INTERESTING INFORMATION
FOR
Earners, Savers and Investors

Industry, Thrift, Banking, Insurance, Investments

THE BIGGEST LIBERTY LOAN YET.

$6,000,000,000 Flotation, While a 4¼ Per Cent Issue, May Have Some Tax-Exempt Privileges.

A resumption of weakness in Liberty Bonds, all but the 3½s making new low prices on the movement downward, has started a renewed discussion as to how it will be possible for the Government to sell $6,000,000,000 of Fourth Loan 4¼ per cent bonds at par when the Third 4¼ are selling at better than a 450 per cent basis. The answer by investment bankers who have studied the situation is that in all probability the Government will make some further concessions as respects exemptions of the new bonds from taxation to make them more attractive, and it is being already suggested that instead of exempting only up to $5,000 worth, the exemption be made $50,000 or $100,000 before any taxation of the income shall begin. An exemption of $100,000 would make the new bonds bearing 4¼ much more attractive to the wealthy, who are, nevertheless, not in the multi-millionaire class. New legislation, permitting conversion of the existing issues into the Fourth Liberty Loan issue bearing the tax-exempt privilege, would help the present issues.

It appears that among the advocates of increased exemption the idea is held that there is need of some competition with tax-exempt municipal bonds, and that making the Fourth Liberty Loan tax-exempt up to $50,000 or $100,000, would afford a very good bond to compete with municipals. The new plan has gained so much favor among the banks and investment houses that it will be urged on Secretary McAdoo at some of the numerous conferences that are to be held at Washington and in New York prior to the adoption of the Liberty Loan campaign. Discussion with respect to the rate of interest has not risen, and on all sides it is the consensus of opinion that the rate will be only 4¼ per cent.—New York Financial World.

CLOSING OF RUG INDUSTRY OF TURKEY AND PERSIA MEANS BUSINESS FOR CHINA.

The old centres of the rug supply in Turkey and Persia have been practically closed by the war. The result is seen in an increased demand for Chinese rugs, most of the Chinese exports being made in Tientsin, Pekin and vicinity. The bulk of the product is made under the direction of the foreign buyer or expert. As is well known, rug-making in China is a very old industry, dating back many centuries. In China, where the labor problem is unknown, the methods used are still quite primitive.

Thus, in some localities spinners may be seen strolling along with wads of wool and hand spindles, and by the mechanical working of the spindle, the spinner gradually accumulates a ball of yarn. The Chinese rug is a hand-made product all the way through. Chinese rug dyers are famous. Rugs can be boiled to shreds without affecting the dye in the least, and the dye worker depends entirely upon his memory for records and formulas. The rugs are tied, not woven; strictly speaking, there is no woof. The cotton filler is run in after each row of knots has been tied and pounded down. Only an expert who has studied the rug market in China can tell the value of a Pekin rug. Some years ago a beautiful Pekin rug, made from the finest quality lamb's wool, best dyes and workmanship, could be bought for from 50 to 55 cents per foot. In 1915 the price was $3.50 to $4. The arrival of four or five American buyers, with orders for a few thousand square feet, will send the dealers' demands up 15 to 20 per cent.

Many American firms in China have factories, or control the product of Chinese factories, and by reason of their wide experience are in a position to guarantee their products.

BE INDUSTRIOUS, BUT WITHAL BE FRUGAL.

There is no workingman who serves his employer efficiently, faithfully and conscientiously, who will not secure constancy of employment.

There is no workingman in uninterrupted employment who may not look forward confidently to independence, if he will but be frugal.

There are hundreds of persons who can work hard and faithfully to every ten who can save something from what they earn. As a rule those who toil the hardest squander with a recklessness the average rich man would not think of doing. Instead of saving anything to provide against the unexpected, such as sickness or want of employment, they spend all, with no thought of tomorrow, next week or next month's untoward possibilities. Result, slavery to extravagance, discouragement with conditions which to their mind are unfavorable to them ever being any better off, while to the frugal one who husbands as wisely as he works, the same conditions of employment and opportunity would look most favorable for the attainment of a competency. To anyone who has observed the habits of the careless spender of his earnings, it is hard to account for such short-sightedness of conduct; but doubtless the main cause is contempt for small savings. They never look upon a few cents saved as the seeds for dollar growths. They never contemplate the possibility of a few dollars a month, previously saved, in a profitable investment where the money will make money while they are working for more to employ in the same way.

Sir Edward Bulwer Lytton, in his essay upon "The Management of Money," says: "Every man is needy who spends more than he has; no man is needy who spends less. I may so ill manage my money that with £5,000 a year I purchase the worst evils of poverty, terror and shame; I may so well manage my money that with £100 a year I purchase the best blessings of wealth, safety and respect."

It is quite a common opinion with many who work for a weekly wage that to save a little every week means being miserly and mean. This is as false as it is pernicious. Being economical for the mere purpose of hoarding up money is mean, but being prudent with what one earns and economical in spending for the purpose of being independent, is one of the soundest indications of manly character, and when the habit of saving something from each week's income has the object of creating an insurance of the living comfort of those dependent upon us, it is noble.

Years ago a penniless boy on a journey paid for a meal by doing a job of work. Afterward he came to be the possessor of millions, which he bestowed upon works of charity and philanthropy. Thus fortune honored him, and he honored fortune. And when he died, the ships of two nations carried the remains of GEORGE PEABODY to his native shores.

TAKING A HOLIDAY

It is helpful to better business; to continue thinking along the same lines about business or anything else continuously for hours and hours, day in and day out, is not good sense, let alone good business. Brain, mind activity, must have its periods of relaxation if we would have it do its best work with the matter about which we are most concerned, the same as the muscles of the back, arms or legs must have time for rest, recuperation, and recovered vigor, if we would prepare them for another good and capable physical effort. Business is not best advanced by drubbing away all the time at the same desks, amid the same environment. It was a wise Prividence given us—the ability of forgetting things for a time; the ability of letting go, taking a respite.

When we come back to our work it is with new thought, new ideas, new plans and new force to carry out new ideas. We have had change of scene, people, conversation and environment, as well as variety of occupation and diet. We feel recuperated, renewed, refreshed and ready for the problems of the day. It is a pleasure to resume the task that was irksome before, and the work, when done, is better done because of relaxation and change.

FOOD PRICES INCREASE 63 PER CENT. IN FIVE YEARS.

The retail price of food for the United States on May 15, 1918, showed an increase of 3 per cent over the price of April 15, 1918, according to a report of the Bureau of Labor Statistics to be published in the forthcoming Monthly Labor Review.

A comparison of prices as between May 15, 1918, and May 15, 1917, shows that food as a whole increased 5 per cent. Seven of the 25 articles recorded showed a decline in the retail price. Potatoes declined 64 per cent; onions, 35 per cent; flour, 24 per cent; sugar, 9 per cent; beans, 7 per cent; cheese, 1 per cent, and coffee less than 1 per cent.

Ten articles show an increase of 20 per cent or more. Plate boiling beef increased 32 per cent; cornmeal, 30 per cent; hens, 29 per cent; milk, 26 per cent, and pork crops, 20 per cent.

A comparison for the five-year period shows that food was 63 per cent higher in May, 1918, than in the same month of 1913. Every article increased 38 per cent or over. The latest increase of 38 per cent was shown in potatoes. Three articles show an increase of 100 per cent or more.

PETER PAULSON, OIL KING OF BUTLER COUNTY, KAN.

There are many stories told of Peter Paulson and his wealth, no doubt some truthful, and others untruthful, but be that as it may, the following is a well-known fact among his neighbors. About ten years ago Peter was not enjoying a superabundance of this world's goods as the reward of his long hours of labor on the indifferent soil or 2-26-4 Butler County, Kansas, and was anxious to sell out everything he had there and "go west." One day a stranger driving a pair of good mares hitched to a prairie "schooner," drew up to the road fence for a chat with Peter about his farm. At last, after dickering for a couple of hours, Peter offered his farm for the two mares the stranger was driving, but the stranger concluded the owner of the farm was too anxious to get rid of it, and refusing to make the "even swap," drove away. It is now said that only three weeks ago Mr. Paulson, whose monthly receipts from 36 wells exceed $100,000, was offered four millions of dollars for one-half of his one-eighth interest in the lease. Every man has his one great opportunity laid before and pressed upon him, but few there are who know or can divine when an offer is an opportunity.

WALL STREET CONDITIONS.

The market is under great pressure to advance and normally would do so, but the complete control of money prevents. Funds in enormous amounts are needed for Government operations, and the approach of another loan campaign makes it expedient to reserve the country's surplus funds for this operation. These funds are in fact already passing, as a preliminary, into the Treasury Short Term Certificates, of which the banks have taken close on to $3,000,000,000. Uncertainty as to the final tax arrangement and its effect on profits may also be holding the market back. It is pretty clear, however, that if it were not for other reasons this effect would have been discounted, and the market would by this time have developed into substantial activity.