

NEW YORK EXCHANGE.

RAILROAD STATEMENTS BEING DIS-APPOINTING CAUSE LIQUIDATION IN TRACTION STOCK. — ARE ARE RATES HIGH ENOUGH TO OFFSET INCREASED WAGES AND PRICE OF ROAD SUPPLIES — \$3,000,000 GOLD GOES TO-MORROW.

New York, Dec. 29. There is a distinctly cheerful tone to the foreign markets. London Americans after a firm opening have become very strong, advances ranging from 1/2 to 1 p.c.. The reason given for the upward movement in prices is the somewhat lower rates of discount. Some gold has already arrived in London from this country, and the fact that shipments on Saturday will be between \$3 and 5,000,000 is creating the opinion that the Bank of England rate will not be raised for some time, if at all. The reaction which took place in our market during the last hour was looked on by the street as rather a healthy sign. The advance during the morning was in the opinion of many, too rapid, and was likely to have induced reckless speculation which always results at some time or other in disaster.

The reaction was due not so much to bear selling as to profit taking by buyers of last week. The most noteworthy reaction was in M. R. This is only natural, inasmuch as this stock had enjoyed the largest advance and because the advance had been, to a large extent, due to the covering of shorts. It is difficult to judge of to-morrow's bank statement. The banks have lost of course through shipments of gold to England and are believed to have gained heavily by receipts from the interior.

Exactly what has taken place in regard to loans, it is difficult to say, but the probability is that they have been somewhat decreased.

New York, (noon), Dec. 29.

The feature of the opening was the advance which took place in the prices of B. & O. common and preferred. London houses were large buyers, more especially of the preferred, but there was also good local buying.

Old rumors were revived of some important deal with other western railroads, but no confirmation were obtainable.

On the whole the market did not respond altogether to the higher prices from London, the reason probably being that many longs were selling out, being unwilling to retain their holdings in the market over the holidays.

Moreover, fears were entertained that rates for loans which would carry over into the New Year would be somewhat higher than during the early part of the week.

The first quotation for money was 6 p.c. bid, and loans were made at 7 p.c. It is not improbable that still higher rates will prevail later on in the day.

Towards 11 o'clock the B. & O. statement for November was published, showing a decrease in net of \$215,189 in spite of an increase in gross of \$85,494.

The Nor. Pacific statement for November, which showed an increase gross of \$132,285, but an increase in net of only \$6,264.

The Reading statement showing an increase in gross for November of \$152,417, but a decrease in net of \$61,516.

These statements, coupled with that of the St. Paul Nov. statement, which came out yesterday and showed a decrease in net of over \$71,000, in spite of the fact that the gross earnings were the largest

in any November in the history of the Company, led to a good deal of selling of the railroads. "It bears maintain, and not unnaturally, that the large earnings of the railroads were more than offset by the high wages which are now being paid, and also by the advance in the prices of all railroad supplies. The returns of the leading railroads for the next 2 months, will be full of interest; as at the end of 2 months we shall be able to arrive at a fair idea as to whether the increased business now being done by the railroads is more than offset by the increased expenses. It will also be determined in the next 60 days whether the railroads will be able to make the advance in rates which many railroad officials believe to be absolutely essential in order to maintain net earnings at as high level for the corresponding period of the previous year as at present.

At least \$3,000,000 of gold will go out to-morrow.

REVIEW OF THE WEEK.

RANGE FROM DEC. 29 TO DEC. 28, INCLUSIVE.

	HIGH.	LOW.	CLOSE.
S. W. Co.....	47 1/2	40 1/2	40 1/2
Sugar	131 1/2	114 1/2	128 1/2
Tobacco	100	82 1/2	99
Brooklyn R. Transit.....	74 1/2	61 1/2	71 1/2
Chicago B. & Q.....	122 1/2	114 1/2	121 1/2
" Mil. & St. P.....	118 1/2	112 1/2	117 1/2
" R. I. & Pac.....	107 1/2	100 1/2	105 1/2
" & Northwest.....	158	151	159
Consolidated Gas.....	187	174 1/2	187
Manhattan com.....	93 1/2	86 1/2	96
Met. Street Ry. Co.....	178 1/2	150	173 1/2
N. Y. Central.....	132 1/2	124 1/2	131 1/2
Northern Pacific.....	53 1/2	48 1/2	52 1/2
" Pfd.....	73 1/2	70	73
Pacific Mail.....	41	35	40 1/2
Penn. R. R.....	130 1/2	128	129 1/2
Peoples Gas.....	103 1/2	91 1/2	102 1/2
Tenn. Coal & Iron.....	84 1/2	69 1/2	83 1/2
Union Pacific.....	47 1/2	39 1/2	46 1/2
" Pfd.....	74	68 1/2	73 1/2
U. S. Rubber.....	42	38 1/2	41 1/2
U. S. Leather Pfd.....	72	66	71 1/2
Air Brake.....
Anaconda Copper.....	38 1/2	32	38 1/2
Fin Plate.....

There was very little display of the expected rallying which would bring up values half way to what they fell from, and the first depression was continued, but with very much less violence than during the previous week. This is not surprising, as the causes that forced the break having been longer continued than is usual before panics, fears were expressed that the half way reaction might be possibly longer in making a commencement. Ascent has already begun in four of the stocks on the Exchange News list and descent in the other nineteen stocks is comparatively small so that if the law of panics about half way reaction is to hold good, it will be shown next or the following week. The four advancing stocks were Steel Wire up 5 1/2, Metropolitan up 3 1/2, Consolidated Gas up 3, and New York Central up 1-3. The nineteen stocks that continued receding were Rubber 1/2, Union Pacific pfd 5/8, Un. Pac. com., 3/4, Tenn. Coal and Iron 1 1/2, Manhattan 1 1/2, Northwest 1 1/2, Northern Pac. pfd 1 1/2, Amer. Tobacco 1 1/2, Northern Pac. 1 1/2, Anaconda Copper, 1 1/2, Pacific Mail 2, St. Paul 2 1/2, Leather pfd 3, Pennsylvania 3 1/2, I. & Pacific 3 1/2, Am. Sugar 3 1/2, People's Gas 4 1/2, Chicago R. & Q. 4 1/2, Brooklyn Rapid Transit 6 1/2.

Many brokers are commenting on the amount of business put through this week by commission houses and on the unusually large quantity of stock bought to be taken off the market. Buying especially towards the end of the week was of a better character than for some time past. The slackening of the headlong descent of price was brought about by heavy buying by big men, who, buying in at the low level

for profits, proceeded to attack growing short interests in several stocks. Foreign houses buying freely also brought in a support which helped first to moderate the violence of the break, then to set again; the considerable recoveries from the very low marks made by the most of the list. Bank surpluses being just half what they were last year will not permit, it is thought, of much speculation by the public for some time yet, but as currency from the interior is coming in largely these fears may be groundless.

AMERICAN STEEL AND WIRE, which advanced 5 1/2, is said to have been the most active of steel stocks this week. The buying has been of a specially good character, and is said to be coming from insiders. Reason for this buying has been partly a rumor of declaration of dividend on the common stock within the next two months. Disappointment on this before has so often been felt that the truth of the rumor is doubted. The company, however, is doing very good business, and has prospects for the next year of better results, also there is a general movement among all classes of stocks to a dividend basis for common. The payment of wages increased by 7 p.c. by the Carnegie Steel Co. to its 20,000 employes was a nice Christmas present and the constant work for all steel workers is better.

SUGAR showed a recession of 3 1/2 points. The sharp advancing in this stock proves liquidation to be ended and that the net cash basis of selling is being reflected in increased values for the Sugar stock. The war, if there is any, will be among wholesale grocers unless refiners giving secret rebates to their customers provoke another war in a more subtle form, but there is no sign whatever of more acute opposition.

AMERICAN TOBACCO lost 1 1/2 points on the week. This company has declared a dividend of 1 1/2 p.c. on the common and 2 p.c. on the preferred stock payable Feb. 2. It would not agree to retain all employees and on this matter broke off from the proposed purchase of the Kerbs, Wertheim & Schiffer cigar factory. Price advanced 3 points on dividend declaration.

BROOKLYN RAPID TRANSIT fell another 6 1/2 points this week. This stock has fallen from its highest of the year, 71 1/2 points. The high was 137, the low 65 1/2. The 71 1/2 fall is the second largest of all on the list, Metropolitan having the greatest, dropping 122 points from 269 to 147. Sugar and Tennessee Coal fell 62 each. Consolidated Gas 55, International Paper 51 and many others from 15 to 20 points each. It is said that during the panic of last week sellers of B.R.T. have failed to make good their deliveries. They supposed that purchasers would not care to have them at that time and had forgotten about them in the rally. Buyers now are calling upon them to make good their deliveries. Owing to the continued heaviness in this stock, even since legal action has been taken to stop libellous criticism, a suspicion has started on the street that the lawyers will bring out curious items in the earnings.

Of UNION PACIFIC, which weakened only fractionally, the remark is being made that the directors have been niggardly in the use of capital, but lavish in the use of income and that therefore the road's physical condition is almost perfect. Notwithstanding the heavy charges for these betterments the system showed over 5 1/2 p.c. earned on the common for the year. This, with 1 p.c. increase since July and with 2 p.c. at least for operating expenses makes certain that not less than 8 p.c. has been earned by Union Pacific on the common stock. On issue of the official report from which these statements are taken, there was good buying in Union Pacific stocks which strengthened in sympathy with the strong trading that had arisen in Union Pacific.