

STANDARD OIL LOAN ON MARKET TODAY

**\$50,000,000 Debentures and
\$35,000,000 Serial Notes
Offered by Banking Group**

62 UNDERWRITERS LISTED

Financing Marks the Second Largest Industrial Bond Issue of the Year

Industrial financing for new money at record low interest rates will take place today with the issuance of \$85,000,000 of debentures and serial notes of the Standard Oil Company of New Jersey. The financing marks the second largest industrial bond issue of the year, being surpassed only by the \$100,000,000 United States Steel Corporation 3½ per cent debentures offered early in June, and is the first public borrowing by the Standard Oil of New Jersey since June, 1936, when it marketed \$85,000,000 of twenty-five-year 3 per cent debentures.

Morgan Stanley & Co., Inc., head an underwriting group of sixty-two members, which will offer publicly today \$81,000,000 of the securities. The issues consist of \$50,000,000 of fifteen-year 2¾ per cent debentures, due July 1, 1953, which will be offered at 99 and accrued interest, to yield about 2.83 per cent to maturity, and \$35,000,000 of serial notes (of which only \$31,000,000 are to be offered publicly), maturing serially from 1943 to 1947, which are to be priced at par. The serial notes are to be issued in five series, each of \$7,000,000, maturing on July 1, 1943 to 1947, with interest rates as follows: 1½ per cent for the 1943 maturities, 2 per cent for the series due 1944, 2¼ per cent for the notes due 1945, 2½ per cent for those maturing 1946 and 2½ per cent for the series due 1947.

\$4,000,000 Placed Privately

The remaining \$4,000,000 of serial notes, representing \$800,000 of each series, have been placed privately by the company at par, but without underwriting discounts or commissions, to the Rockefeller Institute for Medical Research.

Distribution of the securities will be made through a wide selling group and preliminary inquiries indicate a good investment demand for both issues. The most important buyers, as usual, will be the institutional investors, including insurance companies, commercial banks and trust funds, although the bankers said yesterday that the issue had aroused considerable interest on the part of private investors.

A feature of this financing is that the entire proceeds to be derived by the company represent strictly "new money." As a result no specific allocation of the proceeds (estimated to amount to \$82,972,500 after deducting expenses) has been made by the company. They will be placed in the general funds of the company and used in making available to subsidiaries additional money needed for capital expenditures and for financing inventories and receivables and for other corporate purposes, according to the prospectus.

The program under study contemplates capital expenditures by the company of about \$175,000,000 in 1938, of which about \$39,000,000 has been spent to March 31. This program includes about \$90,000,000 for acquiring and developing crude reserves, \$38,000,000 for improving and extending refining capacity, \$15,000,000 for tankers, \$24,000,000 for marketing facilities and \$8,000,000 for miscellaneous purposes.

Underwriting discounts or commissions on the \$50,000,000 of debentures amount to \$875,000, or 1¾ per cent, and on the serial notes to \$387,500, or 1¼ per cent of the amount offered.

List of Underwriters

The complete list of underwriters and the amount of debentures and notes underwritten by each, arranged alphabetically, follow:

	Debentures.	Notes.
Morgan Stanley & Co., Inc.	\$7,090,000	\$4,410,000
Kuhn, Loeb & Co.	3,085,000	1,915,000
Baker, Watts & Co.	155,000	95,000
Baker, Weeks & Harden	155,000	95,000
Bancamerica-Blair Corp.	310,000	190,000
A. G. Becker & Co., Inc.	185,000	115,000
Biddle, Whelan & Co.	185,000	115,000
Blair Bonner & Co.	155,000	95,000
Blyth & Co., Inc.	2,160,000	1,340,000
Bonbright & Co., Inc.	925,000	575,000
Alex. Brown & Sons.	245,000	155,000
Brown Harriman & Co., Inc.	2,780,000	1,720,000
Cassatt & Co., Inc.	245,000	155,000
Central Republic Co.	245,000	155,000
E. W. Clark & Co.	245,000	155,000
Clark, Dodge & Co.	1,080,000	670,000
Coffin & Burr, Inc.	615,000	385,000
R. L. Day & Co.	310,000	190,000
Dominick & Dominick..	1,080,000	670,000
Equitable Secur. Corp.	155,000	95,000
Estabrook & Co.	465,000	285,000
First Boston Corp.	2,780,000	1,720,000
Glore, Forgan & Co.	310,000	190,000
Goldman, Sachs & Co.	1,235,000	765,000
Graham, Parsons & Co.	310,000	190,000
Hallgarten & Co.	310,000	190,000
Harris, Hall & Co., Inc.	465,000	285,000
Hayden, Miller & Co.	310,000	190,000
Hayden, Stone & Co.	615,000	385,000
Hemphill, Noyes & Co.	465,000	285,000
J. J. B. Hilliard & Son	155,000	95,000
Hornblower & Weeks...	465,000	285,000
W. E. Hutton & Co.	615,000	385,000
Jackson & Curtis.	310,000	190,000
Kean, Taylor & Co.	310,000	190,000
Kidder, Peabody & Co.	1,235,000	765,000
Ladenburg, Thalmann & Co.	615,000	385,000
Lazard Freres & Co.	1,545,000	955,000
Lee Higginson Corp.	1,080,000	670,000
Lehman Brothers	1,235,000	765,000
Laurence M. Marks & Co.	245,000	155,000
Mellon Securities Corp.	2,160,000	1,340,000
Merrill, Turben & Co.	155,000	95,000
F. S. Mosely & Co.	615,000	385,000
W. H. Newbold's Son & Co.	185,000	115,000
Otis & Co.	155,000	95,000
R. W. Pressprich & Co.	310,000	190,000
Solomon Bros. & Hutzler	615,000	385,000
Schoellkopf, Hutton & Pomeroy, Inc.	465,000	285,000
Schroder, Rockefeller & Co., Inc.	310,000	190,000
Securities Corp. of Milwaukee	370,000	230,000
J. & W. Seligman & Co.	465,000	285,000
Shields & Co.	370,000	230,000
Smith Barney & Co.	2,780,000	1,720,000
Stone & Webster and Blodget, Inc.	370,000	230,000
Spencer Trask & Co.	310,000	190,000
G. H. Walker & Co.	185,000	115,000
Wells-Dickey Co.	155,000	95,000
White, Weld & Co.	615,000	385,000
Whitling, Weeks & Knowles, Inc.	245,000	155,000
Dean Witter & Co.	370,000	230,000
Dillon, Read & Co.	2,315,000	1,435,000

The fifteen-year debentures will be redeemable at any time in whole on thirty days' notice, or in part on sixty days' notice, at 103½ to July

Continued on Page Thirty

STANDARD OIL LOAN ON MARKET TODAY

Continued From Page Twenty-seven

1, 1941; thereafter at 102½ to July 1, 1944; thereafter at 101½ to July 1, 1947; thereafter at 101 to July 1, 1950; thereafter at 100½ to July 1, 1951, and thereafter at par to maturity. Each of the several series of serial notes is redeemable as a whole at any time on thirty days' notice at par from July 2 of the year preceding maturity to maturity, and at par plus a premium of three-eighths of 1 per cent for each additional-year or fraction thereof

of unexpired life before the respective maturities.