

THE FINANCIAL MARKETS.

STOCKS, WHILE DULL, ARE TAKEN BY STRONG BUYERS.

Investment Demand Improving—Money Rates at Low Level—Railroad Earnings.

THE WEEK IN WALL STREET.

Stock market values moved in the direction of higher prices in the greater part of the week on a volume of business that included a fair proportion of investment purchases. In the bond department there was a marked increase in the demand for first class issues for the account of investors, while in the open market the inquiry for mortgage issues was heavier than the available supply. An indication of the improvement in the investment demand for solid securities was reflected in the eagerness with which the public subscribed for the Burlington and Lake Shore bonds and the new Rock Island notes. It may be recalled that in the first part of the current year the Lake Shore and Michigan Southern company authorized an issue of \$40,000,000 4 per cent debenture bonds, and that at that time the response to the offering was not satisfactory, and as a consequence the underwriting syndicate was compelled to carry a large proportion of the issue until a more propitious time for bond sales developed. Conditions have improved to such an extent in the investment market that the Lake Shore syndicate has been able to dispose of the balance of its holdings to corporate and individual investors, and it has retired from the operation with a net profit of 2 per cent for the members. There is such a large amount of idle money in the country that the chances of increased activity in the bond market are extremely favorable, while it is not unlikely that activity in bonds will be followed by a broader market for stocks.

Speculative operations, as a rule, were without particular significance, except that they indicated improvement in Wall Street sentiment and a disposition on the part of commission houses and substantial market interests to espouse the long side of the market. General conditions affecting the intrinsic worth of stocks are moving along lines that suggest the holding of good prospects for better prices, which careful observers believe will be recorded in the course of the next six months. If the crops turn out well much higher quotations doubtless will be seen later on in the season, while if the harvest is below the normal there will be no good reason for a decline in values, inasmuch as such a development has been discounted by the loss in market figures in the last year and a half. Crop reports received in the week were favorable, and while advices from various industrial centers encouraged the belief that a basis for trade revival is gradually being established. Local merchants are receiving cheerful letters from the outlook for the fall trade. Railroad earnings for the three weeks in June show improvement as compared with the May returns, and bank clearings reflect a substantial volume of business in most lines of industry. Owing to causes that have affected certain railroads, there have recently been a number of changes in dividend payments, but the passing and reduction of the dividends in question do not foreshadow a general change of this sort among the railroads of the country. It is likely, however, that professional speculators who are short of stocks will endeavor to create the impression that the necessity which compelled a few companies to pass or lower their dividends is a factor which must be reckoned with in all companies in the current year. The shorts doubtless would feel happier if there should be a wholesale reduction in dividends, but there is little probability of anything of the sort happening. According to the opinion of the best informed men in the Street, the time has arrived when short sales in securities are extremely dangerous, especially in the higher priced issues and in the securities selling in the neighborhood of par. It is understood that there is still a large short interest in stocks, and it is thought that traders may have considerable difficulty in covering their contracts, except at higher prices.

Notwithstanding the fact that certain people are endeavoring to make the general public believe that Wall Street is opposed to the Republican candidate for President, his nomination and that of Senator Fairbanks for Vice-President were well received in the financial community, while the party platform exerted a distinctly favorable effect on stock market values. The greater number of Wall Street's eminent men will vote for President Roosevelt, because they believe that his administration has been wise, that his acts have proved him a safe man, and that his election in the fall will insure business against harmful changes, which doubtless would result if the Democratic party should be successful in placing its candidate in the White House. People who have taken the trouble to study Wall Street sentiment know that there is no desire on the part of the leading bankers and brokers for the election of a Democratic President, no matter who the man may be. In the last two years there have been men in Wall Street who have shown symptoms of alarm over the law of the President's vigorous efforts to enforce the law against corporations that break the law, but now it is really a difficult matter to find a man of this sort in the Street who will not admit that his recent ideas regarding the wholly wrong. Even the people who were up in arms because President Roosevelt attacked the Northern Securities company now agree that the suit against the corporation and its successful ending was one of the favorable developments of the year. Already the majority of thinking men in the Street are confident that the Republican party will not be removed from power this fall, and they are, therefore, more inclined to advise the purchase of securities, especially as present prices are far under the actual worth of the various investments. In the week there was an excellent demand for Manhattan stock, also for Consolidated Gas and Consolidated Gas "Rights," Canadian Pacific, and other substantial issues. While Manhattan was strong, active selling developed in Metropolitan, the movement being based to a great extent on the company's decline in earnings, which for the March quarter, amounted to over \$500,000 in net, showing a deficit after charges of \$780,000. In the two preceding quarters the company showed a surplus, but the unfavorable winter weather increased the road's operating expenses to a large amount, while it caused a heavy falling off in traffic, which, in turn, was accused by the Manhattan. Operating expenses were forced about 20 per cent above the normal rate, but at present expenses are back at the normal basis, while the gross earnings of the system show a substantial increase, as compared with the normal year. Of course, it is not unusual for the Wall Street trader to exhibit a certain amount of bearishness on Metropolitan stock, as the traffic of the elevated system shows a steady increase, while the opening of the underground road may seriously diminish the income of the surface road. Although the Street is bearish on Metropolitan, it is extremely bullish on Manhattan, and it is quite generally believed that the price of the latter will sell many points above the current level, taking its place in the quotation column with other high grade guaranteed securities. It is evident that this stock is becoming

RAILROAD AND OTHER STOCKS.

Following is the usual table giving the number of shares of all stocks dealt in last week, together with the highest and lowest and final prices of the week, the final prices of a week ago and the closing prices of June 27, 1903, the net changes of the week and the high and low prices in the year, with the high and low prices in the year 1903:

Table with columns: No. shares, High, Low, Final, Net change, Range 1904, Range 1903. Lists various stocks like Adams Express, American Bank Note, American Cattle, etc.

GOVERNMENT BONDS.

Table with columns: Description, Price, Change. Lists government bonds like U.S. 2 1/2 registered, U.S. 3 1/2 registered, etc.

RAILROAD EARNINGS.

Table with columns: Railroad Name, Gross Earnings, Net Earnings, Total Income. Lists railroads like Erie, New York & New Jersey, etc.

STOCKS.

(Published by Frederic H. Hatch, No. 30 Broad-st.)

Table with columns: Div. rate, Div. period, Bid, Ask. Lists various stocks like American Brass, American Cattle, etc.

BONDS.

Table with columns: Div. rate, Div. period, Bid, Ask. Lists various bonds like American Thread, etc.

Dividend Notices.

THE ROCKING VALLEY RAILWAY CO. A SEMI-ANNUAL DIVIDEND OF TWO PER CENT ON THE PREFERRED STOCK OF THIS COMPANY... THE DIRECTORS OF THE AMERICAN SMELTING AND REFINING CO. A DIVIDEND OF ONE AND A HALF PER CENT ON THE PREFERRED STOCK OF THIS COMPANY... AMERICAN TELEPHONE AND TELEGRAPH COMPANY. A DIVIDEND OF ONE AND A HALF PER CENT ON THE PREFERRED STOCK OF THIS COMPANY...

Dividend Notices.

Bangor & Aroostook Railroad Co. Consolidated Refunding Mortgage 4 1/2 Bonds. Coupon No. 5, due July 1, 1904, from the Consolidated Refunding Mortgage 4 1/2 Bonds of this company... THE CHATHAM NATIONAL BANK. A quarterly dividend of four per cent has this day been declared... COLUMBIA BANK. The Board of Directors of this Bank have this day declared a semi-annual dividend of four per cent on the preferred stock of this bank, payable on and after July 1, 1904... THE NATIONAL BANK OF THE CITY OF NEW YORK. The Board of Directors of this Bank have this day declared a semi-annual dividend of three and one-half per cent on the preferred stock of this bank, payable on and after July 1, 1904... THE BANK OF AMERICA. The Board of Directors of this Bank have this day declared a semi-annual dividend of three and one-half per cent on the preferred stock of this bank, payable on and after July 1, 1904... THE DIRECTORS OF THIS BANK HAVE this day declared a semi-annual dividend of three per cent on the preferred stock of this bank, payable on and after July 1, 1904... Wm. E. Nichols & Co. Consolidated Gas 6 1/2 Debenture Bonds and Scrip. Southern Pacific Rights (W. I.) Southern Pacific 7 1/2 Preferred Stock (W. I.) BOUGHT AND SOLD BY NEWBORG & CO. LONDON & PARIS EXCHANGE, LTD. GENERAL MINING AND STOCK BANKERS & BROKERS. BASILION HOUSE, MOORGATE STREET, LONDON, ENGLAND. N. W. HALSEY & CO. BANKERS. MUNICIPAL BONDS and other high-grade INVESTMENT ISSUES FOR JULY FUNDS. NEW YORK, 49 WALL ST. THE ROOKERY, CHICAGO. N. W. HARRIS & CO. BANKERS. Pine Street, Corner William Chicago NEW YORK Boston