

Loan to Allies Will Aid Graingrowing Interests

Henry Clews Says Sale of Foodstuffs to Europe is Contingent Upon Financial Accommodations for Allies

New York, Sept. 25, 1915. The financial situation, viewed on broad lines, continues to suggest a substantial upturn. The week's developments again encourage confidence that a satisfactory settlement will be reached of the renewed strain in our relations with Berlin that followed the note from the German foreign office seeking to justify the sinking of the steamship Arabic. The note was disappointing, in view of the assurances previously given on behalf of his government by Count von Hornstorff, the German ambassador. However, there seems real basis for the belief that the entire question of submarine warfare, as affecting the interests of Americans, is now in a satisfactory way of adjustment. What is of equal importance from the financial viewpoint is that this settlement promises to be permanent in character, thus removing what seems to be the prime source of future shocks to the friendly relations between Washington and Berlin might be expected.

While the negotiations just referred to have been in progress there, not unnaturally, has been some indication of restraint upon entering new stock market commitments. Additional incentive for delay, too, has appeared from the varying reports concerning the probabilities of the successful flotation of the large loan or credit that the British and French commissioners have come over to our center to negotiate. No specific details seem to have been announced thus far of the proposals the commissioners are prepared to make or accept. That the visit of these foreign

experts must end with success is, I think, a foregone conclusion. The question is one as vital to the interests of our own country as it is to the countries across the sea. If our grain and foodstuffs in general are to be sold to the nations that under current conditions are our natural customers, if, too, the products of our factories as well as our farms are to go forward in such volume as will mean prosperity at home, it is imperative, under present unexampled conditions, that proper financial facilities be afforded the buyers. The question is the old one that is so frequently misunderstood of the difference between money and wealth. There is no question that the British and French governments have wealth with which to back up any obligations they may undertake. The terms on which the credits they desire may safely be left to the wisdom of the expert interests who are conducting the transactions. It would be conservative and good judgment, I think, to confine the credit, at any rate to start with, to say \$500 millions.

The success of the negotiations, as I have intimated, means much for our own country. It would provide in the first place not only for the continuance, but for the very substantial increase in the volume of our exports. It has what may be termed a vital bearing upon the great granger sections of our country since it will decide whether the entente governments will be prompt and liberal purchasers of our grains at remunerative prices at the beginning of the season or whether they will give preference to other sources of supply and hold back so far as our own

grain is concerned until the eleventh hour. This would expose our grain more freely to the possibilities of release of the huge quantities of Russian wheat—the growth of two seasons—that are stored up awaiting the opening of the Dardanelles. As to the date that this event will occur any prediction would necessarily be guesswork. There are some authorities who are convinced that the task is superhuman. On the other hand, with four of the world's great nations deliberately proceeding to accomplish this great task and making actual even though slow progress day by day the possibility of success is such as to clothe the subject with sufficient importance to merit consideration as one of the prime factors in the broad financial problem.

With the possibility of the United States becoming an active participant in the European struggle so greatly removed and with the success of the Anglo-French loan so clearly in sight the outlook for the market for securities may be regarded as having correspondingly improved. The favorable money outlook will not be modified materially by the practical steps that will be concerned in the proceeds of the loan are not to leave the country. They will remain on deposit in the banks and trust companies until needed and will return to the banking institutions when the payments for supplies for which they are intended are made. According to last Saturday's New York clearing house statement, the banks and trust companies added more than \$15,000,000 to the already unexampled surplus carried above re-

quirements, bringing the total up to \$234,122,000, which compares with a deficit (instead of a surplus) of \$350,065,000 last year at this date, which of course was a period when all the financial, industrial and mercantile activities of our country were suffering the first shock of war. We now have reached the active period of crop financing. It is evident that there is to be no strain resulting from this feature during the present year. The secretary of the treasury has announced a policy of depositing government funds in the banks of the south to aid in financing the cotton crop. Even without such arbitrary action and if the supplies of funds were not as completely redundant as they in fact are, the operation of the new banking law would be sufficient to prevent any important strain in money circles as a whole.

With such a large supply of idle funds as at the moment exists throughout the country and as is likely to continue for a protracted period, and with our own people the single exception among the great nations of the world that has not been drawn into the maelstrom of the war and has not had its resources of labor and property paralyzed and, furthermore, with taxation, present and prospective, in comparison with other countries on a completely negligible scale, there is active encouragement to look for the profitable operation of our railroads and of our great industrial combinations that are so thoroughly representative of our national activities. It is still desired to exercise caution in the selection of investments, but there are opportunities to obtain securities paying for instance between 5 and 6 percent on the investment that appear attractive. Returns above such a basis must necessarily be accompanied with a corresponding degree of risk.

General trade and industrial conditions are beginning to respond more freely to the excellent crop outlook. The usual statistics of clearings, railroad traffic returns, etc., are likely to make more favorable comparisons than has recently been the case since they include a period a year ago when the first shock of the war was in progress; furthermore, as the New York Stock Exchange was closed, the bank exchanges necessarily are upon a faulty basis. The recent statement of unfilled tonnage of the steel corporation showing a decrease of about 20,000 tons as the net result of operations in August was below general estimates. This disappointing result is, however, readily explained when it is considered that the decrease was due not so much to backward offerings of new business but to the fact that the plants of the corporation are virtually on a full capacity basis and deliveries consequently are taking place on old contracts at a phenomenal rate. Meanwhile in a number of instances there is a disposition to refrain from taking new business at the present scale of prices.

There are not unlikely to be additional shocks received by the market from one source to another during the progress of a war of such exampled proportions as that now in progress. But if, as now seems so probable, our own country is to be successfully piloted through the recurrent complications, the general market's prospects appear such as to encourage conservative purchases of dividend paying stocks of a responsible character.

MARIE DRESSLER RESTS AFTER BEING "FILMED"

NEW YORK—Supposing you were built on rather generous lines—about six feet or so altitudinally and fairly well horizontally—supposing so, how would you like to:

- Fall twice off moving automobiles.
 - Be pushed through a brick wall.
 - Be yanked up into the air on a steel cable.
 - Be rolled under the open spigot of a molasses keg.
 - Jump from a culvert onto the top of a moving freight train.
 - Jump from the aforesaid moving train into a little box?
- Marie Dressler, comedienne, does all these things and a lot of other slightly less bone-breaking stunts in her new movie—and likes them. In fact she is crazy about the movies and insists nevermore for the stage. She is taking a vacation just at present after working out "Tillie's Tomato Surprise," her new six reel laugh producer in which she pulls the stunts enumerated above.

"Yes," she remarked, "those stunts are a little hard on the nerves, and I've accumulated a number of bruises—the there was an awful lot of fun in making the picture. In one scene I'm supposed to be pushed through a brick wall. Naturally we built that wall with watery mortar, not expecting it to stick together very much. But something intervened and we couldn't take that particular scene on the afternoon the brick wall was constructed. The next day when we came to filming it, we found the mortar had dried—and I want to tell you that it was a mighty hard brick wall that I was rammed against."

Miss Dressler is a great movie booster and is advising all her stage friends to take up the work. She had a private exhibition of her new film at the Gledney Farms Hotel, White Plains, recently, and invited William Courtney and wife, Virginia Harned, Louise Dresser, Ether Barrymore, and a host of other stage stars to witness the film. All through the evening she was as nervous as if she was going through the "first night" of a real stage show.

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