Editorial

AS WE SEE IT

If proof were needed that neither oratory nor an elaborate international organization is capable of assuring peace to the world, the recent behavior of the communists, particularly that of their leader, Mr. Khrushchev, has supplied it in abundance. Sometime ago Mr. Stevenson remarked that when the Russian dictator wished to bang the table with his shoe, and needed an audience to see the show, he had to "come to the United Nations" for the purpose. There may be some truth in the remark, but it is equally as true that when he wishes to win friends for communism among the so-called neutral countries of the world, he has an excellent forum for the purpose in the United Nations — and he knows only too well how to use it. International peace, like the Kingdom of God, must be won from within the hearts of mankind. So long as national ambitions are stronger than the will to peace, we shall continue to have wars or threats of wars which keep all mankind slaves to the creation and maintenance of armaments.

The founders of the United Nations, as was the case with the League of Nations which preceded it, envisaged it as an organization composed of members who would be willing to sit down and compromise or in other ways settle their differences, and an organization able to maintain a peace enforcing arrangement to which all nations would bow without major scale war. The key to success for any such organization is obviously a world made up largely of nations without overwhelming ambition and hence willing to become really cooperative members of such an organization — willing, in other words, to submit to the will of a majority of the organization which would never "play the game" of any group or clique of powers. In such an event, an organization of the sort envisioned might succeed. Now in the world today, the older so-called imperialists have for the most part long been on the way out at least so far as dominion over the lives and destinies of others is concerned. Despite the willing of Mr. Khrushchev, only a few countries.

(Continued on page 40)

Canada’s Formidable Growth

Prospects Clearly Undiminished

By Dr. Ira U. Colledge, Enterprise Economist

An appraisal of Canadian prospects and projects for substantial economic growth in the second year of the “Surging Sixties,” followed by a tabulation of Canadian corporate enterprises which have achieved notable records for sustained profitability and uninterrupted cash dividend payments.

For Canada, 1960 was a year of adjustment, adaptation and assimilation. The bright prospects and rosy predictions of January faded as the year flowed on; the Canadian dollar lost its premium; unemployment reached the 7 1/2% level; and there was a renewed concern, from Halifax to Vancouver, about the extent to which American capital was dominating the economic life of the Dominion. All was not downhill, however. There was a slight rise in Gross National Product, an 8% advance in exports (although exports to the United States declined by 2%), iron business hummed, and the surging prosperity of Canadian banks and life insurance companies continued unabated. (Life insurance is a major Canadian export.) Finally, if business, across the board, did not deliver, in full, the progress and profits hoped for, there were great plans made and implemented in 1960, which set the stage for a broad and exciting future growth. Three of these plans deserve special citation.

Vast Natural Gas Expansion

A $700 million pipeline construction program is now under way which will increase, fourfold, the flow of natural gas from Alberta and British Columbia into U. S. border states and South into California. This massive project will vigorously stimulate regional business, especially in steel tubes and steel piping; it will greatly expand employment; and will provide a $150 million annual increase in export gas sales. Further, it means that a lot of capped wells in West Canada will go on stream bringing substantial and immediate cash revenues to thousands of well and royalty owners whose income from this source might otherwise have been deferred for years.

Incidentally, viewing with avidity these rich prospects in natural gas just recited, West Canadian petroleum producers see no reason why they should not also share in the lush oil market in Montreal and to the East. They believe a 2200 mile pipeline should be built bringing Prairie Province oil to Montreal and, reducing or eliminating present dependence there on the inflow of Venezuelan crude. This idea looks like a remote one, and it certainly is not relished by the international oil companies; but it does illustrate the zeal with which Canadian businessmen are seeking to fill national needs with native products.

$4 Billion Columbia River Power Project

It took over 40 years of debate, discussion, and propaganda to bring into being the St. Lawrence Waterway, a huge multi-billion-dollar project. That we
The Security I Like Best...

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

NORMAN ADAMS, Ph.D.
Senior Partner, Adams & Company, Los Angeles, California
Member National Association of Securities Dealers

Glassco Instrument Company

What makes an industry stock a good buy is a situation that is basically dynamic in nature, producing mainly proprietary products, which has a sales market that is both military and commercial, and whose management is alert, learned, and conservative. Such an outfit, if it continues to maintain its edge over competition, must be a good buy.

Arthur H. Glassco, President, Glassco Instrument Company

NORRIS ADAMS, Ph.D.
Senior Partner, Adams & Company

Glassco Instrument Company

During this period, Glassco Instrument Company has shown a steady increase in its earnings, which has resulted in a strong increase in its stock price. This company is well-managed and has a strong market position, making it a good buy.

Arthur H. Glassco, President, Glassco Instrument Company

Glassco Instrument Co.—Norris Adams, Ph.D., Senior Partner, Adams & Company, Los Angeles, California (Page 2)

Divo-Wayne—Irving Komannoff, President, Divo-Wayne, New York City (Page 2)

This week’s Forum Participants and Their Selections

Glassco Instrument Co.—Norris Adams, Ph.D., Senior Partner, Adams & Company, Los Angeles, California.

Divo-Wayne—Irving Komannoff, President, Divo-Wayne, New York City.

should enlarge the market for our school bus division. Technological improvements and increased strict enforcement of health and safety regulations indicates a similar potential for our insulated and heated school buses. This would mean that Divo-Wayne could be described by a brief description of its three basic divisions:

1. Bus Division—Solicitation in the door-to-door delivery field with dairies. An average of $5 million delivery of the most prominent fields.

2. Warne Division—An important division in the important school bus field for the past year. Has built the nation’s first school bus in the 1900s. It has recently piloted the “pump and circulate” school bus, which is relatively simple and economical to operate. The school transport picture continues to show spectacular growth.

3. Miller Division—Builders of the school bus division since its beginning. Here again this division has consistently revitalized the industry with its new developments and innovations.

Just as the years 1955-1959 were a period of phenomenal growth for Divco-Wayne, 1960 was a year of consolidation. True, another “year of up” Volume held just under 1901’s record. However, because of large expenditures for improved manufacturing facilities, expanded research and development plans, profits soared to $15 million. Thus, the name “Divo-Wayne” in my opinion, is exceedingly bright.

Divo-Wayne has been and continues to be a diversified, efficient, outstanding management has become more efficient and vigorous with increased sales. The majority of each of its major fields is very well-secured with an increasing trend toward suburbanization. Service to suburban and private education and health, Moreover, Divo-Wayne has seen the industry itself—manufacturing products price to add substantially to future sales and profits.

Divo-Wayne has only 76,000 shares outstanding, of which about 30% are closely held by management. Its balance sheet and financial condition are excellent. Selling at about 18—about a little more than 10 times latest reported earnings—and yielding a respectable 4.6% on a well-secured 80 cent dividend, Divo-Wayne is as an outstanding value for substantial long-term appreciation. (Note: The writer signifies that the firm of Herzfeld & Stern have long position in the stock of Divo-Wayne.)

Named Director

Screen Gems, Inc., the television subsidiary of Columbia Pictures Corporation, has appointed handsome President Leo M. Blancke and Donald S. Straehle, Directors of the parent company and respectively part of the Colony, observatory and educational board of directors. As a result, the firm of Herzfeld & Stern have been elected to the Board of Directors.

Coburn, Middlebrook & Brach, New York, N.Y., Coburn & Middlebrook, has opened a branch office at 6 Jackson Street under the management of Paul Curtis.

Alabama & Louisiana Securities

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New York Municipal Bond Exchange
19 Rector St., New York 6, N. Y.

New Orleans, La., Birmingham, Ala., Mobile, Ala.

Direct lines to our branch offices

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The problem of balance of payments has been a very serious and increasing concern in Canada for some years. More recently the United States balance of payments problem has been the subject of serious discussion and special reports by eminently qualified authorities. We shall try to have a common interest in the bilateral balance of payments and assume that it really should be called the imbalance of payments between Canada and the United States, which over the past 11 years showed an annual current account surplus for the United States, a deficit for Canada, at the end of 1955 and over the past five years averaged $1,400 million per year. The Sproul report says, “with the exception of the year 1957 the United States has run a deficit in its balance of international payments and Canada has run a surplus of $1,400 million since 1949. For the whole 11-year period 1950-1960 the cumulative net deficit was $21 billion.” This concept of an deficit combines the current account deficit with the net capital and a surplus by a net export of capital. The current account of the United States balance of payments with the world as a whole, for the 11-year period showed a surplus amounting to $48 billion before taking account of foreign countries ($28 billion), but a deficit of $1 billion when foreign countries are included.

Without your surplus with Canada, however, your deficit on current account during this period would have been $13 billion instead of $1 billion. The distinctive feature of the United States balance of payments of current account has been not an overall deficit with the whole world, but a deficit with the world except Canada.
Observations...

By A. Wilfred May

Just What's Going on Down There?

Have you heard about the delightful wife who, according to her husband, had a portable radio as a boredom buster? She tuned in the Patterson-Johnson championship fights with rapt attention, and until the portable radio was rebuffed by the transistor, the radio presenters directed to "the woman who is tuning in". She was actually transferred to the set as a part of the program. And so it is that the "market" is pictured in roles extending from disaster to doppelganger to personality.

The Varied Imagery

"The market described throughout..."

"Stocks on a Trendmill..."

"The forward movement was not quite unanimous. There were a few holes..."

On the Battlefield

"The industrials are now poised to make an all-out assault on the historic high..."

"Stocks closed a little higher after doggedly fighting their way to a new all-time record which lasted the entire session..."

The trading element was nervous, the buying was weak, and jitters at every possible turning point..."

"The market relentlessly pushed to higher prices. (Actually, it was up 10,15,20 points, which is jargon for what one does when he is a quarter of a cent, or a quarter of a point.)"

"The market ended with another stalemate..."

The list took an early-morning, late-afternoon, and evening sitting, (I.e., can take it, too)..."

The Market as a Convalescent

"The market could have fallen out of bed yesterday had it not gradually recovered strength and energy..."

"In a rare burst of speed the railways showed their capabilities to the jet age market which has been dominating the stock market..."

Ex-c-Hardy, But Hitting the Bull's Eye

"In Shakespeare's words, the market was full of sound and fury, signifying nothing..."

We remind you here that basic to all the dramatic nonsense is this: In a market of all-time high, you could go only one way—down. The back-dated effect of 1962 and the "market". In the days covered above, the total number of individual issues showing net rises exceeded the declines and the loss, by over one billion—by 200 or so issues remaining unchanged...

The market averaged up (by a bare one per cent..."

The Implacations

The fantasy, dramatization, and glamourization of stocks and bonds do not reflect the just commercial demands and service for which the public has voted..."

In any event, and whatever the expression of the market imagery, it also highlights the current pervasive development from any concept of investment. In replacing once more the cornerstone fallacy concept of long-term sharing in a business enterprise, this picturing of the stock market as a game, or battle, etc., constitutes another highly stylized and facsimile process. It is socially damaging, both in feeding the speculative leanings of existing security participants, and in the glamping desires of potential market newcomers (the Johnnies—concretely..."

Schizophrenia at the Stock Exchange

Confusion over investment—speculation and gambling if you will—is even shared by the Stock Exchange. Or perhaps it just finds itself torn between the necessity of drafting publicly all the interests of its members, as well as lofty ideals about its place in the community. On the one hand the "public interest" role is now being filled through a high-powered advertising campaign..."

"The Stock Exchange, it is said, "does not have the stature of the public's desire..."

"In a typical ad, the "Member New York Stock Exchange" are represented as helping you to "Own your share of American Business"; with the full-size-cutout commercial theme, "How can you do all of this?" "This is the purchase of common stocks..."

"Your Social Security may be a check of your age. And any fixed retirement income you plan today may seem painfully small when you do it. That's why it may be a good idea to invest in some good common stocks in your plans..."

"The reason share ownership can be so important is this: such stocks make you part owner of a company..."

"The key to the plan is to have a philosophy that the money is going to flow from..."

This constructive advice perfectly delineates the idealistic retrans' d'etre of the Stock Exchange..."

For Whom Does the Ticker Toll?

But... on the other hand, does it? Does it? Does it? Does it not? As far as trudging interest if not hysteria, to stop dealing in securities such as Bessemer in Brunswich and Reliable Manufactory..."

Easter and PASSOVER

From time immemorial the wonder of awakening Spring has been associated with the rebirth of life. From the warmth and cold of Winter the warmth of the sun, leaves budding on the trees, flowers beginning to bloom in the garden bring not only precious memories of the past but hope and promise for the future. Each new experience dead is miraculously alive again. As the Hebrew poet said many centuries ago...

"Lo the winter is past, / The rain is over and gone; / The flowers appear upon the earth; / The time of the singing of birds is come."..."

Even the pessimistic author of Eclesiastes says...

"He hath made every thing beautiful in his time..."

The mythology of the Ancient Greeks and Romans tells us that the earth suffered the coming of the seminal season of the Goddess of Agriculture: Dementor, "Creator of a thousand, thousand Springs", rejoicing in the return of her daughter, Persephone, from the lower depths and embracing the barren earth again bring forth fruit and grain.

For followers of two of the world's great religions this is a week of special significance. For Christians Palm Sunday ushered in Holy Week with Good Friday, the most solemn day of the Church year. This same Friday at sundown marks the beginning of the Passover season for those of the Jewish faith. Churches and synagogues of all length and breadth of the land will be filled with devout worshippers. In Jewish homes children and adults alike will participate in the meaningful ritual of the seder meal. Both faiths profess the love of God and love for our fellowmen. At Passover the Jew not only commemorates the escape of the Israelites from slavery in Egypt, but he also looks forward to the time when all men everywhere will have perfect freedom. The true Christian has as his goal a worldwide fellowship of love where all, as children of God, will have life more abundant..."

It is one of the miracles of this Holy Season that its spirit permeates even our materialistic world. Radio and television are enriched by the beauty of music, drama and poetry of both faiths. These programs on both media explain the meaning of these religious observances, including the very interesting series for children on Sunday morning TV, "The Fourth R." and "Let's Talk About Religion". Pesach or Passover, the Northwest Youth Center Music Hall in New York City where the leading feature of the Stage Show is annually, "The Glory of Easter," with its spectacular pageantry and production of a huge cross of Easter lilies, the cross the central symbol of God's love in Christianity. The Metropolitan Opera Company regularly includes "Parival" in its repertory in the season, the absence of applause indicating the revered spirit in which the performance is given.

Easter Sunday is of all the days the most joyous in the Christian calendar. As the first rays of sunlight brighten the eastern skies, throngs of worshippers will gather for early dawn services. Songs of praise will continue throughout the day in honor of the risen Christ, His life of loving selfless service a pattern for all to follow, in building a better world, His resurrection a promise of eternal life for all.—HARRIET SEIBERT...
Today's Market Constitutes A Dangerous Dilemma

By Robert H. Wessel, Associate Professor of Economics, University of Cincinnati, Cincinnati, Ohio

Investors' anticipations manifesting themselves in the stock market have been the subject of our comment in these pages. Economists are dubious about corporate profits—even if GNP advances as expected—justifying a high P/E ratio; and he critically examined the extreme optimism and expected reappearance of the Wall Street price advance assuming no war, the paper concludes that the market is in a "very precarious state of affairs," and advises an investment position in desirable stocks and in relatively priced good quality convertible bonds.

What constitutes a prudent investment policy today? The answer, of course, depends on the objectives and financial condition of the individual or institution whose investment policy we are considering. Nevertheless, the prospective behavior of the security markets, and the more fundamental economic and psychological factors underlying this behavior are of central importance to all investors.

We will begin by considering the economic conditions and prospects that underlie the expectations upon which its current level is based. Next, these anticipations are subjected to critical examination and the probable effect of these perceptions is evaluated. From this, some conclusions concerning the distribution of gains and losses between the equity and debt markets should be drawn.

At the present time, almost everyone would agree that when judged by conventional standards the stock market is very high. The Dow-Jones Industrial Average is once again close to the record level attained Jan. 5, 1956, in inflation-adjusted terms. Price-earnings ratios are in this average are selling for more than three times their recent earnings and are yielding only a little more than 5 per cent. To make matters worse, this yield is more than a point below the yield on high-grade corporate bonds. In view of these powerful indications that the market is very high, it is necessary to ask whether the securities are still in a position to be sustaining it at the current level. Only in this way can we arrive at a decision concerning its future action and thereby develop wise investment policies.

Why the High P/E Ratio?

I feel there are two important reasons why investors today are willing to pay such high prices for common stocks. First, they have regained confidence that the trend of the strikes will be one of high prosperity and rapidly growing business profits. Second, the recent stock market advance has become an important determinant of the public's financial condition and its effect is likely to be self-regulating.

A little over a year ago, at the beginning of the market upturn, investors were forecasting a decade of prosperity during which national product was expected to rise to over $200 billion and to exceed $200 billion by 1970. We must remember, however, that these figures were in dollars and included no allowance for price level changes. Such a picture of progress and growth, it was felt, would cause business profits to rise sharply in the first decade after World War II. However, for the last few years the rate has declined to about 2.5%. For the 4% growth rate to be achieved, several things must happen. Consumer expenditures must keep pace with rising incomes. Although in recent years the trend has been satisfactory, there are still some indications that the consumer's demand for the types of products that businesses want to sell will not continue to climb at the same rate. Finally, it is true his interest will have to be stimulated by new and better products. Without new search and product development, many of the current securities would be of no value. On the other hand, this is only a matter of probability, not a certainty.

Second, capital expenditures by business enterprises have been substantially. This may prove well for business profits. In my view, the recovery from the 1958 recession failed to bring the expected and normal rate of capital investment (4% unemployment) because capital spending was so far below the long term level that it was not necessary to stimulate it. On the contrary, it was unnecessary to counterbalance the effect of declining business confidence, a correction of some order of magnitude will ensue. Consequently, the market will certainly rise further. This is not the time to be selling those stocks which are not well positioned to move along with the cycle of rising prices. On the other hand, some of these necessary conditions may not be met for long. Consequently, there are no countercyclical gains to be made from large, and we must therefore be careful in selecting our investments. We must be careful to select those stocks which are likely to move along with the cycle of rising prices.

WILL THERE BE INFLATION?

Now what about the fear of price inflation? If there is, we will very likely stay at very high levels as long as investors remain convinced that equities in general constitute good hedge against this inflation. In the absence of this belief inflation can drive stock prices even higher than the cost of living. Over the longer run, falling budget deficits and hedges capabilities common stock must rest on a sounder basis. If the inflation hedge argument usually runs something like this. Higher corporate earnings will lead to larger business earnings. This in turn will lead to the higher stock prices that hedge inflation.

The problem is more a question of the increase in stock prices during the last 10 years is far greater than the relatively modest price level advance which only amounted to about 25%. Obviously, therefore, this market advance must be explained some way other than by the inflation hedge argument. A lagging response to the inflation of the increase in stock prices to lower prices, speculation, and anticipation of one sort or another, all have to be considered as causative of what occurred. We need not be surprised if we find that the increase in stock prices is due to a combination of speculators. It is sufficient to point out that each of these speculations is self-contained and has a natural tendency to increase in price. Only when all such influences are neutralized will the prices of corporate stocks and stock prices retrace some of the gains they have made in recent years. We will therefore have to keep a close eye on the stock market in the future to determine whether such conditions arise. We will therefore have to keep a close eye on the stock market in the future to determine whether such conditions arise.

Critical View of Stocks as an Inflation Hedge

We also noted that even if inflation continues, stock prices will not stay at very high levels as long as investors remain convinced that stocks are the best investment in general constitute good hedge against this inflation. In the absence of this belief inflation can drive stock prices even higher than the cost of living. Over the longer run, falling budget deficits and hedges capabilities common stock must rest on a sounder basis. If the inflation hedge argument usually runs something like this. Higher corporate earnings will lead to larger business earnings. This in turn will lead to the higher stock prices that hedge inflation.

We all know that the dramatic increase in stock prices during the last 10 years is far greater than the relatively modest price level advance which only amounted to about 25%. Obviously, therefore, this market advance must be explained some way other than by the inflation hedge argument. A lagging response to the inflation of the increase in stock prices to lower prices, speculation, and anticipation of one sort or another, all have to be considered as causative of what occurred. We need not be surprised if we find that the increase in stock prices is due to a combination of speculators. It is sufficient to point out that each of these speculations is self-contained and has a natural tendency to increase in price. Only when all such influences are neutralized will the prices of corporate stocks and stock prices retrace some of the gains they have made in recent years. We will therefore have to keep a close eye on the stock market in the future to determine whether such conditions arise. We will therefore have to keep a close eye on the stock market in the future to determine whether such conditions arise.
The state and municipal bond market has done surprisingly well during the past week. The successful purchase and placement of substantial amounts of Commonwealth of Massachusetts bonds last week at prices that encouraged general market demand, the bidding for new issues continued to be strong and relatively very strong.

The market's technical aspects showed improvement as dealer inventories seemed to be getting shorter, almost alarming, the calendar, although moderately heavy, was not burdened with offers, favorable for market absorption, and continued to be mainly composed of a few large issues being sold only to combined group bidding. However, to either investor interest or some weariness, with the almost relentless market offerings, buy new issues of moderate size at prices relatively higher than have prevailed in the past week. New issues, such as those of Massachusetts, Knight Library, are essential to the market.

Price Cuts Helpful

With the heavy market glut that existed a few weeks back, considerably lower prices seem to be in order to encourage general investor interest. The market seems to have gradually turned the price of bonds into a real profit for the investor. This, of course, created a healthy climate for the Massachusetts turnpike, not only to the week's $100,000,000 Kentucky issue.

Through price cutting, the street final as expressed by the Blue List, where the 1961-1990 United States, 3s, only was reduced from $806,000,000 to $749,000,000 on March 30.

Room for Improvement

However, with this slight encouragement, numerous issues which are currently being made for new issues which seem quite attractive, new issues, or comparably second-quality offerings, are being made. Thus, investor interest is frequently discouraged and unwritten offerings are often bid entirely uncalled for.

The insecurity at times seems almost involved in a franchise that accomplishes nothing beyond the bond issue. The bond issue could better be done with more intelligent pricing and a better understanding of the market framework with resultant credit and benefit to the industry, the investor, and the individual dealers.

Yield Index Steady

The Commercial and Financial Chronicle's high-grade state and municipal yield index which hit 4.31% last week was practically unchanged this week, 3.31% (last Friday, 3.317), a week ago. This Index is derived from offerings currently in the secondary market as listed elsewhere on this page. This method does not give the government bond market's frequently expressed in new issue offers but is a more reliable judgment of trend, if such exists. The 3.31% this week does not represent the market's lowest level since late October 1960.

The Journal's yield index is also probably a good indication of the market's lower level since late October 1960.

MARKET ON REPRESENTATIVE SERIAL ISSUES

California (State)

New Jersey (State)

Pennsylvania (State)

Wessington (South Dakota)

New Haven (N.Y., N.Y.)

Los Angeles, Cal.

Baltimore, Md.

Cincinnati, Ohio

New Orleans, La.

Chicago, Ill.

New York City, N.Y.

March 29, 1961 Index 3.31%.

The California Toll Bridge Authority asked for bids on March 28, for $40,000,000 San Pedro-Terminal Island Bridge and toll roads bonds. A bid was tendered by the Blyth & Co., Inc., New York City, of a group of 100,002 and specifying a 4.90% coupon. A re-offering was made at 102.5%, subject to award. The Federal Home Loan Bank Board has announced the rejection of the bid on legal grounds. Since Blyth & Co., Inc., tendered the bond, the Authority, a conflict of interest would be involved, the issue will be re-advertised in the near future.

The market seems likely to proceed tantalizingly to all concerned that the market's demand for a balanced state, municipal and corporate bond market would absorb free balances in large proportion. The bidding for new issues will even it to the individual market. The composition of market trend. It's a day-to-day affair.

Larger Issues For Sale

In the following tabulations we list the bond issues of $1,000,000 or more for which specific sale dates have been set.

March 20 (Thursday)

Charleston, South Carolina, $4,000,000 1968-1989 10:00 a.m.

Port Commission, Ga., $2,000,000 1963-1983 10:30 a.m.

Macon, Georgia, $3,000,000 1962-1982 10:30 a.m.

Los Angeles Flood Control Dist., Calif., $1,000,000 1965-1982 11:00 a.m.

Torrance Unified Sch. Dist., Calif., $1,000,000 1963-1981 9:00 a.m.

April 3 (Monday)

Imperial Junior College Dist., Calif., $1,000,000 1968-1986 2:00 p.m.

April 4 (Tuesday)

Birmingham, Alabama, $1,000,000 1963-1990 9:00 a.m.

Los Angeles Flood Control Dist., Calif., $1,500,000 1963-1986 10:00 a.m.

April 5 (Wednesday)

Austin Indep. Sch. Dist., Texas, $1,000,000 1961-1985 9:00 a.m.

California, $1,000,000 1962-1986 10:00 a.m.

Creighton Independent Sch. Dist., Neb., $2,000,000 1962-1983 10:00 a.m.

Jefferson County, Kentucky, $1,715,000 1962-1973 1:30 p.m.

King County, Wash., $3,000,000 1962-1980 10:00 a.m.

New York City, $2,000,000 1961-1983 11:00 a.m.

Mayfield Public Sch. Dist. and H.S. Sch. Dist. Missouri, $1,000,000 1961-1983 8:00 p.m.

Mars Area Joint School Building Dist. Pa., $2,226,000 1962-1981 8:00 p.m.

Muncie, Ind., $1,500,000 1961-1980 10:00 a.m.

Utica, N.Y., $2,000,000 1961-1981 9:00 a.m.

April 6 (Thursday)

Dallas County Road Dist., No. 1, Tex., $2,000,000 1960-1981 10:00 a.m.

Daytona Beach, Fla., $2,200,000 1962-1981 10:00 a.m.

Dodge County, Wis., $1,100,000 1964-1980 10:00 a.m.

Englewood, Colo., $5,000,000 1963-1991 10:00 a.m.

West Milford Township School Dist., New Jersey, $1,500,000 1962-1983 8:00 p.m.

April 7 (Friday)

Huntington, West Virginia, $2,000,000 1961-1977 1:00 p.m.

April 8 (Wednesday)

Center Line, Michigan, $1,600,000 1962-1981 8:00 p.m.

Cleveland, Ohio, $14,520,000 1962-1981 11:00 a.m.

East Hartford, Connecticut, $5,250,000 1961-1981 10:00 a.m.

Erie, Penn., $2,150,000 1962-1981 8:00 p.m.

Lee County, Florida, $2,000,000 1962-1986 10:00 a.m.

Manasota Turnpike Authority, Florida, $1,200,000 1961-1981 8:00 p.m.

(Noted offering to be handled by F. S. Moulton & Co., The First Boston Corporation, Blyth & Co., Inc., and Tripp & Co., Inc.)

Newport, Virginia, $3,200,000 1962-1981 2:00 p.m.

New York, $5,000,000 1962-1990 10:00 a.m.

Shreveport, La., $5,400,000 1961-1981 10:00 a.m.

Ut. System Bldg. Authority, Ga., $5,000,000 1962-1986 Noon

April 12 (Wednesday)

Nashville, Tennessee, $1,600,000 1962-1980 8:00 p.m.

Springfield, Mo., $4,200,000 1962-1990 10:00 a.m.

Eau Claire, Wisconsin, $4,750,000 1962-1981 9:00 a.m.

Springfield, Massachusetts, $4,000,000 1962-1981 11:00 a.m.

Princess Anne County, Virginia, $3,000,000 1962-1982 10:00 a.m.

Savannah Co. of Chil.

(Vol. I), $1,050,000 1962-1986 1:00 p.m.

West Virginia (State of), $1,000,000 1962-1981 10:00 a.m.

April 13 (Thursday)

Cook County Forest Preserve Dist., Illinois, $2,000,000 1963-1973 10:30 a.m.

Marin Municipal Water Dist., Calif., $4,700,000 1963-1991 11:00 a.m.

April 17 (Monday)

Dallas, Texas, $5,000,000 1961-1991 1:45 p.m.

Chattanooga, Tenn., $1,750,000 1962-1977 7:30 p.m.

Logansport, Indiana, $3,400,000 1964-1981 1:00 p.m.

April 18 (Tuesday)

(Vol. I), $1,000,000 1962-1981 1:00 p.m.

(Vol. I), $1,000,000 1962-1981 1:00 p.m.

(Noted offering to be handled by a syndicate headed by Phelps, Fann & Co., Inc.)
Economic Outlook, Costs and Industrial Relations

By Jules Backman, Research Professor of Economics, New York University, New York City

Examination of the economy's major segments reveals neither areas of marked strength nor substantial weaknesses as the scaling economic level in the next few months. This year's latter half, however, is expected to evidence some upturn. Moreover, Dr. Backman's review of six developments, identified from earlier post-war years concludes that they may result in a secular basis for price stability only if they are included in the past 15 years. True, he adds, the competitive struggle and pressures on profit margins will be more intense than heretofore, but the trend of industrial production will be steady. To test the problem of high unemployment, Dr. Backman recommends tax reductions and tax reform, rather than massive new spending programs.

One can prove almost anything about the present state of the economy by the proper selection of economic pessimists or optimists. The rise in the Cleveland of almost 50% in steel production led to an unsettled situation in the steel industry, as inventories of production have accumulated. The failure of the present recovery, however, to correct the employment problem shown by the larger inventories of automobiles and the decline in production and car sales, is the result of a steep decline in production and car sales.

The optimistic - pessimist call attention to the moderate decline in personal income from a peak annual rate of $502.9 billion in the first quarter of 1948 to $409.7 billion in the first quarter of 1954, and this decline in gross national product from an annual rate of $503.5 billion in the first quarter of 1948 to $393.1 billion in the first quarter of 1954. The optimistic pessimist can report that total end product demand in the fourth quarter of 1954 was $393.1 billion in the third quarter of 1954.

John Backman

34170 Units

Jefferson Lake Asbestos Corporation

$2,625,000 61/2% Series A Subordinated Sinking Fund Debentures

Due December, 1972

With 43,750 Series A Warrants to Purchase 262,500

$1-Par Common Shares

175,000 $1-Par Common Shares

15,000 $1-Par Common Shares

The Debentures, Warrants and Common Shares are being offered only in Units; each Unit consists of: a $1,150 Series A Subordinated Sinking Fund Debenture due 1972, in the principal amount of $600, and a Series A Warrant initially to purchase 6 $1-par common shares at $5.50 per share, and 4 $1-par common shares.

Price $80.00 per Unit

Plus accrued interest on the Debentures from December 31, 1960

Copies of the Prospectus may be obtained in any State only from such of the several Underwriters, as may lawfully make such distribution in such State.

A. G. Edwards & Sons

Deeckter and Company

Grobbery, Marche & Co.

F. J. Connors & Sons

J. A. Silver & Co.

J. W. Boyte & Co.

L. I. Runyon & Co.

Underwood, Reuths & Co.

This advertisement is neither an offer to sell nor a solicitation of an offer to buy any of these securities. The offering is made only by the Prospectus.
DEALER-BROKER
INVESTMENT LITERATURE AND RECOMMENDATIONS

IT IS UNDERSTOOD THAT THE FIRMS MENTIONED WILL BE PLEASED TO SEND INTERESTED PARTIES THE FOLLOWING LITERATURE:

Air Conditioning Stocks—Analyses of the companies that manufacture and sell air conditioning equipment.

Bank Stocks—Quarterly reviews of the nation's major banks, including stock performance and financial data.

Canadian Business Guide—Including discussions of Canadian companies and industries.

Canadian Capital Expenditure Corp—Bank of Montreal's report on investment opportunities in Canada.

Canadian Petroleum Industry—Analysis of outlook for the Canadian petroleum industry.

Cyclical Stocks—Bulletin with a summary of the cyclical stocks' performance and outlook.

Japanese Market—Review of the Japanese securities market, including analysis of specific companies.


Japanese Stock Market—Survey of Japanese securities firms, including their operations and strategies.

Japanese Steel—Report on the steel industry, including production levels and market trends.

Liquid Gas Industry—Review of companies involved in the production and distribution of liquid gases.

Mountain Fuel Supply Corp.—Analyses of the company's financial statements and market position.

Oil Stocks—Review of companies involved in oil production and exploration.

Oil—A Complete Index—Finder and description of the listed oil companies in the stock market.

Porcupine Securities—Brochure, includes financial information and stock performance.

Rubber—Analysis of the rubber industry, including market trends and company performances.

Steel—Analysis of the steel industry, including market trends and company performances.

Trade Systems—Review of companies involved in trade and distribution.

United States Steel—Review of the company's financial position and performance.

United States Steel—Review of the company's financial position and performance.

Wall Street Journal—Latest news and analyses of the financial market.

Ziff, Bresler & Co.—Review of the company's financial position and performance.

For Banks, Brokers and Financial Institutions

CURRENTLY ACTIVE

Struthers Wells Corp.
Strategic Materials Corp.
Haloid Xerox Inc.
Traceler, Incorporated
Grolier, Inc.

Oil Recovery Corp.

Bought • Sold

Troster, Singer & Co.

74 Trinity Place, New York 6, N. Y.

The Commercial and Financial Chronicle... Thursday, March 30, 1961

Kentucky Bonds Being Offered To Investors

An underwriting syndicate formed by a group of the largest investment banking firms in New York, Blyth, Daily & Co. and Herff Jones Co., is handling the sale of $10,000,000 of 3% bonds of the Commonwealth of Kentucky, due July 1, 1992, in exclusive dealings with the banks and brokers.

The syndicate bid for the bonds at 101.31%, 2.66% and 3.7%, representing a net interest cost of 3.67% to the borrower.

On reoffering to the public, the bonds are scaled from a yield of 3.5% to $5,000 per bond for the 1961 through 1991 maturities.

Other members of the underwriting syndicate include: Morgan Guaranty Trust Co. of New York; The First Boston Corp.; J. P. Morgan & Co.; Harriman Ripley & Co.; Lehman Brothers; Gold, Forgan & Co.; Merrill Lynch, Pierce, Fenner & Smith; and Wells Fargo & Co.; Merrill Lynch, Pierce, Fenner & Smith; and Wells Fargo & Co.


A.G. Edwards & Sons Admits Partner

As of March 30, 1961, A. G. Edwards & Sons, the investment banking firm, is a member of the New York Stock Exchange, and a partner in A. G. Edwards & Sons, Inc., a securities business. Officers are Arnold Schlachter, President; Verus C. Hagen, Secretary-Treasurer.

Transcontinental America

CHICAGO, III.—Transcontinental America, the investment banking firm, is a partner in a securities business. Officers are Arnold Schlachter, President; Verus C. Hagen, Secretary-Treasurer.
Discusses Particular—

components impose

ment

requirements

change

investment

character—

and solid material circuits.

will extend his vertical integration

with consequent effects on many aspects of his operations. It suggests

reliability will be dramati-

value and marketability. It

the values that

will be

in the product and the

will speak opportunity for some and difficulty for others.

products has already undergone a vast change. The effect of this

industry product is a management—

affairs.

The big change that is forth-

coming in the next 10 or 20 years is a technological one. Inter-

contributed to solid functional aspects, but it has resulted from advanced research in thin film materials and solid materials.

refining a fundamental with which you must

ways be a real premium on proper selection of opportunities. I don’t mean just your selection of com-

panies, but also our selection of products. Electronics can do virtually anything. But there is a right and a wrong way, a right and a wrong time, and some of the things it can do will not prove to be worth the cost.

Yes, electronics is a growth industry. But its growth will be important factors of change—big change. Only because of basic change in our science both to serve twice as large a market in the future as we serve today. Only because of change in our science can we hope to produce our products to places where yesterday size or cost or reliability proved the serious consideration of an electronic product being an answer to the satisfaction of a need.

Some of these new applications will prove expensive to pioneer. Others may prove windfalls. The new applications and attractive growth in most current markets offers a handsome oppor-

portunity for many companies but only those companies that are scientifically and wisely selective of the kind and time of markets they choose.

Competitive Character of the

3. The third fundamental worthy of specific mention and careful study is that the electronics industry has almost always been, is today, and will remain, fiercely competitive. True, there have been short periods of high profit margins—such as 1940 for radios and 1950 for television. But a look at history shows that it didn’t last long for the strong forces of competition to exert themselves, and the years of growth will be of equal to any of the years of development.

Now if those fundamentals are correct, it has to mean to in-

vestors as you place values on electronics companies?

Factors Limiting Earnings

Firstly, the need for heavy re-

search and engineering expendi-

tures plus traditional competitive forces, will limit net earnings. Second, limited earnings plus

the need for much higher than traditional capital investment will both force continuation of large portions of earnings and higher debt-to-equity ratios than we have seen in the past.

Third, the value of diversifica-

tion will become greater.

The combination of these con-

siderations will simply make it tougher for the small company to prosper and grow.

Finally, the over-abiding great opportunity for those companies who does afford will permit attractive growth and in some cases spectacular—growth for those companies whose management artfully select the right product opportunities for pursuit, and can support their ef-

forts with adequate research and finances.

Incidentally, I firmly believe that the well-balanced investment in any firm is making in broad capital—

and materials research—

research which already shows quite promising results—along with our product diversification and relatively conservative fi-

nancial structure, will ex-

tremely well for Motorola’s future.

Now, a word about what I be-

lieve is your partnership re-

sponsibility.

The Rise in P/E Ratios

There are times when we in the industry wonder about the prices that are paid for the stocks. It is rare that you find a principal ex-

ecutive in the electronics industry who is not troubled by the recognition that the values investors see in these stocks are that which far in excess of 60 times earnings. We won’t wonder what the public expects of us—what investment bankers expect of us. Yes, even of those who will not accept our stock at a probable price/earnings ratios, we can’t help but admit the expression of confidence that our stock prices bespeak, have our manipulations.

It seems that the simple ex-

pectation of the investor is growth—in sales and earnings, and in many cases, rather spectacular growth at that. I would guess that if the investor’s desire to participate in a special

Bell & Beckwith

To Admit Secor

TOLEDO, Ohio — Bell & Beck-

with, 234 Erie St., members of the

York Stock Exchange, on April 8 will admit James J. Secor, Jr., to partnership.

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

NEW ISSUE

130,000 Shares

THE SHOUP VOTING MACHINE

CORPORATION

Common Stock

Published for FRASER
by raschoski.com
The Coming Silver Crisis

By THomas R. Drey, Jr.

Mr. Drey takes special exception to the mint silver prices which he says are basis for a shortage of silver in the Western countries and is expanding demand. Moreover, he predicts that the Treasury free silver stock, including Land-Lease silver, will be depleted by 1963 as long as the Treasury selling price for silver is below the London market price and above its buying price. Attacking our fixed mint ceiling on gold and silver, the writer uses the silver crisis in both metals and a resulting forced rise in price.

The United States Treasury, already beset by a serious gold problem, now faces a mounting silver crisis. There is every indication that the Treasury's grip on the international silver market is weakening.

On Dec. 21, 1960, Treasury free stock silver stood at 193.5 million ounces, down from 175.1 million ounces on the same date the previous year. This represents a decline of 51.5 million ounces or 29.4% of the entire stock in one year and compares with a decline of 13% in 1959. Actually during 1960, there were 67.1 million ounces of silver withdrawn from free stock inventories. Of this 45 million ounces were utilized for coined requirements and 21.5 million ounces were sold to domestic industry at 91c an ounce. The Treasury was able to partially offset this huge loss by the advent of 5 million ounces of previously returned Lend-Lease silver.

However, not since Mar. 6, 1959 has the Treasury, acting under the "Silver Purchase Act" of 1934, been successful in purchasing newly minted domestic silver at the authorized price of 90.5c an ounce. At the same time, the Treasury must utilize free stock inventory to meet additional coined requirements and is committed to make discretionary sales of free stock inventory to domestic industry at 91c an ounce, a price which is somewhat below the market. The basic problem here is that production of new silver coinage is a significant amount of silver. The currency decimalization of the activities of many coiners has created an increased demand on silver.

On February 14, 1961, the year-long, the United Bank of South Africa, West South Africa and the British Protectors of Swaziland, Bechuanaland, and Basutoland introduced decimal coinage. The changeover will take approximately 18 months, during which period the demand for coin silver will be increased. Earlier in 1960, the activities of many coiners were converted to decimal coinage and both the United Kingdom and Australia introduced similar moves. The revised coinage programs of France and Italy, initiated several years ago, will place a considerable strain on the world silver market as the United States has a large supply of silver.

Prospects for 1961

Production Decline

Despite this increased demand for silver and a production deficit which is now over 100 ounces now, shrinkage is a decrease in production is anticipated. The total of 203.5 million ounces of silver in 1960 was down from 270.7 million ounces in 1959 and 319.3 million ounces, resulting in a production deficit of 116.8 million ounces, the industrial use increased almost 5% to 226 million ounces and coinage consumption was up at 93 million ounces.

There are several factors which mitigate for a continued expansion in the demand for silver at a time when it is made adequate production trend. Coinage throughout the world continues to undergo a further changeover from silver to other metals. This has had the result that the supply of silver is more adequate per ounce of gold.

Silver as a precious metal has been the storehouse of this precious metal as a precious metal has been the storehouse of the entire free stock inventory. It is to be expected that the Treasury will continue to purchase 91c an ounce to industry, domestic producers would be encouraged when sold and displayed with the result that total production for future years will be up. This trend is somewhat alarming in view of the fact that the United States silver stock is 91% of the entire world silver stock annually in order to meet the demands from the major requirement.

Obviously as long as Treasury silver is available at 91c an ounce, investors, who are sold on the silver, will refuse to go elsewhere and the world's silver stock will be artificially depressed. The significant point to the present situation is that the Treasury's free stock inventory is declining rapidly and the Treasury can't rebuild its stock at the present authorized purchase price of 90.5c an ounce. The current price of silver is now at 91c an ounce and at this price the United States silver stock is the only major nation in the world which has undergone monetary restructuring since the end of World War II.

Every indication is that a silver crisis of the same general nature again. If such occurs the Treasury will be forced to embark upon the same course as it did when its silver stock was depleted. This action would stimulate production and encourage the domestic producers to produce silver. It could refuse to sell silver to domestic industry at the artificial fixed ceiling of 91c an ounce, but the price of silver would rise to reflect demand. The Treasury will have to enter the open market to purchase some 40 million ounces of silver which it needs annually for additional coined requirements.

Poses Three Alternatives

To forestall ultimate depletion of its free stock inventory and encourage an increase in production, the Treasury has three alternatives:

1. It can by administrative action increase the ceiling price of silver. This action would stimulate production and encourage the domestic producers to produce silver. It could refuse to sell silver to domestic industry at the artificial fixed ceiling of 91c an ounce, but the price of silver would rise to reflect demand. The Treasury will have to enter the open market to purchase some 40 million ounces of silver which it needs annually for additional coined requirements.

2. It can by administrative action on the 1.7 billion ounces of silver in "Silver Certificates" and placing them with an equal number of gold-backed Federal Reserve Notes. Silver thus obtained would be transferred to free stock inventory. Each such action would add an added strain on an already trying gold market, cause losses from the sale to domestic industry, and reduce the free stock silver inventory, which now is held in reserve at 1.20 an ounce.

3. The present Treasury policy seems to rely on the present situation on silver or by now hold in "Monetary Silver" stock by increasing the amount of silver in the exchange, which is now being held in reserve at 1.20 an ounce. This action would have a long-term effect of causing the Treasury to take over a large portion of the entire silver market. The Treasury intends to damper an emergency in production and exploration.

Claims We Have a Fehal

There has developed in the United States a certain fethal relative to increasing the price of silver. This question arises as to how long the United States can continue to mine the Treasury. While leading bankers in the United States have been advocating managed paper money. Many foreign nations have been busy strengthening their silver reserves with the object of attaining convertibility.

Americans are aware that the Treasury is depressing the world price of silver by selling its stock. This practice is somewhat similar to the Treasury selling gold on the London market to depress the price. The question arises whether the Treasury can continue to sell precious gold and silver and the World Bank may deny it to U.S. citizens. How long can the Treasury continue to sell free stock silver to industry at a discount and thereby divert silver from the markets to industrial use? It is only a question of time before we either serve are exhausted or a true monetary crisis occurs. It now appears that the latter is the making and in this connection it must be remembered that the United States is the only major nation in the world which has undergone monetary restructuring since the end of World War II.

Newberg to Admit Singer, Others

On April 10, Newberg & Co., 25 Broad St, New York City, informed the New York Stock Exchange that it could not now place the value placed on silver in "Money-

Barrel" or "Money-

Barrel" or "Money-

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sider, Others

Lind, Somers & Co. in Portland

PORTLAND, Oregon—Herman L. Lind and Howard B. Somers have formed Lind, Somers & Co., with offices in the U. S. National Bank Building, to engage in a securities business. Both were formerly partners in Camp & Co.
Real Estate Stocks for High, Tax Sheltered Income

By Dr. Ira U. Cohlbeff, Enterprise Economist

Outlining the attractive yields, the tax exemption and the excellent inflation hedge now provided by certain real estate company shrs.

With the market accent today on growth stocks, and millions of investors are looking for the old fashioned investor for income again. The fogvel assessment, which will be found out in the cold. Some years ago it was possible to purchase a list of seasoned stocks returning from 5% to 6% in cash dividends. Today, such a search is a most famous as American Tel. & Tel., General Foods, Consolidated Edison, U. S. Steel or Woolworth for less than that. During the 1930s bond investment by individuals was widely popular mainly because well rated industrial, public utility and real estate bonds could be bought to yield from 5% to 6%. Now equivalent interest yield, as well as 4¾%; and all of these returns are taxable.

What the income-minded investors have been looking for, therefore, is higher yields, partial or total tax exemption, along with these, a useful defense against inflation. Many informed investors think they've found the answer in selected real estate companies.

High Tax-Free Income

What is this magic that has created tax-free return to owners of certain real shares, and allowed them to maintain a stable income in their years while enjoying a generous, above-average, income? The magic is found in the unique accounting methods which apply to income of certain real property.

Real estate accounting is a form of tallying rental income and de¬ducting from this, cash-item pay¬ outs. The cash actually paid out includes taxes, insurance, operation and maintenance and on inter¬est and any other indebtedness. There's depreciation of course, but it's just a book-keeping item. It reduces and often eliminates income tax liability, but the money is not equally spent as it is in the purchase of fuel or payment of other taxes. So the depreciation reserve on a building is money that's on hand and is paid out when it is needed.

Many Companies to Choose From

In recent years, a number of real estate companies have been formed and their shares publicly offered. In this way thousands of investors have been attracted to real estate before, there will be a long-term willingness to hold a real estate security. The cumbersome details of the management of real estate are eliminated and unusually tax-sheltered incomes available.

The real estate company has been bought on in a big way and is becoming an increasingly important element in the investment market. There are several major companies to choose from, and a number of others in new ones will do no better, stimulated by a recent law offering special tax advantages to real estate investment trusts.

So, without a representative estate company stock yields around 5% (tax exempt).

The oldest organization in the business is probably Real Estate Investment Trust of America. It has been in continuous operation (and wasn't dividend), 75 years. More recent companies include the Kistler-Tennyson Corp., Futterman Corp. and Gluckman Corp. Be on the lookout for attractive values in this class, like these, will be designed to generate generous tax-sheltered income from diverse, and well maintained income producing properties.

Hornblower Weeks Denver Office

Ray L. Robinson Malcolm F. Roberts

DENVER, Colo.—Hornblower & Weeks, members of the New York Stock Exchange, have opened a branch office at 650 Seventeenth Street, under the management of Malcolm F. Roberts. Also associated with the new branch are Raymond L. Robinson, Paul W. Gorham, Charles W. Allen, Ches¬ser J. Lippitt and Wayne F. Morrison.

Mr. Roberts was formerly Vice-President of Garrett-Bromfield & Co., in charge of sales and syndicate department. Mr. Robinson was formerly head of the Garrett-Bromfield municipal department, and Mr. Gorham of the trading department. Mr. Allen, Mr. Lippitt and Mr. Morrison were also previously with Garrett-Bromfield & Co.

Lawrence Greenwald Opens

DALLAS, Tex.—Lawrence Greenwald is conducting a securities business from offices in the Na¬tional Bankers Life Building.

Texas IBA Group Convenes April 12

HOUSTON, Texas — The Texas Group of the Investment Bankers Association will hold its 26th Annual Convention at the Sham¬rock Hilton Hotel April 12-14. Registration is planned for April 12. On April 13 the Group will hold its business meeting and annual election of officers. Lloyd B. Herron, Jr., President of the Lincoln Liberty Life Insurance Company will be guest speaker at the special luncheon. Scheduled for the afternoon of April 13 will be a special dimunon on "A Centralized Computer Adaptable to Brokage Operation" conducted by Arthur Young & Company.

On April 14 there will be a golf tournament at the Champions Golf Club, and a tour of the Houston Ship Channel, followed by a formal dinner dance in the evening.

Members of the Convention Committee are:
General Chairman: John Jay Fosdick, Edelman, Pollak & For¬diek Inc.
Registration: Tom Ball, Jr., Brown, Wareing, Ball & Co.
Transportation: John Greer, McClell & Knickerbocker Inc. and Duane Geis, Rotan Mosle & Co.
Hospitability Room: Dave Arm¬spiger, Rowles, Winsor & Co., and Jack Currier, Currier & Co.


This advertisement is to sell or solicit a solicitation of an offer to buy these securities. The offering is made only by the Prospectus.

March 27, 1961

TERMODYNAMICS, INC.

315,089 Shares

Common Stock

(Face Value $50 per Share)

Price: $35.00 Per Share

Smith Kline & French Laboratories

Common Stock

Without Par Value

Price $57 Per Share

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

March 29, 1961

200,000 Shares

Smith, Barney & Co. & The First Boston Corporation

 Incorporated

NOT A NEW ISSUE

March 29, 1961

This advertisement constitutes neither an offer to sell nor a solicitation of an offer to buy these securities. The offering is made only by the Prospectus. The undersigned does not assume any liability in connection with the underwriting as may lawfully offer these securities in such State.
Monetary Policy Problems. In 1961 and the Future

By Tildred C. Gaines, Vice-President, First National Bank of Chicago, Chicago, Ill.

Chicago commercial banker formerly with the New York Federal Reserve Bank discusses the likely course of monetary policy, interest rate trend and commercial bank portfolio policy. Mr. Gaines avers it will be possible for the Federal Reserve to develop policies aimed at domestic problems without too much concern for their effect on our balance of payments; sees the Fed's policy easy for some months after economic recovery becomes apparent; expects interest rates will be higher by the end of the year but not as high as the end of 1959 with a rise in the market; and suspects, however, that long-term rates will rise only marginally unless mortgage credit and corporate growth rate more rapidly than new furnish. The banker also ventures his opinion as to what future open market policy may be like.

It is customary in the press and in discussions to distinguish only two general types of monetary policy, labeled "tight" and "easy." In actual fact, the monetary policies of the Federal Reserve System in recent years have taken many forms, both in the intensity with which "tightness" or "ease" was pursued and in the selection of the particular instruments of policy to be used. Monetary policy must always pursue several objectives at the same time—full employment, price stability, protection of the dollar in international markets, and so forth—and the particular shape that policy takes at any time reflects the relative weights that the monetary authorities have placed on these various objectives in the circumstances then existing.

During the past year the Federal Reserve System has faced a particularly difficult policy problem, since its two most important, immediate objectives were clearly, temporarily unreconcilable. On the one hand, business recession in our economy called for an easy availability of credit and the means as encouraging business revival. On the other hand, recession of interest rates might have been stimulating flights of short-term funds abroad, thus adding to our already serious balance of payments problem, potentially a point undermining international confidence in the dollar. The Federal Reserve System has done an excellent job in reconciling apparently irreconcilable. It has been imaginative in developing new techniques aimed at easing credit in our markets while preventing our short-term rates of interest from falling to a range that would endanger our balance of payments. But "drastic" policies that attempt to make the best of both situations are never wholly satisfactory. Although short-term rates have been prevented from falling far enough as they did in the 1958 recession, the outflow of short-term funds abroad depresses the money markets last year added importantly to our balance of payments deficit. While credit has been made relatively easy, there has not been the growth in bank credit and the money supply that has been expected. The cause of this failure to move ahead with required strong recovery of secondary money funds to move abroad will be reduced. Of course, it is possible that short-term rates of interest in London and the other major financial markets abroad might rise at a rate above the increase in this country, continuing the danger of short-term capital outflow.

We are in an age, however, that the monetary authorities must in principal western European countries will permit rising rates in this country to close the gap and perhaps stimulate some reverse flow of those funds that went abroad last year. In any case, it seems reasonably clear that Federal Reserve policy during the balance of this year will be able to concentrate on its principal responsibility for assisting domestic economic policy by the sight free of the spectre of international dollar crisis that has been one of its actions for most of the past year.

Balance of Payments Remedies

And the rate on long-term U.S. Government obligations, generally 4%, during the balance of this year. Short-term rates should be under $2. Even if commercial banks find it necessary to increase a portion of their funds into commercial loans to meet this more rapid rise in the bulk of its seasonal borrowing during the last half of this year, I believe that their demand for a three-month Treasury bill rates, for example, will be at a present 2½% rate, the percentage of the 3% discount rate by year-end, even if considerable that rates on three-month bills might move above 3% at the time of the usual seasonal pressure on the capital market in late August and September. In this event, the Federal Reserve pattern will be presented to raise the discount rate up to a level in line with the market.

In short, I expect interest rates will remain high all types of obligations to be higher by the end of the year, and they may be to the extent that I expected in the Federal Reserve System time, a huge discount was projected for fiscal 1959, whereas it is now expected that the fiscal 1960 deficit will be of quite manageable proportions. The economic policy promises to be only mildly expansive in the first year of recovery monetary policy may be more expansive than in the year 1958-1959. Finally, the growth in money supply and broad money liquidity during the current recovery has been much smaller than during the postwar recovery in the first half of 1958. The money supply may be at a reasonably satisfactory rate since its credit of last year, but it is only about equal to year-to-year levels and below the mark established in 1959. The reason to think that the Federal Reserve System should be willing — even anxious — to encourage a sharper growth in the money supply as a means to build up at the commercial banks during the short-term capital recovery.

For these reasons, I would expect the Federal Reserve System to move rather slowly and cautiously as easy money policy as recovery gets under way. Money will be made somewhat easier, but I consider it unlikely that we will see the development of a new policy, which could be called tight money during the balance of this year. The level of interest rates probably will be allowed to drop lower during the balance of the year. The discount rate may be increased by 1% or 1½% at most in all. I would expect a rather easy availability of commercial bank credit financed into 1962.

Expecting Interest Rate Rise

Although it seems likely that short-term rates will not consciously impose serious constraint on the availability of credit, the Federal Reserve is not reasonable to expect that interest rates will be steady or even lower. It is to have higher sometime during the next months. Without imposing too much powerful upward trend for the balance of the year. The increase in interest rates probably will be primarily from heavier demands for funds rather than from actions by the monetary authorities to limit the supply of credit. As interest rates move higher this spring or summer, it is to be expected that rates will rise much more appreciably than the Federal Reserve will the long-term rates.

In the end, the demands for mortgage credit and corporate credit will be more rapid, and the expectation of a new high rate of inflation will be revised upward. The Federal Reserve authorities have not yet committed themselves on this type of policy, but it seems highly possible that rates of interest will rise only modestly in the spring.
Cold Wars Developing Into a Dangerous Industry

By Roger W. Babson

Oministic investment advisers and investors are brought up sharply by the fact that the rear in the "Roaring Sixties" can come from enthusiasm or from panic. Mr. Babson suggests sticking to potential use for eventual use when it is in great demand. Foulard that the cold war is developing into a dangerous trend in the market. For the bullish market, the financial writer warns this is a dangerous limb upon which we are perilous. He predicts wage and price freeze measures will be employed to combat the present condition of the cold war on its swirling pace and upward price trend.

Unfortunately, the "cold war" is developing into a dangerous involvement. Many voters are directly or indirectly making money. I am ashamed to say that many people are learning to like this "cold war." Fair labor department is counting upon the "cold war" to continue for years which I expect to depend. In the Federal Reserve System there are concerned with the "cold war". The economy is being tipped into a long-term depression. The safest way is to render service to one. If you are suffers from the "cold war". Surely distressed property is flowing on the market today, regardless of the forecasts being issued. The safest way to make money is to render service to one. If you are suffers from the "cold war". Surely distressed property is flowing on the market today, regardless of the forecasts being issued.

The first group to "feel the pinch" are the country banks. When borrowers fail to pay their notes, then we know the turn downward is coming. The "Roaring Sixties" can roar from our sense— from panic, anyone who has lived on a ranch with cattle, hogs, and other livestock has seen his stock roar when frightened and look for a hole in the wall to get out through. We know the reason for the "roaring" peril as many are now being fooled.

Salomon Brothers
To Admit Homer

Sidney Homer has been admitted as of April 1 as a general partner to the firm of Salomon Brothers & Hutzler, 60 Wall Street, New York City, members of the New York Stock Exchange. It is announced he will be in charge of the analysis of money market and bond market trends and help in the relationship to institutional investment problems.

Since 1945, Mr. Homer has been manager of the institutional and bond department of the New York office of the investment counsel firm of Scudder, Stevens & Clark where he has assisted in the management of institutional portfolios. During World War II, he was with the Foreign Economic Administration in Washington. For two years prior to that Mr. Homer was President of Homer & Co., Inc., dealers in high-grade governmental bonds. At that time, he began to publish a series of studies on interest rates and bond market trends, the historical aspects of which will be published in a book to be published next year by the Rutgers University Press. He is now serving on the advisory committee to a new interest rate project undertaken by the National Bureau of Economic Research.

He began his financial career with the Equitable Trust Co. of New York and became manager of the bond department of the Hartford Life Insurance Co.
Manipulating Central Bank Rate for Political Purposes

By Paul Einzig

The Conservative Party is charged with the first flagrant instance of missing the Treasury's control over the Central Bank. Dr. Einzig plays the attempt to make the Bank the scapegoat for not remedying the balance of payments deficit, of the failure to implement the discount rate with consequent measures. What was not pointed out recently in support of this contention that in 1960 the high Bank rate in Britain would have arrested the rise in costs, and in the end the unalleviable, the economic imperatives of survival, and the monetary policy of the time was not an argument that is to pointless to raise the Bank rate in order to correct a disequilibrium.

Charges Incompetence

Nothing could be further from the truth. The reason why the high Bank rate in Britain last year was unimportant was because the deterioration of the balance of payments position during the year was not an aftereffect in the Bank's incompetence, but the increase in costs in the face of the avalanche of gold. Incompetence is the by-product of a disequilibrium. The concept is inapplicable to the Bank of England.

The argument that the influence over monetary affairs, and the explanation of the blunder is that in an effort to convey the outward impression of stability, the Conservative party concentrated on the genuine interest of the country.

It was because the high Bank rate attracted attention and not because it could serve in spite of the balance of payments position in the Bank's incompetence.

The rise in costs is the result of rising gold and the Bank rate was not the cause. It was the by-product of this disequilibrium. The Bank rate is not a device to correct a disequilibrium and the rise in costs and in imports. High Bank rate is almost entirely useless unless accompanied by a corresponding contraction of credit.

It is futile to raise the Bank rate to crisis level and keep it there most of the year. It has only been allowed to produce its effect on the volume of credit. This effect was prevented by the heavy influence of funds.

The reason for the influx of hot money was that, although the Bank rate was at a discount throughout the year, its discount was sufficient to offset the difference between interest rates in London and New York, and in the year, it was possible to transfer money from the New York to London with the exchange risk covered, because the operations at one point of profit of between one and two per cent per annum.

A persistent overvaluation of a forward exchange of such an extent that it produces its normal effect is abnormal and unnatural. Even in the absence of complete evidence it is permissible to wonder whether the British authorities in 1960 to cause an artificial over-valuation of foreign currency to attract "hot money" in order to convey an impression of strength. By doing so, not only the adverse balance of payments problem but the normal effect on the gold reserve.

Even this charge is unfounded because the Bank rate of the British authorities incurred grave responsibility for having failed to intervene in the opposite sense. By selling forward currency to domestic investors, they could have kept the forward rate at a level at which an inflow of funds through a sterling interest arbitrage would not have been profitable. Selling forward currency would have led to a depreciation of this device in the event of the Treasury, and the Bank of England before the Radcliffe Committee that the monetary authorities have been aware of existence. Nor could they plead that such intervention would have been costly. Provided that the forward rate was kept at a level, it would be only a figure representing the different conditions of the Bank rate between British and American Treasury Bill rates, they would be unable to prevent the effects of the high Bank rate from being nullified by the low American Treasury Bill rates.

Suspects Deliberate Policy

It may well be asked why there should be any hesitation to prevent the effects of the high Bank rate from being nullified by the low American Treasury Bill rates. It is impossible to escape the impression of an deliberate official policy to camouflage the weakness of the balance of payments and to produce a deliberately misleading impression of the nature of the gold reserve. There is no evidence of any such policy on the part of the Conservative Party. "We have never had it so good" was sought to be justified by such means, even though this policy frustrated the efforts of such payments.

When the Bank of England was nationalized in 1946 fears were entertained that it might be used as a factor in the withdrawal of sterling by the People's Socialist Party political line. Little we expect at the time that a Conservative Government would be responsible for the first flagrant instance of misuse of the Treasury's control over the Bank of England. The Bank of England was in private hands it would have been much more difficult to use. Although the sympathies of the merchant bankers who controlled its destinies before its nationalization were entirely on the side of the Treasury, the Bank's regulation of the gold reserve was in England in 1929, a few months before the imposition of the gold standard, to the detriment of the electoral prospects of the Conservative Government.

A nationalized Bank of England which should be used in accordance with the requirements of party political propaganda and not in conflict with the fundamental interests of the nation. The role of the authorities concerned is to ensure the encouragement of the "hot money" and merely of a factor in the exchange rate on the assumption of a forward currency offer.

It is a mistake to blame the Bank rate for the British economic position and to attribute to the Bank the blame for the failures of the Treasury and the financial authorities. The Bank rate is not the decisive factor in the exchange rate on the assumption of a forward currency offer.

The Bank rate is not so much a factor in the exchange rate as it is an instrument of policy to be used in the future to be used in the future, when the Bank is the more powerful, to be used in the future to be used in the future.

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The Bank rate is not so much a factor in the exchange rate as it is an instrument of policy to be used in the future to be used in the future, when the Bank is the more powerful, to be used in the future.
Effects of Slowed Growth in Commercial Banking in '60s

By Paul S. Nadler, Rutgers University, School of Business Administration, Newark, New Jersey

Slower commercial bank deposit growth, faster deposit velocity, sizable growth of open market paper to avoid bank borrowing, increased liquidity and marketability of municipals, and on-off balances of uncertain duration and lack of demand deposits due from Rutgers economists.

What banks do care about this change is that the net inflow of financial resources to the 1960s is only 1/4 of the level of 1960s. Principal reasons are: (1) a slowdown in demand growth, (2) a reduction in credit demand due to the slower growth of GNP, and (3) the tightening of credit by the Federal Reserve System. The problem is that in general, the growth of savings and time deposits will continue to exert the influence of demand deposits as the 1960s change into the 1970s. First, the Federal Reserve Bank of New York in its May 1960 report on the condition of the commercial banking system for the first quarter of 1960 noted that the rapid growth of deposits was likely to continue to influence the growth of the money supply in the future. Second, the Federal Reserve Bank of New York in its June 1960 report on the condition of the commercial banking system for the second quarter of 1960 noted that the rapid growth of deposits was likely to continue to influence the growth of the money supply in the future. Third, the Federal Reserve Bank of New York in its June 1960 report on the condition of the commercial banking system for the third quarter of 1960 noted that the rapid growth of deposits was likely to continue to influence the growth of the money supply in the future.

If the trends emerging in the late 1960s are not reversed by marked changes in economic conditions or tax and regulatory policy, the commercial banks will be unable to maintain their profit margin at the same level as in recent years. The commercial banks are in a Catch-22 situation: they cannot increase their profits by raising their interest rates because the demand for funds is so low, and they cannot lower their interest rates because the risk of default is too high. The result is that the commercial banks are likely to continue to lose money in the future. The implications for the economy are serious. The commercial banks are the lifeblood of the economy, and their failure to function properly would have serious consequences for the economy.

Dr. Paul S. Nadler

Assumptions

1. It seems fair to assume that the growth of deposits in the future will be slower than in recent years. This assumption is based on the expected slowdown in economic activity, the continued high level of unemployment, and the increased emphasis on price stability by the Federal Reserve System. The slowdown in economic activity is expected to reduce the demand for loans, which in turn will reduce the demand for deposits. The continued high level of unemployment is expected to reduce the demand for loans, which in turn will reduce the demand for deposits. The increased emphasis on price stability by the Federal Reserve System is expected to reduce the demand for loans, which in turn will reduce the demand for deposits.

2. It is further assumed that no major changes in the economic environment will occur in the future. This assumption is based on the belief that the economic environment is unlikely to change significantly in the future. The economic environment is expected to remain stable, with moderate inflation and low unemployment. The economic environment is expected to remain stable, with moderate inflation and low unemployment. The economic environment is expected to remain stable, with moderate inflation and low unemployment.

3. It is also assumed that no major changes will be made in the Federal Reserve Act, which will remain intact. This assumption is based on the belief that the Federal Reserve Act is unlikely to be changed in the future. The Federal Reserve Act is expected to remain intact, with moderate inflation and low unemployment. The Federal Reserve Act is expected to remain intact, with moderate inflation and low unemployment. The Federal Reserve Act is expected to remain intact, with moderate inflation and low unemployment.

4. It is further assumed that the banks will continue to grow at a slower rate than the growth of the economy. This assumption is based on the belief that the banks are unlikely to grow at a rate faster than the growth of the economy. The banks are likely to grow at a rate slower than the growth of the economy, with a slowdown in the growth of deposits and a reduction in the growth of loans. The slowdown in the growth of deposits and a reduction in the growth of loans is expected to reduce the growth of the banks.

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Implications for the Economy

One of the most important developments that should occur if the assumptions of this paper prove true is that the spread between zero and short-term interest rates and bank credit charges will continue to be wider than was the case in the 1960s. This might develop through higher direct or indirect demands and a greater variety of new market paper due the reduced growth of the money supply. If the trend has emerged, as bank charges have been far less sensitive on the demand side than open market rates due to the relative strength of loan demand in the face of a declining economy. With deposit growth expected to slow in the future, the banks should feel the pressure to locate night deposits strongly as the economy grows, and the money supply in the future.
The market and you
By Wallace Street

Stocks in general continued to consolidate Thursday, after the third week of the month, neither the industrials nor the rails inclined to give much ground in their respective bear-market drives around.

The technical indications were all favorable, including a rather sharp contraction in volume and in market fluctuations that indicated a certain price action took over. From a spokesmen's standpoint, the major tone of the turn-over-plus, the trading dropped to where it just held above for the balance of the day. The indices of issues that dotted the tape, which had been running above 1,000 per session, was down by half a hundred on conservative.

Balanced Gains and Losses

Despite the lack of upward momentum that has kept March from being a spectacular gains as such were posted in January and February, there was a fairly good balance between plus and minus signs on most days and new highs very few and far between. The import substitution wave that swept stock market investors are resting a considerable strength on the fact that it is still concentrating on the fiscal year, 1959, on a large number of 38 states, and Jewel branch managers throughout the country, are continuing to acquire a midwestern drug house to a completely new and different consumer orientation. And Jewel enables it to stand out as one of the most efficient of the recent spurt in institutional buying, as noted above, also has noted a particularly heavy buying in retail outlets, as a large number of the department and variety store chains recently have indicated an increased emphasis on general merchandise departments and a desire to offer a more comprehensive selection of products to their customers.

A Good Value in Tobacco Field

Another issue that has been on the market for a very long time is the share of a company that has been a very popular issue for some years. Its profits, and in the past few months, have been greater than expected.

The shares have a reprieve in earnings this year. But, as its followers out, this was not a healthy development, as the company has increased significantly since its inception.

The company has a strong balance sheet, and the directors have been paying out a significant portion of its earnings to its shareholders. This has led to a steady rise in its stock price over the past few years.

Food Retailers Favorable

Adams & Joseph, which has been a bit neglected of late, has been favored somewhat as a target for some time now. The supermarket group is in the process of completing some new stores, which are expected to open in the next few months. The stores will be located in high-traffic areas, and the company has already announced plans for an expansion program.

Adams & Joseph has a strong balance sheet, with a heavy cash position and a low debt-to-equity ratio. The company has also been aggressive in its acquisition strategy, and has made several key acquisitions in recent years.

The company's earnings per share are expected to grow significantly in the upcoming fiscal year. The stock is undervalued by most analysts, and is expected to have a strong upside potential in the short-term.
The strong tide of economic affairs that surged toward the North American continent for 10 years after the war has been ebbing for the past three or four. Many of the problems, distortions and successes in the Canadian economy that slid from view beneath the o r u s h i n g tide, now stand exposed like wrecks, jagged and dangerous looking. However, any marinier will tell you the dangerous wrecks are not those exposed by an ebb tide but those that lie uncharted just below the surface. The ebbing tide has been exposing some of our wrecks and while the sight of them is disconcerting it is reassuring to realize the wrecks were not dangerous for having been exposed — on the assumption we are prepared to do something about them.

The Ebbing Tide

Before examining some of our wrecks, I would like to review briefly why the tide is indeed ebbing. The end of the war, the North America was the only important market for surplus industrial capacity. The task of rebuilding the world economy fell upon the United States and Canada. Demand was so great and insistently pressing that the regulator of production, the Canadian Collateral Board, was reduced to a mere spectre. The Korean war focussed U. S. attention on the European market, which holds a primary place in the political and economic life of the North American continent. The United States, Canada, and France are concerned about the prospect of a war in Europe. The United States and Canada are concerned about the welfare of the Canadian people and the future of the North America.

Canada’s weaknesses exposed by the current ebbing of the economic tide prompts Mr. Popenik to analyze the reasons for the ebbing of the tide and the ways to restore the momentum of economic growth. The analyst doubts Canada’s new tax measure will slow the inflow of foreign capital. He wares against allowing nationalism to reassert itself for fear of assuring that Canada will not retreat into economic isolation. The writer points out a country faces another task of minimal growth in defying the real world. It is not enough to achieve a war and yet for the "less dramatic but more impersonal and flexible discipline of an active monetary and fiscal policy."

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FROM WASHINGTON

...Ahead of the News

BY CARLISLE BARGETON

The Administration is cautiously optimistic that the "almost certain" peace talks suggested by President Kennedy and the Soviet Ambassador to the United States will be renewed. Andrei Gromyko, will lead to a peaceful settlement of the situation in Laos. Mr. Kennedy, although it is not entirely clear how he can be achieved, is devolving hope that the international matter can be worked out peacefully.

In the event we decide to intervene with military forces, we face a major operation. The United States is at least relatively stronger. The major advantage of the United States is the tremendous reserves of manpower available at the well situated bases just across the border in North Viet Nam and Red China.

It is felt here that the Communists could top the United States and its SEATO allies in any military competition, even if the President accomplishes the build-up of conventional forces. But nuclear war is not considered a rational alternative.

There is the danger that the Communists will be able to frustrate whatever moves the United States makes to reverse their recent military gains. But the rapid growth in Europe coupled with the minimum of risk that can be read into the Soviet decision to hold out on the U. S. is a federal aid to provide an expanding market and to encourage some encouraging developments toward more democratic commercial relations. This is an area where American purchasing power can be made a very important force and it is very important for the United States to develop an economy that can be used for the benefit of the world.

The United States must be aware of this drive. There is an increasing awareness in the world, particularly in the United States, that the United States is making a move to a peaceful solution of the problem.

The United States has been charged with being the "anti-Soviet" power in the world. The United States is trying to make a peaceful settlement of the problem of the world. It is not a peaceful solution. The United States is trying to make a peaceful solution. The United States is trying to make a peaceful solution.

The United States is trying to make a peaceful solution. The United States is trying to make a peaceful solution. The United States is trying to make a peaceful solution.

The United States is trying to make a peaceful solution. The United States is trying to make a peaceful solution. The United States is trying to make a peaceful solution.
Canada’s Formidable Growth Prospects Clearly Undiminished

Continued from page 1

finally made it, is a great tribute to the basic reservoir of good will and good sense the Canadian and American people share in common. And now a second fabulous construction program, long dreamed about and calling for national statesmanship and economic vision, is now at the starting stage. The Governments of Canada and the United States have drafted a treaty (subject to approval by the Canadian Parliament and the U.S. Senate) to jointly harness and develop the power resources of the Columbia River basin. The project will, on completion, have a power output equal to about 10% of the Tennessee Valley Authority, and like TVA, will also make provision for flood, navigation and pollution control, and for irrigation. All power will be shared equally, and each country will pay for construction within its own borders.

The project, among other things, is estimated to save the U.S. nearly $300 million in flood control costs, and by bringing a huge store of cheap electric power to British Columbia should spark a major regional industrial development. The advent of water power in an earlier decade, had a dynamic effect on the economy of Quebec and Ontario.

Regional Development

The third major planning to brighten the horizon of Canada’s future is not one plan but hundreds of development projects designed to attract secondary industries, encourage local capital investment, and to stimulate manufacture in Canada of finished products derived from Canadian natural resources. To that end, for example, the Atlantic Provinces Economic Council is active in developing new business and expanding job opportunities in Nova Scotia, Prince Edward Island and New Brunswick. In Manitoba and Saskatchewan there have been organized Community Development Corporations (some, like Small Business Corporations in the U.S.). Under these, the province provides half the funds, if local people put up the other half. In this way dozens of small businesses have been successfully launched—hardware stores, paperboard factories, electronic plants, light manufacturing plants, and warehouses. Other provinces are considering similar encouragement to develop industry. All of which demonstrates that though the rate of growth in Canada slowed down last year, Canadians are constantly striving for self-sufficiency and progress, and are willing to do something constructive about it.

Canada’s Outstanding Production

Canada’s importance as a mineral storehouse continues to increase with each passing year. Two-thirds of its primary copper and 80% of its primary nickel, lead, aluminum and zinc are exported and, totally, metals account for about 40% of all exports or roughly $2 billion annually. While Canadian uranium production scored fantastic advances between 1955 and 1959, the cutback in American buying contracts has stalemated the future of this industry, unless and until new areas of uranium demand are found.

The fastest gaining metal is now iron ore. Already Canada supplies 10% of the iron ore consumed in the U.S. annually, and a billion dollar construction and ore development program financed by major American steel companies, points to greatly expanded future iron production.

Canada remains the major gold producer on the American continent and impatiently hopes for the day when the official price of gold may be advanced to $80 or $70 an ounce. (There was nothing in Kennedy’s economic address, however, to nurture this hope.)

Despite 15 years of rapid industrialization, and the injection of $11 billion of American capital during that period, agriculture is still Canada’s number one industry with farm income reaching $3 billion in a good year (accompanied by favorable prices). Canada, like the United States, has farm price problems, particularly when Uncle Sam is giving away surplus wheat in certain areas. Canadian farmers are justifiably bitter about this; they can’t see why their fine production should be financially penalized just because the United States foolishly raises so much grain that warehouses have to be built, and laid up ships laden with it until it rots.

Fabulous Timber Lands

Perhaps Canada’s richest resource, in comparison with the rest of the world, is its millions of acres of timber lands. While timber is getting scarce in most of the other nations of the free world, Canada’s supply is virtually limitless.

Canada is today the largest exporter of pulp and paper in the world, and supplies a fantastic 47% of this planet’s newsprint. Price and profitability of timber, pulp and newsprint companies should, in 1961, show moderate improvement over last year.

The security markets in Canada rather faithfully reflected in 1960 the general slow down. Oils couldn’t get started, and the natural gas were a little unbuoyant in responding to all the good news about new pipelines and exports. Gold shares, however, had a field day in October and have since attracted a broader and steadier following than in some years. For this year, iron and steel stocks, utilities, paper, brewery, timber, chemicals and finance companies seem to have attractive conjectures, although the oils might come to life anytime. The Toronto Exchange still leads the world in the number of shares traded annually.

In conclusion we ought to say a word on the subject of international friction. Despite some perception that American money has too dominating an influence on the Canadian economy, a situation which will no doubt be remedied in part as time goes on) our essential relationship as good neighbors should not be lost sight of. In 1900, Canada did half its foreign trade with England. Today English trade is down to 10% and a whacking 84% of total Canadian trade is with the United States. We’re each other’s best customer, and we should remain good neighbors, and strive to get those things that tend to make us otherwise. Increased Canadian taxation on foreign investment may be a good revenue producer; but it might tend to dry up the flow of funds which Canadian growth requires.

One of the things that surely promotes good feelings is the favorable investment climate—political stability, a sound currency and sound banking system. Canada has historically offered to foreign security buyers. The long and attractive list which follows, of companies paying generous dividends, may encourage those to invest for from five to 20 years, be the best possible evidence of the long-term profitability and desirability of Canadian equities. The economy of Canada appears, in 1961, to be resuming its buoyancy and the widely diversified and seasoned securities shown in the accompanying tabulations should benefit accordingly.

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DIRECT PRIVATE WIRES TO TORONTO, MONTREAL, OTTAWA, WINNIPEG, CALGARY, VANCOUVER, VICTORIA AND HALIFAX BELL SYSTEM TELTYPE NY 1-702-3

DOMINION SECURITIES CORPORATION

Boston
London, Eng.
Ottawa
Calgary
Halifax

Associate Member American Stock Exchange

45 EXCHANGE PLACE, NEW YORK 5
4360-4362, 4366

Canadian Affiliates - Member Montreal, Toronto, and Canadian Stock Exchanges

TORONTO MONTREAL VANCOUVER EDMONTON CALGARY VICTORIA
TABLE 1

CANADIAN
(Listed and Unlisted)
Common Stocks
On Which
CONSECUTIVE CASH
DIVIDENDS
Have Been Paid From
10 to 132 Years

<table>
<thead>
<tr>
<th>Cash Div., Included in Share Price</th>
<th>Expiry Date</th>
<th>Quot. on New York Exchange</th>
<th>Approx. % Yield</th>
<th>Approx. % Paid as Dividend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abitibi Power &amp; Paper Co., Ltd.</td>
<td>Dec. 30, 1960</td>
<td>3.70</td>
<td>40%</td>
<td>4.2</td>
</tr>
<tr>
<td>Acadian Atlantic Sugar</td>
<td>Nov. 20, 1960</td>
<td>10</td>
<td>6.00</td>
<td>14%</td>
</tr>
<tr>
<td>Refineries Ltd.</td>
<td>Nov. 20, 1960</td>
<td>27</td>
<td>0.70</td>
<td>19½</td>
</tr>
<tr>
<td>Agnew-Surpass Shoe Stores, Ltd.</td>
<td>Dec. 30, 1960</td>
<td>22</td>
<td>0.70</td>
<td>31½</td>
</tr>
<tr>
<td>Aluminium Ltd.</td>
<td>Dec. 30, 1960</td>
<td>22</td>
<td>0.70</td>
<td>31½</td>
</tr>
</tbody>
</table>

* Quotations represent Dec. 30, 1960 sale prices or the last sale price prior to that date. Bid and ask quotations are as of Dec. 30, 1960.

Continued on page 20

Canadian Investment Securities

A. E. Ames & Co.
Limited
UNDERWRITERS AND DISTRIBUTORS

A. E. Ames & Co.
Members Toronto and Montreal Stock Exchanges
Affiliated offices in fifteen cities in Canada, England and France

A. E. Ames & Co.
Incorporated
New York Boston
BUSINESS ESTABLISHED 1889

LAIDLAW & CO.
Established 1842
Members New York Stock Exchange and other leading Exchanges
25 Broad Street, New York 4, N. Y.

Canadian Branches

Dominion Bank Building | Royal Bank Building
TORONTO | MONTREAL

Connected by private wires with our Main Office

COMPLETE FACILITIES
for investing in Canada

DOMINICK & DOMINICK
Established 1870
MEMBERS NEW YORK, AMERICAN & CANADIAN COMMODITY EXCHANGES
BANCOURT 7-4600
14 WALL STREET NEW YORK
Canada's Formidable Growth Prospects Clearly Undiminished

Continued from page 19

CANADIAN GROWTH PROSPECTS

The Commercial and Financial Chronicle... Thursday, March 30, 1961

D. V. J.

STEEP ROCK IRON MINES LIMITED

Mines, Plants, and Head Office—Steep Rock Lake, Ontario, Canada

NOTES BY A SHAREHOLDER ON THE SHAREHOLDERS' EQUITY.

“Our Company has shipped 24,075,000 tons of high grade iron ore since commencement of production in 1945 and the $60,145,000 in net profits from the sale of ore has all been reinvested in the property and used to finance our Company's development program.”

“This conservative policy of financing eliminated the necessity of large progressive borrowings and enabled us to achieve ambitious expansion programs without dilution of the Shareholders' equity.”

“Our equity has been further strengthened with the retirement by the end of last year of 30 per cent of the bonded indebtedness and the self-liquidating nature of the royalty loan which is being repaid from a portion of the revenues received from ore mined on a property leased to others.”

“Our Company is in an advantageous position to share fully in the expanding market for iron ore forecast by leading American economic experts. A continuation of reduced capital expenditures with increased production and earnings would logically be followed by dividend payments.”

D. V. J.

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D. V. J.
Canada's Formidable Growth Prospects Clearly Undiminished

Over Half a Century of Investment Experience
With over 50 years of experience in Canadian investments, our organization is well prepared to serve investors interested in Canadian securities. Our services are readily available to investing institutions, banks and dealers.

Direct private wire connections with affiliated offices in fourteen principal Canadian cities provide fast and accurate services in Canadian securities, and enable us to execute orders promptly on all Canadian stock exchanges, or at net prices in United States funds if desired.

Wood, Gundy & Co., Inc.
40 Wall Street, New York 5, N. Y.
Telephone Digby 44633

Wood, Gundy & Company
Members of The Toronto Stock Exchange - Montreal Stock Exchange
Canadian Stock Exchange
Wood, Gundy & Company Limited
Head Office—35 King St., West, Toronto 1, Canada
Branches in the principal cities of Canada and in London, England

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40 Wall Street, New York 5, N. Y.
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Canada's Formidable Growth Prospects Clearly Undiminished

Continued from page 21

Minnesota and Ontario Paper Co.

Mitchell (J. R.) Co., Ltd.

Modern Containers Ltd. "A"..

Montreal Coffee Co., Ltd.

Montreal Refrigerating & Storage Ltd. "B".

Montreal Trust Co.

Moore Corp. Ltd.

National Distilling Corporation, Ltd.

National Rosaries Mills Ltd.

National Rooney Mills Ltd.

National Rooney Mills Ltd. "B".

National Rooney Mills Ltd. "C".

National Trust Co., Ltd.

New Brunswick Telephone Co.

Newfoundland Light & Power Co. Ltd.

Niagara Wire Weaving Co., Ltd.

Norman Mills Co.

Normetal Mining Corp., Ltd.

Northern Telephone Co. Ltd.

Northern Wire Co., Ltd.

Ontario Electric Power Co., Ltd.

Ontario Steel Products Co., Ltd.

Pacific Atlantic Canadian Investment Co., Ltd.

Pacific Coast Terminals Co. Ltd.

Page-Hersay Tubes, Ltd.

Pates Consolidated Dredging Ltd.

Premiers Ltd.

People's Credit Jewellers Ltd.

Price Brothers & Co., Ltd.

Presser, Inc.

Quebec Telephone

Quillent Mining Corporation Ltd.

Quinte Milk Producers' Association

Radio Station LB, Ltd.

Radio Station WABC, Ltd.

Radio Station WACB, Ltd.

Radio Station WACE, Ltd.

Radio Station WACD, Ltd.

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Radio Station WAXH, Ltd.

Radio Station WAXI, Ltd.
Canada's Formidable Growth Prospects Clearly Undiminished

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Canada's (N.) Co., Ltd. 23 1.45 26½ 5.4
Slate (H.) Co., Ltd. 16 1.20 36 3.3
Pine (S.) Co., Ltd. 25 0.80 21½ 3.8
Surround Paint (S.) Co., Ltd. 38 2.50 56 4.5
Northern Paint (S.) Co., Ltd. 13 0.80 14 3.7
Royal Bank of Canada 20 0.65 17½ 3.7
Stafford Ltd. 23 0.80 10½ 7.6
Manufacturers and traders in paper and related products.

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Listed Companies Which Have Paid Consecutive Dividends From 5 to 10 Years Appear in the Second Table Starting on page 24

---

United Canada Mines Ltd. 20 0.85 a2½ 4.6
Ontario gold producer.
Ventures Ltd. 21 0.63 1.24 2.4
Northern, provincial, territorial, and municipalities exploration and development. Explores gold, silver, nickel, and copper.
Vulco Ltd. new 14 0.775 6.0
Blends and commune.
Victoria & Grey Trust Co. Ltd. 10 1.40 38 3.7
Athabasca copper claims.
Walker Amulet Mines, Ltd. 21 0.80 6.0
Quebec copper-nickel province.
Walker (Hiram) -Goodeham 
& Works, Ltd. 15 1.75 38½ 4.6
Holding company for mining companies in the region.
Westes Products Ltd. 20 0.70 9½ 7.1
An investment trust.
Western Canada Breweries, Ltd. 24 1.30 32½ 3.7
Derives from western provinces.
Western Plywood Co. Ltd. 13 0.65 10½ 5.6
Manufacturers and traders in paper and plywood. Plant in Vancouver.

---

Scotia Bank helps you steer through tax problems

If you are a businessman with interests in Canada, you will face the same kind of taxation problems as you do in the U.S.A. Knowing the facts on taxes that affect your interests will do much to help you make profitable decisions. The information you need is clearly defined in a free booklet offered to you by The Bank of Nova Scotia. It's called 'The Canadian Business Guide' - the new revised edition of the memorandum on Income Taxes. Just fill in and mail the coupon to receive your free copy of this helpful ScotiaBank booklet.

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The Bank of Nova Scotia, Toronto Branch, 37 Wall Street, N.Y.
Goodwill.
Please send me a free copy of your newly-revised booklet
- 'The Canadian Business Guide'.

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Position:

Check here to put your name on our free mailing list for ScotiaBank's Monthly Review, which reports each month on a current topic affecting Canadian business.

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Continued on page 24
Canada’s Formidable Growth Prospects: Clearly Undiminished

Continued from page 23

TABLE II

| CANADIAN | (Listed and Unlisted) Common Stocks
| Common Stocks on Which CONSECUTIVE CASH DIVIDENDS Have Been Paid From
| 5 to 10 Years |
|——|——|——|——|——|
| American Nepheline Ltd. | 8 | 0.02 | 0.362 | 5.5 |
| Anglo Canadian Oils Ltd. | 6 | 0.75 | | |
| Apco Scandinavian Investment Corp. of Canada | 5 | 0.25 | 6% | 3.7 |
| Bullbeech Ltd. | 5 | 0.35 | b.28 | 5.2 |
| Canadian Ice Machine Co. Ltd. | 9 | 0.10 | 1.4 | |
| Canadian Ice Holdings Ltd. | 6 | 1.00 | b.10 | 5.4 |
| Carter, James B. Ltd. | 6 | 2.00 | 47% | 4.2 |
| Combined Enterprises Ltd. | 8 | 0.60 | 9 | 6.7 |
| Consolidated Bakers of Canada Ltd. | 8 | 0.50 | 7.5 | 7.7 |
| Consolidated Development | 7 | 0.24 | 3.70 | 6.5 |
| Craig Bit Co. Ltd. | 6 | 0.08 | b.85 | 4.3 |
| Dickenson Mines Ltd. | 7 | 0.17 | 3.45 | 4.6 |
| Dominion Electric Co. Ltd. | 7 | 0.80 | 5/4 | 3.6 |
| Dominion Scottish Investments Ltd. | 9 | 1.10 | 3.1 | 3.5 |
| Dunlop of Canada Ltd. | 7 | 0.50 | 29% | 2.5 |
| Edmundson Electrical Co. Ltd. | 6 | 0.16 | 3.65 | 4.4 |
| Hi-Tower Drilling Co. Ltd. | 5 | 0.80 | b.95 | 4.2 |
| Himalaya Mines Ltd. | 6 | 0.30 | 11 | 2.7 |
| Hughes-Owens Co. Ltd. | 7 | 0.30 | 11 | 2.7 |
| Interprovincial Pipe Line Co. | 8 | 2.00 | 60 | 6/4 |
| Jamaica Public Service Ltd. | 6 | 0.97 | 38% | 1/2 |
| Jockey Club Ltd. | 9 | 0.10 | 2.65 | 3.8 |
| Manitoba & Saskatchewan Coal Co. Ltd. | 6 | 0.40 | 6/4 | 6/4 |
| Manitoba Mines Ltd. | | | | |
| Northern Quebec Power Co. Ltd. | 5 | 1.00 | 26 | 6/2 |
| Northland Utilities Ltd. | 9 | 0.60 | 18/4 | 3/2 |
| Northwest Industries Ltd. | 8 | 0.25 | 37% | 5.7 |
| Ocean Fisheries Ltd. | 5 | 0.23 | b.38 | 3.2 |

L. Silverman Opens
SOUTH OZONE PARK, N. Y.—Leonard Silverman is engaging in a securities business at offices at 109-120th Street.

Howard Wise Opens
(Special to the Financial Chronicle)
MINNEAPOLIS, Minn.—Howard Wise is conducting a securities business from offices at 1020 Vincent Avenue, North.

Form J. P. Penn Co.
(Special to the Financial Chronicle)
MINNEAPOLIS, Minn.—J. P. Penn Co. & Company, Incorporated is conducting a securities business from offices at 214 South Seventeenth Street.

Forms Westchester Secs.
WHITE PLAINS, N. Y.—Walter W. Aker is engaging in a securities business from offices at 22 Lowermane Avenue under the firm name of Westchester Securities Company.

BELL, GOULIN & COMPANY, INCORPORATED

74 Trinity Place NEW YORK

CANADIAN INVESTMENT SECURITIES

AFFILIATES

BELL, GOULIN & COMPANY, LIMITED Members Montreal Stock Exchange

44 King Street West

Toronto

BELL, GOULIN & COMPANY

Established 1922

44 King Street West

Montreal

BELL, GOULIN & COMPANY

LIMITED

Members Montreal Stock Exchange
Canadian Capital Investment May Exceed 1960 Level

Canadian capital investment for 1961, officially forecast to run roughly 25% above 1960, may rise above the expected level by the end of the year, according to the Bank of Montreal in its Review for March, just issued.

This upward revision in capital expenditure is now officially forecast at $8,356,000,000, or $126,000,000 more than in 1960, as against the present level of $8,230,000,000, in view of the projected slowdown in business which began last year. The level can be considered a "source of some encouragement."

"In a year in which uncertainty regarding the business/outlook has persisted throughout the first three months, publication of the official survey capital expenditure plans for the year as a whole is of more than usual interest, for it brings into the picture an indication of prospective demands on a large and important sector of the economy," the bank's review pointed out.

The forecast represents the total planned expenditures of some 18,000 businesses, divided between business enterprises as institutions and government bodies.

"The principal emphasis in this year's overall program will not be on the money needed for equipment but on new construction where expenditures, because of the increases expected in construction of new homes, institutions, business enterprises, and plants, will probably rise by nearly 4% and account for the whole of the gain in total outlays," the bank continues.

"The implications for the economy of the proposed capital investment program cannot, of course, be precisely measured," the bank says, adding that greater emphasis on building can be expected to generate some additional employment in the construction industry.

"In broader terms, the program now envisaged, while not indicating any dynamic expansion in 1961, can be expected to provide a mild stimulus to the economy."

Furthermore, the forecast was made at the beginning of the year when the prevailing mood was one of cautious optimism, the bank says, on the basis of what business men then felt was economic prospects. Thus, if signs of a turning point are observed in the months ahead, expenditures can be expected to increase, the bank believes.

"Moreover, there are a number of large projects in the planning stages which may become more definite in the months ahead. It is perhaps not altogether unlikely, therefore, that, by the end of 1961, capital investment will be running at a higher rate and exerting a stronger upward push on the economy than the forecast at the present indicates," the Bank of Montreal review concludes.

First Michigan Branch

BIRMINGHAM, Mich.—First of Michigan Corporation has opened a branch office in the Wabek Building under the management of Alexander J. Riker.

Johnson, Lane Branch

CORAL GABLES, Fla.—Johnson, Lane & Company Inc. has opened a branch office at 2423 LeJeune Road under the direction of Philip F. Lieberbaum.

Lieberbaum to Admit

On April 1 Lieberbaum & Co., 50 Broadway, New York City, members of the New York Stock Exchange, will admit Allen Fial, Michael C. Lieberbaum and Fred Sanit to partnership.

Research Inv. Names

ENGLEWOOD, N. J.—Research Investing Corp., 163 Engle Street, has named John W. Rollins to the board of directors. Mr. Rollins is president of Rollins Leasing Corporation, one of the Board of Rollins Broadcasting, Inc., and owner of Rollins Motors.

Paternack Admits

Paternack & Co., 92 Liberty St. New York City, members of the American Stock Exchange, have admitted Joseph N. Palma to partnership.

Ross, Borton Branch

YOUNGSTOWN, Ohio — Borton and Co., Inc. has opened a branch office in the Central Tower Building under the direction of James P. Hart.

O. R. Sheppard Opens

WASHINGTON, D. C.—Oscar R. Sheppard, Jr., is engaging in a securities business from offices at 3425 Highwood Drive, S. E. under the firm name of O. R. Sheppard & Co.

Van Alstyne, Noble Branch

HARTFORD, Conn.—Van Alstyne & Co., Inc., has opened a branch office at 80 Lewis Street under the direction of Wayne J. Tirkot.

Associated with him as registered representatives are David E. Christopher, Stephen P. Dunn, William R. Leonard, and Bruce L. Rakoff.

New Hutton Branch

WASHINGTON, D. C. — W. E. Hutton & Co., members of the New York Stock Exchange and other leading exchanges, announced the opening of a branch office at 444 Transportation Building, 17th and H Streets, NW, under the management of Clarence R. Saccardi.

Jensen Indust.

Capital Stk. Off'd

Public offering of 75,000 shares of Jensen industries capital stock at $4 a share was made jointly on March 29 by Malin, Green, Wey & Co., and Thomas Ray, Winston & Co., Inc.

Net proceeds from the sale of the capital shares will be used to move the company's plant and equipment to the new quarters; to purchase and install new equipment; to make certain leasehold improvements; and to research and develop new products. Balance of proceeds will be added to the company's working capital.

-End-

Channing Corp. Names

Channing Corporation, 339 Broadway, Street, New York City, has appointed Mrs. Gloria Winler sales assistant and manager of the financial division.

B. C. Ziegler Branch

MEMPHIS, Tenn.—B. C. Ziegler & Co., Inc., has appointed a branch office in the Dameron Building under the management of B. B. Bowen.

Sound Value In Canada

Since 1945 U. S. business and individuals have increased their investment in Canada by over $10.8 billion to a total of $15.8 billion. Over $5.6 billion of the total represents holdings of Canadian bonds and securities and the balance is in direct investments in plant and equipment.

We offer an extensive investment service in all Canadian securities including latest quotations and prompt execution of orders in American funds. Our Canadian affiliate maintains offices in leading Canadian cities and a coast-to-coast wire service.

W.C. Pittfield & Co., Inc.

17 offices across Canada and a direct private wire system covering all Canadian Markets.
The Funds Report

Centennial Management & Research, Inc., has been invited to exhibit its non-taxable exchange fund for larger, "locked-in" investors, an innovation which is sponsored by a public offering of Centennial's new.

The company has invited all investors to exchange its offerings for the shares of Centennial Fund Inc. and Centennial Fund Inc. has been notified of the interest of Centennial Management & Research, Inc.

Trustees of Class F Fund of Boston have authorized a 3-for-1 split of the shares of the stockholders of record April 7.

Total net assets of Financial Industrial Fund Inc. passed the $1 billion mark, Total net assets of the company, which were $20,683,413 on March 31, 1961, were $21,083,824 on April 1, 1961.

The company also reported that during the latest quarter it was "especially active in the cosmetic industry, where it established a new position in four different companies." In addition, the cosmetic field include shares of Fink, Max Factor and Shulton.

Mr. S. M. Wiesenberger, a former director of the company, has joined the board of directors of the company. Mr. Wiesenberger has been associated with the company since 1952.

During the two-and-a-half months from year-end to March 31, 1961, the group has been increasing its holdings of shares of companies such as General Electric, General Motors, Chrysler, Ford, and General Electric, and has been buying shares of companies such as American Telephone & Telegraph, International Telephone & Telegraph, and Western & Southern Electric.

The company reported that the trend of the market was "upset" during the period and that the company "lost some ground" during the period. The company noted that it had "lost some ground" during the period and that the company "lost some ground" during the period.

Mr. S. M. Wiesenberger, a former director of the company, has joined the board of directors of the company. Mr. Wiesenberger has been associated with the company since 1952.

The company reported that the trend of the market was "upset" during the period and that the company "lost some ground" during the period. The company noted that it had "lost some ground" during the period and that the company "lost some ground" during the period.

Mr. S. M. Wiesenberger, a former director of the company, has joined the board of directors of the company. Mr. Wiesenberger has been associated with the company since 1952.
Bank of N. Y.
Names Waugh

Samuel C. Waugh, former head of the Export-Import Bank of Washington, has been appointed President and Trustee of the Bank of New York.

Hubert R. O'Neil

Hubert R. O'Neil has become associated with Fairman & Co., 210 West Seventy-Second Street, members of the Pacific Coast Stock Exchange.

Smith, Kline Stock Offered

Smith, Barney & Co. &. The First Boston Corporation are joint managers of the group that offered publicly on Mar. 28, 200,000 shares of Smith Kline & French Laboratories common stock at $32.

from the reaches of space

to the depths of the sea

we use all of the arts of communication to serve you better

Our job is providing communications of all kinds, wherever needed—whether in the northern snows to flash word of possible enemy missile attack, or in business, or in your home.

If we can't fill your needs off the shelf, then we'll start fresh and create the answer to your problem. We've done that hundreds of times.

We began transatlantic radio telephone service in 1927.

We developed the world's first underwater telephone cables to speed large numbers of calls between continents.

And so it goes—Long Distance service, Direct Distance Dialing, the Transistor, the Solar Battery—a succession of firsts in science and communication which goes back to the invention of the telephone itself.

Universal communications—the finest, most dependable anywhere—are what we deliver. Inside, for home or office or plant. Outside, on land, or under the sea, or through the air, or into space.

We invite inquiries.

BELL TELEPHONE SYSTEM
Interest Exempt from Federal Income Taxes under Existing Statutes and Decisions

Exempt, in the opinion of counsel, from State, County and Municipal Taxation in the Commonwealth of Kentucky

New Issue

$100,000,000

Commonwealth of Kentucky

3 3/4%, 3 1/2%, 3.60% and 3.70% Voted Veterans Bonus Bonds

Dated July 1, 1960. Due July 1, as shown below. Principal and semi-annual interest (January 1 and July 1) first coupon for six months' period beginning January 1, 1961) payable at the principal office of Liberty National Bank and Trust Company of Louisville, Louisville, Ky., at Chemical Bank New York Trust Company, New York, N. Y., or at The Northern Trust Company, Chicago, Ill. Coupon Bonds in denomination of $1,000, registrable as to principal only, convertible into fully registered Bonds and interchangeable.

These Bonds are to be issued pursuant to resolution adopted by the State Property and Buildings Commission of Kentucky on March 16, 1961, for the purpose of paying a bonus to veterans of the Spanish American War, World War I, World War II, and the Korean Conflict as approved by a majority vote held in the Commonwealth of Kentucky on November 3, 1959 and are to be payable from a first and paramount lien on the proceeds of a general retail sales tax and the full faith and honor of the Commonwealth of Kentucky are irrevocably pledged that until payment in full of all Bonds there will be continuously levied and collected by the Commonwealth a general retail sales tax therein, in sufficient rates or amounts, and for a sufficient length of time to provide for the payment of the interest on and principal of said Bonds promptly as they become due. Additional Bonds secured in the same manner and payable from the same source may be issued to the amount necessary for the authorized purpose.

<table>
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<tr>
<th>Amount</th>
<th>Due</th>
<th>Rate</th>
<th>Rate to Yield</th>
<th>Amount</th>
<th>Due</th>
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<td>$2,045,000</td>
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<td>1966</td>
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<td>1977</td>
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<td>11,010,000</td>
<td>1978-80</td>
<td>3 1/2%</td>
<td>3.50</td>
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<tr>
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<td>1968</td>
<td>3 3/4%</td>
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<td>3,930,000</td>
<td>1981</td>
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<td>2.80</td>
<td>8,280,000</td>
<td>1982-83</td>
<td>3.60</td>
<td>100</td>
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<td>1970</td>
<td>3 3/4%</td>
<td>2.90</td>
<td>8,870,000</td>
<td>1984-85</td>
<td>3.60</td>
<td>100</td>
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<td>2,785,000</td>
<td>1971</td>
<td>3 3/4%</td>
<td>3.00</td>
<td>9,510,000</td>
<td>1986-87</td>
<td>3.70</td>
<td>100</td>
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<td>2,880,000</td>
<td>1972</td>
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<td>3.10</td>
<td>15,545,000</td>
<td>1988-90</td>
<td>3 1/2%</td>
<td>100</td>
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</tbody>
</table>

(Accrued interest to be added)

Bonds maturing on and after July 1, 1982 will be redeemable in whole, or in part, in inverse order of maturity (by lot within a maturity), on any interest payment date on or after July 1, 1953, at par and accrued interest plus a premium of 2% if redeemed on or prior to July 1, 1982; 1 1/2% if redeemed thereafter but on or prior to July 1, 1986; and 1% if redeemed thereafter but prior to maturity.
The above Bonds are offered, subject to prior sale before or after appearance of this advertisement, for delivery when, as and if issued and received by us on subject to approval of legality by Messrs. Chapman and Cutler, Attorneys, Chicago, Illinois; and Messrs. Grafton, Ferguson & Fleischmann, Attorneys, Louisville, Kentucky.

The First National City Bank
The Chase National Bank
The First National Bank of Chicago
The Chase Manhattan Bank
The First National Bank of Chicago
The Northern Trust Company
Chemical Bank New York Trust Company
Burlington Trust Company
Chemical Bank
Harris Trust Company
The First National Corporation
Smith, Barney & Co.
Harriman Ripley & Co.

Bonds maturing on and after July 1, 1960 will be redeemable in whole, or in part in inverse order of maturity (but within a maturity, on any interest payment date on or after July 1, 1960), at part
and accrued interest plus a premium of 2% if redeemed on or prior to July 1, 1960, 15% if redeemed
thereafter but on or prior to July 1, 1968, and 1% if redeemed thereafter but prior to maturity.

The above Bonds are offered, subject to prior sale before or after appearance of this advertisement, for delivery when, as and if issued and received by us on subject to approval of legality by Messrs. Chapman and Cutler, Attorneys, Chicago, Illinois; and Messrs. Grafton, Ferguson & Fleischmann, Attorneys, Louisville, Kentucky.

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The First National Bank of Chicago
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Chemical Bank New York Trust Company
Burlington Trust Company
Chemical Bank
Harris Trust Company
The First National Corporation
Smith, Barney & Co.
Harriman Ripley & Co.

Bonds maturing on and after July 1, 1960 will be redeemable in whole, or in part in inverse order of maturity (but within a maturity, on any interest payment date on or after July 1, 1960), at part
and accrued interest plus a premium of 2% if redeemed on or prior to July 1, 1960, 15% if redeemed
thereafter but on or prior to July 1, 1968, and 1% if redeemed thereafter but prior to maturity.

The above Bonds are offered, subject to prior sale before or after appearance of this advertisement, for delivery when, as and if issued and received by us on subject to approval of legality by Messrs. Chapman and Cutler, Attorneys, Chicago, Illinois; and Messrs. Grafton, Ferguson & Fleischmann, Attorneys, Louisville, Kentucky.

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Burlington Trust Company
Chemical Bank
Harris Trust Company
The First National Corporation
Smith, Barney & Co.
Harriman Ripley & Co.

Bonds maturing on and after July 1, 1960 will be redeemable in whole, or in part in inverse order of maturity (but within a maturity, on any interest payment date on or after July 1, 1960), at part
and accrued interest plus a premium of 2% if redeemed on or prior to July 1, 1960, 15% if redeemed
thereafter but on or prior to July 1, 1968, and 1% if redeemed thereafter but prior to maturity.
PUBLIC UTILITY SECURITIES
BY OWE N ELY

Pacific Lighting Corp.

In terms of customers, Pacific Lighting is the nation's largest gas distributing system. In 1960 the system added 84,973 new active meters and at year-end had 2,495,091 customers. The company's two service subsidiaries (Southern California Gas and Southern Counties Gas) serve a population of about 8,400,000 in Southern California, including Los Angeles. The area includes rich farmlands, important oil producing districts and diversified manufacturing industries. The Los Angeles area becoming a production and research center for the electronics industry.

Revenues are about 62% residential and commercial, 30% industrial, etc. and 7% wholesale.

Gas heating is used throughout the area with a saturation of about 80%, as that growth in this service is limited to population growth. Historically, the company has expected to continue at a rapid pace and the number of meters expected to gain 40% in the coming decade. The company spent about $72 million for construction last year and the 1961 budget is estimated at $48 million.

The question of gas supply is of major interest to the California utilities. The Transwestern Pipeline, recently announced the formation of a new subsidiary (Pacific Natural Gas Exploration) to explore for natural gas reserves in the Rocky Mountain area. The system's entire gas supply is currently gas purchased from other companies. The supply of gas in California has been an issue which the company feared the 1960 supply was obtained from neighboring states. Transwestern Pipeline supplied the remainder up to last August. When a new supplier, Transwestern Pipeline, began delivering some 300 million of a day (compared with 11 million cf El Paso).

The Transwestern Gas comes in as well as an economic and supply may be more than doubled within a few years. Another source of increased supply will be if a proposed pipeline from the Transwestern Spigot, which is just inside the California-Nevada border is completed by El Paso and Colorado Interstate Gas Company. This line will afford access to both Colorado's large reserves, and Canadian gas. Gas would begin to flow through this line in 1963, increasing to 470 million of gas in 1965, plus another 150 million of later (potential). When completed, this project will bring gas from major sources in Rocky Mountain and mid-continent fields heretofore not available to the company, and will make it possible to substitute the company's own supplies for the contract groups in the Southern California market for many years.

The need to prevent smog in the Los Angeles area favors the use of natural gas as opposed to oil; but on the other hand the Supreme Court decision upholding the New York Commission for bidding Consolidated Edison to import gas for boiler fuel (an announcement recently made by the company) is not considered to have any bearing on the California situation, though any ruling by the California Commission should hold. Residential use has general priority in that state as elsewhere, and for gasoline use and industrial use is of a small percentage of the total consumption.

Meanwhile, the system's largest short-term obligation is due in 1962. In Southern California Edison, has been contracted for a supply of gas to Texas to be delivered by a proposed pipeline running through Mexico. If completed this pipeline might also displace some of Pacific Lighting's other industrial sales. A bill proposing the project, which it considers entirely impracticable, before the California Commission and will also oppose it before the Federal Power Commission. Southern California Edison has also contracted with an oil company for a substantial quantity of California gas and construction of the necessary pipeline to obtain this gas is being opposed by Pacific Lighting.

The company has for some years earned a low rate of return on net plant; according to Standard & Poor's, the percentage has ranged between 4.5% and 5.7%. Share earnings were $2.34 in 1960—approximately a very favorable heating year—but dropped to $1.68 in 1961 and did not exceed the 1960 figure until last year, when $3.43 was reported. This gain was the result of more normal (colder) winter weather, some rate increases, and an increased supply of gas. Revenues gained 19% and net income increased 24%.

In the rate decisions the state commission allowed a 6% rate of return to the distributing companies and a 6.5% return to the gas supply subsidiary. How much of the rate increase is expected to continue at a rapid pace and the number of meters expected to gain 40% in the coming decade. The company spent about $72 million for construction last year and the 1961 budget is estimated at $48 million.

THE OVER-THE-COUNTER MARKET ISSUE
Will Be Published April 13, 1961

★ The 1961 Spring edition of our OVER-THE-COUNTER MARKET ISSUE will present an up-to-date resume of the securities traded in the world's largest market.

★ A list of OVER-THE-COUNTER MARKET stocks on which cash dividends have been paid uninterrupted for 5 years or longer. It includes corporations and banks which have paid up to 177 years of consecutive cash dividends.

★ Don't miss the, opportunity to advertise your Firm, Corporation or Bank in this important issue. Please reserve your space requirements before closing date of April 12th.

Regular advertising rates will prevail for space in this important issue.

The Commercial & Financial Chronicle
25 Park Place, New York 7, N. Y.
Rector 2-6570

The Commercial and Financial Chronicle . . . Thursday, March 30, 1961

Our Reporter on
GOVERNMENTS
BY JOHN T. CHIPPENDALE, JR.

Corporate Market in Good Shape
At this time, however, it appears that the corporate sector of the capital market has less to bother it than does the tax-exempt sector even during periods of the increase in the number and size of the new corporate bond flotations. The use of corporate bond financing for expansion or improvement purposes by these companies will continue to have an influence on the trend of bond sales, but since it should not be possible to the investor to make available funds for Federal saving to other than the commercial, industrial, and other companies, there is some fear that growth of the corporate bond market has been a somewhat limited development. The situation, however, is not as bad as it seems. A large number of corporate and tax-exempt bonds are concerned.

The need for funds to run the government and the corporate sector has been left alone by the Treasury in its refunding as well as new issuing activities. This has not been an unfavorable development for the yields on government and corporate bonds are concerned.

Treasury 3½% Affecting Investors

Even though the intermediate terms do not appear to have as much attraction to investors as the shorter-term securities, there is nonetheless an expanding interest in the World War II 3½%. These obligations even during periods of the increase in the number and size of the new corporate bond flotations. The use of corporate bond financing for expansion or improvement purposes by these companies will continue to have an influence on the trend of bond sales, but since it should not be possible to the investor to make available funds for Federal saving to other than the commercial, industrial, and other companies, there is some fear that growth of the corporate bond market has been a somewhat limited development. The situation, however, is not as bad as it seems. A large number of corporate and tax-exempt bonds are concerned.

Specialists in
U. S. GOVERNMENT
and
FEDERAL AGENCY
SECURITIES

Aubrey G. Lanston & Co.
Incorporated
20 Broadway
New York 6, N. Y.
The Uptown Headquarters Banking Office of the First National Bank, New York, has been opened for business, March 27.

The new banking office will be located at the Park Avenue-33rd Street corner.

The official staff which will serve at the Uptown Headquarters Banking Office is as follows: Thomas F. Creamer, Vice-President; C. C. Rogers, Jr., Assistant Vice-President; and J. W. Wheeler, Assistant Vice-President.

Rosa Llizlo has been appointed Assistant Treasurer of the Chemical Bank National Company, New York, Mr. Llizlo is with the Bank's Account Service Dept.

Irving Trust Company, New York, announces the appointment of Mr. Frank B. Casey as its Assistant Vice-President, and Mr. Charles E. Rogers as Vice-Presidents.

Mr. Brian L. Lesch has been appointed a Director of the New York Holding Corporation. This company operates to link the Bankers Trust Company and the County Trust Company of Washington, D.C.

Mr. Harold B. Beach, who has been Executive Vice-President and a Director of the Commercial Bank of North America for the past eight years, joins the Royal State Bank of New York, as Chairman of the Board of Directors of the Executive Committee.

Samuel C. Waugh was appointed Washington consultant for the Bank of New York's international department. He announced Albert C. Simmons Jr., Chairman of the Bank.

The election of Richard B. Goethe, to the Board of Trustees of the Broadway Savings Bank, New York, has been announced by Mr. R. C. Cox, President.

The Board of Governors of the Federal Reserve System has given its approval to certain applications of the People's Bank of Hamburg, New York, to its approval to consolidation with the Bank of North Collins, North Collins, New York, under the name of the People's Bank of Erie County.

The effective date of the merger of the Madrid Bank, Madrid, New York, into the First National Bank of Canton, Canton, New York, under the title of the People's Bank of Canton, New York, was approved by the People's Bank of Erie County.

The application to merge the Bank of Waukegan, Waukegan, Ill., and the First National Bank of Orange, Orange, Calif., has been approved by the Federal Reserve System.

By a stock dividend, the First National Bank of Toledo, Toledo, Ohio, has increased its common capital stock from $2,000,000 to $3,000,000, by a stock dividend effective March 15. (Number of shares outstanding 600,000 shares, par value $100).

By a stock dividend, the United National Bank in Kansas City, Kansas City, Mo., has increased its common capital stock from $1,500,000 to $2,000,000, effective March 15. (Number of shares outstanding 200,000 shares, par value $10).

By a stock dividend, the First National Bank of Jackson, Jackson, Miss., has increased its common capital stock from $2,135,632 to $3,135,632, effective March 15. (Number of shares outstanding 1,200,000, par value $10).

By a stock dividend, the First National Bank of Canton, Canton, Ohio, has increased its common capital stock from $400,000 to $500,000, by a stock dividend effective March 13. (Number of shares outstanding 5,000, par value $100).

By a stock dividend, the First National Bank of Raleigh, Raleigh, N. C., has increased its common capital stock from $42,500 to $63,500, effective March 15. (Number of shares outstanding 10,000, par value $10).

By a stock dividend, the First National Bank of Charlotte, Charlotte, N. C., has increased its common capital stock from $400,000 to $500,000, by a stock dividend effective March 15. (Number of shares outstanding 12,500, par value $40).

By a stock dividend, the First National Bank of Savannah, Savannah, Ga., has increased its common capital stock from $200,000 to $300,000, effective March 15. (Number of shares outstanding 5,000, par value $10).

By a stock dividend, the First National Bank of San Francisco, San Francisco, Calif., has increased its common capital stock from $200,000 to $300,000, effective March 15. (Number of shares outstanding 5,000, par value $10).

By a stock dividend, the First National Bank of Denver, Denver, Colo., has increased its common capital stock from $250,000 to $300,000, effective March 15. (Number of shares outstanding 4,000, par value $10).

By a stock dividend, the First National Bank of Chicago, Chicago, Ill., has increased its common capital stock from $600,000 to $1,000,000, effective March 15. (Number of shares outstanding 1,750,000, par value $100).

The National Bank of Tulsa, Tulsa, Okla., has increased its common capital stock from $3,750,000 to $6,000,000, by a stock dividend effective March 15. (Number of shares outstanding 2,750,000, par value $100).


The First National Bank of New York, New York, N. Y., will have a new office at 333 Broadway, in the Rock and Roll building, adjacent to the Rock and Roll office of the Bank.

The First National Bank of Boston, Boston, Mass., has increased its common capital stock from $3,000,000 to $5,000,000, effective March 15. (Number of shares outstanding 5,000,000, par value $100).

By a stock dividend, the First National Bank of Los Angeles, Los Angeles, Calif., has increased its common capital stock from $500,000 to $600,000, effective March 15. (Number of shares outstanding 6,000,000, par value $100).
Economic Outlook, Costs And Industrial Relations

Continued from page 7

The hope of ousting the next year's low points in the business cycle has been weakened by a combination of disturbing factors.工業 has been accompanied by larger disturbances to the economy than these and by news concerning our economy in recent months.

Whether we will have a renewal of the inflationspiral in 1951 will depend on the types of proposals by foreign governments which are accepted by the Congress. However, a large and significant price infation are provided by the large supplies and large management in the United States.

(3) The international balance of payments has resulted in the accumulation of large credit balances by foreigners and a large outflow of gold. This represents a fundamental change in our international position. A continued outflow of gold from this country would represent a real threat to the stability of our foreign exchange and to the rest of the world.

Moreover, because of the gold outflow, our ability to utilize manufactured goods that are produced in foreign countries is now diminished. The gold outflow is accentuated by the buying of gold from foreign countries. In turn, this has reduced the supply of gold in the United States, which has a direct effect on the stability of our economy.

To reverse this adverse balance of payments we will have to re-examine the policies adopted to meet the early post-war dollar surplus. This means a careful review of our foreign aid program. Smaller aid to foreign countries with low interest rates might be made available to governments in order to avoid investment abroad, a reduction in the price of foreign goods, and a reduction in the stability of the stability of our own economy.

The national and industrial growth in the 1950s recession came as a rude shock to many people, and it has been a stiffening of our attitude toward external balance and non-wage benefits and the inflation of muscle, work rules and featherbedding. We should be as antinecessarily as both of which can be avoided.

The changes in average hourly earnings for the 14 major industries are given in the table. In the past two years, the average hourly earnings for these industries have all increased, reflecting the decline in the rate at which workers have been paid.

<table>
<thead>
<tr>
<th>Year</th>
<th>Average Hourly Earnings</th>
<th>Average Hourly Costs</th>
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<tr>
<td>1945</td>
<td>$1.02</td>
<td>7.2</td>
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<tr>
<td>1946</td>
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<td>1957</td>
<td>$2.29</td>
<td>9.2</td>
</tr>
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</table>

Percentage increases have been smaller in recent years. Even the increase in the post-war dollar export trade has been slower. This is because the factors that have contributed to the increase in job opportunities have not been as significant in the post-war period as in the past.

These six developments have contributed to the strengthlessness of the economy in the past two years. If this situation continues, there may be a new and even more significant factor affecting the domestic economy, which may require new efforts to adjust the balance of payments.

Factors Affecting the Outlook

An examination of the major segments of the economy reveals that while the outlook is promising, several factors continue to affect the economy.

1. The national and industrial growth in the 1950s recession came as a rude shock to many people, and it has been a stiffening of our attitude toward external balance and non-wage benefits and the inflation of muscle, work rules and featherbedding. We should be as antinecessarily as both of which can be avoided.

2. The changes in average hourly earnings for the 14 major industries are given in the table. In the past two years, the average hourly earnings for these industries have all increased, reflecting the decline in the rate at which workers have been paid.
As new and familiar purchases have been made in the past few months, the total family consumption rose at an annual rate of about 1,600,000,000, or 3 1/2% higher than last year. The increase, which is to be expected, has been moderated by the fact that many items are bought in government contracts and hence the total consumption rise will be offset to some extent by the decline in purchases of goods with smaller purchases of durable goods, and new purchases of non-durables.

In the past, family expenditure rose year by year at an annual rate of about 1,600,000,000. This rise was due to the increased purchasing power of consumers, which is the result of national economic growth. However, in recent years, the rise in family expenditure has been more moderate, and the level of consumer spending has stabilized. This is due to a number of factors, including the rise in inflation, the increase in production costs, and the decline in consumer confidence.

According to the Consumer Expenditure Survey (CES), the average household spent $47.2 billion on food, $34.3 billion on housing, $30.2 billion on transportation, and $19.4 billion on health care in 2015. The survey also found that the average household spent $24.3 billion on leisure and personal services, and $22.6 billion on education and communication. The survey also found that the average household spent $20.0 billion on recreation and personal care, and $17.7 billion on other goods and services.

In conclusion, the rise in family expenditure has been more moderate in recent years, and the level of consumer spending has stabilized. This is due to a number of factors, including the rise in inflation, the increase in production costs, and the decline in consumer confidence. The average household spent $47.2 billion on food, $34.3 billion on housing, $30.2 billion on transportation, and $19.4 billion on health care in 2015. The survey also found that the average household spent $24.3 billion on leisure and personal services, and $22.6 billion on education and communication. The survey also found that the average household spent $20.0 billion on recreation and personal care, and $17.7 billion on other goods and services.
Effects of Slowed Growth in Commercial Banking in 60's

Continued from page 15

August was the highest month since January 1930. The maintenance of a wide differential between short-term and long-term charges has not prevented some individuals from engaging in transactions in which they are willing to lose money, but the high degree of interest shown in the commercial paper market and the fact that the demand for such securities has increased, while the supply has remained constant, makes it appear that the commercial paper market is becoming a possible substitute for the money market. Further, the greater volume of commercial paper as a whole has increased the capacity of the market to absorb the additional supply of funds, and the increased activity in the market has led to a decrease in the rate of discount on commercial paper.

The increase in the amount of commercial paper sold in recent months has been accompanied by a decrease in the rate of discount. In March, the Commercial and Financial Chronicle reported that the rate of discount on commercial paper was at its lowest level in nearly two years, and it is generally believed that the rate of discount will continue to decline in the near future.

The commercial paper market is now in a position to absorb the additional supply of funds that is expected to be available in the near future, and it is likely that the rate of discount will continue to decline in the near future.

Commercial Paper Market

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seems logical that bank fees will decline only if limits on bank lending rates, it is likely that more banks will have to increase noninterest charges (regardless of higher compensating balance requirements) to maintain fees. This in turn may motivate banks to cut other fees charged to customers, but desiring the assurance that bank customers can access funds available through the commercial paper market will be difficult if the 24-hour fund availability is maintained. Banks on the other hand will have to bear the cost of increased fund availability and service charges. This will reduce the attractiveness of bank deposits and push banks to seek alternative sources of revenue. One possibility would be to seek additional fees from customers, but this would require a substantial effort on the part of banks to convince customers of the benefits of the new services offered.

**Regulation Q**

As far as the problem of time deposits is concerned, there is no evidence that the problem is getting worse while under Regulation Q, the Regulation Q interest rates are lower than the market rates on time deposits. This is because the banks are not willing to pay the market rates on time deposits. The larger banks have been trying to attract foreign dollar holdings at their holding companies and because they can offer higher interest rates on time deposits. However, the foreign banks have been rather successful in attracting “Eurodollars” and other foreign funds.

At home, however, an increasing number of banks are beginning to offer corporate time deposits and fewer institutions are offering them.

**The Effects on Credit Control**

The effectiveness of the current credit control is the problem of interest in the current era. The Federal Reserve controls over just the banks when the banking system is steady or in disequilibrium. In other words, the economy except in recession periods, the Federal Reserve’s ability to control the money supply is limited. It can only control the supply of bank credit by controlling the amount of money in circulation.

This has been a major problem for the Federal Reserve in recent years. The economy has been in a period of expansion for some time, and the Federal Reserve has been trying to control the growth of bank credit and limit the amount of money in circulation. This has been challenging because the economy has been expanding rapidly and the Federal Reserve has been trying to keep pace with the demand for credit.

As bank credit has increased, the Federal Reserve has been forced to raise the discount rate, which is the interest rate charged to member banks. This has made it more expensive for banks to borrow money, which has helped to slow down the growth of bank credit. However, it has also made it more expensive for businesses and consumers to borrow money, which has led to a decrease in the demand for credit.

The Federal Reserve has also been using other tools to control the money supply, such as open market operations, which involve buying and selling government securities. These operations can be used to increase or decrease the amount of money in circulation, and the Federal Reserve has been using them to try to control the economy.

The Federal Reserve has also been trying to control the growth of bank credit through regulatory measures, such as the imposition of reserve requirements on banks. These requirements are designed to limit the amount of money that banks can lend, and the Federal Reserve has been raising these requirements in recent years to try to limit the growth of bank credit.

In summary, the Federal Reserve has been using a variety of tools to control the money supply, including the discount rate, open market operations, and reserve requirements. These tools have helped to slow down the growth of bank credit, but they have also had the effect of raising the cost of credit for businesses and consumers. This has led to a decrease in the demand for credit, which has had an impact on the economy as a whole.

**Redesigning the **

The process of redesigning the credit control system is the problem of interest in the current era. The Federal Reserve controls over just the banks when the banking system is steady or in disequilibrium. In other words, the economy except in recession periods, the Federal Reserve’s ability to control the money supply is limited. It can only control the supply of bank credit by controlling the amount of money in circulation.

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The following tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or, in cases of quotations, are as of that date:

**AMERICAN IRON AND STEEL INSTITUTE: Steel and steel products (in 1,000 tons)....**

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The Commercial and Financial Chronicle... Thursday, March 30, 1901
U.S. Trade, Capital Export Policies Don't Help Canada

Continued from page 3

In the United States, the dollar is largely uncontrolled, with its level set by the Federal Reserve and the speculative activities of traders in New York. The Canadian dollar, on the other hand, is subject to substantial influence from Canadian residents and businesses seeking to hold a portion of their wealth in dollars. In this context, the Canadian government has been able to achieve a balance between the two currencies by adjusting interest rates and exchange controls, which has played a significant role in stabilizing the value of the Canadian dollar.

Need for Diversified Outlets

In order to reduce the risk of potential fluctuations in the value of the dollar, Canadian trade agreements are focused on developing diverse markets for Canadian products. This diversification strategy involves identifying markets in which Canadian goods and services have a competitive advantage, and promoting exports to these markets. The goal is to reduce reliance on the United States as a major market for Canadian exports.

Compares Unsatisfactory Trend

Generally speaking, we have been able to achieve a balance in trade with the United States, which is the largest market for Canadian products. However, a closer examination reveals that the pattern of trade is not entirely satisfactory. The annual trade surplus with the United States has remained relatively constant, but the nature of the products involved has changed. While the surplus in the early years of the decade was primarily composed of raw materials and primary products, such as timber and agricultural goods, it has shifted more recently to manufactured goods and services. This shift is partly due to increased investment by U.S. companies in Canada, which has led to greater competition in the domestic market.

Canada's Need for More Exports

It has been brought home to us in recent years that the U.S. trade and payments problem that it has experienced over the past half century has also affected our own economy. In order to meet the deficit in our balance of payments, Canada has had to rely on increased exports and reduced imports. The total amount of net foreign investment in Canada has been limited to just over $1 billion in the years 1946 to 1960.

Growing Canadian Conclusions

It is evident that reliance on monetary expansion and on deficit finance has not worked, at least not in such a way as to bring about a sustained recovery. In the United States, where deficit finance is more widespread, the effects have been less. Many Canadians are coming to the conclusion that deficit finance is not the answer to their problems. A more useful policy is one that combines monetary restraint with fiscal stimulus, as has been the case in Canada.

The structure of Canadian economic activity is such that a large share of our country's growth will come from increased foreign trade, particularly with the United States. To make the most of this opportunity, it is essential that we develop closer economic ties with the United States. This requires not only increased exports, but also greater imports of U.S. goods and services. The time has come for a new approach to trade policies, one that will allow for the free flow of goods and ideas between the two countries.

To summarize, the problems faced by Canada are the same as those faced by the United States. The solution lies in increased cooperation and mutual understanding. By working together, we can create a more prosperous and peaceful world for all.

Critical Consequences of Inflation

The economic situation in Canada is causing serious concern. It is crucial that we take steps to prevent inflation from escalating further.

The government has already taken measures to control inflation, including tightening monetary policy and reducing government spending. These steps are necessary to prevent the economy from overheating and to ensure long-term economic stability.

In conclusion, the importance of maintaining a stable and healthy economy cannot be overstated. By working together, we can ensure a prosperous future for all.

Dissimilarities Among Abatement Management

I will not elaborate here the disadvantages inherent in such a situation. The question which is being raised is whether or not foreign investment is a good thing — everyone would seem to think so. However, in our country, the investment has been carried out by foreign companies and not by Canadian corporations. This provides an outlet for the surplus capital of foreign countries, and has had a great deal of influence on the development of Canadian industry by foreign capital. The need for foreign capital and other equipment technology and know-how in the country is a very real effect in the recipient country. The effects of foreign ownership presents itself in Canada in a number of ways, and there are some serious undesirable effects.

For example, one typical manifestation of foreign ownership and control of Canadian resources is the growth of a large number of foreign-controlled companies in the country. This growth has been accompanied by a decline in the number of Canadian-owned companies, which has led to concerns about the future of the country's industry.

In conclusion, it is essential that we work towards a balance between foreign and domestic ownership and control of resources. By doing so, we can ensure a prosperous and stable future for all.

On the other hand, the main reason for the significant increase in the value of the dollar in recent years is the growing demand for Canadian goods and services in the United States. This demand has been fueled by the strong U.S. economy and the increasing need for Canadian products such as machinery, transportation equipment, and natural resources. In order to sustain this growth, it is essential that we continue to promote our exports and improve our balance of payments.

The government has taken steps to encourage foreign investment in Canada, including the creation of the Canadian Export Development Corporation and the implementation of tax incentives for foreign investors. These measures have helped to attract investment, and have contributed to the growth of the country's economy.

However, it is important to note that the inflow of foreign capital is not without its challenges. The government must ensure that foreign investment is used to create jobs and improve the standard of living for Canadians, and not just to increase the wealth of foreign investors. This requires careful regulation and oversight to ensure that investment is used in a responsible manner.

In conclusion, foreign investment has been an important factor in the growth of Canada's economy, but it is essential that we work towards a sustainable and responsible approach to attracting and managing this investment.

Canada's growth and development are not possible without the support of its people, its resources, and its institutions. It is up to all of us to ensure that we continue to build a prosperous and sustainable future for our country.
Continued from page 27 of the petroleum inflow of foreign capital. This is a very peninsular and resource-oriented growth strategy. The calculation of 

Questions Need for So Much 

Foreign Capital 

It can hardly be said that Cana-

dian capital formation, the standard of living was seri-
ously depressed because of the in-
flating of foreign debt by our prov-
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provisions could have done all their borrow-

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the United States often do. Our higher interest rates but with-

out economic growth, but rather on 
which attach to foreign borrow-

ing.

The development of the Cana-
dian economy also has been severely hampered by the extension of foreign control over secondary industry through the purchase of existing Canadian businesses by foreign shareholders or by branch plants of foreign parent companies.

Of more importance has been the amount of direct investment, with a substantial amount of direct investment in the uni-

versal in the particular industries, predominantly in export markets for certain of our exports. The amount of Canadian dollars would have had to be developed by the negotiation of contracts for the 

name—taken in Canada and from independent Canadian pro-

tories in the United States.
The inflow of capital of the most desirable and fruitful kind, always has an impact on the Canadian economy. In the past 10 years the result has been a tendency toward the capital formation of the Canadian dollar which has been said to be an attractive medium of exchange, to manufactured goods, to the detri-

nment of Canadian development in the field of capital formation.

In the use of foreign resources has been estimated at 17% of gross capital formation in Cana-

dial production. The share of the share in the national income 

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nment of Canadian development in the field of capital formation.
Surely, the decision of the Federal Reserve Board, as announced by Mr. Popenoe in the Commercial and Financial Chronicle, is not likely to be altered. The Federal Reserve Board is probably going to maintain the current rate of interest at 3%, and there will be no change in the discount rate. This is in contrast to the situation in March, when the Federal Reserve Board raised the discount rate to 6%. The Federal Reserve Board is now going to lower the discount rate to 2%. The Federal Reserve Board is going to lower the discount rate to 1%.

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Exchange Forms Bonding Corp.

The New York Stock Exchange has recently taken it upon itself to issue excess fidelity bonds totaling $10 million to provide customers of member firms with additional protection beyond that afforded by the relatively new, wholly-owned subsidiary of the Exchange known as the Failure Protection Corporation. This move is expected to help stabilize the market for such bonds, which have recently been in short supply.

The Exchange's move comes in response to the growing demand for fidelity bonds among member firms, who are required to maintain such coverage as a condition of doing business with their customers. The bonds are designed to protect against fraudulent or dishonest acts by employees of member firms, and have become increasingly important as firms have sought to expand their businesses in areas such as foreign exchange and electronic trading.

Security Reason - Self-Interest, Individuality

Every salesman of securities sooner or later comes into conflict with his fellow man. The very nature of this type of work makes it almost impossible for an intelligent salesman who has some imagination not to become dissatisfied with his colleagues from time to time. If you are at all successful, you are meeting people who have accumulated certain amounts of material in their lifetime. Some of these people may be many times richer than others, and many of them may have been brilliant money makers. Others may have been particularly lucky, but whatever the case, you as a salesman will have occasional opportunities to say to your fellow man: "What's the matter with me, why am I picking up only making just about as good a living as the next fellow, and if I have anything left? It is going out in income taxes, insurance, and for other family responsibilities." It is not an easy thing to control your emotions and refrain from this kind of destructive thinking.

Every Man Has a Duty to Himself

In these days of widely accepted emphasis on altruism, collective thinking, and the like, it is fashionable for a man to be a realist. But if you think about your own particular situation, you will eventually admit that you as an individual have certain advantages and a character that is all your own, and that is your stock in trade. Again, there is an emphasis on the acquisition of material things, and the hollowed out life of a human being's worth and his happiness. But it is not necessary to accomplish what a few men believe is the abun-

dant life for all Americans. It is not surprising that so many otherwise sound men are taking trau-

tomizers, or returning to the psycho-

nym's couch these days.

If ever a doctrine of life was universal, it is the modern doctrine of the"happy life," upon the theory that only material success brings "happiness." I've met many men who have reached the pinnacle of financial and busi-

ness success in my life. I've done business with them, I've heard

them pour their hearts out in mo-

tions when a real closeness ex-

isted, and it is as true today as ever. The material success alone does not make a man happy.

But, if a man has used his fac-

ulties for the betterment of his own self-interest, if he has built a large house and engaged em-

ployment for others, if he has

provided for his family, if he has

provided for his family, and his

associates, and his customers, in

his proper focus, then and there, you

will find a man who has de-


Necessity

THE COMMERCIAL AND FINANCIAL CHRONICLE... Thursday, March 30, 1961

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We Must Remember

These things we must remember when Mr. Khrushchev begins the crude act of taking off his shoe and pounding on the table, or demands-change in the struc-

ture of the United Nations which quite obviously would rob it of any utility to do anything at all which Russia does not want. We must not make the error of supposing that such behavior is as revolting to other members—or at least all other members—as it is to us or that what appears to us very thinly disguised efforts to end the use-

fulness of the United Nations is as clear to many of the people if one fact may be clear, as some ob-

servers have insisted, that our consistent refusal to consider the Kremlins and our constant warning against its machina-

tions may have given the impression in some quarters that what we have to say on the subject is "biased" and as like as to be untrustworthy as any of the blandish-

ments of the other side.

All this, needless to say, is not intended to say that we must stop trying to steer the world away from war and to guide it in the ways in which seem to us most promising. It merely says that we must take the world as we find it, and not be blinded by our own established notions and impressions of what the remainder of the world is thinking. In other words, in all areas as in so many others, we should be more genuine realistic than we often are.
chase 125,000 shares of common stock, to be offered for public sale in units consisting of $1,000 of debentures and an undivided one-thousandth interest in number of shares of common stock. Price—To be supplied by underwriters and dealers.-Repayment of loan and principal of issue is guaranteed by the Federal Reserve Bank of New York.

Air-X Industries, Inc. (4/3)

Jan. 31, 1961 filed 100,000 shares of common stock, par $3.50 per share. Proceeds—To repay certain obligations and for general corporate purposes.

All-Star Credit Corporation (4/20)

Feb. 16, 1961 filed 200,000 shares of common stock, par $5 per share. Proceeds—To repay bank loan, retire a chattel mortgage, and for working capital.

All-Tech Industries, Inc. (5/4-6)

Feb. 23, 1961 filed 200 shares of common stock, par $10 per share. Proceeds—To repay bank loan, and for working capital.

American Educational Life Insurance Co. (5/22-26)

March 24, 1961 filed 100,000 shares of common stock, par $10 per share. Proceeds—To provide capital for the operation of the company.

American Financial Corp. (4/30)

Dec. 27, 1960 filed 200,000 shares of common stock, par $10 per share. Proceeds—To provide working capital.

American Gas Co. (3/30)

March 22, 1961 filed 100,018 shares of common stock to be offered for public sale by the company to the public and for subscribers. The underwriters will Treasury the value of 2.7 new shares for each share held. Price—$3.50 per share. Proceeds—To repay bank loans and for corporate purposes.

Chicago Tribune

Mid America's most widely circulated news weekly
The Commercial and Financial Chronicle ... Thursday, March 30, 1961

Continued from page 41

April 11 (Tuesday)
Commonwealth International & General Fund, Com. 1961 (New York City) ... Bond (For subscription underwriting) $40,000,000
Commonwealth International & General Fund, Com. 1961 (New York City) ... Bond (For subscription underwriting) $40,000,000

April 12 (Wednesday)
Colonial Mortgage Service Co., ... Bond (For subscription underwriting) $100,000

Colonial Mortgage Service Co., ... Bond (For subscription underwriting) $100,000

April 13 (Thursday)
Spiegel Corp. ... Debentures (North & Co.) $40,000,000

April 17 (Monday)
ACR Electronics Corp. ... Common
Adler Electronics, Inc. ... Common

April 18 (Tuesday)
Charles of the Ritz, Inc. ... Common
Mack Trucks, Inc. ... Debentures

April 19 (Wednesday)
United States Steel Corp. ... Debentures (Morgan Stanley & Co.) $375,000,000

April 24 (Monday)
Airwork Corp. ... Common
Ampoule Corporation ... Common
Blatt (M.) Co. ... Common

April 25 (Tuesday)
Endevo Corp. ... Common
Iowa-Illinois Gas & Electric Co. ... Bonds

May 1 (Monday)
Dodge Wire Corp. ... Common

May 2 (Tuesday)
Bell Telephone System of Pennsylvania ... Debentures (Bids to be received) $50,000,000

May 3 (Wednesday)
Washington National Gas Co. ... Common (For subscription underwriting) $15,000,000

May 4 (Thursday)
Sierra Pacific Power Co. ... Common (Offering to shareholders—underwriting) $15,000,000

May 8 (Friday)
Electronic Assistance Corp. ... Common

May 9 (Tuesday)
King Kullen Grocery Co., Inc. ... Common

May 10 (Wednesday)
CTS Corp. ... Common

May 11 (Thursday)
Sierra Pacific Power Co. ... Bonds (Bids to be received) $6,000,000

May 15 (Monday)
Arkansas Gas & Light Co. ... Bonds

May 16 (Tuesday)
Harbour Brace & World, Inc. ... Common

New York State Electric & Gas Corp. ... Bonds (For subscription underwriting) $90,000,000

May 17 (Wednesday)
Beam (James B.) Distilling Co. ... Common
Pennsylvania Electric Co. ... Bonds

May 18 (Thursday)
Interstate Power Co. ... Bonds
Interstate Power Co. ... Common (Offering to shareholders—underwriting) $200,000,000

May 22 (Monday)
Aerolite Laboratories Inc. ... Common

May 23 (Tuesday)
Michigan Consolidated Gas Co. ... Bonds (For subscription underwriting) $100,000,000

May 25 (Thursday)
New Orleans Public Service, Inc. ... Bonds (For subscription underwriting) $115,000,000

May 29 (Monday)
Rockwell Jet Engineering Corp. ... Common

May 31 (Wednesday)
Indiana & Michigan Electric Co. ... Debentures (For subscription underwriting) $50,000,000

June 1 (Thursday)
Columbia Gas System, Inc. ... Debentures (For subscription underwriting) $35,000,000

June 5 (Monday)
Pennsylvania Electric Co. ... Debentures

June 6 (Tuesday)
American Telephone & Telegraph Co. ... Bonds

June 7 (Wednesday)
Pennsylvania Electric Co. ... Debentures

June 8 (Thursday)
Brooklyn Union Gas Co. ... Bonds (For subscription underwriting) $15,000,000

June 13 (Tuesday)
Virginia Electric & Power Co. ... Bonds (For subscription underwriting) $35,000,000

June 14 (Wednesday)
Michigan Wisconsin Fighting Fish Co. ... Bonds (For subscription underwriting) $20,000,000

June 15 (Thursday)
Southern Electric Generating Co. ... Bonds (For subscription underwriting) $15,000,000

June 20 (Tuesday)
Consolidated Edison Co. of New York, Inc. ... Bonds (For subscription underwriting) $200,000,000

June 27 (Tuesday)
Massachusetts Electric Co. ... Bonds (For subscription underwriting) $15,000,000

September 28 (Thursday)
Mississippi Power Co. ... Bonds (For subscription underwriting) $5,000,000

October 18 (Wednesday)
Georgia Power Co. ... Bonds (For subscription underwriting) $15,000,000

October 22 (Sunday)
Georgia Power Co. ... Preferred Bonds (For subscription underwriting) $20,000,000

December 5 (Tuesday)
Virginia Electric & Power Co. ... Bonds (For subscription underwriting) $15,000,000

December 7 (Thursday)
Gulf Power Co. ... Bonds (For subscription underwriting) $15,000,000

Continued from page 41

American Mortgage Investment Corp.
April 24, 1961; 4% 20-year collateral trust bonds and 1,566,000 shares of common stock will be offered for subscription.

It is proposed that these securities will be offered for subscription in New York City. Underwriters—Commonwealth International & General Fund, Com.

American Mortgage Investment Corp.
Jan. 27, 1961 filed 11,225,000 shares of capital stock being offered for subscription by stockholders on the basis of one new share for each 20 shares held of record Feb. 23, with rights to expire April 14. Price—$6 per share. Proceeds—For advances to subsidiaries, for the purchase of stock offered for subscription by such companies, for expansion of the company’s business and for general corporate purposes. Office—105 Broadway, New York City. Underwriter—None.

American Mortgage Investment Corp.
April 11, 1961 filed for subscription $11,225,000 of common stock and $11,225,000 of 4% collateral trust bonds, as well as $11,225,000 of preferred stock.

For general corporate purposes, including the building of a public housing housing cooperative. This is the issuer’s first public financing in New York City. Underwriter—Commonwealth International & General Fund, Com.

Southern Electric Generating Co.
Filed Apr. 11, 1961 for subscription $11,225,000 of common stock and $11,225,000 of preferred stock.

For general corporate purposes, including the building of a public housing housing cooperative. This is the issuer’s first public financing in New York City. Underwriter—Commonwealth International & General Fund, Com.
Aqua-Chem, Inc.  
March 2, 1961  
Filed 340,000 shares of common stock  
Price — $2.00 per share  
Business—The company manufactures and sells a line of pumps and related equipment used for cooling, heating, cleaning, and general industrial applications.

Beau Electronics, Inc. (4/3)  
May 18, 1961  
Filed 40,000 shares of common stock  
Price — $3.50 per share  
Business—The company manufactures electronic components and equipment for use in guidance and communication systems.

Best & Co. (5/12)  
May 23, 1961  
Filed 225,400 shares of common stock  
Price — $2.00 per share  
Business—The company manufactures and sells a line of pumps and related equipment used for cooling, heating, cleaning, and general industrial applications.

Bickman Instruments, Inc.  
Feb. 21, 1961  
Filed 69,903 shares of common stock  
Price — $11.00 per share  
Business—The company manufactures electronic components and equipment for use in guidance and communication systems.

Armstrong Paint & Varnish Works, Inc.  
March 9, 1961  
Filed 340,000 shares of common stock  
Price — $2.00 per share  
Business—The company manufactures and sells a line of pumps and related equipment used for cooling, heating, cleaning, and general industrial applications.

Associated Women Investors, Inc.  
March 12, 1961  
Filed 90,519 shares of common stock  
Price — $2.00 per share  
Business—The company manufactures and sells a line of pumps and related equipment used for cooling, heating, cleaning, and general industrial applications.

Atlantic Fund for Investment in U.S. Government Securities, Inc.  
July 22, 1960  
Filed 340,000 shares of common stock  
Price — $2.00 per share  
Business—The company manufactures and sells a line of pumps and related equipment used for cooling, heating, cleaning, and general industrial applications.

Astrit Instrument Corp.  
March 7, 1961  
Filed 200,000 shares of common stock  
Price — $1.00 per share  
Business—The company manufactures and sells a line of pumps and related equipment used for cooling, heating, cleaning, and general industrial applications.

Automatic Canteen Co. of America  
Feb. 7, 1961  
Filed 127,725 outstanding common stock  
Price — $2.00 per share  
Business—The company manufactures and sells a line of pumps and related equipment used for cooling, heating, cleaning, and general industrial applications.

B. M. C. Industries, Inc.  
March 2, 1961  
Filed 100,000 shares of common stock  
Price — $1.00 per share  
Business—The company manufactures and sells a line of pumps and related equipment used for cooling, heating, cleaning, and general industrial applications.

Beam (James B.), Distilling Co. (5/17)  
March 24, 1961  
Filed 200,000 outstanding common stock  
Price — To be supplied by amendment  
Business—The company manufactures and sells a line of pumps and related equipment used for cooling, heating, cleaning, and general industrial applications.

Birdcage Carriers, Inc.  
March 23, 1961  
Filed 164,100 shares of common stock  
Price — To be supplied by amendment  
Business—The company manufactures and sells a line of pumps and related equipment used for cooling, heating, cleaning, and general industrial applications.

Cad-E-Mobile Corp. of America  
Feb. 23, 1961  
Filed 98,977 shares of common stock  
Price — To be supplied by amendment  
Business—The company manufactures and sells a line of pumps and related equipment used for cooling, heating, cleaning, and general industrial applications.

California Gas Corp.  
March 21, 1961  
Filed 122,000 shares of common stock  
Price — To be supplied by amendment  
Business—The company manufactures and sells a line of pumps and related equipment used for cooling, heating, cleaning, and general industrial applications.

California Mutual Telephone Co., Inc. (4/4)  
March 27, 1961  
Filed 190,000 shares of common stock  
Price — $1.00 per share  
Business—The company manufactures and sells a line of pumps and related equipment used for cooling, heating, cleaning, and general industrial applications.

Central Mutual Telephone Co., Inc. (4/4)  
March 27, 1961  
Filed 340,000 shares of common stock  
Price — $2.00 per share  
Business—The company manufactures and sells a line of pumps and related equipment used for cooling, heating, cleaning, and general industrial applications.

Chalco Engineering Corp. (4/17)  
Jan. 9, 1961  
Filed 1,000 shares of common stock  
Price — $5.00 per share  
Business—The company manufactures and sells a line of pumps and related equipment used for cooling, heating, cleaning, and general industrial applications.

Chromo-Geo, Inc. (4/17)  
March 27, 1961  
Filed 200,000 shares of common stock  
Price — $1.00 per share  
Business—The company manufactures and sells a line of pumps and related equipment used for cooling, heating, cleaning, and general industrial applications.

Citizen Watch Co., Inc.  
March 7, 1961  
Filed 215,000 outstanding shares of common stock  
Price — To be supplied by amendment  
Business—The company manufactures and sells a line of pumps and related equipment used for cooling, heating, cleaning, and general industrial applications.
Continued from page 43

The Commercial and Financial Chronicle ... Thursday, March 30, 1961


Electro-Consolidated Corp. (2/7) Jan. 27, 1961 filed 100,000 shares of common stock, of which 75,000 shares are to be offered for public sale by the issuing company and 25,000 shares consisting of outstanding shares, by the present holders thereof. Price—$6 per share. The company and its subsidiaries are engaged in the manufacturing and distribution of electrical apparatus, in the maintenance of electric power systems, and in the manufacturing and distribution of electrical supplies, and other equipment.

Educators’ Development Corp. March 15, 1961 (letter of notification) 100,000 shares of common stock of the corporation, for the development of educational resources. For—Working capital. Office—695 Boylston Building, Chicago, Ill. Underwriter—None.

Electro-Consolidated Corp. Feb. 23, 1961 filed 30,000 shares of common stock of the corporation, so named. For—To acquire and operate and expand and develop electrical equipment and for working capital. Office—340 Madison Ave., New York, N. Y. Underwriter—None.


Electro-Photographic Corp. (5/8-12) Mar. 3, 1961 filed 100,000 shares of common stock (par $10 per share) of which 60,000 shares are to be offered for public sale by the issuing company and 40,000 outstanding shares by the present holder thereof. Price—To be supplied by amendment. Business—The company, through its subsidiaries, develops and manufactures electronic equipment and related products for communication and testing equipment and for use in the communications and data processing fields. Proceeds—For expansion of the company’s business and for working capital. Office—1364 Connecticut Ave., N. W., Washington, D. C. Underwriter—Carleton Securities Corporation, 515 Fifth Avenue, New York 17, N. Y.

Electro-Neon, Inc. Mar. 16, 1961 filed 271,000 shares of common stock, of which 122,000 shares are to be offered for public sale by the company and 55,000 outstanding shares, by the present holders thereof. Price—$7 per share. Business—The company, through its subsidiaries, develops and produces electronic equipment and related equipment for the communication and data processing fields. Proceeds—For expansion of the company’s business and for working capital. Office—525 West Carolina St., Taylorville, Ill. Underwriter—Manufacturers’ Securities Corporation, 515 Fifth Avenue, New York 17, N. Y.


Electronic Assistance Corp. (5/8-12) Mar. 30, 1961 filed 1,300 shares of common stock (par $100 per share) of which 700 shares are to be offered for public sale by the issuing company and 400 outstanding shares by the present holder thereof. Price—To be supplied by amendment. Business—The company, through its subsidiaries, develops and manufactures electronic equipment and related equipment for communication and data processing fields. Proceeds—For expansion of the company’s business and for working capital. Office—20 Bridge Avenue, Red Bank, N. J. Underwriter—Hayden, Stone & Co., New York City (managing).

Elgeet Optical Co., Inc. Mar. 29, 1961 filed 10,000 shares of common stock (par $25 per share) of which 5,000 shares are offered for public sale by the company. Price—$25 per share. Proceeds—To increase the capital of the company. Office—124 West 42nd St., New York City. Underwriter—None.


Empire Lighting Co. (5/8-12) Mar. 9, 1961 filed 300,000 shares of common stock of the corporation, so named. For—To supply the proceeds to the company. Office—303 W. Roosevelt Road, Lisle, Ill. Underwriter—Consolidated Securities Corporation, 2800 W. Roosevelt Road, Little Rock, Ark.

Empire Light & Power Co. (5/8-12) Mar. 9, 1961 filed 100,000 shares of common stock so named. For—To be supplied by amendment. Business—The company, through its subsidiaries, develops and manufactures electrical equipment and for working capital. Office—303 W. Roosevelt Road, Lisle, Ill. Underwriter—None.

Empire Securities Corp. (5/8-12) Mar. 9, 1961 filed 3,000,000 shares of common stock of the corporation, so named. For—To supply the proceeds to the company. Office—303 W. Roosevelt Road, Lisle, Ill. Underwriter—None.

Empire Trust & Savings Bank, Inc. Mar. 9, 1961 filed 100,000 shares of common stock of the corporation, so named. For—To be supplied by amendment. Business—The company, through its subsidiaries, develops and manufactures electrical equipment and for working capital. Office—303 W. Roosevelt Road, Lisle, Ill. Underwriter—None.

Empire Trust & Savings Bank, Inc. Mar. 9, 1961 filed 100,000 shares of common stock of the corporation, so named. For—To be supplied by amendment. Business—The company, through its subsidiaries, develops and manufactures electrical equipment and for working capital. Office—303 W. Roosevelt Road, Lisle, Ill. Underwriter—None.

Empire Trust & Savings Bank, Inc. Mar. 9, 1961 filed 100,000 shares of common stock of the corporation, so named. For—To be supplied by amendment. Business—The company, through its subsidiaries, develops and manufactures electrical equipment and for working capital. Office—303 W. Roosevelt Road, Lisle, Ill. Underwriter—None.
fice—511 Grange Road, Teaneck, N. J. Underwriter—To be named shortly.


Hydrosynt Corp. Oct. 20, 1960 filed 90,000 shares of common stock. Proceeds—To be sold by underwriters. The firm, which was organized in February, 1957, makes and distributes plastic, metal and glass beakers, test tubes, laboratory glassware, sterilization equipment, and ancillary articles. Proceeds—for general purposes, including expansion. Office—1250 South St., Salt Lake City, Utah. Underwriter—Whitney & Co., Salt Lake City, Utah.

Invesco" Corporation. June 28, 1961 filed 600,000 shares of common stock. Proceeds—$4 per share. The firm, which was organized in February, 1961, makes and distributes plastic, metal and glass beakers, test tubes, laboratory glassware, sterilization equipment, and ancillary articles. Proceeds—for general purposes, including expansion. Office—1250 South St., Salt Lake City, Utah. Underwriter—Whitney & Co., Salt Lake City, Utah.

International Safflower Corp. Aug. 3, 1961 filed 60,000 shares of class A common stock for sale by the seller or other persons to whom the securities were first offered. Proceeds—To use proceeds for further development of the company's new safflower based oil, for the development of new safflower related products, and for general corporate purposes. Proceeds—For expansion and working capital. Office—511 Fifth Ave., New York City. Underwriter—Piper, J. P. Morgan & Co., New York City.


International Safflower Corp. Aug. 3, 1961 filed 60,000 shares of class A common stock for sale by the seller or other persons to whom the securities were first offered. Proceeds—To use proceeds for further development of the company's new safflower based oil, for the development of new safflower related products, and for general corporate purposes. Proceeds—For expansion and working capital. Office—511 Fifth Ave., New York City. Underwriter—Piper, J. P. Morgan & Co., New York City.


**King Kullen Grocery Co., Inc.** (5/9)

20,000 shares of class A stock, of which 10,000 shares are to be offered for sale by the company and 10,000 outstanding shares by the present holders of the common stock. Proceeds—To be used for general development, principally in the design, development and manufacture of refrigerated appliances, and for working capital. Price—$10 per share. Underwriter—Lindauer & Co., New York City (managing).

**Kings Electronics Co., Inc.** (4/10-17)

Jan. 27, 1961 filed 210,187 shares of common stock, of which 63,581 are to be offered for sale by the company and 146,597 by the present holders of the common stock. Proceeds—To be used for general purposes. Price—To be determined by public demand. Underwriter—A. L. Freepool & Co., New York City (managing).

Knickertool Builders, Inc.


**Kreiser** (Charles). (4/17)


**Lapidoth** Israel Oil Producers Corp., Ltd.

Oct. 27, 1961 filed 1,500,000 ordinary shares. Price—To be determined by public demand. Proceeds—To be used by the company in its operations. Price—$3 per share. Underwriter—Lapidoth, Ltd., New York City (managing).

**Landis** (Robert F.)

Mar. 15, 1961 filed 1,500,000 shares of common stock (par $1). Proceeds—To be used for the construction of community housing and development purposes. Underwriter—Parke, Davis & Co., New York City (managing).

**Lapidoth** Israel Oil Producers Corp., Ltd.

Mar. 15, 1961 filed 1,500,000 shares of common stock (par $1). Proceeds—To be used for the construction of community housing and development purposes. Underwriter—Parke, Davis & Co., New York City (managing).

**Leeds Homes, Inc.**


**Le-Wood Homes, Inc.**

Jun. 19, 1961 filed (letter of notification) 100,000 shares of common stock (par 50 cents) and $100,000 of 5% converting debentures. Proceeds—To provide working capital. Office—2262 North Fifth Ave., Fort Lauderdale, Fla. (managing).

**Loew’s, Inc.**


**Marine Structures Corp.**


Matthews Corp.


**Mead Corp.**

Mar. 6, 1961 filed 400,000 shares of class A stock, of which 200,000 are to be offered for public sale by the present holders of the common stock and 200,000 by the company. Proceeds—For the construction of a new plant at Ripley, W. Va., and for working capital. Office—118 West First St., Day¬ton, Ohio. Underwriter—Midwestern Securities Co., Inc., New York City (managing).

**Medallion Foods, Inc.**

Feb. 17, 1961 filed 190,000 shares of common stock, of which 180,000 shares are to be offered for sale by the company and 10,000 by the present holders of the common stock. Proceeds—To be used for the construction of a new plant and machinery. Price—$3 per share. Underwriter—For general corporate purposes. Address—Minneapolis, Minn.
which 178,000 are to be offered for public sale by the company and 12,000 shares, being outstanding stock, by the present holders thereof. Price—To be supplied by the present holders thereof. Proceeds—to be used for the acquisition of additional operating properties and for other corporate purposes. Office—First National Bank Building, Minneapolis, Minn. Shareholders: City & Co., Inc., Minneapolis, Minn.

* Medin's Stores, Inc. Feb. 21, 1961 filed 185,000 shares of common stock (par $0.50), of which 60,000 shares are to be offered for the account of stockholders and 125,000 shares by the present holders thereof. Price—To be supplied by the present holders thereof. Proceeds—to be used for the acquisition of additional properties and for expansion and existing operations. Office—111 West 16th St., New York, N. Y., or to Aloysio, Nolo & Co., New York (city).

* New England Telephone & Telegraph Co. (4/11) March 24, 1961 filed 10,000,000 shares of preferred stock ($5 par). Proceeds—to redeem on or about May 12, outstanding preferred stock, and may be used for general corporate purposes. Office—185 Franklin St., Boston, Mass. Underwriters: Huntington, Garden & Co., Inc., New York, N. Y. (city). Proceeds—to be used by the company in connection with the acquisition of additional operating properties and for general corporate purposes. Office—First National Bank, Kansas City, Mo. Proceeds—to be used by the company for the purchase of additional properties and for general corporate purposes. Office—First National Bank, Kansas City, Kans. Proceeds—to be used by the company for such purposes as it may deem necessary for the further development and expansion of its business. Office—First National Bank, Kansas City, Mo. Proceeds—to be used by the company for the purchase of properties and for general corporate purposes.

* New York State Electric & Gas Corp. (5/16) March 24, 1961 filed 1,500,000 shares of preferred stock ($25 par). Proceeds—to repay bank loans and for other corporate purposes. Office—First 46th Street, Ithaca, N. Y. Underwriters—To be determined by competitive bidding. Office—New York, N. Y. Proceeds—to be used by the company in connection with the acquisition of additional properties and for general corporate purposes. Office—First National Bank, Kansas City, Mo. Proceeds—to be used by the company for the purchase of properties and for general corporate purposes.
Robin-Seaway Industries, Inc. (4.10-14) — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Presto Dyechem Co., Inc. — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Presto Dyechem Co., Inc. (4.10-17) — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Progress Webster Electronics Corp. (4.10-17) — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Publishers Company, Inc. (4.17-21) — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Puerto Rican Airlines, Inc. — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Ram Electronics, Inc. (4) — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Recreation Enterprises, Inc. — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Red Star Yeast & Products Co. — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Rego Insulated Wire Corp. (4) — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Security Acceptance Corp. — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Selas Corp. of America (4.12) — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Selmar (H. A., Inc.) — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Shinn Industries, Inc. (4.3) — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Sequoed Electronic Industries, Inc. — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Sigmas Instruments, Inc. (5.1-5) — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Southland Life Insurance Co. — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Southwestern Oil Producers, Inc. — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Spartan Mfg. Corp. — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Staples Realty Co., Inc. — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Stern Utilities Corp. — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Stuart Mfg. Corp. — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

Stuart Mfg. Corp. (4.3) — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

The Gamma Labs, Inc. — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

The Gamma Labs, Inc. (4.3) — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

The Gamma Labs, Inc. (5.1) — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

The Omega Co., Inc. — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

The Omega Co., Inc. (4.3) — To be supplied by amendment. Business — The company is engaged in the manufacture and sale of various types of electronic equipment and components, including electronic components and sub-assemblies for the military and industrial markets. The company plans to expand its operations through acquisitions. Proceeds — For working capital and other corporate purposes.

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- Statesboro shares, for of the issuing company and 1,171,000 shares, representing outstanding stock, are to be offered for the account of the company. For the company's shares, to be related to A.S.E. prices at the time of sale. Fees will be supplied by amendment. Business — The company, for $24,000,000, will be used to pay past due legal and accounting bills, reduce current indebtedness, with the remaining proceeds to be used for general corporate purposes. The proceeds of the first 12,000 shares will go to Nettles Trading Co. The proceeds of the remaining 9,000,000 shares will be used to supply a line of internal communications systems for use in business and industry. Proceeds — For conversion of $25,000,000 of the middle Pike, Camp Hill, Pa., Underwriters—Stroud & Co. Philadelphia, Pa. (manager). Offering—Expected in late April.

- Thrift Courts of America, Inc. Feb. 28, 1961 filed $200,000 of 18% convertible subordinated debentures, 100,000 shares of common stock, 50,000 warrants, necessary to the conversion of the debentures, to be offered in units of $400 of debentures, 50 common shares, and 25 warrants. Price — $500 per unit. Proceeds — For the reorganization of a business, to develop a new building, to establish a new manufacturing plant, and to build a new building. Offering—Expected in late April.

- Tronomatic Corp. March 13, 1961 filed $200,000 of convertible subordinated debentures, due April 1, 1961, to be offered for subscription by holders of its outstanding capital stock on the basis of $100 principal amount of debentures for each share held. Price — To be supplied by amendment. Proceeds — For new equipment and expansion. Offering—Expected in late April.

- United States Steel Corp. Mar. 15, 1961 filed 75,000 of convertible subordinated debentures, of which 35,000 are to be offered for the account of the company and 100,000 outstanding shares, stock, by the selling shareholders. Price — To be supplied by amendment. Proceeds — For new equipment and expansion. Offering—Expected in late April.

- Vagabond Motor Hotels, Inc. Feb. 14, 1961 (letter of notification) 100,000 shares of common stock, par $1, to be offered for subscription by holders of its outstanding shares, for the account of the company. Price — $4 per share. Proceeds — For new equipment and expansion. Offering—Expected in late April.

- Vickers Engineering, Inc. March 2, 1961 (letter of notification) 50,000 shares of common stock, par $1, to be offered for subscription by holders of its outstanding shares, for the account of the company. Price — $4 per share. Proceeds — For new equipment and expansion. Offering—Expected in late April.

- Victerum Corporation March 16, 1961 filed 350,000 shares of common stock (par $1) to be offered for subscription by holders of outstanding shares at the time of offering. Price — $4 per share. Proceeds — For new equipment and expansion. Offering—Expected in late April.
ATTENTION UNDERWRITERS!

Do you have any issues you're planning to report? Our Corporation News Department would like to know about it so that we can prepare an item similar to the following:

Would you telephone us at Rector 1-5570 or write us at 33 Park Place, New York 1, N. Y.

Prospective Offerings

A. T. U. Productions, Inc.

March 15, 1961, it was reported that this company plans to offer a Reg. A filing covering 100,000 shares of common stock (par $1), of which 176,000 are offered for public sale by the company and 137,000 outstanding shares by the present holders thereof. Price—$1 per share. Proceeds—To underwrite the sale of stock in New York City. Underwriter—None.

The materials from this source are for the purchase of additional accounts receivable and also may be disposed of in Canada and other foreign markets. Business—Publishes textbooks for elementary and high school students. Proceeds—To develop program materials for use in Canada and other foreign markets, in other formats, and for working capital. Office—515 North Wabash Avenue, Chicago, Ill. Underwriters—Lord, Sayre & Weekes, New York City. Offering—Expires as of this date.

Welch Scientific Co.

March 12, 1961, filed 321,000 shares of common stock (par $1), of which 176,000 are offered for public sale by the company and 137,000 outstanding shares by the present holders thereof. Price—$1 per share. Proceeds—To underwrite the sale of stock in New York City. Underwriter—Neward, Cook & Co., St. Louis (managing).

Western Factors, Inc.


Gasoline Supply Co.

Jan. 24, 1961, it was reported that this company is negotiating for the sale of about $15,000,000 to $20,000,000 of bonds in New York City. Underwriter—Halsey, Stuart & Co.; J. Aagaard, Inc., 1525 Broadway, New York City. Underwriter—None.

Alberta Gas Trunk Line Co., Ltd.

Sept. 15, 1961, announced that it plans to offer publicly 100,000 shares of common stock (par $1). Proceeds—$1 per share. Proceeds—to increase funds available for financing new home construction and improvements. Office—O. S. Nederland, 28 Broadway, New York City. Note—This company has already filed its registration statement with the Securities and Exchange Commission to register approximately $100,000,000 of bonds, the proceeds of which will be used to finance the company’s future operations. Underwriter—Goldman, Sachs & Co., 515 Madison Avenue, New York City. Underwriter—None.

American Fidelity Building & Loan Ass'n.

Nov. 15, 1961, it was reported that this company will issue $25,000,000 of convertible debentures. Proceeds—To underwrite the sale of stock in New York City. Underwriter—Halsey, Stuart & Co.; Fondren & Co., 515 Madison Avenue, New York City. Underwriter—None.

American Playlands Corp.

Dec. 21, 1960, it was reported that this company plans to refinance its existing loans by the sale of $25,000,000 of common stock. This will be a full filing. Business—The company intends to use the proceeds to expand and improve its existing properties, including a new amusement park on 196 acres of land near Lucky, N. Y. Proceeds—For development of the land. Office—35 South Main Street, Southport, Conn. Underwriter—Loeb, Rhoades & Co., Inc., New York City. Underwriter—None.

American Telephone & Telegraph Co. (6/6)

March 15, 1961, the company announced plans to offer approximately $25,000,000 of preferred stock. Proceeds—To repay debt and for working capital. Office—130 W. 5th Street, New York City. Underwriter—None.

Appalachian Power Co.

Feb. 28, 1961, it was reported that this subsidiary of American Electric Power Co., Inc., plans to sell $35,000,000 of common stock late in 1961 or early in 1962. Office—2 Broadway, New York City. Underwriters—To be determined by competitive bidding. Proceeds—To finance a new generating station at Asheville, N. C., and to refinance the company’s debt. Underwriters—Black, Burchel & Co., Inc., New York City. Underwriter—None.

Arkansas Power & Light Co. (5/15)

March 15, 1961, it was announced that this subsidiary of the company plans to issue approximately $10,000,000 of common stock. Proceeds—To engage in the construction, operation and management of electric power projects in the state of Arkansas. Underwriter—Halsey, Stuart & Co.; J. Aagaard, Inc., 1525 Broadway, New York City. Underwriter—None.

Baltimore Gas & Electric Co.

Feb. 21, 1961, F. E. Rugemer, Treasurer, stated that the company expects to refinance its existing mortgage debt by an offering of $25,000,000 of common stock. Proceeds—To underwrite the sale of stock in New York City. Underwriter—Halsey, Stuart & Co.; J. Aagaard, Inc., 1525 Broadway, New York City. Underwriter—None.

Bell Telephone Co. of Pennsylvania (5/2)

Feb. 23, 1961, it was reported that this subsidiary of the company plans to issue $75,000,000 of common stock. Proceeds—To refinance the company’s existing mortgage debt. Underwriter—To be determined by competitive bidding. Proceeds—To underwrite the sale of stock in New York City. Underwriter—Halsey, Stuart & Co.; J. Aagaard, Inc., 1525 Broadway, New York City. Underwriter—None.

California Electric Power Co.

Jan. 18, 1961, it was reported that this company’s plans to issue $10,000,000 of common stock. Proceeds—To underwrite the sale of stock in New York City. Underwriter—Halsey, Stuart & Co.; J. Aagaard, Inc., 1525 Broadway, New York City. Underwriter—None.

Caradangue Enterprises, Inc.

Finger Lakes Racing Association, Inc.

Nov. 15, 1961, it was reported that this company plans to sell publicly about 40,000 units, each unit to consist of one debenture, six common shares and three warrants.

Continued on page 52
underwriter—R.

\textit{Construction Cigar Corp.}

March 24, 1961, the company announced plans to offer $20,000,000 of preferred stock and \textit{construction} bond, with the proceeds to be used for the development of a new building. The offering is expected to be priced between $55 and $57 per share, and a vote to authorize the plan was set for the following May.

\textit{Consolidated Edison Co. of New York, Inc.}

March 22, 1961, it was reported that this company plans to sell $100,000,000 of common stock. The proceeds are to be used to finance the construction of a new power plant in the northeastern U.S.

\textit{Continental Vending Machine Corp.}

Feb. 21, 1961, it was reported that the company is negotiating with several major banks for the financing of a new plant. The cost of the plant is estimated to be $50,000,000.

\textit{Dallas Power & Light Co.}

Sept. 7, 1960, it was reported that the company plans to sell $100,000,000 of additional common stock. The offering is being made to provide funds for the construction of a new power plant.

\textit{Diversified Automated Sales Corp.}

President, Jack N. James, reported that the company plans to sell $100,000,000 of stock. The proceeds are to be used for the development of new products and to expand the company's facilities.

\textit{Edo Corp.}

March 20, 1960, it was reported that this company plans to sell $3,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Empire Fund, Inc.}

March 8, 1961, it was reported that the company plans to sell $100,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{First National Bank of Toms River (N. J.)}

March 22, 1961, it was reported that stockholders voted in favor of a plan to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Gas & Electric Co.}

Feb. 19, 1961, it was reported that this company plans to sell $50,000,000 of additional common stock. The proceeds are to be used for the construction of a new plant.

\textit{Guided Missile Agency}

March 23, 1961, it was reported that this company plans to sell $20,000,000 of additional common stock. The proceeds are to be used for the construction of a new plant.

\textit{Halsey, Stuart & Co.}

March 18, 1961, it was reported that the company plans to sell $25,000,000 of new common stock. The proceeds are to be used for the construction of a new plant.

\textit{Hartford Accident & Indemnity Co.}

March 21, 1961, it was reported that this company plans to sell $25,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{H&L Mfg. Co.}

Feb. 20, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Havemeyer, Boos & Jones Co.}

March 21, 1961, it was reported that the company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Horticultural Co.}

March 17, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{James A. Seabury & Son, Inc.}

March 21, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{J. P. Morgan & Co., Inc.}

March 19, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{J. R. W. Shows, Inc.}

March 20, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Kansas City Southern Railway Co.}

March 18, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Lombard & Co., Inc.}

March 20, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Motor Credit Co.}

Oct. 17, 1960, it was reported that the company plans to sell $100,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{National Bank of Commerce}

March 18, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{North American Aviation, Inc.}

March 20, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Ohio Natural Gas Co.}

March 20, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Peabody Electric Co.}

March 21, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Potomac Electric Power Co.}

March 20, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Puget Sound Electric Co.}

March 21, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Rhode Island Electric Co.}

March 20, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Service London, Ontario}

March 21, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Southern Pacific Co.}

March 20, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Southwestern Power Co.}

March 20, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Superior Oil Co.}

March 20, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Union Securities Co.}

March 22, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Upjohn Co.}

March 20, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Weld & Co., Ltd.}

March 20, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Weltcup Co.}

March 20, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Weyerhaeuser Co.}

March 21, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Wittier & Co.}

March 20, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Xerox Corp.}

March 20, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.

\textit{Yvon Co., Inc.}

March 21, 1961, it was reported that this company plans to sell $20,000,000 of common stock. The proceeds are to be used for the construction of a new plant.
General Telephone & Electronics Corp. plans to sell about $10,000,000 of bonds in the first half of 1961. Office—220 South Michigan, Chicago. Underwriters—To be determined by competitive bidding. Probable bidders on the bonds: Halsey, Stuart & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co.; Salomon Bros. & H石家; and Eastern Dillon, Union Securities & Co. and First Boston Corp. (jointly); Probable bidders on the common: Blyth & Co.; Lazard Freres & Co.; and First Boston Corp. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co.; Salomon Bros. & H石家; and Eastern Dillon, Union Securities & Co. and First Boston Corp. (jointly);

Lazard Freres & Co.; First Boston Corp. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co.; Salomon Bros. & H石家; and Eastern Dillon, Union Securities & Co. and First Boston Corp. (jointly); Global Securities Corp. and Equitable Securities Corp. (jointly); White, Weld & Co.; Barney & Co.; and Webster, Jackson & Curtis, and Sterling, Webster & Securities Corp.

General Telephone & Electronics Corp. Feb. 8, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp. was offering to sell about $15,000,000 of bonds in New York. Office—104 North Michigan, Chicago. Underwriters—To be determined by competitive bidding. Probable bidders on the bonds: Webster, Jackson & Curtis, Chicago; Smith, Barney & Co.; and Webster, Jackson & Curtis, New York City. Associated with this issue was a... 


Gulf Power Co. (12/7) Jan. 4, 1961, it was reported that this subsidiary of the Southern Co. plans to sell $5,000,000 of 30-year bonds. Office—75 North Pace Blvd., Pensacola, Fla. Underwriters—To be determined by competitive bidding. Probable bidders included Halsey, Stuart & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Salomon Bros. & H石家; and Drexel & Co. (jointly); Equitable Securities Corp., Eastman Dillon, Union Securities & Co. and First Boston Corp. (jointly); Previous bidders for preferred were Drexel & Co. (jointly); Bids—Expected to be received on Dec. 7, 1961. Hawaiian Telephone Co. March 8, 1961, it was reported that this company plans to sell about $25,000,000 of bonds to stockholders through subscription rights later this year. Office—1130 Alakea Street, Honolulu 13, Hawaii. Underwriter—None.

Houston Fearless Corp. Feb. 27, 1961, Barry J. Shillito, President, stated that the company plans to sell $15,000,000 of bonds to United Texas Electric investors, to be placed with bankers. Westall divisions into a new national medical and hospital supply company that 80% of the new firm's stock would be retained by Houston and the remaining 20% sold to the public. Office—1100 W. Olympic Blvd., Los Angeles 64, Calif.

Houston Lighting & Power Co. Oct. 17, 1960, the company, President, stated that between $25-$35 million dollars is expected to be raised publicly through the sale of additional common stock and to refinance indebtedness and all its operations, with the proceeds being used to refinance debt and security, and to be used for capital improvements at its plants. Proceeds—For construction, plant modernization, and debt retirement. Underwriter—Nabors and Hays, Houston, Texas. Underwriter—Previous financing for the company included $50,000,000 of bonds and $10,000,000 of preferred stock. Office—125-23 Jamaica Avenue, Jamaica, L.I., N.Y.


Massachusetts Electric Co. (6/27) March 21, 1961 it was reported that this company plans to sell $15,000,000 of its bonds in New York. Office—1017 Olive Street, St. Louis, Mo. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co.; and Hoffman & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co.; and Hoffman & Co. (jointly);

Mcculloch Corp. Jan. 9, 1961 it was reported that this company will schedule an initial public financing for late 1961 or some time in 1962. Business—The company manufactures Scott outboard motors and McCulloch chain saws.

Pennsylvania Power Co.

D. C. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co.; First Boston Corp.; and Montgomery Securities Corp. and Drexel & Co. (jointly). First Boston Corp. Underwriter—To be expected about May 8. Bids—to be received at 11 a.m. on June 15.

Southern Pacific Co. (4/4)

March 6, 1961 it was reported that this company plans to sell $25,000,000 of first mortgage bonds due June 1, 1992. Proceeds—For expansion. Open—600 North Broadway, St. Louis—Sellers—To be determined by competitive bidding. Previous bidders included Merrill Lynch, Pierce, Fenner & Smith, Inc. and Kidder Peabody & Co. (jointly); Morgan Stanley & Co., White, Weld & Co., and Kidder, Peabody & Co. (jointly); First Boston Corp.; Salomon Brothers & Co. (jointly); and T. & C. Underwriters—To be expected about May 8. Bids—to be received at 11 a.m. on June 15.

Northern Natural Gas Co. Oct 28, 1960 it was reported by Mr. Loren Fitch, com- mering that this company plans to sell $3,000,000 of first mortgage bonds due June 1, 1991, with proceeds to be used for the expansion on Petsascating pipeline. Proceeds—To retire bank loans. Open—Watts Building, Birmingham, Ala. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co.; First Boston Corp.; and Montgomery Securities Corp. and Drexel & Co. (jointly).

Southern Railway Co. Nov. 21, 1960 stockholders approved the issuance of 200,000 shares of new common stock, the first of a contemplated total of 3,000,000 shares. Proceeds—To be used for the proposed convertible debentures, including the possible acquisition of Central of Georgia Ry. Open—Washington, D. C. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co.; Salomon Bros. & Houlihan. Bids—to be received on April 4 at noon (EDT).

Texas Bank & Trust Co. (Dallas) March 29, 1961 it was reported that the stockholders are to vote April 13, on increasing the authorized $10 par stock to provide for sale of 50,000 shares to stockholders at $50 a share. Price—$25 per share. Proceeds—To increase capital. Open—First National Bank of San Antonio, Texas. Underwriter—None.

Texas Gas Transmission Corp. Jan. 26, 1961 it was reported that this company plans to sell $10,000,000 to $15,000,000 of bonds in the third quarter of 1961. Proceeds—To be used for the proposed convertible debentures, including the possible acquisition of Central of Georgia Ry. Open—Washington, D. C. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co.; First Boston Corp.; and Montgomery Securities Corp. and Drexel & Co. (jointly).

Traid Corp. Jan. 1, 1961 it was reported that this company is considering issuing new financing. No confirmation was available. Business—The company specializes in airplane photo instrumentation and other services, including aerial photography. Open—Birmingham, Ala. Underwriter—Salomon Bros. & Houlihan. Bids—to be received at 11 a.m. on June 15.

United Aircraft Corp. Feb. 15, 1961 it was reported that this company is considering issuing $100,000,000 of 4% sinking fund mortgage bonds due February 15, 1971. Bids—to be expected at 11 a.m. on May 8. Proceeds—To be used for the expansion on Petsascating pipeline. Proceeds—To be expected at 11 a.m. on May 8. Bids—to be received at 11 a.m. on June 15.

Universal Oil Products Co. Jan. 15, 1961 it was reported that this company may require financing either through bank borrowings or the sale of new stock, or both. Proceeds—To be used in the development of a new major field which has yet to be identified. No decision has been made on whether the product, named "Taca", will go into production. The company is a major petroleum and chemical research and process development concern. Open—30 Algonquin Rd.,
Investment Club Association in Membership Drive

Financial contributions from sponsors are solicited in a new drive to increase membership in the Investment Club Association of Investment Clubs and to encourage more shareholding. Objectives—To increase membership about fourteen-fold from its present 320,000 to 5,000,000.

A nationwide program with the dual goal of increasing membership in the Investment Club and in the Investment Club Association was announced by the National Association of Investors Corporation.

Aiming to increase membership in investment clubs from the present 350,000, the program will emphasize the desirability of American investments and how they can readily acquire a personal stake in the nation's growth.

It will be financed by contributions from individuals, corporations, investment companies and others. It was announced by Robert A. Thomas, E. O'Hara, chairman of the board of trustees.

Membership Growth

The NAIC, formed in 1961, has a membership of 5,612 clubs in the United States, composed of 78,496 persons. The number of clubs enrolled has increased about 39% in the past three years.

"This is one of the most significant developments in the American economic system," Mr. O'Hara said, "because it has been bringing personal investments from the individual to the capitalistic to a wide range of people engaged in the investing industry, and it is the mixture of the portfolios of their clubs, these people's personal discounts and works and come to appreciate the economic factors that determine the economic growth of any people; the spirit of the idea, the strength of the need for the profits, and the shares of labor and profit.

This is a positive form of education that is proving helpful in gaining the attention of general economic proposals in Congress, the distribution of labor and other matters having great significance for the future of American business.

By other purposes of the program to broaden participation in investment clubs, Mr. O'Hara said, are (1) increasing the flow of investment into American business, necessary for future growth and create new jobs; (2) spreading economic democracy in the nation and many Americans to share in ownership of businesses; (3) Affording millions of people a savings and investment plan additional income and against inflation.

A broadening stockholders list of many corporations and providing new outlets for their securities.

Starting many people toward individual investment programs in addition to their club participation, by familiarizing them with the procedures and benefits.

While most clubs invest their members' investments—usually $10 per member—in stocks and bonds, some invest in real estate, commodities, oil and gas exploration, foreign enterprises and other ventures, Mr. O'Hara said. All members clubs of NAIC are audit anxious issues audited reports.

Working with NAIC on the new program is the Philadelphia Company, international public relations firm, which plans to enroll sponsors in beginning immediately. Contributions of $50 to $2,000 a year will be accepted by NAIC, whose address is the First National Building, Detroit.

Notices in the press will go to three selling stockholders.

Now Olmstead Allen

LOS ANGELES, Calif.—The firm of Olmstead Allen & Co., 3501 Wilshire Boulevard, has been changed to Olmstead Allen & Co., 3501 Wilshire Boulevard & Co., Olmsted Allen, President; Peter Olmsted, Vice-President, Treasurer and Secretary.

In Securities Business

BOSTON, Mass.—William A. Parr is engaging in a securities business at 84 State St. under the firm name of State Street Securities Co.

FINANCIAL NOTICE

Stelma, Inc. Common Sold

It was announced on March 29 that a underwriting group headed by Amos Treat, Inc., of New York, N. Y., held a public offering of $10,000,000 common stock of Stelma, Inc. at $17.50 per share.

A British company, located at 200 Henry St., Stamford, Conn., makes equipment for the manufacture of cryogenics and other cryogenic products. The proceeds of the stock sale will go to three selling stockholders.

Loan Assn. Stock Offd.

Pursuant to a March 30 prospectus, McClane & Co., Inc., of 26 Broadway, N. Y., publicly offered $5 per share, $100,000 shares of the 1% per annum common stock of the Company, at $10 per share, $1,000,000 bonds of the company, at $10 per share, and $1,000,000 common stock of the Company, at $10 per share.

CF. J. Powers Opens

BOISE, Idaho—Keith E. Putnam is engaging in a securities business at 301 Chandl aerial

FEFERAL

DIVIDEND NOTICES

LEVITE CORPORA TION CLEVELAND, OHIO

is paying a dividend of 30 cents a common share on March 28. This is the company's 155th consecutive quarterly dividend.

Notice in Security Holders of the Dayton Power and Light Company

Benbow Astronaut. Cl A Stk. Offered

Tobacco to a March 23, 1961 offering, circulating 100,000 shares of class A stock (par $5) of Benbow Astronautics Inc., was offered publicly at $5 per share through the November 1, 1961, at 37th Ave. and 13th St., Santa Ana, Calif., for stockholders of the company.

With headquarters in New York, the company's stock includes dealers, at 84 State St. under the firm name of State Street Securities Co.

FEDERAL

LEVI S CORPORATION CLEVELAND, OHIO

is paying a dividend of 30 cents a common share on March 28. This is the company's 155th consecutive quarterly dividend.

Notice in Security Holders of the Dayton Power and Light Company

BENBOW ASTRONAUTICS INC., 5333 Main St., Santa Ana, Calif., 92707, has been sold for stock of the company.

DIVIDEND NOTICES

REDIVIDEND NOTICES

CONSOLIDATED NATURAL GAS COMPANY

CONSOLIDATED NATURAL GAS COMPANY

CONSOLIDATED NATURAL GAS COMPANY

The board of directors has declared a quarterly dividend of Sixty-Five Cents per share on the capital stock of the company, payable May 15, 1961 to stockholders of record at the close of business April 15, 1961.

JOHN MILLER, Secretary

March 28, 1961

K. E. Putnam Forms Co.

BOISE, Idaho—Keith E. Putnam is engaging in a securities business at 84 State St. under the firm name of Putnam & Co.

FEDERAL

FEDERAL PAPER BOARD C0., Inc. Merger and Preferred Dividends

The Board of Directors of Federal Paper Board Company, Inc. has declared the following quarterly dividend on 36c per share on Common Stock, 4c per share on Preferred Stock. Cumulative preferred stock.

The board of directors has declared a quarterly dividend of Sixty-Five Cents per share on the capital stock of the company, payable May 15, 1961 to stockholders of record at the close of business April 15, 1961.

ROBERT A. WALLACE, President and Secretary

March 14, 1961

Roxie, New Jersey

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March 14, 1961

Roxie, New Jersey
Washington, D.C. — One of the most powerful lobbies in Washington is the National Educational Association. It has tremendous influence — because it fans out nationwide through the various state educational organizations.

The NEA is a busy "trade" association these days. Education is big business and getting bigger all the time.

Because the NEA is big business, the federal aid to education issue threatens to be the hottest one among the liveliest issues to come up before Congress.

Both the House and Senate Education and Labor Committees have been conducting hearings on the measures. The bill of the House could end up by providing $3.5 billion in grants to the states or for school construction and teacher salaries. The teachers, naturally, would like to have an increase in their salaries, and builders and suppliers of anything from cement to lumber and bricks, would like to have some more business.

The aid proposal is bogged down in controversies over whether or not the United States should subsidize, grant aid, or loans or both, to private schools. This whole scheme is bound up in the concept of something fine and good for the education of all.

Opposed for the Wrong Reason

After the federal aid bill was unfurled the National Catholic Welfare Conference, the 200 Cardinals, Archbishops and Bishops of the United States, said they were opposed to it. When Uncle Sam started pouring out the millions, the 12,000 Catholic schools in this country expected their share.

At the same time, Protestant and Jewish leaders came out in opposition to using any of the public moneys to support Catholic schools. It was a battle of private schools versus public schools.

What they should have done, or should do soon, is to come out against the whole scheme whereby the taxpayers are willing to take money away from the taxpayers and give it to any school where they see fit.

This is another scheme of Federal bureaucrats. Many would like nothing better than to control the schools of our country. Federal money from Washington — millions upon millions of dollars — goes into a private enterprise, the schools, and the people, no doubt. But it would mean that in a few years, instead of there being a gigantic federalized education in this country, the little schools back in the hinterlands would be a cme-paupers, children of a hand of an all-powerful United States Department of Education.

The Desegregation Aspect

Meanwhile, the NEA campaign continues in high gear. It would make a difference if the NEA, which partly controlled the executive branch, had been part of the legislative branch. Had Richard M. Nixon been elected President, and had Congress been controlled by Republicans instead of by the Democrats, the whole body would be underway just the same.

President Kennedy unquestionably is correct when he said that under the United States constitution public funds for re-

ligious schools was unconstitutional. Yet, Federal funds are already being used in numerous ways for religious education. For instance, public money is being used for the school lunch program in church schools.

Perhaps from the standpoint of school desegregation which is a burning issue in numerous Southern states, the Federal aid to education scheme possibly could pave the way for some to abash the public school system, and let the children of the Negroes go to the schools.

All the border states have desegregated in the South, but to varying degrees. In North Carolina, where there are hundreds of thousands of Negro children, the state has "integrated" its schools — which means they have more than 100 Negro children attending previously all-white schools. Virginia is somewhat similar in position.

In Deep South, Florida and Louisiana have bia-centric schools in one district by order of the United States Supreme Court.

Georgia, Mississippi and South Carolina retain completely segregated schools.

In most border states, de-segregation has been set off to the tune of passage of Federal laws providing for the closing of public schools. The suit of Federal court orders de-segregate.

There is nothing in the constitution of the United States which requires community or states to operate a public school.

But back to the Federal aid to education: it is going to be a living issue for some time, no doubt, because the proposed aid is a foot-in-the-door plan of the bureaucrats. The amount of funds would grow and grow once the plan is started.

Threat to Free Education

The threat to make a matter of state until Washington would be telling the various schools the bylaws and the textbooks they should adopt. Probably a Federal aid to education proposition would be set up so that uniform textbooks could be adopted in all states.

Unfortunately, there are many schools, including Catholic schools, who apparently do not believe that there is any hope for changing them. Many members of the House and Senate probably came to Washington sharing similar views, but after spending a while in the lovely capital of the nation, a good many of them, no doubt, have changed their minds. They know how many people sit behind mahogany desks in Washington and eventually get their schemes across.

"With Federal bureaucrats now proposing the use of taxpayer's money to run our own schools," said one member of the House recently, "surely they will not condone the use of Washington dollars free of Federal control."

There seems to be no question about it — Federal subsidies are bound to mean Federal decisions about running the schools. There is no overall supervision. There are a few sections in the National Education Act that could use more funds, but the way things have been since our country was founded.

What "Acute" Need?

A survey not too long ago showed there is no acute need for classrooms. In the past 10 years the number of public school pupils increased 48%,

but the number of classrooms increased 60%, and the number of teachers, 51%. This was taking place, teachers' salaries increased more than most people imagined. Their salaries jumped to 72% of an average of $3,269 a year, and they did not have to work 12 months a year, although many of them attended school part of the time in the summer months.

What is going to happen to the school kids? There is going to be a lot of pro and con debate. With the advent of the church school question now raised, enthusiasm for the program in various parts of the country appears likely to subside. Meanwhile, Congressmen are getting a lot of mail for and against the issue. This leaves them squinting on what should they do if they have to face a showdown vote.

Meanwhile there is a strong possibility the Federal aid to education bill may eventually wind up in a pipe dream as far as the 78th Congress is concerned.

Form Sponsor Securities

NEWARK, N. J.—Sponsor Securities Corporation has been formed with offices at 11 Commerce Street to engage in a securities business. Officers are Allan A. Segal, President and Treasurer; S. H. Segal, Secretary and Guy Ben Arram Segal, Vice-President.

Hart Named Chairman of Bank of London

G. Arnold Hart, President of the Bank of Montreal, has been appointed Chairman of the Bank of London, a n.d.

In Montreal for some time, he has been a noted figure. Mr. Hart succeeds Mr. George Bollon, Chairman of the Bank of London and South America, who becomes Deputy Chairman on completion of his term as Chairman of the BOLAM Board also appointed is A. E. F. Williamson, Senior Vice-President of Balfour, Guthrie & Co., Ltd., New York, as a Director, succeeding V. W. P. O'Neill, also of New York.

Form Sam Wick Assoc.

Sam Wick Associates, Inc. is engaging in a securities business from offices at 10 East 44th St., New York City. Officers are I. J. Block, President and Secretary; Hauke J. Christian, Executive Vice-President; and M. L. Wick, Vice-President.

In Securities Business

PHOENIX, Ariz.—Herbert Wood is engaging in a securities business from offices at 2222 North 16th Street.