

When Will Business "Come Back?"

"... our burden is very light compared with that of the rest of the world."

"A great deal has been written as to when business will come back. We believe that business will show a declining tendency until practically all commodities are freely reaching the ultimate consumer on a materially lower, stabilized level."

"The tremendously strong present underlying position of the country leads us to believe that after this low point has been reached, business, on a firm, moderately profitable basis, will come back quickly and that we will not have a long period of stagnation."

"Keeping in mind the wealth of raw materials possessed by the United States, its wonderful industries and utilities, its strong financial condition, and above all the good sense and business ability of its citizens, we unreservedly recommend the purchase of its strong, basic investments now."

These remarks are quoted from our general review of the present situation, "Buy Basic Investments Now." Free upon request.

Ask for Circular HD-1655

OTIS & CO.

49 Broad St., N. Y.

Members N. Y., Chicago, Boston, Cleveland, Detroit Stock Exchanges, N. Y. Cotton Exchange, Chicago Board of Trade.

Correspondence Invited

We invite correspondence on Stock Market commitments and all investment subjects.

Frequent analytical reports issued and mailed gratis.

Special weekly Cotton letter and Grain review sent upon request.

E. W. Wagner & Co.

Established 1887.

Members N. Y. Stock Exchange, N. Y. Cotton Exchange, Chicago Board of Trade

33 New Street (Ground Floor) New York

208 So. LaSalle St., CHICAGO

15 East 44th St. Branches: Mad. Ave. & 120 St. 26 Court St., Brooklyn.

Aldred & Co.

40 Wall Street New York, N. Y.

Corporation Financing

Floyd-Jones & Robison

composed of W. Chauncey Floyd-Jones, William Robison and Charles Badgley, has this day been dissolved by mutual consent.

New York, January 1st, 1921.

The Firm of

Floyd-Jones, Vivian & Co.

composed of W. Chauncey Floyd-Jones, Leslie L. Vivian, Roy A. Floyd-Jones, Ulysses D. Cutting, William W. Blatchford, Jr., General Partners and Wallace D. Eyre Special Partner, has this day been formed for the transaction of a general business in stocks, bonds and investment securities, with offices at No. 15 William Street, New York.

New York, January 1st, 1921.

MEMBERS NEW YORK STOCK EXCHANGE Telephone Broad 3352.

RUBBER INDUSTRY MOVEMENTS MIXED

Prices and Volume of Business During Last Year Irregular, Says S. P. Colt.

VALUES NOW DEPRESSED

Predicts Trade Will Advance Gradually to Healthy and Satisfactory State.

In perhaps no other line of industry were movements of prices and volume of business more mixed in 1920 than in the rubber industry. For the first half of the year inflation in progress in the industry since the signing of the armistice was at its very peak. Then came the slump in prices and orders and the recession was far more rapid than the advance had been. As a result crude rubber, cotton fabrics and other supplies are selling for less than half what they were selling for six months ago and in many instances below their production costs.

Col. Samuel P. Colt, chairman of the United States Rubber Corporation, in a review of the rubber industry for the year declares that 1920 has been a most eventful one in that business. He adds, however, that the rubber business, in his opinion, will reach gradually a healthy plane, which will be satisfactory to both producer and consumer.

"The curtailment of manufacturing in the United States during the last six months of 1920," he said, "together with the fact that Central Europe and Russia are still in no position to absorb any large quantities of crude rubber, has produced a surplus of this commodity which has resulted in abnormally low prices. Every grade of rubber is to-day selling at figures well under the cost of production. Should prices continue below the cost of production for any length of time, it will necessarily materially decrease the world's production of crude rubber, and what will ultimately have an even greater effect, it will almost stop new planting. The price of crude rubber (first crop) in 1920 has ranged from 55 cents high to 16 1/2 cents low, the latter being the present price.

"In the footwear fields, due to the unprecedented war demands, as well as the extreme weather conditions of last year, the capacity of the industry has been absorbed in 1920 without undue accumulations of stocks, and it is believed that with even moderately favorable weather conditions the volume of business in 1921 will be at least normal."

"The demand for mechanical rubber goods was excessive during the first nine months of the year, but the efforts on the part of the industry to reduce inventories has caused a slackening of that particular branch of the rubber business during the last three months, which condition will probably continue during the early months of 1921, but it is confidently expected that during the year there will be considerable demand caused by the liquidation that has been going on of visible stocks."

"Automobile manufacturers especially felt the curtailment and there was an overproduction of pneumatic tires which, with the necessity for reducing dealers' and manufacturers' stocks, has demoralized the trade, but not, I think, to the extent generally supposed. Those companies, however, whose principal products are tires, have suffered most. We already see some improvement in the tire trade. Those who take a dependent view of the tire business for 1921, I feel, fail to realize the large proportion of automobiles that are used for business purposes and the relatively small number for pleasure. To meet hard times one may wear his old clothes, but he cannot run his automobile or auto truck."

on bare wheels. I predict that there will be more tires consumed in 1921 than there were in 1920 or in any previous year in the history of the world.

"The continued high and increasing value of the United States dollar, with the necessary corresponding increase in the selling price of American goods in foreign countries and the scarcity and occasional complete lack of exchange, have put a burden upon the export business which has made it extraordinarily difficult to finance, and require an excessive amount of capital, difficult in many cases to obtain. I am, however, optimistic as to the future of our foreign trade and the ultimate restoration of new levels in exchange, which, while far from normal, will be reasonably steady and permit the interchange of goods with foreign countries."

"Outstanding accounts receivable from customers of the United States Rubber Company on November 30, 1920, show an increase of 36 per cent. over December 31, 1919, while the sales for eleven months to November 30 show an increase of 29 per cent. over the same period last year. This would indicate that our collections have not been as good as in normal years. The provisions for bad debts for the eleven months were \$511,722, against \$471,933 for the same period a year ago. Considering the increased business the ratio is no greater in 1920 than in 1919."

'CHANGE SEATS SELL AT HIGHEST IN 1920

Range Is From \$115,000 to \$77,500 at Close.

Seats on the New York Stock Exchange sold during 1920 for their highest prices in the history of that market. The high record of \$115,000 was established early in the year—on January 15—and from that time to the close of the year the recession was gradual until the day before Christmas when a sale of one for \$77,500—the lowest mark of the year—was recorded. Even at that low point, however, the price at the close of 1920 was higher than ever before in the history of the Exchange, excepting 1919, when the prices ranged between \$68,000 and \$100,000.

During the last year sixty-seven memberships in the Exchange changed hands for between \$77,500 and \$115,000, although the average price for the year was considerably more than \$90,000. Following the big bull market of 1919 commission business was booming, and in the early days of 1920 plenty of money was available in Wall Street for the purchase of Stock Exchange seats. The result was a demand which the limited supply of seats offered for sale failed to satisfy and consequently the price mounted to the record figure. As the bear market of the year progressed, however, and business declined, the demand became smaller, although offerings of seats for sale increased. The result, of course, was a downward trend of prices, which culminated in the lowest figure of the year on December 24.

The range of prices of seats on the Exchange for the last nine years has been as follows: 1920, \$115,000 high, \$77,500 low; 1919, \$110,000 high, \$68,000 low; 1918, \$85,000 high, \$49,000 low; 1917, \$70,000 high, \$45,000 low; 1916, \$70,000 high, \$50,000 low; 1915, \$74,000 high, \$58,000 low; 1914, \$55,000 high, \$34,000 low; 1913, \$55,000 high, \$37,000 low; 1912, \$74,000 high, \$55,000 low.

STOCK EXCHANGE SALES.

Table showing New York Stock Exchange rates week ended December 31, 1920. Includes columns for Date, Total, and Year to date.

SALES OF STOCKS IN THE NEW YORK STOCK EXCHANGE

Large table listing sales of various stocks including Southern Pacific, Southern Railway, Standard Oil, etc. Columns include Range 1920, Div. Yld., Div. Sales, High, Low, Last, and Net Chgs.

NOTE—Odd lot transactions are not recorded in separate line unless sales were made at prices outside of the regular full lot range.



THE CONSOLIDATED STOCK EXCHANGE of NEW YORK

The Second Largest Stock Exchange in the United States in Volume of Stock Transactions

THE remarkable growth in size and importance of the Consolidated Stock Exchange of New York since the days of its infancy as The New York Mining Exchange, 43 years ago, is due primarily to the splendid opportunities offered small operators and investors.

Beginning with only twenty-five Charter Members, the Exchange grew rapidly, absorbing four other organizations within the first ten years.

Within a year of this consolidation the volume of business totaled 41,675,170 shares, and the following year, 1887, the sales increased over six million. In 1906 the transactions totaled 91,346,000 shares, and at the present time the volume of business is enormous.

The universally used Clearing House System, originated and perfected in this Exchange in 1883, renders the members invaluable service at a minimum cost.

The Consolidated Stock Exchange, in conjunction with its efficient Clearing System, handles the tremendous odd lot business of its members with ease and expedition, in nowise interfering with handling and clearing the transactions in large lots. It thus fills the essential and important role of giving equal time and attention to the orders of both small and large dealers.

A growing realization of the value of the Exchange's facilities to Members and their Customers has resulted in an increasing demand for Exchange Memberships. Memberships, from time to time offered for sale by retiring Members, or Memberships of deceased Members, can be obtained through the Secretary's Office. To men of large or moderate capital no other field offers so great an opportunity.

- WILLIAM S. SILKWORTH President
S. A. LUTHER Second Vice President
O'CONNOR de CORDOVA First Vice President
J. E. LYNCH Secretary
JOHN E. HOEY Treasurer
VALENTINE MOTT Chairman
BOARD OF GOVERNORS: R. W. Betts, R. Tracy Falk, R. G. Latham, Leo. Spingarn, John Brennan, L. Gilbough, G. W. Liebmann, W. E. Valentine, J. D. Dautel, James A. Gillies, S. A. Luther, W. K. Varcoe, O'Connor de Cordova, W. S. Hautau, T. B. Maloney, Mortimer H. Wagar, Samuel Dorning, Marcus Heim, J. A. O'Regan, W. L. S. Webster, P. J. Eichele, John E. Hoey, W. S. Silkworth, L. B. Wilson