

THE FINANCIAL MARKETS.

ACTIVITY IN COUNTRY'S INDUSTRIES NOT REFLECTED IN BUSINESS ON STOCK EXCHANGE.

No Occasion, However, for Uneasiness—Railroad Earnings Heavy and Money Rates Easy.

WALL STREET SITUATION.

The activity that prevails in the country's industries is not reflected in the course of business on the Stock Exchange, either in the volume of dealings or in the movement of values. Commission house trading is practically at a standstill, as far as operations for long account are concerned. Holders of stocks bought at a higher level, while confident of better prices later on in the year, are forced in some cases to throw over their securities owing to the expense of carrying stocks on margins and to the necessity of finding ready cash for other purposes. There are also some holders who are selling their long stock and taking a position on the short side of the market, on the theory that if prices will not advance they will decline. Operations of this character were successful last week, as quotations moved toward a lower range in the greater part of the time. Various reasons are set forth purporting to explain the current disappointing condition of affairs in the stock market, and although it is admitted that conditions governing the actual worth of securities are growing stronger, it is maintained in some quarters that there is still enough uncertainty over the probable course of the money market in the next few months to restrict trading; also that the people who ordinarily might be counted on to buy securities are loaded with stocks which show at present figures substantial losses from the original purchase prices. It is argued furthermore that the heavy liquidation in securities in the last eight months compelled the stronger interests to buy more stock than they now care to carry, and that they are slowly selling on all available opportunities, their operations serving to keep prices from enjoying a sustained advance.

If the process of liquidation has not yet run its course the market will be stronger in proportion when the movement is over, and unless in the mean time radical adverse developments should arise in the money and industrial situations prices will enjoy as much activity and advance as they are now suffering dullness and depression. Bear operators in stocks have been favored with a number of factors of passing importance. They have taken advantage of every unfavorable happening to hammer values, and not satisfied with the real they have called into service the fairy tale and folk lore stories of the Street to assist them in their campaign against prices. In many well informed quarters it is believed that the outstanding short interest is much larger than shown by surface indications. Moreover, it is thought that the Wall Street atmosphere is growing dark enough to suggest a speedy break in the clouds. An old Wall Street maxim advises the purchase of stocks when everything is blue and gloomy in speculative circles, when, as some say, depression is the chief asset of the Street and great fear among traders the principal characteristic of Stock Exchange circles. When all the bear arguments, including the uncertainty regarding the crops, are exhausted, the fact remains that stocks are selling in the greater number of cases, on a healthful investment basis and much under the level that generally accompanies periods of prosperity in the country's industries. The Wall Street situation will doubtless worry many people for a time, but there's no occasion for uneasiness over its future.

The labor outlook is growing more promising. The tendency of prices in the iron and steel trade to move to a more healthful level will increase the home and foreign demand for the output of American furnaces, while it will decrease the volume of imports, which in nine months ended March 31 amounted in value to \$38,691,372, as compared with \$17,901,072 in the same time in the preceding year. Notwithstanding the high prices in iron and steel, and the disposition in some quarters to wait for lower quotations, pig iron production is enormous, amounting in April to about 1,650,000 tons, while, according to "The Iron Age," the output for May will exceed that of April, as furnaces showed on May 1 a capacity of 383,897 tons a week, against 376,516 tons on April 1, or a total for the month of 1,700,000 tons. These figures furnish eloquent evidence of the prosperity now prevailing in the iron and steel trade, while they ought to silence at once the pessimistic talk heard in some poorly informed quarters regarding conditions in this line of industry. If further evidence is desired showing that the trade is still active, it is only necessary to refer to the net profits of the United States Steel Corporation for March, amounting to \$9,900,000, or \$41,000 more than recently estimated.

Wall Street has looked with disfavo

rable speculation on the Cotton Exchange, and the declining tendency that developed at the close of the week was, therefore, received with considerable satisfaction. The decline which started on Friday will doubtless be carried further, as quotations are at a fictitious level, while the technical position of cotton speculation invites lower figures. A return of cotton prices to a normal level will be followed by a renewal of the export demand, which, according to "The Iron Age," will exert a favorable influence on sentiment and business in local drygoods circles. Notwithstanding the falling off in cotton exports in April, the outward movement of general merchandise in the month was heavier than in any corresponding month on record, with the exception of April, 1891. The excess of exports over imports amounted to \$21,842,428, making for the four months of the calendar year an excess of \$140,432,410, as compared with an excess in the same time last year of \$139,126,148. Imports were again heavy in April, showing an increase in value of above \$16,000,000 over the same month in 1902, but a decrease of nearly \$8,000,000 from March. For the ten months of the fiscal year exports have been number one in the list of exports, amounting in 1902, reaching the enormous total of \$12,223,740,663, against imports in the same time to the value of \$864,720,889, or an excess of exports in value of \$359,019,774. In the period under review imports increased in value to \$11,204,082, while exports increased \$335,887,276. In view of the fact that exports of cotton showed a heavy decrease for the preceding year, owing to the failure of April, 1901, the record of the export trade since last July is truly marvelous.

Railroad earnings are heavy throughout the country. Crop reports still favor a record breaking winter wheat yield, and current weather conditions are favorable to early planted corn and spring wheat. Market values are high and bankers are sharp in stock market transactions over the situation. Gold exports reduce our obligations abroad and improve the chances of imports of the metal in the fall. Foreign capital is seeking investment, a reflection of which was presented in the enormous subscriptions to the new Transvaal loan, and local foreign bankers report a large amount of foreign for export gold American bonds. All the stock market needs is the development of an active buying power. This will doubtless come in the course of the next few months.

GOVERNMENT BONDS.

Government bond quotations compare as follows with those of a week ago:

Bid. Asked. **May 18.** **May 19.**

U. S. 2s, registered..... 106 306 1/2 105 1/2 104 1/2

U. S. 3s, registered..... 107 1/2 108 1/2 107 1/2

U. S. 4s, registered..... 110 1/2 111 1/2 110 1/2

U. S. 5s, registered..... 110 1/2 112 1/2 110 1/2

U. S. 6s, registered..... 109 1/2 110 1/2 109 1/2

U. S. 7s, registered..... 107 1/2 108 1/2 107 1/2

U. S. 8s, registered..... 107 1/2 108 1/2 107 1/2

U. S. 9s, registered..... 109 1/2 110 1/2 109 1/2

U. S. 10s, registered..... 110 1/2 111 1/2 110 1/2

U. S. 12s, registered..... 112 1/2 113 1/2 112 1/2

U. S. 15s, registered..... 114 1/2 115 1/2 114 1/2

U. S. 20s, registered..... 116 1/2 117 1/2 116 1/2

U. S. 30s, registered..... 118 1/2 119 1/2 118 1/2

U. S. 40s, registered..... 119 1/2 120 1/2 119 1/2

U. S. 50s, registered..... 120 1/2 121 1/2 120 1/2

U. S. 70s, registered..... 122 1/2 123 1/2 122 1/2

U. S. 100s, registered..... 124 1/2 125 1/2 124 1/2

U. S. 150s, registered..... 126 1/2 127 1/2 126 1/2

U. S. 200s, registered..... 128 1/2 129 1/2 128 1/2

U. S. 300s, registered..... 130 1/2 131 1/2 130 1/2

U. S. 400s, registered..... 132 1/2 133 1/2 132 1/2

U. S. 500s, registered..... 134 1/2 135 1/2 134 1/2

U. S. 600s, registered..... 136 1/2 137 1/2 136 1/2

U. S. 700s, registered..... 138 1/2 139 1/2 138 1/2

U. S. 800s, registered..... 140 1/2 141 1/2 140 1/2

U. S. 900s, registered..... 142 1/2 143 1/2 142 1/2

U. S. 1000s, registered..... 144 1/2 145 1/2 144 1/2

U. S. 1200s, registered..... 146 1/2 147 1/2 146 1/2

U. S. 1500s, registered..... 148 1/2 149 1/2 148 1/2

U. S. 2000s, registered..... 150 1/2 151 1/2 150 1/2

U. S. 3000s, registered..... 152 1/2 153 1/2 152 1/2

U. S. 4000s, registered..... 154 1/2 155 1/2 154 1/2

U. S. 5000s, registered..... 156 1/2 157 1/2 156 1/2

U. S. 6000s, registered..... 158 1/2 159 1/2 158 1/2

U. S. 7000s, registered..... 160 1/2 161 1/2 160 1/2

U. S. 8000s, registered..... 162 1/2 163 1/2 162 1/2

U. S. 9000s, registered..... 164 1/2 165 1/2 164 1/2

U. S. 10000s, registered..... 166 1/2 167 1/2 166 1/2

U. S. 12000s, registered..... 168 1/2 169 1/2 168 1/2

U. S. 15000s, registered..... 170 1/2 171 1/2 170 1/2

U. S. 20000s, registered..... 172 1/2 173 1/2 172 1/2

U. S. 30000s, registered..... 174 1/2 175 1/2 174 1/2

U. S. 40000s, registered..... 176 1/2 177 1/2 176 1/2

U. S. 50000s, registered..... 178 1/2 179 1/2 178 1/2

U. S. 60000s, registered..... 180 1/2 181 1/2 180 1/2

U. S. 70000s, registered..... 182 1/2 183 1/2 182 1/2

U. S. 80000s, registered..... 184 1/2 185 1/2 184 1/2

U. S. 90000s, registered..... 186 1/2 187 1/2 186 1/2

U. S. 100000s, registered..... 188 1/2 189 1/2 188 1/2

U. S. 120000s, registered..... 190 1/2 191 1/2 190 1/2

U. S. 150000s, registered..... 192 1/2 193 1/2 192 1/2

U. S. 200000s, registered..... 194 1/2 195 1/2 194 1/2

U. S. 300000s, registered..... 196 1/2 197 1/2 196 1/2

U. S. 400000s, registered..... 198 1/2 199 1/2 198 1/2

U. S. 500000s, registered..... 200 1/2 201 1/2 200 1/2

U. S. 600000s, registered..... 202 1/2 203 1/2 202 1/2

U. S. 700000s, registered..... 204 1/2 205 1/2 204 1/2

U. S. 800000s, registered..... 206 1/2 207 1/2 206 1/2

U. S. 900000s, registered..... 208 1/2 209 1/2 208 1/2

U. S. 1000000s, registered..... 210 1/2 211 1/2 210 1/2

U. S. 1200000s, registered..... 212 1/2 213 1/2 212 1/2

U. S. 1500000s, registered..... 214 1/2 215 1/2 214 1/2

U. S. 2000000s, registered..... 216 1/2 217 1/2 216 1/2

U. S. 3000000s, registered..... 218 1/2 219 1/2 218 1/2

U. S. 4000000s, registered..... 220 1/2 221 1/2 220 1/2

U. S. 5000000s, registered..... 222 1/2 223 1/2 222 1/2

U. S. 6000000s, registered..... 224 1/2 225 1/2 224 1/2

U. S. 7000000s, registered..... 226 1/2 227 1/2 226 1/2

U. S. 8000000s, registered..... 228 1/2 229 1/2 228 1/2

U. S. 9000000s, registered..... 230 1/2 231 1/2 230 1/2

U. S. 10000000s, registered..... 232 1/2 233 1/2 232 1/2

U. S. 12000000s, registered..... 234 1/2 235 1/2 234 1/2

U. S. 15000000s, registered..... 236 1/2 237 1/2 236 1/2

U. S. 20000000s, registered..... 238 1/2 239 1/2 238 1/2

U. S. 30000000s, registered..... 240 1/2 241 1/2 240 1/2

U. S. 40000000s, registered..... 242 1/2 243 1/2 242 1/2

U. S. 50000000s, registered..... 244 1/2 245 1/2 244 1/2

U. S. 60000000s, registered..... 246