TOBACCO MERGER ATTACKED.

TRIAL OF RICHARD T. DANA'S SUIT BEGINS.

He Owns 100 Shares of Stock of the Original American Tobacco Company—Says He Was Not Notified—Argument Before Vice-Chancellor Pitney in Newark.

Final hearing was begun yesterday at Newark, before Vice-Chancellor Pitney, in a suit brought by Richard T. Dana of New York against the American Tobacco Company, in which the complainant attacks the merger of the original American Tobacco Company with the Continental and Consolidated tobacco companies under a combined capitalization of hundreds of millions of dollars. As administrator of his father's estate holding 100 shares of the stock of the original American Tobacco Company, Dana asks to have this merger set aside as illegal.

This suit differs from others brought unsuccessfully in the past to have the tobacco merger set aside in that the present plaintiff represents stock of the original company acquired prior to the merger and bearing interest at 8 per cent., which he was asked to exchange for bonds of the consolidated concern bearing interest at 6 per cent.

Mr. Dana was represented by James E. Howell of Coult & Howell of Newark. The defendant company was represented by Richard V. Lindabury, Charles L. Corbin and Julius S. Parker. Attorney-General Robert H. McCarter of New Jersey was in the case, with Bronson Winthrop of New York, as counsel for the Morton Trust Company, a party to the suit, as the holder of a trust mortgage covering the merged properties of the three companies now forming the tobacco trust.

James B. Duke, president of the trust, was an interested witness of the proceedings.

At one stage of the case it seemed likely that the Vice-Chancellor might withdraw from presiding. It was when Mr. Lindabury was depicting the effect of an overthrow of the merger upon the holders of the hundreds of millions of securities of the company. The Vice-Chancellor remarked that he is president of a bank that holds thousands of dollars of these securities. He said he is also a pretty large stockholder in the bank, and he didn't know whether he ought to sit in the case or not in these circumstances.

"We will not object," announced Mr. Howell.

"But the Court might," replied the Vice-Chancellor. He said he would consider that phase later, but he did not again recur to the matter.

Mr. Howell asked that the merger be declared void to complainant, as being in violation of his legal and constitutional rights; that the lien of the mortgage, so far as it covered property of the original American Tobacco Company, be declared null and void, and that there be an ascertainment of the assets of that company, and their redelivery to it, and that the defendant company be enjoined from using the name "American Tobacco Company."

Mr. Howell told the story of the formation of the American Tobacco Company with a capital of $180,000,000 under a statute passed in 1893 and contended that the statute could not apply to the original American Tobacco Company, as that company was organized prior to its enactment. His client, Mr. Howell went on to tell, was abroad at the time of the merger and so did not assent to it. Mr. Howell contended that the merger was to the disadvantage of his client, as by its terms bonds bearing 8 per cent. interest were to be exchanged for 8 per cent. preferred stock, which was the character of his client's holding, in the proportion of 133 of bonds for each 100 of stock, and while this would make the dividend is the same, bonds were taxable in New York State and stock not.

Mr. Lindabury in answer said the merger had been ratified by practically the unanimous consent of the stockholders of the original American Tobacco Company; that the assets of the constituent companies thereupon became commingled as the assets of one company and the business had been carried on as the business of one company and was incapable of division.

Mr. Lindabury went on to tell that because of the publicity that attended a previous suit brought for the same purpose as the present one, by a bondholder of the Continental Tobacco Company, to which he referred as the "Ichelheimer suit," the merger was a matter of common knowledge, yet there had come not one word of objection from the complainant, who had returned on October 6, while the certificate of merger had not been filed until October 19. The complainant remained silent until January 2 following, and then he began to talk and write letters.

"There have since been put on the market," said Mr Lindabury, "securities to the extent of hundreds of millions, and the business has, not only in law, but in fact, become commingled."

Mr. Lindabury contended that the merger was perfectly legal and that to disturb it would be unfairly and inequitably to injure almost incalculable interests, compared with which the complainant's stock was infinitesimal. He said there had been offered to the complainant in lieu of the bonds to be exchanged for stock under the merger agreement the present value of the stock together with all possible dividends that could accrue up to the time of the expiration of the life of the original American Tobacco Company, which by its act of incorporation would be in 1940.

Lastly Mr. Lindabury set up laches as a bar to the suit, the complainant having waited six months before beginning proceedings.

Mr. Dana was the first witness called for the complainant. He related the facts as they had been presented to the court by his counsel and declared that he had never been notified of the merger and knew nothing about it until after it had been consummated. He was in Europe at the time of the merger. Other witnesses, among them the complainant's business partners, testified that they had not seen notices from the American Tobacco Company addressed to Mr. Dana delivered by mail or otherwise at his place of business.

This testimony was contradicted by witnesses for the defence and by reference to the books of the company, which showed entries to the effect that Mr. Dana had been notified and asked to transfer his stock. It was shown that of $14,000,000 of preferred stock voting on the merger only 1,720 shares were cast in the negative and that the majority of that has since acquiesced in the merger by being transferred for the bonds.

The case will be continued next Monday.

The Per Capita Circulation $33.68.

WASHINGTON, Nov. 2.—The per capita circulation in the United States during the month of October jumped from $33.08 to $33.68, establishing a new maximum record, and also far exceeding the usual monthly increase. The big increase is due to an increase of $53,649,002 in the amount of money in circulation. The per capita on November 1 is based on an estimated population of 80,131,000 persons. On November 1 last year the per capita was $31.09, almost 32 less than it is at present. On July 1 last, the beginning of the present fiscal year, it was $32.42.

Deficiency Judgment for $374,000.

A deficiency judgment of $374,256 was docketed yesterday against the Tubular Dispatch Company in favor of the Central Trust Company, as trustee, growing out of the foreclosure sale of the property of the company on June 5 last by a referee to William E. L. Dellaway. The company sent mail from the General Post Office to various substations and went into the hands of a receiver on September 20, 1905.

Stock Transfer Tax for October.

ALBANY, Nov. 2.—Stock transfer tax in October last amounted to $617,466, compared with $405,784 in October, 1905.

GOSSIP OF WALL STREET.

Short covering in the forenoon, profit taking toward the close—these were the features of yesterday's market. The short covering was caused by the more hopeful political outlook, the subsequent profit taking by the fact that there is still something of a political situation left. Those who see good profits on the long side between now and November 6 are not unlikely to take them so as to escape the danger of a surprise. With the high interest rates traders do not care to carry stocks over election if they think the result has already been pretty well discounted. The heavy loss of cash sustained by the banks, indicating an unfavorable bank statement, was another reason why many holders of stocks were not disposed to hold on very long.

A broker who has a reputation for his ability to size up the importance of matters political expressed himself as follows regarding the situation in this State: "Roosevelt and Root have saved the country, Croker has saved the town."

"Necessity," said a cynical broker, "is the mother of increased dividends." The particular necessity alluded to was, on the part of banking interests, to make a market for Pennsylvania convertible bonds and, on the part of the railroad, to get these bonds out of the way preparatory to the arrangement of a comprehensive financial plan next spring.

Theorizing as to the probable market movements of Pennsylvania as a 7 per cent. stock has become a serious business with a good many brokers. The consensus is that the stock will be advanced to a higher level ultimately, and this view is entertained even where the action of the directors in increasing the dividend does not meet with approval. It is supposed that as a great proportion of the convertible bonds of 1915 are still in first hands, the banking interests which hold them are likely to give their support to a movement to advance the stock, and that when the market is made sufficiently strong and active they will sell the stock rather than the bonds, taking a position technically on the short side, but always protected by their ability to convert the bonds so as to retire contracts for delivery of the stock. The bonds of 1915, which it is especially desired to get rid of, are convertible at any time instead of merely on interest days, as is the case in the earlier issue, and this makes the operation all the easier. The supposition that this course will be followed is founded on the fact that the public can be induced to speculate more freely in stocks than in bonds, no matter what special features may be attached to the latter.

Anxiety as to the effect on the railroad employees of the country is not the least of the feelings engendered by the increase in the Pennsylvania dividend.

Bull tips on Reading began to circulate from the time the market opened, and brokers who have a partiality for the stock advised their customers that there was an appearance of good buying in it. Such talk, however, does not mean very much, as what is diagnosed as good buying in Reading is generally of the most speculative kind coming from operators who work on one side or the other just as the general market conditions or the technical position of the stock itself favors. With transactions out of all proportion to the volume of floating stock Reading can be moved quickly, and the spectacular movements always attract the amount of following necessary to contribute the cost of the laundry. The wash is heavy, and as the actual stock bought or sold is small the profits on this must be large to pay the cost of the whole operation.

According to a report from Philadelphia the dividend on Lehigh Valley will be increased from 4 to 6 per cent. and the story was used as a bull argument on all the hard coalers. Reading, it was said, might follow suit at the end of the year, while in the case of Delaware and Hudson the dividends to be paid in 1907 might be at the rate of 8 per cent. instead of the 7 per cent. which has been in effect for some years part.

On the subject of the speculation in small mining stocks a conservative Stock Exchange house has the following to say in its letter this week: "This sort of thing has been seen often before in the history of the world and always with disastrous results to innocent outsiders who took part in it. The argument used now, as in such periods in the past, is that there are good mines and that people say each mine is good. Of course this is said by speculators who have created stocks in order to sell them and who know how to puff them skilfully and do it. The public who deal forget that there are always far more bad mines than good, and that the bad ones are those which are forced on them in the same way that a card shaper forces a particular card on his dupe. It is doubtless always true that good mines are good to hold and this remains true now, but it is also true that the great majority of the mines now heard of for the first time by investors are merely called into existence for the purpose of selling their shares to the unwary. Just as out of the way lots on Long Island were advertised and mapped out a few months ago, only the mining field is larger and attracts the shadier sort of promoter and stock manipulator. Perhaps the passing madness may to some extent divert attention from good Stock Exchange securities, but we attach little importance to this phase of it and like other brokers get commissions from the operations of our clients in mining stocks."

It is not a good thing that the public insist on dealing in a certain class of mining issues against protests like that quoted above, coming from the most conservative and unemotional brokers in the Street.

If George Law of South Sea Bubble notoriety could only witness the way in which the promoters of some mining ventures attract attention to their wares it would be enough to make him turn green with envy. The means of getting favorable notices for calls on stock was not at his disposal, but it is used with wonderful success nowadays. Literature is paid for by participation in "underwriting"—and this "underwriting," which has a significant sound in its present application, is one of the principal assets of companies whose promoters resort to every kind of corruption to make a market for their stocks. Never was there a time when investors needed to exercise greater discrimination, for some of the stocks on the curb are as good as those of another class are bad. It is always dangerous to buy a stock merely because the alleged mine lies near a proved property, and yet this sort of thing is being done on a very large scale.

The most tangible reason for the strength in Amalgamated Copper was the report that Calumet and Hecla was on the point of concluding negotiations for the sale of about 20,000,000 pounds of electrolytic copper at 21½ cents a pound. The bearing, of course, is only indirect on Amalgamated in showing that the trade conditions continue to gain in strength, but it was sufficient to serve as a reminder that the increase in the dividend announced a couple of weeks ago had not brought any adequate response in the stock market. There were rumors that the Standard Oil interests and other interests have satisfied themselves about the election outlook and had thrown heavy contributions into the Republican campaign hat, but all these were of the irresponsible kind which generally follow a market movement of note, and in this instance they were as freely applied to Brooklyn Rapid Transit as to Amalgamated Copper, because of the activity of certain brokers in both stocks.

Rumor said the rise in the Hill stocks was based on the prospect of rights in the near future. It was not. The reason for it was found in the annual report of Great Northern, so far as the stock of that road was concerned, for the more the statement was studied the more evident it became that Mr. Hill has created an extraordinary machine for the cheap and efficient transportation of freight. As the same methods are in force on Northern Pacific the same influences were naturally felt in that stock. For the present the question of the probability of rights on both stocks might be answered by the hackneyed expression, "Not yet, but soon."

In view of the disappointment which traders expressed over the Steel statement the following extract from the November letter of a well known house is interesting: "On Tuesday last the Steel Corporation made the most favorable quarterly report in its history. It is true that earnings for the previous quarter were larger than for the quarter ended September 30, but the significant feature of the present report is the enormous total of unfilled orders on hand, aggregating nearly 8,000,000 tons, because this item is generally assumed to be a fairly safe guide to the future business of the company. During the nine months ended September 30 the company set aside for sinking fund, depreciation and reserve accounts, special improvement and replacement fund and for additional construction a total of $58,000,000 out of net earnings, and it enters the current quarter with an accumulated surplus of $94,000,000. Under the circumstances the declaration of a dividend of only one-half of 1 per cent. on the common stock appears to have been very conservative, but the reason for such conservatism is apparent when it is recalled that the new plant at Gary, Ind., will have to be financed chiefly out of earnings until, at any rate, money market conditions become more propitious to the raising of additional capital."

It is not often that the directors of any company which has never paid a dividend make an initial rate as high as 7 per cent. a year as has just been done in the case of Ice Securities, except where there is the necessity involved by a provision that dividends are cumulative. The action in this instance provoked no criticism, for Wall Street long ago learned to treat the affairs of the company with complete indifference.

Central Leather, which is largely controlled by the Chicago packing interests, was depressed as a result of reports that the company has been paying an exorbitant price for hides. The packers, it is asserted, have used the leather company as a convenient vehicle to dispose of the hides from the stock yards to their own advantage.

COPPER, TIN AND LEAD.

Heavy Sales of Electrolytic Copper for Export in March at 22½c., Net, New York.

Domestic and foreign copper markets are strong and unchanged for lake, electrolytic and casting metal. Electrolytic is at 22½@23c., January to March; lake for the same months is 22½@23c. Two important producers of lake report the sale of round tonnages for December at 23@23¼c. Prime casting copper is very scarce. For prime brands, thirty to sixty days, consumers are paying 22½c. to 23½c. for large lots. Pressure for anticipations on account of contracts for January lake and casting is at the most acute stage experienced since the height of the Secretan corner. The London speculative market moved upward yesterday, closing at £98 for spot and £98 15s. for forward standard warrants; best selected, £103. Sales, 700 tons. Market strong. In yesterday's local market one of the largest sales of electrolytic copper made within the year was closed for account of a British interest at 22½c., net, New York, for shipment in March. The largest copper consuming interest in Germany is about to close in the local market for a enormous tonnage of electrolytic to be consumed by electrical trades. Forty per cent. of the German empire's annual consumption of copper is by the electrical engineering trades, in which channels the consumption of copper has doubled within five years.

Messrs. D. Houston & Co., metal brokers, in their copper circular for November say in part:

"Magnificent trade conditions have provided a wide outlet for all the copper that can be sent to market, and the unprecedented demand is a verification of the extensive consumption in force at the great copper using centres. For successive months past a gigantic movement has been maintained, and the indications are very definite that copper has entered upon a period of expanding use, great market strength and pronounced activity. The outlook apparently points to the permanency of these features indefinitely, and future developments are likely to lead to an increasing demand for copper. Recent events in the copper market have reflected the exceedingly strong underlying conditions which furnish the foundation for one of the most extraordinary positions ever known. The situation is one of intrinsic strength resulting from the tremendous demand for copper in all industrially progressive countries. With the greatest consumption ever encountered, the market has naturally responded to the urgency with which buyers have poured in orders for heavy requirements reaching into next year. Prices advanced during the last month from 20 to 21½c. and upward for electrolytic for forward delivery, while in some cases prompt delivery quoted as high as 22½@22¾c. Lake quotations rose to 22½@23½c. according to shipments and prices named by different sellers. Business was quite active in October, but could have been further increased if offerings had been more plentiful. The large volume of sales since the market was 18½c., and the free deliveries into consumptive channels have left producers with limited supplies for the next three to four months. Meanwhile quick deliveries have commanded premiums, and the scarcity of copper for the balance of this year leaves the market in a decidedly strong condition. Statistically considered, the position of copper is one of exceptional soundness and remarkably favorable to market strength. Shipments from refineries are going out in a constant stream of large volume which precludes any accumulation of moment at primary points. The extraordinary demand is taxing every department of the copper producing industry to keep pace with the immense requirements of home and foreign consumers. Plans are also under way which should further increase consumption, and the prospects indicate a heavy movement of copper and a strong market for the first half of 1907."

Pig tin is steady at 43@43¼c. spot. The London market closed at £195 5s. for spot and £196 5s. for three months.

Pig lead is firm at 5.90@5.95c.

Two New Trust Companies Authorized to Do Business.

ALBANY, Nov. 2.—Supt. F. D. Kilburn of the State Banking Department to-day authorized the Commercial Trust Company of New York to begin doing business. The institution has a capital stock of $500,000. The directors include Robert R. Moore, A. L. Erlanger, L. H. Fallows, William R. Willcox, L. H. Perlman, Aaron Buchsbaum, Herman Auerbach and Livingston D. Smith of New York city.

The New Netherlands Trust Company of New York, which filed its articles of incorporation with Supt. Kilburn this week, was also authorized to-day. The institution has a capital stock of $1,000,000.

Purchased Silver for the Mints at 71.25 an Ounce.

WASHINGTON, Nov. 2.—The Director of the Mint to-day purchased two lots of silver for subsidiary coinage. They included 100 ounces to be delivered at the Denver Mint at 71.25 cents per fine ounce and 50,000 ounces for delivery at the Philadelphia Mint at 71.30 cents per fine ounce. The highest price paid heretofore was 70.97 cents per fine ounce, thus making to-day's price of 71.25 per ounce the maximum record yet attained.

Business Troubles.

A petition in bankruptcy has been filed against Charles Muller, a wholesale dealer in hardware at 88 Chambers street, by Hamlin & Conklin. Judge Hough of the United States District Court appointed Charles C. Burlingham receiver with a bond of $4,000. Liabilities are $15,000 and nominal assets $12,000, consisting of stock $5,000 and accounts $7,000. Mr. Muller was a salesman in this line for many years and began business for himself in April, 1905.

John Wright Huntington Silliman, theatrical manager, at 139 West Thirty-seventh street, had a petition in bankruptcy filed against him yesterday by two creditors, Thomas Adams for $300 for services and Walter C. Jordan, $220 for royalties on the play "Blue Jeans." It is alleged that he is insolvent and made preferential payments of $300. His liabilities are said to be $2,500 and assets $1,500. Mr. Silliman had a "Blue Jeans" company.

RAILROAD EARNINGS.

Chicago, Milwaukee and St. Paul:

	1906.	1905.	Changes.	
Month Sept.	$3,467,963	$3,261,987	Inc.	$205,976
From July 1	15,461,305	13,684,980	Inc.	1,776,325

PENNSYLVANIA SYSTEM.

The Pennsylvania Railroad Company reports for September:

	1906.	1905.	Changes.	
Gross earn.	$13,102,550	$12,376,850	Inc.	$725,700
Oper. exp.	8,274,240	7,555,740	Inc.	718,500
Net earn.	$4,828,410	$4,821,210	Inc.	$7,200
From Jan. 1:				
Gross earn.	$108,959,119	$97,560,819	Inc.	$11,398,300
Oper. exp.	75,106,553	68,747,053	Inc.	6,359,500
Net earn.	$33,852,566	$28,813,766	Inc.	$5,038,800

Lines west of Pittsburg and Erie, directly operated:

	September.	Nine months.
Gross earnings	Inc. $651,400	Inc. $6,334,900
Operating expenses	Inc. 492,900	Inc. 4,307,700
Net earnings	Inc. $168,500	Inc. $2,227,200

Philadelphia, Baltimore and Washington—September:

	1906.	1905.	Changes.	
Gross earn.	$1,414,000	$1,310,300	Inc.	$103,700
Oper. exp.	941,324	854,624	Inc.	86,700
Net earn.	$472,766	$455,766	Inc.	$17,000
From Jan. 1:				
Gross earn.	$11,740,806	$10,867,206	Inc.	$873,600
Oper. exp.	8,672,020	8,141,320	Inc.	530,700
Net earn.	$3,068,786	$2,725,886	Inc.	$342,900

Northern Central—September:

	1906.	1905.	Changes.	
Gross earn.	$1,052,519	$948,719	Inc.	$103,800
Oper. exp.	763,406	687,306	Inc.	76,100
Net earn.	$289,112	$261,413	Inc.	$27,700
From January 1:				
Gross earn.	$8,565,064	$7,717,264	Inc.	$847,800
Oper exp.	6,535,159	6,297,959	Inc.	237,200
Net earn.	$2,029,905	$1,419,305	Inc.	$610,600

West Jersey and Seashore—September:

	1906.	1905.	Changes.	
Gross earn.	$549,108	$500,908	Inc.	$48,800
Oper exp.	381,006	224,306	Inc.	56,700
Net earn.	$168,102	$176,602	Dec.	$7,900
From January 1:				
Gross earn.	$4,220,891	$3,761,991	Inc.	$458,900
Oper exp.	2,809,334	2,547,834	Inc.	261,500
Net earn.	$1,411,557	$1,214,157	Inc.	$197,400

NORFOLK AND WESTERN.

The Norfolk and Western Railway Company reports for September:

	1906.	1905.	Changes.	
Gross earn.	$2,506,395	$2,308,545	Inc.	$197,850
Oper exp.	1,554,644	1,395,139	Inc.	159,505
Net earn.	$1,041,751	$1,003,406	Inc.	$38,345
Fxd chgs & tax	369,873	334,540	Inc.	35,333
Surplus	$671,878	$668,866	Inc.	$3,012
From July 1:				
Gross earn.	$7,526,578	$6,920,295	Inc.	$606,283
Oper exp.	4,651,181	4,204,823	Inc.	446,458
Net earn.	$2,875,397	$2,715,472	Inc.	$159,925
Fxd chgs & tax	1,099,509	1,006,953	Inc.	92,556
Surplus	$1,775,888	$1,708,519	Inc.	$67,369

READING SYSTEM.

The Reading System, including the Philadelphia and Reading Railway Company and the Philadelphia and Reading Coal and Iron Company, reports for the month of September:

	1906.	1905.	Changes.	
Railway company:				
Receipts	$3,376,224	$3,509,858	Dec.	$133,134
Ex., incl. rentl., &c.	2,010,804	1,916,146	Inc.	94,658
Net earn.	$1,365,420	$1,593,212	Dec.	$227,792
Coal and Iron company:				
Receipts	$2,150,451	$2,567,121	Dec.	$416,670
Expenses	2,219,776	2,421,108	Dec.	201,332
Deficit	$69,325	Sur. $146,013	Inc.	$215,338
Reading company:				
Net income	$129,430	$113,459	Inc.	$15,971
Net all cos.	1,423,525	1,852,884	Dec.	427,159
Prop. anl. fixed chgs & taxes	490,500	467,882	Inc.	22,618
Surplus	$555,025	$981,802	Dec.	$449,777
From July 1:				
Railway company:				
Receipts	$10,055,677	$10,100,418	Dec.	$44,741
Ex., incl. rentl., &c.	6,112,632	5,755,903	Inc.	356,729
Net earn.	$3,943,045	$4,344,515	Dec.	$401,470
Coal and Iron company:				
Receipts	$6,528,669	$6,691,480	Dec.	$162,811
Expenses	6,478,073	6,446,983	Inc.	31,090
Net earn.	$50,595	$244,497	Dec.	$193,901
Reading company:				
Net income	$389,154	$353,540	Inc.	$35,614
Net all cos.	4,392,795	4,942,552	Dec.	549,757
Prop. anl. fixed chgs & taxes	2,671,500	2,603,645	Inc.	67,855
Surplus	$1,721,295	$2,338,907	Dec.	$617,612

"SOO."

The Minneapolis, St. Paul and Sault Ste. Marie Railway Company reports for September:

	1906.	1905.	Changes.	
Gross earn.	$1,296,528	$1,148,461	Inc.	$145,067
Oper. exp.	551,068	424,321	Inc.	126,747
Net earn.	$742,460	$724,140	Inc.	$18,320
From July 1:				
Gross earn.	$3,432,818	$2,842,303	Inc.	$590,115
Oper. exp.	1,660,235	1,269,049	Inc.	391,186
Net earn.	$1,772,083	$1,573,154	Inc.	$198,929

CHICAGO GREAT WESTERN.

The Chicago Great Western Railway reports for September:

	1906.	1905.	Changes.	
Gross earn.	$880,050	$845,884	Inc.	$34,166
Op. exp. & rnls	568,004	527,318	Inc.	40,686
Net earn.	$312,046	$318,566	Dec.	$6,520
From July 1:				
Gross earn.	$2,468,710	$2,192,818	Inc.	$275,892
Op. exp. & rnls	1,644,919	1,464,820	Inc.	180,099
Net earn.	$823,791	$727,998	Inc.	$95,793

NASHVILLE, CHATTANOOGA AND ST. LOUIS.

The Nashville, Chattanooga and St. Louis Railway Company reports for September:

	1906.	1905.	Changes.	
Gross earn.	$924,716	$869,134	Inc.	$55,582
Oper. exp.	734,311	666,740	Inc.	67,571
Net earn.	$190,405	$202,394	Dec.	$11,989
Charges	149,499	149,500	Dec.	121
Surplus	$40,936	$52,894	Dec.	$11,868
From July 1:				
Gross earn.	$2,804,495	$2,543,155	Inc.	$261,340
Oper. exp.	2,103,414	1,934,994	Inc.	258,420
Net earn.	$611,081	$608,161	Inc.	$2,920
Charges	448,408	449,146	Dec.	738
Surplus	$162,673	$159,015	Inc.	$3,658

NEW YORK, ONTARIO AND WESTERN.

The New York, Ontario and Western Railway Company reports for September:

	1906.	1905.	Changes.	
Gross earn.	$715,767	$655,980	Inc.	$59,787
Op. exp. & tax.	469,108	467,759	Inc.	1,349
Net earn.	$246,659	$188,221	Inc.	$58,438
Charges	73,798	70,362	Inc.	3,436
Surplus	$172,861	$117,859	Inc.	$55,002
From July 1:				
Gross earn.	$2,398,642	$2,147,457	Inc.	$221,185
Op. exp. & tax.	1,443,856	1,445,531	Dec.	1,675
Net earn.	$924,785	$701,926	Inc.	$222,860
Charges	220,458	206,050	Inc.	14,408
Surplus	$704,328	$495,876	Inc.	$208,452

BUFFALO, ROCHESTER AND PITTSBURG.

The Buffalo, Rochester and Pittsburg Railway Company reports for the quarter ended September 30:

	1906.	1905.	Changes.	
Gross earn.	$2,039,632	$2,370,206	Dec.	$330,574
Oper exp.	1,245,827	1,267,233	Dec.	21,406
Net earn.	$793,805	$1,102,973	Dec.	$309,168
Total income	$804,611	$1,111,636	Dec.	$307,025
Fixed charges	464,332	457,123	Inc.	7,209
Surplus	$340,279	$654,513	Dec.	$314,234

MOBILE AND OHIO.

The Mobile and Ohio Railroad Company reports for the year ended June 30:

	1906.	1905.	Changes.	
Gross earn.	$9,445,927	$8,267,602	Inc.	$1,178,325
Op exp & taxes	6,545,434	5,650,886	Inc.	894,548
Net earn.	$2,900,493	$2,616,716	Inc.	$283,777
Total income	$3,025,363	$2,744,062	Inc.	$281,301
Charges	2,531,613	2,335,958	Inc.	195,655
Avail for div.	$493,750	$408,094	Inc.	$85,596
Dividends	301,030	4% 242,824	Inc.	58,206
Surplus	$192,660	$165,270	Inc.	$27,390

Live Stock Market.

FRIDAY, Nov. 2.

Receipts of beeves were 3,097 head, including 44 cars for export alive, 113 for slaughterers and 22 for the market; making, with the previous arrivals, 35 cars on sale. Steers were of fair demand and prices firm to 10c. higher; bulls steady; cows steady to strong. The yards were very nearly cleared. Common to prime native steers sold at $3.80@$5.85 per 100 lbs.; one car, extra, at $5.20; bulls at $2.60@$3.60; cows at $1.60@$3.75; a bunch of choice fat Ohio cows at $3.25. Dressed beef in fair demand at fast quotations. Liverpool and London cables quoted live cattle higher and native steers selling at 11@13c. per lb., with tops at London at 13½c., dressed weight; refrigerator beef at 10¼@10½c. per lb. Exports to-day, 1,300 quarters of beef, to-morrow, 3,300 quarters of beef.

Receipts of calves were 309 head, all for the market; and with the state calves there were 350 on sale. Veals were firm to 25c. higher; grassers and common Westerns steady. The veals were cleared. Poor to choice veals sold at $5@$9.50 per 100 lbs.; grassers at $3@$4.25; common Westerns at $3.12½. Dressed calves firm at 8@14c. per lb. for city dressed veals and 6@12c. for country dressed.

Receipts of sheep and lambs were 6,882 head, including 3 cars for slaughterers and 28 for the market; making, with the state stock, 47½ cars on sale. Sheep were slow and lower; lambs dull and 25c. to 25c. on top grades, and 25c. to 50c. lower on medium and common lambs; nearly 20 cars were likely to be carried over. Common to good sheep sold at $3@$5 per 100 lbs.; culls at $2@$2.50; common to prime lambs at $5.50@$7.50; choice at $7.60@$7.62½; culls at $4@$4.50; Canadian lambs at $7.50. Dressed mutton slow at 8@10c. per lb.; dressed lambs weak at 10@13c.

Receipts of hogs were 2,407 head, including half a carload for the market. Prices a trifle firm. Good State hogs, including pigs, were quotable at $6.60@$6.75 per 100 lbs.

Court Calendars This Day.

Supreme Court—Appellate Division—Recess.

Supreme Court—Special Term—Part II.—Court opens at 10:30 A. M. Ex parte matters. Trial Term—Part XI.—No day calendar. Part XIII.—No day calendar.

Surrogate's Court—Chambers. For probate—Wills of George Burlan, Charlotte Schill at 10:30 A. M.

City Court—Special Term—Court opens at 10 A. M.—Motions.

$4,500,000

NEW YORK CITY

Tax Exempt

FOUR PER CENT BONDS

Dated November 1, 1906 Due November 1, 1956

These bonds are a legal investment for Savings Bank and trust funds and for investment of capital and reserves of Trust Companies in the State of New York

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N. W. HARRIS & CO.
Pine Street, Corner William
Chicago NEW YORK Boston

IRON AND STEEL.

Upward Tendencies in Prompt Foundry Iron—Spot Scotch Pig Iron at $24 and $25.

The foreign and domestic pig iron markets reflect upward tendencies for prompt foundry metal. In the home markets spot pig iron is exceedingly scarce at Northern, Western and Southern furnaces. Demands for prompt foundry metal are far in excess of the tonnages which can be assured for shipment within sixty to ninety days. Important pig iron consumers in town from the central West state that the recent tide of active buying from Lake Erie furnaces for account of Eastern and Western consumers has absorbed all the metal that can be shipped until the close of navigation. So insistent have been the demands for charcoal iron for 1907 that the furnaces are few which are not under contract for all that can be made during next year. High activity is ruling throughout the foundry interests of the central West. The scarcity of fuel, which is vexing many Eastern and Southern founders, is not felt in the parts of the central West in which the output of by-product coke has been largely increased within a year. Business is reported at top notch figures by most of the foundry interests in New England and the Middle States. The scarcity of pig iron and hand to mouth supplies of coke are factors that are restricting the outputs of many Eastern plants.

In the local market a lively day's business ruled yesterday, with important sales effected for account of Scotch and English foundry iron makers. Spot Scotch graded as equal to domestic No. 2 soft is at $24 to $24.50 at this port. Prompt Northern foundry is $24.75 to $25 for No. 2 X at furnaces. For February, March and April the basis for the same grade is $24 to $24.50 at Northern furnaces. Southern foundry No. 2 for the second quarter of 1907 is in heavy demand at $18.50. A number of furnaces are pressing customers to buy for the whole of 1907. No business has been effected beyond July, so far as important consumers hereabouts are informed. Most furnaces North and South are practically sold up for the first quarter of next year and are making fast progress to the last leaves of the order books for the second half. A number of the larger pig iron consumers in the Eastern markets give the opinion that foundry iron is likely to rule not below $24 for No. 2 X at furnaces through next year.

Bessemer and basic are strong and unchanged. An early advance is predicted for Shenango and Mahoning Valley steel making iron. Prime brands of Northern foundry and furnace coke are in increasing demand, and prices are strong at $3.90 to $4.25 for seventy-two hour foundry, and $3.15@$3.50 for forty-eight hour furnace. Southern coke is a trifle firmer for prime foundry grades, which are at $3.35@$3.65 for foundry and $2.85@$3.40 for furnace grades.

In the steel trades a remarkable degree of activity for the last weeks of the year is reported by mills and metal merchants.

Tin plate makers advise distributers that orders cannot be filled under twelve to fourteen weeks. The week comes to an end with sales aggregating above $5,000,000 for rails, rolling stock and structural steel by local selling agencies. Distributers of galvanized and black sheet iron and steel report business running at highest known levels. Among jobbers of finished steel products active demands keep stocks down to smaller tonnages than were ever recorded at the close of a year.

THE BUSINESS OUTLOOK.

Reports by "Dun's" and "Bradstreet's" on Trade Conditions.

Dun's Weekly Review says to-day:

Colder weather has removed one of the drawbacks to seasonable distribution of merchandise, but there is still much complaint of traffic conditions. Congestion on the railways was increased by the destruction of vessels during the recent Gulf storm and a much heavier tonnage of freight is delayed than usual, although there is always a car famine at this season. Retail trade shows improvement in nearly all sections, and mercantile collections are more prompt.

Returns from the iron and steel industry could not easily be brighter, and footwear factories have abundant orders on hand. After several weeks of pressure to place contracts for cotton goods there is a natural season of quiet, but the mills have secured sufficient business to assure many months of active machinery.

Primary receipts of wheat are not in keeping with a maximum crop on account of freight delays. Failures in October were fewer in number than in the same month last year, but several very large defaults provided an increase of 50 per cent. over the exceptionally small liabilities in 1905. Railway earnings in October were 8.3 per cent. larger than a year ago, and foreign commerce at this port alone for the last week showed a gain of $1,838,243 in exports and a loss of $777,171 in imports as compared with the same week in 1905.

Bradstreet's says:

Clear and colder weather has improved retail trade and stimulated reorder business greatly, resulting in a record October trade with jobbers besides helping the coal trade and kindred lines. Industry is active, labor scarcity is still a feature, iron and steel markets are advancing, and large imports are the only apparent source of relief. With the advent of November there has come a lull in a few wholesale lines, but this is only natural considering past activities. Cotton goods are a trifle quieter but very firm because of scarcity of supplies, while woollen goods have been stimulated by good reports as to retail sales of heavy clothing. The tone of the raw wool trade has been helped by the immense sales recently reported. Holiday trade preparations and sales have been so far encouraging.

Spring business is of good volume as a whole and hosiery men are taking orders for next fall. The shoe trade has been rather backward, and fall and winter trade, as expected, has not been equal to last year. Reports from leading crops are more favorable. Cotton has not been hurt by frosts to the extent feared, and freer sales of the staple have helped Southern trade and collections, though the late decline is inducing holding. A large area in wheat has got a good start before the cold weather. The one really hurtful development, itself an outgrowth of superabundant prosperity, is the growing tension as regards transportation facilities.

DIVIDENDS AND INTEREST.

COUPONS DUE AND PAYABLE AT THE OFFICE OF THE

United States Mortgage and Trust Company.

55 CEDAR STREET, NEW YORK CITY, ON AND AFTER NOVEMBER 1ST, 1906.

Auburn Telephone Company	1st 5s
Cold Springs, N. Y., Water	4s
Elberton, Ga., Gas and Water (Nov.5th)	4s
Elyria, O., Water Works	4s
Englewood, N. J., Fire	3½s
Estate of N. Low	1st 6s
Franklin County, Ohio, Deficiency	4½s
Franklin County, Ohio, Bridge	5s
International Magazine Company	1st 5s
Kitsap County, Washington, S. D.	No. 42
Long Island City & Flushing R. R. Co.	1st 6s
Long Island City & Flushing