

TOPICS IN WALL STREET.

Result of Rock Island Gymnastics.

The erratic movements of Rock Island common in the last two weeks were bound to bring out, sooner or later, the report which similar movements in stocks always produce, namely, that the issues involved incurred the dislike of bankers as security for loans. It is usually found, when reports of this kind are run down, that somebody has put into a batch of collateral which he is offering as security for a loan at a bank an undue amount of the particular stock in question. There are a good many reasons why Rock Island common should form only a moderate proportion of the entire collateral offered as security for a loan, but there seems to be no good reason why it should be discriminated against beyond this. The stock always labored under the disadvantages of paying no dividends and of having only restricted voting rights. This was bad enough, but now it has developed the further unlovely characteristics of the disciples of St. Vitus.

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Money in Irrigation Bonds.

It would be highly interesting to know just what part the appearance of irrigation, drainage, and timber bonds in volume in the last year has played in the failure of the January reinvestment movement to appear. The higher cost of living the country over has forced many people whose income from bonds bearing low rates, has heretofore been sufficient to cover their expenses and leave something over, to seek a bond of greater yield. The excellent results produced by irrigation and drainage and the enormous and steady demand for timber has served to make attractive bonds secured by such properties, particularly so since they yield from 5 to 6 per cent. They are not listed on the larger Exchanges, so that the trading in them is not a matter of record, although there can be little doubt that it is large enough to account in a considerable degree for the dullness of the less remunerative bonds dealt in on the Exchanges.

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A Record in Car Loading.

December provided unexpected records in a business way, but one which had been looked for and came in according to schedule was that relating to the New York Central car loading during that period. The New York Central lines in December handled a total of 1,674,123 carloads, an increase of 162,894 loads over the loading of the same period last year. This is the largest car movement in the history of the roads for this month. For the entire year 1909 these lines handled 19,243,191 carloads, an increase of 2,728,866 loads over the year 1908, and again of 87,479 loads over the record year, 1907.

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St. Paul Earnings.

The report of the St. Paul's Pacific Coast Line, the Chicago, Milwaukee & Puget Sound Railway, for November, issued yesterday, showed gross earnings of \$1,044,000, compared with an average of about \$835,000 a month for the previous three months, for which the road has submitted reports to the Inter-State Commerce Commission. The operating expenses for November were \$436,272, and the net earnings \$608,516, bringing the net earnings for the four months from Aug. 1 to Nov. 30 up to \$2,130,012. The operating income, after the payment of taxes, was \$691,491 for November, and \$2,067,133 for the four months. On the basis of this showing the Puget Sound is earning about \$6,200,000 a year applicable to bond interest and dividends. The annual interest requirements on its outstanding bonds, all of which are held in the treasury of the Chicago, Milwaukee & St. Paul, are \$4,000,000 a year. On the basis of the four months' showing this would leave \$2,200,000 available for dividends on the Puget Sound's stock, which, like the road's bonds, is all held by the old St. Paul. At the rate at which the road's traffic has been growing it may well be, however, that the balance available for dividends at the end of the twelve months will be above this figure.

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Mystic Figures in Cotton.

When cotton was at its lowest in yesterday's bear market some one noticed that at 15.27, the bottom level of the May option in the heavy selling of the morning, the decline from the high price of 16.46 cents a pound reached at the crest of the late rise, Dec. 30, amounted to 119 points, or \$5.95 a bale. This is exactly the extent of the decline which followed the burst of popular enthusiasm on the bull side which first carried cotton above 15 cents early in the Fall. At that time the price for May went to 15.38 cents a pound, only to decline again to 14.19 cents a pound under almost similar conditions of over-extended accounts and stop-loss orders, which brought about the slump of the last two days. One difference is that this time the break has been brewing for a week.

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Nervous Over Rock Island Findings.

Professional Wall Street has not yet recovered from the uneasiness engendered by last week's episode in Rock Island. The possible outcome of the affair was more a subject of gossip yesterday than at any time since its enactment. Brokers speak with certainty of a big stick in pickle for the firm which distributed a big batch of the buying orders that put the stock up so suddenly, though the ground for discipline the Exchange authorities will find is variously guessed at. Yesterday the greatest interest centred in potential consequences to those behind the brokers. The argument that the displeasure over the affair in banking circles would force a number of resignations from banking and industrial directorates was not generally regarded as sound.