MONEY AND EXCHANGE

MONEY AND CREDIT IN ABUNDANCE

Ease Promises to Continue for Months No Wide Net Changes from Tuesday's Prices -Gold Holdings Create Great Potential Expansion

the fall and winter though the next four months constitute the period of greatest'firmness. Bankers believe customary seasonal firmness is bound to show but not to such an extent as heretofore. Any appreciation in rates can only be fractional at most.

Gold imports since August, 1920, are clearly the most tuated with the British rate. responsible influence in present case and potential credit power, especially in New York. If no more gold were come in the banks have been strengthened to such an credit greatly beyond anything now in use or remotely in prospect. Regarding this credit potentiality George E. Roberts, vice president of the National City Bank of New York, said a few weeks ago:

their own loans from about seven to fourteen times the amount of their reserves. That is to say, member banks are free to lend, subject to their reserve requirements, which are in central reserve cities 13% of their demand deposits; reserve cities 10%; country banks 7%; for all time deposits 3%.

This possible credit expansion is without borrowing from the Reserve banks, who may increase their own loans until their outstanding liabilities are two and a half times their reserves. The Reserve banks have been depositing gold with the Treasury and putting the gold notes into cirpansion. It does not affect the ability of member banks without outside help. to make loans aganst their reserve deposits. The effect, therefore, as a means of restricting loan expansion is combanks desire to increase their reserve by rediscounting."

1920, the effects of the inflow of gold have been offset in considerable degree by the action of member banks in come up for parliamentary discussion within next few reducing the volume of rediscounts at the Federal Reserve months. Outcome of present League of Nations considerareducing the volume of rediscounts at the Federal Reserve Bank, but at the present low ebb of rediscounts this influence is about exhausted. Money rates in New York are lower than at any time since the war and are now the lowest in the world.

Time Money

Time money market is dull. Ninety days to five months' securities are most in demand. Rates, 30 days nominally quoted 24% bid, 2%% offered, 60 days 2%% bid and offered; 90 days 3% bid, 3%% offered; four months 314% bid and offered; five and six months 314% bid, 312% offered. Trading is occasionally done at both bid and offered rates.

Call Money

Call money opened at 2%, high 2%, low 2% and closed at 2%.

Commercial Paper

Commercial paper market is quiet. There is not a great deal being offered and banks are not purchasing to any noticeable extent. Banks in larger centers are buying paper in a routine way, while country banks show less interest. Rates are steady, prime names 314 %, less well known names 312 %, with occasionally some good smaller

Bank Acceptances

Bank acceptance market is quiet with rates steady Holland 3825 and unchanged.

Rates are as follows for prime eligible bank acceptances, spot delivery: 120 days.....2½
150 days.....25
180 days.....2¾

Gold to India

Equitable Eastern Banking Corp. is shipping \$500,-000 gold to India, by the Mauretania. It is understood that other engagements are pending which will bring the total going forward on present consignment to \$2,500,000 Two weeks ago a total of \$1,760,000 gold was shipped, direct to India, from here.

Most of this gold for export is being procured at the Philadelphia Mint owing to lack of suitable small bars at the local Assay Office.

London Market

Special Cable to The Wall Street Journal

LONDON—Call money in better demand at 3% to Mon 34%. Two-months bills 34%; threes 34% to 3 13-16%; \$.000625. fours 4% to 4%%; sixes 1%% to 4%%.

10urs 470 to 478 11, sixes 178 /1	- /-	
	Close	$_{ m Up}$
British Consols. 21/2		18
British War 5s, 1929-47		1/8
British Conv. 3125, 1961		• •
French War 5s (2,500 fr bond)		• •
Czecho-Slov £ 8s		
Austrian £ 6s, 1923-43	$35r^{2}$	14
Argentine 4s		
Brazil Fund. 5s of 1898		12
DeBeers Con. def		1 ₇₂₈
Rio Tinto, ord		• •
Dept. of Seine £ 7s		• •
P. L. & M. £ 6s		• •
Turkish Unified 4s		• •
Shell Trans. & Trad		• •
Royal Dutch		1-2
Mexican Eagle		• •
British-American Tobacco1		
Imperial Tobacco		1:
Anglo-Dutch		3d
Vickers		: :
Duese Asistia Cons	5-14	1 4

Foreign Exchange Sterling Active

-Milreis Higher-Chilean Pesos Lower

Foreign exchanges moved erratically. Rates came over from London at the opening almost unchanged from previous close, and in the early trading here Tuesday's Money market promises to continue easy all through rally was continued. Early speculative buying lasted only a short time, however, and resumption of offering of sterling commercial bills brought a reaction, so that net changes for the day were unimportant, though price sterling, but other sections of the list were quiet and fluc-

Foreign exchanges opened around Tuesday's closing levels, with most currencies showing small gains. Demand sterling was quoted \$4.441/2, up \$.001/4. Francs extent that present surplus gold furnishes foundation for gained 2 points to \$.0529. Belgian francs \$.0499, up \$.0001 1/2; lire \$.0436 1/4, off \$.0000 1/2. Danish kroner opened up \$.0002 at \$.1696. Swedish, Norwegian and guilders each gained a point. Swiss francs were off \$.0001 at \$.1875.

"All gold imports go to the reserve banks, for the Sterling sold to as high as \$4.45%, up \$.01, in the credit of the depositing member banks, who may increase early trading, declined to \$4.43%, and at the close Sterling sold to as high as \$4.45%, up \$.01, in the was quoted unchanged at \$4.41%. At close every currency on main European list was quoted within 2 points of Tuesday's prices. Among the less active exchanges, Chilean pesos at \$.0960, off \$.0005, reflected the current political disturbance in Chile, having declined from \$.10 of 1%, or \$.999375, off \$.000625; yen were off \$.0006

at \$.41; milreis gained \$.0025 to \$.1010.

Part of the early speculative activity was ascribed dispatches from Paris, stating that J. P. Morgan & Co. had expressed willingness to renew the \$100,000,000 culation instead of their own. The only effect of this pol- stabilization credit to France, but that acceptance was icy is to keep down the percentages of Reserve banks' re- uncertain, owing to belief among French financial authoriserves, and in this way limit their own part in credit ex- ties that resources for exchange control were sufficient

Traders are watching the financial situation in France Bank of France six months ago by J. P. Morgan & Co. chervonetz. closely, as Premier Herriot's program is rather indefinite and other American bankers, and which expires Septemparatively slight, and nothing at all until the member and there are various campaign promises regarding ber 12, will be renewed. finances yet to be fulfilled. Tax readjustments are under-In the past several years, especially since August, stood to be scheduled, refunding of the floating debt must be considered, and 1925 budget estimates will probably matter was being talked over. portant bearing on French financial position. In view of the many uncertainties in the situation, franc speculation is at an extremely low level at present.

			From	previous close
Exchange in \$	Open	Noon	Close	Up Off
England, £d.		4.44%	4.4412	
Par 4.8665c.	4.4434	4.44%	4.441_2	
France, francd.	.0529	.0530	.0527 %	£ .00001£
Par .193c.	052912	.0530	4.0528	.00001/2
Italy, lirad.	.043614	.0137	.0436	0001
Par .193c.	.0436%	.0437	± .0436¹:	
Belgium, francd.	.0499	.0498	.04961	
Par .193c.	.049912	.04981	$\pm .0497$	0001
Germany, markd.	* .2385		.2385	
Par .2382c.	*.2385	*.2385	.2385	
Czecho-Slov. krd.	.0298 😘		4.0299	.000014
Par .2026c.	.0299	.0299	4 .02994	≨.0000½
Switzerland, frd.	.1875	.1876		0001
Par .193c.	.1877	.1878		0001
Holland, guilder .d.	.3823	.3823		0002
Par .402c.	.3826	.3827	.3823	0002
Spain, pesetad.	.1312	.1313	.1312	
Par .193c.	.1314	.1315	-1314	
Sweden, kronad.	.2656	.2658		.0002
Par .268c.	.2660	.2662	.2661	.0002
Norway, kroned.	.1370	.1373		.0002
Par .268c.	.1374	.1370	.1375	.0002
Denmark, kroned.	.1696	.1697	.1694	
Par .268c.	.1700	.1701	.1698	
d. Demand c. Cable	Steady		y Stead	
*Per trillion no	DAT ANA	moid on		a w1e

*Per trillion paper, one gold or rentenmark.					
Range of Demand Exchange					
		High	Low		Prev. close
	England	\$4.4514	\$4.4378	\$1.4414	\$-1, 141
	France	.053234	.052534	.05271	3 .052
	Italy		.0435%	.0436	.043
	Holland	.3825	.8818 -	.3820	.382

Minor European Exchanges

A 4 : 1 C000C C000C	Tuesday
Austria, krone, par \$.2026\$.0000141/4	\$.0000141/4
Hungary, krone, par \$.202600001312	.00001312
Jugo-Slavia, dmar, par \$.19301311/2	.0131 1/2
Portugal, escudo, par \$1.07875315	.318
Greece, drachma, par \$.193017814	£18710.
Roumania, leu, par \$.193	.005212
Finland, finmark, par \$.1930252	.0252
Poland, zloty, par \$.193	.1925
Bulgaria, lev, par \$.193	.0072
Russia, chervonetz, par \$5.1465.16	5.16

Far Eastern Exchanges	
Hongkong, dollar	Tuesday \$.54 .76 ¹ 4 .4106 .3225
Southern American Exchanges	
Buenos Aires, peso, par \$.4245\$.3464 Rio, milicis, last conv rate \$.3244	Tuesday \$.3437 .0985 .813 .0965 4.14
Montreal funds 1-16 of 1% discount, or	\$.999375. off

Exchange in London

LONDON-New York cables closed \$4.44%; Paris LONDON—New York cables closed \$4.44%; Paris Chinese buying is being masked fairly well so that checks 84.05; Brussels 89%; Italy 101%; Berlin 18,750, the volume can not be gauged with accuracy. However, 000,000,000

U. S. Certificates and Notes

Following are bid and asked prices of United States certificates of indebtedness and Treasury notes, together with approximate yields:

٠	Maturity: Coup	on Bid	Asked	Yield
	December 15, 1924414	~ 100 ነ ፤	10033	1.920
ı	December 15234 9	% 100⅓	100 3	2.019
ł	March 15, 19254%	c 101 'n	101 12	2.279
	March 15 4	76 10033	10033	2,329
	June 15414	6 101 fa	101 🖫	2.579
	December 15438	7 101%	10178	2.849
	March 15, 19264%	~ 102 h	102 %	3.149
ú	September 15414	76 10143	10134	3.399
ı	March 15, 19274%	مُ 102 ك	102 11	3.629
	December 1541/2		10231	3.629

GERMANY CURTAILS ON depositing \$21,511. He said he was going into the foreign DISCOUNT CREDIT HERE business under the trading name of Continental Import & Export Co. Shortly thereafter he went to Europe,

Two Name Trade Bills Arrive, but Are Held ostensibly for the purpose of establishing business con-"For Collection"—Avoid High Interest— Confidence with Stable Currency

Germany is not/using any additional discounts available under the American credits arranged on behalf of the German Gold Discount Bank (Dr. Schact's bank), through a syndicate headed by the International Acceptance Bank. About \$2,000,000 of the two-name trade bills were early in the transaction presented for discount at the respective ranges were fairly wide. There was active dealing in banks. That was two months ago. Bills that have since arrived have been ordered held for collection.

A total credit of \$25,000,000 was arranged. The syn dicate agreed to rediscount for the German Gold Discount Bank German dollar trade bills, running no longer than tinue to advertise that account indefinitely, for the secret 90 days, and payable in dollars in New York. These bills, in addition to two commercial names, bear the endorsement of a German bank and that of the German Gold Discount Bank.

need for this foreign money.

Savings deposits are also increasing. Germans no they did when the mark was rapidly depreciating. Savings go direct to the banks now.

TO RENEW FRENCH CREDIT

tension

efforts of speculators who might attempt to depress the profits. This has discouraged outside capital so far.

Certain bankers are of the opinion that an extension

GERMAN LOAN DELAY

Not Expected to Be Offered Until Some Time After October 15

some time between October 15 and November 15.

Some weeks ago it was thought the offering might be brought out sooner, but the technicalities surrounding the undertaking are many, and, naturally, it will take time for all interested parties to agree upon them.

Opinion still is that America will take one-half the

British Loan to Russia Opposed

"There is much opposition here to a British loan to Russia, especially to any British guaranty.'

German Gold Bank

BERLIN-Principal items in German Gold Discount Bank compare as follows:

	Tim- week	Last week
Gold	29,000	£9,000
Foreign bank notes	17,177	16,110
Foreign assets at daily call	514,785	1,096,753
Bills of exchange and cheques	6,869 512	6 220,41
Share capital not paid up	3,357,300	3,522,300
Current obligations	390,868	890,86
Rediscount cheques and bills	7,121,808	7,429,079
	_	

SILVER AT NEW HIGH

Advance Attributed Largely to the Chinese Demand.

with Little Metal Offered

Silver has sold at new high for the year with some: sales by producers direct to consumers or banks at 69 7-16 cents an ounce. "Official" price is 6914 cents, new high. Advance is due to a considerable extent to Chinese buying here, in London and San Francisco. Chinese demand for San Francisco shipments has driven San Francisco to premium of 14 cent an ounce above New York with 6912 cents bid and none as yet obtained at the price so far as known at this writing. This is a new high for San Francisco. Very little silver has come out as result of advance in San Francisco price so that further advance is expected there.

in some instances buyers representing Chinese clients have tried to duplicate the order when they have been able to get acceptance of a bid at San Francisco.

LONDON-Bar silver 35d, unchanged; forward 35d, taxation for 25 years. up %d. Gold bars 93s. off 5d.

Bank Clearings 1924 Changes

or any trace of his family connections, or any one who can establish proper claim to the balance standing to the credit of the Continental Import & Export Co., although there have been numerous representations by fake claimants, leading in one instance to a jail sentence. And so every year the Guaranty Trust Co. has to ad-

In and Out of the Banks

One day in November, 1911, a man by the name of

Roux opened an account at the Guaranty Trust Co.,

nections and placing orders. Returning, he took passage

on the Titanic and was lost. Since then the Guaranty has

never been able to find the rightful heirs of Mr. A. Roux,

vertise, according to the law, along with other unclaimed Reserve Bank, showing the trend of the currency move-deposits, for the rightful owner of this small fortune, oc-ment: casionally having to defend it, as custodian, against the designs of the unscrupulous. Perhaps it will have to conmay be forever hid beneath the waves of the Atlantic.

Max May, United States representative of the Russian commercial Bank of Moscow, has returned to New York.

There is evidently a disposition to avoid the excessive after an extended trip to Russia and other countries on rates of interest still charged by the German banks. The the continent. He said there was not much change in credits are costing the German borrowers from 10 to 15%- political conditions in Russia. Everything is controlled by In this connection, it is pointed out that United States the government. The foreigner is allowed considerable currency is returning from Germany in large amounts. latitude so long as he does not openly criticise the govern-In July over \$9,000,000 was shipped back. Now that Germent. Russia is virtually on a six hour day basis as no many is getting a stable currency of her own there is no one is allowed to work longer. The stores are open from 10 to 1 o'clock and from 3 to 6 o'clock. Banks open from 9 to 12 and from 1 to 4 o'clock. Anybody working outin a week. Canadian dollars were again at a discount of longer hasten to put their money into tangible goods as side of official hours is liable to get into trouble with

> Mr. May pointed out the interesting fact that Moscow is one of the few places in the world at present where the United States dollar is quoted at a discount. Bank of France Expected to Request Six Months' Exports and exports and fixes an arbitrary price on the exchanges. Through the sale of furs and other exports in It is likely that the \$100,000,000 credit extended the this market the government protects the value of the

What Russia needs at the present time, Mr. May said, is foreign capital to develop its immense resources. Within J. P. Morgan & Co. declined to make any statement its almost boundless territory is every known source of in regard to the transaction other than to say that the wealth. But it is mostly under ground or undeveloped. Russia has an area two and a half times that of the It is assumed that any such overtures naturally must United States, with only a fifth of the railroad mileage. come from Bank of France officials. The belief is enter- Lack of transportation is keenly felt in distribution of tion of security and disarmament, as well as conference tained that the extension of the credit would have a sup-crops. In return for valuable concessions to foreigners on Interallied debts, scheduled for October, will have importing effect upon the French franc and tend to divert the Soviet government demands an equal share of the

> of this credit operation for another six months would be der the New York state banking law, has opened offices the Treasury issued the revised statement in July, 1922. at 39 Broadway to engage in international banking, with president. Directors are: J. Groeninger, managing direc- September 1, 1923, follows: tor of the Halcyon Line, Rotterdam; E. Roland Harr man, vice president of W. A. Harriman & Co., Inc H. J. Kouwenhoven, managing director, the Bank voo Handel en Scheepvaart, Rotterdam; Samual F. Pryon Bankers intimately associated with negotiations for charman of the executive committee of the Remingto floating the American share of the \$200,000,000 German Arms Co., Inc.; J. P. Ripley, secretary of W. A. Harriman loan, do not expect the public offering to be made until & Co., Inc., and J. D. Sawyer, vice president of W. A Harriman & Co., Inc.

> > Roger P. Kavanagh has been elected a vice presiden of the American Trust Co., and will be in charge of the American Trust Co.'s new midtown office on Madison Avenue at 41st Street. American Trust Co. some time ago purchased the old Thompson mansion, which on the completion of alterations, early in the fall, will be occupied for general banking and trust company business.

William Baxter, New York agent of Chartered Bank of India, Australia & China, is advised from head office BOSTON-London correspondent of the Boston News in London that directors have declared interim dividend for past half year at rate of 14% per annum.

Yokohama Specie Bank has declared regular dividend of 6% for past half year, transferred 3,000,000 yen to reserve, and carried 5.268,835 to profit and loss, according to cable from home office to local branch.

City Department of Taxes and Assessments has extended until September 16 time in which brokers may file complaints against application to them of state bank tax law. Original time was four o'clock, September 9.

WILL NASSAU.

British Floating Debt Higher LONDON-British Exchequer receipts for week ended

ly, the previous week. Floating debt increased to £779,-122,500 from £768,583,500

New Regime in Chile

WASHINGTON-Revolutionary developments in Chile, where a government of military officers under general Luis Altamarino has ousted the Liberal Cabinet and able by the government on September 15, 1921, it is estiestablished a rigid censorship, continue without bloodshed, mated that the Federal Reserve Bank of New York will according to reports received by the Chilean Embassy and pay out about \$57,000,000. the State Department. Mine owners and manufacturers are opposed to the heavy income tax, and, therefore, are expected to support the new military government which promises tax reduction.

Greece Buying United States Lumber

WASHINGTON-Outlook for American lumber on the Greek markets is bright and it is estimated imports this year will be about double last. An enormous building program has been in progress as a result of the practical suspension of building operations throughout the decade Handy & Harman quote silver: New York, \$.6914, up Greece was at war, acting Commercial Attache Schall 14; London 35d., unchanged; Mexican dollars \$.5314, up 16, reports from Athens. New buildings are exempt from

Few Strikes in Italy

WASHINGGTON-Slight indications of labor unrest have appeared in Italy after many months of calm, Trade New York ...\$710,000.000 \$546,000.000 Inc.\$164,000,000 Commissioner Osborne reports from Rome. Operators in Chicago 95,600,000 101,700,000 Dec. 6,100,000 Philadelphia ... 78,000,000 56,000,000 Inc. 30,000,000 and the calkers and ship carpenters in Genoa struck Detroit 27,076,934 22,375,539 Inc. 4,701,895 against a proposed wage cut. 6,100,000 three cotton mills in the province of Udine are on strike 3,000,000 and the calkers and ship carpenters in Genoa struck 4,701,395 against a proposed wage cut.

EUROPE SHIPPING

U. S. CURRENCY BACK

Currency Reforms in Germany-Remove Demand for U.S. Dollars-\$9,000,000 Returns in July

Europe now is returning American currency upon a large scale and in the past four months, to August 1, approximately \$22,000,000 has flowed in from foreign points. The bulk of this currency comes from Germany, to which country heavy shipments were made in 1923 and early this year.

United States currency to the amount of \$9,000,000 was returned in the month of July alone, whereas in April the return shipments were but \$1,661,000. It is thought that currency returns were larger in August than in

Following is a compilation of the New York Federal

	inent.		_	
	<u> </u>		3	iet
•	! Shipments	Receipts	Shipments	Receipts
	1923 May to			
•	Dec mo. av.\$3,645,000	\$2,910,000		
	1924:	12,010,000		•••••
	Jan 5.694.000	1.374.000	\$4,320,000	
ı				
	Feb 6,989,000		5,526,000	
:	Mar 2,095,000	2,074,000	21,000	
	Apr 940,000	2.601.000		\$1,661,600
	May 292,000	5,206,000		4.914.000
ı				6.288,000
	July 199,000	9,234,000		9,035,000
•				
	Total, '24.\$16,\$90,000	\$28,921,000	\$9,867,000	\$21,898,000

Early this year, American dollars were moving to Germany rather freely. Because of the diminished value of the German paper mark, business men and merchants found it almost impossible to do business without American dollars. American currency was demanded, because of its stability, etc., and it was not until the rentenmark currency system was established in Germany that the movement of United States dollars homeward began. In addition to Germany, currency is returning from Holland, England and Switzerland.

ANOTHER DECREASE IN MONEY

Circulation Per Capita Up from Last Month, but Still Under Last Year's Figure

Stock of money in the United States on September , 1924, totaled \$8.676,373,198, decrease of \$27,775.057 since August 1, last. Amount in circulation September 1 aggregated \$4,773,878,272 compared with \$4,665,187,268 August 1 and \$4,777,906,811 September 1, 1923. Circulation per capita was \$42.28 against \$41.36 August 1 and \$42.85 September 1, 1923. Gold coin and bullion totaled \$4,531,-150,497, an increase of \$13,666,596 since August 1, 1924.

Gold certificate circulation amounted to \$872,806,529 Union Banking Corporation, organized in August un- against \$801,380,819 July 1, 1921, which was the high since

Table showing principal items of September 1, 1924, paid-in capital and surplus of \$500,000. C. Lievense is circulation statement compared with August 1, 1924, and

i-	Sept. 1, 1924	Aug. 1, 1924	Sept. 1, 1923
:.:	Gold coin & bullion.\$401,794,342	\$398,498,726	\$397,341,912
or	Gold certificates \$72,806,529	800,124,539	441,154,839
	Stand silver dollars 53,914,528	53,646,676	57,615,363
r,	Silver certificates 385,499.270	372,682,947	374,877,496
on	Treas. notes of 1890 1,416,626		
an	Subsidiary silver 253,732,146	252,407,262	249,497,880
Α.	U. S. notes 308,111,085		304,576,80
	Fed. Res. notes1,746,230,376	1,745,820.454	2,204,824,450
	Fed Res bank notes 9,228,848	9,634,929	
+	Nat. bank notes 741,144,522	729,288,244	728,949,60
111			

Total stock money in United States .8,676,373,198 8,704,148,255 8,707,407,229

CZECHOSLOVAK TRADE MORE

Aggregate of Exports and Imports in Last Eighteen Months Has Grown Approximately \$170,000.000

Czechoslovak official bureau of statistics, subordinated to the ministerial council, of which Prime Minister Antonin Svehla is now the head, publishes figures for foreign trade of Czechoslovakia from which the following table is compiled. Figures are in crowns (000 omitted) current exchange value of which is nearly 3 cents:

---1924---Exports Imports Exports Imports
Jan.-June 7,831,662 7,263,321 5,548,594 3,831,592
July-December 6,805,130 4,612,745

Since January 1, 1923, value of goods in official statements is based on the declarations of exporters and importers. Value of imported goods purchased in foreign September 6 were £10,875,223 and expenditures £21.276,- countries represents production cost, plus packing, com-103, compared with £10,576,906 and £10,155,843, respective-mission charges, insurance and freight to the frontier. No duties are added.

Value of exported goods is the invoice price at place of sale, plus packing, commissions, insurance and freight to the frontier. Export duties are also included.

GOVERNMENT INTEREST PAYMENT Of a total of approximately \$135,000,000 interest pay-

LARGER BANKING QUARTERS THOMAS BRUCE BOYD, Inc. Bank Engineers
Hayward S. Halsey, Pres. George H. McCormack, Sec. 286 Fifth Asenue. New York

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