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FINANCIAL NEWS AND COMMENT

Sterling Up 2 Cents to 4.36 1-2—Rails at New Highs—Many Industrials Recede.

The markets contained yesterday so great a diversity of price movements that it is worth while describing them before undertaking any comment. Sterling exchange gained 2 cents to 4.36½, the best quotation of the session, being the highest since July 31, 1919, and 8 cents above the price of a week ago. Franc and lire rates established new high levels for the present movement. Wheat futures at Chicago advanced more than 5 cents a bushel in the July option and the May contract went 3 cents higher than it did on Tuesday. Cotton futures reversed their previous trend, advancing $2.50 to $3 a bale. Railroad bonds gained ground, with numerous industrial issues under a heavy flow of buying, and stocks left off with general reactions among manufacturing company shares after several of them and a number of rails had established new high records for the year.

Relationship between those rather perplexing movements clearly was not easy to define. In fact, it appeared as though special influences had application to the markets separately. While the upturn of commodities might be linked up with the persistent strength of the foreign exchanges, it was possible in the case of grain to ascribe its rise to the purely domestic situation of the crop outlook. A Kansas report, which stated that 5,000,000 acres planted last autumn would return very little wheat because of unfavorable conditions in the early growing period, confirmed the impression derived from recent comment from other sources about the unfavorable winter wheat prospect in several parts of the belt. As much as the security markets have been impressed by the rise of grain prices since the middle of January, such a factor as the one in Kansas was unpleasant to contemplate, as it had an official aspect quite unlike the usual bearish reports of this season of the year. The financial community has long hoped for a rise of grain values which would enhance the purchasing power of the growers, but when such an improvement is the product of a dwindling output an entirely different aspect arises. It was not improbable that the activity of short sellers in stocks was increased yesterday afternoon by contemplation of the Kansas figures. The chance that special transfer taxes on securities would be included in proposed soldier bonus legislation also aided partisans of the fall of values.

Steel company stocks were weak at times and a long array of industrial specialties receded more than a point. The steel industry is in no more unfavorable a position than it was a fortnight ago and, in fact, the week's surveys showed improvement in mill operations. But it remains an open question whether or not 50 per cent. operations, with prices highly irregular, are returning real profits and price concessions on certain important products indicate that competition remains decidedly keen. A significant item in the weekly report of the *Iron Age*, one which may have considerable influence on the export business of American mills, was the observation that increased ocean freight rates, the vagaries of exchange and export taxes, have practically removed German competition from the international markets.

Call money went from 5 per cent. to 5½ per cent.

FOREIGN EXCHANGE.

WEDNESDAY, FEBRUARY 8, 1922.

GREAT BRITAIN.

Parity.		Wednesday.	Tuesday.	Feb. 1.
$4.8648	Sterling:			
	Demand	$4.36½	$4.34⅛	$4.28¾
	Cables	4.36⅞	4.34⅝	4.29¼
	Bankers, 60 ds	4.33	4.31	4.25⅝
	Bankers, 90 ds	4.31¼	4.29⅞	4.24⅛

THE CONTINENT.

NEW YORK STOCK EXCHANGE QUOTATIONS.

WEDNESDAY, FEBRUARY 8, 1922.

	1922.	1921.	1920.
Day's sales	714,363	459,722	1,384,865
Year to date	21,514,027	19,488,767	29,385,581

High 1922	Low 1922	Bid	Ask	Div. in $	Sales		Opening	Highest	Lowest	Closing	Net Ch'nge
57¼	48	56	57	..	2900	Adams Exp...	55¾	57¼	55¾	56	+ ¾
14½	10⅞	12¾	14⅛	..	300	Adv Rumely..	14¼	14⅝	13½	13½	— 1
37⅛	31⅞	35	36½	3	200	Adv Rum pf...	37⅛	37⅛	36½	36½	— ½
56	45½	53	54¼	4	1200	Air Reduction.	54	55	54	54¾	+ 2¾
17	13⅝	15⅛	15⅝	..	6000	Ajax Rubber..	15⅝	16	15	15¼	— ⅛
59⅝	55⅛	58	58¼	4	1500	Allied C & D..	58⅛	58½	58	58	— ⅛
46¼	37¾	45	45½	4	1100	Allis Chalmers	45	45½	42⅞	45	— ½
92½	86½	90	92½	7	300	Allis Chalm pf	92⅝	92⅝	92¼	92⅝	— ⅛
34¾	29¾	33	33½	..	200	Am Ag Chem.	33⅞	33⅞	33½	33½	— ⅝
37¼	31¾	35¼	36	..	200	Am Beet Sug.	35⅞	36¼	35⅞	36¼	— ½
13⅝	11	11½	11¾	..	1300	Loews, Inc....	11⅝	11⅝	11⅝	11⅝	+ ⅛
11¾	9	10⅝	10¾	1	400	Loft, Inc......	10¾	11	10¾	10¾	..
152½	147¼	150	151½	12	200	Lorillard, P...	152	152	151	151	— 1½
50	30¼	46	47	..	2300	Manati Sugar.	46⅞	47½	46	47⅛	+ 1⅛
49½	35	44¾	45	7	100	Man Elev.....	45	45	45	45	..
43¼	33	38½	39½	1¾	1100	Man Shirt....	39⅞	40¼	38¾	39⅝	— 1⅝
3¾	3	3½	3¾	..	100	Market St Ry.	3¾	3¾	3¾	3¾	..
41½	35	39⅞	40¾	..	400	M St Ry pr pf	40¼	40¾	40	40¾	+ ¾
34	20½	32	32⅛	2	2800	Mart-Parry ..	32½	32¾	31½	32	— 1
28¾	22⅝	27¼	27¾	..	7200	Marland Oil...	28¼	28¼	27¼	27¼	— ⅝
33¼	22	32	32½	..	1270	Mathieson AW	31¼	33¼	31¼	32¾	+ 1¼
7¾	6	8½	9	..	600	Wheel & L E.	7¾	7¾	7⅝	7¾	+ ⅛
14¼	12½	15	15½	..	100	Wh & L E pf.	14	14	14	14	— ¼
40	35⅛	38	38¾	4	3300	White Motor..	39	39	38	38½	— 1
10⅝	7½	9	9¼	..	700	White Oil....	9	9	8⅞	8⅞	— ½
5⅞	5	5¾	5½	..	800	Willys Over...	5½	5½	5⅝	5½	— ⅛
30	26½	27½	28⅞	..	100	Willys Over pf	27½	27½	27½	27½	— 1½
34½	27⅛	33	34	..	200	Wilson & Co..	34	34	34	34	..
27¾	25	27	27½	..	1200	Wis Cent.....	26¼	27¾	26¼	27	+ 1
152⅞	137	151¼	152¼	8	800	Woolworth ...	151⅝	151½	151	151¼	+ ¼
48¾	43⅞	46	46¼	4	300	Worth Pump..	46⅛	46⅛	46	46	— 1

*Ex div. †Ex rights. ‡In scrip. x Part stock. e In stock. f Part extra.

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

NILES-BEMENT HAS DEFICIT.

Dividend Passed on Common, but Paid on Preferred.

Directors of the Niles-Bement-Pond Company have passed the quarterly dividend on the common stock, due at this time. The last two quarterly disbursements were 1 per cent. The regular quarterly preferred dividend of 1½ per cent. was declared, payable February 20 to stock of record February 8.

The company reports for 1921 a defi-

MORE LOCOMOBILE RECEIVERS.

PHILADELPHIA, Feg. 8.—Ancillary receivers for the Locombile Company to take charge of assets in the Philadelphia jurisdiction were appointed by the Federal District Court to-day. They are E. H. Havens, president of the company, appointed by the Connecticut court, and W. S. Horner, Philadelphia.

TOPICS OF WALL STREET.

St. Paul Leads Rails.

Under leadership of St. Paul preferred transportation shares made yesterday a show of resistance to the industrial list's reactionary tendency. After reaching a new high of 36 on the present move, St. Paul preferred declined to 35¼, where it closed with a net gain of 2¼ points. A strong pool is understood to be operating in that issue on indications that, despite the road's failure to earn its interest requirements in 1921, it has turned the corner, with the prospect of improved earnings soon. Chicago and Northwestern common sold up to 67¼. Talk in the Street was that a large banking house had acquired recently 20,000 shares of Northwestern common.

Pennsylvania.

The Pennsylvania Railroad's December earnings indicate that its complete 1921 income account will show about 3 per cent. earned on the $499,173,400 of its stock, or a surplus of approximately $15,000,000, to apply against its dividend requirements of nearly $20,000,000. That the Pennsylvania proper reported net operating income of $3,294,022 for December, against an operating deficit of $552,795 a year previous, whereas the combined figures for the Pennsylvania system show December net of only $64,223, in contrast to $702,371 in December, 1920, is due chiefly to the inclusion in the latter statement of the Panhandle's deficit of $2,375,913, against net operating income of $1,809,965 for December, 1920.

Pierce Arrow's Working Capital.

Following early weakness Pierce Arrow Motor Car shares became strong spots in yesterday's trading. The early selling, it was said, was done by an uptown group of traders, heavily short of the motor group and trying to affect sentiment with respect to that group by terrific assaults on Pierce Arrow. They found the market ready to take most of their selling, however, and what covering they were able to do during the day was put through at a cost. It was learned yesterday that Pierce Arrow's need for additional funds had been met by bankers and that $1,000,000 had been placed at its disposal for working capital and other needs. A director declined to confirm or deny the report, but did say that the company had plenty of cash and was in good financial position. Business, he said, was improving.

Money in Demand.

Call money renewed at 5 per cent. yesterday, but subsequently, as the result of calling of loans by five banks, advanced to 5½ per cent. The reserve statement to be published to-morrow perhaps will explain the rise in rate, but money brokers were at a loss to answer queries as to the excess demand in contrast to an excess supply on Tuesday. The minimum rate outside for loans against acceptances was 5 per cent. and the maximum one 5½ per cent. Time money rates were nominal.

No Change in New York Rate.

The local Federal Reserve Bank's directors met yesterday but no change in the rate of rediscount was made and there had been no rumors regarding the rate indicating that a change would have been unexpected. The rate of 4½ per cent. now contracts to a rate of 5 per cent for commercial money, in which there would have to be a drop before a further cut in rediscount rates would be seriously considered.

Gold Imports.

The liner Carlsholm has arrived from Sweden with a shipment of $4,939,200 in Russian gold coin consigned to the Guaranty Trust Company of New York as a special transaction on account of the American Relief Commission. That shipment was the result of a decision of the Soviet Government, announced about January 1, to use part of the gold reserves to pay for American wheat and supplies. The same vessel brought $800,000 in German gold coin to the National City Bank.

Shell Union Oil Corporation.

The new company, known as the Shell Union Oil Corporation, incorporated yesterday in Delaware with a capitalization of 10,000,000 shares of no par value, will take over the assets of the Union Oil Company of Delaware, the Shell Transport interests in this country and other properties. A State tax of $50,100 was paid on the incorporation of the new company.

Jacob Field on the Job.

Whenever Jacob Field, a member of the New York Stock Exchange, takes advantage of his right to trade in stocks on the floor of the Exchange traders generally prick up their ears for they feel something is brewing. He usually does all of his trading through other brokers and when he assumes personal leadership in any campaign on the floor things usually are enlivened. Yesterday he appeared there for the first time in many months and, according to reports from the floor, it was his buying of St. Paul shares which sent both the common and the preferred asoaring in the morning. He bought very heavily of both issues.

Manhattan Shirt Dividends.

The directors of the Manhattan Shirt Company have declared a special stock dividend of 10 per cent., a quarterly stock dividend of 2½ per cent. and a quarterly cash dividend of 50 cents a share, the first payable on March 1 to stock of record of February 10 and the last two on March 1 to stock of record of February 20. The cash disbursement is at the rate of $2 a year and represents an increase from the previous rate of $1.75 annually.

Copper Business Dull Now.

Leaders in the copper industry say that, although for considerable time there was a very apparent improvement in the industry, things are pretty dull. They deny, however, that the present dullness is anything like the extreme depression which affected the industry a few months ago. They pointed out that the rise in the price of copper from 11¼ cents a pound to 14 cents indicated the extent of the improvement and that the recent recession to 13¼ and 13¾ cents a pound represented only a natural reaction as a result of a considerably lessened demand following the sharp recovery. When the improvement was first noted there was a rush on the part of copper buyers to make commitments, and it was their haste which caused the sharp advance. That they had overdone their buying was admitted yesterday, and copper men feel that as soon as that surplus purchasing shall have been adjusted the industry will again improve.

Anent Railroad Commissioner.

No sentiment is to be found among local railroad executives in favor of the proposal of the United States Chamber of Commerce that a Commissioner-General of Railroads be appointed to represent the President and the general public in the consideration of transportation issues arising before the Railroad Labor Board, the Interstate Commerce Commission and Congressional committees dealing with interstate commerce. The view of most railroad officials is that further increase in governmental agencies now having authority over the railroads would push governmental interference in the conduct of their affairs almost to the point of strangulation. The chamber's proposal probably will be included in the discussion at the midyear conference of its national council in Washington, in which Secretary Hoover, Senator Cummins, T. C. Powell, vice-president of the Erie Railroad, and others are scheduled to speak.

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