

NEW YORK STOCK EXCHANGE QUOTATIONS.

TUESDAY, NOVEMBER 9, 1920.

FINANCIAL NEWS

AND COMMENT

Violent Declines in Stocks Carry Market to Year's New Low Levels.

MONEY RATE STILL HIGH

Sentiment at Close More Encouraging, Although Break Is Worst So Far.

The stock market had another sinking spell yesterday which in point of violence was easily the worst of the year. It carried the industrial list down to new low records and, simultaneously with the fresh outburst of liquidation in industrials, came an entirely unexpected selling movement in the bond market, which has far been virtually immune from the downward movement.

In spite of the fact that the decline was probably the most severe of the year from every viewpoint, it was entirely orderly. There was a market for stocks every fraction of the way down, even in the case of special issues in which bid and asked quotations usually have been far apart, and there was, moreover, not a slightest sign of financial disturbance anywhere in Wall Street. As a matter of fact the very manner in which stocks were dumped overboard was suggestive of conservative investors who were not even where near a turn; that in any event the market had certainly gone through the worst. There was everywhere in the financial community after the closing a feeling for a better and despite the rapidity of the decline, commission houses reported the very best kind of scale buying as well as cash buying from so-called "hot" hunters.

Although the lowest prices were made during the last hour of the first half of the day made a fairly respectable showing. There were semblances of rallies throughout the list, but those rallies failed to hold, they only encouraged fresh selling later on, and in the last hour the whole market gave way under the strain. There was a crash of more than 4 points in Baldwin, an even sharper break in the Mexican stocks, but what was even more disheartening was the way in which Southern Pacific Reading sold off. These issues had been the backbone of strength of the list and the Street had been led to believe that when the rally did start it would be those two issues which would lead. When they failed to become apparent that the market would refuse to rally even under the leadership of stocks like Reading and Southern Pacific the market was literally overwhelmed. But in spite of all this weakness there were several notable exceptions to the trend. The low priced rails did better than the average run of stocks, and motor stocks stood up under the strain in a remarkably good manner. Not a decline was recorded at the close in leading motors.

There was no change whatever in the money situation. The renewal rate was still held at 3 per cent, and, as has been the case for the last week, the rate was advanced to 10 per cent in the last hour. Those interests that expect lower money during the next two or three days, however, are likely to be disappointed in view of the announcement made at the Reserve Bank after the closing that approximately \$9,000,000 would be withdrawn from the banks to-day.

MONEY AND EXCHANGE.

CALL MONEY. High... 10 1/2%... Low... 10%... Treasury... 10%... Clearing House Statement... \$75,468,493...

FOREIGN EXCHANGE.

Official bank silver in New York: Domestic... 18 1/2... Foreign... 18 1/2... Canadian... 18 1/2...

THE CONTINENT.

19.30 France, cents a franc... 65 1/2... 19.30 Belgium, cents a franc... 65 1/2... 19.30 Netherlands, cents a franc... 65 1/2...

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Table of stock market quotations for various companies including Adams Express, American Express, and others. Columns include company name, price, and change.

GOSSIP OF WALL STREET.

Averages at New Low for Year. The decline in the stock market yesterday, following an active liquidation, which has run for six days without a break, has put the entire list of industrial stocks back to exactly the place at which it started in last fall's long upswing.

Look for Organized Support. Rumors about the banks and the commission houses after yesterday's close was to the effect that organized support might be put on the market to steady the bond markets to-day. Such a movement, of course, would bring an abrupt halt to the liquidation and the underpinning of short advances on the market would carry an advance alone which would momentum of the decline should be checked.

New Low Records. The forced liquidation in industrial stocks yesterday brought new low records for the year for seventy-one stocks on the list and a dozen more approached the former low marks by fractions. On the preceding day forty-four stocks set new low marks. The long list of stocks that broke their previous lows included many of the steels, the representative industrial group, practically all of the rubber stocks, the sugar and leather stocks, shipping securities and food and clothing stocks.

Bargain Hunters Flock to Street. Yesterday was bargain day in Wall Street and the hunters for bargains were about brokerage offices in shoals. Many of them were about the Street on the morning of the day after yesterday, that many of them have picked up stocks here and there on the declines. The clique of bargain hunters change little from year to year. It is composed of investors, most of them men, but a few women here and there, who keep their capital in a liquid form and who watch the market for a chance to buy at a depressed session as occurred yesterday.

American Sugar Dividend. Directors of the American Sugar Company will yesterday afternoon be discussing dividend action, and it is reported in Wall Street that they may decide to eliminate the 1/2 cent per share extra dividend for the year 1920, which the corporation has been paying in addition to 7 per cent on its senior and junior issues. The corporation has made a wide operating profit, but has sustained a heavy loss on its unsold inventory of raws. W. E. Foster, vice-president of the corporation, recently declared that the net refining profits for the first eight months of the year were \$11,000,000, but that the profit was subject to loss on unsold inventory of raws which might run up to \$10,000,000. The corporation has some 40,000 tons of unsold sugar.

Government Withdrawals To-day. The Treasury Department will withdraw to-day \$9,000,000 of its deposits from member banks of the New York district, according to a notice which was sent to those banks yesterday afternoon. The total Government deposits amount to approximately \$15,000,000, as reported in last Saturday's bank statement. That low figure will be reduced shortly after the 15th of this month, however, by the sale of an issue of certificates of indebtedness. Notice of today's withdrawal will be reissued with a call money market yesterday. In the late afternoon the rate advanced to 10 per cent, at which figure it closed.

Credit Peak Passed. The peak of credit requirements for moving crops and for practically all other purposes has been reached and passed, according to bankers who have met to do with credit conditions and customers. They think that the banking situation is in a healthy state and that the money trend is distinctly downward. One of the surprises which the bankers have accounted in arranging for accommodations for crop moving purposes this year has been the comparatively small demands from the South, particularly for cotton moving.

Standard Oil Preferred Is Sold. The syndicate headed by J. P. Morgan & Co. which offered the unsubscribed balance of the 7 per cent preferred stock of the Standard Oil Company of New Jersey has been dissolved, according to an announcement made yesterday. All of that stock has been sold.

General Motors. Interests closely identified with the General Motors Corporation yesterday characterized rumors of additional financing by that company as absurd. They pointed out that the British-Canadian interests which recently purchased a block of General Motors stock for approximately \$35,000,000 have paid only 10 per cent, and that the balance, exceeding \$30,000,000, is to be paid in November. That amount, they declared, would add materially to the stability of the corporation's cash position. The corporation, it is pointed out, is substantially amount having been written down through disposal of finished products.

Houston Oil. It is learned in brokerage circles that dividends on Houston Oil are to be started within a short time. The Houston Oil Company reported yesterday that oil sales for the quarter ended on September 30 were \$1,350,000. After the deduction of charges the surplus amounted to \$428,826, equivalent, after allowing for preferred dividends, to \$1.18 a share earned on \$25,000,000 of its common stock.

TICKETS FOR CURB MARKET. When the Curb market moves into its new building it will have a ticker service patterned after that of the New York Stock Exchange. The Curb Ticker Company, Inc., has been formed and virtually all members of the association that will move into the new building have signed for the new tickers.

OFFER NATIONAL LEATHER. STOCKS DROP IN MONTREAL. Banking syndicate to place issue of \$10,000,000 notes. Market decline. Montreal, Nov. 9.—New lows were recorded to-day in the continued drop of stock market issues here. Notable among the declines was 40 for Atlantic Sugar, which fell under persistent selling. It opened at 48, Dominion Steel was 18, down 1 1/2 from last night's close.

BRITISH FOREIGN TRADE. LONDON, Nov. 9.—Following are the Board of Trade figures for the month of October: Imports, £14,880,000; exports of British goods, £11,220,000; re-exports, £16,130,000; total exports, £128,420,000; excess of imports, £21,460,000.

PENNSYLVANIA OIL MARKET. OIL CRIT, NOV. 9.—Credit balances, \$4,100,000; Rum, 75.12; average, 54.12. Shipments, 45,311; average, 43,422.

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Chas. F. Noble Oil & Gas Co. is featured in the current issue of "The Oil Industry".

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