

TRUST STOCK TO FALL

EACH MUST EXPECT A DEATH STRUGGLE WITH THE GOVERNMENT.

Some Have Taken Their Punishment, That of the Others Will Follow—A Gloomy Outlook for the Mercantile Community—Many Financial Sorrows Feared for New England Merchants—Banking Circles Nervous and Chary of Lending Money—A Director's Prophecy.

NEW YORK, May 27.—[Special.]—Wall street has had a dull week but not an uneventful one. Many efforts have been made to give the stock market some show of activity and buoyancy, but not much has been accomplished. It is just as well to face the facts and that means recognition of the indisputable truth that Wall street is in a serious situation and that from this time on money lenders are likely to take counsel, rather of fear than of fact, and that the liquidations of which there have been lately many examples is sure to

continue and grow.

An illustration of the situation as it is, appeared today in the market for general electric trust stock. Two or three months ago it was selling up around 110 or higher. The quotation today was 65. When the last annual report of the electrical trust was issued it represented that the trust was not only prosperous but really in the money market as a large lender of cash funds. At the same time this trust was a borrower in Chicago and New York on a big scale. The general electric trust is illustrative of a long list of other properties more or less actively dealt in upon the New York Stock Exchange. As things now look electric trust stock will sell much lower than it has yet touched.

What is true of electric is true of a lot of other things. Lead trust common ought to sell at \$20 a share and probably it will. Cotton oil is good for a ten point drop. Cordage and whisky trusts have taken their punishment, but it is not in the nature of things to enjoy much of a rally.

Tempting Aspect of Sugar Trust.

Of all the trusts sugar is the most tempting to a man who wants to sell something, who is willing to risk a few points loss for many points of profit. Sugar trust rallies are al-

ways possible and generally likely, but they cannot be rallied to last. The millionaires who are conspicuous in the management of this trust are amply showing where they personally stand by wholesale purchases of New York real estate. They can only get this sort of property by selling their sugar trust stock. That they undoubtedly have been doing by wholesale. All the trusts are in for liquidation. Some of them have taken their punishment; others have not. Just as soon as United States District-Attorneys are appointed in New Jersey, New York, and New England aggressive actions against the trusts may be expected from the administration. And such action will amount to something this time.

President Cleveland in his inaugural went on record as aggressively against the unlawful combinations intended to restrict trade, and all that. Therefore, it is fair to suppose that he will be earnest in his espousal of proceedings aimed at them. This theory is borne out by assurances of the most distinct and explicit character given by Mr. Cleveland's most intimate friends.

That first on the list of trusts that may be attacked is the rubber trust, next the sugar trust, and after them the whisky trust and some others. All of the trusts are threatened with serious attack. People who continue to hold such "securities" may be brave. They certainly will have to face losses.

Stocks High While Big Bears Are Away.

The stock market this week has been without such oppressiveness on the bear professionals. Addison Cammack and William B. Wheeler, who for a long time past have been the recognized

time past have been the recognized bear leaders, are both out of town and have been for the last fortnight. Mr. Wheeler is sick and Mr. Cammack has been enjoying himself out in the vicinity of Chicago. For this reason the sales, which have been made on the stock exchange have lacked the element of forceful bear campaigning which so frequently marks quotations down. Both of these leaders will probably be back here soon and when they are back both will probably be active on the bear side. Both are convinced that stock market quotations generally are much too high. And as they are likely to act on their conviction prices generally may have to follow their activity.

Today's bank statement showed a gain of about \$1,000,000 in surplus reserve. About \$5,000,000 in gold have been exported this week. During the coming week more will probably go abroad. The tendency from this time on is likely to be on the side of gold exports. We owe Europe and Europe wants the money and we will have to probably settle through these gold shipments.

Banking circles are still nervous. New England is worried. Industrial difficulties of a serious sort are threatened up there. In all probability a lot of sorrows must be faced in and about Boston. The mercantile community here and all over the country is perturbed. The failure of Ex-Secretary of the Treasury Foster is significant of a lot of other entanglements. A director in more than one of the banks in this city, said this today:

We are not only in trouble, but we are in serious trouble. My heart is sick. I am amazed at the possibilities of disaster now hanging over us.
H. ALLAWAY.