D. & H. MAY ISSUE ITS NEW 4S

BUT NOT TO TAKE UP SOME $7,000,000 OF ITS NOTES.

Decision as to Them Reserved to a Future Date by the Public Service Commission—Bonds Authorized Under the $50,000,000 Mortgage Are $19,776,000, Instead of the $26,500,000 Applied For.

ALBANY, July 9.—The Public Service Commission for the Second district has announced in an opinion by Commissioner Martin S. Decker its approval for the most part of the application of the Delaware and Hudson Company for leave to execute a mortgage for $50,000,000, maturing in 1943, and to issue $26,500,000 bonds thereunder.

In this application the Delaware and Hudson Company sought to refund practically all of its existing obligations, including three existing mortgages, one for $5,000,000 upon its property, one for $1,000,000 upon the Adirondack Railway, now merged with the Delaware and Hudson properties, and one for $500,000 upon the Schenectady and Duanesburgh Railroad, which has also been merged with the Delaware and Hudson properties, and also including its outstanding notes covering $19,137,500.

These embrace note issues the proceeds of which were used in acquiring 75,000 shares of the stock of the United Traction Company to the amount of $4,665,295.85, stock and bonds of the Troy and New England Railway Company to the amount of $230,868.42, and advances made to the Hudson Coal Company (a coal corporation subsidiary to the Delaware and Hudson Company) amounting to $2,500,000. These last three note items are disallowed upon the present application, the commission holding that no proof has been presented showing that they are proper subjects for capitalization under the mortgage upon the Delaware and Hudson Company railroad properties and without expressing any present opinion upon the question of their capitalization states they are matters which may be brought up in a subsequent application. Commissioner Decker says:

The privilege preserved to public service corporations under sections 55 and 69 of the statute to issue notes for proper and lawful purposes, payable at periods of not more than twelve months without first obtaining authority therefor from the commission, was not designed to operate as a license whereby, through successive renewals with extensive additions of new short time note issues, a great mass of obligations running over a series of years is piled up to become eventually the subject of application for leave to fund by mortgage and an issue of long time bonds. Such a privilege was intended to enable a corporation to contract temporary loans which it purposed at the time of issue to discharge at maturity. When the exercise of such a privilege is developed into a practice covering several times of maturity and renewal or partial renewal extending through a period of several years the intent of the law is being evaded and the corporation is accomplishing by indirection what the law forbids shall be done directly, namely, the issuance of evidences of indebtedness carried without actual payment throughout a period of more than twelve months without first obtaining the approval of the commission.

Where a practice of issuing notes with repeated renewals and additions and partial payments shows that the application of the money derived from the note issues dates back so far in the past and becomes so intermingled with expenditures from income or surplus funds that it is impracticable to determine whether the money derived from notes has been expended for value and for purposes sanctioned in the law, or where such a practice renders an applicant unable to show with certainty to what purposes the note proceeds have been actually devoted or what has been the actual cost of construction, improvements or additions involved, including the unit prices paid for construction and improvements as distinguished from maintenance, the commission cannot in such cases say that a proposed bond issue is reasonably required for proper purposes of the corporation, and the application must be denied.

When short time loans are soon to mature and an extension is deemed necessary by a corporation the proper course for the corporation is to then make application for leave to issue a note or notes covering the maturing issue to run for more than one year, or to issue stock or bonds to obtain the means of payment, and upon such an application, a proper account of the disbursements having been kept, the purposes for which the proceeds of the maturing note obligation were used can be readily ascertained, and the proof as to the return made to the company in the expenditure of such proceeds can be easily produced.

The opinion states that fortunately in this case there is documentary and oral evidence, which in view of the fact that the note operations were commenced several years prior to the passage of the regulating statute can be and should be accepted as indicating fairly the expenditure of the proceeds of a large part of the note indebtedness for legitimate purposes specified in the law, and for which full value was received by the applicant, and the capitalization of which in an issue of bonds would not be a reimbursement of the treasury of the applicant, and may be safely approved as reasonably required under the law. The opinion also states that taking into consideration the large earning power of these railway properties owned or controlled by the Delaware and Hudson Company and the excellent financial condition of that company the minimum net price for the bonds now authorized for immediate sale and application to the discharge of the note obligations should not be less than 95 per cent. of the par value on a 4 per cent. interest basis, and that they should under normal conditions find ready sale at or above par.

Advances of money made by the applicant to companies holding the nominal title of roads lying in Canada which are to all intents and purposes important extensions of the applicant's line, and which advances were used for the purpose of constructing the Canadian roads, and in return for which the applicant received certificates of indebtedness of one of the Canadian companies, it being its purpose to merge both the Canadian companies when construction is completed, the commission holds to constitute in effect the purchase price of the certificates of indebtedness of the Canadian companies; that the purchase of such certificates of indebtedness was the acquisition of property, a purpose for which the statute provides that capital may be secured, and that under the circumstances of this case, which include the full ownership by the applicant of the stock of both Canadian companies, a bond issue covering note issues used to purchase the debt certificates should be approved.

A first and refunding mortgage covering the applicant's owned and leased railway properties and trackage rights over various lines for an amount limited to $50,000,000, to become due in 1943 is approved by the commission subject to prescribed limitation of bond issues.

The applicant is authorized to issue under such mortgage bonds to the amount of $26,500,000, bearing not to exceed 4 per cent. interest, for the sole purpose of retiring outstanding bonds under the three existing mortgages, the terms and conditions for exchange of the new bonds for underlying bonds or for the sale of any of the new bonds in order to purchase any of the underlying to be first submitted to the commission for approval, provided that such exchange may be made par for par, without payment of any premium on the old bonds by the applicant from its treasury at any time without such approval.

An issue of bonds under such mortgage to the amount of $13,276,000, covering certain existing note obligations of the applicant aggregating $12,644,080.22, and an allowance of not more than 5 per cent. of the par value of such bonds for the purposes of sale, is also approved.

GOSSIP OF WALL STREET.

The bears contended yesterday that there was a good deal of manipulation in the movement of prices and not even the most uncompromising bull attempted to deny it. There was a large amount of manipulation in the market as there always is, except at times when there is little or nothing of any kind, as was the case nearly the whole of last week. It is generally manipulation that starts a market. It is discovered that selling can be forced or buying induced by aggressive operations on the one side or the other, and the manipulation is applied. If prices respond well a following is likely to be secured, and then the success of the operation becomes practically assured. If a following is not secured the manipulation avails nothing and must be abandoned. Whether that stage was reached yesterday was a question which the bears answered in the affirmative and the bulls answered not at all. The commission houses were inclined to advise their customers to wait and see if the bears were right.

It was rather strange that in a number of houses the fact should be commented upon as something inexplicable that while there were no stocks for sale a week ago there seemed to be enough to go around now. There was, of course, no mystery of any kind about the change. Prices had advanced and the higher prices brought out stocks. The buyers' prices of a week ago did not meet the holders' views, so no business was done. In the present week the buyers advanced their bids to where these met the views of some of the holders of stocks and sales resulted. It was just as if a man spent a week going around the stores trying to buy shoes or a hat at his own prices and without regard to the higher values which the dealers put upon their wares. So long as he kept below their prices he made no purchase, but when he came up to the level which they thought fair he could get in five minutes more than enough to last him a lifetime.

Apart from the effect of higher prices in increasing the supply of stocks there is always the possibility that the same apparent effect may be produced by the very factor that the bears seem to think is only applied to produce the opposite result. The bulls may resort to manipulation for the purpose of making the market appear weaker than it really is at certain times, just as at others they resort to the same process to give an appearance of strength that is by no means genuine. When it is thought good policy to shake out a weak bull following or to encourage the growth of a short interest, selling of a kind that the traders cannot fail to take notice of may be resorted to, and perhaps without allowing prices to decline much the technical position of the market may be improved, affording the bulls an opportunity to resume their operations for the advance with better prospects of success than before.

Not since the announcement of the declaration of the initial dividend on Southern Pacific and the increase of the rate on Union Pacific to 10 per cent. a year has Wall Street been treated to so genuine a dividend surprise as the declaration of the regular rate for the second half of the year on the common stock of Baltimore and Ohio. When the announcement was made by the Wall Street news agencies some brokers thought a typographical error must have been made, others asked "What the devil does it mean?" while still others, exclaiming "fooled again" and fearing a repetition of what occurred in Southern Pacific and Union Pacific in August 1906, started buying the stock in order to cover outstanding shorts.

An official explanation of the action of the Baltimore and Ohio directors in declaring a dividend at the full rate said that although the earnings for the year fell short of the requirements of the 6 per cent. distribution the shortage could be made up out of the profit and loss surplus while still leaving the amount of this item as large as $18,000,000. Brokers wondered if it was intended to convey the idea that the road was possessed of such a large amount of ready money—a suggestion hardly compatible with the fact that the company only a few weeks ago sold $7,500,000 bonds to bankers here and in Baltimore.

Now that the Union Pacific interests are credited with maintaining the dividend on Baltimore and Ohio less is likely to be heard of a reduction of the rate on Southern Pacific. The amount of Baltimore and Ohio common stock which Union Pacific holds is only $32,334,000, while it owns $90,000,000 Southern Pacific common.

Years ago at a period of doubt and uncertainty an increase in the dividend on Baltimore and Ohio proved a great stimulus to sentiment on the ground that as the board included representatives of practically every great financial interest the course adopted was equivalent to a guarantee by all the leading authorities that both in the financial and the railroad worlds there was fair weather and plain sailing ahead. Included in the board are representatives of the Standard Oil party and of the three leading firms of private bankers, as well as of the two great railroad systems, Union Pacific and Pennsylvania, whose combined holdings embrace nearly half of the stock of the road.

American Smelting and Refining made a larger gain than any other active stock. It was strong and active all day and was more talked of than any other security in the industrial list, for it was to its influence that the strength of the other metal stocks, Amalgamated Copper, Anaconda and National Lead, was commonly ascribed. It rose to 84¾, an advance of 2⅝ points from Wednesday's closing and of 8 points from the low of Friday last, and ended the day at practically its highest figure. There was little that was new on the stock, discussion concerning itself mainly with the character of the buying, which was said to be excellent, and it was evident that the way the bull tip on the stock, first heard at the inception of the movement on Friday last, had made good was by no means without effect in increasing the receptivity of the trading element for that kind of information.

There was if anything a better market for bonds than for stocks and the prices of the former were not affected to any appreciable extent by the reactions which in the latter followed one another at frequent intervals during the forenoon. New high records were made by the Union Pacific convertibles and the new Pennsylvania issue, and even where there were no gains of consequence in quotations a stronger tone was manifested.

FINANCIAL NOTES.

The governors of the New York Stock Exchange have reinstated Louis T. Watson of the brokerage house of Watson & Co., which failed several months ago. Mr. Watson has paid in full all his obligations.

The Metal Markets.

The New York copper market remained unchanged yesterday. In London there was a slight advance on sales of 400 tons of spot copper and 1,000 tons of futures.

New York prices were:

	Yesterday.	Wednesday.
Copper, lake	12¼@13	12¼@15
Copper, electro	12¾@....	12¾@....
Copper, casting	12¼@....	12¼@....
Tin	29.10 @29.25	28 @28.12½
Spelter	4.45 @ 4.50	4.40 @ 4.50
Lead	4.42½@ 4.47½	4.42½@ 4.47½

London prices were:

	Yesterday. £ s. d.	Wednesday. £ s. d.
Copper, spot	57 16 3	57 10 9
Copper, futures	58 10 0	58 2 6
Tin, spot	132 5 0	127 7 6
Tin, futures	133 7 6	128 10 0
Lead	12 15 0	12 15 0
Spelter	18 5 0	18 0 0
Iron, C. W.	51 0½	51 1½

Business Troubles.

Deputy Sheriff Altman has put a keeper in the office of the A. L. Fowle Company, book publishers, 333 Fourth avenue, on three executions in favor of the following creditors: Frederick A. Stokes Company, $718 rent; H. H. Herman Company, $640, and R. T. Miller, Jr., $279. A levy was made on the office furniture and some books. A warrant from the State Comptroller for $243 taxes comes ahead of these executions.

John A. Paterson & Co., incorporated, importer of straw braids, &c., 57 West Houston street, is not bankrupt, according to a decision of Judge Hough of the United States District Court. John A. Paterson, who was formerly president of the company, filed a petition against it on December 17 last. The corporation proved that at the time the petition was filed it was entirely solvent.

B. & O. DIVIDEND KEPT AT 6

DIRECTORS VOTE TO PAY PART OF IT OUT OF SURPLUS.

Harriman Party Supported That Proposition, Union Pacific Being the Largest Single Holder of the Common Stock—Announcement Surprises Wall Street.

After a protracted directors' meeting of the Baltimore and Ohio yesterday, at which a proposition to reduce the dividend on the common stock was argued at some length, the party led by E. H. Harriman prevailed and the regular semi-annual dividend of 3 per cent. was declared. This came as a complete surprise to the Street, which had been wondering whether 2 or 2½ per cent. would be declared, as the published earnings of the road showed a deficit at the present rate of dividends. At the close of the meeting the following statement was given out:

The earnings for the year fell short of meeting the full dividend on the common about $1,300,000 and the difference was paid out of profit and loss surplus, leaving about $18,000,000 still to the credit of that account.

Mr. Harriman's Union Pacific railroad is the largest holder of Baltimore and Ohio securities, owning more than $32,000,000 of its common stock and $7,000,000 of its preferred. If the Baltimore and Ohio had been put on a 4 per cent. basis it would have meant an annual loss to the Union Pacific of about $640,000. There were also sentimental reasons for leaving the dividend unchanged, it was stated in brokerage houses. With the example before them of a big railroad turning to its surplus for funds to pay its dividends the investing public would believe that the men who were in close touch with railroad matters expected to see an early recovery in general conditions and of normal earnings by the roads.

On the announcement of the regular dividend, Baltimore and Ohio stock, which had been selling at 88⅞, advanced sharply and closed at 91⅜, within an eighth of the highest price for the day. At the time the Union Pacific bought its Baltimore and Ohio shares the common stock was quoted in the market at about 120.

The usual semi-annual dividend of 2 per cent. on the preferred stock was also declared.

IMPORTANT RAILROAD DEAL.

The Vanderbilts and the Pennsylvania Secure Direct Line to the Steel Mills.

PITTSBURG, July 9.—Announcement was made here to-day of the completion of a deal whereby the Vanderbilt system, operating the Pittsburg and Lake Erie Railroad, and the Pennsylvania company secures control of the proposed Lake Erie and Pittsburg Railroad, surveyed almost on a direct line from Pittsburg to Cleveland.

The Lake Erie and Pittsburg was started some years ago by William Kennedic and John B. Carter, the Western millionaires who control the Carter Construction Company. The price paid for the proposed line, very little work on which has been done, is $2,500,000. At the same time the Pennsylvania puts into the deal their short road running from Kent to Lorain, Ohio, at $2,500,000, making a $5,000,000 deal.

The transfer is considered of vast importance to railroad men, as it means that the Vanderbilts will break away from the Erie between here and Cleveland. At present the Pittsburg and Lake Erie extends from Pittsburg to Youngstown, where it connects with the Erie to Cleveland. This will give the Vanderbilts a direct line of their own from Pittsburg to Cleveland and over the new line of the Pennsylvania into the steel mills at Lorain, which, it is understood, will soon be greatly enlarged.

The Lake Erie and Pittsburg taps the greatest industrial field of the world, touching almost all of the plants of the United States Steel Corporation in the Pittsburg district, including the Chenango Valley furnaces and the quarries in the northern part of the State. The Vanderbilts and the Pennsylvania expect to get the bulk of the corporation's tonnage with the completion of this link. It is officially announced that work on the construction of the road will be begun immediately.

This deal leaves the Erie completely out of the Pittsburg district, and it is understood that the road is now casting about for another entrance.

M'INTYRE & CO. OWE $1,588,426.

Nominal Assets $1,184,089—Syracuse, Boston and Chicago Men Stuck.

Schedules in bankruptcy of T. A. McIntyre & Co., stock brokers, 71 Broadway, filed yesterday by Edward T. White, one of the partners, show liabilities $1,588,426, of which $1,550,981 are unsecured, $31,945 are secured and $5,500 are for wages. The nominal assets are $1,184,089, consisting of cash, $2,756, notes, $53,500, office furniture, $2,587, sold by the receiver; accounts, $322,907, stocks and bonds, $171,582, including those deposited as collateral for loans of $31,945, and seats $90,000, in the following exchanges: New York Stock, Cotton and Produce, Chicago Board of Trade, New Orleans Cotton and Liverpool Cotton.

Among the creditors are C. M. Crouse, Syracuse, $76,149, and also $75,000 on notes which may have passed into the banks; C. E. Crouse, $12,909, A. K. Hiscock, Syracuse, $31,548; A. N. Hiscock, Syracuse, $50,000; C. M. Warner, Syracuse, $63,874; J. Amos, Syracuse, $14,333; H. F. Butery, Waterloo, N. Y., $14,800; J. F. Connor, Mt. Morris, N. Y., $10,129; F. W. Kavanaugh, Waterford, N. Y., $23,142; Otto Heinze & Co., $33,507; T. B. Haster, $14,177; W. H. Arnold, $10,010; P. Berry & Sons, Hartford, $18,082; E. T. Burrowes, Boston, $56,177; W. A. Hitchcock, Boston, $25,921; Edward Peirce, Boston, $17,111; J. J. Quinlan, Boston, $17,161; W. T. Cunningham, Gloucester, $12,698; Von Frantzius & Co., Chicago, $47,506; Ware & Leland, Chicago, $34,777, and Finley Barrell & Co., Chicago, $23,142.

Mr. White has no individual debts, and his individual assets, $1,450, consist of cash $250 turned over to the receiver, and $1,200 balance of salary due him by the firm.

BOX BOARD SECURITIES TIED UP.

Federal Court Restrains the Sale of $50,000 Stock and Bonds.

CHICAGO, July 9.—On application of Sidney Mitchell and Thomas L. Raymond, receivers of the United Box Board and American Strawboard companies, Judge Grosscup in the Federal Court of Appeals to-day granted an order restraining the sale of $50,000 worth of Box Board stock and bonds. The order is directed against S. B. Fleming, E. W. Dickinson & Co. and William H. Colvin.

The securities represent a loan of $60,000 maturing on July 15, and it is the contention of the receivers that they are the property of the United Box Board and American Strawboard companies until that date. The transfer of the bonds, it is argued, is illegal while the receivership exists.

Mr. Mitchell, who is in control of affairs in the $26,000,000 failure, is out of the city, and the move was made by his attorney, W. T. Alden, who said:

"The purchase of the general mortgage bonds and shares by O. C. Barber is nothing but a 'washup.' Any transactions involving the property of a corporation operating under a receivership must be accomplished under an order of the Court."

Crops Are Forward.

Despatches to *Dun's Review* from branch offices of R. G. Dun & Co. in the farming regions indicate that the crops are making better than average progress, condition having risen materially since July 1. Early wheat is largely harvested and threshing returns show the grain to be sound. Some delay is still caused by rain, but no serious damage is recorded, while there is much less complaint of insects than usual. Corn is growing fast, sections that suffered from too much rain at the start now showing splendid condition, but at other points more moisture is needed.

Will Sell:

TENN. COAL, IRON & R. R. CO.
1—Debardeleben 6s
5—Tenn. Div. 6s
5—Birmingham Div. 6s

TOBEY & KIRK
25 Broad Street, New York.
'Phones: 4294, 4295, 4296, 4297, 4298, 4299 Broad.

BANKS RETURN $6,427,633.

Anticipating the Date on Which the $45,000,000 Was to Be Withdrawn.

WASHINGTON, July 9.—In the week which has elapsed since Secretary Cortelyou announced that withdrawals would be made of Government funds on deposit in national banks there has been returned to the Federal Treasury the sum of $6,427,633. The Secretary's call on the depository banks named July 15 as the latest date on which the funds should be returned to the Treasury, and it is expected that the greater part of the $45,000,000 affected by the call will be withheld until about that date. The plethoric condition of the money market is indicated, however, by the action of several large banks in anticipating the date on which the funds were to be returned to the Treasury.

Before Secretary Cortelyou's call was issued several banks had voluntarily returned all or a part of their deposits of public money, some bankers being unwilling to pay the interest charge of 1 per cent. which was imposed by the new currency law. It is presumed by the Treasury authorities that the banks would be glad to pay this charge in the event of a tight money market, but the Aldrich-Vreeland act is having precisely the effect which was expected of it in that it is producing a contraction of the currency in the present period of market fulness.

On July 2, the date of the call on the banks there was on deposit in national banks the sum of $151,936,960. Within two or three days after the issuance of the call the banks began to return their deposits, either in part or in full, to the Federal Treasury. To-day's Treasury statement gives the amount now on deposit in banks to the credit of the Treasurer of the United States as $145,609,327. This does not include the amount held in national banks to the credit of Government disbursement officers, subject to the check for current payments by those officers, for that amount is maintained at a point nearly stationary. The amount so credited was to-day $12,004,203. The $145,000,000 does not include either the $5,000,000 kept in the Treasury of the Philippine Islands both to the credit of the United States Treasurer and to the credit of disbursing officers.

There was in the Federal Treasury at the close of business an available cash balance of $232,282,779, of which $165,219,240 is really on deposit in national banks or in the Philippines treasury. This cash balance is the largest for many months. In fact the working balance at present amounts to nearly $67,000,000, whereas it had been diminished during the period of stringency last December to less than $8,000,000.

Secretary Cortelyou does not look for any severe money stringency during the coming fall, even during the period of moving crops. He and the other leading officers of the Treasury believe that there will be no occasion on the part of the banks to resort to the issue of emergency notes provided by the Aldrich-Vreeland law.

BELT LINE REORGANIZATION.

New Board Selected to Run It Independently if Need Be.

A movement has been set on foot by a committee consisting of Horace J. Morse of A. M. Kidder & Co., Henry K. Pomroy of Pomroy Bros. and Anson B. Moran for the protection of the stockholders of the Central Park, North and East River Railroad Company. This is the result of the decision of Judge Lacombe of the United States Circuit Court permitting the receivers of the New York City Railway Company to abandon the lease of the so-called Belt Line Railroad made on October 14, 1892, under which lease the road has since been operated by the Metropolitan Street Railway Company and its successors under a rental amounting to 9 per cent. on the Belt Line's stock. In view of the new circumstances the present directors, who have held their office in the interest of the lessees, have been requested by the stockholders to resign in order that a new board of directors may be elected to represent the stockholders and protect their interests. A special meeting of stockholders has been called for tomorrow to receive the resignations of the present directors and elect a new board and take such other action as may be necessary.

The following persons owning and representing about 12,000 shares of the 18,000 have been requested to serve on the new board, and it is understood that they will accept if elected: Howard C. Brokaw of Brokaw Bros., New York; John T. Pratt, representing Charles Pratt & Co., New York; John W. Castles, president, and Alexander J. Hemphill, vice-president, of the Guaranty Trust Company, trustee of the Metropolitan Street Railway collateral trust 5 per cent. mortgage; Ellis Ames Ballard of Philadelphia, representing the Drexel estate; George W. Elkins of Philadelphia, representing the Elkins estate; Tracy Dows of New York, representing the David Dows estate; George S. Coe, representing A. M. Kidder & Co. of New York and others; Edward C. Smith of Brooklyn, E. H. Beicher of New York, representing Miss Emily Watson; James A. Macdonald of New York, Frank Curtiss, president of the Sixth Avenue Street Railroad Company, New York, and George W. Linch, former president of the Dry Dock, East Broadway and Battery Railroad Company of New York.

The committee of stockholders acting in this matters says in a circular to the stockholders: "After a lapse of over fifteen years the company is suddenly called upon to take possession of their road, to refit and reequip and operate the same, and the necessity for the election of a board of directors which will represent the stockholders and act solely in their interest is imperative."

COSTER LEFT ONLY SCRAPS.

Liabilities $1,601,561 and Less Than $10,000 Cash in Hand.

Creditors of Coster, Knapp & Co., stock brokers of 66 Broadway, who were put into bankruptcy on May 6 after the suicide of Charles Coster, the senior partner, met yesterday at the office of Peter B. Olney, referee in bankruptcy, at 68 William street, to prove claims and elect a trustee. About a dozen claims were filed, the largest being that of Henry J. Braker, $862,290, of which $[illegible],071 was for money advanced to the firm [illegible] 219 damages sustained by the con[illegible] Braker's securities. For the [illegible] for trustee the referee [illegible] the claim of $226,071, as the o[illegible] for conversion has not been li[illegible] other claims which were for conve[illegible] also not allowed in the voting. [illegible] the election of a trustee came up [illegible] only seven of the creditors allo[illegible]. They could not agree on a tru[illegible] the referee appointed William [illegible]ng. Louis Werner, the receiver, [illegible] that he has about $9,500 cash on ha[illegible] some securities of nominal value only. [illegible] the liabilities are $1,601,561, according to the schedules, the outlook for the creditors is very poor.

Nassau Trust Company Increases Its Capital Stock.

The stockholders of the Nassau Trust Company in Brooklyn have voted unanimously to ratify the proposed increase of the stock by $100,000, making the capital $600,000. The new stock will be sold at 150 and each stockholder can subscribe for one share of the new stock for every five shares now held.

Franklin Trust Company
NEW YORK CITY
164-166 Montague St.
Brooklyn
140 Broadway
Manhattan

DIRECTORS

Edwin Packard, Darwin R. James, William H. Wallace, Joseph E. Brown, Albro J. Newton, Crowell Hadden, H. E. Pierrepont, George M. Olcott, George H. Southard, Robert B. Woodward, Stewart L. Woodford, George H. Prentiss, Henry C. Hulbert, Gates D. Fahnestock, William G. Low, Lowell M. Palmer, Charles J. Peabody, Francis M. Jencks, Edward S. Harkness, George Frederick Vietor, William B. Lane, M. D., William Allen Butler, Jr., Hugh D. Auchincloss, Moses Taylor Pyne, Charles A. Peabody, Edwin S. Marston, Arthur King Wood

EXECUTIVE COMMITTEE
Edwin S. Marston, *Chairman*
William H. Wallace, Robert B. Woodward, George H. Prentiss, Charles A. Peabody, Charles J. Peabody, Arthur King Wood

Arthur King Wood, *President*
William H. Wallace, *Vice-President*
Edwin S. Marston, *Vice-President*
Gates D. Fahnestock, *2nd Vice-Pres.*
George H. Southard, Jr., *3rd Vice-Pres.*
Clinton W. Ludlum, *Secretary*
Frederick W. Richt, *Asst. Secy.*
Henry C. Low, Jr., *Asst. Secy.*
Thornton Gerrish, *Trust Officer*

Interest Allowed on Deposits
ACTS AS EXECUTOR, TRUSTEE, ETC.

THE COTTON MARKET.

A Small Advance—Reports of Hot Winds in Texas—Shorts Cover.

WEATHER FORECAST FOR COTTON STATES.

For North Carolina, South Carolina, Georgia and eastern Florida, showers to-day and to-morrow fresh northerly winds, becoming variable.

For western Florida, Alabama, Mississippi, Louisiana and eastern Texas, fair to-day and to-morrow; light southerly winds.

For western Texas, fair in southern and showers in northern portions to-day and to-morrow.

For Oklahoma, Arkansas and Tennessee, fair and warmer to-day and to-morrow.

It was in vain that the believers in better prices tried to advance prices sharply for the next crop on talk of too much rain in Texas and an increasing danger from boll weevil in that State. Next crop deliveries advanced but moderately. July was galvanized into something like a semblance of life for a time, but the exhibition of vitality was brief, although Liverpool bulls intimate that they are still in the land of the living and will be heard from later on in a very practical way, when July-August tenders are made, however large they may be. The truth is speculation was almost at a standstill and for a time the swing of prices almost ceased, like a clock nearly run down. Liverpool quotations, it is true, were better than expected and the spot sales there increased a little. Wall Street and other local operators covered to some extent, but not apparently the chief bear interest in that quarter. New Orleans bought moderately and spot interests were said to be purchasing July and October. Some heavy rains fell east of the Mississippi and there is at least a possibility that if they continue they may become a factor in the market, though for the moment they seemed in most sections to be beneficial rather than otherwise.

The common understanding of the weather situation is that it is for the most part favorable and the crop seems to be making good progress. Spot prices at the South are still said to be receding and the South continued to sell new crop months here. Yet it is well to mark the fact that at the present level prices are so low that bears begin to be more cautious, fearing that something may happen to the crop during July or August. In a nutshell, however, trade is so poor, speculation so dull and the crop prospects so much better than they were that hardly anybody seems inclined to take the aggressive on the bull side, while on the other hand prices are relatively so low, statistics seem so strong, the short interest so large and the chances of evil befalling the crop during July and August so great that even those who are most bearish in their convictions are becoming more and more wary in their trading. Texas is sending reports of hot winds. The short interest here is large. Bad crop news might easily stampede it for a 20 or 30 points rise.

Spot cotton was quiet and unchanged. Middling, 11.20c. The Southern spot markets were quiet and unchanged. Middling—Galveston, 11c.; Mobile, 11c.; Savannah, 10⅞c.; Charleston, 11c., and Augusta, 11⅜c.

The movement was as follows:

	Yesterday.	Last week.	Last year.
Port receipts	4,061	4,387	1,651
Since September 1	8,258,834	....	9,821,869

The estimated receipts were as follows:

	To-day.	Last week.	Last year.
Houston	1,000-1,300	281	393
Galveston	1,300-2,500	3,650	305
New Orleans	700-1,200	1,247	1,447

Port exports were 585 bales; since September 1 7,212,432, against 8,279,594 last year.

Futures closed 3 to 6 points higher with the tone very steady and the estimated sales 100,000 bales. Prices as follows:

	Opening.	High-est.	Low-est.	Closing.	Prev. close.
July	9.50	9.50	9.42	9.44	9.38
August	9.41	9.41	9.33	9.40	9.35
September	9.35	9.35	9.33	9.36	9.31
October	9.21	9.22	9.15	9.22	9.17
December	9.05	9.08	9.00	9.08	9.03
January	9.02	9.03	8.97	9.02	9.00

New Orleans futures were as follows:

	Opening.	High-est.	Low-est.	Closing.	Prev. close.
July	10.94	10.95	10.94	10.95	10.00
October	9.15	9.22	9.13	9.11	9.21
December	9.05	9.10	9.03	9.10	9.02

In Liverpool spot cotton advanced 7 points. Middling, 6.26d., against 7.15d. last year. Sales, 7,000 bales, including 6,000 American; imports, 1,000 bales, American. Futures advanced 4 to 10 points but lost part, closing 1½ to 7½ points higher. Prices as follows:

	Yesterday.	Prev. day.	Last year.
July-August	5.63½	5.56½	6.77
September-October	5.11	5.07	6.56
November-December	4.97½	4.95	6.45
January-February	4.92½	4.90½	6.42½

MISCELLANEOUS MARKETS.

Coffee Firmer—Provisions Up—Packers Buying.

A firmer tone characterized coffee, though as the trading was light there was no marked change in prices. The European markets were easier and Europe sold here to some extent, while there was more or less local liquidation. The receipts, too, have increased of late and the spot market continues dull. But for all that there was sufficient buying by local dealers and roasters to cause a small advance on most months.

Spot coffee was quiet. Rio No. 7, 6¼c. Futures closed unchanged to 5 points higher, with the tone steady and the sales 15,250 bags. Havre declined ⅛ franc. Hamburg was unchanged to ⅛ pfg. lower. Rio was unchanged; receipts, 6,000 bags; stock, 333,000. Santos was unchanged to 50 reis lower; receipts, 27,000 bags; stock, 730,000. Sao Paulo receipts, 30,000 bags; Jundiahy, 27,500. Prices as follows:

	Opening.	High-est.	Low-est.	Closing.	Prev. Close.
July	6.05	6.05	6.05	6.00	6.00
September	5.95	5.95	5.95	5.95	5.95
October	....	....	....	5.90	5.90
December	5.95	5.95	5.95	5.90	5.90
January	....	....	....	5.90	5.90
March	6.00	6.00	6.00	5.95	5.95

PROVISIONS.—Lard was firm. Prime Western, $9.60; refined Continent, $9.90; South American, $10.35. Pork was steady; mess $17@$17.25. Tallow quiet; city, 5 7-16c. Butter—Creamery, extras, 22½c. Cheese—State, f. c., small, fancy, 10c.; large, 10½c. Eggs—Western firsts, 17½@18½c. Chicago, July 9.—"Provisions not only ignored the lower market for hogs and corn, but developed further strength under the leadership of ribs, for which there was a good demand. Packers credited with considerable buying; the whole list advanced and closed firm. Most of the selling was by smaller packers and at times scarce. Cash trade in meats very good. Cudahy bought. Shippers bought September ribs." Prices were as follows:

	Opening.	High-est.	Low-est.	Closing.	Prev. Close.
Lard:					
July	9.40	9.40	9.37½	9.40	9.37½
Sept	9.45	9.52½	9.45	9.50	9.45-7½
Oct	9.52½	9.60	9.52½	9.55	9.55
Ribs:					
July	8.67½	8.72½	8.67½	8.72½	8.62½
Sept	8.72-7½	8.85	8.72½	8.82½	8.75
Oct	8.85	8.92½	8.85	8.90	8.82½
Pork:					
July	15.57½	15.65	15.57½	15.65	15.52½
Sept	15.72½	15.85	15.72½	15.85	15.72½
Oct	15.90	15.90	15.82½	15.90	15.75

SUGAR.—Raw was firm. Centrifugal 96 test, 4.29@4.42c.; Muscovados 89 test, 3.89@3.92c. Sales to New Orleans, 10,000 bags, cubes prompt shipment equal to 4.42c. for 96 test. Refined was fairly active and firm. Granulated, 5.30@5.40c.

NAVAL STORES.—Spirits of turpentine, 42c. Common to good strained rosin, $3.20.

STATE BANKERS' CONVENTION.

President Warren Condemns the Plan to Insure Bank Deposits.

FRONTENAC, N. Y., July 9.—The New York State bankers' convention opened today with a large number present. President C. E. Warren of New York city in his speech condemned the plan to insure deposits as tending to make all banks careless. The bill to liquidate failed banks was approved and the panic was laid to the destruction of railroad credit.

Alexander Gilbert, president of the New York Clearing House Association, addressed the convention, saying that business conditions ought to be as good in December of this year as in December, 1905. The new currency law, he said, will not prevent future panics nor will it increase the currency, but more credit, with a stop to over-speculation, will assist greatly. The panic, he said, was not chargeable to railroad rates or to the utterances of prominent men, but was a world wide condition rapidly improving.

David H. Pierson, cashier of the Bank of Manhattan County, New York, and Hiram R. Smith of Long Island were elected to the American Bankers Association to represent the New York State Bankers Association.

WIDENER SUBPŒNAED,

As He Lands From the Adriatic, to Testify in Metropolitan Case.

P. A. B. Widener of Philadelphia, who arrived yesterday by the White Star liner Adriatic, was served by United States Deputy Marshal Joseph J. Kumb with a subpœna as he was leaving the pier. The subpœna directed Mr. Widener to appear on August 3 before Judge Lacombe in the suit brought by the receivers of the New York City Railway Company against the Metropolitan Securities Company. Mr. Widener boarded his yacht, the Josephine, at the pier, and with his sons, George D. and Joseph, and his grandson, H. L. Widener, started for Philadelphia.

People's National Bank Soon to Open in Brooklyn.

All the stock for the new People's National Bank in Brooklyn has been subscribed and it is expected that the institution will be opened for business within a month. The office will be at 1334-1336 Broadway. George W. Spence, formerly head of the People's State Bank, has been chosen president.

MARINE INTELLIGENCE.

MINIATURE ALMANAC THIS DAY.

Sun rises....4:34 | Sun sets....7:28 | Moon sets...1:32

HIGH WATER THIS DAY.

Sandy Hook..3:38 | Gov. Island..4:10 | Hell Gate....6:03

Arrived—THURSDAY, July 9.

Ss Adriatic, Southampton, July 1.
Ss Umbria, Liverpool, July 1.
Ss Eugenia, Venice, June 15.
Ss Hotham Newton, Cardiff, June 23.
Ss Florida, Havre, June 25.
Ss Anglo-Mexican, Montevideo, June 12.
Ss Caslida, Buenos Ayres, May 24.
Ss Banes, Baracoa, July 4.
Ss Crown of Navarre, Trinidad, July 1.
Ss Altai, Inagua, July 5.
Ss Mexican, Halifax, July 6.
Ss Phonix, Tilt Cove, July 2.
Ss Antilles, New Orleans, July 4.
Ss Beacon Light, Philadelphia, July 5.
Ss Jefferson, Norfolk, July 8.
Ss Chesapeake, Baltimore, July 7.

ARRIVED OUT.

Ss Rotterdam, at Boulogne from New York.
Ss La Lorraine, at Havre from New York.
Ss Hamburg, at Cherbourg from New York.
Ss Barbarossa, at Bremen from New York.
Ss Iroquois, at London from New York.

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