

TOPICS IN WALL STREET.

General Trend of Stock Market Prices Continues Upward; Trading Lighter.

There was little change in the character of the stock market yesterday. A firm tone prevailed and stocks generally ended the day with net gains. The market, however, was not without declines, and in some groups, especially in the late afternoon, irregularity developed due to profit-taking sales. Aside from the specialties and certain high-priced railroad shares, the oils and coppers again attracted most attention because of improved conditions within these industries. American Smelting was the leader among the coppers, while the Standard Oil stocks were again most prominent in the petroleum group.

Company Net Earnings.

One extremely shrewd judge of the stock market pointed out yesterday that at the present time the most important factor to watch is that of corporation net earnings. This he deemed especially true at this time because of the fact that stocks are not moving by groups to any great extent, but that rather the stock of each corporation must "stand on its own legs." It has occurred several times in the recent past that the shares of different corporations engaged in the same line of industry have traveled exactly opposite market paths, and the explanation for this has always been found in the net earnings statement. Because of good management, strict economies in operation, and possibly fortunate purchasing of raw materials, many of the well-managed corporations are able to make very good statements despite the generally unsettled conditions in that particular industry. It is stocks of this kind which have enjoyed the greatest activity and strength in recent markets.

Holding Down the Market.

Some people in Wall Street believe they are able to detect in the action of the market from day to day a concerted effort to keep it from getting out of bounds, at least until after the election. This is on the theory that the market might run away if given the opportunity. It has appeared evident to many close observers of the tape that a good deal of stock appears for sale on the "strong spots." This was remarked particularly yesterday in such issues as United States Steel common, American Can and other shares which are considered market barometers.

Regarding the French Loan.

Opinion expressed in banking quarters yesterday seemed to indicate that the French Government had decided to offer its forthcoming external loan at or near the same time that it would float its new internal issue. There was a possibility, according to bankers, that the loan in this country would be brought out a few days before the internal loan should be floated on next Nov. 11. Over-subscription of a French issue here, it was reasoned, could not fail to influence favorably the subscription in France to that country's internal issue. Generally it was believed that the American loan might be held back until after the approaching national elections, although definite word on this point could not be obtained, some bankers stating that the issue was much nearer than most persons realized, while others said they did not look for it before two weeks at least.

Steel Trade News More Favorable.

There appeared yesterday to be a conflict of opinion regarding developments in the iron and steel industry. Some of the trade organs report that the industry is virtually at a standstill, so far as new business is concerned, consumers showing inclination to await the results of the national election prior to making new commitments. The current in Wall Street was that, if this stagnation exists, it must have developed within the past few days. Statements of steel trade leaders, however, do not substantiate the statement. Judge Gary, addressing the Iron and Steel Institute meeting yesterday, said that new business of the Steel Corporation for the first seventeen days of October was larger by 5,000 tons daily than in the same period in September. Regarding earnings, he said that, although affected by recent trade conditions, the company's earnings for the third quarter of the year, to be published next Tuesday, will be "substantial." Independent companies' operations also have increased. Youngstown Sheet and Tube is stated to be operating at 55 per cent., compared with 30 per cent. last Summer, and Jones & Laughlin at about 65 per cent. Bethlehem's operations were made known Thursday, averaging 65 per cent., against 31 per cent. last July.

Learning to Gauge Foreign Credits.

An executive in a banking establishment which has handled many loans for foreign countries and corporations remarked yesterday that investment bankers of this country were at last learning to distinguish between good, bad and indifferent foreign accounts. Ever since the war, he said, the investment bankers as a group had been called on to pass judgment on the relative merits of different foreign loans. Many curious errors in judgment were made, such as rating a city loan of one country as highly as a governmental loan of that particular nation, but these things would be ironed out, he believed, in price movements on the New York Stock Exchange within a relatively short time. "The significant thing," he said, "and a development that has made itself clear only in recent weeks, has been the improvement in banking knowledge of foreign affairs and conditions." The invasion of Europe by American bankers last Summer was believed possibly to account for this addition to knowledge.

Fall Traffic—1923 and 1924.

The Fall traffic handled by the railroads this year is approximately the same as that a year ago, according to expert observers of the situation. They point out that in the six weeks from Sept. 1 there were just 1,500 more cars loaded in 1923, than in 1924, but that this is not to be taken, however, as an indication that all of the roads will share the same as they did last year. It was pointed out that the Eastern roads were getting less of this traffic than they did a year ago, while the Western and the Southern carriers were enjoying a large proportion.

Wall Street and the Tax Publicity.

Wall Street's reaction to the publication of the income tax lists was more one of strong feeling than of apprehension of the actual damage which it had been feared the making public of the returns might cause. Like any other section of the community which prides itself upon a legitimate privacy for its personal affairs, the view was unanimous that the Government had gone a long step beyond what was warranted. As for the "news," however, the published returns were easily the outstanding topic of office conversation yesterday, and for a while, at least, the resentment caused by the Government's announced intention to make the lists available for public inspection was forgotten in face of the highly interesting facts presented.