THE MORNING OREGONIAN, MONDAY, APRIL 26, 1920

Yield 7.20% to 8% and above

†‡*B. F. Goodrich Co., Convertible 7s....1925 7.40 Due April 1, 1925. A&O 1. Price 98.25 and interest.

†‡*Southwestern Bell Telephone Co. 7s. 1925 7.60

†‡*Sinclair Oil Corp. Secured 7½ s...... 1925 8.00 Due May 15, 1925. M&N 15. Price 98 and interest.

Due April 1, 1925. A&O 1. Price 97.50 and interest.

Due February 1, 1922. F&A 1. Price 98.75 and interest.

City of Edmonton, Alberta, Gold 51/2s...1929 7.50 up§

Due October 1, 1929. A&O 1. Price 86.58 and interest.

iTo be redeemed at 100 on interest dates. Price of 86.58 figures 755 for 95 years as if the bonds will run the full term. The bonds retired at 100 price to due date will yield an interest return greatly in excess of this figure.

Denominations \$\$1000 \$\$500 *\$486.67 *\$100

We offer the above for cash on partial payment plan. Ask for full details of any of these issues. Wire orders "collect."

ano National bank and has a wide last few weeks at the New York Na

acquaintance in the Grays Harbor tional Irving bank, has ceased in-country. He has been active in civic dependent operation. It will be known

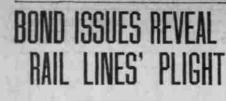
SAN FRANCISCO

FREEMAN SMITH & CAMP CO.

SECOND FLOOR

NORTHWESTERN BANK BUILDING

MAIN 646



There is a lesson in the financial news of the last fortnight for those who have regarded the plight of the who have regarded the pight of the railroads with complacency and blandly contended that "the railroads have pienty of money," in the "face of the repeated statements of gov-ernment and railroad authorities that if presents one of the serious condi-tions before the country. The drop tions before the country. The drop in prices of government bonds is di-rectly traceable to the first step of recily traceable to the first step of the big transportation companies to finance their needs, say financiers, in close touch with the big money centers of the country. The drop in bond prices was felt throughout the list of securities largely traded upon by the investing nuble and the colby the investing public and the col-lapse in government bonds was the natural consequence of offerings of high-class securities at interest rates

high-class securities at interest rates that seem remarkably high, but were fixed after careful investigation as necessary to secure funds. The Pennsylvania offered to the public through a group of bankers 550,000,006 ten-year 7 per cent gold bonds, to mature April 1, 1930. The New York Central Railroad company at the same time offered an issue of at the same time offered an issue of squipment certificates of \$36,225,000. yielding 7 per cent interest and ma-turing serially from April 15, 1921. to April 15, 1935. With this type of investment offered to yield a rate of 7 per cent it was but natural that the market value of bonds yielding

from 3½ to 4% per cent would be forced down. Interest Rate Advanced. Recently there has been large of ferings of bonks of the wai issues, into a chairman of the pro-throughout the United States. This has been augmented recently by sale of large blocks by corporations who had no other means of quickly real-lising needed capital that had been tied up in the bonds during the pro-tied of prevailing lower interest. Woiner hands of the Dominion of the Dominion of the had no other means of quickly real-lied up in the bonds during the prevailing lower interest. Woiner hands of prevailing lower interest. Woiner hands of prevailing lower interest.

riod of prevailing lower interest rates. With the effect of the action by the federal reserve bank to bring Victory bonds of the Dominion of Canada have fluctuated very little in Canada since they were issued, be-cause of an agreement made between the investment dealers of Canada and the dominion government, according to Frank W. Camp of Freeman, Smith about deflation, higher discount rates increased bank rates for loans, the increased bank rates for loans, the inevitable result was to fix higher earnings for money for a consider-able time to come, and this was recognized by the bankers who ad-vise with the executives of the trans-mertation communies that are now & Camp company, who has just re-turned from spending several days in C a n a d a. "The understanding in Canada between the dealers and the portation companies that are now among the class that must borrow most heavily to bring their proper-ties up to requirements of the traffic

portation companies that are now among the class that must borrow most heavily to bring their proper-ties up to requirements of the traffic needs of the country. The United States government has likewise officially met the situation when the secretary of the treasury cer-tificates of indebtedness at 5½ per cent This action fixes a new basis of income on government securities. The decline in the price of govern-ment bonds was in conformity to this new basis of income for the issues of the federal government.

new basis of income for the issues of the federal government. It will be remembered that in his address before the Portland Chamber of Commerce recently, Frank A Van-derlip declared that the secretary of the treasury was responsible for the inflation that had depreciated the buying power of the dollar when he made the error of maintaining too low an interest rate on bonds issued when the war was being financed and too low a discount rate for the

cent.

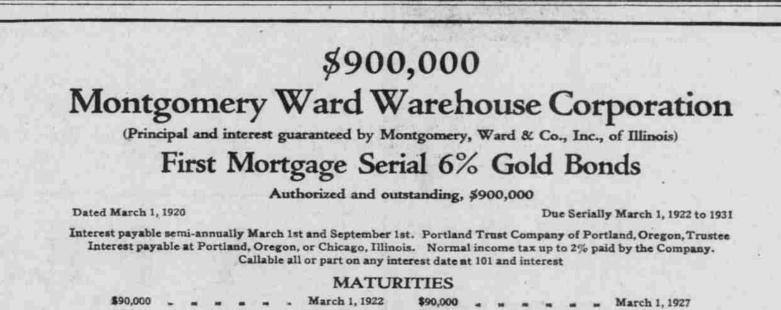
cent. Two issues of Whatcom county, Washington, 5½ per cent road bonds, one amounting to \$159,000 and the other \$100,000. These bonds mature serially from 1921 to 1930 and are offered at prices to yield 5.30 per cent. At a meeting of the Portland Asso-

At a meeting of the Portland Association of Credit Men and the adjustment burgau Friday noon. H. J. Part of Swirt & Co. was elected president; E. W. Johnson of the Miller, Calhoun & Johnson company, secretary treasure of the Northwestern Automal being re-elected at the number of the board of directors for the pass the bear a besolute first closed mortgage on the property and concrete warehouse in absolute first closed mortgage on the property and concrete warehouse in the oid Lewis and Clark fair grounds. Secretary of Treasury Forced to Offer New Block of Certificates at 5 ½ Per Cent.
There is a lesson in the financial

income tax up to 2 per cent is paid by the company. The bonds are offered at a price to yield a return of 6½ per cent.

. . . Earle E. Fitzwater for the last 12 years connected with the Ladd & Til-ton bank, where he started as messenger and advanced to the position of manager of the credit department, has resigned to become cashier of the newly organized Wasco County bank at The Dalles. In his new location he will be associated with Thomas H. will be associated with Thomas H. West, who resigned as assistant cash-ier of the Ladd & Tilton bank to or-ganize the new bank at The Dalles, of which he will be the manager. Mr. Fitzwater is a native of California. born at Montague, which is only a little way beyond the Oregon boun-dary: He came to Portland when a boy, was educated in the public schools and is the type of man who is continuing his educational courses in continuing his educational courses in the line of his chosen work. He is married and is the father of three PORTL/ RB children. He will move to The Dalles as soon as the new bank is ready to open.

Charles H. Schlacks, president of the Union Oli company of Delaware, makes a favorable showing of affairs of the company in California, with combined net earnings for the first two months of the year of \$339,000. Of this amount \$22,000 was due to the price increase of crude effective Feb-ruary 1 and the increase effective 1.............................



CanadianGoldBone Principal and Semi-Annual Interest Payable in GOLD COIN of the United States in New York or at the quarters of Morris Bros., Inc.

FREE FROM ALL DOMINION GOVERNMENT TAXATION.

\$206,000

Edmonton Gold Bonds Dated: Oct. 1, 1919 Due: Oct. 1, 1929

DENOMINATION: \$1000 These are 51% % GOLD BONDS of the City of Edmonton, Alberta, and are a general and direct tax obligation of the entire city. EDMONTON is the capital of the Province of Alberta and has a population of over 60,000 people. It is served by three transcontinental railroads and numerous branch lines. PRICE: 86.58 to yield 71/2 %

50%

Hoquiam, Wash.

\$180,000 **Ontario Gold Bonds**

Dated: April 15, 1920 Due: April 15, 1925 DENOMINATION: \$1000

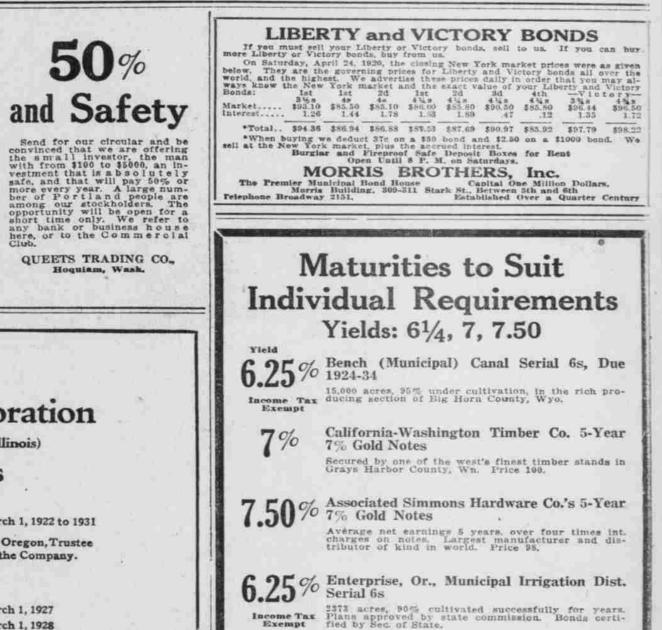
These are 6% GOLD BONDS of the Province of ONTARIO and are a general and direct tax obligation of the entire Province, ONTARIO is the largest and most important Province of Canada, containing 407,262 square miles and a population of approximately 3,000,000 people. All of the taxable property, wealth and resources of the Province are back of these bonds. PRICE: 95.00 yielding over 7.20%

BURGLAR AND FIRE-PROOF SAFE DEPOSIT BOXES FOR RENT

MORRIS BROTHERS, THE PREMIER MUNICIPAL BOND HOUSE-CAPITAL ONE MILLION DOLLARS MORRIS BUILDING-309-11 STARK STREET-Between Fifth and Sixth Streets Telephone: Broadway 2151

Established Over a Quarter Century

Inc.





and too low a discount rate for the Elder Steel Steamship notes maturing reserve banks. He stated that the 1921-30, yielding from 7.50 to 8 per secretary admitted at the time that he was actuated by a desire to obtain cheap money for the government, but that in doing so it made cheap money for everyone else, including specula-

Reasoning Seems Confirmed. The developments in the bond market that have just taken place seem a confirmation of the soundness

of the reasoning of the financier. High interest rates for money to be attracted into investment enterprises is no doubt due to a lack of capital for this sort of use. The general public has not been in the habit of buying railroad bonds and to a large degree this kind of fi-nancing has been left to bankers and investors of large amounts. But the burdens laid upon persons of large income by the surtax and excess profits taxes have absorbed a large profits taxes have absorbed a large share of what in the past was invest-ment funds, while no other class of buyers for the securities has taken their place. With a return of 7 per cent, the bonds of high-class rail-roads should find sale with small buyers, who want the best possible return on their savings, with ade-quate security, such as offered in these bonds and notes.

The Lumbermens Trust company has included among its new offerings has included among its new offerings this week the following: Province of Ontario 6 per cent gold bonds, due April 15, 1925, offered at 95 and in-terest to yield 7.20 per cent. General American Tank Car corporation 7 per cent gold trust certificates, maturing every six months from November 1, 1920, to May 1, 1923. The certificates are offered at prices to yield 7.50 per cent. Sinclair Consolidated Oil corporation five-year secured 7½ per cent convertible gold notes, offered at cent convertible gold notes, offered at 98 and interest, to yield about 8 per

tinued."

\$100,000 **Province of Ontario** 5-Year, 6% Bonds; Due 1925 These bonds are a direct obligation of the Province of Ontario, which is the largest and most important Province in Canada. Area 407,262 square miles. Population 2,800,000. Assessed Valuation\$2,000,000,000 Gross Bonded Debt 96,800,000 Principal and interest payable in the United States in gold coin. Price: 95.00 to Yield 7.20% **BLYTH, WITTER & CO.** United States Government, Municipal and Corporation Bonds. YEON BUILDING-PORTLAND, OREGON **Telephone: Main 3304** San Francisco Seattle New York Los Angeles \$90,000 · · · · · · · March 1, 1923 \$90,000 March 1, 1928 \$90.000 March 1, 1924 \$90.000 March 1, 1929 \$90.000 March 1, 1925 \$90,000 March 1, 1930 March 1, 1926 \$90,000 \$90,000 " March 1, 1931

Prices to yield 61/2 %

SECURITY OF THE ISSUE

the bonds.

bond.

an annual rental sufficient to pay op-

erating charges, taxes, depreciation

and interest on bonds of this issue.

This lease is deposited with the

Trustee as additional security for

porated, of Illinois, unconditionally

guarantee payment of the principal

and interest by endorsement on each

As Montgomery, Ward & Co., In-

corporated, have no funded debt,

their guarantee of these bonds is a

direct charge on the net earnings of

Gross Sales Net Profits

the Company, as follows:

Montgomery, Ward & Co., Incor-

The bonds are secured by an absolute first closed mortgage on property and concrete warehouse now under construction in Portland, Oregon, which will have a value of approximately \$1,400,000.

The entire capital stock of the Montgomery Ward Warehouse Corporation, excepting qualifying directors' shares, is owned by Montgomery, Ward & Co., Incorporated, of Illinois, which Company will use the plant as its Pacific Coast distributing depot.

Montgomery, Ward & Co., Incorporated, of Illinois, have leased the plant for the life of the bond issue at

> Gross Sales Net Profits 1914 . \$41,042,486 \$2,010,093 1917 . \$73,512,645 \$5,419,688 1915 _ _ \$49,308,587 \$2,472,657 1918 _ _ \$76,160,848 \$6,390,181 1916 . \$62,044,336 \$4,550,791 1919 . \$99,336,053 \$5,094,170

The annual net earnings of the Company for 1919 in ratio to the guarantee on these bonds are: 94 times annual interest 35 times annual maturities and largest interest payment 5½ times entire issue

Montgomery, Ward & Co., Incorporated, were established as the first mail-order house in this country in 1872. Although the immense advertising campaigns have made the name of Montgomery, Ward & Co. a household word, and the list of customers of years' standing have an immense value, no assets such as Good Will etc. are taken into their statement. The net worth of Montgomery, Ward & Co., Incorporated, as shown by their balance sheet of December 31, 1919, was \$54,029,328.06.

GIRVIN & MILLER

Government, Municipal, Corporation Bonds

BAILLARGEON BUILDING, SEATTLE SAN FRANCISCO SANTA BARBARA LOS ANGELES Subscriptions for the above issue will be received at NORTHWESTERN NATIONAL BANK, PORTLAND

All statements herein are official or are the firm's opinion based on information which we regard as reliable; and while we do not guarantee them, they are the data upon which we have acted in the purchase of these

	Bonds-Trusts-Acceptances
and the second se	Lumbermens Bldg.
With e India, and the princip branch is ing trade The Four hund in London, ton, Jama	Crade With the Orient orrespondents of the highest standing in China, Japa I other countries of the Orient, and branches in a pal ports on the Pacific Coast of North America, the excellently equipped to serve the interests of the grow with the Orient. Canadian Bank of Commerce Fourth and Stark Streets, Portland, Oregon Ired and eighty-five Branches in Canada, also Branch , England; Mexico City, Mexico; Havana, Cuba; King ica—other Branches will be opened shortly in Centr America and British West Indies.
BONDS	MORTGAGE LOANS INSURAL . T. MUELLHAUPT & CO "THE FINANCIAL HOUSE OF SERVICE."
	WE BUY LIBERTY BONDS
Suite 507-60 B. S. Nat'l B Tel. Brondwy	and more ON S. Mullhaupt
Govern	on industrials are being forced by the weakness of iment bonds. This gives conservative investors an ional opportunity to get a combination of high yields irst-class security. We sell high-grade industrial notes and preferred stocks.
and fi	WTL There Date Come II
and fi bonds,	"The House Built Square" ens & Earles, Incorporat

