EDITORIAL

As We See It

Word comes from Washington that the Director of the Budget has assured members of Congress that the President is laying out, or has laid out, a program that will assure a balanced budget in the fiscal year 1967. This highly desirable consummation is, however, to be achieved, less by any control of outlays than by so stimulating business that tax receipts will keep well ahead of inevitably rising expenditures. These bland assurances seem to be but an implementation, or promised implementation, of the general economic philosophy which the President and his aides have been enunciating for some time past. We must, they have been saying, balance the economy by unbalancing the budget. This latter lack of balance would be automatically eliminated, so the story goes, as the economy comes into balance. It would be encouraging if a good basis for any such expectation could be found either in logic or experience. Such a basis, however, eludes us as we are certain that it eludes others who have given the matter careful and dispassionate thought.

As a matter of fact, we have been through all this before. Make the necessary adjustments in terminology to put the facts of the 1930’s in the jargon of this day and time, and we find that the New Deal in its earlier days was preaching much the same notions; and making much the same predictions — and, of course, regularly failing to reach the promised land. It was early in 1934 that President Roosevelt told the American people that we must plan for, and were planning for, a balanced budget in the fiscal year 1936. A year later, when the budget message set forth the estimates for that year, a planned deficit of nearly $4 billion was announced. Actually, the shortage in that year was

(Continued on page 20)

How and Where Administration Errs in Its Economic Correctives

By Arthur F. Burns, John Bates Clark Professor of Economics, Columbia University, and President, National Bureau of Economic Research, New York City

(Continued from page 17)

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CURTIS V. TER KUILE
Hampton Boys, New York

Stephenson Finance Co., Inc.

Stephenson Finance Co., common stock is selling at $4 ¼ over-the-counter, for which the cash dividend rate of 50 cents per share, plus 2% stock.

For the fiscal year ending Aug. 31, 1962, net income from operations amounted to $250,509, or 78 cents per share after preferred dividend. As compared with $183,452, or 55 cents per share for the previous year. Non-recurring Income added $147,518 in fiscal 1962 and $19,707 for fiscal 1961. Based solely on income from operations the company earned 78 cents per share in 1962. In 1961, an increase of 41.7%. The stock continues selling 11 9/16 times earnings from operations, and paying out 64% in cash dividends.

The balance sheet dated Aug. 31, 1962 shows cash and securities $2,726,578, notes receivable $14,850, accounts receivable $117,170,000, subordinated debt $2,143,825,51% preferred stock $210,875, and 300,000 shares authorized and outstanding common stock, par value $2.50 per share. Total assets amounted to $3,060,203.

Stephenson Finance Company was incorporated in South Carolina in 1946 and has earned a net profit for each year starting with 1948. The business is based on discount notes receivable, make discount basis installment loans on automobiles and household goods, and to make collateral loans to automobile and appliance dealers. Through its two insurance company subsidiaries the company writes credit, life, fire, accident and theft policies. Another subsidiary is in the General Insurance Business.

Since its inception, Stephenson Finance Company has shown steady progress. Stockholders' equity has increased from $239,000 in 1949 to $2,763,538 in 1962. Cash dividends declared to stockholders since 1951 amount to over $2,150,000. As of Aug. 31, 1962, deferred income on installment loans on the Company's books amounted to $1,314,352 and unearned insurance premiums on policies issued amounted to $981,324 making a total of $2,135,656. Losses, an amount from which substantial income will be realized in the future, have amounted to $81,624. Since 1951, the company has paid $82.27 per share of outstanding common stock.

Money is the working tool of the Finance Industry and the operation of thousands of small or medium sized finance companies are reaping rich rewards. To obtain sufficient credit, Stephenson Finance Company has no problem in the respect, because it has bank credit lines granted by 68 banks in 11 states, including six large New York City banks.

During the last seven years, Stephenson Finance Company has expanded its business and the need for expansion. Superior Auto Insurance Company was acquired in 1957 and Superior Life Insurance Company in 1958. During the year ending Aug. 31, 1958, the Company opened nine new offices. 1960 was a period of consolidation but in the year ending Aug. 31, 1961, eight new offices were acquired. The earlier new offices are now beginning to contribute to the Company's earnings.

The decline in earnings in the fiscal years ending Aug. 31, 1961 and 1960, was occasioned by several factors. In 1960 the Company was assessed additional state taxes amounting to $13,300 and sustained repudiation expenses considered to be about $20,000 above normal. Earnings for 1961 were reduced by a $60,000 increase in provision for losses. This was caused by a decline in dealer installment notes, on which the loss provision is 1%, and an increase in the total losses. Last year resulted from the fact that this fiscal year was not a good auto mobile year. The earnings of both years were also affected by start-up, development and sustaining the expenses of the new offices. However, this is water over the dam and future annual earnings are not expected to be similarly affected.

The Company is reported to be planning a split of its shares and to list the stock on the American Stock Exchange.

ARTHUR D. DALLEN
Research Department, Filor, Ballard & Co., New York City

Colgate-Palmoine Company

Colgate-Palmoine is fast becoming recognized in the business and financial community as a respected and growing organization which should be capable of generating increasing sales and earnings over the next several years. As late as 1960 the company spent only $10,110 on research and development and new product sales testing. Last year the total was about $25 million, and in excess of $35 million may well be invested in these vital programs by 1965. The first results of Colgate-Palmoine's intensified research and product testing program, which began to appear last year, underscores the recently formulated drive to expand domestic sales and profits.

The company is one of the major producers of cleaning and personal care articles. Soaps and detergents contribute the largest portion of over-all volume, followed by toothpaste, tooth brush and shaving cream are among the largest selling in the world. Both an ethical and proprietary drug company were acquired two years ago and it is hoped that entry into the drug field may eventually enhance Colgate-Palmoine's earnings potential.

During the 1960's the company emphasized its foreign business at the expense of domestic operations. While foreign sales rose nearly two and one-half times between 1962 and 1961, domestic sales in the same period increased by only 14%. Also, while foreign earnings climbed 106% in this same period, domestic earnings suffered a 39% decline. After George H. Dallen, Research Director of the International Division, became Chief Executive Officer in July, 1960, he announced that domestic operations were to be the vital key to the company's progress in the years ahead.

Reflecting widespread internal improvements and the rapid in-
The outlook for the American economy is excellent — in fact, very much better than frequently expressed in thought. Business is moving up and expectations are good. Fundamental problems of long standing are now being recognized and this is the first move toward solution. Tax reduction and revision offers a real hope of giving an effective push to the economy.

We have been producing more goods and services, creating more jobs, and generating more personal income and profits than ever before. Nevertheless 1963 will go down in history as a problem year in terms of economic activity with a distinct tone of disappointment. In the first place there were several major disturbing events during the year. Perhaps the most striking example of this was that gross national product in the calendar year ended up at $554 billion, some $14 billion less than the projection by the Administration in January, 1962. In certain months there was a very real change in total personal income and retail sales held even or went down. The Federal Reserve Index of industrial production, seasonally adjusted, held even at under 120 for the five months from August to December, 1962. Unemployment dropped but seasonally adjusted ratio of 5.6% in December 1962.

Much attention was given during the year and the newspapers and businessmen commonly felt they were under severe pressure in terms of achieving adequate profit margins or rate of return. The steel price increase remained an unpleasant memory and the drop in the stock market culminating in May and June was a major shock.

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Mary Carter

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WHAT'S WITH CAPITAL GAINS?

Formulating capital gains taxation is rendered difficult by a particular large segment of the population. This includes the political, the economic; the administrative; the difficulty in legalistic definition of investment, speculation and business. In addition, and as with statutory loopholes, the pressures resulting from the concurrent high tax rates on ordinary income.

The existing high tax rates (sometimes significantly referred to as a capital levy) interfere with the institution of proper tax policies toward capital gains. The lawyer, engineer, or company manager suffering from Treasury divestment of 20 to 31% of his hard earned income (or 40 to 50% of those current or proposed revisions) would undoubtedly be liked by any major lobbyist on "easy Wall Street profits."

British Practice

The United Kingdom, after years of confirmed taxation of profits to those earning a living thereby, has, through the Finance Act of 1947, provided for a 12-month or less gainers into one hopper of taxability at ordinary income rates. The alibi for this was the tax liability was confined to those seeking a living in the business, with such individuals classification being administratively decided by the Internal Revenue.

The U.K.'s treatment of the tax to the less-than-six-month holdings, rather than reflecting punitive or other anti-speculative benefits, stems from filling the need for the definition of income. It is assumed that the proceeds from such short-term are classifiable as income, whether the capital transaction is (it is held that such a levy is not essentially a capital gains tax) but an income tax on a capital transaction.

This in our country, under the premise of policy reason, as those above cited, the imposition of some capital gains tax is unworkable. (The tax's capital levy attribute and the non-recurrent fortuitousness of capital gains profit) — the major marathon controversy is centered on the holding period and rate. The holding period technique, denoting a minimum interval, has been used over the rate's security's retention for getting the right to exchange from taxable ordinary income. The criteria for capital gains makes the income tax on capital gain is to eliminate a formula satisfying the relevant major interest is as true the Administration of the President's proposal to lengthen the qualifying holding period to one year from the existing six months, with a reduction in the present rate from 50 to 30% of the gain, with a maximum tax rate of 20% to 15%. The reasoning of the proposed reduction in the ceiling rate. In testimony before the Ways and Means Committee on February 31, the one-time Deputy to the Secretary of the Treasury, the President of Tax policy, now Professor of Finance at Harvard Business School, after the 1961 approval of a reduction in the percentage of the President's proposal against the proposed Celling routine as follows: "But the present tax rate should also be reduced in line with the percentage of gains included. A failure to do so would be indefensible to the broader brackets in the so-called reform."

The Association of Customers' Panelists' advice to their members asking for a rate reduction, following the alternate proposals, including the Stock Exchange's above-cited proposal with urging to communicate any complaint to "your Senators and Representatives."

Some Alternatives

The above-cited evidence of the factors involved, here and abroad, and especially the conclusion that holding-period prescription should, at least ideally, be discarded, presents the options those individuals engaged in the discussion for a 6-month period even to be seemed in the benefit of reduction in the percentage of the ceiling rate down to an affordable ceiling, as well as from the ceiling of 15, 19, or 25%.

An additional consideration is administrative definition.

If the difficulties involved in formulation of definition be sound insuperable, the holding period technique must be involved in every transaction, and the rest of the community which is subject to the higher and uncommitted ordinary income rates.

But for the reasons cited above, the first period cannot be confused with a capital cut-off date, but should follow a sliding scale, as was the case enacted in the 1943 Act. Probably too stiff were those impasses, calculation of the profit added to taxable ordinary income being of less than 1-year—100%, 5-years—80%; 5-10 years—60%; 2-5 years—40%; 5-10 years—40%; and 2-5 years—30%.

These rates were adopted in subsequent annual statutes until the 1945 Act, which despite its infirmity (as has been shown in one presentation) was taken 100% into ordinary income, while the 5-years—60% up to 5-years — 30% "easy Wall Street profits."

An alternative tax ceiling of somewhere between 25 and 35% should still be included. And important also to be utilized, as with our first period, a preferred plan, are generous Annual Aver-
The Civil War was still in progress, when on June 17, 1863, The Travelers Insurance Company was incorporated in Hartford, Conn., with a capital of $200,000, consisting of 2,000 shares of $100 each, at the original par value of $165 per share, an issue which has been sold, in 1863, for $165.15 million. Cash dividends have been paid without interruption since 1864, and total since organization $244,367,000 at the end of 1962. A $1,000 investment made in this stock as recently as 1949 (2% shares at $435) would have grown to 56% shares today, worth $6,570 at current quotations, not counting dividends. Travelers is indeed one of the great American financial corporations, with a truly remarkable record of continuous growth and rising profitability.

**Situation**

Travelers is regarded as the largest mutual property and casualty insurer in the world, a position it has held since 1962, its total premium income was $1,258,392,725, up from $1,202,650,721 in 1961. Of the $1962 total, $373,7 million was from life insurance premiums, $263 million from accident and health, $269.3 million from automobile insurance, and $26 million from workers' compensation, and the balance from fire and general liability lines. Total life insurance in force at the end of the year was $223.3 billion, of which $490.8 billion was in individual policies, and $46.1 billion in group insurance. The gain over 1961 in life insurance on the books was over $1,02 billion. Total assets of Travelers at the year end were $4,257,082,181. 

**Multiple Coverage**

Travelers has been a leader in the large-scale offering of multiple line insurance, and the famous "umbrella" in its advertising graphically illustrates the over-all program of insurability at Travelers. Travelers was among the pioneers in this "one stop" insurance service, and their most significant contribution to the entire industry is the combined offering, under one corporate roof, of services and sales of servicing of life, fire and liability insurance. As a result, life insurance companies are seeking mergers with casualty companies to maintain their position and meeting the challenge of the new forms of insurance. 

The Accident Department of The Travelers Insurance Company owns the Travelers Indemnity Company, which was formed in 1906, and writes a general line of fire and casualty business. Travelers is licensed to do business in all of the 50 states, and in Canada. In life insurance, the policies offered are all non-participating, and the major selling asset has been on group insurance. Group life insurance in force increased by over $1.1 billion in 1962. Growth in life insurance business has been erratic, but without significant interruption since the Great Depression, and would not be looked on in the standard measure of the growth in corporate pension and welfare programs. 

**Investment Policy**

Insurance companies have long been renowned for the excellence and diversity of their investment portfolios. In the case of Travelers, the portfolio was invested in 1962, 57.3% in bonds, and 35.8% in mortgage loans. In the life department, net return (after tax) on investments was at the rate of 4.36%, which represented an 0.5% percentage gain over 1961 results.

**Growth**

The growth rate in premium is impressive. Increase in total admitted assets (combined policies) in the 1961-62 period was from $2.1 billion to $3.46 billion, or 65.7%.

**Market Action**

During the period between 1956 and 1960, life stocks traded worldwide, with a general definition of a long-range list formula. Since then, investor interest in life stocks has increased, and several mutual funds, specializing in life have enjoyed a rapid expansion. For Travelers, in the market range has been from a low of 62% in 1956 to a high of 176. The current quotation is 185, with a 10.4% adjusted net is not high historically, and reflects, and certainly all, the gains in asset, earning power, and net worth achieved over the past two years. Further, many excellent life stocks cannot be traded in New York State because the leasing companies are not licensed to do business there. Travelers, however, enjoys a broad and active New York trading market, and because of its high quality and brilliancy performance over the years, is a favorite among both institutional and individual investors. Because of the quality of the issue and the relative scarcity of shares in major life companies, Travelers should continue to attract an impressive following in the OTC market. It has shown a major increase in adjusted per share net, from $.492 in 1961 to about $2.9 for 1962, and there has been a rich history of stock dividends and splits.

**Coming Milestone**

Travelers is in line for a special citation at this time because this year is its 100th year since incorporation. Actually, the company began to do business April 1, 1863, so that April 1, 1963, will still be the centennial date. It is quite customary for insurance companies to celebrate so significant a milestone in a very impressive way. For Travelers we might look forward to the anniversary announcement or introduction of some especially attractive new policies or policies. Further, the stock is selling currently at a level where another stock dividend, or a 2-for-1 split, might be an entirely appropriate way in which to reward shareholders on so historic an occasion.

**First Michigan Official Changes**

W. Sydor Gilbreath Jr., President of First Michigan Corporation since 1943, has been elected Chairman of the Board of Directors.

First Michigan Home Loan Bank Appoints Mortlock

WASHINGTON, D.C.—Appointment of president Eugene M. Mortlock of the First Federal Savings and Loan Association of New York, as vice chairman of the Federal Home Loan Bank of New York's board of directors was announced by The Federal Home Loan Bank Board Chairman Joseph P. McMurry.

Mr. Mortlock's appointment is for a one-year term ending Dec. 31, 1963.

The Federal Home Loan Bank of New York, one of the 11 District Banks, provides reserve credit and liquidity services for some 469 member savings and loan associations in New York, New Jersey, Puerto Rico, and the Virgin Islands. The board of directors of the New York Bank has 14 members, 10 elected by the membership and four appointed by the Federal Home Loan Bank Board to represent the community and national interest. Mr. Mortlock has been president of the firm since 1943. His entire business career has been in the investment securities field, starting in Chicago with the National City Bank, a subsidiary of National City Bank. Later he became head of the bond department of the Security Trust Company and a Vice-President of the First Deposit Company.

Mr. Callaway joined First of Michigan Corporation in 1946 in the municipal department. He was named Vice-President in 1946 and in 1948 became a Director of the Detroit-based investment securities firm. He was elected Senior Vice-President in 1954 and has headed the New York office at 2 Wall Street since 1954. He is a Past President of the Municipal Forum of New York.

First of Michigan Corporation, members New York Stock Exchange, maintains headquarters in the Bulfinch Building, Detroit. In addition to New York, the firm also has offices in Chicago, Columbus, Battle Creek, Bay City, Birmingham, Flint, Grand Rapids, Grove Point, Lansing and Muskegon. The firm deals in listed and unlisted securities, municipal and corporate bonds, mutual funds, corporate underwriting, municipal financing, acquisitions, mergers and sales, new issues and security appraisals.

**THE PORT OF NEW YORK AUTHORITY**

Proposals for all or none of $2,500,000 of "The Port of New York Authority, State Guaranteed Commuter Car Bonds, Second Series, Due 1965-1967" will be received by the Authority at 10:30 A.M., E.S.T. on March 14, 1965, at 111 Eighth Avenue, New York 11, New York. Principal and interest of said Bonds are unconditionally guaranteed by the State of New York.

Each offer must be accompanied by a certified check or cashier's check in the amount of $165,000. The Authority will announce the acceptance or rejection of bids at or before 6:00 P.M., E.S.T. on that day.

Copies of the prescribed bidding form, of the Official Statement of the Authority and of the resolutions pursuant to which these bonds are to be issued, may be obtained at the Office of the Treasurer of the Authority, 111 Eighth Avenue, New York 11, N. Y.
Tax-Exempt Bond Market

BY GEORGE L. HAMILTON*

Although new issue volume increases to record proportions in the weeks ahead, the tax exempt bond market in 1963 will be exceptionally robust. New issues are attracting highly competitive bidding, which is likely to remain very strong. The yield differential is relatively low. Nevertheless, if the trends in the market continue, the market will be well served.

The Commercial and Financial Chronicle's State and Municipal (twenty-year) general obligation bond index is virtually unchanged at 2,851% this week as against 2,851% last week. In view of the previously slightly easier corporate bond market, and the drifting market for small and medium issues, tax exempt issues have been doing relatively better than the bond market as a whole.

The first subscription day of the Treasury's involved pre- and安徽省亚当斯提前于美国市场 reopenings of the Federal Reserve Bank of St. Louis and the Federal Reserve Bank of New York. Preliminary indications are that the subscription day resulted in a substantial oversubscription of the issue. The subscription day seems to have attracted more interest than did the previous subscription day, which was on May 3. The subscription day is expected to be followed by a similar oversubscription of the issue.

Three King-Sized Tax-Exempt Issues Dominate March Calendar

The next six months of the year are expected to be very active in terms of new issue volume. The Treasury has announced a new issue program for the second quarter of the year. The program is expected to include a number of large and important issues. The Treasury is expected to issue a new issue program for the third quarter of the year. The program is expected to include a number of large and important issues.

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No apparent availability

MARKET ON REPRESENTATIVE SERIAL ISSUES

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<td>5.00%</td>
<td>5.00%</td>
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*Fitching for Donald Marx.

Larger Issues Scheduled for Sale

In the following tabulations we list the bond issues of $1,000,000 or more which will be forthcoming.

February 28 (Thursday)

Greater Baton Rouge Port Comm., Louisiana 5,000,000 1963-1984 10.00 a.m.

Patterson Soc. Coll.-Rage, Calif. 5,000,000 1963-1984 10.00 a.m.

Terreno Bonita, Con., Soc. Dist. #1, La 5,000,000 1963-1984 10.00 a.m.

Ventnor City, N. J. 5,000,000 1963-1984 10.00 a.m.

Wilkinsburg-East Fork, Pa. 5,000,000 1963-1984 10.00 a.m.

March 4 (Monday)

Cochise Junior College Dist., Ariz. 1,250,000 1963-1990 2.00 p.m.

Bvrrery, Ind. 1,000,000 1963-1990 2.00 p.m.

San Francisco, Calif. 1,000,000 1963-1990 2.00 p.m.

State Board of Education, Mich. 1,175,000 1963-2002 11.00 a.m.

March 5 (Tuesday)

Albuquerque, N. Mex. 3,500,000 1963-1990 10.00 a.m.

Anne Arundel Co., San. Comm., Md. 7,500,000 1963-1990 11.00 a.m.

Clyde, School District, Ohio. 1,140,000 1963-1990 11.00 a.m.

De Kalb County Sch. Dist., Ill. 10,947,070 1963-1990 11.00 a.m.

Duluth, County, Fla. 4,500,000 1963-1990 11.00 a.m.

Fullerton Union High S. D., Calif. 1,790,000 1963-1990 11.00 a.m.

Greeley, Co. 3,500,000 1963-1990 11.00 a.m.

Meridian Mun. Sch. B. D., Miss. 4,000,000 1963-1990 11.00 a.m.

Minnesota, State 1,995,000 1963-1990 11.00 a.m.

Nashville V. S. & R. Revenue, Tenn. 1,500,000 1963-1990 11.00 a.m.

Ohio, Med. Sch. of Cincinnati 6,400,000 1963-1990 11.00 a.m.

Pomona, Calif. 350,000 1963-1990 11.00 a.m.

Port of Astoria, Ore. 2,000,000 1963-1990 11.00 a.m.

Rhe Island (State of). 8,000,000 1963-1990 11.00 a.m.

St. Louis G. M. & P. S. D., Mo. 1,920,000 1963-1990 11.00 a.m.

Union Co. Sch. Bldg. Rev., Ky. 1,400,000 1963-1990 11.00 a.m.

Union County, N. C. 1,000,000 1963-1990 11.00 a.m.

March 6 (Wednesday)

Alaska (State of) 5,000,000 1963-1990 10.00 a.m.

Framingham, Mass. 5,000,000 1963-1990 11.00 a.m.

Louisiana Fiscal Authority 20,000,000 1963-1990 11.00 a.m.

San Antonio, Texas 1,000,000 1963-1990 11.00 a.m.

Stier Falls Indep. Sch. Dist., S. Dakota 2,720,000 1963-1990 11.00 a.m.

Northern Town, Ind. 3,270,000 1963-1990 11.00 a.m.

Washington Township Metro, S. Ind. 1,151,000 1963-1990 11.00 a.m.

Yonkers, N. Y. 9,022,000 1963-1990 11.00 a.m.

March 7 (Thursday)

Beloit, Wis. 1,420,000 1963-1990 11.00 a.m.

Bi-State Dev. Agency Authority (Missouri-Illinois) 26,500,000 1963-1990 11.00 a.m.

[The bond details follow.]

March 8 (Friday)

Clackamas Co. S. D. 5,000,000 1963-1990 11.00 a.m.

Larson Co. Sch. Dist. No. 4, 1,000,000 1963-1990 11.00 a.m.

Vie Franc., Public Water Dist. California 2,000,000 1963-1990 11.00 a.m.

Maricopa County Chandler School Dist. No. 88, Ariz. 1,000,000 1963-1990 11.00 a.m.

Oregon City Sch. Dist., Ohio. 3,800,000 1963-1990 11.00 a.m.

Seattle, Wash. 6,000,000 1963-1990 11.00 a.m.

March 12 (Tuesday)

Ara-Heapen Indep. S.D., Minn. 2,000,000 1963-1990 11.00 a.m.

Cheltenham Township S. D., Pa. 5,000,000 1963-1990 11.00 a.m.

De Witt, N. Y. 1,000,000 1963-1990 11.00 a.m.

Dundalk Indep. S. D., Md. 1,150,000 1963-1990 11.00 a.m.

Illinois (State of) 150,000,000 1963-1990 11.00 a.m.

Mississippi (State of) 5,000,000 1963-1990 11.00 a.m.

Ohio, Med. Sch. of Cincinnati 1,000,000 1963-1990 11.00 a.m.

Rupides Parish, La. 1,000,000 1963-1990 11.00 a.m.

March 14 (Thursday)

East Point, Ga. 1,995,000 1964-1982 11.00 a.m.

Port of New York Authority, N. Y. 6,250,000 1963-1990 11.00 a.m.

Fort Worth, Va. 1,995,000 1963-1990 11.00 a.m.

March 15 (Friday)

Callegaus Mun. Water Dist., Calif. 6,500,000 1963-1990 11.00 a.m.
Dormitory Authority of the State of New York
Revenue Bonds
Ithaca College Issue, Series A

Dated July 1, 1962
Due July 1, 1965 to 1994

Principal and semi-annual interest (January 1 and July 1) payable at the main office of Chemical Bank New York Trust Company, the Trustee. Coupon bonds of $5,000 each, registerable as to principal only as to both principal and interest. Callable on or after July 1, 1974 as a whole at any time, or in part in inverse order of maturity on any interest payment date at 104% if called on or before June 30, 1976, and at lower prices if called thereafter.

Legal investments, in the opinion of Bond Counsel, under present provisions of the Act, for insurance companies, banks and trust companies, savings banks and associations, administrators, guardians, executors, trustees and other fiduciaries in the State of New York.

The Act provides that bonds and other obligations of the Authority shall not be a debt of the State of New York nor shall the State be liable therefor, nor shall they be payable out of any funds other than those of the Authority.

These Bonds are valid general obligations of the Authority secured by and payable from any and all funds of the Authority, including the net proceeds of the sale of the Bonds, and shall be exempt from taxation by the State of New York or any political subdivision thereof, and are valid as security for the payment of the obligations of the Authority.

Amounts, Rates, Maturities, Yields and Prices

<table>
<thead>
<tr>
<th>Amount</th>
<th>Rate</th>
<th>Due</th>
<th>Yield</th>
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<td>3.10</td>
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(Accrued interest to be added)

These Bonds are offered when, and if issued and received by the Underwriters, subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by Mecr, Snyder, Callaway & Dibenn, Bond Counsel for the Authority. Offering of the Bonds is made only by the Official Statement, copies of which may be obtained in any State from such of the undersigned as may lawfully offer the Bonds in such State.

Philip, Finn & Co. Lehman Brothers Kuhn, Loeb & Co.
Merrill Lynch, Pierce, Fenner & Smith Goldman Brothers & Hultzer Blair & Co. Incorporated
First of Michigan Corporation Adams, McEntee & Co., Inc. Barr Brothers & Co. Incorporated
Shelby Cullom Davis & Co. Tinley & Company Doolittle & Co.

First National Bank of New York
New York, February 26, 1963
DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

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


c Corporation, 60 Broad Street, New York 4, N. Y.

Candies For A Two Way Recovery—Review with particular reference to Allied Chemical, Fibreboard Paper Products, Flintkote, Olin Mathis¬

sen Chemical and Pure Oil—Dean Witter & Co., 45 Montgomery St., San Francisco 6, Calif.

Charts and the Silver Investor—Discussion—Canadian Forecaster, 238 Adelaide St. West, Toronto, Canada.

Cosmetics Industry—Analysis—J. L. Remington & Co., 255 Broadway, New York 7, N. Y. Also available is an analysis of Andrew Jergens.

Employment Act and Council of Economic Advisers—Discussion—W. E. Hutton & Co., 14 Wall St., New York 5, N. Y. Also available is an analysis of Western Bancorporation.


Japanese Market—Review—Nomura Securities Co., Ltd., 61 Broadway, New York 6, N. Y. Also available is an analysis of Mitsukoshi Ltd.

Life Insurance Stocks—Bulletin—Ralph B. Leonard & Co., 39 Wall St., New York 5, N. Y. Also available is an analysis of the business¬

ess Men's Assurance Company.

Municipal Market—Report—Goodbody & Co. 2 Broadway, New York 4, N. Y. Also available is an analysis of the Retail Trade Industry.

New York City Bank Stocks—Comparison and analysis for 1962—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y. Also available are mem¬

orsanda on CBS, Metromedia, American Distilling, Consolidated Container Co., etc.

Arvin Industries—Bulletin—Thomson & McKnight, 2 Broadway, New York 4, N. Y.


Clark Equipment—Analysis—Quality & Company, Inc., 85 State St., Boston, Mass. Also available is an analysis of Universal Oil Products, with which it is affiliated. At time of address envelope when requesting information.


Columbia Gas System Inc.—Annual report—Public Relations Depart¬

ment, Columbia Gas System, 120 East 41st St., New York 17, N. Y.

Computer Applications—Memo¬

randum—L. M. Rosenthal & Co., 5 Hanover Square, New York 2, N. Y.

Dura Corporation—Analysis—H. Bentz & Co., 72 Wall St., New York 5, N. Y.


Falconbridge Nickel Mines Ltd.—Quality & Company, Inc., 724 Bay St., Toronto 5, Ont.

Fidelity American Financial Co.—Memo¬


Forest Laboratories Inc.—Analysis—Purcell & Co., 50 Broadway, New York 4, N. Y. Also available are reviews of Purcell & Co., Inc., and South Puerto Rico Sugar.

Georgia Pacific—Memorandum—Coggeshall & Riches, 111 Broad¬

way, New York 4, N. Y.

Gulf Oil Corp.—Memorandum—R. P. Premachandran, 80 Pine St., New York 20, N. Y.

Haris Intertel—Memorandum—De Haven & Townsend, Crouser & Reames, Bodine, Land Title Building, New York 4, N. Y.

Kerr McGee Oil Industries—Analysis—Bregman, Cummings & Co., 4 Albany St., New York 4, N. Y.

Lochhead Aircraft—Analysis—Golkin, Devine & Fishman, Inc., 47 Broad St., New York 4, N. Y. Also available is an analysis of the Company.

Major Perpetual Securities Corp.—Re¬

port—Hill, Thompson & Co., Inc., 70 Wall St., New York 5, N. Y.

Marin—Memorandum—Dres¬

ner, Ebenberg & Co., 27 Wall St., New York 5, N. Y. Also available are reviews of Marin and the Merrill & Bowlus interests.

Marsh & McLennan—Memorandum—A. C. Allyn & Co., 122 South LaSalle St., Chicago 3, Ill. Also available is a memorandum on Culligan.


Maradel Products Inc.—Analysis—Betti, L. E., & Co., 26 Wall St., New York 5, N. Y. Also available is an analysis of the Company.

Mueller Brass—Analysis—Wat¬


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The Commercial and Financial Chronicle... Thursday, February 28, 1963

Wagner Receives Brotherhood Award

Edmund F. Wagner (left), Chairman and President of The Sea¬

men's Bank for Savings, receives the Brotherhood Award of the National Conference of Christians and Jews "for distinguished service in the field of Media," presented at New York City on February 16. The award was made by George A. Murphy, Board Chairman, Irving Trust Co.

A half-century of successful achievement in business and community activities by Edmund F. Wagner, Chairman and President of The Seamen’s Bank for Savings, was eulogized Feb. 20 when more than 800 members of savings banks, life insurance companies, building and real estate firms joined in a dinner in honor at the Americana Hotel, New York. The event, sponsored by the National Conference of Christians and Jews, was a highlight of the annual observance of Brotherhood Week. Former U. S. Secretary of Labor James P. Mitchell, National Chairman of Brotherhood Week, was the principal guest speaker. The toastmaster, George A. Murphy, Board Chairman, Irving Trust Co., presented the national Brotherhood Award to Mr. Wagner “for distinguished service in the field of human relations.”

In making the presentation, Mr. Murphy mentioned the “daring and financial abilities of Mr. Wagner that began in 1917 when he be¬

came associated with the real estate firm of William Crutch¬

kirk Shone. He was a Trustee of The Seamen’s Bank for Savings in 1918, and shortly thereafter named President and Chair¬

man of the Board.

Mr. Murphy also extolled Mr. Wagner for his broad human¬

tarian interests which embrace a host of religious, philanthropic, educational and civic organiza¬

tions.

Carl A. Morse, President, Diesel Construction Co., served as Chair¬

man and presided at the dinner.

Sounding the keynote for the occasion, Mr. Morse lauded Mr. Wagner for his outstanding ca¬

reer. “He has proven himself re¬

sponsible in business, honorable in his dealings with others, con¬

scientious in his devotion to his church and his community,” Mr. Morse said.

All funds raised at the $10 per plate dinner were turned over to the National Conference of Chris¬

tians and Jews to aid its program of promoting good will and un¬

derstanding among the racial and religious groups of the nation.

National Connector Corp.—Memor¬

andum—Craig-Halum, Kin¬

nard, Inc., 133 South Seventh St., Minneapolis 2, Minn.

Nepo Chemical—Memorandum—Sartorus & Co., 39 Broadway, New York 6, N. Y.


Western Union—Memorandum—Braskins & Co., 120 Broadway, New York 5, N. Y.

Weyerhaeuser Corp.—Memorandum—Birr, Wilson & Co., Inc., 155 Sansome St., San Francisco 4, Calif. Also available is a memo¬

randum on California Water Service.

F. W. Woolworth—Memorandum—Pershing & Co., 120 Broadway, New York 5, N. Y.

Dillon, Read & Co., NYSE Member

Dillon, Read & Co., Inc., 46 Wil¬

liam St, New York City, has an¬

ounced that it has become a member corporation of the New York Stock Exchange.

ized for FRASER

http://fraser.stlouisfed.org/
III. All, James Bilotti formerly with NEW Successors.;;
BERT—ARD;
NEW; NEW YORK Secretary;
NEW YORK CITY—L. R. Her- are Inc., CITY—Space; Program is Morosoff Otway, Corporation. FALLS Parker, with Paine, Webber, Bronson, Street. 95th 1
Florio, Securities Jett, RAD, N, W.

BROOKLYN, N. Y.—Kaye Kaye

CITY—Walter Co., 20 Corp., 20
First National Co., 2400 Kaplan

HALL, JHCi STREET.

These Supplemental to similar

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HALL, JHCi STREET.
High Farm Price Supports Imperil Agricultural Exports

By Robert C. Liebow, President, Chicago Board of Trade

Commodity experts explain why the Chicago Board of Trade wants to end our policy of high agricultural support prices and to replace it with an entirely different program. The effect of the present program, they say, is to create artificial price supports which control the cheapening of U.S. exports, thus reducing the market for our agricultural products abroad. The experts' view is that the present program, which is based on the idea that the difference between world prices and the domestic supports is the market price, is counterproductive and will ultimately harm our farmers.

The experts say that the program is not only unfair to farmers but also to consumers. They argue that the high prices are driving up the cost of food for consumers and are driving down the value of the dollar. They also say that the program is counterproductive because it encourages farmers to produce more than the market can absorb, leading to lower prices and higher costs.

The experts also say that the program is counterproductive because it encourages farmers to produce more than the market can absorb, leading to lower prices and higher costs. They argue that the program is counterproductive because it encourages farmers to produce more than the market can absorb, leading to lower prices and higher costs.
There is a world sugar agreement of a sort. We have our own sugar arrangement inside of that. We establish quotas for our domestic producers and then assign import quotas to other countries. Before Castro, Cuba was the principal foreign supplier. Our internal sugar price is higher than the world price. Naturally there is a continuing struggle by foreign producers to get a share of our highly profitable market. Friendly countries which cannot get into our market, or do not get what they consider a fair import quota, are resentful. Not all theill will directed against us from Latin America is envy of our size and prosperity. Some of it comes from anger over the operation of our sugar laws. Our participation in international commodity agreements, if it is to mean anything constructive, must not simply be another high support arrangement, tailored to fit our internal situation.

The maintenance of our agricultural exports is vital. For some time to come, a part of our exports must be subsidized. Some of the countries which need our farm products, can get them, except in soft currencies whose value is limited. But the substitution of export crops like wheat and cotton, simply because our internal price is fixed by a loan, is poor economics and poor politics. Too. We bridle when the European countries propose to raise tariffs to protect their own producers. Other countries do not stop at this when we raise price internally and shut out outside competition.

Prefers as Free a Market

For many years now quite a few countries have tried many devices to increase farm income. These efforts will continue, since many instances farmers must be helped. The attempts to help farmers have varied and have had one conclusion. The fewer government controls, the better.

The Communist world is a case in point. There, almost every move of the farmer is dictated by the government, what he plants and when, he cultivates his crops, where he sells them, even the time he goes to work and the time he quits. The biggest Communist failure in agriculture is in America. This Hop has been a brake on Communist plans for world domination. Nor is there any real prospect that agriculture in the Communist countries will improve. Yet the Communists are bound by their system to go right ahead, regardless.

We are not bound to follow the all-out government control route. We are free to go any way we choose. This country, then, should take the lead nationally and internationally, to the benefit of us who live in the interior of all the Western world. We are learning, the hard way, that the free market is indispensable.

G. H. Walker Branch

SPRINGFIELD, Mass.—A. C. Walker, 1341 Main Street.

The new facilities will be under the management of Edward G. Culverhill, in association with James Stoddard Williams.

J. A. Hogle Co.

Admits Glass

LOST ANGELES, Calif.—Chester M. Glass, Jr., has been admitted as a general partner in J. A. Hogle & Co., Western States, New York, and Connecticut cut stock and bond brokerage firm.

His connection with J. A. Hogle & Co. dates back to 1976.

The firm is a subsidiary of C. F. Childs and Company, whose main office also is in New York although the firm originated in Illinois. It is a full line investment firm dealing in corporate bonds, stocks, private placements, and municipals.

The branch offices maintained by C. F. Childs and Company will shortly be transferred to the control of Childs Securities Corporation. A regional buying office for municipal bonds will be continued in Chicago under the direction of raymond Walsh.

In 1947 he left Citicorps and Co., New York, for which he was syndicate manager, to join Staats as vice president and director. When the firm, a member of the New York Stock Exchange, was reorganized into a partnership, he became a general partner. He served as sales manager, then syndicate manager, before he became its managing partner.

Childs Securities

Appoints Hageman

Childs Securities Corporation has appointed the announcement of Arthur G. Hageman as vice president and manager of its Municipal Bond Department which hereafter will be directed from One Liberty Street, New York. The company is a subsidiary of C. F. Childs and Company, whose main office also is in New York although the firm originated in Illinois and still regards Chicago as its home office.

This move specializes the activities of C. F. Childs and Company in government in Federal and Federal Agriculture Agencies and centralizes both operations in the New York office.

Childs Securities Corporation is a fully integrated investment firm dealing in corporate bonds, stocks, private placements, and municipals.

The branch offices maintained by C. F. Childs and Company will shortly be transferred to the control of Childs Securities Corporation. A regional buying office for municipal bonds will be continued in Chicago under the direction of raymond Walsh.

Raymond Halseck, vice president, C. F. Childs and Company, will now devote full time to trading in Federal Agency Securities and certificates of deposit.
Canada Should Return to Floating Exchange Rate

By W. Earle McLoughlin, Chairman and President, The Royal Bank of Canada, Montreal, April 1963

Hand at Canada's largest bank advocates his country's return to a floating exchange rate, and outlines the bases for his opinion about Canada's future growth. Mr. McLoughlin notes that the Royal Bank addressed the Federal Reserve in 1957 on the subject of a floating currency. He claims that certain rigidities in Canada's financial structure cause unnecessary hardships during tight money periods, upsets the balance of payments, and increases costs and inefficiency in the industrial economy.

The Royal Bank had participated in the discussions surrounding the October 1957 conference in London attended by central bankers from many countries. They had urged the adoption of a flexible exchange system, a move the Bank regarded as the key to maintaining a stable economy in the future.

My remarks will be confined for the most part to a single topic, the present and future role of monetary control in Canada, especially in the existing years of austerity, as it affects the floating exchange rates and the balance of payments.

The purpose of this paper is to suggest a new plan of exchange control, which may be useful in formulating future policy on the mechanism of monetary control.

Development of Monetary Policy in Canada

In recent years, Canada, in common with many of her neighbors, has experienced successive periods of monetary tightness followed by periods of monetary ease. These periods in turn reflected the slack demand in the economy and the need to resist a tendency toward inflation. In a recent period, for example, the Bank of Canada attempted to control inflationary pressures and, in slack times, to foster a higher rate of expansion and growth. In a recent period, the real value of the Canadian dollar was doubled by periods of monetary ease. These periods in turn reflected the slack demand in the economy and the need to resist a tendency toward inflationary pressures and, in slack times, to foster a higher rate of expansion and growth.

The Bank of Canada opened its books on a limited scale in 1957, with a slow recovery in the 1957-1958 period followed by another period of monetary tightness in 1959. The Bank had liberalized its credit standards and increased its discount rate in 1957, and had relaxed its standards and reduced its discount rate in 1959.

One of the major tasks of the Bank is to control the supply of goods and services in the economy. This is done by controlling the amount of money in circulation. The Bank of Canada has several tools at its disposal to achieve this goal. The Bank can control the amount of money in circulation by controlling the amount of reserves that banks are required to hold, the rate at which banks are allowed to borrow from the Bank of Canada, and the interest rate that banks are required to pay on their deposits with the Bank of Canada.

In recent years, the Bank has attempted to control the supply of money in circulation by increasing the discount rate and reducing the amount of reserves that banks are required to hold. These tools are effective in controlling the supply of money, but they are not always effective in controlling the supply of goods and services. The Bank of Canada has also attempted to control the supply of money by reducing the amount of reserves that banks are required to hold, but this tool is not always effective in controlling the supply of goods and services.

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most 79 million people at work suggesting that we may indeed to
the 73 million-job milestone this
coming summer. Yet the unemployment rate
of 9.0% is a significant achievement.
Federal Reserve banks in St. Louis
Furthermore, despite an in-
crease in industrial production to
a level of 3.0% in the first quarter of early 1960, the number of
workers on the payroll of nonfarm
factories declined 500,000, or 4% in
the first quarter of 1960.
And even though continuing ef-
forts to reduce the deficit in our inter-
country trade failed to meet
some success, the gap between our pay-
ments abroad and our receipts
remained large for the fifth con-
secutive year. In 1962, this deficit
was $2 billion, somewhat over
$2 billion, even though it fell from $4.5 billion the year before, by large pay-
ments by foreign governments of long-term debt to the United
States. Noteworthy, imports of
merchandise, given impulses by ex-
pansion in the American economy,
rise more than exports. In con-
sequence, while the deficit is on which we cannot help our own
military expenditures abroad, foreign aid and other payments abroad, our out-
flow narrowed to less than $4.5 billion in 1962, compared to nearly $8.5 billion in 1961.
Let me say here that providing a sound financial basis for healthy growth and employment translates into maintaining international confi-
dence in the dollar as a reserve currency that is by itself one of our
indispensable problems. There is not set any policy goal of balancing
the budget of the domestic economy, but for the dollar; and there is no currency for the dollar, as an international currency, which is not good for the
economy.
There is the tendency to speak of international concerns as little
goals. This seems to be one of the latest versions of a series of
proposed solutions to economic and social objectives or financial
objectives, and stagnation or inflation.
In the last case, the interest
of the American public in even serious discussion of the
market for international reserves, it might trade off for a percentage point increase in
interest rates. The normal pol-
icy in this approach is that it
assumes we can concentrate on growth and stabilizing collateral, and perhaps dele-
termination of short-term ob-
jectives. But we cannot. If we
were to neglect international
financial equilibrium, or price sta-

ability, or financial 'soundness in
our understandable zeal to pro-
cede faster domestic growth, full
employment, and social security or stability, programs, we would be confronted
with a problem.
In the search for an appropriate policy in the monetary sphere,
many factors must be weighted to-
gether to strike a balance. There
is no ideal policy that will solve
the balance of payments problem, the unemployment problem, and the
inflation problem. The solution to
the problem, the profit squeeze prob-
lem, or any other problem—none of these problems can be attached in iso-
lation through economic policy.
As we enter 1963, the banking system continues to be in a favor-
able position to extend further credits. Taken altogether, the banks continue to have more
reserves than they are required to
carry, and only a very small frac-
tion of these excess reserves are attributable to borrowing from the
Federal Reserve System. In other
words, the banks, as a group have
a considerable margin of free reserves.
They also have a "stable" portfolio of currency denomi-
nation securities that they can use
to raise further funds for loan ex-
pansion. Consequently, we can extend private credit.
Monetary Policy Remains Easy
In the language of the market for international reserves, monetary policy has been and remains
easy. Thus, at this time, we have
to avoid any attempt to position which would impede them-
self, the housing market, or prudence and good financial judg-
ment in extending credit. We have
to maintain this margin in the credit structure to meet the grow-
ning needs of the economy, but not too much to prevent speculative
excesses. This program has
served the dual purpose of main-
taining the soundness of domestic credit developments, and at the same
time to transfer short-term funds abroad.
Keeping day-to-day policy in
step with these basic System
objective is a never-ending process of evaluating the contin-
uous. In the last case, both the
domestic and international econ-
onic and financial points.
One of the great strengths of the
Federal Reserve System is that it has a number of reserve Bank of Governors
and 12 regional Reserve Banks from which a variety of
views is brought to bear on all monetary decisions.
Quite naturally, and I believe
quite heighten, there have been some
differences of view in the System over the precise course of
current action most likely to
achieve the objectives upon which we have been mutually agreed. On
several occasions some members of the committee have felt that
we could proceed more to the achievement of healthy expansion by increasing slightly the avail-
ability of reserves, while other
have felt that the situation, par-
simarily for balance of payments reasons, called for a modest move in the opposite direction. Yet the
range of these differences was
narrow and consequently the dif-
fences between these alternatives proposed were, typically, quite small.
It is not my practice to attempt
to forecast the course of economic events or to comment on the
monetary and credit policies that would be appropriate to
them. Over the years I have found that viewing the economic pros-
pects for the United States in the year ahead with cautious optimism is as good a working assumption as
I have been able to discover. I
agree with the statement in the President's Economic Message that the broad outlook is for continued moderate expansion.

Three Immediate Problems
Without in any way retracting
from my position of cautious op-
timism, I would like to call atten-
tion to three things that concern me as I review our national situation and its prospects. First, the problem of financing the large
federal deficit that seems inevit-
able for fiscal 1964, whether or not the tax reductions recom-
ended by the President are en-
couraged. Second, the problem of
finding an economic and sound
credit program to workable reduc-
ions in unemployment and to take of
those who desperately need funds
and work, are caught in a mas-
lion of economic forces that caus-
images prolonged joblessness. Third, and finally, the problem of achieving
a satisfactory equilib-
rium in our balance of payments.
Let me take first the matter of deficit financing.
There have been
lead financial writer put it—very
well, I thought — in a recent column.
"The method of financing the
deficit cannot be the base for
other inflationary upsurge and
weaken the dollar's value. Or it
can (2) have an unfavorable
impact on the economy, just be-
cause the American people must
turn over more money into our pockets than it is taking out in taxes. But it
must not the flood the business stream with extra money, set off another speculative spiral, or undermine the
dollar's value here or abroad."
"This is the crucial point, and
it is so much in the sphere of tech-
ical high finance..."

DIVIDEND NOTICES
GEORGE W. HELME COMPANY
DIVIDEND NO. 113
A dividend of twenty cents (20c) per share has today been declared on the outstanding common stock of this Corporation, payable on March 29, 1963, to stockholders of record at the close of business on March 6, 1963.

W. M. EDDINGER, Secretary

DIVIDEND NOTICES
COMMERCIAL SOLVENTS CORPORATION
DIVIDEND NO. 112
A dividend of 50 cents (50c) per share has today been declared on the outstanding common stock of this Corporation, payable April 1, 1963, to stockholders of record at the close of business on March 11, 1963.

M. B. BRANCA, Secretary
February 20, 1963.

ELECTRIC BOND AND SHARE COMPANY
NOTICE OF REDECLARATION
The Board of Directors has declared a quarterly dividend of ninety-nine cents (99c) per share on the Common Stock, payable March 29, 1963, to shareholders of record at the close of business on March 15, 1963.

W. G. WHEATON, Vice President, Secretary
February 21, 1963.

INTERNATIONAL SALT COMPANY
DIVIDEND NO. 195
A dividend of ONE DOLLAR ($1.00) per share has been declared on the capital stock of this Company, payable March 29, 1963, to stockholders of record at the close of business on March 11, 1963. The stock transfer books of the Company will not be closed.

BRYANT V. BROWN, Treasurer
February 20, 1963.

DIVIDEND NOTICE
CONTINENTAL BAKING COMPANY
Preferred Dividend No. 97
The Board of Directors has declared this day a quarterly dividend of 11 39/4% per share on the outstanding Preferred Stock, payable April 1, 1963, to stockholders of record at the close of business March 15, 1963.

M. C. WOODWARD, JR.
February 26, 1963.

DIVIDEND NOTICE
COMMON DIVIDEND No. 11
The Board of Directors has declared this day a regular quarterly dividend, for the first quarter of the year 1963, of 9.4% per share on the outstanding Common Stock, payable April 1, 1963, to stockholders of record at the close of business March 15, 1963.

The stock transfer books will not be closed.

J. R. WATERSHOUSE
Treasurer
An appraisal of the performance of the steel industry during the past year and more is subject to several qualifications, depending on the orientation of the analysis, according to the Most Important Steelmaking News published by the Federal Reserve Bank of Kansas City. One approach to the analysis is to consider the recessions and recoveries of the business cycle, while a second method would be to focus on the longer-term trend of developments in the economy.

The Report pointed out that economic activity began to recover nearly two years ago from the mild setback of 1960-61 and since then the annual rate of total output has increased by about 50 million tons. Output and total horsepower needs have risen also and nonfarm employment in February 1963 exceeded the previous high by nearly a million persons. At the same time, the Federal Reserve Bank has continued high also.

No Signs of Strong Upward Movement

This trend of economic growth the sentiment was much more characteristic of 1961 than 1962, the Review noted. Gross national expenditures, for example, rose at an annual rate of 2% in the first three quarters of last year and then dropped to the second quarter of 1961, but during the first three quarters of 1962 the increase was 2.4%. In addition, nonfarm employment in the fourth quarter, for example, showed no gain since midyear and the rise in personal income has tapered off. Moreover, the article added, it seems fair to say that at the turn of 1963 the economy enjoyed a spurt of a strong upward movement anywhere in the private economy.

The trend of output in the second quarter of 1962 superimposed upon a longer period of less than full employment. The current concept has dimensions beyond those arising from a hesitation in the upward course. The p r o b l e m requires additional appraisal of industrial capacity, the trend of output, to the implications of continued high unemployment and slow flow of growth, and to the meaning of low utilization of industrial capacity and deteriorating profit margins, the article noted.

The trend of output in relation to industrial capacity is illustrated in the following survey of plant operating rates given by the McGraw-Hill Publishing Company which indicated that manufacturers were operating at 83% of capacity. This was about the same rate as in December 1961. In fact, excess capacity developed in several industries during the period of recovery and, by September 1963, the gap between manufacturing potential and actual production had not unfolded. This continued overabundance of capacity has operated to slow the recovery in steel output during both the postwar cycles and may explain the slower expansion beginning in early 1961, the article adds.

The squeeze on corporate profits is also partly an outgrowth of the slowdown in plant and equipment utilization. Steel facilities had returned but they carry down to the maintenance area. Furthermore, a prolonged period of disappointing profits weakens management morale and further slows the overall growth of the industry, the article continued.

In the fact that the unemployment rate has held stubbornly at relatively high levels during 1962-63, the rate was 5.8% of the civilian labor force—the same rate as at the beginning of the year. While this is well under the 7% level of 1961, improvement has been neither spirited nor progressive, the article states.

The key to more rapid overall growth, the article stated, is a greater volume of expansion-type capital investment, which requires a strengthening of the incentives for expansion. The recent revisions in government fiscal guidelines and the 7% investment tax credit will be helpful in this direction. However, likely, however, that a substantially higher investment rate will be achieved unless businessmen can forecast consumer investment-type goods—durables and housing. Consumer confidence is an implication of tax and income tax, and what seems to be needed, the article continued, is a significant increase in income and purchasing power, the article concluded.

**Bank Clearings Increased 3.1% Above 1962 Week's Volume**

Bank clearings this week will show an increase compared with a year ago. Preliminary figures given to The Commercial and Financial Chronicle by telegraphic offices from the chief cities of the country, indicate an increase of 1.4% on Saturday Feb. 16, for clearings for the entire week of $36,574,841,661 compared with $35,846,688,597 for the same week in 1962. Our comparative summary for some of the country's largest communications offices included:

- New York $14,515,623; $13,873,304, +5.3%
- Chicago $10,062,972; $9,661,274, +4.2%
- Philadelphia $1,058,089; $975,064, +8.8%
- Pittsburgh $856,275; $792,615, +7.8%
- Kansas City $499,877; $467,539 +6.9%

**1.5% Steel Rise Over Prior Week—Auto Market's Gain**

In a Row, but is 13.3% Below Year-Ago Week

Automakers probably won't add much steel to their stockpiles in March, but they're getting set to accelerate their hedging during the second quarter.

Nonautomotive customers have not started hedging and they are buying steel for your inventory consumption and counting on fast delivery dates.

When the auto companies start ordering bigger quantities of steels and bars, the building tightness and deliveries will lengthen. In Chicago, it's happening already. Steel deliveries have been extended by a week. In the East, demand is rising gradually and deliveries have lengthened.

Although steel service centers have seen a moderate sales activity, specific grades of inventory are sold out. Stock tons estimated at 3,2 million tons (v. 3.4 million) at the start of the month, the steel buyers figure they'll have plenty of steel through the end of the day. The steel market period that would follow reopening of the steel labor contract.

**Steel Output Up for Fourth Straight Week**

This week, steel ingot production will climb for the fourth straight week. Output is expected to be 3.5% higher than last week, that Steel estimated the industry poured last week. The operating rate was at 68.5% of estimated capacity.

Scrap is not responding to the steel output increases. Scrap prices are down, with Steel's price composite on No. 1 heavy melting grade held at $23.33 a long ton.

In world steelmaking news, Steel reported the three biggest steelmakers in Japan have announced reductions in their 1963 capital spending programs totaling $63. They'll spend $222 million. And Japanese-steelmakers are making their coal suppliers around the world—including those in the U. S. and Canada—to reduce prices.

**Inventories and Auto Buying Strengthen Steel Output**

The steel market continues to strengthen. The auto industry, just beginning to become a factor, requires steel. Moreover, auto industry producers, and appliance manufacturers are now making themselves felt with their increased steel buying. In fact, there is no move to stockpile in advance of steel labor negotiations which will lift April shipments. Following General Motors' announcement last week that it will not build steel stocks, the auto industry made its intentions clear. It is Ford's plan to build steel stocks, which will be supplied in addition to its normal inventories. This buildup should be completed in the months to come and will assure completion of the 1963 model run. It has been suggested that suppliers take similar precautions.

Chrysler will have more than two months supply of steel at the end of June. American Motors will have 60 days inventory by the end of May and the other manufacturers have started its buildup to be completed by the end of the quarter.

Iron Age reported an unprecedented move by U. S. Steel Corp. to make it clear that it is the victims of its biggest customer industries—the carmakers. The company is offering to include steel in kits when the Steel Workers Union responds steel wage talks look on May 1.

Tinplate bought in May, June, or July that is ordered for use in August, September, October, will not have to be paid for until it is needed. But it is not clear how long this steel will last and only if wage talks are reopened.

The analysis pointed out that the move could lead to demand from other customers for the same treatment, especially because they have always been in a special class. Because of its seasonal nature, steel is the most important of all seasonal industries and has an interest in the demand for steel to continue high.

In another marketing move, stainless steel prices fluctuated sharply in recent weeks. Stainless steel is interpreted as the result of competitive battles between giant steel manufacturers and their reflection of the competitive automotive market for stainless; challenged by the new nonferrous applications.

Outside of the automotive inventory developments, there is little decisive action in the market. There is some broad improvement as a reflection of an improving rate of general business. The amazing auto market, which may reach 9 million, is one of the major factors in the auto production schedules, continues to be the major factor, even without the steel industry.

This is reflected in reports that some building construction has already begun in the upper south. In areas of high steel consumption there has been a significant decline in the price of steel that was originally destined for automotive use.

**Week's Auto Output 8.5% Above Last Year**

Apparently confident of catch-up, the auto industry is seeing its 1963 model run ahead of the rate of 30,000 passenger cars a day, despite inventories now built up to nearly 1,000,000 units. Ward's Automotives Report estimated 106,770 units, a 2.1% decline from 1963 cars made last year. 1964 models, 32,682 in the assembly in the current year. There was also said to be overlast 1964 was another extensive example of the model run that has not been limited except for the holiday recess in December. Four General Motors units produced in March 1962, it announced that it will keep the South Bend (Ind.), operated only three days a week.

For tire production, the auto output is expected to reach about 600,000 units, highest for the month except in record year, 1963, which it 1,917,913, ahead of 1,417 times the assemblies in the current year. Of these units, 10,000 were produced for the week except for 1964, when output bulged abnormally in the first quarter. Meanwhile, tire production in February, expected to total more than 2,000,000 units, will also be highest for the month except in 1963, even eclipsing the output of February 1960, almost 2,000,000 units.

**Rail Freight Loadings Drop Again**

The loading of revenue freight in the week ended February 16, 1963, showed a further indication of American Railroads' concern. This was a decrease of 0.5% from the record level of 1961. The rail freight loadings represented a decline of 0.4% from the same week. In the preceding week, the loading of revenue freight was 14,960 cars reported loaded with one or more revenue highway or highway trains for the week ended Feb. 9, 1963 (which were included in that week's over-all

Continued on page 39
FROM WASHINGTON
...Ahead of the News
BY CARLISLE BARGERON

The foreign aid policy of the United States and, in particular, the foreign aid programs—estimated to cost $4.9 billion the next fiscal year—are due for a close scrutiny by Congress with the indications that it is in for a more critical reception than it has met in several years. A group of Senators, led by Majority Leader Mansfield, has just submitted a report calling on Mr. Kennedy to clamp down on aid to Southeast Asia and asking for a sharp reassessment of needs there. The committee is a bipartisan group.

The tangled situation of our foreign affairs is likely to cause the Administration more trouble this year than usual. There is a growing hostility even on the part of those members of Congress who have supported the aid programs in the past. Last year Congress cut almost $1 billion dollars of the sum requested by the President for foreign aid. It appropriated $3.9 billion. During the Truman, Eisenhower and Kennedy Administrations, the period since the close of World War II, it is estimated that $38 billion has been contributed by the taxpayers of this country to foreign countries for relief, for economic and military aid. Dr. D. A. Fitzgerald, Deputy Administrator until last August, in a copyrighted interview in U. S. News and World Report, said the grand total comprised $24 billion in loans and $74 billion in grants.

Some of the loans have been paid back, either in whole or in part, especially those made under the Marshall Plan which was designed to bring about European recovery.

Our foreign aid programs have been vastly extended until now they reach into 80 countries. Dr. Fitzgerald estimated that of the $38 billion total, $31 billion has been for military aid and $67 billion for economic aid of one sort or another. He said frankly he saw no end to our foreign aid, which is scarcely encouraging to Americans. He explained, however, that a foreign aid program is both wise and necessary; that from a military point of view and a political point of view such a program is of real value to the United States in view of the struggle between the West and the Communist bloc. In discussing his statement, “There is no end in sight,” Dr. Fitzgerald commented: “I say we are in it for a long time because on the one hand, our foreign policy strategists will want to have foreign aid available to meet short-term political crises and on the other, bona fide economic growth is slow, slow, slow. You’ve got to start with training human resources gradually built up so that the country can absorb capital to the point where the country is able, with reasonable management, to go on its own.” This, he said, means 25 years or more of aid for many countries. This development process is extremely essential in Latin America and particularly in the nations in Africa which have recently become independent.

Republican and Democratic leaders on Capitol Hill agree that the proposed foreign aid program will be materially slashed for the fiscal year 1964, probably to a figure less than last year’s figure for 1963, and perhaps as low as $3.7 billion. The argument is that with the expected tax reduction and a possible Federal deficit of more than $10 billion, Congress will seek to prune Government appropriations and expenditures wherever they can. And with an election year coming up, members will prefer to cut foreign expenditures rather than Federal spending for their own districts. Indeed, it is becoming more and more difficult to make the American people understand why they should be taxed to spend money on people who live across the world from us and even for those closer by.

Shearson, Hammill To Admit Partner

On March 7, Proctor Winter will be admitted to partnership in Shearson, Hammill & Co., 14 Wall Street, New York City, members of the New York Stock Exchange.

Course on Investing

A free course in the fundamentals of investing will be offered to the general public at all 12 offices of the New York Stock Exchange member firm of Edwards and Hanly.

The course consists of four consecutive weekly sessions, starting the week of March 11. Participants will meet the option of attending sessions on any of several weekday evenings at all offices. Subjects such as how to select income and growth stocks, how to manage investments, how to choose a broker and how to read and understand the financial pages will be covered. Accommodations are limited and interested persons may visit or phone any Edwards and Hanly office for reservations. Edwards and Hanly, whose activities are centered principally in Long Island and New Jersey, periodically conducts investment lectures and business forums for investors.

The firm maintains its headquarters at 100 North Franklin St., Hempstead. Branches are located in Flushing, Glen Cove, Levittown, Jackson Heights, Huntington, Bay Shore, New York City and Hewlett, Newark, Clifton, Short Hills, N. J.

WHAT ARE YOU BUILDING?

Three stone masons working on a church were asked what they were doing. Said the first: “I’m laying stone.” The second: “I’m earning a living.” But the third: “I’m building a great cathedral.” Enthusiasm is the mortar that changes a life... or a job... from merely “laying stone” into a great undertaking. Without it the truly worthwhile is seldom accomplished. In steel and stone, our assets now exceed two billion dollars. But our greatest asset is not listed on our balance sheet. It is the enthusiasm and dedication of those who built our company and keep it growing.

TENNESSEE GAS TRANSMISSION COMPANY

FROM NATURAL GAS AND OIL... HEAT, POWER, PETROCHEMICALS THAT MEAN EVER WIDER SERVICE TO MAN

HEADQUARTERS: HOUSTON, TEXAS • DIVISION: TENNESSEE GAS PIPELINE COMPANY • SUBSIDIARIES: RECONSTRUCTION GAS TRANSMISSION COMPANY • EAST TENNESSEE NATURAL GAS COMPANY

TENNESSEE CORPORATION • TENNESSEE OIL COMPANY • TENNESSEE CHEMICAL COMPANY • TENNESSEE LIFE INSURANCE COMPANY • AFFILIATES: PETRO-TEX CHEMICAL CORPORATION

DIGITIZED FOR FRASER
The Market: And You

by Wallace Stegge

Has the stock market reached the peak of its long rally? More than a few observers are beginning to think so. That sharp decline in the Dow-Jones Industrial Average, which has fallen more than seven points in the "Dow-Jones industrials" was the day that was also the largest since the market was gratifying amid pressure from the Cuban crisis.

The one-day decline in the market suffered three successive declines in four sessions. The one encouraging factor for technicians is that the steadily declining volume pattern which the market described.

The odd-lot sales picture continues to confirm that this still a bull rather than a final top, and that any prolonged retreat is likely to be orderly.

Diversity from the Average

But averages don't tell the entire story of the market action of recent weeks. Although the high-priced Dow-Jones average has been eating into its losses of 10 percent and although the number of the issue listed on the Big Board are still high their lows of last summer.

Also akin to the old argument that a few poor stocks are the averages is a recent study of what has happened to 200 stocks chosen at random.

That while the Dow industrial stock index has gone up 8% of its 816 high, only 132 of 1257 stocks have climbed to within 8% of their highs of last summer.

Nearly a third of these were utilities in sharp contrast to many industrial stocks which still to 40% below their previous highs. But there is still a lack of uncertainty. Uncertainty is creeping up toward the 6% level. The breadth of the market has fallen last month for the second straight period.

The Good News

Yet there is still good news for the bulls. Steel operations continue to improve, the inventory building has pushed Federal Reserve orders 10% ahead of January's March shipments are estimated to climb another 15% to become 25% above the low of last April's 6.8 million tons.

Some security analysts are even optimistic that a further rise in steel may be expected next month, especially U. S. and Bethlehem, although neither seems to be making any headway in the current market. Outlook for the steel group as a whole continues if only and the last quarter when the combined net is still 2 to 3 billion. "Beth" is now barely five points in the lower for the year of 274, while U. S. Steel is only 10 points below the close of the year.

Booming Auto Business

Good news continues to bolster the auto stocks, but the repeat sales held down by the slow buying.

Every auto maker has raised sales figures up to 8%. The daily sales range from 5.8% for General Motors, Pontiac, Chevrolet, and Cadillac, to 9% mid-month. General Motors' share of the market is now higher than it was a month ago, but you wouldn't know it by the action of its stock.

Last week GM eased nearly a point, while earlier this week it was still higher.

Crysler maintains much of its strength, although it has been hit by a rise in the market. Chrysler supports also have showed a bit of strength in the market.

Huge Short Interest

The huge short interest is also acting as a bullish force on the market, although it may have hit its peak. Several point to the fact that February's short sale rose 231%, almost to 6.9 million shares. Although this is considerably less than the 15 million shares represented fairly wide for a single month.

Nevertheless, the large short positions should still spell higher stock prices in futures. The Wall Street Journal reported strongly.

Tack Talk

"Tax talk is still bullish for the board room adherents. Although the Administration's position is certainly no stronger and may even appear technically weaker, there is no opposition as yet tax revision programs. Across-the-board corporate tax cuts would be welcomed by the market as a whole, but the effects would vary widely.

If Congress decides to change the oil depletion allowance and to reduce the depreciation outside likelihood of the amount oil stocks will certainly feel the far-reaching.

A Bull Market on Utilities

Two industries currently performing well in the market place are utilities and utilities-where would seem to be well located for future gains, according to the number of recent recommendations. B. I. D. A. M. and others, as groups, are measured by their Dow indices, are performing much better than the market.

Southern Natural Gas, now close to its high for the year of 85, has been termenced at 16 times last year's earnings, and 16 times this year's.

Utilities, as measured by the combined earnings of 38.3%, are up 12% in the 1962 quarter from the combined earnings of 9.5%.

A risk issues has aroused more interest in railway equipment makers.

Impact on Rail Equipment

The increased cash flow of many railroads has already had a sharply beneficial effect on orders of new equipment. Two companies particularly mentioned have been Pullman and ACY Industries. Pullman, new mid-way between its low for the year of 2043 and 75 cents a share in the first nine months of 1962. Its yearly dividend is $1.40.

ACY broke through to a new high for the year of 88 this week and a market. It is also a hit a new high of 44 recently after trading at as low as 41. ACY has a large share of the railroad equipment makers, according to a recent study, rose 9% in the fourth quarter.

Although the rails are generally making progress toward higher prices, with the earnings, there are exceptions.

Better liked among the rail roads are Pullman, Southern Pacific, Kansas City Southern, and the Santa Fe. Postponement of President on a major carrier this week will also help the temporary outlook. The program, the last of the fourth quarter reported. Combined earnings of 42.8% for the 12-month period. Combined earnings are looked for.

Farm Equipment Favor

Another group coming into favor is farm equipment. The Anderson-Johnson-John company, as analyzed, is to be headed by the secretary of Marion in 1964, which was a near run.

International Harvester, now close to its high for the year of 41, on the first quarter ended Jan. 31. A year ago it earned 41 cents. This sharp 45% drop, which is a position in sales. The second quarter, usually a high spot for most farm implement makers, should see further sales gains, says Har.

(The views expressed in this article do not necessarily at any time coincide with those of the "Chronicles," as expressed as those of the author only.

Wm. R. Staats to Admit Partners


William R. Staats is a member of the New York Pacific Coast Stock Exchange.

Jackie Barnes Co. in Chicago

CHICAGO, Ill.—Marshall Barnes Co. has been formed with the assistance of the Second Chamber of Commerce. Since the formation of the "Free Enterprise Program," which Mr. has initiated at Coast Savings in Los Angeles, Cal., the office of the President has given to the Los Angeles Junior Chamber of Commerce. Since the formation of the "Free Enterprise Program," which Mr. has initiated at Coast Savings in Los Angeles, Cal., the office of the President has given to the Los Angeles Junior Chamber of Commerce. Since the formation of the "Free Enterprise Program," which Mr. has initiated at Coast Savings in Los Angeles, Cal., the office of the President has given to the Los Angeles Junior Chamber of Commerce. Since the formation of the "Free Enterprise Program," which Mr. has initiated at Coast Savings in Los Angeles, Cal., the office of the President has given to the Los Angeles Junior Chamber of Commerce.

Along with a letter from Joe Crail's office at Coast Savings, I am accompanying Mr. Crail's letter, which is particularly relevant in this connection.

"Myth or Truth? — Educating the public about Free Enterprise is not a proper business activity and a company has no right to spend money on such advertising."  

"Truth: The businessman is restrained from political participation because of fear of public criticism or loss of customers, not understanding that it is much better to influence public opinion than to lose the climate which permits him to do so. "

Commentary...

From the Mailbag.

"Dear Mr. Lefko,

"Youedened your column in the paper that most readers may contact you if you believe that the American Government is not doing anything to inform the public about capitalism. Since I am writing this letter this time period, which have occurred to me.

"Last week's organizational like The National Advertising Council which does such a promotional effort. The Bear's Red Feather and other promotions should undertake the promotion of capitalism. I believe that the preservation of this system is more than important than preserving forests, etc. And the advertising system certainly has a big stake in our country and the organization that is trying to protect our advertising.

"One idea would be a series of ads, showing a capitalist in the ads could picture a doctor, a truck driver, an engineer, a retired couple, a carpenter, etc. Most of these people are capitalists because they own shares in America. And we are more the image of a capitalist, and anything and should be able to sell the American Way."

LARRY KALNBERMAN

Fort Lauderdale, Fla.

"Mr. Lefko,

"Each company should encourage a conservative posture among his employees. They should consist of released time for work on the conservations. They should be encouraged to talk on the benefits of our capitalist system, and as a company they should explain the evils of collectivism to the wage earners.

"Capitalism will be promoted and explained in this country and we are about to unleash a 50% these should be on the market and be able to sell the American Way."

Good Luck.

Jack Hawkins

Los Altos Hills, Calif.

Along with a letter from Joe Crail's office at Coast Savings, I am accompanying Mr. Crail's letter, which is particularly relevant in this connection.

"Myth or Truth? — Educating the public about Free Enterprise is not a proper business activity and a company has no right to spend money on such advertising."

"Truth: The businessman is restrained from political participation because of fear of public criticism or loss of customers, not understanding that it is much better to influence public opinion than to lose the climate which permits him to do so."

"Coast Federal has a basic list of Communist propaganda myths that are commonly used in order to influence the public. We call this pamphlet the "Mythological Development." We develop a basic list of myths about which we will not answer questions about. We will not answer questions about. We will not answer questions about. We will not answer questions about. We will not answer questions about.

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Sandy Camp, Viceroy University,


d for FRASER

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NEWS ABOUT BANKS AND BANKERS

The Chemical Bank New York Trust Company, New York, has elected Robert C. Curtis, 57, Lower Manhattan Advisory Board, according to announcement made Feb. 26 by Harold H. Helm, Chairman.


The Comptroller of the Currency James J. Saxon on Feb. 15 approved the application to merge the First National Bank of Appalachia, Appalachia, Va., and The First National Bank of Big Stone Gap, Big Stone Gap, Va., effective on or after Feb. 15.

Presley L. Stevenson, Vice-President of The First National Bank of Chicago, Ill., has been designated head of the Trust Department succeeding the late Thomas H. Beacom.

Paul V. Sullivan, Veteran Trust Officer of St. Louis Union Trust Company, St. Louis, Mo., has retired after more than 41 years of service.

Mr. Sullivan joined the accounting department of St. Louis Union Trust in 1921. He later became head of the department and subsequently transferred to the administrative section of the personal trust department. He was made Assistant Trust Officer in 1932 and was promoted to Trust Officer in 1933.

The Comptroller of the Currency James J. Saxon, Feb. 26, announced that he has given preliminary approval to organize a National Bank in Lewisville, Texas.

Initial capitalization of the new bank will amount to $300,000 and it will be operated under the title Lewisville National Bank.

The Comptroller of the Currency James J. Saxon, Feb. 15, announced that he has given preliminary approval to organize a National Bank in Kingsville, Texas.

Initial capitalization of the new bank will amount to $300,000 and it will be operated under the title Monticello National Bank of Kingsville.

The Bank of America, San Francisco, Calif., made Lloyd U. Mayland Vice-President and head of the officer placement department.

Directors of the Citizens National Bank in Los Angeles, Calif., on Feb. 20 approved a proposed plan to merge Crocker-Anglo National Bank, San Francisco, Calif. The merger would be accomplished by an exchange of stock in the ratio of one and nine-tenths shares of Crocker-Anglo for each share of Citizens National stock.

Directors of Crocker-Anglo gave their approval to the plan at a special meeting in San Francisco on Feb. 8.

The proposed merger cannot take effect until a definitive merger agreement is executed and shareholders of both institutions meet and act upon the plan.

The proposed merger is also subject to the approval of the Comptroller of the Currency.

The proposed merger would create an institution with assets approximating $3,000,000,000.

The combined institution, which will be named Crocker-Citizens National Bank, would initially have in operation about 200 banking offices.

Sisson & Nair
Forms on Coast

REDWOOD CITY, Calif.—Sisson & Nair Incorporated has been formed with offices at 629 Jefferson Avenue to engage in a securities business. Officers are Daniel W. Sisson, president; Richard S. Nair, vice president; and Raymond F. Bjorkquist, secretary and treasurer.

Mr. Sisson was formerly an officer of Hooker & Fay, Inc. Mr. Nair was with Granberry, Marache & Co. and Elyth & Co., Inc. Mr. Bjorkquist was an officer of First California Company and Hill, Wilson & Co.

educational television:

help for busy teachers
hope for crowded classrooms

Today, education in America faces a severe challenge. An accelerating world requires new and broader curriculums. An expanding population begs for more teachers, more classrooms.

Many communities have turned to Educational Television as an imaginative way to expand course subjects, to bring more effective teaching techniques into the classrooms without sacrificing personalized instruction from room teachers.

Because of our long experience in the research and development of telephone, television, and defense communications networks, it was natural that the Bell System was called on to develop facilities for one of the first ETV networks in the country, in Hagerstown, Maryland.

We have since helped pioneer the first statewide, closed circuit Educational Television system, in South Carolina.

In doing this, we have developed a transmission service that is low in cost and makes use of the service and maintenance facilities of local Bell Telephone Companies in communities of any size.

Helping communities like yours find the answer to better learning through ETV is just one more way of putting Bell System research and skills to work serving you and your family.
Central States IBA Annual Conference

CHICAGO, I.I. — The Central States Group of the Investment Bankers of America will hold its 27th annual conference at the Drake Hotel March 15-16.

Scheduled for the conference are a municipal meeting on March 12 with Robert R. Brinker, John Howard, President of Rockefeller University; a luncheon meeting, "A New Aid to Education;" and a discussion, "Crime, Inflation, and the Industrial Worker." The luncheon meeting is at the Drake Hotel March 15.

C. Virgil Martin, president of Iowa State University, will be guest speaker at the group's luncheon, and will speak on "Disparities in American Education." In addition, ceremonies for the 21st Class of the Group's Training School will be held at 2:15 p.m. March 13th. Amyas Ames, Kidder, Peabody & Co., New York, president of the L. B. A., will present diplomas.

A forum will be held in the afternoon, with James M. Dawson, president of the New York Mercantile Exchange, speaking on "A Crystal Ball Look at Business." At 7:30 p.m. a dinner in honor of the 21st class will be held at the Guildhall of the Ambassador West Hotel.

On March 14th, Wayne A. Johnson, Illinois Central, Railroad, will speak on "Why I am an Optimist." An afternoon panel on "The Proser Mix for Big Production," will have as panelists William L. Libman, Loewi & Co., incorporated; Edward D. McGrew, Northern Trust Company; Paul Oglivie, Homeeover & Weeks; and Frank E. vyossky, Kidder, Peabody & Co.

Members of the Central States Group Executive Committee are: Wayne A. Johnson, Robert J. Brown, Whipple & Co., chairman; James E. Snyder, A. Alllyn & Co., vice-chairman; Robert J. McEwen, Loewi & Co., incorporated; Edward D. McGrew, Northern Trust Company; Paul Oglivie, Homeeover & Weeks; and Frank E. vyossky, Kidder, Peabody & Co.

PUBLIC UTILITY SECURITIES

BY OWEN D.

South Jersey Gas Company

South Jersey Gas Company, with annual revenues of $212 million, serves natural gas to Atlantic City and its vicinity rapidly in the nearby areas adjacent to Camden and Philadelphia. The company was formed from the merger of Atlantic City Gas and Peoples Gas, and in 1948 was contributed to holders of Public Service Corp. of New Jersey in connection with the distribution of that holding company.

The company distributes gas to a population of 283,000 in 2,000 square mile area containing some 63 communities, and also sells gas at wholesale to New Jersey Natural Gas. The service area is somewhat similar to that of the Atlantic City Electric and includes resort communities on the coast, rich farmlands in the interior and the rapidly growing industrial section along the Delaware River. Revenues are from 13% residential, 56% firm industrial (payable monthly, non-terminable), and 5% miscellaneous.

Principal industries include truck and poultry farming, processing of farm products, manufacture of glass products, explosives and dyestuffs, plastics and other chemicals, paints, and various other products of the garment-making industry for some accounts for some 19%, and chemicals 19%. Of the industrial accounts, 21% are made up of companies that are in gas processing activity, including glass, oil pipe, chemicals, etc.

Southern New Jersey has enjoyed rapid growth. Population is increasing in the area at a rate above the state and national figures. These developments are buying line in Southern New Jersey increased 101%, compared with industry average of 26%, 13% vs. 4%. and population 38% vs. 19%. During 1961-62, the company's sales of gas increased 10%, revenues 214%; the gain in residential was 177%, and in commercial it is 275%. Much of this company's growth has been due to the continuous influx of industry into southern New Jersey, which is continuing at a rapid pace. Shell Chemical Company began operations last April at its new plant, and Air Reduction Corporation is planning a new construction chemical plant in Salem County, each of these having substantial gas requirements; and negotiations are continuing with other potential industrial customers.

The sizable interruptible gas load, together with the possibility of some of summer sales in the resort area, helps to keep the year-round factor at a high level. The minimum tariff rate (as permitted in New Jersey) automatically reduces this rate of gas not used in the winter. The New Jersey Commission has apparently felt that the return was on the line and that the standard rate (as permitted in New Jersey) automatically reduces this rate of gas not used in the winter. The New Jersey Commission has apparently felt that the return was on the line and that the standard rate (as permitted in New Jersey) automatically reduces this rate of gas not used in the winter.
Horwich V.-P. of Selected American

CHICAGO.—Herbert F. Horwich has been elected a Vice-President of Selected American Shares, 155 South La Salle St., oldest Chicago-managed mutual investment company. He is a partner and manager of the research department of Security Supervisors, investment counsel-organization which manages the portfolio of Selected American Shares and other institutional and individual accounts.

Mr. Horwich, after spending four years in investment banking and five years as Securities Supervisors in 1934, he became a partner of that firm in 1935.

IBA Statement on Education Act

The Investment Bankers Association of America, in a statement submitted to the House Committee on Education and Labor, opposed two parts of the proposed National Education Improvement Act of 1961: (1) A proposal for $1.5 billion in federal grants over the next four years for teachers' salaries or 56% of the cost of construction of elementary and secondary school facilities; and (2) A proposal for $1 billion in low interest rate federal loans over the next three fiscal years for academic facilities for colleges and universities.

The IBA pointed out that the proposed $1.5 billion in grants from the Federal Government for elementary and secondary schools would be divided among all of the states so that every state would receive some of the funds, regardless of their actual needs. Therefore, every state or locality would receive over $118 million (over 28% of the $400 million proposed for the first year). Such funds allocated to a state under the proposal could be used to finance construction of classrooms which would otherwise be financed by the local municipality if there were no federal assistance. Funds allocated to a state under the proposal would be used to increase teachers' salaries in wealthy states, regardless of the fact that the lowest teachers' salaries in state were much higher than teachers' salaries in other states.

The statement further pointed out that the Department of Health, Education and Welfare reported that over 355,000 new elementary and secondary school classrooms were completed during the last five school years, and the Department estimated that additional classroom rooms needed had been added, as of the fall of 1962, to the lowest number in recent years: 6,066 to accommodate the 16% enrollment increase, and 46,200 to replace unsatisfactory facilities. It is estimated that 84,000 additional classrooms will be completed in the school year 1962-63.

The IBA cited the record sales for new issues of school bonds in 1961, for public elementary and secondary schools aggregating over $2.5 billion and over $4.4 billion in 1962. Attention also focused to the striking gains in teachers' salaries. In general, average teachers' salaries in 1960-61 were up 72% from 1950-51 as compared with an increase of only 57% for all workers.

With regard to the proposed federal loans for colleges and university academic facilities, it is known that the interest rates for long-term loans to colleges and universities under the proposed act would be much lower than the interest rate which the Federal Government has to pay to borrow money for such maturities. The report further stated, despite the claims that college and university academic facilities are fully capacity, that surveys have shown that there are many colleges which have vacancies and can accommodate thousands of additional students.

The IBA suggested that the proposed program of federal loans would be directly contrary to the general recommendations of a report of the Committee on Federal Credit Programs to the President of the United States, transmitted by the President on April 28, 1962. The IBA report stated that federal government credit programs should not be established or continued unless they are clearly needed and that, if borrowers can obtain adequate funds at reasonable rates from private lenders, they should not be given special incentives in the form of substantially lower cost to borrow from the Federal Government.

In conclusion, the IBA stated that the needed academic facilities for increased college enrollment in the coming decade can and should be provided without the proposed federal financial assistance by utilizing existing, viable, canceling, and more efficient utilization of existing classroom and laboratory facilities.

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YOUR KEYS DEMONSTRATE THE LOW COST OF COPPER

Most keys are made of copper metals—and for good reasons. These bright and colorful metals won't rust, they work easily in locks, have strength for hard use. A house key weighs about 1/4 oz.—less than one cent's worth of metal at refinery prices. Fabricating, sales, distribution bring the cost considerably higher—but still, the price is so small that it's not really worthwhile to make keys of metals that rust or are weak enough to twist off in the lock. And notice that bead chain. It's made of copper metal, too—solid brass. Automatic machines knock chains out by the mile at a cost so low that a quantity user can buy them for less than a penny apiece. In the things you buy or make, take the value from your keys. Copper metals are strong, lasting and easy to fabricate—and a little copper goes a long way.
How Administration Errs In Its Economic Correctives

Continued from page 1

critical question: Why has the present recovery failed to meet reasonable expectations? What is it that has gone wrong?

On a statistical level, the main answer is this: the recovery has been too small—namely, business investment in new capital goods has been too weak to maintain the vigor. Evidence on this point is plain and decisive.

In the latter half of 1962, the gross national product, expressed as an annual rate, was $562 billion—down $6 billion, or 1.1%, from the peak of 1957. However, despite this rise, total nonresidential expenditures on plant and equipment in the second quarter of last year were only 97% of the 1957 rate. At present, they are not much higher.

In the course of this recovery, between the end of 1961 and the fourth quarter of 1962, plant and equipment expenditures increased by about $7 billion. This rate of increase is about the same as occurred during the corresponding period of recovery of 1939-46, but it is much lower than the rapid rise of the comparable period of the earlier economic recoveries of the post-war era.

As these facts indicate, business capital investment has recently been both weak and slow in the chain of economic recovery. This, more than anything else, explains what has gone wrong in our recovery so far.

Moreover, there is yet another ominous trend suggesting that business investment will soon improve. If you examine the details of the period since 1962, you will find that after the postwar rate of capital spending at an annual rate of $160 billion, we have reached a new rate of only $115 billion. The reason is that after the second quarter of last year, the rate of increase in plant and equipment expenditures slowed sharply.

This unsatisfactory record of investment calls for appraisal. It is clear that an additional reason for the relative weakness of business investment has been the lagging improvement of business investment in the months immediately following the recession.

Absence Excess Capacity For Investment Lag

I do not think that this factor is of decisive significance. Excess capacity always develops in the course of a recession, but this fact has never prevented a rapid increase of capital investment when a resurgence of business confidence develops. The other factors may be more significant.

According to the most recent survey of industrial production, there was no slack in the first quarter of this year in the principal industries of durable goods manufacture. In the first quarter of 1963, the population of durable goods manufactures was down only 2% from the peak of 1957, and in the non-durable goods sector, the population fell only 5%. This is about what would have been expected if the 1962 recession were a normal one.

In the past, the worst recessions have been experienced when the leading industries of the durable goods sector were hard hit. The presence of excess capacity in this area would be likely to block a rapid recovery of business investment in the months immediately following the recession.

The decline of the share of the dollar value of corporate profits in the national income is now substantially higher than it was in 1948.

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Questions Proposed Tax Specifies

In the first place, the Administration's proposal highly the effective tax rate on individuals in the 35% bracket, and while some reductions are recommended for the smaller incomes, the Administration is taking the proposed treatment of deductions. As far as corporates are concerned, the Administration's proposal involves a reduction of the corporate tax from 46% to 30%, the adoption of a uniform tax rate for business income, and the adoption of a uniform tax structure.

In the second place, the Administration's proposal was adopted, several years ago, that a gradual reduction in the corporate tax rate was accompanied by a reduction in the personal income tax rate. The Administration's proposal appears to be largely based on the idea that a tax reduction for business is a way of stimulating investment and hence has an indirect effect on the personal income tax rate.

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Four Recommendations
My advice to the committee consists of four points. First, I suggest acceptance of the general principle of spreading the tax reduction over several years. This is the prudent course in present circumstances.

Second, I suggest the adoption of the budget deficit over many years and on a very substantial scale. We are not dealing here with a proposal for a temporary deficit. No one would believe the budget deficit, it will be adopting a novel concept for our country. This concept marks a departure not only from the old-fashioned theory that the budget should be balanced every year, but also from the modern theory that the Federal budget should be balanced over a business cycle or over a few years.

It is possible that many members of the Congress may find my suggestion with regard to Federal expenditure unacceptable. In that event, I would suggest that the Congress give serious consideration to raising new funds through a sales tax or some other form of indirect taxation.

Fourth, I suggest that Federal expenditures be kept for a time at, or preferably below, this fiscal year’s level. If the Congress followed this general plan, deficits would still be likely for several years. However, long-range deficits would be avoided.

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These suggestions are based on my conviction that a healthy rate of growth of our economy requires substantial reduction in income taxes. We can and should carry out this reform without subjecting our nation to the risk of long-range deficits.

Other countries of the world—Japan and the nations of Western Europe—have kept redesigning their tax systems throughout the postwar period in the interest of stimulating investment. It is high time that we did the same on a substantial scale.

Whether we like it or not, financial incentives are a powerful force in economic life. Even countries like Sweden and Yugoslavia, which have social systems that differ from our own, have recently revised their tax laws so as to give greater recognition to this fact of human nature. I do not think the United States can afford to act otherwise.

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New highs in growth and service for Columbia Gas in 1962

The Columbia Gas System invested more than $100,000,000 for added production, transmission, and distribution facilities in 1962. An equal amount of new construction is planned to meet its customers' requirements in 1963. More detailed information about Columbia's steady growth in customers, revenues, and net income is available in the 1962 Annual Report. If you wish a copy, just write to Public Relations Department, Columbia Gas System, 120 East 41st Street, New York 17, New York.

COLUMBIA GAS SYSTEM COMPANIES

COLUMBIA GAS SYSTEM SERVICE CORPORATION  COLUMBIA HYDROCARBON CORPORATION  COLUMBIA HYDROCARBON CORPORATION - 120 EAST 41ST STREET, NEW YORK 17, N. Y.

Quebec Hydro-Electric Financing Completed

The re-funding and junior advance refunding portions of the Treasury have been arranged as an opportunity of clearing the decks so that the deficit for the new fiscal year which starts on July 1 will be financed mainly by short-term securities. It is important to our balance of payments that rates on near-term obligations are high enough to keep the readily movable funds here. Thru offerings of short-term securities the Treasury should be able to keep yields on these issues at attractive levels.

When this sizable refunding operation is out of the way, it is quite likely that there will be no important offerings of middle-term or long-term bonds the balance of the year, aside from the expected offering under competitive bidding some time in August. The money and capital markets are taking this very large operation pretty much in stride.

Current Exchange Offer Totals Almost $2 Billion

The Treasury, in one of its largest debt lengthening operations so far, gave to holders of $2 billion of its obligations the opportunity of exchanging them for other issues which will mature at a later date than the one which they presently own. This venture, involving Aug. 15, 1963, maturity of the national debt, brought into operation the refunding of substantial amounts as a junior advance refunding offer.

The first part, which the Treasury calls a pre-refunding operation, pertains to $6.9 billion of the 3% certificate maturity Aug. 15, 1963, more than $4.3 billion of the 2% bond, also coming due Aug. 15, 1963, and $2 billion of the 3% certificate maturity of the same bond on Feb. 15, 1964. In this pre-refunding venture, the owners of the aforementioned obligations are given the opportunity to exchange for three years

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

On Thursday, Feb. 21, 1963, $100,000,000 principal amount of a total of $800,000,000 of Quebec Hydro-Electric Fund Debentures due March 1, 1973, was being offered to the investing public through, for the first time, an offering by a Canadian industrial concern. The issue, the first of its kind under the new American Securities Act, is being offered to investors in the United States and abroad. The new Act, which took effect Oct. 31, 1962, permits the issuance of bonds by private underwriters directly to investors without registration, subject to the limitations of the new Act.

The underwriters are the Bond Sales Department, American Bankers (Canada) Co., and George C. Marler, P. C. (seated left), Leader of the Legislative Council of the Province of Quebec and Minister of State in the Quebec Government; Jean-Claude Lessard (seated center), President of the Quebec Hydro-Electric Commission; Jean H. Reiter (seated right), Deputy Minister of Finance of the Province of Quebec; Standing left, Vice-President of the First Boston Corporation; and standing right is F. Douglas Chapman, Vice-Chairman A. E. Ames & Co. Limited.

Quebec Hydro-Electric Commission places $300,000,000 of sinking fund debentures privately with a group of American and Canadian Institutional investors. The direct placement of these debentures, which are guaranteed by the Province and payable in U.S. dollars, was negotiated by The First Boston Corporation and A. E. Ames & Co., Incorporated and associates as agents of the Commission. Shown receiving the checks are: Hon. George C. Marler, P. C. (seated left), Leader of the Quebec Hydro-Electric Financing Corporation; Joseph C. Wilson, President of Xerox Corporation, with whom Mr. Marler met earlier at the New Entrepreneur’s meeting of the Investment Analysts Society of Chicago to be held February 28th at La Salle Hotel.

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Public offering of $300,000,000 of Quebec Hydro-Electric Corporation, $34% external loan bonds due Mar. 1, 1978 is being made by an underwriting group managed by Kuhn, Loeb & Co., Inc., Smith, Barney & Co., Inc., Harriman Ripley & Co., Inc., and Lazard Freres & Co., New York. The bonds are being offered to investors in the United States and abroad. They are priced at 98% plus accrued interest, to yield 5.37%.

Net proceeds from the sale will be added initially to Denmark’s foreign exchange reserves and subsequently applied to the acquisition of capital equipment required for the development of the Danish economy.

The bonds are direct, unconditional and general obligations of the Kingdom. They are not redeemable prior to March 1, 1973 except through operation of the sinking fund. Beginning on March 1, 1973 they are subject to optional redemption at 100% if redeemed prior to March 1, 1974, and at 98% if redeemed prior to March 1, 1977.

Annual sinking fund payments of $3,000,000 commencing in 1967, together with a payment of $2,000,000 in 1966, will retire 100% of the issue by maturity.

Application will be made to list the bonds on the New York Stock Exchange.

To Form Rodi & Co.

Rodi & Co., member of the New York Stock Exchange, will be formed as of March 7th with offices at 45 Wall Street, New York City. Partners will be Stanley J. Rodi, member of the Exchange, and Solomon Storch. Mr. Rodi has been active as an individual floor broker.
MUTUAL FUNDS
BY JOSEPH C. POTTER

A Year to Remember

As we grow older, it is not uncommon for events to gain significance or importance, perhaps due to their impact on our lives or the world. In the context of investing, the year 1929 is a year that stands out prominently in the history of the financial markets. For many, the year 1929 is remembered as a time of unprecedented growth and prosperity, followed by a period of unprecedented collapse.

The Stock Market of 1929

The stock market of 1929 was characterized by extraordinary growth, as companies such as the Ford Motor Company were able to issue new shares and raise substantial amounts of capital. The market was fueled by optimism and a belief in the ability of businesses to continue growing at a rapid pace.

The Failure of 1929

However, the optimism of 1929 was not without its risks. The market became increasingly speculative, and many investors were willing to take on significant risks in search of high returns. The failure of 1929 was marked by a rapid decline in the market, as the value of stocks fell sharply over a period of weeks.

The Causes of 1929

There were several factors that contributed to the failure of 1929. One of the primary factors was the rapid expansion of credit, which allowed many investors to buy stocks on margin. This, in turn, created a bubble in the market, as the value of stocks was driven artificially higher.

The Impact of 1929

The failure of 1929 had a profound impact on the economy as a whole. Many businesses suffered as a result of the decline in consumer spending, and the unemployment rate rose sharply. The failure of 1929 was a wake-up call for investors, reminding them of the risks associated with investing.

The Lessons of 1929

The failure of 1929 serves as a reminder of the importance of careful investment decisions. It is important to consider the risks associated with any investment, and to ensure that one is well-informed before making any decisions.

The Stock Market of 2023

While the stock market of 2023 is not likely to be as volatile as the market of 1929, it is important to remember the importance of careful investment decisions. It is important to consider the risks associated with any investment, and to ensure that one is well-informed before making any decisions.
Why Progress Lies Ahead for The American Economy

Continued from page 3

The rate of unemployment in the American economy has been very high since the recessions of early 1961. Actually, it had been at very high levels for a considerable time before the recession. The recession was followed by an increase in unemployment. This increase was marked by a rise in the number of workers who had never been employed, which was due to the fact that the labor force was growing faster than the number of jobs. The rate of unemployment reached a peak in early 1961, at which point it had been at a high level for more than two years. Since then, the rate of unemployment has been dropping steadily, although it remains well above the levels of the past. The government has been making efforts to reduce unemployment, but the progress has been slow. The unemployment rate in the United States was 5.2% in 1961, but it fell to 4.0% in 1965.

The current rate of unemployment is still high, but it is lower than it was in the past. The government has taken steps to reduce unemployment, such as increasing government spending and providing unemployment benefits. However, these measures are unlikely to have a significant impact on the unemployment rate in the short term. The unemployment rate is likely to remain high for some time, but it is expected to gradually decline in the future. The government should continue to implement policies that support job creation and reduce unemployment.

The government has been making efforts to reduce unemployment, but the progress has been slow. The unemployment rate in the United States was 5.2% in 1961, but it fell to 4.0% in 1965. However, the rate of unemployment remains high, and it is unlikely to fall below 5.0% in the near future. The government should continue to implement policies that support job creation and reduce unemployment.

Business Moving Up

Looking ahead, however, I find some very encouraging signs. With the current measures of business activity, we are likely to see a considerable increase in the economy. The economy is likely to expand in the near future, and the unemployment rate is likely to fall. The government should continue to implement policies that support job creation and reduce unemployment. The government should also continue to support technological innovation and investment, which are likely to have a positive impact on the economy.

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For Proving Profits

As a matter of fact, the historical analysis of profits discussed above is based on the full profit squeeze which has occurred in the American economy. It is true that, for the first time since the Great Depression, there is an increase in corporate profits. While true, this increase is not large enough to significantly reduce the real output of the private sector of the economy. The excessive push of labor costs has been effectively offset by cost-cutting through new plant and equipment spending so that employee compensation has not increased in ratio to corporate sales and labor cost per unit of output in manufacturing corporations. This has been accomplished, however, by added investment of capital in business enterprises, which has made a definite contribution to profits with a considerable rise in corporate profits rates of return on equity of leading manufacturing corporations has fallen from an average of about 15% in 1947-1951, the first five years of the postwar period, to an average of 13% in 1952-1956 the middle five years, to an average of 11% in the most recent years 1963 through 1965. The high rates of return in the early postwar period, however, were basically due to understatement of costs and overstatement of profits. After inflation, cost of plant consumed was seriously understated by use of book depreciation charges. Similarly, sharp price increases brought tremendous inventory profits. It was recog
Inflation's End

Finally the dying and ending of inflation has come to be recognized as a genuine and potentially serious problem. It is necessary to remember that in the dangerous world in which we live, it is not only the directly observable levels of prices that matter. Even if we are able to hold inflation at a high level of activity, further inflation may be occurring on the horizon, but that does not necessitate a cloud at noon to say nothing of a rainbow. The prospects for future inflation have been grossly exaggerated all out of proportion to the economic circumstances of today. The adjustment to the end of inflation, however, has presented more problems than might be expected. It has been a substantial period of time in the housing market as well as in the market for savings of families need and want a bigger and better house. To get that new house, however, means first getting rid of the old one.

With the ending of inflation, house prices have shown little or no increase. Interest rates have also had to adjust. Their downward. Unlike the earlier postwar period, in which house prices had been rising in a very real cost of housing involved in home ownership. This lowering of housing costs is an important part of the reality of today's market has represented a major adjustment. Similarly in the stock market, as previously noted, the inflation and growth psychology in the market simply did not manifest the facts about inflation and growth in the economy.

Again, many labor union leaders have continued to push for higher and higher wages in order to make up for the costs of not being inflationary. But what happens when there is no overall wage inflation? Workers can often be classified as "haves" or "have nots." Most of the exceptions to this are pressure on profit margins, directly and indirectly, on the provision of money, that is, what would have existed otherwise. But labor costs, however, have traditionally been paid not only by the dollar, but by the margin of employees on this scale, and important in the market do not manifest the facts about inflation and growth in the economy.

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As We See It

Continued from page 1

nearly $4.5 billion, largest by a substantial margin of any after World War I and its im-
mediate aftermath were out of the way.

In its issue of Jan. 12, 1935, the Chronicle had this to say about the situation then existing:

President Roosevelt a year ago... the country should definitely plan to have a balanced budget for the fiscal year, 1936. Even at the time it was made thoughtful observers took the President's statement with several grains of salt and for many months past no one has expected anything in the nature of a bal-
anced budget for the coming fiscal year.

"But whether expected or not, the budget figures serve, or are supposed to serve, all to a realizing sense of whither, financially speaking, we are being taken by all these fine phrases of the President. It does not appear to me that there is need to note the seriousness of the situation presented by his figures. What we need, of course, is a balanced budget at the earliest possible date, not explanations as to why we have a deficit, or a system of bookkeeping that makes the deficit solely a matter of ear-
ing for the unemployed.

"The continuation of a budget of this size and the further accumulation of a huge debt, without the possibility over receipts cannot, of course, be viewed as other than a matter of utmost seri-
ousness. This is the more so since the Treasury will with-
out question continue to ob-
tain its funds as it has in the past by having - the 'banks' create for the purposes in hand.'

Budget Never Balanced

Of course, there never was any balanced budget, or any-
thing near one, through all those prewar years when the New Deal was engaged in ushering in a new heaven and new
earth. Even in the last fiscal year before the out-
break of war in Europe, the period ending June 30, 1939, a deficit not very far from as large as the New Deal's was recorded. As a matter of fact, the fillip given our economy by the war in Europe did not

advise of the view that the best way to meet obligations to the public, is to throw away all former notions of prudence and even of com-
nial responsibility and manage the fi-
nancial affairs of the national government. The notion of balancing the economy by first unbalancing the budget has been implicit in much of the preachments of the New Deal, as does also the idea that if and only if we have a balanced budget it is likely that a balanced budget can be brought into existence. Such notions have become somewhat more explict throughout the years, but they are as fanciful now as they were in the early days of the New Deal.

If there is any one who is inclined to have no faith in a balanced budget in 1967, let him study the New Deal years.

Italy-America

Chamber Elects

The Italy-America Chamber of Commerce has announced the election of Emilio Mayer, U. S. Representative of the Banka Com-
mercielle Italiana, Milan, to the position of President for 1963. Other officers elected include Fa-
' borino Babuino de Lapigio, General Man-
ager of Allista
cia, Vice-President; Charles Bovetti, S. C. & S., Secretary; Pa
tasie, Jr., Treasurer, and Adolfo Matellini, U. S. Repre-
vant, Director.

The Chamber, which in December
bored observed the Seventy-fifth annual meeting of the New York Stock Exchange, is one of the oldest trade associations in the United States engaged in pro-
ning commerce between the United States and a European
country.

Mr. Mayer, a Director of the Italy-America Chamber, has been engaged in International Banking for 30 years and has dealt with the United States, for more than 30 years.

Can Government Do It

There is a second question as vital as the first. That ques-
tion is as pertinent today as it was in the early New Deal
days. It is whether and how government can, no matter what it wishes to do, accom-
plish the things that the New Deal and now the New Fro-
tier demand of it. Apparently in addition to a long list of legislative measures to help this, that, and the other ele-
ment in one way or another President Kennedy and his

Tessel, Paturick

In Cincinnati

CINCINNATI, Ohio—Tessel, Pat-
trick & Company, member of the New York Stock Exchange, is being formed as of March 1st. Main office of the firm will be at 201 South 5th Street branch of-
ice will be located at 1 Wall St. Street.

Partners will be Edwin C. Tes-
sel and Arthur Paturick, member of the New York Stock Exchange, general partners, and Robert Lit-
win limited partner. Mr. Paturick will make his headquarters at the firm's New York office.

THE RELATIVE ATTRACTIVENESS OF BANK STOCKS

Bank stocks are generally regarded as defensive investments as there are seldom serious fluctuations in earnings. Over the past World War II period, the growth in bank stocks earnings has been favorable. In past years, bank shares have appreci-
ated in the vicinity of 10-25% a year. On a per share basis the increase has not been as favorable—due to the need for capital. The following tabulation shows for representative banks, the annual increase in earnings, both on a gross and a per share basis over the past decade.

BANK AND INSURANCE

STOCKS

This Week — Bank Stocks

<table>
<thead>
<tr>
<th>Bank Name</th>
<th>Annual Increase in Earnings</th>
<th>Per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bankers Trust Company</td>
<td>13.9%</td>
<td>4.1%</td>
</tr>
<tr>
<td>Manufacturers Trust</td>
<td>13.7%</td>
<td>4.0%</td>
</tr>
<tr>
<td>First National Bank of Chicago</td>
<td>13.9%</td>
<td>4.1%</td>
</tr>
<tr>
<td>National Bank of Detroit</td>
<td>12.9%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Citizens and Southern National</td>
<td>13.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Wachovia Bank &amp; Trust</td>
<td>20.5%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Republic National Bank</td>
<td>13.5%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Crocker-Anglo National Bank</td>
<td>14.2%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Security First National Bank</td>
<td>10.4%</td>
<td>1.9%</td>
</tr>
</tbody>
</table>

The two principal reasons for the rise in earnings of these equities is the substantial rise in interest rates in this period and the change in the percentage of deposits loaned versus invested. The reason for this is that in this time period there has not been any increase in the earnings on industrial shares or utility shares. There are several averages to determine the trend of industrial earnings. Whether the Index is Moody's, Standard and Poor's, or the Dow-Jones Index of 30 Industrials the increases have been modest. Actually, over the past five years the Dow-Jones Industrial Index shows a slight decline. The 10-year period shows an increase of slightly over 100%, or an annual average of about 1.4%.

There are an equal number of indices for public utility stocks. Probably one of the most meaningful is the one used by the Public Utilities of America—Dunn. This index increases the five years last shown only a 5% increase in earnings per share of the utility companies. The longer-term is naturally more favor-
able to these companies and the figures appear more favor-
ably to the increase in earnings for bank shares.

In addition past earnings, future earnings for banks appear favorable for these companies and the figures appear more favor-
ably to the increase in earnings for bank shares.

Price/Earnings Ratios

| Year | New York | Outside N.Y. | Annual Average | T. | Unit
<table>
<thead>
<tr>
<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td>1952</td>
<td>13.1x</td>
<td>11.9x</td>
<td>11.1x</td>
<td>14.0x</td>
<td></td>
</tr>
<tr>
<td>1953</td>
<td>12.9x</td>
<td>11.0</td>
<td>10.2</td>
<td>13.6</td>
<td></td>
</tr>
<tr>
<td>1954</td>
<td>13.4</td>
<td>12.2</td>
<td>12.0</td>
<td>14.6</td>
<td></td>
</tr>
<tr>
<td>1955</td>
<td>14.9</td>
<td>13.9</td>
<td>12.3</td>
<td>14.8</td>
<td></td>
</tr>
<tr>
<td>1956</td>
<td>13.1</td>
<td>12.9</td>
<td>14.8</td>
<td>14.1</td>
<td></td>
</tr>
<tr>
<td>1957</td>
<td>12.0</td>
<td>12.2</td>
<td>11.9</td>
<td>14.8</td>
<td></td>
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<tr>
<td>1958</td>
<td>13.2</td>
<td>12.3</td>
<td>13.3</td>
<td>15.2</td>
<td></td>
</tr>
<tr>
<td>1959</td>
<td>13.9</td>
<td>12.3</td>
<td>14.8</td>
<td>15.3</td>
<td></td>
</tr>
<tr>
<td>1960</td>
<td>12.5</td>
<td>12.4</td>
<td>14.6</td>
<td>16.3</td>
<td></td>
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<tr>
<td>1961</td>
<td>16.8</td>
<td>16.0</td>
<td>21.7</td>
<td>20.0</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>17.0</td>
<td>16.0</td>
<td>19.0</td>
<td>21.0</td>
<td></td>
</tr>
</tbody>
</table>

* Including West Coast, Chicago and Southeastern banks.

100 Y. C. BANK STOCKS

Comparison & Analysis

For 1962

B. B. & Co., Inc.

LAIRD, BISSELL & MEEDS

Members New York Stock Exchange
130 BROADWAY, NEW YORK 4, N. Y.
Telephone: Bleecker 5-2306

Bankers to the Government in
ADEN - KOWTOW - ZANZIBAR

Branches in
INDIA - PAKISTAN - CEYLON - BURMA
AMERICA WEST INDIES - NICARAGUA
AND THE RHODESIANS
The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or, in cases of quotations, are as of that date:

### AMERICAN IRON AND STEEL INSTITUTE

<table>
<thead>
<tr>
<th>Steel inputs andcastings (net tons)</th>
<th>Latest</th>
<th>Previous</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week</td>
<td>20,000</td>
<td>18,000</td>
<td>16,000</td>
</tr>
<tr>
<td>Month</td>
<td>80,000</td>
<td>72,000</td>
<td>64,000</td>
</tr>
</tbody>
</table>

Note: Figures based on average weekly production for 1897-1909.

### COMMODITY FUTURES WEEKLY REPORT

<table>
<thead>
<tr>
<th>Crude oil and condensate output—daily average (bbls.)</th>
<th>Latest</th>
<th>Previous</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week</td>
<td>10,000</td>
<td>8,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Month</td>
<td>50,000</td>
<td>40,000</td>
<td>30,000</td>
</tr>
</tbody>
</table>

### CONSTRUCTION ADVANCE PLANNING—ENGINEERING NEWS-RECORD—NEW BUILDINGS

<table>
<thead>
<tr>
<th>Latest</th>
<th>Previous</th>
<th>Year</th>
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</thead>
<tbody>
<tr>
<td>No.</td>
<td>100</td>
<td>90</td>
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</table>

### DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE BOARD

<table>
<thead>
<tr>
<th>Latest</th>
<th>Previous</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>No.</td>
<td>100</td>
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### EDISON ELECTRIC INSTITUTE

<table>
<thead>
<tr>
<th>Latest</th>
<th>Previous</th>
<th>Year</th>
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</thead>
<tbody>
<tr>
<td>No.</td>
<td>100</td>
<td>90</td>
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</table>

### FAILURES (COMMERCIAL AND INDUSTRIAL)—DUN & BRADSTREET, INC.

<table>
<thead>
<tr>
<th>Latest</th>
<th>Previous</th>
<th>Year</th>
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</thead>
<tbody>
<tr>
<td>No.</td>
<td>100</td>
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### MOODY'S BOND PRICES DAILY AVERAGES

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<thead>
<tr>
<th>Latest</th>
<th>Previous</th>
<th>Year</th>
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</thead>
<tbody>
<tr>
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### NATION STATES STANDARD ASSOCIATION

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### OIL, PAINT AND DRUG REPORTER PRICE INDEX

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### ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, GUILD OF DURABLES, AND SPECIALISTS

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### STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF GUILD OF DURABLES AND SPECIALISTS—EXCHANGE—SECURITIES EXCHANGE COMMISSION

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<tr>
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### WHOLESALE PRICES, NEW SERIES—U. S. DEP. OF COMMERCE (1910-11=100)

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### BUILDER'S PERMIT VOLUMES—DUN & BRADSTREET, INC.—CITIES—MONTHLY

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### AMERICAN RAILWAY CAR INSTITUTE

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### BANK DEBTS—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM—Month of January (1897 to 1909)

<table>
<thead>
<tr>
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<th>Year</th>
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### BUILDING CONSTRUCTION VOLUMES—DUN & BRADSTREET, INC.—CITIES—MONTHLY

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<tr>
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### CONSUMER PRICE INDEX—1925-29 = 100

<table>
<thead>
<tr>
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### FACTORY EARNINGS AND HOURS—WEEKLY AVERAGE—ESTIMATE—U. S. DEP. OF LABOR—Month of January

<table>
<thead>
<tr>
<th>Latest</th>
<th>Previous</th>
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### SELECTED ECONOMIC SERIES

<table>
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<tr>
<th>Latest</th>
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<td>No.</td>
<td>100</td>
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*Figures for other years not yet compiled. Intended monthly Industrial Laspeyres Plan.

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*Calculated from Dominion tariffs and other data obtained from customs offices.

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*Figures for other years not yet compiled. Intended monthly Industrial Laspeyres Plan.
NOTE — Registration statements filed with the SEC since the last issue of the "Chronicle" are now carried separately at the end of this section "Securities Now in Registration." Dates and amounts correspond to those listed in the index. Also shown under the caption "Effective Before Date" are the dates on which certain provisions became effective this week and were offered publicly.

American Mortgage Insurance Co.

American Pacific Finance, Inc.

Ampco, Inc.

Associated Mortgage Co., Inc.
Dec. 21, 1962 filed 153,205 common, of which 100,000 are to be offered by company and 53,205 by stockholders. Price—By amendment (maximum $10). Business—Originating, marketing and servicing of first mortgages and loans on real estate. Proceeds—For loan repayment, and working capital. Address—Washington, D. C. Underwriters—Sheils & Co., Inc., and Blyth & Co., Inc. (jointly). Equitable Securities Corp.—Eastman Dillon, Union Securi- ties Corp.—Sheils & Co., Inc. (jointly); of Chicago, Ill. (and board.

Atlantic City Electric Co. (3/6)

Atlantic City Electric Co. (3/6)
May 24, 1962 filed 233,250 of common, of which 125,000 are to be offered by company and 109,250 by stockholders. Price—By amendment (maximum $3). Business—Operation of electric utility, including operation of electric power stations, distribution of electric energy, and production and sale of electric energy. Proceeds—For debt repayment, and general corporate purposes. Address—Lawson Blvd., Oceanside, L. I. N. Y. Underwriter—S. D. Fuller & Co., N. Y. Offering—Infinte.

Ampco, Inc.

Berman Leasing Co. (3/14)
Feb. 11, 1963 filed 5,500,000 of convert. subord. debentures due 1968, of which 3,500,000 are to be offered by stockholders on the basis of one of debentures for each 20 shares held of record about March 14, with right to expire 30 days thereafter.
NEW ISSUE CALENDAR

March 4 (Monday)  Entree Inc.  Debentures  (6.5%)  1,100,000  $3,300,000
Intr-Matel, Inc.  (1/2%)  75,000  $25,000
Milwaukee Braves, Inc.  (3 1/4%)  30,000  $1,100,000
March 5 (Tuesday)  Northwestern Bell Telephone Co.  Debentures  (2 1/2%)  2,000,000  $4,400,000
March 6 (Wednesday)  Atlanta City & Electric Co.  Debentures  (5%)  6,500,000  $33,000,000
Automatic Machinery Co.  Debentures  (4 3/4%)  1,200,000  $6,000,000
Gateway Chemicals, Inc.  Common  1,500,000  $3,000,000
E. Wallace (Wally) Co.  (Common & $25,000,000, 000  1,000  units
March 7 (Thursday)  Great Northern Ry. Equip. Trust Cfs.  Bonds  (10 1/2%)  12,000  $1,250,000
March 11 (Monday)  Andante, Inc.  Debentures  (5%)  150,000  $750,000
Andante, Inc.  Common  150,000  $750,000
Canaveral Rail. Co.  Common  75,000  $1,000,000
Coneille & Co.  Debentures  (6%)  1,100,000  $6,660,000
Central Illinois Ry. Co.  Debentures  (5%)  2,000,000  $10,000,000
Pacific Savings & Loan Assoc.  (6%)  1,500,000  $9,000,000
Selmer (H. A.), Inc.  Debentures  (5%)  150,000  $750,000
March 12 (Tuesday)  AMP Inc.  Common  400,000  $2,000,000
Unilume Gas & Elec. Co.  (Common & $250,000, 000  1,100,000  $2,250,000

March 13 (Wednesday)  Kansas Electric Power Co., Inc.  Debentures  (5 1/4%)  1,100,000  $5,500,000

March 14 (Thursday)  Bank of America, N. Y.  Debentures  (5%)  1,100,000  $5,500,000
Berman Leasing Co.  Debentures  (6%)  1,250,000  $7,500,000
Bowater Engineering Co.  Common  75,000  $1,500,000
Chicago & North Western Ry. Equip. Trust Cfs.  Bonds  (6 1/2%)  1,250,000  $2,000,000

March 15 (Friday)  Zero Mountain Co.  Debentures  (5%)  200,000  $1,000,000
Natural Gas & Oil Producing Co.  Common  100,000  $500,000

March 19 (Tuesday)  Chicago & North Western Ry. Equip. Trust Cfs.  Bonds  (6 1/2%)  1,250,000  $2,000,000
Michigan Consolidated Gas Co.  Bonds  (6 1/2%)  1,500,000  $2,250,000

March 20 (Wednesday)  Atlanta Gas Light Co.  Debentures  (6%)  1,250,000  $7,500,000
Puerto Rican Cement Co. Inc.  Common  150,000  $1,500,000

March 21 (Thursday)  General Electric Trust Fund  Shares  (Baker, Smith & Co. & 8,025,000  $32,000,000
Florida Dis. Trust Co.  (5 1/2%)  1,500,000  $7,500,000
Lamar Oil & Gas Co.  (Common)  500,000  $2,500,000
Norfolk & Western Ry. Equip. Trust Cfs.  Bonds  (6 1/2%)  1,250,000  $2,000,000

March 22 (Friday)  United Camera Exchange, Inc.  Common  150,000  $750,000

March 26 (Tuesday)  Southern Pacific Co.  Debentures  (5 1/2%)  200,000,000  $100,000,000
Texas Electric Service Co.  Debentures  (3 1/4%)  7,500,000  $22,500,000

Continued on page 30
Doman Helicopters, Inc.

April 10, 1963 filed 215,000 common for to be offered by subscription by stockholders on the basis of two new shares for each 200 shares of common stock outstanding. Underwriter—None.

Heartland Development Corp.

March 14, 1963 filed 50,000 common for to be offered by subscription by stockholders on the basis of one preferred share for each 10 common shares outstanding. Proceeds—For general corporate purposes. Underwriter—None.

Fleetwood Corp.

May 10, 1963 filed 189,420 common to be offered for subscription by subscribers at ($2.00) per share. Proceeds—For new plant and other corporate purposes. Underwriter—None.

Freepool, Inc.


Frisco Enterprises, Inc.

Feb. 13, 1963 filed 150,000 common. Proceeds—By amendment (max. $20). Business—Manufactures, develops and manufactures various types of television systems. Proceeds—For the manufacture and sale of television systems. Office—3655 Mockingbird Lane, St. Louis, Mo. Underwriter—None.

Garden State Small Business Investment Co.


Golden Exhaust Chemicals, Inc.

Mar. 14, 1963 filed 15,000 common for to be offered by subscription by stockholders on the basis of two new shares for each 200 shares of common stock outstanding. Underwriter—None.

Great Continental Real Estate Investment Trust


Greenman Bros. Inc.


Hatfield Coal & Sand Co.

June 28, 1962 filed 450,000 common to be offered for subscription by stockholders on the basis of one preferred share for each 400 common shares outstanding. Proceeds—For the purpose of business. Office—Hatfield Park, Pa. Underwriter—To be named.

Fleasell Corp.

May 10, 1963 filed 189,420 common to be offered for subscription by subscribers at ($2.00) per share. Proceeds—For new plant and other corporate purposes. Office—100 W. 100th St., Wilmington, Del. Underwriter—None.

Horlick's Malted Food Co.


Hummel Manufacturing Co., Inc.

May 10, 1963 filed 400,000 common of which 50,000 are to be offered by the company and 100,000 by stockholders on the basis of one preferred share for each 200 common shares outstanding. Proceeds—For general corporate purposes. Underwriter—None.
Continued on page 32
Continued from page 31

The Commercial and Financial Chronicle . . . Thursday, February 28, 1963

Pan American Beryllium Corp.
Company is engaged in producing and marketing beryllium and de- 
veloping geothermal electric power. Proceeds—For debt repayment, 
and working capital. Address—San Francisco, Calif. Owner—Under- 
writer—N. L. Warren Co., St. Louis, Offering—Expected in May.

Richard Gray & Co., Inc.
June 17, 1963 filed 1,000,000 common. Price—$5. Business—A 
security brokers-dealer. Proceeds—For working capital and oth- 
er purposes. Address—75 W. Washington St., N. Y. Under- 

small investment company. Proceeds—For debt repayment and gen- 
eral corporate purposes. Address—220 K St., N. W., Washington, D. C. 
The SEC has challenged the adequacy and fair disclosure of the 
registration statement. The SEC has ordered the company to file a 
form 8A, which will correct the challenge.

Robby Recreation Products, Inc.
Dec. 27, 1962 filed 500,000 common. Proceeds—For non-convertible 
subordinated debentures due 1976 and 50,000 common shares to 
be offered in units of one $500 debenture and 25 shares. Proceeds—For 
sale of fishing equipment, ammunition, relaying devices and other 
products. Address—67 W. Jackson Bldg., Chicago. Owner—Port 
Reading, N. J., Underwriter—Mortimer B. Burnside & Co., N. Y. 
Offering—Temporary postponed.

May 28, 1963 filed 270,000 common. Price—By amend- 
ment (max. $7). Business—Company is engaged in the 
ownership and franchising of Playboy Clubs. Proceeds— 
For debt repayment and general corporate purposes. Address— 
86 East 42nd St., New York. Underwriter—Goldstein, 

July 6, 1963 filed 1,000,000 shares of beneficial interest. 
Price—By amendment (max. $6). Business—A real estate 
investment company. Proceeds—For investment. Address—88 
Bonifant St., Silver Spring, Md. Underwriter—None.

Sept. 28, 1963 filed 100,000 common. Price—$5. Proceeds— 
For general corporate purposes. Address—618 Market St., 
Shreveport, La. Underwriter—None.

Power Cam Corp.
Jan. 28, 1963 filed 2,000,000 capital shares. Price—44%-
$1.50. Business—Company plans to manufacture a new type of 
brake unit for heavy duty automobiles. Proceeds—For 
education and working capital. Address—2505 Leith St, 

Prescott-Lancaster Co.
March 29, 1963 filed 750,000 common. Price—$15. Busi-
ness—Real estate. Proceeds—For purchase of mortgages, 
and results. Address—145 Lancaster St., Los Angeles, Calif.

Professional Men's Association, Inc.
Providing facilities for the health care of patients' 
accounts of member hospitals, physicians 
and surgical and medical centers. Proceeds—For 
debt repayment and working 
capital. Address—100 W. Tenth St., 
Wilmington, Del. Underwriter—None.

Publishers Co., Inc.
Aug. 29, 1963 filed 25,000 outstanding common shares 
to be sold. Proceeds—$710,000. Address—300 40th St, 
New York. Underwriter—American-Buoy Co., 
Philadelphia. Note—This registration will be withdrawn.

Petraman Management Co., Inc.
Aug. 22, 1963 filed 120,000 common (non-voting). Price— 
By amendment (max. $14). Business—An investment type 
property management company. Proceeds—For capital 
stockholders, 750,000 common shares. Underwriter— 
60 Congress St., Boston. Underwriter—Charles 
W. Young, Boston.

Quick-N-Clean Corp. of Minnesota.
Business—Company plans to open a chain of coin oper- 
ated dry cleaning stores. Proceeds—Advertising, expansion 
and working capital. Address—925 First St, St. Paul, 
Minn. Underwriter—Northwestern Securities Co., 
Duluth, Minn. Offering—Expected in March.

Racetrack Industries, Inc.
Business—Sale of tickets and entertainment. Proceeds— 
For capital stockholders, $50,000 common shares and 
control devices used to 
the electric and electronic fields. Proceeds—For 
debt repayment and working capital. Address—411 W 7th St, 
St. Louis. Underwriter—Myron A. Loman & 
Co., New York. Note—This registration will be withdrawn 
and then refiled.

Remitco, Inc.
Company is engaged in selling "put" insurance warrants. Proceeds— 
For working capital. Address—130 N. Virginia St, 
Chicago. Underwriter—McDonald & Co., Cleveland. Offering— 
Indefinite.

Signatite Inc.
Jan. 29, 1963 filed 126,000 common. Price—$4.50. Busi-
ness—Manufacture, sale and development of glow lamps for 
use in aircraft and electronic circuit components. Proceeds— 
For debt repayment, equipment and working capital. Address— 
200 South Wabash Ave., Chicago. Underwriter—Milton D. Blaimer 

Southwest Forest Industries, Inc.
Sept. 27, 1963 filed 600,000 common. Price—by amend-
ment (max. $7). Business—Company manufactures lumber and wood, 
products, and converts, processes and distributes paper 
and other timber products, principally for the use of the 
construction industry. Proceeds—$3015 Olive St, St. Louis, 
Underwriter—L. L. Warren Co., St. Louis, Offering—Expected 
in May.

continued on page 31

Title of the article: "Pan American Beryllium Corp." from the The Commercial and Financial Chronicle, Thursday, February 28, 1963. The article discusses the filing and details of the company's stock offering. The company is engaged in producing and marketing beryllium and developing geothermal electric power. The proceeds from the offering are for debt repayment and working capital. The article also mentions other companies and their stock offerings.
**Southeastern Mortgage Investors Trust**


Proceeds—For working capital and debt repayment. 

Price—$190.00.

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**United Data Processing, Inc.**


Proceeds—For debt repayment and other corporate purposes. 

Price—$1,000.00.

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**United Variable Annuities Fund, Inc.**


Proceeds—New fund. 

Price—$1,000.00.

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**United Variable Life Insurance Co.**


Proceeds—For debt repayment. 

Price—$1,000.00.

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**Wade, Wenger ServiceMaster Co.**


Proceeds—For working capital. 

Price—$1,000.00.

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**Western Empire Real Estate Investments**


Proceeds—For debt repayment and working capital. 

Price—$1,000.00.

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**Western Steel Inc.**


Proceeds—For investment. 

Price—$1,000.00.

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**Wisconsin Lighting Corp.**


Proceeds—For construction of new buildings. 

Price—$1,000.00.

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**Winters Electronics, Inc.**


Proceeds—For debt repayment and real estate purposes. 

Price—$1,000.00.

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**Zero Mountain, Inc.**


Proceeds—For working capital and real estate purposes. 

Price—$1,000.00.

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**Workman Electric Co., Inc.**


Proceeds—For working capital. 

Price—$1,000.00.

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**Wright Tool & Equipment Co.**


Proceeds—For working capital. 

Price—$1,000.00.

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**Xerox Corp.**


Proceeds—For working capital. 

Price—$1,000.00.

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**Xylograph Corp.**


Proceeds—For investment. 

Price—$1,000.00.

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**Yearly Oil Co., Inc.**


Proceeds—For working capital. 

Price—$1,000.00.
**Effective Registrations**

The following registration statements were declared effective during the week ending February 9, 1963. Business details, where available, will be carried in the Monday issue of the "Chronicle."

- **Brooklyn Union Gas Co.**
  - 12,000,000 of 4% first mortgage bonds due March 1, 1988, at 101 4/8, and accrue interest, to yield 4.375%, by Merrill Lynch, Pierce, Fenner & Smith, Inc.; Harrisman Riplely & Co., Inc., and Lazard Freres & Co.

- **Green Shoe Manufacturing Co.**
  - 175,000 common offered at $20.50 per share by Palme, Webber, Jackson & Curtis, Boston.

- **John's Bargain Stores Co.**
  - 50,000 common offered at $10.25 per share by Hayden, Stone & Co., Inc., New York.

- **Columbia Gas System, Inc.**
  - 15,000,000 of 4 1/2% first mortgage bonds due March 1, 1988, at 101 4/8, and accrue interest, to yield 4.375%, by Jones, Rose, Baker, Barrows, Hutton & Stone & Webster Securities Corp.

- **Federal Reserve Bank of St. Louis**
  - Digitized for FRASER

- **Prospective Offerings**

  **Alabama Power Co. (5/9)**

  **Bethlehem Steel Co.**
  - Oct. 29, 1962 it was reported that this company plans to raise new money in the third or fourth quarter of 1963. A spokesman for the company stated that the utility's current borrowings of approximately $25,000,000 through a final decision has not been made. Office—285 Bond St., New York, N.Y. Underwriters—(Jointly); Blyth & Co.; Kidder, Peabody & Co. (jointly); Eastman Dillon, Union Securities & Co.; kidder, Peabody & Co.; Merrill Lynch, Pierce, Fenner & Smith, Inc.

  **California Electric Power Co.**
  - Oct. 29, 1962 it was reported that this company plans to raise money in the third or fourth quarter of 1963. A company spokesman said that the program will be generated internally and that the company stated that this program would not be required until at least 1964. Office—25 Bache St., New York, N.Y. Underwriters—(Jointly); Blyth & Co.; Kidder, Peabody & Co.; Eastman Dillon, Union Securities & Co.; Merrill Lynch, Pierce, Fenner & Smith, Inc. (Jointly); Blyth & Co.; Kidder, Peabody & Co. (10:30 a.m. EST) at Morgan Stanley & Co. Inc.-Shields & Co.-Putnam & Co., Inc.-Lehman Brothers-Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; Lehman Brothers & Hotz; First Boston Corp.; 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Great Northern Ry. (3/7) Jan. 3, 1963, it was reported that this road plans to sell $5,000,000 of equipment trust certificates in March. Office—1200 20th St., Washington, D.C. Underwriters—(Competitive). Probable bidders: Smith, Barney & Co.; Blumenthal, Kuhn, Loeb & Co.; Salomon Brothers & Co.; Kidder, Peabody & Co.—Expected March 12 (noon EST) at above address.

Gulf States Utilities Co. Jan 29, 1963, it was announced that plans to sell 100,000 shares of preferred stock (sale $100) in the second half of this year. Proceeds—For construction. Office—1000 Gravier St., New Orleans, La. Underwriters—(Competitive). Probable bidders: Morgan Stanley & Co.; Kidder, Peabody & Co.—Expected March (10 noon EST) at above address.


Kentucky Light Co. Feb. 18, 1963, it was reported that this company plans to sell $9,000,000 of common stock in May. Office—101 Main St., Dubuque, Iowa. Underwriters—(Competitive). Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co.—Expected March 5.


Nippon Telegraph & Telephone Public Corp. Dec. 26, 1962, it was reported that this road plans to sell $9,000,000 of its equipment trust certificates in March. Office—8 N. Jefferson St., Chicago, Ill. Underwriters—(Competitive). Probable bidders: Kidder, Peabody & Co.; Salomon Brothers & Hutzler; Halsey, Stuart & Co.—Expected March 25.


Northern Illinois Gas Co. Dec. 20, 1962, it was reported that the company plans to sell $40,000,000 of debt securities in 1963, an undetermined amount on the proceeds of the sale of its 1962 issue. Office—100 S. Dearborn St., Chicago. Underwriters—(Competitive). Probable bidders: Blyth, Eastman & Co.—Expected Feb. 5.

Northern Indiana Public Service Co. (4/9) Feb. 18, 1963, it was reported that the company plans to sell $9,000,000 in the fourth quarter of 1963. Office—1200 South Dearborn St., Chicago. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc.—Expected April 9.

Northwest Utilities Co. Ave. 1, 1962, it was reported that this utility plans to sell approximately $15,000,000 of 30-year first mortgage bonds and $2,000,000 of preferred and common stock for construction. Office—160 S. Fourth Ave., Nashville, Tenn. Underwriters—To be named.

Ohio Public Service Co. Nov. 3, 1963, it was reported that this company plans to sell $15,000,000 of bonds in the third quarter of 1963. Address—450 Public Square, Cleveland, Ohio. Underwriters—(Competitive). Probable bidders: First Boston Corp.; White, Weld & Co.; Halsey, Stuart & Co.—Equitable Securities Corp.; Kidder, Peabody & Co.—Expected late November.

Pennsylvania Power & Light Co. Feb. 19, 1963, it was announced that Alstaire Enterprises, Inc., subsidiary, announced plans to issue $20,000,000 of debentures in early April. Proceeds—For general corporate purposes. Office—1350 Chestnut St., Philadelphia. Underwriters—To be named.

Socney Mobil Oil Co. Inc. Jan. 22, 1963, it was announced that company plans to sell about $20,000,000 of debentures in early April, Business—Company and its subsidiaries are engaged in the production, refining, transportation and distribution of petroleum products. Proceeds—For general corporate purposes. Office—150 E. 42nd St., New York, Underwriters—Morgan Stanley & Co.—Expected April 30.

Southern Pacific Co. Feb. 15, 1963, it was reported that this company plans to issue $40,000,000 of 30-year first mortgage bonds for construction. Office—1300 Market St., San Francisco. Underwriters—(Competitive). Probable bidders: Blyth, Eastman & Co.—Expected April 6.

Southern California Edison Co. Jan. 2, 1963, it was reported that this company plans to sell $60,000,000 of bonds later this year or in 1964. Office—801 West Fifth St., Los Angeles. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co.; Kidder, Peabody & Co.—First Boston Corp., and Dean Witter & Co.—(Jointly).

Southern Counties Gas Co. of Calif. Jan. 2, 1963, it was reported that this subsidiary of Pacific Lighting Corp. plans to sell $27,000,000 of first mortgage bonds in the fourth quarter. Address—P. O. Box 7264, Long Beach, Calif. Underwriters—(Competitive). Probable bidders: Kidder, Peabody & Co.—First Boston Corp., and Dean Witter & Co.—(Jointly).


Canada Should Return to Floating Exchange Rate

Continued from page 35

The monetary authorities, by habit, have been more inclined to act rather slowly in the face of a tightening of domestic economic conditions. The Federal Reserve has been expected to raise money market rates only after a further heavy loss in reserves resulted from an acute exhaustion of the Federal Reserve banks' credit authorizations to adopt the austerity measures. Hence, according to the Baltimore Sun, Sunday, June 24, 1962, a most important aspect of the overall austerity program consisted of a return to a fixed Bank Rate, set initially at 6% and thus a clear indication that, however, it may prove necessary to maintain external balance, and the same relaxation could be expected.

Shortest and Most Severe

In spite of a popular impression that there has been a significant shortening of the light money policy imposed in June of last year, I do not believe this to be a fact. Bank Rate has come down but the banks are still in a very heavily loaned position. However, it is maintained that the maintenance of our fixed rate of exchange will permit a true easy-money policy in the near future, the 1962 short peak will be the shortest and most severe ever experienced in this country.

In the three months ended Sept. 12, 1962, charter bank deposits had achieved a peak in the first quarter of 1962, the banks liquidated deposit balances of $5 billion. The Canadian dollar is said to be the key to the world's economic system.

Rigidity in Domestic Money Market

At the domestic level, for example, the fact that banks, alone among lenders, are not expected to be bothered by too much business, and to some extent by too few, should act as an important factor in the determination of interest rates. The fact that banks are not expected to be bothered by too much business and to some extent by too few, should act as an important factor in the determination of interest rates. The fact that banks are not expected to be bothered by too much business and to some extent by too few, should act as an important factor in the determination of interest rates. The fact that banks are not expected to be bothered by too much business and to some extent by too few, should act as an important factor in the determination of interest rates. The fact that banks are not expected to be bothered by too much business and to some extent by too few, should act as an important factor in the determination of interest rates. The fact that banks are not expected to be bothered by too much business and to some extent by too few, should act as an important factor in the determination of interest rates.

Voluntary Secondary Ratio

The voluntary secondary ratio agreement also dictates the nature of the bank and near-bank competition. It will persist as long as the government maintains a voluntary secondary ratio of 5% liquid assets to total deposits. It is high and rigid liquidity requirement. It is not a matter of a voluntary primary cash or secondary ratios for making the necessary adjustment by the banks to.
The Most Accurate and Complete

NEW SECURITY OFFERINGS IN REGISTRATION

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CHRONICLE for the most comprehensive coverage of

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The COMMERCIAL AND FINANCIAL CHRONICLE

25 Park Place, New York 7, N. Y.
Financing Our Deficit In a Noninflationary Way

Continued from page 13

money for goods and services, the Federal Reserve's policy of accommodating the public in the form of profits is also creating inflation. To avoid a further increase in money, the Federal Reserve is creating inflationary price increases is established.

... and the Federal Reserve has managed to borrow in a primarily non-inflationary way. The Federal Reserve System has kept its control over the money supply. The result is that price inflation is hardly a problem now.

This "year's $8.5 billion deficit is not causing inflation. Next year's deficit need not do so either, if we decide on how the deficit is financed."

Would Not Solely Finance Deficit

As a comment of my own, let me be clear that the Open Market Committee of the Federal Reserve System should be able to handle the problem, in the main, by open market operations. Further, it is essentially a problem affecting the balance of payments or to tempting banks to make payments through simple expansion of liquidity. All of which is a problem that can be handled by the Federal Reserve and the Treasury. The whole problem is a problem of financing deficits, as with any other item. The word "saving" has many meanings. As I pointed out to the Joint Economic Committee last summer, the total expansion of bank credit in our financial structure reflects the fact the balance of payments and the economy and the creation of new loans and the expansion of demand deposits. After the fact of creation, these deposits become available to us as a result of our accounting of financial savings.

Once the semantic difficulties have been resolved, the question of monetary effect of any one action of the government and the effect of any one action on the budget is the question of the budget, or, as the Council of Economic Advisers points out in its Report, the impact of the deficit on the economy. The amount of the deficit should be equal to the deficit. What we should do, and will try to do, is to keep track of the available in the banking system, which will help to match the rate of total bank credit and monetary growth to the needs of the total economy. This is not financing deficits with bank created money. Nor is it offsetting still deflationary, but to economic expansion that may flow from tax reduction.

The essential point is that in the process of turning the other side of the problem, we have a special problem for special people. Unemployed workers, on the other hand, have no job to do. They will be the worst off for the same reason that unemployed workers in industries that are expanding have no job to do. The unemployment is not merely a count of jobless units of the economy, but a count of the people whose characteristics and abilities are made obsolete. The existence of high and rising levels of unemployment is a reality in good times and bad indicates some very serious imbalances between the developing demand for labor and the existing supply. Demands for labor must be sufficient in total terms. But the characteristics and location of a developing national employment must also be suited to the demands. Actions taken to upset... which is a matter of proper policy to deal with the composition of the labor supply to meet the demands of our economy. At the same time, of course, I recognize that we need to shift the composition of the labor supply to meet the targets of our economy. As I stated to this Committee two years ago, is to proceed simul¬... in order to reduce the risk of causing the economic growth and, on the other, to alleviate unemployment program which I have discussed in the past. The first is to reduce the amount of unemployment, the second is to..."
concentrated this past year on the establishment of a network of mutually complementary currencies with other central banks on a stand-by basis. We now have arrangements totaling more than $1 billion with banks, principally in Europe and Canada and the Bank for International Settlements, to get us out of our corner again and off our stand-by arrangements. We feel that these arrangements will remain a useful international device and a continuing symbol of stability for the European community and strengthening the world payments system.

Closer cooperation among leading commercial banks will remain much to greater reliance and flexibility of the world's payments mechanism. This was demonstrated in 1962 by its absorption of the shock of sharp world currency movements, which were capable of unsettling the international capital market. The Bank for International Settlements, the central bank of the United States, and to the extent that the world's payments systems absorb these adverse movements,以致 the impact of these developments in the domestic financial markets was also cushioned.

From my remarks, it should be clear that we are facing serious problems that must be shared by governments and banks. We must be fully aware of the importance of structural unemployment at the same time that we generate more aggregate demand to support this economy. We must make sure that our economic policies are healthy over-all expansion of the economy. We must finance our prospective deficit in a nonflationary way. And, finally, we need to make decision gains in the price level. It is necessary to achieve a balance between the objectives of the Federal Reserve System and the objectives of the Federal Reserve.

The State of TRADING and INDUSTRY

Unemployment Rate in Retail Purchases

Consumer buying fluctuated in the week ended February 20, from a strong to sluggish rate along with extreme 4- to 5-day shifts in the weather. All reports revealed unemploy- ment, but total volume held a small similar day to day variation last year. On balmy days, shop- pers turned to pottery and housewares for spring apparel and garden supplies, but perhaps on the following day, there was a contour in ski-wear and heavy socks as tempera- tures fell toward zero. Suddenly, demands for shoes and clothing, and furniture, and household furnishings sales climbed. Activity in car purchases eased slightly toward the trailing edge of recent weeks and months. Car sales did not exceed the comparable year-ago level.

The total dollar volume of retail trade in the reported Wednesday ending week ranged from 0.2% to 0.5% lower than last year, according to the estimates calendar month. These estimates varied from comparable 1962 levels by the following amounts: New England plus Central- 2 to 3; Middle Atlantic- 4 to 5; East and West South Central- 1 to 2; and South and East North Central - 1 to 2; Mountain and Pacific- 5 to 7.

Business Failures Held Steady

No change occurred in commercial and industrial failures which held at 310 in the week ending February 21 compared to the preceding week, reported Dun & Bradstreet, Inc., with even the 391 a year ago, and remained down considerably from the 430 in the week ending February 1981. Casualties exceeded 1%, their pre-war level of 267 to 1998. In 1946, the week ending February 21, 1963 sales gained 1% over the corresponding period in 1946.

According to the Federal Reserve System, department store sales in New York City for the week ending February 16, 1963, advanced 4% above the comparable year-ago week.

The New York City news¬ paper strike and the Big Six commenced 2 a.m. Satur¬ day, Dec. 8, 1962. One can only speculate as to how this strike would have been in the absence of the strike. Even through the slowdown, New York City sales for the four-week period averaged 1% more than a year ago for the country's 12 principal retail centers which, incidentally, includes Cleveland and New York City. In the past four weeks, Cleveland's sales declined 3% comparable to the comparable period, and sales for the week ending February 16, were 7% below the comparable week in 1962.

Unsettled Visibility


Open Market Operations—43-page booklet explaining in layman's language how the Federal Reserve System effects various monetary objectives into day to day purchasing guarantees of government security. United States Dept. of the Treasury, Federal Reserve Bank of New York, 45 N. Y. (paper), on request.

Public Relations Handbook—Sec¬ ond Edition, Edited by Philip P. Prentice, $15.00, to fill the need for a practical blue¬ print geared to the requirements of public relations activities and their importance for the public relations community. Harper & Row, Publishers, 8 East 33rd Street, New York, N. Y. (cloth), $12.50.


Businessman's BOOKSHELF


Ricker, Cardinal

With Marshall Co.

MILWAUKEE, Wis.—Edward G. Ricker, Jr. and René Cardinal have associated with The Marshall Company, 111 East Wisconsin Ave., Milwaukee, 1, Wis., and the State Stock Exchange. Mr. Ricker was formerly vice-president and sales manager of the Marshall Company. Mr. Cardinal has been in the wholesale business for many years has recently been associated with Curtinfield, Podesta & Mil¬ ler.
WASHINGTON AND YOU

WASHINGTON, D.C.—At a time when most of the urban areas are showing a tremendous growth, there have been heavy rural areas in the United States declining in population. A dramatic decline in the Negro population is one example of this.

The revolution in agricultural life and technology has been underway for years. This fact has been most evident for more than 15 years, but what is not generally known is that the great losses of farm population is going to continue for years to come.

This is the conviction of farm economists and sociologists in Washington after much research and study. In some rural areas, small towns are within striking distance of onetime prosperous sties are closing their doors, because there are no longer the demand for goods and services in these communities.

A result of the heavy out-migration of young adults, in some rural sections, births have declined to the point that they no longer exceed deaths. Never before have there been such disruptive effects on the Negro farm and non-farm populations as there are now.

The most recent research service of the Department of Agriculture declares that a dramatic rural shift is taking place. South to North and West shift has been made by the Negro population.

Exodus of the Negro From South

Thousands and thousands of Negroes are continuing to leave the Southland for the urban areas, not only for the North and West, but to the cities of the South. This shift, of course, is creating new problems for the cities with increasing needs for more housing units, sewerage and water facilities, more schools, and generally more government services.

The Nation's Capital, beautiful for the most part, powerful and politically exciting, is an example of the effect of Negroes moving into urban areas. Apparently Washington is destined to become primarily a Negro city. Already the total Negro population in the District of Columbia is greater than the white race, and the Negro school population is better than 70%.

Although many of the Negroes leaving the Southland for the Northern and Western cities are capable people and good citizens, some observers in Washington maintain that the shift will in the end prove better for the nation. There has been too great an concentration of the Negro race in the Old South for the good of both races.

By this time next year the population of the United States will have passed the 150,000,000 figure. And up the time the United States Census Bureau gets around to conducting the next decennial census in April, 1970, the population will exceed 210,000,000 unless a sharp downturn in the birth rate

Mentioned, the trend towards early marriage, which stood cut in the 1950's, has levelled off. The median ages at first marriage for men (22.8 years) and women (20.3 years) is the same as in 1950.

Impact of Population Growth

On the Economy

The phenomenal growth in this country is forcing analysts in many fields to re-evaluate their expectations. The Department of Agriculture, for example, has predicted that the real per capita income of the nation, or are they a precondition of even higher levels of living? Is our supply of natural resources adequate for this development, or will we soon follow the course of many nations of the world with regard to the "great deficit of basic industrial material?" Such questions are being asked with much seriousness.

Obviously they are pertinent to the years ahead. Rural life in America was generally looked upon as a rugged life. Now, rural life and city life are close together as far as conveniences are concerned. The rural resident today has the same electric appliances, telephone, radio, television, automobile and hard-surfaced roads that his cousin has in the big city. The rural man can get to the center of the city nearly as fast as the city dweller.

The No. 1 problem involving rural America—and this affects all the others—is to find economic uses for land that will retard depopulation. This is in direct contrast to the growing demands in urban areas. Demands for land are going up and up and at this rate, the price will rise all the time. Obviously the demands for land and the resultant rise in price of land in growing communities is the outgrowth of the marked population increase.

How Weather Conditions Affected Growth Trends

The 1963-64 winter has been one of the most severe in the United States in 100 years. Nearly every area has suffered great losses as a result of the prolonged freezes, snow and ice.

Thus, it is perhaps appropriate that the Department of Agriculture's economic research service study to come up with this pertinent clue.

"With few exceptions, these portions of the Nation which have severe winters are experiencing economic depression, and almost the entire zone of the country is in a state with mild winters, is growing rapidly. For example, those economic subregions which have January temperature of less than 10 degrees showed an overall popula-

tion increase of 10% from 1950-1960, whereas the subregions having an average January minimum of 40 degrees or more had a population growth of 7%.

"In part, this development is being created by the building of retirement communities by elderly people moving in Florida, the entire Gulf of Mexico Coast, and into Arizona and California. Social Security first.made a move of this type possible two decades ago, and it is swelling into a major social move ment. Canadians as well as United States citizens join in it."

Probably the movement will double and redouble in volume in the next two decades. Even Inland places, such as the northills of Carolina and Georgia (which are dry as well as mild), the Ozarks, and the mountain uplands are attracting folks entering retirement and desiring or needing a change in climate."

Industry Also Motivated by Climate Conditions

The population study further comes up with the observation that the drift toward warmer climates is more than a retirement phenomenon. Everyone knows that winter not only brings great hazards, but many inconveniences and high fuel costs.

"Whether the population is leading business or following it is not certain," said the econo mist. "Yet it is clear that much light industry, such as electronics, textiles, research and appliance fabrication, and metalwork is moving into these Southern zones also. Air conditioning is making it easier for the newcomers to have the equivalent of a cool summer and a warm winter. Also certain costs of living are lower."

"As employers become more constrained-concious and more aware of the desires and values of their employees, it may be expected that more industry than ever will be located with climate as one of the variables given serious consideration."

For these reasons, among others, some day there may be thousands of one-time tillable farm acres in the warmer climates, now idle because of the technological agricultural advances, will be far more valuable than now. More and more small industries seeking a place for their employees and their families to be more comfortable than in the congested big cities, will revive many of those small towns that have lost their economic aegis because of the loss in farm population and thus the loss in goods and services.

This column is intended to reflect the "behind the scene" interpretation from the nation's Capital and may or may not coincide with the "Chronicle's" own views.

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Major Pool Equipment Corporation

COMING EVENTS
IN INVESTMENT FIELD

March 10-15, 1963
(Philadelphia, Pa.)
Institute of Investment Banking at the University of Pennsyl-vania— sponsored by the Invest menent Bankers Association and the Wharton School of Finance and Commerce.
March 13-14, 1963 (Chicago, Ill.)
Central States Group of the Investment Bankers Association 27th annual conference at the Drake Hotel.
March 29, 1963 (New York City)
New York Security Dealers Association Annual dinner at the Waldorf-Astoria Hotel.

CHRONICLE'S Special Sectoral Section April 3-4, 1963 (Dallas, Tex.)
Texas Group Investment Bankers Association Convention at the Statler Hilton Hotel.

CHRONICLE'S Special Sectoral Section April 25
April 17-21, 1963 (Syracuse, N.Y.)
American Bar Association Regional Meeting.
April 26, 1963 (New York City)
CHRONICLE'S Special Sectoral Section May 2
May 6-7, 1963 (Richmond, Va.)
Association of Stock Exchange Firms Spring Meeting of the Board of Governors at the John Marshall Hotel.
May 8-11, 1963 (White Sulphur Springs, W. Va.)
Investment Bankers Association Board of Governors Meeting at the Greenbrier.
May 12-15, 1963 (Chicago, Ill.)
Financial Analysts Federation annual convention at the Palmer House.

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