

Wall Street

German Moratorium May Prove Beneficial in Long Run.

BY RALPH HENDERSON

Times Special Financial Writer

THE moratorium Germany has just declared on her debt payments to this country may prove more beneficial than otherwise in the long run. It may result in the return of the United States of much of the money which took flight from here during the last year or so, due to the inflation scare. And the return of this money would prove an important stimulus to business.

As pointed out in this column a month or more ago, Germany's gold reserve has been reduced to very small proportions, and she is bound to have difficulty in remaining on the gold standard, even to the extent she has in the past. And her complete disregard for the rights of outsiders, as indicated by the moratorium, might have an important effect on the monetary policies of other European countries. At any rate, many people both in this country and in Europe may jump to that conclusion, which would be enough to start the movement of free capital back to the United States.

That this is not entirely a supposition is proven by the fact that gold already has begun to move toward these shores. Several million dollars of the metal have been received here during the past week. This money is unlikely to remain in the banks or is placed in the securities markets or finds some other berth. It will compete with the surplus of funds already available and is likely to find reflection first in the bond market and then in stocks, and business stands an excellent chance of getting the credit it has so sorely needed all through the depression.

A NOTHER natural development which may be expected to result from the moratorium is that investors are likely to steer clear of foreign loans for a long time to come. Experience encountered in connection with foreign loans already have soured American investors in such securities, but in most instances in the past nonpayment has been associated with inability to pay. Many people believe Germany could pay if she would, which, of course, makes a difference.

And when one stops to consider the statement made earlier this week by George N. Peck, foreign trade adviser to President Roosevelt, that despite the fact that we have had a \$36,000,000 export surplus of goods during the last thirty-eight years, we have received no cash profits on the transactions, the full importance of that factor becomes more evident. The paper profits were wiped out by loans which have not been repaid.

PROBABLY we can not expect to export as much goods in the future as we have in the more recent past unless we are willing to grant liberal loans, but if we do not make loans our export surplus, such as it is, will be payable in cash and the cash will be available for reinvestment.

And if this cash helps to establish a lower rate of interest than we have ever had before the cost of manufacture will be reduced and we can produce goods cheaper. To carry the thought further, lower prices for goods would make them more accessible, and people should be able to consume more and live better.

N. Y. Coffee, Sugar Futures

COFFEE—June 15—
Santos—High, 10.95; low, 10.95.
March 11.11; April 11.03; May 10.31; June 10.83; July 10.88; August 10.88.

RIB—High, 8.32; low, 8.20; close, 8.33; May 8.39; June 8.33; July 8.33; August 8.06; September 8.06; December 8.21.

SUGAR—High, 1.81; low, 1.78; close, 1.80; March 1.87; April 1.82; May 1.84; June 1.82; July 1.84; September 1.82; December 1.80.

In the Cotton Markets

—June 16—CHICAGO—High, 13.47; low, 13.36; close, 13.36; March 13.51; April 13.42; May 13.44; June 13.42; July 13.47; August 13.40; September 13.40; December 13.48.

NEW YORK—High, 13.47; low, 13.36; close, 13.36; March 13.51; April 13.42; May 13.44; June 13.42; July 13.47; August 13.40; September 13.40; December 13.48.

NEW ORLEANS—High, 13.47; low, 13.36; close, 13.36; March 13.51; April 13.42; May 13.44; June 13.42; July 13.47; August 13.40; September 13.40; December 13.48.

Retail Coal Prices

The following prices represent quotations from leading coal and coke dealers. A cash discount of 25 cents per ton is allowed.

Domestic Retail Prices

Anthracite—\$14.25

Brazil coke—\$15.75

Brazil mine run—\$15.00

Col. coke—\$18.75

Coke egg size—\$18.75

Indiana coke—\$18.75

Indiana mine run—\$18.75

Kentucky lump—\$18.75

Pocahontas egg—\$18.75

Pocahontas forked lump—\$18.75

Pocahontas mine run—\$18.75

New River smokeless—\$18.75

West Virginia lump—\$18.75

Island Creek—\$18.75

Exempted—\$18.75

anthracite—\$18.75

col. and \$1 a ton for coal carried to bin

Richfield Operates at Loss

By Times Special

CHICAGO, June 18.—An operating loss of \$217,000 was recorded by the Richfield Oil Company for the month of April, William C. McDuffie, receiver, testified yesterday before Judge William P. James, United States district court, Los Angeles.

STOCK VALUES STEADY, FIRM IN ACTIVE TRADING

Bond Prices Turn Uneven; Cotton Moves Down 3 to 7 Points.

BY ELMER C. WALZER

United Press Financial Editor

NEW YORK, June 18.—Stocks opened steady to firm in moderately active turnover, while cotton moved irregularly in quiet trading.

Utilities were again in fair demand. Rails were unchanged. Steels were steady to firm as were silvers.

Small advances were noted in Bethlehem Steel, American Commercial Alcohol, Consolidated Gas, North American, Public Service, Western Union, Auburn Auto, Standard Brands, and Texas Corporation.

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That this is not entirely a supposition is proven by the fact that gold already has begun to move toward these shores. Several million dollars of the metal have been received here during the past week. This money is unlikely to remain in the banks or is placed in the securities markets or finds some other berth. It will compete with the surplus of funds already available and is likely to find reflection first in the bond market and then in stocks, and business stands an excellent chance of getting the credit it has so sorely needed all through the depression.

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Money and Exchange

INDIANAPOLIS BANK CLEARINGS

—June 18—

Clearings—\$1,938,000.00

Deposits—\$1,938,000.00

FOREIGN EXCHANGE

(By Abbott, Hoppin & Co.)

—June 16—

Sterling, England—\$5,035.

France—\$660.

Italy—\$660.

Belgium—\$239.

Holland—\$384.

Spain—\$1,370.

Norway—\$253.

Denmark—\$237.

Treasury Statement

(By United Press)

WASHINGTON, June 15.—Government expenses and receipts of the current fiscal year to June 13, compared with the corresponding period of the previous fiscal year:

This Year—Last Year.

Receipts—\$2,872,342,509.24

Dep'ts—\$1,730,297,631.

Cash Bal.—\$1,923,119,761,209.49

Total Investment Trust Shares

(By Abbott, Hoppin & Co.)

—June 15—

Bid, Ask.

American Bank Stocks Corp.—\$1.13 \$1.18

American & General Sec. A—1.40 1.45

Basic Industry Shares—3.42 3.50

Collateral Trustee Shares A—2.12 2.40

Corporate Trust Shares (old)—2.15 2.25

Diversified Trust Shares A—6.25 6.50

Diversified Trust Shares C—3.10 3.15

Diversified Trust Shares D—4.87 5.00

First Common Stock Corp.—6.71 7.11

Fixed Trust Oil Shares A—8.59 9.50

Incorporators Investments—18.00 13.20

Lombard Bank Stock Corp.—1.15 1.20

Lombard Trust Shares—1.25 1.32

Mass Inv. Trust Shares—18.75 20.25

North Am. Trust Shares (553)—2.41 2.44

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Selected American Shares—2.60 2.60

Selected American Shares Inc.—1.15 1.28

Sel. American Trust Shares A—2.95 3.00

Sel. American Trust Shares B—3.00 3.00

Sel. Income Shares—3.42 3.87

Sel. Trustee Std Oil A—5.30 6.10

Sel. Trustee Std Oil B—5.30 6.10

Sel. Trustee Std Oil C—1.35 1.37

Universal Trust Shares—3.18 3.22

New York Bank Stocks

(By Abbott, Hoppin & Co.)

—June 16—

Bid, Ask.

Bankers—\$2.52 2.52

Central Hanover—110 114

Citicorp—128 128

First Natl. Bank—110 114

First Nat