

FINANCIAL.

Washington Loan & Trust Co. OFFICE COR. 7TH AND F STS. PAID-UP CAPITAL, \$1,000,000.

PRICES BREAK BADLY

Some Stocks Reach Lowest Level in Years.

NO REAL CAUSE FOR DECLINE

Speculators Assist in Beating Down Some Lines—Amalgamated Copper and Union Pacific Among Those Affected—Almost Without Exception, Closing Prices Are Weakest of All.

New York, Jan. 18.—Greater declines in prices occurred today in the stock market than on any previous day in the week or in the year. The intensity of the fall was only equaled on a few occasions in the closing months of last year. Indeed, several stocks fell to lower levels than they have done at any time for a year back. Closing prices were almost without exception at the lowest of the day, and the Amalgamated Copper shares sustained a net loss of 3 1/2 points, Union Pacific 5 1/2, Southern Pacific 1 1/2, Atchafalpa common 1 1/2, Reading 4 1/2, and 7 1/2 Northern Pacific, Great Northern preferred 5 1/2, Pennsylvania 1 1/2, United States Steel common 1 1/2, Canadian Pacific 2, and so on throughout the list. Transactions were over 1,500,000 shares.

The peculiarity of the market was that the fall seemed due to no special cause, and although it was largely accelerated by the work of speculators for the decline, it was undoubtedly characterized by a great amount of actual liquidation, which in the last few minutes of the dealings was conducted without regard to price and was manifestly in the nature of an enforced selling.

Hope for New Steel Dividend.

While there has been no general opinion recently that the next dividend on Steel common would be advanced, hopes concerning this have undoubtedly been prevalent in certain ultra-speculative circles. The greatly increased earnings of the United States Steel Corporation, like those of the Amalgamated Copper Company, have been a matter of common knowledge, and when such profits accrue there are many people in Wall street whose reflections concerning the matter always assume the form of anticipations of an enlarged dividend distribution.

Just as it is known to be the desire, however, of the Amalgamated Copper managers to build up a large cash surplus for their company, and to act conservatively in the matter of distributing their profits, so it is the well-known and, indeed, formally announced determination of the directors of the United States Steel Corporation to apply a large portion of their earnings for the construction of additional steel producing plants rather than to borrow money for this purpose. It would be surprising if, before the great new plant of the United States Steel Corporation at Gary, Ind., were erected, bonds of the corporation should not be issued to provide funds in building it; but to a certain extent the work there will admittedly be paid for out of the earnings.

From every conservative point of view, this policy is wise and salutary, and such unquestionably will be the permanent conclusion that Wall street will arrive at regarding it.

An underlying reason for the weakness of the market recently, so far as can be assigned, is, perhaps, disappointment by speculators for the rise, and others over the failure of the market to meet any pronounced resiliency upon the ease that has come about in the money situation, and in the prospect for the prevalence of relatively low rates for the use of money for a considerable time to come. This disappointment seems to be felt not only in our own, but in the London market. Money is really becoming easier than optimistic observers had anticipated, and it is with difficulty maintaining its discount rate at the figure of 5 per cent, which it has just been lowered, while here cash is so plugging up that the majority of the week gain by the banks during the week running over \$14,000,000—as to result to-day in the lowest rate for call money for a month, and in a further reduction of the rate for time deposits. The money was obtained to-day for nearly all the long periods on fair collateral at 5 1/2 per cent.

Money Rates Below Normal.

The meaning of all this is that investors who have been flattering themselves that they could readily put out their money at 6 per cent interest, find that it is no longer possible to do so; and it would be very surprising if the fact does not in due time begin to exert its normal and legitimate influence upon Wall street values. Some signs of this influence are already evident in the bond market.

However bright about, there was no question as to what really happened in today's stock market. There was an enormous unloading of stocks held by cliques and large and small speculators for the rise, and under this the market rose in its last quarter of an hour almost demoralized. This was the result of money which is invariably in an hour almost as abundant as it is in a day. It is with difficulty maintaining its discount rate at the figure of 5 per cent, which it has just been lowered, while here cash is so plugging up that the majority of the week gain by the banks during the week running over \$14,000,000—as to result to-day in the lowest rate for call money for a month, and in a further reduction of the rate for time deposits. The money was obtained to-day for nearly all the long periods on fair collateral at 5 1/2 per cent.

WEEKLY BANK CLEARINGS.

Totals for Two Weeks, with Increase or Decrease from Last Year.

Table showing weekly bank clearings for various cities including New York, Boston, Philadelphia, and others, with columns for January 1907 and January 1906.

We ask for advertisements only on the merits of The Washington Herald as being the best morning advertising medium in the city of Washington.

NEW YORK STOCK MARKET.

Quotations furnished by Charles G. Gates & Co., members New York Stock Exchange, Munsey Building.

Table of stock prices for various companies including American, Union Pacific, and others, with columns for bid and asked prices.

CURB MARKET.

Quotations furnished by E. R. Chapman & Co., members New York Stock Exchange, 130 F street northwest, G. Bowin Chapman, manager.

Table of curbside market prices for various commodities and stocks.

GOVERNMENT BONDS.

New York, Jan. 18.—Closing quotations of United States government bonds.

Table of government bond prices for various terms and maturities.

MISCELLANEOUS BONDS.

New York, Jan. 18.—Stock exchange bond transactions.

Table of miscellaneous bond prices for various companies and issues.

BOSTON STOCKS.

Quotations furnished by E. R. Chapman & Co., members New York Stock Exchange, 130 F street northwest, G. Bowin Chapman, manager.

Table of Boston stock prices for various companies.

NEW YORK MONEY.

New York, Jan. 18.—Money on call to-day opened at 3 1/2 per cent; highest, 3 1/2; lowest, 3 1/2; closing, 3 1/2.

Table of New York money market rates for various terms and instruments.

WALL STREET NOTES

Pounding of Union Pacific Feature on Exchange.

NEED FOR MONEY RUMORED

Some Brokers, However, Believe No Handle Deals—Delaware and Hudson Talked About—Need Equipment.

New York, Jan. 18.—The pounding of Union Pacific, which was a notable feature of yesterday's market, continued today with unabated vigor. The reason assigned for it was that the company was to be under the necessity of issuing notes, or other obligations, to complete the payment for the stocks of other roads acquired since June 30, 1906, and which, according to the testimony of Comptroller Mahl before the Interstate Commerce Commission, amounted to \$100,000,000 par value. The street roughly estimates the actual cost of these securities at something like \$150,000,000, and argued that it would be necessary to raise anywhere from \$20,000,000 to \$100,000,000 to complete the payment. In some quarters there was talk of an issue of short-term notes, and in others of a sale of the \$100,000,000 preferred stock authorized a few years ago and not yet issued. In the best quarters this story is regarded as a mere bluff, but with the general statement that there is no intention of raising any new capital at present.

According to the statement made by Mr. Mahl, the stocks acquired by the Union Pacific and Oregon Short Line since the beginning of the present fiscal year were purchased without involving the necessity of borrowing any money, which possibly implied that the holdings of the Hill stocks remained unsold at the time of the making up of the company's annual report, have since been disposed of, while there is also the factor of the amount of money that was held by the Oregon Short Line before the purchases were made. Some brokers, however, are of the opinion that no financing will be necessary on account of these operations at any time, and others are of the opinion that the terms of purchase were such that the company will be able to pay for the stock in more favorable conditions in the money market before making permanent arrangements, and in general, the belief prevailed that the whole story was put out by the bear party for the sake of its inevitable influence on the market.

WASHINGTON STOCK MARKET.

Sales—Regular call, 12 o'clock noon.

Table of Washington stock market activity, including sales and prices for various securities.

BONDS.

The following are the closing quotations on yesterday's local exchange.

Table of bond prices for various issues and maturities.

GAS BONDS.

Wash. Gas Co. 4s, 100 104

RAILROAD BONDS.

Capital Traction 4s, 100 104

MISCELLANEOUS BONDS.

Merchants' Loan 4s, 100 104

MISCELLANEOUS BONDS.

Capital Traction 4s, 100 104

Western roads than elsewhere, this embracing the Hill issues, St. Paul, Chicago and Northwestern, and Minneapolis, St. Paul and Saulte Ste. Marie. The reason given for the liquidation in this group was that certain Western plungers, who had their resources curtailed by the decline in the Hill stocks in December, were compelled to resort to liquidation, their holdings being said to include some of all the stocks of roads operating in the Northwest section of the country. But from whatever source proceeding, it was evident that there was liquidation in all this group, and that it was not unexpected or evident from the fact that from the opening of the market almost every trader had a bear tip on some one or more of these stocks. Great Northern Ore being apparently the favorite bear card, while St. Paul was by no means slighted in that respect.

Linked with the bearish tips on Great Northern Ore was United States Steel, and this stock was relentlessly hammered from start to finish, with the net result a decline of 1 1/2 points on the day. Apparently there was liquidation of stock bought some weeks ago in the expectation of an increase in the dividend rate at the end of the current month—a sort of hope that never received encouragement in the best quarters. There is no longer any anticipation of an increase of the rate, while the management's policy of putting earnings above the requirements of the present 2 per cent distribution into betterments being generally recognized in view of the money situation, which offers little encouragement to the raising of new capital, however attractive the purposes to which it might be applied.

Had the public been in the market to any great extent, the break in prices, had as it was, might have been much worse. Liquidation came mostly from the class of large professional or semi-professional operators, many of whom were merely suffering a loss of part of the large profits they had previously made on the long side of the market. The decline brought the usual crop of rumors of a change in the management of the company, as on all similar occasions in the past to run to extremes, and some of the intimations heard were exceedingly grotesque.

Money was in good supply during the day, making up the deficit of the previous day, and the current market indicated a gain by the banks of upward of \$100,000,000 on the week. Eagerness to place time loans was not the least interesting feature of the day. Some brokers, however, are of the opinion that no financing will be necessary on account of these operations at any time, and others are of the opinion that the terms of purchase were such that the company will be able to pay for the stock in more favorable conditions in the money market before making permanent arrangements, and in general, the belief prevailed that the whole story was put out by the bear party for the sake of its inevitable influence on the market.

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LOCAL FINANCIAL GOSSIP.

The pressure on the Washington Railway stocks eased up yesterday, and the list was entirely neglected until after call, when there was some trading in Washington Railway and Electric preferred on a declining scale. Some attention was paid bank stocks; otherwise the business of the day was largely confined to Mitchell Mining shares.

At times much joking goes on while the board is in session, and yesterday was no exception to the rule. While Washington Gas was under call some one made a very low bid, and a member of the board promptly remarked: "That must be an accident," which, judged by the general laugh that followed, must have been considered a pretty good hot mot.

The Mitchell Mining was under fire for the fact looked out that brokers had orders on the floor to buy this stock, aggregating 5,000 shares, at a top price of 5 1/2. None of it was to be had at that price, but there were trades of 200 at 5 1/4 and options of 700 at 5 1/2.

OPINIONS ON THE NEW YORK MARKET.

Thomas L. Hume, president of the Washington Stock Exchange—"The urgent desire to sell stocks was renewed yesterday, and prices sank continuously, with an abrupt and panicky decline at the close. That such a spasm of liquidation has failed to improve the complexion of the market is unusual and discouraging, and would imply that further liquidation is inevitable. The improving money conditions appear to be accepted by the market as the reason for reducing their holdings, although doubtful rumors involving the solvency of certain stock exchange houses are offered in explanation of the decline. The market is legitimately to be substantiated rally, but the ventures are dangerous, and those without commitments are fortunate."

Herbert L. Jones, of Charles G. Gates & Co.—"People who bought stocks yesterday and those who buy today are in a bad way. If one comes, will not have long to wait for good profits. The market is nearing the bottom and a further decline is likely to-morrow morning through the first hour or so, but a sharp rally is overdue and should ensue during the day. Good stocks are a buy on any further increase. The bank statement will show large increase in the surplus reserve."

G. L. Edmunds, of Dick Brothers & Co.—"The market showed renewed selling pressure and the rallies were small. Weakness appeared first in the Steel stocks and Union Pacific. Copper was a weak trade in St. Paul, which reacted to 1 1/2, or about nine points below its high point. Union Pacific also broke to a new low record on this market. The large gain in cash by the banks this week would indicate a favorable bank statement. Rumor after rumor of the most alarming character was circulated in the course of the afternoon, but counteracting news of any sort was unobtainable."

NEW YORK PRODUCE.

New York, Jan. 18.—SUGAR—There was little demand in the London sugar beet market with a quiet bid at 8 1/2 for January and February. The local sugar market was about steady and unchanged for raw and steady and fairly active for refined in the way of deliveries on older grades, but new business was moderate.

COTTON MARKET.

Quotations furnished by Dick Bros. & Co., members of the New York and New Orleans Cotton Exchange, 142 H street northwest. 'Phones main 646-647.

NEW ORLEANS.

January 18, 1907. Open, High, Low, Close.

SPOT MARKETS.

Receives, Shipments, Stock, Midds, Sales.

GRAIN MARKETS.

Quotations furnished by Charles G. Gates & Co., members Chicago Board of Trade, Munsey Building.

WHEAT.

Chicago, Open, High, Low, Close.

bay, 13.00 to 16.00; clover, 12.00 to 15.00; straw, rye, bundle, 11.00 to 12.00; rye, machine thresh, 4.50 to 5.00; wheat, 7.25.

PRODUCE IN BALTIMORE.

Baltimore, Jan. 18.—FLOUR—Market was quiet. Winter extra, 2.90; winter patent, 3.10; winter straight, 3.20; winter patent, 3.30; winter patent, 3.40; winter patent, 3.50; winter patent, 3.60; winter patent, 3.70; winter patent, 3.80; winter patent, 3.90; winter patent, 4.00; winter patent, 4.10; winter patent, 4.20; winter patent, 4.30; winter patent, 4.40; winter patent, 4.50; winter patent, 4.60; winter patent, 4.70; winter patent, 4.80; winter patent, 4.90; winter patent, 5.00; winter patent, 5.10; winter patent, 5.20; winter patent, 5.30; winter patent, 5.40; winter patent, 5.50; winter patent, 5.60; winter patent, 5.70; winter patent, 5.80; winter patent, 5.90; winter patent, 6.00; winter patent, 6.10; winter patent, 6.20; winter patent, 6.30; winter patent, 6.40; winter patent, 6.50; winter patent, 6.60; winter patent, 6.70; winter patent, 6.80; winter patent, 6.90; winter patent, 7.00; winter patent, 7.10; winter patent, 7.20; winter patent, 7.30; winter patent, 7.40; winter patent, 7.50; winter patent, 7.60; winter patent, 7.70; winter patent, 7.80; winter patent, 7.90; winter patent, 8.00; winter patent, 8.10; winter patent, 8.20; winter patent, 8.30; winter patent, 8.40; winter patent, 8.50; winter patent, 8.60; winter patent, 8.70; winter patent, 8.80; winter patent, 8.90; winter patent, 9.00; winter patent, 9.10; winter patent, 9.20; winter patent, 9.30; winter patent, 9.40; winter patent, 9.50; winter patent, 9.60; winter patent, 9.70; winter patent, 9.80; winter patent, 9.90; winter patent, 10.00; winter patent, 10.10; winter patent, 10.20; winter patent, 10.30; winter patent, 10.40; winter patent, 10.50; winter patent, 10.60; winter patent, 10.70; winter patent, 10.80; winter patent, 10.90; winter patent, 11.00; winter patent, 11.10; winter patent, 11.20; winter patent, 11.30; winter patent, 11.40; winter patent, 11.50; winter patent, 11.60; winter patent, 11.70; winter patent, 11.80; winter patent, 11.90; winter patent, 12.00; winter patent, 12.10; winter patent, 12.20; winter patent, 12.30; winter patent, 12.40; winter patent, 12.50; winter patent, 12.60; winter patent, 12.70; winter patent, 12.80; winter patent, 12.90; winter patent, 13.00; winter patent, 13.10; winter patent, 13.20; winter patent, 13.30; winter patent, 13.40; winter patent, 13.50; winter patent, 13.60; winter patent, 13.70; winter patent, 13.80; winter patent, 13.90; winter patent, 14.00; winter patent, 14.10; winter patent, 14.20; winter patent, 14.30; winter patent, 14.40; winter patent, 14.50; winter patent, 14.60; winter patent, 14.70; winter patent, 14.80; winter patent, 14.90; winter patent, 15.00; winter patent, 15.10; winter patent, 15.20; winter patent, 15.30; winter patent, 1