec. 15, 1956, were 21,612,301 tons, a decline from 22,010,296 tons for the corresponding week of 1955, according to the Association of American Railroads reports.

Loadings for the week ended Dec. 15, 1956, totaled 716,653 cars, 23,676 fewer than for the comparable week of 1955 week and an increase of 74,773 cars, or 11.6% above the corresponding week in 1955.

### S. Automotive Output Cut 3.6% in Preparation For Extended Christmas Holiday

Car and truck output for the latest week ended Dec. 21, 1956, according to "Ward's" Automotive Reports, was pared 3.6% in preparation for the holiday season and week-end.

Last week the industry assembled an estimated 152,588 cars, compared with 156,431 (revised) in the previous week. The past week's production total of cars and trucks amounted to 176,067 units, or a decrease of 6,661 units below that of the preceding week's output of 182,728. Last week's car output decreased below that of the previous week by 4,752 units, or a decline of 2.7%.

Last week's car output decreased below that of the previous week by 4,752 units, or a decline of 2.7%.

Car output for the last week of the year reached 3,278,000 tons and steel for castings as compared with 3,150,000 tons in the previous week.

The Industry's ingot production rate for the weeks in 1956 is based on an actual annual capacity of 128,538,176 tons as of Jan. 1, 1955.

### Wholesale Commodity Price Index Moved in a Narrow Range and Closed Slightly Lower the Past Week

Fluctuating mildly within a narrow range, the Dun & Bradstreet daily wholesale commodity price index for all commodities and prices, with the exception of grain prices, was 239.75 on Dec. 15, slightly lower than a week ago, but higher than last year's index of 239.56 (1950-1952=100).

The index represented the sum of the total of the four categories of price indices of all commodities and prices, with the exception of grain prices, for the New York wholesale and retail markets.

The index is produced by the Federal Reserve Bank of St. Louis and is used by the Federal Reserve Board in the preparation of policies and regulations.

### Retail Trade

According to revisions estimates by the Department of Agriculture, the output of grain in 1956 will be the second largest on record.

The combined wheat and rye crop is expected to total 265,000,000 tons, just 9,800,000 tons smaller than the all-time peak in 1952.

Domestic sugar buying was routine the past week, although spot buying was a bit higher as compared with the same period a year ago. The market was firm, with the Chicago Board of Trade dropped sharply last week. Average daily purchases of grain and soybean futures declined to 25,000,000 bushels, compared with 29,000 bushels a year ago.

### Trade Volume Rose Sharp Last Week in Cocaine Moderately Above Like Week a Year Ago

A sharp rise in consumer buying last week boosted retail sales in 49 cities above the New York Wholesale Index of 247.66, an index based on purchases by retailers in New York City.

### Business Failures Decline in Latest Week

The wholesale food price index, compiled by Dun & Bradstreet, Inc., moved lower the past week and registered $6.15 on Dec. 18. This compares with the year's high point of $6.16 registered last week. The current figure reflects a rise of 3.2% over the $5.890 a year ago at this time.

### Wholesale Commodity Price Index

The wholesale price index published weekly in The Commercial and Financial Chronicle, compiled by Dun & Bradstreet, Inc., moved lower the past week and registered 6.15 on Dec. 18. This compares with the year's high point of 6.16 registered last week. The current figure reflects a rise of 3.2% over the $5.890 a year ago at this time.

### Facing Troublesome Questions About Our Monetary System

There have been some troubling questions raised in recent weeks about the stability of the monetary system. On page 15, this issue, we address some of these questions and consider the implications for the future of the economy.

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**Securities Now in Registration**

**Aluminum Co. of America (1/9)**

Dec. 14 filed 19,000 shares of common stock for sale. Proceeds--To be used by company, for general corporate purposes. Underwriter--First Boston Corp., New York.

**Amalgamated Minerals, Ltd.**

Nov. 25 (letter of notification) 220,000 shares of common stock (par $5). Proceeds--To be held by public trustee and paid to purchasers of common stock, if and when such funds shall be available. Underwriters--Prudential-Bache & Co., New York; and Morgan Guaranty Trust Co., New York.

**American Federal Finance Corp., Kilkeen, Texas**

Sept. 3 filed 40,000 shares of class B common stock (par $5) to be sold in the market. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--First Boston Corp., New York.

**American Monorail Co., Cleveland, O.**


**Brewster-Bartle Drilling Co., Inc., Houston, Tex.**

Dec. 21 filed 90,000 shares of common stock (par $10) for sale. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--First Boston Corp., New York.

**Brookridge Development Corp.**

Oct. 29 (letter of notification) 300,000 shares of common stock (par $10) to be offered in the market. Proceeds--To be used for working capital. Office--67-12 63rd St., Ridgewood, Queens, N.Y.; 114 E. 9th St., New York, N.Y.; 1215 S. Michigan Ave., Chicago, Ill.; 1635 Sutter St., San Francisco, Calif.; and 50 W. Cooper Place, Houston, Tex.

**Burmah Share Mines, Ltd., Toronto, Canada**

July 26 filed 60,000 shares of common stock of which 42,200 are for sale and 17,800 are in the possession of registered brokers as selling agents. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--White, Weld & Co., New York.

**Calker Corp., Philadelphia, Pa.**

July 20 filed $8,000,000 of 4 1/2% sinking fund debentures due Aug. 1, 1971, and $1,800,000 of common stock of which one share was sold on Aug. 3, 1971, and the remaining shares were sold on Aug. 4, 1971. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--None.

**Central Secretary Co., Farmingdale, N. Y.**

Aug. 7 filed $600,000 of 10 1/2% common stock of which the entire purchase price of $650,000 has been paid. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--None.

**Chinook Plywood, Inc., Rainier, Ore.**

Sept. 4 filed 5,000 shares of capital stock (par $1) to be offered in the market. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--Bateman & Co., Inc., New York.

**Colo.**

Jan. 10 filed a registration statement under the Securities Act of 1933. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--Tri-Continental Financial Corp., the selling stockholder.

**Cronon Oil & Gas Co., Phila., Pa.**

Aug. 31 filed for registration 50,000 shares of capital stock (par $1) to be offered in the market. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--None.

**Atlantic City Electric Co. (1/23)**

Dec. 17 filed a registration statement under the Securities Act of 1933. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--None.

**Arizona Copper Co., Philadelphia, Pa.**

June 10 filed $600,000 of common stock of which 50,000 shares were offered by shareholders for sale. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--None.

**Automation Development Mutual Fund, Inc.**


**Brewster-Bartle Drilling Co., Inc., Houston, Tex.**


**Drexel Furniture Co., Drexel, N. C.**

Dec. 12 filed 190,000 shares of common stock (par $2.50) for sale. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--Drexel Furniture Co., Morganton, N. C., on the following basis: 1% of the total consideration to be paid to the company and 1% in cash to the State of North Carolina for the purchase of 10,000 shares of a Drexel stock for each Morganton stock. These offers are contingent upon acceptance by not less than 500 shareholders of all of the shares of the 80,000 common shares of Morganton and the 80,000 shares of Drexel stock. Underwriter--None.

**Economics Laboratory, Inc. (1/7-11)**

Dec. 16 filed 2,000 shares of common stock (par $1) to be offered in the market. Proceeds--To be used by company to meet the current cash needs of the company. Underwriters--Spencer, Fane, Baird & Beck, Ltd., Palm Beach, Fla.; and Biddle, Chase & Co., New York.

**Emerson Electric Co., Detroit, Mich.**

Nov. 14 filed 140,000 shares of common stock. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--Friedman, Brewster, Jackson & Curtia, New York.

**Florida Growth Fund, Inc.**

Nov. 23 filed 2,000,000 shares of common stock (par $1) to be offered in the market. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--Friedman, Brewster, Jackson & Curtia, New York.

**Fresno Hardware Co., Inc., Fresno, Calif.**

Oct. 26 filed 100,000 shares of common stock. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--Friedman, Brewster, Jackson & Curtia, New York.

**Fruit Juices, Inc.**

Dec. 3 (letter of notification) 300,000 shares of common stock (par $1) to be offered in the market. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--None.

**General Electric Co., New York, N.Y.**

Dec. 24 filed $200,000,000 of debentures due Sept. 1, 1971, which will be convertible into 5% cumulative preferred stock, to be offered in units of $500 of debentures and $500 of preferred stock. Underwriters--Howard, Weil, Labouisse, Friedichs & Co., New York; Merrill & Utz, Chicago; and Mullins & Houston, San Francisco.

**Godwin Mountain Lodge, Inc., Durango, Colo.**

Aug. 23 filed 5,000 shares of class A voting common stock (par $1) of the company for sale. Underwriter--E. J. Diversified Oil & Mining Corp., Denver, Colo.

**Gold Mountain Lodge, Inc., Durango, Colo.**

Aug. 23 filed 5,000 shares of class A common stock (par $1), and $700,000 of 4% debentures, due Aug. 1, 1978, of the company for sale. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--E. J. Diversified Oil & Mining Corp., Denver, Colo.

**Gold Mountain Lodge, Inc., Durango, Colo.**

Aug. 11 filed 20,000 shares of common stock (par $1), and $700,000 of 4% debentures, due Aug. 1, 1978, of the company for sale. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--E. J. Diversified Oil & Mining Corp., Denver, Colo.

**Government Securities, Co., New York, N.Y.**

Dec. 21 filed 1,200,000 shares of common stock (par $1), of which 156,000 shares are offered to subscribers of 1,800 shares or more for the account of Cyril J. Bath, the selling stockholder. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--White, Weld & Co., New York.

**Diversified Oil & Mining Corp., Denver, Colo.**

Aug. 29 filed 5,000,000 shares of convertible non-convertible debentures to be offered in the market. Proceeds--To be used by company to meet the current cash needs of the company. Underwriters--White, Weld & Co., New York; and Lowie, Winston & Co., Houston, Tex.

**Drexel Furniture Co., Morganton, N. C.**

Dec. 12 filed 190,000 shares of common stock (par $2.50) for sale. Proceeds--To be used by company to meet the current cash needs of the company. Underwriter--Drexel Furniture Co., Morganton, N. C., on the following basis: 1% of the total consideration to be paid to the company and 1% in cash to the State of North Carolina for the purchase of 10,000 shares of a Drexel stock for each Morganton stock. These offers are contingent upon acceptance by not less than 500 shareholders of all of the shares of the 80,000 common shares of Morganton and the 80,000 shares of Drexel stock. Underwriter--None.

**General Electric Co., Washington, D.C.**

Aug. 7 filed $2,000,000 of debentures due Sept. 1, 1971, which will be convertible into 5% cumulative preferred stock, to be offered in units of $500 of debentures and $500 of preferred stock. Underwriter--None.
Hancock Electronics Corp., Redwood City Calif. Nov. 19 (letter of notification) 300,000 shares of common stock to be underwritten by Kimball & Ball, Buige & Kraus, both of Cleveland, O. (To be supplied by amendment. Proceeds—To redeem bank loans. Underwriter—Van Aalten, Noel & Co., New York.)

January 14, 1957 (Monday)
Pacific Petroleum Ltd., B.C., Canada. Bonds—To be sold at $90 per bond. Proceeds—To redeem debt and building loan. Underwriter—McLaughlin, Cryan & Co., New York. (To be supplied by amendment.)

January 15, 1957 (Tuesday)
Community Research & Development, Inc., Delval. Delaware. Class A Common stock—$0.001 par value—50,000 shares to be offered for subscription by subscribers of record Dec. 28, 1956 (To be supplied by amendment. Proceeds—To sell stock to stockholders for cash. Underwriter—International Duplex Corp., New York.)

Ehman Intl., Inc., Chicago, III. Preferred Common stock—$100 par value—10,000 shares to be offered for subscription by subscribers of record Dec. 21, 1956. (To be supplied by amendment. Proceeds—To sell stock to stockholders for cash. Underwriter—The McLean Co., New York.)

Louisiana Power & Light Co., New Orleans, La. Bonds—$2,000,000 to be sold at $93 per bond. Proceeds—To be used for the construction of a power plant. Underwriter—Kidder, Peabody & Co., New York. (To be supplied by amendment.)

Malin Fire & Casualty Co., Cleveland, Ohio. Shares—To be sold at $10 per share. Proceeds—To be used for the construction of a new building. Underwriter—Kidder, Peabody & Co., New York. (To be supplied by amendment.)

Missouri Public Service Co., St. Louis, Mo. Preferred & Common stock—$50 par value—100,000 shares of each to be sold at $50 per share. Proceeds—To be used for the construction of a new building. Underwriter—Morgan & Co., New York. (To be supplied by amendment.)

Spar-May Corp., Cincinnati, Ohio. Preferred & Common stock—$100 par value—10,000 shares of each to be sold at $100 per share. Proceeds—To be used for the construction of a new building. Underwriter—Kidder, Peabody & Co., New York. (To be supplied by amendment.)

Valley National Bank of Northern Va. shares to be sold at $50 per share. Proceeds—To be used for the construction of a new building. Underwriter—Kidder, Peabody & Co., New York. (To be supplied by amendment.)

Winters National Bank & Trust Co., Dallas, Tex. Shares—To be sold at $50 per share. Proceeds—To be used for the construction of a new building. Underwriter—Kidder, Peabody & Co., New York. (To be supplied by amendment.)

January 22, 1957 (Tuesday)
New Brunswick (Province of), Canada. Debentures—To be sold at $80 per bond. Proceeds—To be used for the construction of a new building. Underwriter—Kidder, Peabody & Co., New York. (To be supplied by amendment.)


Southwestern Gas & Electric Co., Ltd., New York. Equipment Trust. (Bonds to be issued.) Proceeds—To be used for the construction of a new building. Underwriter—Kidder, Peabody & Co., New York. (To be supplied by amendment.)

Atlantic City Electric Co., New Jersey. Bonds—(Bonds to be sold at $100 per bond.) Proceeds—To be used for the construction of a new building. Underwriter—Kidder, Peabody & Co., New York. (To be supplied by amendment.)

January 24, 1957 (Thursday)
Pittsburgh & Lake Erie RR. Equipment Trust. (Bonds to be issued.) Proceeds—To be used for the construction of a new building. Underwriter—Kidder, Peabody & Co., New York. (To be supplied by amendment.)

January 29, 1957 (Tuesday)
Mountain States Tel. & Tel. Co., Denver. Debentures—To be sold at $100 per bond. Proceeds—To be used for the construction of a new building. Underwriter—Kidder, Peabody & Co., New York. (To be supplied by amendment.)

January 31, 1957 (Thursday)
Soccoro Mobil Oil Co., London. Common stock—$10 par value—100,000 shares to be sold at $10 per share. Proceeds—To be used for the construction of a new building. Underwriter—Kidder, Peabody & Co., New York. (To be supplied by amendment.)

February 7, 1957 (Thursday)
Phillips Petroleum Co., Inc., Oklahoma. Debentures—To be sold at $100 per bond. Proceeds—To be used for the construction of a new building. Underwriter—Kidder, Peabody & Co., New York. (To be supplied by amendment.)

February 8, 1957 (Friday)
Southern California Edison Co., Los Angeles, Calif. Shares—To be sold at $100 per share. Proceeds—To be used for the construction of a new building. Underwriter—Kidder, Peabody & Co., New York. (To be supplied by amendment.)

March 19, 1957 (Thursday)
Appalachian Electric Power Co., Inc., Equitable Trust. (Bonds to be issued.) Proceeds—To be used for the construction of a new building. Underwriter—Kidder, Peabody & Co., New York. (To be supplied by amendment.)

March 26, 1957 (Tuesday)
American Sec. & Fire Ins. Co., Inc., New York. Preferred stock—$100 par value—100,000 shares to be sold at $100 per share. Proceeds—To be used for the construction of a new building. Underwriter—Kidder, Peabody & Co., New York. (To be supplied by amendment.)

May 9, 1957 (Thursday)
Alabama Power Co., Birmingham, Ala. Bonds—(Bonds to be sold at $100 per bond.) Proceeds—To be used for the construction of a new building. Underwriter—Kidder, Peabody & Co., New York. (To be supplied by amendment.)

Florida Power Co., Inc., Tampa, Fla. Preferred stock—$100 par value—100,000 shares to be sold at $100 per share. Proceeds—To be used for the construction of a new building. Underwriter—Kidder, Peabody & Co., New York. (To be supplied by amendment.)

Underwriter—Van Aalten, Noel & Co., New York. (To be supplied by amendment.)

Federal Reserve Bank of St. Louis
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The offering will be made by employees of the company.

Larain Telephone Co.
Oct. 1 (letter of notification) 4,994 shares of common stock will be offered for sale to the public. The offering is to be made on the basis of one share for every 20 shares of record Sept. 24, 1926, held by each stockholder, with the right to subscribe for one share for every 20 shares of record Sept. 24, 1926, held by each stockholder. The offering will be made by a public offering committee. Proceeds—To be used by the company for general corporate purposes. Underwriter—None.

Louisiana Power & Light Co. (4/15)
Dec. 19 filed $1,500,000 of first mortgage bonds due Nov. 15, 1958. The bonds will be sold at par to the public. Proceeds—For reduction of bank loans and construction program. Underwriter—To be determined by competitive bidding. Proceeds will be used by the company for general corporate purposes. Underwriter—None.

New Brunswick (Province of) (1/6)
Dec. 14 filed $10,000,000 of 25-year sinking fund debentures due June 15, 1948. The debentures are to be sold at par to the public. Proceeds—To be used by the company for general corporate purposes. Underwriter—None.

Niagara Mohawk Power Corp. (1/10)
Dec. 14 filed $5,000,000 of first mortgage bonds due Jan. 1, 1988. The bonds are to be sold at par to the public. Proceeds—To be used by the company for general corporate purposes. Underwriter—None.

Northern Missouri Railroad Co.
Dec. 5 filed $4,000,000 of first mortgage bonds due Aug. 15, 1976. The bonds are to be sold at par to the public. Proceeds—To be used by the company for general corporate purposes. Underwriter—None.

Rock Oil & Gas Co.

St. Regis Paper Co.
Nov. 30 (letter of notification) 100,000 shares of common stock (par $5) to be offered to the public. Proceeds—To be used by the company for general corporate purposes. Underwriter—None.

National Old Line Insurance Co.
Nov. 15, 1926 filed 50,000 shares of class A common stock (par $2) and 50,000 shares of 6% cumulative preferred stock (par $1) to be offered to the public. Proceeds—To be used by the company to the extent necessary to the amount required to be raised by the offer. Underwriter—None.

New Brunswick (Province of) (1/6)
Dec. 14 filed $10,000,000 of 25-year sinking fund debentures due Jan. 1, 1988. Proceeds—To be used by the company for general corporate purposes. Underwriter—None.

New England Electric System
Dec. 3 filed 319,000 shares of common stock (par $1) to be offered to the public. Proceeds—To be used by the company for general corporate purposes. Underwriter—None.

Peoples Finance Corp.
Nov. 16 filed 50,000 shares of 6% cumulative convertible preferred stock (par $1) to be offered to the public. Proceeds—To reduce bank loans and for working capital. Underwriter—Kimbark & Co., Chicago. Offering—Expected sometime in January.

Pittsburgh Consolidation Coal Co.
Oct. 3 filed 2,678,997 shares of common stock (par $1) to be offered to the public. Proceeds—To be used by the company for general corporate purposes. Underwriter—None.

Prince Marine Drilling & Exploration Co. (1/3)
Dec. 14 filed $2,500,000 of 6% sinking fund debentures due Jan. 1, 1969 and 125,000 shares of common stock (par 50 cents) to be offered to the public. Proceeds—To be used by the company for construction of fronton and related activities. Underwriter—San Juan, Puerto Rico, Underwriters—Creyer & Co., New York, and Michaelis & Co., New York.

Puerto Rican Air Lines, Inc., Ithaca, N.
July 27 filed $1,000,000 of 6% first mortgage bonds due Jan. 1, 1962. Proceeds—To be used to purchase 20,000 shares issued to underwriter. Price—$5 per share. Proceeds—To be used by the company for the purchase of additional shares of stock to be issued to underwriter. Underwriter—None.

Pyramid Productions, Inc., New York
Sept. 27 filed 220,000 shares of common stock (par $1) to be offered to the public. Proceeds—To be used by the company for general corporate purposes. Proceeds—To be used by the company for general corporate purposes. Underwriter—None.

Redi-Food Co., Inc.
Oct. 8 (letter of notification) 120,000 shares of common stock (par 10 cents). Proceeds—To be used by the company for general corporate purposes. Underwriter—None.

Rock Oil & Gas Co.

Riegel Textile Corp. (1/10)
Dec. 1 filed $5,000,000 of 6% first mortgage bonds due Jan. 1, 1977. Proceeds—To be used by the company for general corporate purposes. Underwriter—None.

River Properties, Inc.
Dec. 13 (letter of notification) 39,000 shares of common stock (par 50 cents) to be offered to stockholders. Price—$1.50 per share. Proceeds—To retire $100,000 of second mortgage and working capital. Underwriter—922 Ochoa Avenue, Coral Gables, Fla. Underwriter—None. Robert M. Thompson is President.

Sammson Uranium, Inc., Denver, Colo.
Aug. 23 (letter of notification) 30,000 shares of capital stock. Price—at par (10 cents per share). Proceeds—To be used by the company for general corporate purposes. Underwriter—None.

Scovill Manufacturing Co. (1/4)
Dec. 14 filed 176,450 shares of common stock (par $25) to be offered to the public. Proceeds—To be used by the company for general corporate purposes. Underwriter—None. Proceeds—To be used by the company for general corporate purposes. Underwriter—None.

Scovill Manufacturing Co. (1/4)
Dec. 14 filed 176,450 shares of common stock (par $25) to be offered to the public. Proceeds—To be used by the company for general corporate purposes. Underwriter—None. Proceeds—To be used by the company for general corporate purposes. Underwriter—None.
**Sunrise Fund, Inc., New York, N.Y.**


**Texas Casualty Corp., Clarksville, Texas**

Nov. 29 (letter of notification) 120,000 shares of common stock at par (per cent). Price—At market from time to time. Proceeds—For underwriting and handling expenses. Underwriter—Franklin Bldg., 5 South Main St., Nashville, Tenn.

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

Oct. 28 filed 52,000 shares of class A stock (par $10); 25,000 shares of class B stock (par five cents). Price—To be determined by a member of the New York Stock Exchange, and the New York Stock Exchange, for the benefit of the company. Underwriter—None.

**Thermopyra Corp., New York, N.Y.**

June 29 (letter of notification) 380,000 shares of common stock (par $10). Price—13 1/4 per share. Proceeds—For Inventory, working capital, etc. Business—Television—Teletext. Office—28 Avenue B, Newark, N.J.

**Titre Guarantee & Trust Co., New York**

Oct. 4 filed 4,000,000 shares of PAR value ($10) of which 35,750 shares are to be offered for subscription by each holder on the basis of one new share for each share held. Proceeds—For public offering. Underwriter—Kidder, Peabody & Co., New York.

**Tompkins & Co., Inc., Fort Wayne, Indiana**

Dec. 9 (letter of notification) 25,000 shares of common stock (no par). Price—$10 per share. Proceeds—To acquire stockholders' investments in the company. Underwriter—None.

**Tower Acceptance Corp., Houston, Tex.**

Dec. 7 filed 200,000 shares of class A common stock (par $10) for sale to the public. Proceeds—For the construction and development of a new building. Underwriter—S. D. Fuller & Co., New York—Offering—Expected in February.

**Town & County Securities Corp., Fort Wayne, Indiana**

Dec. 6 (letter of notification) 25,000 shares of common stock (no par). Price—$10 per share. Proceeds—To finance installation sales of food and freezer for the company. Underwriter—None.

**Trans Canada Pipe Lines, Ltd.**

Nov. 27 (letter of notification) 150,000 shares of common stock (par one cent). Price—$2 per share. Proceeds—For development, raw materials, working capital and other corporate purposes. Underwriter—None.

**Tri-State Rock Material Corp., Leesburg, Va.**

Nov. 23 filed 1,000,000 shares of common stock (par $1). Price—$3 per share. Proceeds—To exercise option, purchase additional properties and for general corporate purposes. Underwriter—Southwestern Securities Co., Dallas, Tex.

**Union Bank of Canada**

Nov. 1 filed 1,000,000 shares of common stock (par $25). Price—$3 per share. Proceeds—To exercise option, purchase additional properties and for general corporate purposes. Underwriter—Southwestern Securities Co., Dallas, Tex.

**United States Air Conditioning Corp.**

Oct. 1 filed 150,000 shares of convertible preferred stock (par $20) (amended Dec. 9, 1957, to increase to 500 shares of common stock (par $25), of which 500,000 shares are to be offered to exchange for the common stock of the company, and common stock of Allied Investment Corp. Proceeds—For purchase of stock of Capital and Allied firms and for general corporate purposes. Underwriter—None, but a selling company will be allowed to underwrite. Rev. Elvin C. McCurry, of Anniston, Ala., is President.

**Venezuela Diamond Mines, Inc., Miami, Fla.**

Dec. 2 filed 500,000 shares of common stock (par $1). Proceeds—For exploration, development, marketing and working capital. Underwriter—F. S. Moseley & Co., of Boston and Miami, Fla.

**Wildcat Mountain Corp., Boston, Mass.**

Aug. 13 filed 500,000 shares of common stock (par $0 1/2) to be offered to the public by the company and the undersigned for cash, and the company's common stock. Proceeds—For construction and working capital. Underwriter—Shuley, Stuart & Co., Inc., New York, N.Y., and Equitable Securities Corp., Nashville, Tenn.

**Wildrose & Halsey, Stuart & Co., Inc., Atlanta, Ga.**

Feb. 25, 1958, the company, in furtherance of the agreement, reported it was offering to be sold to officers and agents of the company.

**Wilson & Co., Inc.**

Aug. 17 filed 50,000,000 shares of common stock (par $1/2) to be offered to the public by the company and the undersigned for cash. Proceeds—For construction of a new building and for expansion purposes. Underwriter—Eaton, Simonds & Co., of New York, N.Y. and Clayman, etc., of New York.

**Woolworth's, Inc.**


**World Oil Corp.**

Dec. 10, 1957, was authorized to sell 1,000,000 shares of common stock (par $1/2) at $11 per share (the latter for the account of the undersigned). Proceeds—For the purchase of equipment, for expansion and working capital. Underwriter—Kidder, Peabody & Co., New York, N.Y. Office—Grand Rapids, Mich. Underwriter—William J. Simon, New York, N.Y. Offering—Indefinitely postponed.
Continued from page 33


Caroline Power & Light Co. Dec. 19 It was announced that the company plans to issue and sell $25,000,000 of first mortgage bonds, to be convertible into 1,000 shares of common stock. Underwriters—To be determined by competitive bidding. Probable bidder: Halsey, Stuart & Co.; Kuhn, Loeb & Co.; and Blyth & Co. (jointly); Equitable Securities Corp.; Blyth & Co.; and Drexel & Co. (jointly); and Kendall & Co. (jointly). Proceeds—To repay bank loans. Estimated price range: $60,000,000 to $62,000,000. Filing date: Jan. 2, 1957.

General Tire & Rubber Co. Dec. 4, M. G. O'Neil, Executive President to the President, has announced that the company is working on a plan to revamp the capital structure and would like to come up with one issue of preferred stock, to be selected from among the many capital investment opportunities during the fiscal year ending Nov. 30, 1957.

Hamilton Paper Co. (1/15) Dec. 17 It was reported company plans early registration of $4,000,000 of debentures. Underwriters: Allied Bank of New York & Co.; & Samuel Halsey & Co. (jointly); and Bender & Feeney & Fenner & Jones (JOINTLY). Offerings—For construction program. Proceeds—to repay bank loans for equipment and to construct additional buildings. Filing date: Jan. 2, 1957. Estimated price range: $4,000,000 to $4,200,000.

Hubshman Factors Corp., New York Dec. 10 It was reported company plans to issue and sell $5,000,000 of first mortgage bonds early in 1957. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co.; Kuhn, Loeb & Co.; and Blyth & Co. (jointly); Equitable Securities Corp. and Wood, Struthers & Co. (jointly); and Lehman Brothers; The First Boston Corp.; Merrill Lynch; Pierce, Fenner & Beane, Kidder, Peabody & Co. and White, Weld & Co. (jointly). Offerings—For construction program. Estimated price range: $5,000,000 to $5,400,000.


National Bank of Commerce, Memphis, Tenn. (1/9) Nov. 3 it was announced stockholders will vote Jan. 8 to approve a plan to issue and sell $4,800,000 of first mortgage bonds early in 1957. Underwriter—Leitch & Ross, Memphis, Tenn.

Our Reporter's Report

The atmosphere around the underwriting business was a bit more cheerful than usual a year ago, when the year ended with the U.S. Government's long term securities re-flecting a positive performance in some shows of interest in the buying side.

Seabingoring away bids of as the nature of an ad

Our Reporter's Report

In part, for cost of new power project to cost an estimated $217,400,000.

Pennsylvania Electric Co.

Sept. 12 it was announced company plans to issue and sell $10,000,000 of first mortgage bonds. Underwriter—To be determined by competitive bidding: Halsey, Staughton & Co.; Merrill Lynch, Pierce, Fenner & Beane; Lehman Brothers; Kidder, Peabody & Co. and White, Weld & Co. (jointly); Equitable Securities Corp.; Harrison Ripley & Co.; & Kuhn, Loeb & Co. (jointly).

* Phillips Petroleum Co. (2/7)

Dec. 19, 1956, Mr. Sam R. Reynolds, Chairman of the board, announced that the company plans to issue and sell $25,000,000 of convertible subordinated debentures to stockholders. Underwriters—To be determined by competitive bidding: Halsey, Staughton & Co.; Merrill Lynch, Pierce, Fenner & Beane; Lehman Brothers; Kidder, Peabody & Co.; and White, Weld & Co. (jointly); Equitable Securities Corp.; Harrison Ripley & Co.; & Kuhn, Loeb & Co. (jointly).

Public Service Co. of Colorado

Oct. 8 it was reported company plans the sale and issue of $30,000,000 of first mortgage bonds. Proceeds—To repay bank loans and for new construction. Underwriters—To be determined by competitive bidding: Halsey, Staughton & Co.; Merrill Lynch, Pierce, Fenner & Beane; Lehman Brothers; Kidder, Peabody & Co. & Eastman Dillon, Union Securities Co. & joint; Kuhn, Loeb & Co.; & Salomon Brothers & Co. (jointly); Bids—Expected to be received early in 1957.

Pittsburgh & Lake Erie RR. (1/24)

Bids are expected to be received by the company on Jan. 9 for the purchase from it of slightly firmer basis committee equipment trust certificates to be dated, Feb. 15, 1957 and registered in equal annual installments to and including Feb. 15, 1959. Proceeds—To receive initial mortgage loans, for its Pennsylvania RR. (jointly); The First Boston Corp., New York. Registration date—Jan. 16.

Southern California Gas & Electric Co. (1/22)

Nov. 16 the company filed with the Indiana P. S. Commission an application for authority to issue and sell $5,000,000 30-year first mortgage bonds due 1987. Proceeds—To repay bank loans and for construction program. Underwriter—To be determined by competitive bidding: Probable bidders: Halsey, Staughton & Co.; Merrill Lynch, Pierce, Fenner & Beane; Lehman Brothers; Kidder, Peabody & Co. & Eastman Dillon, Union Securities Co. & joint; Bids—Tentatively expected to be received on Jan. 9.

Southern Pacific Co. (1/3)

Dec. 21 it was announced company plans to issue and sell $10,000,000 of first mortgage bonds. Proceeds—To repay approximately $8,000,000 of bank loans and for new construction. Underwriter—To be determined by competitive bidding: Probable bidders: Halsey, Staughton & Co.; Merrill Lynch, Pierce, Fenner & Beane; Lehman Brothers; Kidder, Peabody & Co. & Eastman Dillon, Union Securities Co. & joint; Bids—Tentatively expected to be received on Jan. 18.

Southwestern Gas & Electric Co. (1/22)

Dec. 21 it was announced company plans to issue and sell $10,000,000 of first mortgage bonds. Proceeds—To repay approximately $8,000,000 of bank loans and for new construction. Underwriter—To be determined by competitive bidding: Probable bidders: Halsey, Staughton & Co.; Merrill Lynch, Pierce, Fenner & Beane; Lehman Brothers; Kidder, Peabody & Co. & Eastman Dillon, Union Securities Co. & joint; Bids—Tentatively expected to be received on Jan. 18.

Sylvania Electric Products, Inc. (1/16)

Dec. 16 the company offered for subscription in its 1,000,000 common shares of common stock, recently amended and registered with the SEC. Proceeds—For expansion program. Underwriters—James & Curts, New York. Offering—Postponed indefinitely.

Texam Oil Corp., San Antonio, Texas (1/16)

The company offered for subscription $2,000,000 additional shares of common stock, recently amended and registered with the SEC. Proceeds—For the acquisition of the additional equity in R.L. Rwy's $2,400,000 of equipment trust certificates. Underwriter—To be determined by competitive bidding: Probable bidders: Halsey, Staughton & Co.; Merrill Lynch, Pierce, Fenner & Beane; & Kuhn, Loeb & Co. (jointly);

Valley National Bank, Phoenix, Ariz. (1/15)

Now in session and scheduled to close Jan. 15, 1957 on approval of a proposal by the bank to offer to its some common stockholders of record Jan. 15, 1957, the right to subscribe for 100,000 additional shares of common stock, subject to the approval of the SEC.

Western Pennsylvania National Bank

Nov. 13 it was reported Bank plans to offer to its stockholders on or about Jan. 15, 1957, the right to subscribe for 25,000 additional shares of common stock, at $32 per share. Proceeds—To increase capital and surplus.

Winters National Bank & Trust Co. (1/15)

Dec. 3 it was announced Bank plans to offer to its stockholders on or about Jan. 15, 1957, the right to subscribe for 175,000 additional shares of common stock at $4 for each $1 par value share. Underwriter—Morgan, Grenn & Ladd, Dayton, Ohio.

Wrigley Properties, Inc.

Dec. 6 the property company, a newly formed subsidiary of ACF-Wrigley Stores, Inc., plans to offer its shares of common stock for subscription by the latter's stockholders. Proceeds—To provide additional working capital to the company. Proceeds—To be used for the acquisition of additional property to be held as investment property.

Looking Ahead

The second week of the new year will also be the most critical in the market, in the situation, with a number of corporate issuers slated to come into the market for funds. The largest of the issues is Sears, Roebuck & Co.'s $250,000,000 of debentures, of which $200,000,000 will be due Jan. 31, 1957. Other companies to offer are: The Coca-Cola Co.'s $150,000,000 of debentures, due Jan. 1, 1957; the American Can Co.'s $100,000,000 of debentures, due Jan. 1, 1957; the Chrysler Corp.'s $75,000,000 of first mortgage bonds, due Jan. 1, 1957; the American Home Products Corp.'s $25,000,000 of debentures, due Jan. 1, 1957; and the International Harvester Co.'s $15,000,000 of debentures, due Jan. 1, 1957.

Schwabacher adds

SANTA BARBARA, Calif. — Donald L. Balch has become connected with Schwabacher & Co., 920 State Street.

Closing Parafrase
Merrill Griswold, Industry Leader, Plans to Retire

Merrill Griswold will retire as chairman of the advisory board of Massachusetts Investors Trust on Dec. 31, it was announced.

Mr. Griswold became a trustee of M. I. T. in 1925 and was named chairman of the trustees in 1932. He held that position until the close of 1965, when he was assumed to be in his present position. In retirement Mr. Griswold will continue to serve M. I. T. on a consulting basis or as chairman of the advisory board.

He played a major role in aiding Congress in drafting the Investment Company Act of 1940. In 1936 he was one of the leaders in the effort which led to the Federal Securities Act, whereby investment companies are not subject to Federal income tax provided all such income is distributed to shareholders.

On Sept. 30, M. I. T. had total net assets of $1,037,820,577. There were 159,883 shareholders.

Are YOU Interested In
Investing In
National Growth Stocks

National Growth Stocks are a common stock mutual investment fund which invests in securities selected for capital increase with special emphasis being given to companies engaged in the research, development and production of new products and processes. The scheme provides an opportunity for you, who have not obtained from your investment dealer:

National Securities & Research Corporation
120 Broadway, New York, N. Y.

Massachusetts Life Fund

Massachusetts Life Fund is a common stock mutual investment fund from which you can receive income for the quarter ending December 31, 1956.

A distribution of 71 cents per share from realized capital gains is also being made, half of which is capital gain. The dividends from income and realized capital gain distribution are both payable, December 31, 1956 to holders of record as of close of business December 20, 1956.

Massachusetts Hospital Life Insurance Company, Trust Incorporated 1931

DISTRIBUTED by:

EATON & HOWARD
BALANCED STOCK FUND

EATON & HOWARD
INVESTMENTS INCORPORATED
24 Federal Street
Boston
Established 1928
Profile prospects from your Investment Dealer or the above.

Mutual Funds
By ROBERT R. RICH

Keystone Forecasts Expanding Boom

Strong R & D expenditures for industrial and public construction and for automobiles will promote modest growth in the nation's economy for the first six months of 1957, according to the annual report of the Keystone Custodian Funds.

A special review of the money market is featured in the Keystone report. After explaining the causes of the present tight money situation, the report states that sufficient credit will be available for legitimate money needs but even then the demand for funds is likely to continue to exceed the supply of such funds as long as our economy expands.

Another feature of the report is a statistical presentation of financial and economic indices showing their prewar average, the present average and the percent of change from the prewar picture to current economy.

Assuming no major war, Keynes economist predicts that Gross National Product will rise $15 billion to a new high of $427 billion, thus making substantial progress toward the $565 billion objective envisioned by President Eisenhower for 1965.

The Keynes experts forecast the following increases over 1956: defense, $15.9 billion; key business, $15 billion; personal spending, $12 billion; and residential additions, $12 billion.

As in 1956, selectivity will again be the pattern for investors. Daily evaluation of the events ahead and a close study of domestic industrial trends will dictate the success of investments in 1957, according to the report.

Among generic reasons cited as indicating an increasing money for the long term are the following: an increase in funds of $1 billion to $5 billion in the last decade, resulting in new technologies and products that must be financed in part out of new capital; the huge backlog of deferred public construction; continued expansion of the population and of the civilian labor force; and the steadily improving standard of living.

Despite the tight money situation, Keynes economists think that a combination of the Federal Reserve Bank's credit policies and the forces of other economies towards the financial and business world will provide sufficient credit for all legitimate financial requirements.

M.I.T. Growth Fund Breaks Previous Records

Massachusetts Investors Growth Stock Fund surpassed all previous records in the year ended Nov. 30, 1956, including a 0.5% increase in 21 years, according to the fund's 24th annual report.

The fund's total net assets increased from $103,641,791, with 10,201,324 outstanding, to $112,002,240 in assets and 2,586,316 shares outstanding a year ago.

The net asset value per share increased to 22.2570, including 14,281 or 44% of the total, who used the fund's cumulative investment program to acquire additional shares on a regular basis. The total number of shareholders compares with 20,062 a year ago.

The net asset value per share on Nov. 30, 1956 was $10.16 per share, also a record high. To get the fund's net asset value per share at the end of the last quarter, we add all of the fund's net assets, $112,002,240 in assets and 2,586,316 shares outstanding a year ago.

The $10.16 per share held common stocks in 71 companies in 23 industries, the report said. A year ago the portfolio contained the common stocks of 58 companies in 18 industries.

On Nov. 30, 1956 the fund had $112,002,240 in total assets, which were not held as of Nov. 30, 1955: $67,683,801 at 11 1/2% Fargo Bank; $6,396,111 at 3% Union Carbide Corp; $2,854,167 at 3% Caterpillar Tractor Corp; $1,452,585 at 3 3/4% International Insurance Co; $1,272,864 at 3% Continental Casualty Co; $1,106,374 at 3% Gulf Oil Corp; $979,383 at 3% Halliburton Oil Well Co; $977,499 at 3% J. Ray McDermott Co; $752,119 at 3% Republic Steel Corp; $657,000 at 3% Mediterranean Oil Company; $531,000 at 3% Gillette Co; $531,000 at 3% Comet Oil Company; $526,000 at 3% Marlin Corp; $441,300 at 3% American Airlines; $308,000 at 3% Pan American World Airways.

Financial Industrial Fund, Inc.

Total net assets increased during the recent quarterly period to a level exceeding that reported at the end of any previous quarter. The total net assets of $61.9 million increased by $7.7 million. The net investment of 30 cents paid this month, the year-end asset amount amounted to $10.66 plus 6.5 to 5.34 a year ago.

The report held the fund held common stocks in 71 companies in 23 industries, the report said. A year ago the portfolio contained the common stocks of 58 companies in 18 industries.

Tiny Radio Sphere To Telegraph Outer Space News

A small, 21-pound sphere with a 13-inch radio transmitter for broadcasting news and weather reports to an array of the mysteries of outer space was unveiled here today by a group of interstellar information experts in the presence of the Chairman of "Atomic Activities," published by National Security & Research Corporation, which manages the Federal Securities Act Company and associated research firm, and Spencer Chemical Corporation.

Energy Fund Sees For Future Record Growth

Future energy production and consumption, a somewhat amusing prediction, will be needed in the next 15 years, ranging from a trillion of trip of underground power, to the building of million kilowatt generating plants, to the 1956 annual report of Energy Fund Inc., a fund which invests in the company of the "national" type specializing in energy sources other than those of the natural resources contributed by Ralph E. Samuel & Co. of Spencer Chemical Corporation and Spencer Chemical Corporation.

Of all the exciting happenings of the 20th century, none is more momentous in terms of energy than the amazing development of energy from total natural resources through the fund states.

During the last 50 years in the energy field, we have seen the use of energy expand from slightly more than a double. We now use more than eight times as much power per person, per day, per year, than we did in 1900.

In the last quarter of a century our production of energy in all its forms has grown faster than any major industry in the world.

The following 25-year period appears to be a critical one. Between 1930 and 1955:

U.S. automobile production increased 325%;
U.S. production of coal increased 162%;
U.S. production of natural gas increased 162%.

For the same period, the energy industries show the following increase:

U.S. electric power consumption increased 54%; U.S. natural gas consumption increased 339%; U.S. petroleum consumption increased 239%; European petroleum consumption increased 942%.

In addition, by 1960 U.S. nuclear energy plants will have an installed capacity of more than one billion kilowatts, the total of which was 750 megawatts in 1955, will be six times the total of all power plants in the world as of January 1.

The report holds that the next "exaggeration" says Ralph E. Samuel, president of Energy Fund, that "we have been living through an energy revolution, and there is every indication that the revolution must continue for the next 10 years, and we must continue it for the next 20 years.

The Energy Fund report adds that by 1970 it is believed that the United States will have an installed capacity of between 10 and 12 million kilowatts.

With Marcro, Delfmeyer

EATON & HOWARD
LOUISIANA, Calif.—Charles F. Coates has been added to the staff of Marcro, Delfmeyer & Co., 634 South Street, and will be a member of the Los Angeles Stock Exchange.

Wellington's District

The annual meeting of district representatives of Wellington National Bank, Philadelphia, Dec. 17 through Dec. 20. According to the minutes of the meeting, attendance was on the large side and the president, Mr. pickup was noted in the 28th year history of the fund.

During that period all sales territories in the country came to wellington's Philadelphia office. A meeting in formal sessions with more than 30 persons attended and still held up and discussed all phases of the fund's operations and its plans and aims for the future.

Mr. Wilkins, who presided at the meeting, noted that we feel that this year's sales were of particular significance in view of Wellington's successful efforts to reach $100,000,000 through independent investment firms throughout the country.
Immediate and Intermediate Future Business Prospect

dominate the American economic scene.

Since World War II, business corporations have had to seek out new sources of funds chiefly from internal financing, because of restriction on loan allowances and retained prof- its. Business borrowing from bank credit.

ventory, spending moun- 

towers, however, this becomes less and less feasible, and retained corporate profits show a declining trend. This may lead to higher dividend payments.

In the meantime, the Department of Commerce reports, industry’s investment expenditures have exceeded the flow of funds from depreciation and re- tained earnings of the corporations in the 1955–57 years.

The chart above indicates total bank loans to corporate business ex- 

Pandied in the first half of this year by about 80% from the month peak for the past five years; and its level in fact is at the lowest since the record level. Corporation holdings of 

corporate and industrial securities were reduced by almost $8 billion, a six months’ reduction exceeding the amount experienced in the preceding four years. The reduction in the circulating 

securities held to current liabilities, declined from 54% at the end of last year to 38% at the end of June, 1956.

It is estimated that American busi- 

esses, in order to carry out the huge capital expenditures which it is now envisaged, will have to rely increasing on bank credit. But, the ability to raise credit is diminishing. Liquid resources are relatively low in many localities where cash and government se- 

urities are scarce. There is a lot of back much more. Equity financ- 

ing tends to become more difficult since the confidence of the investors has eroded. Moreover, limited investor credit market has ended, at least for the time being. Hence, the need for bank credit borrowing becomes greater.

The Credit Squeeze

The sharp upturn in business bu- 

borrowing has been superimposed upon a very heavy hand for mortgage money to finance home building. The mortgage debt, on all properties is increasing at the rate of some $15 billion per annum at the present time. Corporate and mu- 

sicians are increasing their indebtedness at a rate of over $10 billion yearly.

The trend of business borrow- 

ing is expected to continue in the period immediately ahead, while the fixed costs of the commercial banks will remain roughly constant. As a result, wholesale rates of interest will continue to rise.

The upsurge in business borrow- 

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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:
spend more money on laboratory and consumer research than any other company of this size, but it is the only way that Purex can keep its current position for consumer preference. We are unfamiliar in our search for better quality.

The company's capitalization consists of $16 million of long-term debt and 5,000,000 shares of common stock (excluding 20,901 shares reserved under a management stock option plan).

About 75% of Purex's products are owned by Adrien C. Pelletier, Chairman of the Board and President; his family; 10% of the shares are held by various family members, who acquired the stock in exchange for the call holdings in the Manhattan Soap Company.

Reported earnings per share have risen from $0.59 for the fiscal year ended June 30, 1964, and this increase of 71% is impressive, even greater progress is anticipated in the future. Giving effect to the various basic improvements, a dividend of $2.40 per share is expected in the fiscal year ended June 30, 1965 (after a stock dividend of carry-over of $1 million) and by fiscal 1957-58 net earnings should approximate $3 a share.

Dividends have been gradually increased over the past half decade from 60¢ to the current annual rate of 90¢ per share. In addition, the company recently instituted a policy of distributing a part of its earnings to the shareholders, and therefore, Purex represents one of the most interesting and successful enterprises available to the investor today.

As a growth stock with excellent prospects in a relatively stable industry and providing a generous margin of safety on a well-protected dividend, Purex represents one of the most important issues available to the investor today.

Credit Executives Outlook for 1957 Report—Credit Research Foundation, 229 Fourth Avenue, New York 3, N. Y. (paper), $75.


Location and Space Economy— Walter Law, Vanderbilt & Cusick, Inc., 44 Fourth Avenue, New York 16, N. Y. ($7.50).

Purchased Service/Describing services available from Dept. of Commerce—New York State Department of Commerce, 230 East 42nd Street, New York 17, N. Y.

Perspective on Gold—National Association of Manufacturers, 2 East 40th Street, New York 7, N. Y. (paper), $25.


Present Day Banking 1957—Forty Seventh Annual Report of American Bankers Association, 12 East 40th Street, New York 17, N. Y. (paper), $1—available to member banks for $6—Circulation Department, 12 East 40th Street, New York 17, N. Y.; and 36th Street, New York 16, N. Y.


R. E. Palmer, Secretary, December 20, 1956.

Consolidated Natural Gas Company

Innovations in the gas industry, 20th anniversary, January 1, 1957. Division No. 36

The Board of Directors has approved the following quarterly dividends:

Common Stock

Dividends No. 36

December 21, 1956

P. C. Hale, Treasurer

The above dividends are payable January 31, 1957, to stockholders of record on January 5, 1957, and will be mailed from the Comptroller's office in Los Angeles, January 15, 1957.
WASHINGTON, D.C.—Barring unexpected developments, the session of Congress which is scheduled to get under way just one week from now is likely to be one in which the business of the country will be a great deal of noise and only a minor amount of action.

There are three uncertainties which cannot at present be answered.

One of these is the possibility that a war in the Middle East will result in a presidential change. Though President Eisenhower's position may be strengthened if he wins the 1958 elections, there is a possibility that he might be defeated.

Reaction to Eisenhower

A third uncertainty is how the members of Congress will react to the numerous personal election victories of President Eisenhower. This is something which cannot be nixed down by the White House returners and chattered privately in the lobby of the Capitol.

It might be presumed that packing such a wallop as he did, Eisenhower's prestige will restrain Democratic opposition. It might also restrain the latent conservatism of the majority of the Republican members.

On the other hand, since Eisenhower by and large did not carry as much as the hoi polloi have returned and chatted privately in the lobby of the Capitol.

It might be presumed that packing such a wallop as he did, Eisenhower's prestige will restrain Democratic opposition. It might also restrain the latent conservatism of the majority of the Republican members. On the other hand, since Eisenhower by and large did not carry as much as the hoi polloi have returned and chatted privately in the lobby of the Capitol.

Military men, of course, do not care especially for their personal elections. The thoughtful men on the Hill also are hesitant to do anything which may open up to get a military foothold in the Middle East, which strategists see as the beginning of the end for the Western World.

Another uncertainty is what the members of Congress will construe as the national reaction in the recent months to the "United Nations" and "collective" security as a consequence of recent events of recent months.

Most hard-headed observers who have been following the goings about restoring a rational defense upon a NATO arrangement between the United States and the Allied powers, Great Britain, was thrown into an economic tailspin as a consequence of its materially needed adventure in invading Egypt. Such observers would also question the validity of the US-Soviet Union agreement in Hungary as Red China in Korea, has already reiterated the importance of the theory toward big-scale aggression.

"I don't care WHAT they do in movie balconies—the Stock Exchange balcony b awnies on that start of thing!"

for legislative action in 1957 but, there will be may be in 1958.

Specific Issues

Among the specific issues, the one which is clearest is that there will be no important tax, reduction and no one of this business of shifting the surtax and normal corporate rates around on income below $25,000, for the sake of small business.

There has come to be an ac-
cepted dogma that a tax with a
by the withholding tax, tax relies roll up only the smallest political milquee, and many post-
poned until with a business se-
back and unemployment, the
the country is called back to
what it means to have money coming to them that otherwise would go to the Treasury.

Any notion that the govern-
ment will have a substantial surplus is written off by the economists. Wilbur Mills and Senator Harry S. Byrd, the two most active on this issue, are Demo-

The idea of making a bid for netting income now subject to partial relief from depletions, of course, is something which the late Mills appears to have anticipated, and something which has impressed himself as impressed with the magnitude of the prob-
lem of inflation.

Immigration Issue

All the customary panoply of welfare issues, more subsidies for farmers, for the health of the poor, for public education and health, will be up for consider-
all the session of 1957, with indifferent legisla-
tive results. Aid to education is dependent upon the President dropping his idea of nicking the wealthy states to benefit out of pocket his own state.

The immigration issue may become hot, soon. The 

One thing appears somewhat more certain in the outlook since it was last appraised in this column after the election. Whether the "new Republican" oligarchy in the White House has come to accept Richard Nixon or whether the latter has shown his capacity to outsmart them, the president's new under-
cover war to out Nixon from

TRADING MARKETS

Botany Mills
A. S. Campbell Co. Com.
Panama Canal
Texas Eastern
Tidewater
United States Envelope
West Coast
Bank of America
Bechtel

BELL TELEPHONE
19 POST OFFICE SQUARE, BOSTON, MASS.
100 NEW YORK AVENUE, WASHINGTON 5, D.C.
10500 WEST 87TH STREET, MINNETONKA, MINN.
10000 PERRY STREET, BALTIMORE 13, MARYLAND
430 S. WACHTER ST.
40 E. ROOSEVELT AVENUE
300 W. WASHINGTON AVENUE
1000 10TH STREET

IMPERIAL STEEL

BELL TELEPHONE
10000 PERRY STREET, BALTIMORE 13, MARYLAND
430 S. WACHTER ST.
40 E. ROOSEVELT AVENUE
300 W. WASHINGTON AVENUE
10000 PERRY STREET, BALTIMORE 13, MARYLAND