

NEW YORK EXCHANGE,

New York, Dec. 22.

The London markets are all lower. N.T. C. and St. Paul being specially weak.

Various causes are given for the weakness, the principal of which is the absence of any news from South Africa.

Considerable nervousness continues to be felt in regard to Methuen's position.

The situation here is not looked on as favorable, and there are still fears of financial stringency, and naturally the failure of the Globe National Bank of Boston has created a bad impression.

The feature of our market yesterday was the persistent liquidation of what were supposed to be weak accounts. In addition it is thought that some bank loans were liquidated and further the heavy selling by a very prominent commission house created a good deal of uneasiness.

The Street is gradually getting to understand large railroad earnings and commercial activity are not sufficient to warrant a bull market in the face of the unsatisfactory financial situation both here and abroad. This financial situation is so remarkably unsatisfactory that a few of its details should be brought prominently to the front.

First we have a Bank of England rate of 6, the highest since the Baring panic.

The proportion of reserves to liabilities is only 36, the lowest in many years and there is also a very extended speculative situation in Kaffirs and Americans as a result of the false rumors of British victories which were circulated some 2 weeks ago.

Turning to France, we find the Bank of France rate 4½ highest in 18 years. Turning to Germany, we find a 7 p.c. Bank of Germany rate and a dangerously extended situation in Americans. Coming home, we find a comparatively small surplus reserve, the probability of large gold shipments to England (estimated that 7,000,000 go out to-morrow) and such demands for financial accommodation that twice during the past week prominent banks have had to meet in order to form a pool to provide funds for stock exchange necessities in order to ward off financial disaster.

Those measures having proved sufficient, the banks have now decided to use their reserves, a proceeding which is not warranted by law.

New York (noon), Dec. 22.

The market opened weak in spite of the fact that there was a moderate recovery in London just before the opening, the stock principally under pressure being the Industrials, Sugar, A.M.T. and Col. and B. R.T. showing sharp declines. There was a falling off in buying power and the general belief in the Street seemed to be that the increasing discrimination on part of the banks against Industrials was inducing commission houses to insist on this class of securities either being sold or being taken up by the customers, a rally took place, but was met by a flood of selling orders.

REVIEW OF THE WEEK.

Before proceeding to comment on the extraordinary market of the week, the usual course of procedure may be first taken to show by figures how many stocks have receded and how far each one has gone back.

Pennsylvania alone has advanced and the amount of its gain is 2½. Steel Wire and Tin Plate secured the same high as last week.

All the rest are lower. Tenn. Coal and Iron 24½, Sugar 17½, Met. St. Ry. 16½, Chicago and Northwest 9½, American Tob. 9½, Consolid. Gas 7½, B. & Q. 4½, Lea-

ther pfd, 3½, Manhattan 3½, Anac. Copper 3½, St. Paul 2½, People's Gas 2½, Rubber 2½, Un. Pac. com., 2½, Pac. Mail, R. I. and Pac. 2½, Un. Pac. pfd 2½, Brooklyn Rapid Transit 2, N. Y. Central 1½, North. Pac. pfd, 1½, North. Pac. com. 1½. The average loss on the 21 stocks is 5 points.

When it is considered that the high price of many of these stocks belongs rather to the period before the panic than before the panic itself. For instance, that B.R.T. has sold at 6½, it is evident that the average recession of the week must be set down as much nearer 10 than 5. This brings the week's disturbance about the end of the first stage of the triple movement to be characteristic of panics in general and of the Venezuela panic in particular. No sooner had the President's message been given out on Dec. 19, 1895, as a virtual ultimatum to Britain about the Venezuela trouble than a panic ensued. The panic drop lasted three days and depreciated stocks to the amount of 8.34 points. This was the first stage and was succeeded by the second stage, a sharp rally lasting the same time. In this rally the recovery was a half of the previous decline, 4.20 points, and in turn was followed by the third stage, a slow decline of nine days in which the lowest points of the first decline were touched. As panics all pass through a similar triple movement, and as the average 10 points of decline for the week seem to indicate that the first movement has been made, it is not improbable that the other two movements will follow.

Thirty-eight stocks of the active list made last week the low price for the year. Sugar has fallen since March 20 from 182 to 120. Steel and wire from 72 in May to 32. Federal Steel has declined from 75 in April to 39½. St. Paul is down from 136½ September 6 to 113½. Rock Island from 122½ to 99½. Consolidated Gas from 228½ to 168. Manhattan has dropped from 133½ in April to 87½, and Metropolitan from 269 to 148. New York Central is down from 144½ to 120 and People's Gas from 129½ to 91. Union Pacific preferred, which is regarded as one of the best stocks of its class has dropped from 11½ last January to 66½. Tennessee Coal and Iron has fallen from 126 to 64.

These declines have been chiefly due to the absorption of money in general business, to such a degree all over the world that the yield on stocks has become materially less than the cost of carrying them. It is not that profits have declined but that the relation between the supply of stocks and the amount of money available for carrying them to speculative advantage has been changed.

The sharp declines of the week naturally turn attention to low priced railroad stocks and their earnings for the fiscal year.

ATCHISON company is earning fully 5 p.c. on the preferred stock and a considerable surplus. It is believed that 2½ p.c. will be declared in June on the preferred stock.

BALTIMORE & OHIO is earning from 5 to 7½ p.c. on the common stock.

BIG FOUR is earning fully 4 p.c. on the common stock, with excellent prospects of doing even better for the year.

CHESAPEAKE & OHIO is earning about 1½ to 2 p.c. on the stock.

DENVER & RIO GRANDE is earning the full 5 p.c. on the preferred with a handsome surplus.

LOUISVILLE & NASHVILLE will show 8 p.c. earned on its stock.

NORFOLK & WESTERN will probably show 3½ or 4 p.c. earned on the common stock, while the preferred is getting its full 4 p.c. dividends and is selling several points below other 4 p.c. preferred stocks.

NORTHERN PACIFIC has earnings equal to 4 or 5 p.c. on the common stock.

ONTARIO AND WESTERN earns from 1½ to 2 p.c. on its stock.

READING earns what will pay full pre-

ferred dividends and sinking funds with a good surplus for second preferred.

SOUTHERN RAILWAY is earning the full 5 p.c. on the preferred with liberal charges for betterments.

SOUTHERN PACIFIC is earning 4½ to 5 p.c. and has better prospects than ever before.

UNION PACIFIC is earning 4 or 5 p.c. on the common stock.

SUGAR, which declined 17½ points, has been traded in on an enormous scale. During the last few weeks the capital stock has changed hands several times on the rumor spread for effect that the dividend would be passed. As this dividend, however, is not due for three months, it has little effect on the buying which has been made by strong interests. Receipts of sugar besides being small were mostly sold before arrival. Cane sugar was also in very inconsiderable quantities. Hence, then constant buying demand, but no selling at current quotations. The feature of the week was the removal of sales by the American Sugar Refinery Co. with guarantees against decline for 60 days, an arrangement which applies only to manufacturers thus far. A Sanford Adler, in his market letter says, "25,000 shares of Sugar were transferred on Tuesday from the Boston pool to the Standard Oil interest at 125. When this became known in the Street the market rallied and Sugar closed at 128."

TIN PLATE—The American Tin Plate Company having advanced the price of tin plate from \$2.25 to \$5.30 a box and having an intention of further advances, new independent plants have been opened up at Wheeling Va., Washington, Pa., Muskegon, Mich., Rogers, Pa., while others are promised at Pittsburg, Denver and San Francisco. Sixty per cent of the tin plate workmen are in Indiana and are preparing to demand an advance of wages, and propose sending a committee to Washington during the session of Congress.

STEEL STOCKS have lost \$126,666,000 in value in shrinking from the highest prices of the year to those of Monday. The decline began last May when the banks commenced discriminating against industrials as collateral, and is not due to popular distrust of the earning capacity of the properties they represent.

STEEL & WIRE CO. has taken steps to construct a new 800 ton blast furnace at Pittsburg. It will be located on Neville Island on ground 2 miles long, 3000 feet wide lately purchased for \$800,000. The works will cost \$6,000,000, and will include six 800 ton furnaces. As the plant on Neville Island becomes established some of the company's older mills will probably be abandoned. The net earnings of this company for November were \$1,400,000.

RANGE FROM DEC. 15 TO DEC. 21, INCLUSIVE.

	HIGH.	LOW.	CLOSE.
S. W. Co.....	41½	32½	40½
Sugar	135	120½	121½
Tobacco	101½	81	87½
Brooklyn R. Transit.....	80½	61½	64½
Chicago B. & Q.....	127½	117	117½
" Mil. & St. P.....	121	113½	114½
" R. I. & Pac.....	110½	99½	103½
" & Northwest.....	159½	149½	154
Consolidated Gas.....	184	175	175
Manhattan con.....	99½	88	89½
Met. Street Ry. Co.....	175	151	153½
N. Y. Central.....	132	120½	127½
Northern Pacific.....	54½	47½	49½
" Pfd.....	75	69	72
Pacific Mail	43	36	37½
Penn. R. R.....	133½	127	130
Peoples Gas	105	90½	92½
Tenn. Coal & Iron.....	85½	61	75½
Union Pacific.....	48½	40½	41½
" Pfd.....	74½	67	70½
U. S. Rubber	42½	38½	40
U. S. Leather Pfd.....	75	64	65½
Air Brake
Anacosta Copper.....	39½	39½	38½
Tin Plate.....	25½	25	25½