A. T. & T. NET IN 1920 ROSE TO $51,821,215

Increases Profits in Spite of $23,000,000 Advance in Expenses, Says Report.

EARNINGS $11.70 A SHARE

Thayer Predicts Best Service of Bell System During Coming Year.

Although expenses of the American Telephone and Telegraph Company in 1920 were more than $23,000,000 higher than those of 1919, its income was increased in much greater proportion, and consequently the results of last year's operation were an increase in net profits from $44,395,791 to $51,821,215, equivalent to $11.70 a share earned on $443,825,000 of its capital stock outstanding, in contrast to $10.04 a share in 1919.

The following table shows the principal items of the income account and balance sheet for 1920 compared with those of 1919:

	1920.	1919.
Dividends received	$34,800,466	$16,461,674
Int. and other income	13,115,897	19,953,437
Telephone traffic	56,030,625	5,955,048
Gov. compensation	....	28,132,523
Total income	103,946,988	70,502,682
Expenses	33,260,084	10,259,295
Interest	18,865,689	15,847,596
Balance	51,821,215	44,395,791
Dividends	35,376,793	35,356,334
Contingencies	8,000,000	5,000,000
Surplus	8,444,422	4,039,457
ASSETS.		
Stocks of other companies	$582,436,012	$544,354,252
Bonds and notes of other companies	190,549,044	162,127,134
Telephones	23,876,521	21,287,849
Real estate	3,775,408	3,138,119
Long lines plant	95,136,361	82,178,607
Cash and deposits	26,636,360	27,512,170
Demand notes	7,587,935	12,000,000
LIABILITIES.		
Capital stock	$442,825,400	$441,981,200
Collateral trust 4s	78,000,000	78,000,000
Convertible bonds	14,787,200	15,616,500
Collateral trust 5s	76,461,100	77,434,900
Convertible 6s	48,195,700	48,367,200
Gold notes	90,000,000	90,000,000
Current liabilities	25,048,733	31,470,424
Reserves	67,915,152	47,262,123
Surplus	96,649,961	86,663,742

The great effort made by the company to restore the service where it still suffered from the after effects of the war met with success during the year, according to the remarks of H. B. Thayer, its president, incorporated in the report. "There are good reasons to believe," he added, "that our continued efforts will result in further improvement in the service and that during 1921 the Bell system will give the best and most uniform service it has ever given."

A large construction programme was carried on during 1920, made necessary by the heavy demands for additional telephone service. The execution of that programme, the report points out, was made difficult by the abnormal conditions of the postwar period. In spite of those difficulties the Bell system constructed the necessary plant and stations, representing a net increase of 563,430, the largest number ever added by the system in a year.

The consolidated income account of the Bell system shows total operating revenues of $449,442,115 and net income available for dividends of $47,785,065. The following table shows comparisons between the system's earnings for 1920 and those for seven months of 1919, during which the system was under private control:

	1920.	1919.
T'l operat'g revenues	$449,442,115	$167,969,912
Expenses	375,869,749	135,099,900
Operating income	73,572,366	32,870,012
Other income	11,692,610	4,978,488
Interest, rentals, &c.	37,479,911	14,295,761
Net income	47,785,065	23,552,739
Dividends	39,999,579	16,583,442
Surplus	7,785,486	6,969,197

At the end of the year the number of telephone stations constituting the Bell system in the United States was 12,601,935, of which 8,333,979 were owned by associated companies of the system. In 1920 the increase in the total number of stations in the system was 806,188 and the daily average of exchange and toll connections 33,162,000, an increase of 2,700,000 compared with the daily 1919 average.

In 1920 231,316 employees were in the associated Bell companies. At the close of that year its wire mileage totalled 25,377,404, of which 95.1 per cent. was copper. The number of shareholders in the company at the close of 1920 was 189,448, an increase of 18,988 during that year. The company is third in the list of all American corporations in amount of stock outstanding and is first in the number of holders of common stock and in point of distribution, according to figures in the report.

BUY ONLY NEEDED EQUIPMENT.

Few Large Inquiries From Roads in Circulation.

Although two railroads have received partial payments of the amounts due from the Government under the provisions of the Winslow-Townsend bill the majority of roads, which expect to replenish their equipment accounts through that measure, have not benefited, and it probably will be several weeks before their accounts can be reviewed and certified.

In the meanwhile roads continue to buy only such equipment as is positively necessary, although here and there a few good sized inquiries are in circulation.

Among the inquiries currently reported to the *Railway Age* are those of the Atchison, Topeka and Santa Fe, for ten pacific, fifteen mikado, fifteen mountain and ten Santa Fe locomotives, and the Peking-Suiyuan Railroad for twenty-six locomotives. The American Smelting and Refining Company is inquiring for fifteen ore cars, the Honolulu Iron Works for thirty cane cars, the Carnegie Steel Company for an all steel pay car, and the Honolulu Iron Works Company for 800 tons of light rails and accessories for export to Honolulu.

Orders which have been placed during the week are those of the United Fruit Company for fifty box cars and forty flat cars of twenty tons capacity from the Gregg Company, of the Union Pacific Railroad for fourteen dining cars from the Pullman Company. The Indianapolis Terminal has ordered 500 tons of rails from the Illinois Steel Company.

FOREIGN MARKETS.

LONDON, March 5.—Bar silver, 30⅝d. an ounce; bar gold, 105s. 3d.; money 5¼ per cent. Discount rates—Short bills, 7 per cent.; three months bills, 6 9-16@6⅝ per cent. Gold premiums at Lisbon, 140.

PARIS, March 5.—Prices were firm on the Bourse to-day. Three per cent. rentes, 58f. 52c.; exchange on London, 54f. 40c.; five per cent. loan, 63f. 93c.; the dollar 13f. 93c.

AMERICAN RAILWAYS NET OFF.

The income account for 1920 of the American Railways Company shows a net income, after charges and taxes, of $474,853, equivalent, after preferred dividends, to $1.03 a share earned on $9,460,000 of its comman stock of $50 par value, against a net income of $624,310, or $1.52 a share, in 1919.

BONDS IN STOCK EXCHANGE

SATURDAY, MARCH 5, 1921.

	1921.	1920.	1919.
Day's sales	$5,098,000	$5,529,000	$6,513,000
Year to date	555,371,000	727,329,000	592,014,000

RANGE OF LIBERTY BONDS.

Closing Bid.	Asked.	Yield.	Sales (in $1,000s)		Open.	High.	Low.	Close.	Net Chgs.
91.02	91.10	4.05	84	3½s (1932-47)	91.08	91.10	91.02	91.02	..
86.80	87.14	4.65	..	1st cv. 4s (1932-47)	..	..	..	..	..
86.64	87.00	5.00	6	2d 4s (1927-42)	86.70	86.70	86.56	86.56	—.24
86.92	87.08	5.18	53	1st cv. 4¼s (1932-47)	87.12	87.16	87.00	87.00	..
86.78	86.80	5.27	737	2d cv. 4¼s (1927-42)	86.82	86.84	86.76	86.80	—.14
..	..	..	1	2d 4¼s reg	86.80	86.80	86.80	86.80	+.40
95.50	95.80	..	..	1st-2d 4¼s	..	..	..	..	..
90.20	90.26	5.80	301	3d 4¼s (1928)	90.14	90.26	90.10	90.20	+.06
87.00	87.04	4.37	693	4th 4¼s (1932-38)	87.02	87.06	87.00	87.00	—.16
97.48	97.54	5.80	1,054	Vic. 4¾s (1922-23)	97.50	97.52	97.48	97.48	..
..	..	..	8	Vic. 4¾s reg	97.34	97.34	97.34	97.34	—.02
97.48	97.54	4.77	240	Vic. 3¾s (1922-23)	97.50	97.52	97.50	97.50	—.02
..	..	..	5	Vic. 3¾s reg	97.34	97.34	97.34	97.34	..

United States, Foreign Government, Railroad, Industrial and Other Bonds.

French Rep 8s receipts 5 .97; 1 .96⅞; 18 .97; 3 .96⅞; 6 .97; 4 .97⅛; 2 .97; 2 .97⅛. City of Lyons 6s 3 .76. City of Paris 6s 39 .96. United Kingdm 5½s 1921 22 .99; 5½s 1922 2 .94⅝; 34 .94¾; 5½s 1929 1 .88¾ [illegible]

Dom Canada 5s 1921 2 .99⅜; 2 .99⅝; 5 .99½. Rep of Cuba 5s 1904 2 .79. U S of Mexico 4s 5 .32. Argentine Gv 5s 1 .70. Chilean Gov 8s when issued 80 .99. Japanese 1st 4½s 4 .82¼; 70 .82⅜; 30 s30 .82⅜. Japanese 2d 4½s 19 .82¼; 30 .82⅜ [illegible]

Bell Tel Pa 7s receipts 1 .102¾; 6 .102½. Bkn Rap Tr 7s 2 .43; certificates 1 .42⅛; certificates stamped 8 .30½. Bush Termnl 5s 2 .69½. Bush T Bldg 5s 1 .72½. Can Nor Ry 7s receipts 15 .101½. Cent of Ga 6s 1 .85½. C & O cv 5s 46 15 .82 [illegible]

Erie cv 4s ser D 1 .40½; 1 .41¼. Erie & Jersey 6s 1 .82. Gen Electric 6s 2 .100¼; 3 .100½. Gr Tr Ry Can 7s receipts 8 .101⅜; 1 .101¾. Great Nor 4½s 2 .82. Hud & Man fd 5s Series A 5 .65¼; 1 .65⅛; 1 .65¼; 1 .65⅜; 6 .65¼; 3 .65 [illegible]

N Y Cen 4½s 1 .77½. N Y Cen 3½s 5 .67⅜. N Y Gas El L H & P 4s 2 .67½. N Y Rys fd 4s 12 .18½. N Y Tel deb 6s 5 .89½; 1 .90; 2 .89¾. N Y Tel gm 4½s 3 .79½. Norfolk & W 4s 2 .74. Northern Pac 4s 15 .75⅝; 1 .75⅞. N W Bell Tel 7s 2 .96¾ [illegible]

Seabd A L 6s 5 .47½; 1 .47⅛. Seab A L adj 1 .33¾. Seab A L 4s stamped 1 .53½. South Pac cv 4s 2 .78¼; 5 .78½. South Pac fd 4s 4 .76⅞; 3 .76⅝. So Pac S F ter 4s 2 .71. Southern Ry 5s 2 .84⅞. South Ry gm 4s 3 .58. So Ry S C & G 5½s 4 .80¼. Stand Oil Cal 7s [illegible]

[illegible]

BID AND ASKED QUOTATIONS

N. Y. STOCK EXCHANGE QUOTATIONS.

To the following prices accrued interest is to be added in every case.

FOREIGN BONDS.

[illegible]

UNITED STATES GOVERNMENT BONDS.

[illegible]

CLEARING HOUSE STATEMENT

Average Figures for Week Ended Saturday, March 5, 1921.

MEMBERS OF FEDERAL RESERVE SYSTEM.

[illegible]

State Banks Not Members of Federal Reserve System.

[illegible]

Trust Companies Not Members Federal Reserve System.

[illegible]

Actual Condition on Friday.

[illegible]

Actual Bank Condition.

Changes for week ended Saturday, March 5.

[illegible]

Additional Bank and Trust Company Reports.

For week ended March 4, 1921.

Institutions Clearing Through Members—Average Figures.

[illegible]

Institutions Not in Clearing House—National and State Banks.

[illegible]

Trust Companies—Average Figures.

[illegible]

Condensed Report by State Banking Department.

Summary of State banks and trust companies in Greater New York, not included in Clearing House statement:

Loans, discounts, investments, &c.	$582,720,300	Inc. $5,447,500
Gold	6,874,100	Inc. 50,800
Currency and bank notes	16,527,800	Inc. 86,300
Deposits with Federal Reserve Bank of New York	48,194,200	Dec. 2,221,300
Total deposits	605,624,900	Inc. 2,445,600
Do—eliminating amounts due from reserve depositaries and from other banks and trust companies in New York city and United States deposits	565,770,400	Inc. 11,576,100

RESERVE.

	State banks.	P.C.	Trust co's.	P.C.
Cash in vault	$25,710,400	16.05	$45,885,700	13.53
Deposits in banks and trust companies	9,226,200	05.76	20,689,500	06.09
Total	$34,936,600	21.81	$66,575,200	19.62
Aggregate reserve on deposits	$101,511,800		Dec. $4,012,400	
Per cent. of legal reserve	20.3		....	

FEDERAL RESERVE BANK STATEMENT

Liquidation of $65,000,000 of Discounted Bills and Other Earning Assets Shown.

Special Despatch to THE NEW YORK HERALD.

New York Herald Bureau, Washington, D. C., March 5.

Aggregate liquidation of about $65,000,000 of discounted bills and other earning assets and reductions of $34,000,000 in net deposits and $9,100,000 in Federal Reserve note liabilities, as against a further increase of $22,700,000 in gold reserves and of $18,800,000 in total cash reserves, are indicated in the Federal Reserve Board's weekly bank statement for the week ended on March 4. In consequence of those changes the reserve ratio shows a rise for the week from 49.9 per cent. to 50.8 per cent., the highest ratio published since Sept. 26, 1919.

Bills secured by Liberty and other United States bonds show an increase of $21,400,000 and other classes of discounted bills substantial reductions; bills secured by Victorys, $18,000,000; bills secured by Treasury certificates, $25,600,000, and other discounted bills, $32,600,000. Acceptances on hand show a decline of $6,500,000, and Treasury certificate holdings fell off $3,800,000. Total earnings assets accordingly show a decline for the week from $2,854,100 to $2,789,100, against $3,216,000 reported on March 5 of last year.

The following table shows the condition of the twelve banks in the reserve system at the close of yesterday's business, at the close of business on February 25 and at the close of business on March 5, 1920:

RESOURCES.

	March 4, 1921.	Feb. 25, 1921.	March 5, 1920.
Gold and gold certificates	$234,353,000	$217,335,000	$180,162,000
Gold settlement fund—F. R. Board	526,499,000	530,104,000	389,632,000
Gold with foreign agencies	......	......	112,822,000
Total gold held by banks	$760,852,000	$747,439,000	$682,316,000
Gold with Federal Reserve agents	1,236,560,000	1,234,181,000	1,138,690,000
Gold redemption fund	165,678,000	158,693,000	116,071,000
Total gold reserves	$2,163,090,000	$2,140,313,000	$1,937,077,000
Legal tender notes, silver, &c.	212,673,000	216,686,000	117,553,000
Total reserves	$2,375,763,000	$2,356,999,000	$2,054,630,000
Bills discounted—	[illegible]	[illegible]	[illegible]

[illegible]

LIABILITIES.

[illegible]

THE NATIONAL CITY BANK
OF NEW YORK
AND BRANCHES

CAPITAL, SURPLUS and UNDIVIDED PROFITS $106,982,975.99

Head Office 55 Wall Street New York

Condensed Statement of Condition as of February 21, 1921

ASSETS

CASH on Hand, in Federal Reserve Bank, due from Banks, Bankers and U. S. Treasurer	$302,590,471.07	
Acceptances of Other Banks	5,571,008.88	
United States Certificates of Indebtedness	10,075,000.00	$318,236,479.95
Loans and Discounts	622,967,236.53	
United States Bonds, other Bonds and Securities	33,306,844.56	
Stock in Federal Reserve Bank	2,550,000.00	658,824,081.09
Banking House		5,000,000.00
Customers' Liability Account of Acceptances		82,119,916.13
Other Assets		5,653,549.20
TOTAL		$969,834,026.37

LIABILITIES

Capital, Surplus and Undivided Profits	$106,982,975.99
Deposits	582,692,131.06
Due to Branches	6,919,549.95
Reserves (for taxes, interest accrued, et cetera)	4,615,204.27
Unearned Discount	3,007,764.44
Circulation	1,401,567.00
Due to Federal Reserve Bank	143,645,862.22
Other Bank Acceptances and Foreign Bills sold with our Endorsement	32,447,035.41
Acceptances, Cash Letters of Credit and Travelers' Checks	84,060,133.09
Bonds Borrowed	2,228,000.00
Other Liabilities	1,833,802.44
TOTAL	$969,834,026.37

$112 Annually on $1369 Invested

in a selected list of preferred stocks and short term bonds. Average return on investment is

8.25 per cent

Bulletin S-45 sent free upon request.

CHARLES H. CLARKSON & CO.
66 BROADWAY, NEW YORK
TELEPHONES RECTOR 4663-4

San Remo and Wall Street

YOU busy men of affairs will surely appreciate a home so located that you can have a seat on the train bearing you to your office—and an invigorating ten minutes walk before you take the train

From the San Remo Hotel, a short walk in pleasant surroundings assures you of a seat and ride down to Wall Street in comfort.

At 58th Street and Sixth Avenue you get "El" trains or, at 57th Street and Seventh Avenue, B. R. T. (Broadway) subway trains which are made up and start from those points.

Your family would enjoy living here because the San Remo occupies the entire block from 74th to 75th Street on Central Park West (overlooking Central Park), close to the theatre and shopping district—yet amidst quiet, beautiful surroundings. The rooms and suites are attractive, bright and sunny—and the meals and service are good.

Come and talk it over and let us show you around.

Robert D. Blackman.

HOTEL SAN REMO
CENTRAL PARK WEST
74TH TO 75TH STREET
Telephone Columbus 6700

BIG PROFIT TO HEAVY LOSS.

U. S. Worsted Co. Has Plans for Getting Bank Extensions.

BOSTON, March 5.—The United States Worsted Company in 1920 suffered an operating deficit after charges and taxes of $5,244,093, compared with net profits of $2,073,552 in the previous year. The annual report of President Andrew Adie, made public to-day, showed also a profit and loss deficit of $4,534,527 after payment of cash and stock dividends declared in the first six months. President Adie said a plan had been suggested for depository banks to extend the company's obligations pending liquidation of its inventory.

POSTPONE SALE CONFIRMATION.

KANSAS CITY, Mo., March 5.—Postponement of confirmation of the sale of the Denver and Rio Grande Railroad until March 25, during which time the stockholders would be given an opportunity to purchase the road for $10,000,000, was ordered to-day by Federal District Judge Lewis of Colorado, sitting here with Federal Judge W. H. Sanborn.

FEDERAL RESERVE STATEMENT

Statement of the Federal Reserve Bank in New York for the week ended on March 4, 1921, compared with that of the preceding week:

RESOURCES.

[illegible]

LIABILITIES.

[illegible]

Which? Stocks should be Bought or Sold

Now is the time to go over your stocks and bonds.

Our Inquiry Bureau gives unbiased information Free to our subscribers.

Send for sample copy of our paper.

New York Curb
11 Broadway New York

We Will Assist In Re-Financing Corporations

that have been financed by public subscription and are now in need of additional capital. Communications confidential. Address C 46 Herald, Herald sq.

2,000 High Class OFFICE BUILDING Exceptional Light AT $3.00 A

Grand Central District
Pease & Elliman
340 MADISON AVE.
Tel. 6200 Murray Hill

Savannah Com. & Pfd
LAMBORN & CO.
Members New York Stock Exchange
7 Wall St. Rector 6310

Stock Record Booklet

We have ready for distribution to investors and market traders a *handsomely bound* 70-page PURCHASE AND SALES booklet, especially valuable for keeping a simple and accurate record of all transactions.

It is useful not only because it shows you at a glance how your account stands, what your profits and losses are on each trade, but also as a reference for income tax purposes.

Dividend tables for figuring the investment yield of securities are appended.

If you will send us a list of the stocks and bonds you now hold, we will be glad to enter them and send the booklet to you; or, you may make your own entries if you choose.

Copy sent FREE on request
Ask for H-59

S·S·RUSKAY & Co.
ESTABLISHED 1877
Members Consolidated Stock Exch of N.Y.
20 BROAD ST. NEW YORK
Phones Rector 7001-7009

Vanadium Steel

We have prepared an analytical report on this Company which contains its latest balance sheet.

It also includes a record of dividends paid to date, products manufactured, organization facts, list of properties, management and its present market position.

Copy sent on request
Ask for H-122

MOSHER & WALLACE
STOCKS—BONDS—GRAIN
55 Broadway New York.
TELEPHONE: WHITEHALL 1140-1-3
Members New York Produce Exchange, Consolidated Stock Exchange of N.Y.

HART OIL

An attractive low price oil stock with a consistent and liberal dividend record.

Shares $2.50

Send for Circular B.

HART OIL CORPORATION
123 Liberty St. Tel. Rector 9613.

BROKER'S OFFICE
with cable connections
2000 B'WAY, COR. 68th ST.
600 to 1200 sq. ft.
SCHOONMAKER & JACOD
1966 Broadway.

SUGAR.

Refiners' list prices remained yesterday unchanged at 7.75 cents regular terms.