

FARMERS GIVEN
CHANCE TO TEST
AAA WHEAT PLANFall Crop Subject to
New Program.

BY FRANK RIDGWAY.

Beginning with the sowing of wheat this fall, American farmers will be given their first opportunity to try out all phases of the government's wheat program provided for in the latest farm law. Within the next few weeks individual farmers will be told how many acres of wheat they will be permitted to plant for harvest in 1939 and still qualify for benefits under the subsidy payments under the agricultural adjustment act of 1938.

There are six principal features in the AAA wheat plan for 1939, including acreage allotments, insurance, bonuses, parity payments, marketing quotas, and loans.

Illinois Quotas Out Soon.

Illinois farmers, for example, will be given their wheat acreage allotments by the first of August, Lee Gentry, head of the state AAA office at Urbana, announced yesterday. They will be asked to do their part in the nation's drastic wheat curtailment program.

Under the secretary of agriculture's ever normal granary plan, AAA officials have set out to carry a surplus of wheat over from the bumper crop years to the lean years. With a 200 million bushel carryover of wheat and nearly a billion bushels now being harvested, the floor in the nation's granary is beginning to sag under the load. Washington planners are calling for help from wheat growers.

Urges 31 Per Cent Cut.

The AAA officials have asked farmers to cut their wheat acreage for harvest next year approximately 31 per cent. If this is done they would

UNITED STATES	
1938 QUOTA	55,000,000 Acres
1938 HARVEST	80,000,000 Acres
1928-37 AVERAGE	69,800,000 Acres

Wheat acreage will be cut in 1939 under the quota established by the department of agriculture. Shown above is the allotted acreage for 1939 compared with the area harvested this year and the average for the last ten years.

seed 25 million fewer acres than they planted for harvest this year. The national allotment for next year's crop for a total fall and spring wheat crop of only 55 million acres, compared with about 80 million acres planted for harvest this year.

State wheat acreage allotments recently announced gave Illinois farmers 3,783,122 acres, including plantings for this fall and next spring. That means a reduction of nearly 27 per cent under the state's ten year average.

If Illinois farmers stay within their allotments they will plant 684,899 acres less than this year's crop and 616,924 acres under the average for the last decade.

AAA Conducts Farm Campaign.

For many weeks AAA men have been working among farmers in the forty wheat growing states, attempting to familiarize them with the plan of managing wheat production from Washington. Approximately \$125,000,000 may be offered to growers who cooperate on the 1939 wheat program.

But before they get this money they must cut their wheat acreage. They are being told they must take out of production nearly one acre of every three. If this is done then farmers will be eligible for bonus checks, benefit payments, loans, and parity payments.

The wheat farmer is being used in the government's crop insurance experiment. Policies already are being offered.

Surprised by Insurance Terms.

Many growers are surprised that government agents are not demanding that they live up to their AAA crop restrictions to qualify for federal policies insuring them against wheat crop losses often caused by a multiplicity of hazards—drought, flood, hail, wind, winterkill, lightning, tornado, insects, and plant diseases.

They are not even asked to stay within their wheat acreage allotment to get one of Uncle Sam's insurance policies. Some have figured it out that all the wheat growers could ignore their allotments, plant another 80 million acre crop, and still protect themselves against crop losses by taking government wheat insurance policies.

Applications for wheat insurance in Illinois must be made by farmers to the county AAA committees not later than Aug. 1.

Policy Covers Common Hazards.

The policy covers all the common hazards that cause wheat crop failures. Farmers pay their premiums and the government pays losses either in wheat or cash. The premium rate is on the acreage basis. It will vary with each farm, depending upon the average yield per acre, local weather hazards compared with other sections, and the percentage of the crop to be insured.

The growers may insure for 50 or 75 per cent of a crop. For a 75 per cent coverage in Illinois the premium is likely to average about three-

Chicago Steel
Output Up to
37.6 Per Cent

Chicago steel mills will increase output again this week. Preliminary schedules issued yesterday indicated a production rate beginning at 37.6 per cent of theoretical capacity tomorrow. Addition of several open hearth furnaces and two blast furnaces by Carnegie-Illinois steel company Friday accounts for most of the increase over last week.

This week's increase of 2.6 points over last week's scheduled rate of 35 per cent of capacity lifts production to the highest level in this district since the week of Nov. 8, 1937. The schedule that week was for operations at 39.2 per cent. A month ago it was 26.7 per cent.

34 Per Cent Last Week.

Production in the Chicago district last week slipped a little below the scheduled rate to slightly over 34 per cent of capacity. Output continued to show a slow improvement in miscellaneous orders.

A report by Dow, Jones & Co. yesterday said production in the Pittsburgh steel district would start tomorrow at 25 per cent of capacity, the same as last Monday. Operations were increased during the week to approximately 27 per cent.

The small drop in this week's schedules at Pittsburgh is expected to be temporary, the report said. One of the leading companies in the district will begin operations at nearly 40 per cent of capacity, and other producers are expected to increase production rates either toward the end of this week or next week.

Gain Scheduled in Buffalo.

Output in the Buffalo area was stepped up late last week to somewhat over 37 per cent of capacity, the highest rate for the district since last October. Republic Steel corporation relinquished a third open hearth furnace.

Scrap steel markets were mostly quiet during the week, with holders asking 50 cents a ton or more above the last sales. Bids failed to go over previous sale levels, however, and few actual sales were made in any of the principal scrap markets.

TWO COMPANIES
PAY DIVIDENDS AT
REDUCED RATES

The Acme Wire company, Hartford, Conn., yesterday declared a dividend of 12 1/2 cents on its common stock, payable Aug. 15. A similar payment was made May 14 and a payment of 50 cents was made in February. Dividend disbursements totaled \$4 a share and were made during 1937.

The Gorham Manufacturing company directors ordered payment of 25 cents on Sept. 15. A 25 cent dividend was paid in June and \$1.25 was paid in January this year. Payments during 1937 totaled \$3.25 a share.

The company manufactures silverware and silver plated products at Providence, R. I.

The Radio Corporation of America declared the usual quarterly dividends on its preferred shares. Dividends declared yesterday, together with payment and record dates, follow:

Usual Payments.	
Acme Wire, 12 1/2%.....	Aug 15 July 30
Gorham Mfg. 25%.....	Sept 15 July 30
Hollinger C. Gold, 5% m.....	Aug 12 July 20
Do 5% extra.....	Aug 12 July 20
RCA Div. 8 1/2%.....	Aug 12 July 20
Do 10%.....	Aug 12 July 20
Do 10%.....	Aug 12 July 20

The letter "a" in the table indicates regular quarterly dividends; "m," regular monthly payments.

WORLD'S WHEAT
CROP EXPECTED
TO SET RECORD

Washington, D. C., July 23.—(AP)—A record world wheat crop of 4,200,000,000 bushels is indicated for the 1938-39 crop year, according to agricultural economists reported today.

The indicated crop, which excludes Soviet Russia and China, is 375,000,000 bushels above that of last year and slightly larger than the previous record crop of 3,996,000,000 bushels in 1928.

Prospective world supplies are estimated at 4,850,000,000 bushels, or about 475,000,000 bushels above those of 1937-38.

Wheat production in the northern hemisphere may be about 350,000,000 bushels above that in 1937, the bureau said. In the southern hemisphere, where seeding is nearing completion, indications are for a larger crop in Argentina but a somewhat smaller crop in Australia.

Chicago Paving Company
Awarded WPA Contract

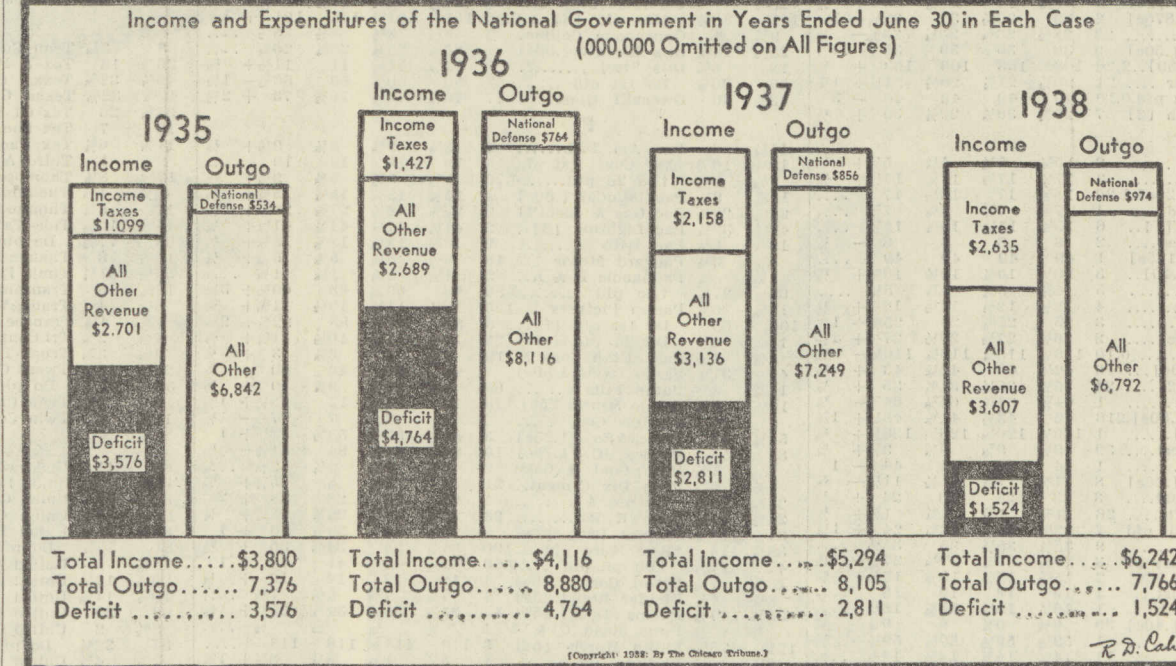
Washington, D. C., July 23.—(Special.)—The Chatham Paving company of Chicago has been awarded a contract by WPA for asphalt mixture totaling \$1,323,000, labor department statistics revealed today. During the week ended Thursday, 16 government agencies reported 139 contracts valued at \$6,400,919, were awarded under the Walsh-Healey act. This compares with 214 contracts valued at \$14,395,039 awarded by 15 agencies the preceding week, the department reported.

Coal Commission Closes
Production Cost Hearings

Washington, D. C., July 23.—(U. P.)—The national bituminous coal commission today completed hearings to determine the average cost of producing soft coal and began study of evidence before promulgating district costs. Representatives of twenty-two district producers' boards participated in the cost hearings here and at Denver, Colo.

Childs Company to Retire
from Stationary Business

S. D. Childs & Co., Chicago stationery business since 1837, will retire from business Aug. 1, Harry E. De Camp, president, announced yesterday. The company's five-story factory building at 17 North Loomis street, with an area of 90,000 square feet, has been sold for \$140,000 to John S. Swift & Co., offset printers.

Annual Income and Outgo of the
National GovernmentBetter Times
Ahead; Belief
of Economists

New York, July 23.—(P)—Better business and improved economic well being seem on the way in the remaining months of 1938, in the sweeping majority opinion of more than a score of leading economists.

Of twenty-three men who answered an inquiry as to their opinion on the prospect of business recovery, all but three predicted improvement by the end of the year, some with reservations. Such near unanimity was regarded in economic circles as unusual, if not unprecedented. It was thought particularly significant, in that opinions were sought from a broad cross section of men whose varied and conflicting economic and social philosophies, from the extreme right to the far left, and scattered geographically across the continent.

Optimism Is Qualified.

But several of the optimists carefully qualified their opinions as to the nearness of arrival, degree of rise, and length of the recovery movement.

If the majority are correct, it will not be a "boom." Only one used the term "boom." Only one used the term "boom."

While nearly all predicted a brisk pickup in the consumer goods fields, wholesale and retail, many qualified their optimism as to heavy industries.

Some other leading economic questions of the day on which views were expressed are shown briefly in the following analyses of answers:

1. Will there be general business recovery during the remainder of 1938? Definitely yes, 11; probably yes, 9; no, 1; no opinion expressed, 2.

Differ on Near Future.

2. Opinion was fairly well divided as to the immediate future, as contrasted with the later months of the year. Answers were classified as follows: To the business outlook for the immediate future: Better, 12; about the same or irregular, 8; worse, none; no opinion, 3.

3. A majority expressing opinions thought the recovery would last through next spring or longer. As to duration of the recovery, the replies could be divided as follows: For a while, or at least until Christmas, 8; fairly long, or at least until spring, 4; long, or beyond next spring, 7; no opinion, 3; no real recovery expected for an indefinite period, 1.

4. Most gave government spending and fiscal policies as a recovery factor. The answers might be classified as follows: Help recovery, 16; hinder recovery, 2; no great importance, 2; no opinion expressed, 3.

Factors Favoring Recovery.

Many factors favoring the recovery were cited. Among the most commonly listed omitting government fiscal policy (already noted) were: Improvement in retail trade; rise in commodity prices, wholesale and retail; recent stock market trend; reduction in inventories; solvency of banks and extent of available credit; sentiment.

Among unfavorable factors mentioned as retarding the recovery or as potentially shortening its length were: Taxation; government "interference"; condition of capital goods industries; stagnation of building industries; price rigidity in important industries; wage cutting; resistance to wage cutting.

Louisville & Nashville Line
Calls 200 Back to Work

Louisville, Ky., July 23.—(P)—The Louisville and Nashville railroad today called 200 men back to work Monday at the South Louisville shops. The men were laid off a month ago and are the last of the 1,800 men suspended at that time. Others were called back June 25.

Chicago Builder Awarded
Veterans Hospital Contract

Washington, D. C., July 23.—(U. P.)—The Veterans' administration today awarded a contract for construction of a building at the Knoxville, Ia., hospital to A. Smith & Co., Chicago, on a bid of \$412,633.

INFLATION!

It underlies this market like a coiled spring. . . What securities, then, for higher prices? Read "Investment Without Forecasting" for its amazing new message about common stocks performing better than the market average. Copies FREE on request.

ANDERSON, ALLEN & CO., INC.

30-A BROAD STREET • NEW YORK CITY

INCREASE IN EASTERN
RAIL COACH FARES IN
EFFECT AT MIDNIGHT

Washington, D. C., July 23.—(P)—Eastern passenger coach fares will go up 25 per cent at midnight tomorrow.

The carriers have estimated that the half-cent-a-mile increase—making the new rate 25 cents a mile—will bring them approximately \$45,000,000 more revenue during an 18 month trial period.

In authorizing the increase, the interstate commerce commission remarked that "there can be no doubt that the applicants are in serious need of additional revenue."

Under the new schedule, the railroads will lose the privilege of collecting a full nickel in instances where the fare figures into odd cents. After tomorrow they must make their rates to the penny. The basic Pullman fare will remain unchanged at 3 cents a mile.

The eastern territory in which the increased coach fare applies is bounded on the west by Lake Michigan, Chicago, Peoria, and Springfield, Ill., St. Louis, and Cairo, Ill. From Cairo the southern boundary follows the Ohio river to Huntington, W. Va., then runs eastward to include the Norfolk, Va., area.

The I. C. C. issued an order today which will make one-way and round-trip coach tickets sold prior to July 25 good for passage until the regular expiration date, provided that date is prior to Feb. 25, 1939.

RAIL LIENS SEND
BONDS CLIMBING
IN CLOSING HOURS

New York, July 23.—(P)—A vigorous demand for secondary railroad issues straightened the bond market out for a new drive to higher levels in the final hour of trading today.

Closing prices were at the best and ranged from minor fractions to two points or more. Fresh strength in the corporate sector appeared almost simultaneously with the upturn in stocks.

Prominent carriers on the new advance were Delaware and Hudson Refunding 4s, Baltimore and Ohio Convertible 4s, Rock Island General 4s, Bush Terminal 5s, Missouri Pacific 5s, Nickel Plate 4 1/2s, Southern Railway 4s, Southern Pacific 4 1/2s, and St. Paul 5s.

Some of the moving picture obligations, recently depressed by the government anti-monopoly action, made sharp recovery. Included were Radio-Keith-Orpheum 6s and Warner Bros. 6s.

United States governments held back, with closing prices ranging from an advance of 2 3/4 of a point to a loss of 3 3/4.

ILLINOIS RANKS
SECOND TO TEXAS
IN OIL DRILLING

Springfield, Ill., July 23.—(P)—Latest official reports showed today that Illinois ranked second only to Texas in oil drilling operations.

M. M. Leighton, chief of the state geological survey, reported 29 new oil drilling ventures in progress during the week ended June 9, putting Illinois ahead of such oil states as Oklahoma, California, Kansas, and Louisiana. In Texas 339 locations were being drilled.

The 27 new Illinois wells brought in during the week developed a total production of 9,339 barrels for the first 24 hours, an average of approximately 250 barrels each. On June 10 a total of 598 wells had been drilled in Illinois since Jan. 1, as compared with only 41 in the same period last year, when the state's oil basin was in the early stages of its development.

Foreign Currencies Gain
in Value Against Dollar

Foreign currencies rose in value in relation to the dollar yesterday. The British pound closed 1/4 cent higher at \$4.927. French, Netherlands, and Scandinavian currencies advanced slightly.

22 Point Profit in Stocks

Clients of the KEELEY MARKET SERVICE bought stocks on our specific advice at 114 in the Dow-Jones Industrial Average and took profits at 136. In wheat our record shows in three months 30 cents gains against 10 cents loss. What would such advice have been worth to you?

You, too, can have the benefit of this outstanding service. We offer a special introductory trial of our Market Service for three weeks for only one dollar. No further obligation. No salesman will call.

Keeley Market Service, Inc.

332 S. La Salle St., Chicago, Ill., Dept. 724

Family Food
Costs Show
Slight Decline

The careful Chicago housewife could fill her family market basket for a few cents less yesterday than two weeks ago, a survey of the city's wholesale food markets disclosed yesterday. Prices on the average, however, were little changed because declines in some items were offset by advances in others. Retail prices closely follow quotations in wholesale markets.

Best bargains were found in vegetable markets, although eggs and a few kinds of meat also were cheaper. Except for a few off season items market men agreed that the quality of fresh vegetables is much better now than in most recent seasons when less favorable growing conditions prevailed.

Some Products are Cheaper.

Apples, beets, radishes, red raspberries, and carrots were cheaper. Some grades of tomatoes, string beans, and cucumbers were a little lower.

Fine green corn could be bought yesterday for 40 to 75 cents for a sack containing four to five dozen ears. Green peppers also were abundant at prices ranging from 85 cents to \$1 a bushel. These items were not so abundant two weeks ago.

Peaches and peas were about the only items that showed much advance over prices two weeks ago. Georgia peaches advanced because the season is ending, but Illinois peaches are beginning to arrive in larger quantities and are expected to be abundant next week. The present time is an off season for peas.

Meat Prices Divergent.

Lower grades of beef loin and beef round were cheaper yesterday than two weeks ago, but top grades were higher. All grades of lamb loin were higher, but lamb leg was cheaper. Pork prices were mixed.

A comparison of prices follows:

	Yesterday, July 9.	July 23.
Apples, bunch, 10 lbs.	\$1.00 @ 1.25	1.00 @ 1.25
Beets, bunch, 10 lbs.	1.00 @ 1.25	1.00 @ 1.25
Carrots, bunch, 10 lbs.	1.00 @ 1.25	1.00 @ 1.25
Cucumbers, bunch, 10 lbs.	1.00 @ 1.25	1.00 @ 1.25
Onions, bunch, 10 lbs.	1.00 @ 1.25	1.00 @ 1.25
Peas, bunch, 10 lbs.	1.00 @ 1.25	1.00 @ 1.25
Peaches, bunch, 10 lbs.	1.00 @ 1.25	1.00 @ 1.25
Pork, 10 lbs.	1.00 @ 1.25	1.00 @ 1.25
Radishes, bunch, 10 lbs.	1.00 @ 1.25	1.00 @ 1.25
String beans, bunch, 10 lbs.	1.00 @ 1.25	1.00 @ 1.25
Tomatoes, bunch, 10 lbs.	1.00 @ 1.25	1.00 @ 1.25
Turnips, bunch, 10 lbs.	1.00 @ 1.25	1.00 @ 1.25
Wheat, 100 lbs.	1.00 @ 1.25	1.00 @ 1.25
Yams, bunch, 10 lbs.	1.00 @ 1.25	1.00 @ 1.25

Meats.

	Yesterday, July 9.	July 23.
Beef loin, 10 lbs.	\$1.10 @ 1.25	1.10 @ 1.25
Beef round, 10 lbs.	1.10 @ 1.25	1.10 @ 1.25
Beef plate, 10 lbs.	1.10 @ 1.25	1.10 @ 1.25
Beef tripe, 10 lbs.	1.10 @ 1.25	1.10 @ 1.25
Lamb loin, 10 lbs.	1.10 @ 1.25	1.10 @ 1.25
Lamb leg, 10 lbs.	1.10 @ 1.25	1.10 @ 1.25
Pork loin, 10 lbs.	1.10 @ 1.25	1.10 @ 1.25
Pork spare rib, 10 lbs.	1.10 @ 1.25	1.10 @ 1.25
Smoked ham, 10 lbs.	1.10 @ 1.25	1.10 @ 1.25
Butter, 92 score, 10 lbs.	1.10 @ 1.25	1.10 @ 1.25
Eggs, 12 doz.	1.10 @ 1.25	1.10 @ 1.25
Potatoes, 100 lbs.	1.10 @ 1.25	1.10 @ 1.25
100 lbs.	1.10 @ 1.25	1.10 @ 1.25

Other Staples.

	Yesterday, July 9.	July 23.
Butter, 92 score, 10 lbs.	1.10 @ 1.25	1.10 @ 1.25
Eggs, 12 doz.	1.10 @ 1.25	1.10 @ 1.25
Potatoes, 100 lbs.	1.10 @ 1.25	1.10 @ 1.25
100 lbs.	1.10 @ 1.25	1.10 @ 1.25

Mutual Bank Stockholders
Subscribe to New Shares

Stockholders of the Mutual National bank have subscribed for \$100,000 additional capital stock, increasing invested capital to \$400,000, Frank C. Rathje, president, announced yesterday. The bank has surplus of \$165,000 and undivided profits of \$56,823.

Rathje said deposits are now at an all-time high of \$9,500,000. Net earnings for the first half of this year were \$16,905, or \$5.64 a share, on the basis of \$300,000 of capital stock.

WHAT'S BEHIND
THIS MARKET?

Read "The Forces Behind This Bull Market" in July 27 FINANCIAL WORLD. Other features "8 Stocks For The Business Man," "Are Coppers A Buy?" and "Low Priced Inflation Hedges." Return this "ad" and \$1 for our next 4 issues. You will also receive our latest "INDEPENDENT APPRAISALS OF (1600) LISTED STOCKS." We give the vital facts you need to invest successfully.

THE FINANCIAL WORLD

21-B West Street New York

BENDIX SHOWS
PROFIT EARNED
IN 2D QUARTERBut Return Is Far
Below Year Ago.

The Bendix Aviation corporation made a profit in the second quarter of 1938, compared with a substantial loss in the preceding three months, the company's interim statement showed yesterday. Earnings, however, were much lower than for the second quarter of 1937.

The Chicago Railway Equipment company also reported a small June quarter profit yesterday, compared with a first quarter loss. Lower earnings for the quarter just closed, compared with the March quarter, and the June 1937, quarter, were reported by the Hercules Powder company and the Seaboard Air Line.

The General Cable corporation, the Baldwin Rubber company, and the National Acme company had losses for the three months to June 30, against profits in the like 1937 period.

Middle West Units Earn More.

The Middle West operating units had increased profits for the second quarter over the comparable 1937 three months. These were Public Service Company of Oklahoma, Southwestern Light and Power company, and Michigan Gas and Electric company.

Net profit of Bendix Aviation, which makes products for the automobile, aircraft and marine industries, was \$65,606, 3 cents a capital share, in the June quarter. This compared with net loss of \$561,603 and a profit in the second quarter of 1937 of \$285,453, or 39 cents a share.

The profit cut the company's loss for the first six months to \$495,999, against net profit in the first six months of 1937 of \$1,631,961, or 78 cents a share.

Chicago Railway Equipment's net profit after taxes was \$8,257 in the second quarter, against loss of \$65,684 in the three months to March 30 and profit of \$189,138 in the June quarter, 1937.

Day's Earnings Reports.

Net incomes of companies reporting yesterday follow:

Days Earnings Reports.		
Net incomes of companies reporting yesterday follow:		
	June.	
	1938.	1937.
Brklyn-Manh T. *\$	\$5,949.00	\$ 231.21
Brklyn&Qu Tran	*31,791.00	26.65