

COPPER MEN LOOK AHEAD.

Expect Much Railway Electrification if Rates Are Raised.

Although the domestic copper market has been in a rut for many months, and consumers show small indication of changing their policy of hand to mouth buying, producers are looking ahead to a lively demand. The week or month when this will show the first encouraging signs is not yet a subject of prediction. But it is safe to say that the refiners are awaiting with a great deal of eagerness the Interstate Commerce Commission's decision on railroad rates. A favorable finding, say the copper men, may supply the signal for greater buying of the metal by the railroads than the country has ever witnessed.

The movement to extend the electrification of railways has gained a substantial impetus in recent months, although most of the roads have been able to do little more than make plans. A significant development of a few months ago was the announcement that the Norfolk & Western had begun to apply electric power to stretches of its lines in the mountainous regions of the near South. The purpose was to expedite the haulage of coal and to increase the tonnage of this profitable traffic. The Chicago, Milwaukee & St. Paul has comprehensive plans for the wide use of electric power, and there are other systems whose engineers have laid out on paper the details of electric installation which will work, when completed, to cut down operating costs and give a better service than is now possible.

In the meantime, however, the demand for copper on this side of the ocean continues to drag in the face of increasing production at the mines and refineries. In fact, the output of copper in April reached new high records, and the price quoted in the open market reflects the steady increase of supplies as well as the indifferent attitude of consumers.

"The situation at this writing is apparently favorable to the buyer," says Copper Gossip. "Output is at a record-breaking rate, and unless there is an early expansion in the demand for domestic consumption the influence of the present enormous production must make itself felt on market values. In view of current conditions manufacturers believe in operating on a conservative basis, and as it is difficult to forecast the state of trade more than a month ahead there is no special inducement to anticipate requirements beyond a few weeks. The extraordinary gain in production last month has raised the yield of copper output in the United States to the rate of 1,818,000,000 pounds per annum. Under existing conditions more attention must be given to the development of new demand before this huge output can be absorbed.

"Heavy exports of copper continue to be a leading feature of the situation. The shipments to foreign countries for the first four months of this year amount to 349,372,351 pounds, compared with 296,146,404 pounds for the first four months of last year, an increase of 53,225,947 pounds. During the last six months the exports of copper amounted to a total of 492,982,567 pounds, or almost 60 per cent. of United States production of refined copper during that period. Europe never attempted to draw so extensively on this country for supplies as lately, and it is not surprising that unusual interest is attached to the remarkable shipments regularly going abroad.

"The increasing importance of the export business in copper is liable to prove a matter of greater consequence to this country later on than at present. When manufacturing industries here

are able to resume normal activity this country will need much more than 40 per cent. of output. Through the comparatively rapid development of European demand American producers have found a large outlet for the bulk of United States supplies. At present this country can spare all the copper exported, but in time domestic consumption will greatly increase, and when the long delayed home demand gets under full headway, as it will sooner or later, the United States will again lead the world as a consumer of copper.

"When our home mills are in position to operate on a full capacity basis there will be a more lively interest taken in the copper market and in the whole copper situation. Although there does not appear to be any imminent likelihood of a sudden and pronounced expansion in manufacturing business, it will be good policy to keep an eye open for possible developments which will warrant more confidence and satisfactory progress than has been realized for several years. Conditions for many months past have made for an uncertain situation, and we are not out of the woods yet by any means, but we must recognize the fact that periods of depression are temporary and not permanent. There is the prospect of further remarkable development in the electrical industry, and when plans for electrical equipment on railroads are carried out a new momentum should be given to the demand for copper."

TO JOIN FEDERAL RESERVE.

Twenty-third Ward First State Bank to Give Notice of Intention.

The Twenty-third Ward Bank of the City of New York has officially announced its intention of joining the Federal reserve system, and is the first State institution to do so.

The announcement comes in connection with notice to all the banks in the city that after tomorrow the bank will cease to be an associate member of the Clearing House. This will permit it to take advantage of the reduction in reserve requirements made by the new State banking law.

The Clearing House still requires the higher reserves established before this law was enacted, and before the enactment of the Federal reserve law, which also reduces the reserves formerly required of national banks. Corresponding reductions, it is expected, will be made by the Clearing House when the Federal reserve banks have been established.

The Twenty-third Ward Bank has its main office at Third Avenue and 135th Street. Checks drawn against it will be paid over the counter hereafter by checks on the Hanover National, through which it has cleared heretofore. This arrangement, it is stated in the notice, is taken, "in view of the bank's intended application for membership in the Federal reserve bank," by which the clearing of checks is to be undertaken to an extent not yet determined.

\$4,000,000 MORE GOLD GOING

Large Engagement Made for Shipment to Paris on Tuesday.

In order to replace a part of the supply of gold drawn from the Sub-Treasury in the movement to Europe, the Treasury Department has transferred \$7,000,000 in eagles and double eagles from the Sub-Treasury at Philadelphia to New York. Since the metal began to move away from this centre a little more than a month ago about \$40,000,000 in coin has been taken from the Sub-Treasury's vaults, all in either \$10 or \$20 gold pieces. The transfer was made to keep the amount of these coins plenty for the demand.

Further impetus was given to exports yesterday through the engagement of \$4,000,000 more for shipment to Paris on Tuesday. The National City Bank will take \$2,000,000; Goldman, Sachs & Co., \$1,000,000, and Bernhard, Scholle & Co., \$1,000,000. This consignment will bring the total outgo of the metal in the present movement up to \$42,200,000. Since the first of the year exports have accounted for \$58,200,000.