

Prosperity Does Not Depend on One Man—Earnings and Dividends True Basis of Stock Values

VALUES ARE NOT EXCESSIVE

Actual Improvement in Business and Industrial Activity Are Pertinent Facts.

DECLINES DISCOUNT CHECKMATE OF PLOT

No Reason for Further Effect in General List—The World Moves On.

NEW YORK, Aug. 28.—The net results of the last week's galestorm disturbance are materially less than the average observer of stock market conditions has placed them. They were bad enough, but with the exceptions of the stocks naturally affected to the largest extent, the net losses were confined to two or four points. Union Pacific's net loss was another ten points and the preferred five points. And these figures are about three points better than the minimum range of the week. Some of the stocks that displayed unsteadiness did not suffer materially, as in the case of the United States Steel shares, Smelting, and many of the industrials and minor rails.

What of the future? Many of the more conservative leaders on the Street have considered it wise to advise a negative position for the present; others less cautious are expressing a belief that the present is a good time to buy stocks. The actual investment buyer looking for regular dividends and a little of probable temporary fluctuations, need have little hesitation in buying at this time, even in Union Pacific. Indeed, it is one of the best active stocks on the list, with its twenty points reaction, to say nothing of the enormous short line existing in it and its 3 1/2 per cent dividend.

The speculator willing to take his chances usually decides conditions for himself, and with proper protection in stop-loss orders will probably find the market of the next few weeks offering ample opportunities for indulging with a view to profit on both sides.

Prices are bad where they were six weeks ago. The big gains created through the operation of bull power through the alleged plans of the Harriman roads—plans that the president had not approved—have been practically denied instanter on landing in the United States—and the discounting of the great crops and splendid business, have been materially cut down.

Long before late high prices on the leaders, especially on the Harriman's were reached, the market had discounted improvements, but additional betterments were accounted for by the part fact and part theory that values were due to go to a higher basis, in view of the increase in industrial activity in the country, and because of the plentifulness of money which made even a 2 1/2 per cent investment a safe thing.

More than all else the last stage of the upward movement was accomplished through the rumors concerning the amalgamation of all the Union Pacific lines that is of Union Pacific, Southern Pacific, Salt Lake and San Pedro, North-Western, and New York Central. The two latter a probability—into a great transcontinental system—ran the story, retore Union Pacific was preferred and cut the big cash and security melon that lies over-ripe in the Union Pacific treasury.

So strongly was this story intrenched that the best houses on the Street continually gave confirmatory suggestions. Wall Street now thoroughly understands that Mr. Harriman came home to block the plans of some of his associates, who proposed to overrule the upholder's intentions; that he made the voyage at the expense of physical discomfort, in the interest of the fact himself furnished the stock for the heavy selling that so severely jolted the Union Pacific crowd, incidentally affecting the rest of the market.

With a sentence—"the surplus will not be distributed, but will be used in extensions," a market was made, and the market, as before stated, predicated on the size, ripeness, and early cutting of the Union Pacific melon. It is unfortunate that the market cannot be divorced from its leader. There were some strong attempts in this direction made on Saturday.

The Foolishness of It. It doesn't seem right that the by-play, the chicanery, and attempted throw-down of a great upholder, should have any serious effect on stocks like Great Northern, Northern Pacific, Reading, St. Paul, etc., and lib. Great Northern and Northern Pacific are today less than 8 points above where they were early in December, 1908. This is true, in a degree, with regard to many other stocks. Of a verity the assurance of a great harvest and the vast improvement of every branch of industry, should warrant even a greater advance in the stocks mentioned than has occurred. The great steel industry, with capacity production near at hand, the equipment stocks with their production vastly increased, are worth all they are selling for—on dividends and the future of steel and especially of steel common, he must indeed be near-sighted who can't see that the present values will be greatly enhanced as compared with current figures—and a prospect like the present in any great industry, but reflects the betterments elsewhere.

Skyrocketing in August. Dogdays are not the best of legitimate stock market operations. Even the temptation of probable profits is not sufficient to keep many traders in the city. Summer dullness is more natural. But this market has not been natural. Wall Street has become an expert in discounting, as the note taker in the largest bank, much more so than the most noted weather forecaster. Wall Street was discounting the things that Mr. Harriman did not intend to do—on the experts were on the wrong scent, and the catastrophe came home.

It is but natural that man should pass from the field of his activities. It has been so since the days of Adam. There came a time when Jay Gould, Jim Fiske, W. K. Vanderbilt, Roswell Flower, and other great men in the Street passed on. In their Harriman, Hill, Rockefeller, Morgan, and other magnates of today must in nature follow their predecessors. But while the absence of the guiding hands may have a temporary effect, they are not indispensable. The nation goes on. The railroads carry the freight and the passengers; the farmers till the soil—generally with magnificent results—business waits for no man no more than time does. If the prices of rails and industrials have been or are predicated on one man's life—on two or three—then something is radically wrong. For the men who started railroad building, the men who discovered the use of steam, and the results of many mechanical processes are not here today—they have passed.

To the wise it is not necessary to advise caution. This is a big, great nation; men come and go; but this is not the time for a panic.

NEW YORK PRICES OF THE WEEK

Table with columns for stock names, prices, and weekly changes. Includes entries like Allis-Chalmers Co., Am. Agr. Chemical, American Beet Sugar, etc.

NO MATERIAL NEWS IN LOCAL MARKET

Fair Business, All Things Considered, With Values Showing No Reflect.

Midsummer dullness is still supreme on the local exchange. Despite this, bonds to the face value of \$15,000 were sold and a total of 2,700 shares of stock during the three days on which the exchange opened for business.

Such a narrow market calls for little comment. The investment demand is good for the season, banks have plenty of money and there is no trouble securing accommodation, if entitled to consideration.

The business was much better distributed than for some weeks. Lanston still held pre-eminence with a total of 900 shares, but Gas was a close second with \$20 shares. The latter stock advanced to 74 1/2, but fell back at the close to the opening price. London was steady around \$24 1/2.

In the Tractions, Railway preferred dropped back 3/4 of a point, this being the only change. Bank stocks moved along steadily, and unchanged as to price.

E. B. Cottrell, a charter member of the stock exchange, died last night. Few of the members knew of his sickness. Appropriate action will be taken by his late associates on Monday.

Washington is intensely interested in the New York stock market these days. Fortunately, practically all of the local residents of Washington are not in the position of having put their customers right on the situation, getting them out two weeks ago.

James J. Hill is usually a brake on exuberance or depression. Talk short crop and Hill will come over with plenty of wheat. Talk of plethoric interview and illness of Mr. Harriman to knock it off 20 points. Cause and effect were never more clearly lined.

When E. H. Harriman dumped thousands of shares on his friends (?) he showed himself not materially injured by his mental. The liquidation of Union Pacific stock represented largely purchases at \$200 and over—some at much lower.

Once more the firm of Armour & Co. has come into the spot light in the Chicago wheat plot. The big "big" is said to be "fastening" the September delivery.

Illinois Central has stood the strain better than any of the Harrimans. Net losses for the week in Louisville and Nashville and Atlantic Coast Lines and 4 1/2 points, respectively, were moderate in the extreme, considering that they distanced the general list in the rise.

Smelting, Sugar, Steel, Gas shares and equipment shares have acted splendidly in the ebullient tide. The strike, with its attendant troubles and developments have acted splendidly in the ebullient tide.

Another week of firm prices on chickens, eggs, and butter is promised. But few fluctuations in any division of the market are looked for.

Eggs, especially, promise to be in light supply, and Saturday's increase in price to 26 cents is taken as an indication of the strength that is expected to characterize this week's market. It is expected the price on spring chickens will range around an 15-cent average quotation, while the increase to 15 cents on hens gives little promise of falling back to its old mark. Butter receipts have shown a constant decrease, and no reduction in price is looked for.

Lambs and calves became somewhat drabby the latter part of last week, and no immediate improvement is anticipated, as there is every indication that supply will be fairly good for several days. In the fruit market apples have every prospect of being cheap, on account of heavy shipments. Peaches should sell at prices consistent with quality. Vegetables promise to experience a steady market, with sweet potatoes scarce.

YEAR TO DATE IN LOCAL MARKET

The range of prices on the Washington Stock Exchange for the year to date, and sales of each stock and bond issue follow:

Table with columns for stock names, opening, high, low, and last prices. Includes entries like Capital Traction, Railway common, Washington Gas, etc.

GOSSIP FROM WALL STREET

It is not long since Union Pacific scored its 16-point advance in four days on "segregation rumors." It has taken two weeks for the anti-segregation interview and illness of Mr. Harriman to knock it off 20 points. Cause and effect were never more clearly lined.

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IS KILLED FIGHTING ROBBERS IN SALOON. Westerner, Aiding Bartender When Shot to Death. MINNEAPOLIS, Minn., Aug. 28.—Otto A. Larson, who showed fight in the saloon of Charles Anderson, on Cedar avenue, early this morning, met instant death from a bullet from a big Colt automatic, fired by one of a pair of robbers when the man now dead attempted to rescue the bartender. The robbers, masked with blue handkerchiefs, entered the saloon by a rear door, slipped past five men playing cards and covered both Charles (punch) and the bartender, Anderson. The robbers escaped through another rear door.

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