

Business and Finances

By W. S. Cousins, Editor The American Banker

New York, Feb. 19, 1916.

A new tendency has developed in the stock market, more correctly, an increased emphasis upon a tendency that has been gradually developing for three months or more; this is the switching over of the investing public from the war stocks to the stocks of the leading mining companies, most of which are at present paying their stockholders dividends in excess of their most sanguine expectations. The same is true, to a limited extent of a few of the so-called independent oil stocks, which in recent weeks have announced enormous net earnings, a big percentage of which will be paid over as dividends to the purchasers of the stock.

We have only to refer to the official documents of the Department of Commerce of the United States for reliable information relative to the extraordinarily large earnings of American metal mines in recent years. Banks, railroads and industrial concerns appear insignificant by comparison. One natural result has, of course, been the introduction of numerous fake mining propositions, and the actual selling to unwary "investors" of beautifully engraved certificates of mining stock not worth the price of the gilt borders which so glaringly adorn them. But those who have taken the trouble to carefully examine the physical condition of the properties in which they have sought investment have convinced themselves of the extraordinary possibilities which they offer as genuine and permanent income producers. The great demand for copper and zinc since the outbreak of the European war has had the effect of boosting the price of these metals to unprecedented price levels, not only adding greatly to the net earnings of many mines which have been in operation for years but making it possible for many others which had discontinued operations to resume and to market their product at a fair profit. It is not only the foreign demand for these metals that has brought about the conditions described above, for with the great revival in the domestic trade of the United States the call for copper (and brass which is two-thirds copper), zinc, lead and tin has been proportionately greater than in previous years.

The result has been a widening demand for seasoned dividend-paying mining stocks, prices for which have been continually soaring, with apparently no recession for profit-taking on a large scale. This is sufficient proof that the stocks are being bought outright by American investors, and put in strong boxes as income-producers. It is estimated that in recent weeks fully one-third of all the stocks sold on the New York Exchange have been the mining shares, and many instances are cited of mining stocks which a few years ago were quoted in cents are now quoted in dollars and in multiples of ten. This is due, not to manipulation, but to the profitable revival of mining properties which had been considered dead and worthless and which are now paying fancy rewards to those who have reclaimed them.

To enumerate some of these mining properties would be but to repeat names which have grown familiar through repetition in the financial columns of the daily newspapers. These include Utah Copper, Anaconda, Chino, Miami, Shattuck-Arizona, Kennecott, Braden, St. Joseph Lead, etc. These companies have distributed or are about to distribute portions of the vast profits accumulated during 1915, and much greater profits are expected in 1916. One authority estimates the profits on American copper production in 1915 alone at close on to \$200,000,000 with prices for the metal ranging from 15 to 23 cents a pound. If, as is now expected, the price of copper metal ranges from 24 to 28 and 30 cents a pound, the net profits in 1916 will be easily double those of 1915.

Wall Street, therefore, very optimistically predicts that in two or three years the most successful producers will pay out such enormous dividends that in some cases the net income of a few years will be equivalent to the present purchase price of the stock. This is like having your pie and eating it, too; but the present outlook, in many respects, amply justifies this optimistic forecast. A wise selection of the dividend mining stocks will, in the estimation of astute leaders of finance, prove most satisfying to investors at this time.

Meanwhile, the general position of the stock market, as compared with a year ago, is a most favorable one, and contrary to an impression which seems to be quite general but which is nevertheless erroneous, the improved position is not based upon the unstable altitudes of the price of "war" stocks. The average price of the 20 railroads, and 12 industrials used for statistical

purposes for comparative periods is as follows:

	This week	Last week	Year
Av. 20 railroads	102.41	102.26	90.92
Av. 12 industrials	125.00	123.01	77.51

This shows in increase of 11 1/2 points, or nearly 13 per cent, in the railroads, which must be considered in the light of a fairly steady market for railroad securities; and of 47 1/2 points or 61 per cent, in the industrials, reflecting to a large extent the tremendous increase in the earning capacity of our giant corporations. In individual instances, such as Bethlehem Steel, prices have advanced from 100 to 800 per cent; while in the stocks of such corporations as Western Union and American Tel. and Tel., the normal and logical effect of evenly distributed increased earnings, with reasonable expectation that this increase will be a permanent feature, has been reflected in a market appreciation of from 10 to 30 per cent in stock prices, with an ever-increasing rate. Those who are best able to read the signs of the times are firm in the conviction that, though there are exceptions to every rule, the present values of America's sterling security issues are amply justified by the intrinsic value they represent.

Money and Inflation.
From the second annual report of the Federal Reserve Board, to hand this week, we learn that the total circulation of reserve bank notes in the United States, as of December 31, 1915, amounted to \$188,817,000. The Reserve Board has had a total of \$700,000,000 of these notes prepared and ready for issuance so that "the country may be prepared against any contingency." Of these \$188,817,000 in circulation, only \$16,675,000 were secured by deposit of commercial paper, the balance being safely stored away in the treasury vaults.

Another effect of the introduction of the federal reserve system was to reduce the percentage of deposits that was required to be held in the vaults of the banks (technically known as legal reserve), and thereby increasing by \$500,000,000 the amount of banking credit available for commercial use. Add to these the great amount of gold imported into the United States from Europe during 1915, estimated at over \$400,000,000, and we have a very satisfactory explanation for the comparatively excessive supply of loanable funds in the banking institutions of the United States at the present time.

Prominent bankers are of the opinion that this redundancy in the money market will not last much longer, but that in a short time the demands of the commercial community will be such that a large percentage of these loanable funds will be called for and that consequently money rates will be on the ascent.

A Middle Western banker of National prominence said this week: "Indications multiply to warrant the belief in a material betterment of money rates about March. Country banks will want balances and will be slow to return money to reserve centers. Settlements in farm mortgages are made about that time and crop necessities probably will be large. Country demand will not be sufficient to materially lower reserves, but with gradual business expansion keeping even with growth of deposits, this element will remove top of surplus and leave the banks less willing to bid against each other for commercial paper. Business everywhere is better and improving, and with the rule that deposits drop off and the demand for money increases in March, I am convinced that better rates are in sight, although normal rates are not possible."

Railroads Prosper.

Railroad prosperity is further reflected in the February 1 statement of the American Railway Association on the number of idle cars on the railroads of the United States and Canada. One group of roads reported a surplus of idle cars, as of February 1, amounting to 52,449 cars. Another group, however, reported a shortage amounting to 30,964 cars. Thus there was a net surplus on February 1 of 21,485. The net surplus reported to the association since November, 1913, and represents a decrease of more than 50 per cent compared with the January 1 surplus. A significant part of the report is that it shows a net shortage of box cars, as of February 1, amounting to 9,416 cars. This compares with an actual surplus in this classification of 3,391 cars on January 1st. It is probable that poor track facilities, due to snow and sleet, had some thing to do with the movement of cars. The statistics indicated a greater movement of coal cars and this might be attributed to a concerted plan of storing coal in preparation for a strike at the mines.

W. S. COUSINS,
Editor, The American Banker.

Dust Covers.
Men's discarded negligee shirts and nightshirts make excellent dust protectors for the Man of the House's best suits. They are also handy for packing away suits for winter or summer; simply sew up the bottoms of the shirts, and allow the sleeves of the suit to fit into the sleeves of the shirt, and hang up by a coat hanger. The night shirt is long enough to protect the trousers, and several pairs may be hung in one.

THE SAME IN NAMPA

Nampa Residents Speak Out for the Welfare of the Public.

It is just the same in Nampa as here in Caldwell; our friends there speak out in the same glad, earnest way as so many grateful Caldwell men and women and have spoken in these columns for years past.

Mrs. E. S. Cushman, 811 Eleventh Ave., S., Nampa, Idaho, says: "I have used Doan's Kidney Pills several times when suffering from a lame and aching back and they have always given me benefit. Nothing has occurred to change my high opinion of this medicine since giving my last endorsement. I advise anyone suffering from kidney complaint to give Doan's Kidney Pills a trial."

Price 50c at all dealers. Don't simply ask for a kidney remedy—get Doan's Kidney Pills—the same that Mrs. Cushman had. Foster-Milburn Co., Props., Buffalo, N. Y. 2-25

IDAHO LAW DENOUNCED BY MONTANA NEWSPAPERS

People are Lot of Boobs and Bigots, Says Libby News.

The Tribune has been handed the following clipping with the request that it be published that the people of Idaho may know how others look at the anti-liquor laws of this state. The clipping is taken from the Libby News, published in Lincoln county, Montana.

None of the startling things have happened which are held possible under the Idaho laws according to this newspaper. However the laws are there. The article follows:

Reform and Rot.

They are in a funny mixup in the neighboring state of Idaho over their recently enacted liquor legislation. The law that goes into effect in Idaho on the first of the year not only prohibits the sale of intoxicating liquor within the confines of the commonwealth, but it also makes it a misdemeanor for any person to have possession of any intoxicating liquor. The statute gives authority to the officers to search private residences where they have reason to believe intoxicating liquors are held. This means that there is no sanctity for the home in the state of Idaho. Bedroom doors may be broken down any time of the day or night by the officers or suspicious minion of the law who is prompted by any motive to enter the place. So infamously unjust and shamelessly senseless is the law that the people of Idaho have enacted for the government of the state in this regard, that already public opinion has revolted against it and the attorney general of the commonwealth, several weeks before the law took effect, was compelled by public opinion to already wink at and even officially countenance an infraction of the statute. In an opinion just rendered by Attorney General Peterson, he says that the peace officer of the state must be very careful or they will get into trouble by being over officious. He advises the officers not to search any private residences for liquor, or break into any person's premises in pursuit of hidden booze unless such officers are sure they are going to be successful in their search.

Thus has co-called reform run mad in some of the western states. Weeks before Idaho goes under state-wide prohibition the biggest officers in the commonwealth are suborning and encouraging infractions of the statute. The law will never be enforced in Idaho—it is impossible. It will discourage industrial and social conditions; it is a legislative monstrosity born of bigotry and conceived in scandal, freakish in its tenets, fanatical in its phrases, foolish in its purpose, enacted by boobs and bigots. It will cost Idaho millions in money and bring to the state a nation's contempt. No sensible person in Idaho expects the law to be enforced. The traveler from New York who passes through the state with a flask of whiskey in his valise is subject to arrest and imprisonment, the law requires that he be arrested and punished. Is there a sane man or woman in America who believes such a statute is sensible, necessary or feasible? To enforce such a law would take the standing army of the United States, and out of the prosecutions would arise disorder, social and industrial discontent and lasting disgrace to the people who enacted the measure.

The elector who votes for a law knowing it cannot and hoping it will not be enforced is an essentially dishonest, extremely dangerous and unworthy citizen. Idaho's liquor legislation demonstrates the growing conviction that a majority of the people of the Gem State are unfit to exercise the franchise. Idaho is destined in the coming months to receive considerable unfavorable, unenviable and unprofitable advertising.

For insurance of all kinds see F. G. Hoffman. 12-10-16

Keeps Your Stove Shining Bright

Black Silk Stove Polish

Is in a class by itself. It's more carefully made and made from better materials.

Try on your gas stove, your oil stove, your wood stove, your grate, your range, your hood, your sink, your hardware or anything that is polished to find your money's worth.

There's "A Shine in Every Drop"

Get a Can TODAY

BRYAN WILL START ON HIS PEACE TOUR SOON

Nebraskan Has Decided to Speak Against Wilson Defence Policy.

William J. Bryan is to make an ocean to ocean campaign against President Wilson's national defence program. He has definitely decided to "go after" the President on the stump and will not stop until he has spoken in every city of importance from New York to San Francisco.

Definite word reached Mr. Bryan's friends in Washington from Miami, Florida, the Bryan winter home, that Mr. Bryan openly would fight the President. While he has not fixed the dates for his speaking tour, Mr. Bryan has notified his lieutenants in Congress that his first anti-defense speech will be delivered in New York City.

Bryan's Mind is Made Up.
"It can be stated positively—that Mr. Bryan will go before the country in opposition to President Wilson's defense views," said an influential Bryan member of Congress Monday. Mr. Bryan is convinced that the president has misinterpreted the temper of the people on this issue and he will endeavor to allay much of the alarm the president spread in his recent speech-making tour.

"Who is going to finance the Bryan campaign?" was asked this Bryan lieutenant.
"That is a mere detail," was the answer. "For all I know, Mr. Bryan will pay his own expenses. He is convinced the president is wrong and will so inform the country."

May Change Wilson's Plans.
Administration leaders are disturbed over the final decision of the former Cabinet member to openly oppose the President. They say the president may find it necessary to make another tour, this time in the South, to bring into line members of Congress from that section who are in accord with Bryan and against the administration.

Supporters of a large army and navy are not disturbed over the coming Bryan activities and predict that when the subject of defense comes before Congress it will pass both branches by an overwhelming vote.

"The Young Man from Ames."

In the City of Davenport, which is in the Kingdom of Iowa, there dwelt a Secretary of Commerce, who was a Go-getter, and a Bank President, who had Meat in his Nut as well as Mere Money out at Eight Per. The B. P. wished to make the relations between himself and the adjacent Soil Tillers all to the Spauldings, so he fell in with the Sec'y's plan to form a County Agricultural League. They toured the county in a 1909 Cadillac visible distributing Literature, calling Meetings, tagging the local Bell-Cows and doing Other Things Necessary.

After the Commercial Club had provided offices, furniture, stationery, a Gold-headed Stenographer and other Fixtures, the State kicked through with 1200 Bucks per annum and the Merchants Dug Up a like amount. Then they tapped the Farmers who excavated in Round Figures, \$129.19. With a Favoring Wind their Groans could be Heard for Miles.

The League then bought a 2d-hand Car and a Tank of Gas, hired a Sole-looking Young Man from Ames and were Ready for Business. Success was not exactly Immediate. Although the Y. M. F. A. could tell by looking at a Rolled Out whether it was planted with a Drill or a Shot Gun, he was, nevertheless, an Object of Suspicion.

Some Farmers met him on the Wrong Side of the Gate with their hands on their Ingersolls and others on their Stock into the Barns when they heard the 2d-hand 4d Limping down the Road. His Advice was as Welcome as a Case of Small Pox and was followed as Literally as the Ten Commandments.

And when he Suggested that there were Better Ways of testing seed corn than by looking at it through a pair of Mail Order Specs—that cholera serum was not invented by Bunko Williams and that Alfalfa would grow in that County, he was given up as a Puddin' head.

Two years Elapsed. Tested corn came Up. Untested corn did Not. Serum-treated hogs Lived. Untreated hogs Died. Sprayed orchards Bore Fruit. Unsprayed orchards did Not. Alfalfa grew and Thrived and returned Big Yields.

The Farmers began to Unfold their Faces when the Y. M. F. A. came along. Some grew reckless and gave him "buttermilk." A handful threw Caution to the Winds and Invited him to Supper. The 2d-hand 4d got a New Set of Fires. The Bank President began to believe some of his own Agricultural Predictions. The Farmers began to Give Up Money.

WILSON AND DANIELS.

"And it ought, in my judgment, to be incomparably the greatest navy in the world."

So spoke President Wilson at St. Louis in discussing the sea arm of our national defence.

Coincidentally with this Admiral Straus, chief of the Bureau of Ordnance in the Navy Department was testifying before a committee of Congress and was admitting with reluctance that Secretary Daniels had cut \$12,000,000 from the estimates made by the Department's experts—and this without consulting anyone. The reduction which Mr. Daniels made came chiefly in the item of ammunition and in the item for anti-aircraft guns, with which the experts planned to defend isolated radio stations and the like from their most dangerous and insid-

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\$2.25 SOLID ALUMINUM GRIDDLE FOR 85 CENTS IN CASH AND LABELS FROM 50 CENTS WORTH OF KARO—GET YOUR KARO LABELS AT ONCE AND SEND FOR YOUR GRIDDLE



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Here is your chance to get a 10 1/2 inch Solid Aluminum Griddle for less than the wholesale price.

This Aluminum Griddle needs no greasing. It heats uniformly all over; it doesn't smoke up the house; it doesn't chip; it doesn't rust and it looks so much better and cleaner than any of the old kind of griddles.

It bakes Griddle Cakes that are really just as crisp as you want them to be. With Karo on them, they are the finest eating in the world—and so digestible because baked without grease that many people who haven't dared to eat griddle cakes for years, are enjoying Karo and Griddle Cakes now.

At great expense we are seeking to place a Karo Aluminum Griddle in the homes of all Karo users, so that Karo—the famous spread for griddle cakes and waffles—may be served on the most deliciously baked cakes that can be made.

Go to your grocer today and get 50 cents worth of Karo and send us the labels and 85 cents in stamps or money order at once. You'll get your Aluminum Griddle by prepaid parcel post.

You know Karo, no doubt. It is the best known and most universally liked syrup in this country. Last year 65,000,000 cans were used.

Get your Karo today—and send us the labels and 85 cents at once, so as to be sure of getting yours. We will also send you free the famous Corn Products Cook Book.

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ious enemy.
This is not the way to procure an incomparably greatest navy. And if Mr. Wilson's judgment is to prevail it is evident that radical changes will have to occur in the Navy Department. The shortest cut to such reform, and the most effective remedy, would be to dismiss Secretary Daniels. Such action would afford convincing proof that the President is in earnest in his judgment as to what the navy should be.

Ideal Plants for Small Towns.
Commercial clubs in the smaller towns, situated in the farming and fruit-raising districts, are beginning to see that there is a greater advantage in securing for their towns such industries as work hand in hand with and are to the advantage of the farmers and fruit growers. They are going out after canning factories, drying plants and such lines of business as can use and are dependant upon products of the soil. This class of industry furnishes work for the people in the town and makes money for the farmer besides. All of the money is deposited in the local banks or

spent with the local merchants. The drying plant is rather a new industry in the east. They have them in California, where a large portion of the fruit grown finds its way to the dryers. The great advantage of a drying plant is the fact that it can consume the surplus part of the orchard and field crops. This surplus, in localities where there is not a ready market, is all waste to the grower. The Department of Agriculture states that the value of this wasted crop is one-half that of the crop that is sold. It can be seen therefore that a drying plant is a big asset to any district in which it is located. The Bureau of Information on Agriculture and Commerce, 345 South Dearborn St., Chicago, Ill., will put the secretary of any agricultural or commercial club in touch with more details on this and kindred subjects.

He Hadn't Heard.
Teacher—Where is the Dead Sea?
Tommie—Don't know, ma'am.
Teacher—Don't you know where the Dead Sea is?
Tommie—No, ma'am. I didn't even know any of the seas were sick, ma'am.

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Come in and "talk business" with us. We always have time to listen.

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Exquisite care given culinary detail—faultless service is source of much pleasure.

Rooms with privilege of bath \$1 or more the day. Rooms with private bath \$1.50 or more the day.

The thing that always appeals—moderate prices.

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126 1/2 off Washington
Portland

CENTER VISITS EXPERIMENT STATION AT THIS POINT

Looks Over Ground Preparatory to Planning Work Next Year.

O. D. Center, director Agricultural Extension Bureau of the State University, was in the city Friday. Mr. Center visited the state experiment station near this city for the purpose of looking over the ground preparatory to planning the work of the station for the next year or two.

Mr. Center met with the Commercial Club Experiment Station Committee, Messrs. R. R. Gowen, B. M. Holl and Walter Griffiths and Mr. T. A. Walters, member of the state board of education. The local committee tried to impress upon Mr. Center the necessity for the employment of a superintendent at the farm.

Dust Covers.
Men's discarded negligee shirts and nightshirts make excellent dust protectors for the Man of the House's best suits. They are also handy for packing away suits for winter or summer; simply sew up the bottoms of the shirts, and allow the sleeves of the suit to fit into the sleeves of the shirt, and hang up by a coat hanger. The night shirt is long enough to protect the trousers, and several pairs may be hung in one.