FINANCIAL AND COMMERCIAL.

THURSDAY, July 31.

The tendency of the stock market in the direction of smaller dealings and narrow fluctuations was even more pronounced than yesterday. The total sales were nearly 100,000 shares less than yesterday, with the decrease resulting chiefly from a falling off in the dealings in the usually active stocks. The opening of the stock market was strong, influenced to an extent by slightly higher quotations for American stocks in London; but that condition did not last long. The Western contingent and its following, as well as local professional operators, were apparently still intent upon taking profits, certainly in some stocks, notably Atchison common, St. Paul, Union Pacific, Southern Railway and Illinois Central. The selling of the last named was most effective and depressed the price for it more than 2 points. This movement was accompanied by rumors, which, of course, were denied, that the control of the St. Louis and San Francisco Company has been secured by the interests that control the Southern Railway Company. A reason for the suggested acquisition is found in the fact that the San Francisco company, through its control of the Kansas City, Fort Scott and Memphis Company and allied roads, has a line extending to Birmingham, Ala., a large part of which is in the territory of the Southern Railway Company and also in that of the Louisville and Nashville Railroad. Both of those companies, as is well known, are now controlled by the same interests.

If it is true that the St. Louis and San Francisco Company, which has now acquired the Chicago and Eastern Illinois road, has become a member of the federation of railroads operating in the Southern States, that combination has secured not only important lines to Chicago, including the Chicago, Indianapolis and Louisville, but an important system in the Southwest which will facilitate the exchange of products between the eastern and western Southern States. To what extent these alliances will affect the Illinois Central Company it is impossible to forecast. That they are regarded as favorable to the Southern Railway Company was indicated by the unusual activity in its common stock to-day at a steady though not material advance in price. In the early dealings there was a further sharp advance in San Francisco common to 85¼, but profit taking wiped out all of the improvement and left the stock fractionally lower than yesterday at 81¾. The guaranteed stock of its leased line, Kansas City, Fort Scott and Memphis preferred, also advanced materially on unusually large transactions and retained the greater part of its maximum improvement. The upward movement in Chicago and Eastern Illinois halted, but there was a further advance in Evansville and Terre Haute on the idea that the road of that company will be utilized in completing the San Francisco-Eastern Illinois system. In sympathy with these movements Kansas City and Southern issues were more active at advancing prices.

All the recent leaders of the railway list, excepting Missouri Pacific and Atchison common, were comparatively neglected. The first named was second only to Southern Railway in respect to activity. The market for it was exceedingly erratic, being alternately strong and weak. As the stock is closely held and the outlook for the property is very satisfactory the chances are that the spasms of weakness in it today were brought about, as they have been several times of late, with the view of shaking out small holders and possibly creating a short interest incidental to a well-defined programme to advance the price. The selling of Atchison common, Union Pacific and some of the other leading issues appeared to be more genuine. On the purchase of 5,000 shares Rock Island was advanced 2½ points. The plan for readjusting the capitalization of the company was made public this afternoon and is given in detail in another column. While the principal features of it had previously been made known, it discloses a number of interesting details. As those who have devised it are believed to be the holders of upward of 90 per cent. of the present Rock Island stock, the success of the plan, so far as the exchange of securities is concerned, seems to be assured. It remains to be seen what the actual views of the investing and speculating public are, and these will be made manifest when the securities of the new company come upon the market.

There was a revival of interest in Norfolk and Western and in Chesapeake and Ohio. It seems probable that both of these stocks have been taken in hand from time to time because of the material reduction in the floating supply of them caused by the heavy purchases of both by the Pennsylvania Railroad Company. At the moment Norfolk and Western appears the more attractive because the company is enjoying immunity from labor troubles at its mines. At a fractional reaction from the best price, Norfolk and Western enjoyed a net gain of nearly a point, while Chesapeake and Ohio lost nearly all of its early improvement. There were also renewed dealings in Chicago and Alton common that resulted in a maximum advance of 2 points, half of which was retained at the close. Coincident with this movement, and probably not dissociated with it, there was a revival of interest in Chicago Terminal preferred at a net gain of more than a point. Less active issues that displayed unusual strength were Mexican Central, Wabash issues and Wisconsin Central common and preferred. On the purchase of 200 shares, Chicago and Northwestern rose 2 points. On the other hand, Nashville and Chattanooga, also on moderate dealings, declined nearly 4 points.

In the industrial list the only noteworthy dealings were in Colorado Fuel, which in the early dealings dropped more than 8 points. A movement of this sort could hardly have been unexpected in view of the fact that the stock transfer books close to-day for the annual meeting on Aug. 20. The impression prevailed that there was competitive selling by both parties that are seeking to carry the election of stock bought yesterday for the purpose of having it transferred to-day. An interesting phase of the contest developed to-day in the application of the company to the Stock Exchange to list $3,000,000 more of convertible bonds. This application has raised a number of questions, chief among which is whether the bonds if listed can be immediately converted into stock issued as of the date of the closing of the transfer books, namely, to-day. At a recovery of 1½ per cent. from the lowest price, Colorado Fuel closed nearly 7 points lower than yesterday.

A minor episode in the industrial market was a decline in the early dealings of more than a point in Peoples Gas. Within the last week or ten days this stock has reacted about 5 points from the highest price and the explanation was furnished to-day in the decision of the United States Circuit Court, sitting in Chicago, dismissing the amended bill of the company asking for an injunction against the city of Chicago restraining it from enforcing an ordinance reducing the price of the company's product to consumers from $1 to 75 cents per thousand feet. An appeal will be taken to the United States Supreme Court and pending its decision the company will continue to charge the present rate. There was a further advance of 3 points in New York Air Brake, and on the purchase of 800 shares New Central Coal advanced 9 points. There was a moderate revival of interest in Virginia-Carolina Chemical common, at a fractional net advance.

Except in a few issues the dealings in bonds were on a moderate scale. Colorado Fuel issues declined, but there was a strong market for Mexican Central 4½s and also for the first incomes. St. Louis Southwestern second 4s were also exceptionally strong. Other noteworthy dealings were in Union Pacific convertible 4s, Consolidated Tobacco 4s and Pennsylvania convertible warrants. In the outside market the more important transactions were in Northern Securities, Manhattan Transit, New England Consolidated Ice, Oregon Short Line 4s, San Francisco Railway issues, United States Steel new 5s, Writing Paper 5s, Montreal and Boston Copper and United States Shipbuilding issues. There was unusually heavy trading in New York Realty, at an advance to 186 and a reaction to 182. The closing was in harmony with the preceding market, being decidedly irregular.

New York Stock Exchange Sales, July 31.

CLOSING PRICES OF UNITED STATES BONDS.

	Bid.	Asked.		Bid.	Asked.
U S 2s, r.			U S 4s, r.		
1930	107¼	108	1925	132	133
U S 2s, c.			U S 4s, c.		
1930	107¼	108	1925	133¼	134¼
U S 3s, r.			U S 5s, r.		
1908-18	105¾	106½	1904	104	105
U S 3s, c.			U S 5s, c.		
1908-18	106½	107¼	1904	105¼	106¼
U S 4s, r.			US 6s, r.		
1907	108½	109	1924	DC 124	—
U S 4s, c.					
1907	108½	109			

RAILROAD AND OTHER BONDS.

Adams Exp 4s	105	Den & Rio Gr 4s	102	Penna R R warrants 50% paid	
Amer Bicycle 5s	66	Denver & SW 5s	103	50000	107½
Amer Hide&L 6s	99½	Detroit South 5s	66	2500	107¼
Atch Topeka Fe 4s	104⅛	Distil Co Amer 5s	95	61000	107½
Atch T&S F adj 4s	104	Erie prior lien 4s	95	Reading gen 4s	98
stamped	95	Erie gen lien 4s	86½		98⅛
Balt & Ohio 3s	103	Erie-Penna Coal col tr 4s	95⅝	Rio Grande West 4s	103¾
Brooklyn Un El 1st	105	Ev & T H gen 5s	102	St L & Iron Mt 4s	94
Canada Southern 1st	105	Ft Worth & D 1st	112½	St Louis S W 1st	97⅞
Central Ga 1st in	82¾	Hocking Val 4½s	108⅞	St Louis S W 2d	89
	83	Int & Great Nor 2d	101¼	St Louis & S F gen 6s	117
	82¼	Kan C Fts & M 4s	91¼	St Louis S W con 4s	88¾
Central Ga 2d in	82½	Kansas City So 5s	90	St Louis & S F 1st	81
	38⅝	Manhattan Ry 4s	105	St Paul M & M 4s	105¼
Chi & Alton 3½s	83	Mex Cent 4½s	78	San Ant & Ar Pass 4s	93
	95⅞		98½	Seaboard A L 4s	88¼
Chi Ind & Louis 4s	96	Mich Cent 4½s	98¼	South Pacific 4s	88⅞
Chi & E Ill cons 6s	93¾	Minneapolis & St L 1st	88½	Southern Pacific 4s	86½
Chi & East Ill 1st	123⅝	Mo Pacific 3d	82¼	So Pac of Cal 5s stamped	82⅞
Chi Ind & Loui 6s	131	Mob & Ohio stamped	82½		109¾
Chi Rock Isl & Pac 4s	104¼	Mo Central 1st cn	33	Stand R & T 1st	114½
Chicago Term 4s	89	Mo Kan & Tex 1st	93⅞	Texas & Pacific 1st	118⅞
	89¼		93⅞	Third Avenue 4s	98¼
	88½	Mo Kan & Tex 2d	88⅞	Union Pacific 4s	104½
Cin San & Cl 1st	113⅝	Mobile Gas 1st	95¼	Union Pacific conv 4s	108⅞
Col Fuel & Iron 5s	106		95		108¾
Col Conn & Term 1st	104	Mo Kan & Tex 1st	103¼		108⅞
	103⅝		103¼		108¾
	103¾	Mo Kan & Tex 2d	88⅞		108⅞
	103¼		89½		108¾
	103¾		87½		108⅞
	103¾		87¼		108¾
	103¾		87¼