

Finance Committee. Information.
~~1953-1954~~ 1951-1952

Finance Committee. Information.
1953-1954

JOHN W. BRISTOL
WOOLWORTH BUILDING
233 BROADWAY
NEW YORK 7, N. Y.

CORTLANDT 7-1137

Copy to Mr. Maass
Mr. Schaap
Mr. Strauss
Mr. Oppenheimer
Mr. Rosenwald
Mr. Hancock
Mr. Linder
Mr. Mitchell
Mr. Schur

December 2, 1954

INSTITUTE FOR ADVANCED STUDY

PRONTO URANIUM MINES LTD.

5% S. F. Debentures due 12/1/60 at 95 to yield 6.0%

Memo to Mr. Leidesdorf:

Attached is a memorandum on the Debentures recently issued by Pronto Uranium Mines Limited. Unlike the vast majority of uranium ventures in both the United States and Canada, Pronto owns major deposits of uranium ores which are sufficiently valuable to permit economic mining and concentration. Following a thorough investigation of the mining claims by Government engineers, the Canadian Government, through its agent Eldorado Mining and Refining Ltd., made a firm contract for \$55,000,000 worth of uranium concentrates.

A \$6,000,000 Debenture issue was marketed to obtain the necessary funds with which to develop the mine and milling properties required to fulfill the contract. The securities have a first mortgage on all assets of the Company and are very amply protected by assets and potential earning power.

The Debentures were issued with stock purchase warrants attached. Speculation has resulted in an abnormally high market price for the warrants. By immediate sale of the warrants, the stripped debentures can be obtained at a net price of about 95 to yield 6% to maturity.

It is recommended that the Committee consider favorably the purchase of \$100,000 principal amount of the 5% Debentures on a stripped basis.

December 2, 1954

John W. Bristol

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PRONTO URANIUM MINES LIMITED

5% S. F. Debentures due 12/1/60 near 95 to yield 6.0%

Pronto Uranium Mines Limited was formed in June, 1953, for the purpose of exploration for, and the development of, minerals in Canada. In 1953 it acquired claims covering 6,200 acres in Ontario on which there are proven uranium ores. These deposits have an estimated value of at least \$65,000,000.

After a thorough engineering survey by agents of the Canadian Government, Eldorado Mining and Refining Limited, a Crown Corporation comparable to the AEC in this country, contracted with Pronto Uranium Mines for the purchase and sale of uranium concentrates to the value of \$55,000,000. The contract calls for delivery at Pronto's Ontario property between January 1, 1956, and December 31, 1960. Eldorado can terminate the contract only if, by reason of gross negligence or willful default of the Company, deliveries are not commenced by July 1, 1956 or are not completed by April 1, 1962.

Pronto Uranium has sold \$6,000,000 5% Sinking Fund Debentures due 12/1/60, With Warrants, to obtain funds for development of the mine and building the required concentrating mill. This Debenture ranks prior to any additional funded obligations of the Company and is secured by a first specific mortgage on the uranium properties as well as by a first specific mortgage on all other property of the firm including the Eldorado contract.

Engineers appraise the probable operating experience of the mine and milling operation as follows:

(\$000 - Canadian Funds)

	<u>Gross Income</u>	<u>Available For Int.</u>	<u>Debenture Interest</u>	<u>Available for Debenture S.F.</u>	<u>Deb. Sinking Fund Require.</u>
1956	7,488	2,872	300	2,572	800
1957	11,232	4,514	260	4,254	1,300
1958	11,232	4,514	195	4,319	1,300
1959	11,232	4,514	130	4,384	1,300
1960	11,232	4,514	65	4,449	1,300

-2-

In respect to these estimated operating results, it should be noted that the Eldorado Contract provides for adjustment from time to time in payments to the Company to reflect the fluctuations in wage rates in the mining industry (other than gold) in Canada. In addition to the delivery requirements of the contract, the Company is spurred to early attainment of peak production by the 36 months income tax exemption period presently permitted under the Canadian Income Tax Act.

The principal details concerning the \$6,000,000 5% Sinking Fund Debentures due December 1, 1960 are as follows:

Sinking Fund - Cash or Debentures sufficient to retire
\$800,000 on or before Dec. 1, 1956 and
\$1,300,000 on or before each Dec. 1, 1957-59
Balance \$1,300,000 due Dec. 1, 1960.

Redeemable -	<u>Sinking Fund</u>	<u>Otherwise</u>
To 12/1/56	102 $\frac{1}{2}$	105
12/1/57	102	104
12/1/58	101 $\frac{1}{2}$	103
12/1/59	101	102
12/1/60	100 $\frac{1}{2}$	101

Stock Purchase Warrants - Each \$1,000 Debenture carries a detachable stock purchase warrant entitling holder to purchase 60 Capital Shares at \$5.00 each through June 30, 1958.

At the present time the Debentures are quoted at 107 $\frac{1}{2}$ - 108 $\frac{1}{2}$. Due to considerable market speculation, the warrants are currently quoted at 2.20 - 2.35. By selling the warrants immediately upon purchase of the Debentures, the stripped Debentures can be obtained for a net price of approximately 95. At this price the bonds yield 6.0% to maturity and, of course, more to any prior redemption date. Moreover, it would appear that as soon as the sinking fund becomes active the stripped bonds would rise to a price near par.

In view of the ample asset value behind the Debentures, the Eldorado contract which is guaranteed by the Canadian Government, and the widely recognized needs of the Free World to obtain uranium concentrates, the issue appears to represent excellent value.

December 2, 1954

John W. Bristol

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PAUL B. WYANT
JOHN W. BRISTOL
ATWOOD O. PETERSON

Memo to Mr. Leidesdorf
Mr. Maass
Mr. Schaap
Mr. Strauss
Mr. Oppenheimer
Mr. Rosenwald
Mr. Hancock
Mr. Linder
Mr. Mitchell
Mr. Schur

June 24, 1954

THE INSTITUTE FOR ADVANCED STUDY

PARAMOUNT PICTURES CORPORATION

Common Stock (\$2.00) at 33 to yield 6.1%

Memo to Mr. Leidesdorf:

Attached is a memorandum discussing the current status of Paramount Pictures Corporation.

There appears to be increasing evidence that many of the factors which have caused a declining trend in motion picture revenues in the post-war years have been overcome. Paramount's operating record during this difficult period has been relatively satisfactory with earnings averaging \$2.65 per share for the past four years and the dividend rate maintained at \$2.00. These results alone would seem to justify the current market price of the stock.

However the attraction of Paramount Pictures Corporation is not confined to the recovery in movie production earning power. The Company has valuable non-picture making assets including a sizable stake in the television industry. In addition to owning the leading television station in the Los Angeles area, Paramount holds a 26% interest in Allen B. DuMont Laboratories. The market value of the latter holding has declined substantially in recent months and now stands at approximately \$6 million. If DuMont can successfully weather the transition to color TV this investment could be very profitable to Paramount. In addition Paramount has an important interest in Chromatic Television Laboratories, Inc., the company which has developed the color television picture tube known as the "Lawrence Tube".

The importance of Paramount's film library of fully amortized feature productions has been enhanced by the potential market created by the development of "subscription" television, in the development of which Paramount will also participate through its interest in International Telemeter.

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Apart from "pay-as-you-see" television, International Telemeter has been engaged in some highly promising development work on mechanization of business operations and the new electronic techniques for handling vast quantities of complex information.

Paramount's diversification into such dynamic fields as television and electronics could in time add substantially to the company's earning power. Meanwhile the current yield of better than 6% is far higher than obtainable from most other companies active in these growing fields.

The company is in a strong financial position even though \$3 million of debt has been retired in the last three years and over one million shares of its own stock has been purchased and retired at a cost of \$23.5 million in the last four years. At the 1953 year end, cash of \$28.8 million and current assets of \$75.3 million covered total liabilities of \$12.7 million.

We suggest that the Committee consider favorably the purchase of 3,000 shares Paramount Pictures Corporation common stock.

June 24, 1954

Paul B. Wyant & Co.

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PAUL B. WYANT
 JOHN W. BRISTOL
 ATWOOD O. PETERSON

PARAMOUNT PICTURES CORPORATION

Common Stock (\$2.00) at 32 to yield 6.2%
(1954 Range to date: 32 $\frac{5}{8}$ - 26 $\frac{1}{8}$)

Capitalization (\$000)

	Balance Sheet 1/2/54		Market Value 6/7/54	
Long-term Debt	\$ 20,263	19%	\$ 20,263	20%
Minority Interest & Other Liabilities	12,840	12	12,840	12
Common Equity (2,217,051shs)	72,626	69	70,946	68
	<u>\$105,729</u>	<u>100%</u>	<u>\$104,049</u>	<u>100%</u>

Paramount Pictures Corporation was formed on December 31, 1949 from the remaining assets of previous Paramount Pictures, Inc. after all domestic theatres properties of the latter had been transferred into United Paramount Theatres. This was a result of the Government's anti-trust suit to separate motion picture production from the exhibition segment of the industry. The present picture company produces motion pictures and distributes them throughout the world.

Activities other than motion picture production include:

- (1) a 51% interest in Famous Players Canadian Corporation, Ltd., the largest theatre operator in Canada having some 419 theatres and accounting for approximately 45% of the motion picture theatre business in that country;
- (2) a 50% interest in Chromatic Television Laboratories, Inc., producer of the Lawrence color television tube;
- (3) 100% ownership of television station KTLA in Los Angeles;
- (4) an interest of about 26% in Allen B. DuMont Laboratories, Inc.;
- (5) a 56% interest in International Telemeter which has a stake in the "subscription" or "pay-as-you-see" television field and is also engaged in various phases of electronics including the development of components for use in electronic computers;
- (6) ownership of the Paramount building at 1501 Broadway, New York City.

In the field of motion pictures Paramount has introduced more recently a new large screen process called "Vistavision", which allows virtually all types of pictures to be shown on screens of varying widths. Its reception by the industry has been favorable.

Operating Record

In order to provide background a pro-forma earnings summary of that portion of the old company acquired by the new corporation is shown below together with actual figures of the present concern for the past four years. Paramount's operating record has been consistently superior to the rest of the industry during the recent years when the problems of adjusting to competition from television and rapidly changing technical developments have been severe.

(000)

	Gross Revenue	Pre-Tax Income		Net Income	Per Share Common		
		Amount	% of Gross		Earned	Paid	Range
1945	84,202	18,319	21.8	8,004	2.44)	
1946	103,660	32,306	31.2	18,701	5.71)	
1947	98,254	18,118	18.4	10,735	3.28)	OLD COMPANY
1948	88,801	8,101	9.1	5,842	1.78)	
1949	81,652	6,069	7.4	3,261	1.00)	
1950	84,409	11,378	13.5	6,565	2.67	2.00	22-18
1951	96,618	11,741	12.2	5,459	2.33	2.00	34-21
1952	106,819	11,126	10.4	5,900	2.52	2.00	31-21
1953	112,740	14,415	12.8	6,780	3.06	2.00	30-25

Recent Developments

The "Lawrence" tube has been licensed to the Crosley Radio and Television division of AVCO Manufacturing Corporation, which is now pushing production of 21-inch color receivers for delivery to the public late in 1954. In addition Thomas Electronics, Inc., the largest independent manufacturer of cathode ray tubes, has also been licensed to produce the "Lawrence" tube. This tube operates on the so called one-gun principle and the company claims that it has advantages over the three-gun type used by CBS, RCA and DuMont in that its manufacturing technique is simpler, larger sized tubes can be produced, cost is less than any of the others and tubes are less subject to damage and maladjustment. At the annual meeting last week Mr. Balaban predicted that 21-inch color television sets will be selling at around \$500 before the end of 1955.

On April 30 Paramount announced the sale of 285,000 shares of Famous Players Canadian Corporation, Ltd. common stock at a price which netted Paramount \$6,270,000 and reduced their interest from 67.55% to 51.14%. No specific use for the funds received from this sale has been announced. However, it is believed that current developments in various phases of electronics by International Telemeter may well require the investment of additional capital. Earnings from the shares sold amounted to approximately 27¢ per share of Paramount in 1953.

The Company reports that experiments conducted with its "pay-as-you-see" television have been most successful and the management is confident that International Telemeter will prove to be an important investment for Paramount both because of the potential market in "subscription" television and because of its important developments in the electronics field.

The market price of DuMont Laboratories has been depressed recently reflecting the industry's problems of transition to color. Paramount's investment in DuMont acquired at a cost of \$164,000 has a current market value of approximately \$6 million. We believe that DuMont will soon overcome its major difficulties and that the value of this investment to Paramount may eventually be substantially greater.

Financial Position

Paramount's balance sheet as of January 3, 1954 continues to show a strong financial position. Cash of \$28.8 million and total current assets of \$75.3 million cover total current liabilities of \$12.7 million. In the past three years debt has been reduced \$3 million and in the past four years the Company has purchased and retired over one million shares of its own common stock at a total cost of \$23.5 million. Comparative balance sheet figures for the past five years are shown below:

(000)	Cash & Equiv.	Receivables Advances, etc.	Inventory	Total Current Assets	Current Liabili- ties	Net Current Assets
1949	25,326	7,137	37,350	69,813	7,846	61,967
1950	29,101	8,272	39,796	77,170	9,402	67,768
1951	18,741	8,797	44,801	72,340	8,178	64,162
1952	24,364	13,350	36,498	74,212	9,476	64,736
1953	28,804	14,413	30,049	75,266	12,701	62,565

Investments:

	Affiliates & Subsid.	DuMont	Other	Fixed Assets	
				Gross	Net
1949	8,260	164	792	50,672	28,678
1950	8,524	164	1,371	52,952	29,682
1951	10,034	164	1,110	53,947	29,736
1952	11,484	164	1,068	53,392	29,087
1953	13,000	164	1,425	52,901	27,982

Capital:

	Debt	Minority Interest	Misc. Non-Curr. Liabs.	Common Equity	Number of Shares	Book Value
1949	-0-	7,704	2,458	90,964	3,263,276	\$27.80
1950	23,335	8,186	1,938	75,068	2,455,200	30.60
1951	22,319	8,610	2,347	73,026	2,342,116	31.20
1952	21,298	8,989	2,815	73,885	2,339,479	31.55
1953	20,263	9,342	3,498	72,626	2,217,051	32.80

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The motion picture industry appears to be at last on the up turn and Paramount's policy of emphasizing quality production rather than mass production seems to be paying off. The degree of diversification that Paramount has attained in rapidly growing fields other than motion picture production makes this stock relatively attractive both from the standpoint of income, offering a yield of better than 6% and potential market appreciation.

June 8, 1954

Paul B. Wyant & Co.

JWB:lp

THE INSTITUTE FOR ADVANCED STUDY

Suggested Changes to Increase Income

<u>Sell</u>		<u>Cur.</u> <u>Mkt.</u>	<u>Market</u> <u>Value</u> \$	<u>Annual</u> <u>Income</u> \$	<u>Yield</u> %
1,700M	U.S. Treasury Ctfs. of Indebt. $1\frac{1}{8}\%$ 5-17-55 (Retain 600M - Cost 100)	100 $\frac{1}{4}$	1,704,250	19,125	0.86
<u>Buy</u>					
500M	General Motors Acceptance 4/7-1-58	104 $\frac{1}{2}$	521,250	14,960#	2.87*
500M	CIT Financial Corp. 4/1-1-60	105 $\frac{5}{8}$	528,125	15,263#	2.89**
5,000	Notes Gulf Interstate Gas 6% (\$20 Par) (5,000 Notes now held-Cost 18 $\frac{1}{2}$ - to be paid off in 6% S.F. Pref. stock 12/1/54 or called at \$20.60)	20 $\frac{3}{4}$	103,750	6,000	5.8
700shs	Northern Natural Gas 5.50 Cum. S.F. Pref. (300shs now held-Cost 100-callable 107 $\frac{1}{2}$)	108 $\frac{1}{2}$	75,950	3,850	5.1
500shs	Texas Eastern Transmission 5.50 Cum. S.F. Pref. (500shs now held-Cost 102)	104 $\frac{1}{2}$	52,250	2,750	5.3
1,000shs	Tennessee Gas Transmission 5.12% Cum. S.F. Pref. (None now held)	100 $\frac{1}{2}$	100,500	5,120	5.1
2,000shs	Transcontinental Gas Pipe Line \$2.55 (\$50 Par) Cum. S.F. Pref. (None now held)	49	98,000	5,100	5.2
4,000shs	Brown-Forman Distillers Corp. 4% (\$10 Par) Pref. (12,000shs now held-Cost 6 $\frac{1}{4}$)	7	28,000	1,600	5.7
3,000shs	Paramount Pictures Common (\$2.00) (None now held)	32	96,000	6,000	6.3
1,500shs	Distillers-Corp. Seagrams Common (\$1.70) (1,500shs now held-Cost 19 $\frac{1}{8}$)	33	49,500	2,550	5.2
500shs	(H.) Walker-Gooderham & Worts Common (\$3.75) (1,500shs now held-Cost 37 $\frac{1}{2}$)	60 $\frac{1}{2}$	30,250	1,875	6.2
			<hr/> 1,683,575	<hr/> 65,068	<hr/> 3.9

Amortized Annual Income to maturity.

* to maturity; yield 1.80% to 7/1/56 when callable at 102; yield 1.97% thereafter to 7/1/57 when callable at 100, and for last year 4%. Amortized income for first year \$9,383.

** to maturity; yield 2.37% to 7/1/56 when callable at 102 $\frac{1}{2}$; yield 2.95% thereafter to 1/1/59 when callable at 100, and for last year 4%. Amortized income for first year \$12,517.

June 7, 1954

Paul B. Wyant & Co.

La. Finance

THE INSTITUTE FOR ADVANCED STUDY
SUMMARY OF INVESTMENT HOLDINGS
 As of December 31, 1954

	MARKET VALUE 12/31/54		ESTIMATED ANNUAL INCOME 12/31/54			
	Amount	% of Total	Amount	% of Total	Current Yield	
					Market	Book
CASH - Uninvested #	\$ 248,723	0.9%	\$ -	- %	- %	- %
<u>BONDS</u>						
U.S. Gov't. Marketable & Comm'l						
Paper - Due Within 1 Yr.	4,151,344	14.9	60,514	7.2	1.5	1.5
U.S. Gov't. Marketable - Other	3,269,119	11.7	66,075	7.8	2.0	2.0
U.S. Savings Series "G" (At Par)	800,000	2.9	20,000	2.4	2.5	2.5
Railroad	95,500	0.3	5,000	0.6	5.2	10.8
Public Utility	222,500	0.8	8,750	1.0	3.9	4.3
Industrial & Miscellaneous	2,336,402	8.4	87,013	10.3	3.7	3.8
TOTAL BONDS	\$10,874,865	39.0%	\$247,352	29.3%	2.3 %	2.3 %
<u>PREFERRED STOCKS</u>						
Public Utility	638,188	2.3	33,566	4.0	5.3	5.4
Industrial & Miscellaneous	705,988	2.5	33,750	4.0	4.8	5.6
TOTAL PREFERRED STOCKS	\$ 1,344,176	4.8%	\$ 67,316	8.0%	5.0 %	5.5 %
<u>COMMON STOCKS</u>						
Public Utility - Electric	1,452,363	5.2	64,620	7.7	4.4	7.3
Public Utility - Gas & Pipeline	1,564,238	5.6	69,440	8.2	4.4	8.6
Industrial & Miscellaneous	12,318,117	44.2	390,877	46.3	3.2	8.4
Bank & Insurance	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$15,334,718	55.0%	\$524,937	62.2%	3.4 %	8.3 %
SECURITIES OF NOMINAL VALUE	\$ 100	0.0%	\$ -	- %	- %	- %
REAL ESTATE MORTGAGES	\$ 19,924	0.1%	\$ 797	0.1%	4.0 %	4.0 %
PROFESSORS' HOMES - MTGES.	\$ 78,770	0.2%	\$ 3,151	0.4%	4.0 %	4.0 %
GRAND TOTAL	\$27,901,276	100.0%	\$843,553	100.0%	3.02%	4.50%

INCREASE OR DECREASE 12/31/54		
Compared with Book - Same Date		
Book Value#	Increase	Decrease
\$ 248,723	\$ -	\$ -
4,149,667	1,677	
3,296,545		27,426
800,000	-	-
46,233	49,267	
201,971	20,529	
2,313,107	23,295	
\$10,807,523	\$ 67,342	
617,289	20,899	
598,449	107,539	
\$ 1,215,738	\$ 128,438	
884,116	568,247	
806,289	757,949	
4,665,301	7,652,816	
-	-	-
\$ 6,355,706	\$8,979,012	
\$ 100	\$ -	\$ -
\$ 19,924	\$ -	\$ -
\$ 78,770	\$ -	\$ -
\$18,726,484	\$9,174,792	

Reported by Treasurer's office. D.J.I.A. - 12/31/54 - 404.39
 * Of which \$100,000 is to be reserved for current expenditures.
 † Before amortization & write off on Bonds, estimated at \$14,400 annually.

John W. Bristol
 January 18, 1955

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THE INSTITUTE FOR ADVANCED STUDY

Composition of Institute's Portfolio
with Composite Holdings of 26 Colleges
(As of June 30, 1954)

		MARKET VALUES		
		26 Colleges		
	<u>Institute</u>	<u>Average</u>	<u>High</u>	<u>Low</u>
Uninvested Cash	1.2%	0.6%	2.1%	- %
Government Bonds	41.4	15.7	45.1	3.3
Corporate Bonds	4.8	17.2	35.3	-
Mortgages	0.4	2.5	21.0	-
Total above	47.8%	36.0%		
Preferred Stocks	2.2%	7.0%	16.3%	0.3%
Common Stocks	50.0	51.2	61.9	39.4
Real Estate	-	4.0	15.9	-
Other Assets	-	1.8	8.6	-
	100.0%	64.0%		

September 28, 1954

John W. Bristol

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Copy to Mr. Maass
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Mr. Schur

September 27, 1954

THE INSTITUTE FOR ADVANCED STUDY

EQUITABLE GAS COMPANY

Common Stock (\$1.40) near 26 to yield 5.4%

Memo to Mr. Leidesdorf:

Attached is a memorandum on Equitable Gas Company, an integrated natural gas utility which supplies gas to Pittsburgh and adjacent communities. The Company has experienced a healthy expansion of operating revenues in recent years with the rate of growth controlled more by supply than by demand.

Through a wholly owned subsidiary, Equitable produces and transports to its service area about half of the natural gas presently being sold. Most of the balance of the gas requirements is transmitted from the Southwest. Equitable purchases gas from two of the major trans-continental pipeline companies and is also a principal in contracts with Southwest gas producers.

Greater amounts of gas are becoming available and with more extensive use of underground storage near the service area, Equitable will soon be in a position to materially expand its volume of business. The Company has filed several rate petitions which are expected to make significant contributions to the growth of net income. In addition a new source of income is now in prospect as Equitable and Union Carbide & Carbon are planning to strip and market the liquid hydrocarbons present in the natural gas produced by the Company.

Twelve month earnings through June 1954 amounted to \$1.73 per share reflecting the abnormally warm 1953-1954 heating season. The Common Stock selling at 15 times earnings and yielding 5.4% appears to be priced with more regard to these past results than in anticipation of the earnings improvement which may reasonably be expected in the next several years. Gradual improvement of both the market price of the shares and the dividend rate is expected, and as downside risk appears small relative to that of other utility equities, the stock is an attractive investment.

We suggest that the Committee consider favorably the purchase of 2,500 shares of Equitable Gas Company Common Stock.

John W. Bristol

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EQUITABLE GAS COMPANY

Common Stock (\$1.40) near 25 to yield 5.6%

CAPITALIZATION
 (000)

	<u>Balance Sheet</u> <u>12/31/53</u>		<u>Market Price</u> <u>9/2/54</u>	
Long Term Debt	\$36,012	51.4%	\$36,012	37.1%
4.50% Conv. Pfd. Stk.	9,994	14.3	10,893	11.2
Common Equity	<u>24,030</u>	<u>34.3</u>	<u>50,007</u>	<u>51.7</u>
Total	\$70,036	100.0%	\$96,912	100.0%

BUSINESS

Equitable Gas Company distributes gas at retail in western Pennsylvania and in West Virginia. The principal service area is in Pittsburgh and environs. While Equitable is the sole supplier in much of the territory, in some areas it is in direct competition with subsidiaries of Consolidated Natural Gas and Columbia Gas System. Equitable estimates that it provides service to about 55% of all residential and commercial gas consumers in the area.

SOURCES OF GAS

Through its principal subsidiary, Kentucky West Virginia Gas Company, Equitable is also engaged in the production, transmission and storage of natural gas. In 1953 the subsidiary produced about 51% of the system's requirements. Proven gas reserves of Kentucky West Virginia are in excess of 700,000,000 MCF, or about twenty years supply at the present rate of withdrawal. The subsidiary also owns large blocks of acreage in areas which promise to be productive but which are as yet untested.

In addition to its own supplies, Equitable purchased about 14% of its gas requirements in the Appalachian area. The balance, about 35%, is procured from the Southwest. The Company is under contract to purchase

- 2 -

40,000 MCF daily from Texas Eastern Transmission and 45,000 MCF daily from Tennessee Gas Transmission. To further augment supplies the Company has entered into a long term gas purchase agreement with three oil companies. Purchases will amount to 10,000 MCF/d beginning December 1, 1954; 20,000 MCF/d beginning December 1, 1955 and increasing further to 25,000 MCF/d beginning December 1, 1956. The contract continues at the maximum level until December 1, 1974. Tennessee Gas Transmission has agreed to transport this gas from Texas to Pittsburgh.

SALES

The Company enjoys a favorable distribution of sales though demand is seasonal due to the rather heavy space heating load. Break-down of sales is as follows:

	Volume of Gas		Revenues	
	MCF	%	\$	%
Residential	28,804,000	46.0	17,338,000	55.8
Commercial	9,360,000	13.4	4,312,000	13.9
Industrial	20,942,000	33.4	8,455,000	27.2
Wholesale	4,492,000	7.2	956,000	3.1
Total	62,598,000	100.0	31,061,000	100.0

RATES

Kentucky West Virginia has recently procured a significant price increase for its gas. While some 80% of its production goes to the parent company (balance primarily to Louisville Gas & Electric) there are certain depletion benefits which accrue to Equitable stockholders even if there is no adjustment in the rates which Equitable may charge.

Equitable currently has two rate petitions pending. The one which is designed to compensate for higher prices of both Appalachian and Southwestern gas is expected to be granted in substantially the amount requested within six months. The other is a request for a general rate increase which would add about 40 cents per share to earnings. It is expected that the Commission will act on this petition within about nine months.

LIQUID HYDROCARBON PLANT

Although it has not yet been publicly announced, it is understood that Equitable Gas and Union Carbide & Carbon are joining to utilize the liquid hydrocarbons that are present in the gas produced by Kentucky West

- 3 -

Virginia. The plan as presently contemplated calls for the construction of a \$10,000,000 stripping plant by Equitable and the purchase of the entire output of crude hydrocarbons by Union Carbide. Equitable will finance the plant through sale of notes. It is expected that the plant will be in production in 1956 and present projections indicate that the plant will add about 25 cents per share to earnings.

COMMON STOCK

The leverage of Equitable Gas is relatively high compared with most integrated gas companies. However, allowing for conversion of the 4.50% Preferred Stock (as done in earnings estimates above) the capitalization would be Long Term Debt 51.4% Equity (2,400,000 shs) 48.6%. At 25 the stock is selling at a reasonable 14.5 times current earnings and yields 5.6%. With earnings prospects favorable and the outlook for higher dividends on the common stock within the next several years the stock is attractive for current income and gradual capital appreciation.

OPERATING RESULTS (\$'000)

	<u>Operating Revenues</u>	<u>Net Operating Income</u>	<u>%</u>	<u>Net Income</u>	<u>Per Common Share</u>		
					<u>Earned</u>	<u>Paid</u>	<u>Range</u>
1951	27,394	4,848	17.7	3,667	1.83	1.30	22-19
1952	28,789	4,951	17.2	3,657	1.83	1.30	23-20
1953	32,440	5,410	16.7	4,113	1.86	1.325	25-20

CWG:lp
September 7, 1954

John W. Bristol

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Mr. Oppenheimer
Mr. Rosenwald
Mr. Hancock
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Mr. Schur

September 27, 1954

THE INSTITUTE FOR ADVANCED STUDY

STANDARD COIL PRODUCTS CO., INC.

5% Conv. S. F. Debs. due 12/1/67 at 96 to yield 5.4%

Memo to Mr. Leidesdorf:

Attached is a memorandum on the 5% Convertible Debentures of Standard Coil Products. The Company is a leading manufacturer of tuners and other electronic devices primarily for television sets. The firm is also a major factor in the aircraft flight and navigational instruments field.

With the common stock currently selling near 15, less than four points below the effective Debenture conversion point, the Debentures can be expected to reflect any significant improvement in the market price of the stock. Due to generous purchase fund and sinking fund provisions, the average life of the Debentures should be less than six years.

Current operations have been disappointing due to low production rates in the television industry. However, the Company appears to be on the threshold of two very strong and basic improvements in demand.

(1) On the civilian side is the advent of color TV which promises to start slowly but to attain high levels within the next several years. The Company's line of tuners and small coils will inevitably feel the marked increase in demand. (2) The military sales of aviation instruments and special purpose miniature motors can be expected to meet with steady demand for an indefinite period as our air defenses are kept modern. It is becoming increasingly apparent that the government's guided missile program is in an advanced stage. Should sizeable production of these weapons be initiated the resulting demand for control instruments would be very significant.

The Institute presently has no direct investment in the important electronics field nor are any of the Institute's investments closely allied to aircraft manufacturing or the high potential of an extensive guided

Mr. Leidesdorf

- 2 -

9/27/54

missile program. Standard Coil Products presents an opportunity to get a stake in both. Moreover, through the purchase of the 5% Convertible Debentures, the downside risk appears distinctly limited.

It is recommended that the Committee consider favorably the purchase of \$50,000 of the Debentures.

John W. Bristol

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September 20, 1954

STANDARD COIL PRODUCTS CO., INC.

(5% Conv. S.F. Debs. due 12/1/67 at 96 to yield 5.4%)

CAPITALIZATION
(000)

	<u>Balance Sheet</u> (12/31/53)		<u>Market Value</u> (9/17/54)	
4% Mtge. 12/30/55	\$ 373	2.3%	\$ 373	1.4%
5% Debs. 12/1/67	4,651	28.4	4,475	16.6
Common (1,470,000shs)	11,304	69.3	22,050	82.0
Total	\$16,328	100.0%	\$26,898	100.0%

BUSINESS

Established in 1935, Standard Coil Products successfully competed as a minor producer of electronic components for radio, radar, and similar devices. Recognizing the tremendous potential of television, management turned its efforts in the immediate post-war period to the development of a superior TV tuner. When introduced to the trade in 1948 the tuner met with immediate success and, with orders from most of the producers in the industry, Standard Coil quickly rose to its present position as a leading supplier of television components.

Management of Standard Coil Products anticipated the severe swings in demand for television sets and in 1951 effectively moved to diversify operations through the purchase of Kollsman Instruments Corp. Volume of this subsidiary which produces aircraft instruments and electronic devices has been maintained at a high level due to the increased emphasis of defense spending on aircraft procurement.

OPERATING RECORD

The synopsis of income statements for the years 1941-1953, which appears on the following page, emphasizes the minor role which Standard Coil Products had among electronic component manufacturers prior to the advent of television. Profits during the early TV Boom were abnormally high. As might have been expected, subsequent competition in the industry resulted in a narrowing of profit margins. The relatively low production of TV sets in recent years has cut volume of

- 2 -

components accordingly. The Company's net sales have continued upward due to the propitious acquisition of Kollsman Instruments Corp. Though TV set production is still relatively low, there has recently been a modest pick-up in profit margins to a point where pre-tax profits are running between 10%-15% of Net Sales - a relationship that can be considered "normal".

Income Account Synopsis

	<u>Net Sales</u>	<u>Pre-Tax Profit</u> (000)	<u>%</u>	<u>Net Income</u>	<u>Per Share Common</u>		
					<u>Earned</u>	<u>Paid</u>	<u>Range</u>
1941	493	25	5.1	11	.01		
1942	499	64	12.8	21	.01		
1943	1,109	125	11.3	37	.03		
1944	1,990	127	6.4	34	.02		
1945	1,261	84	6.7	17	.01		
1946	2,264	96	4.2	15	.01		
1947	2,107	40	1.9	40	.03		
1948	3,348	46	1.4	46	.03		
1949	16,595	4,139	24.9	2,579	1.75	0.04	
1950	35,632	10,464	29.3	5,266	3.58	0.25	
1951	40,303	5,038	12.5	2,488	1.69	1.00	14-10
1952	65,990	7,137	10.8	2,862	1.95	1.00	19-13
1953	89,271	7,762	8.7	2,972	2.02	1.00	17-12

Balance Sheet Data is only available for the most recent five years. It shows a significant strengthening of current finances, a marked growth in the property account and a healthy growth of common equity.

Balance Sheet Data

	<u>Cash & Equiv.</u>	<u>Receiv.</u>	<u>Inven.</u>	<u>Total Current Assets</u>	<u>Current Liabilities</u>	<u>Working Capital</u>
1949	2,509	1,709	1,181	5,496	3,240	2,257
1950	5,793	2,327	2,559	10,741	7,133	3,608
1951	3,107	5,088	8,375	16,570	11,229	5,341
1952	4,687	8,612	10,431	23,869	13,270	10,599
1953	4,886	9,438	10,208	24,671	14,317	10,354

	<u>Property Account</u>		<u>Invest. in Subsid.</u>	<u>Debt</u>	<u>Common Equity</u>	
	<u>Gross</u>	<u>Net</u>			<u>(000)</u>	<u>Per Sh.</u>
1949	350	237	-	-	2,493	1.70
1950	1,475	1,284	2,501	-	7,392	5.03
1951	3,950	3,473	Consol.	600	8,410	5.72
1952	5,079	4,207	"	5,330	9,802	6.67
1953	5,898	5,629	"	5,024	11,304	7.69

- 3 -

OUTLOOK FOR CIVILIAN PRODUCTS

The parent Company's rapid rise in the TV component field was the result of a technically superior, patent-protected VHF (very high frequency) tuner. This is a complex, highly engineered device which, of course, tunes the TV set to the channel desired. The basic design was fully adequate for all TV sets until 1952. Following the lifting of the freeze on construction of television stations, the TV transmission band was expanded by the addition of 70 UHF (ultra high frequency) channels to augment the 12 VHF channels then in use.

Reception of UHF signals is predicated, in part, on an adequate tuner. Standard Coil has developed several such units designed for either conversion of tuners already in service or for assembly in new sets. Though UHF has been handicapped by poor programming (due principally to the fact that network transmissions are predominantly on VHF), Standard Coil has sold well over 1 $\frac{1}{4}$ million conversion kits. The set manufacturers have not yet made any decision as to what type VHF-UHF tuner will be adopted for mass production of VHF-UHF sets, but Standard Coil has well engineered models of each of the several basic types under consideration. One in particular has met with good reception from major producers in the industry.

Another problem facing the entire television industry is the development of color-TV components. Color-TV tuners are very complex and present very difficult engineering problems. The Company has been working with its customers in developing a satisfactory color tuner and considerable progress has been reported. As yet there have apparently been no volume production runs of any color-TV tuners.

MILITARY PRODUCTION

The Kollsman Instruments subsidiary for many years has supplied the military and civilian airplane markets with a comprehensive line of aircraft instruments and allied equipment. The principal categories of products are:

- Pressure Indicating Instruments
(altimeters, speed indicators, etc.)
- Electromechanical Instruments
(engine performance indicators, etc.)
- Optical Instruments
(bomb and artillery aiming devices, sextants, compasses, etc.)
- Control Systems
(cabin pressurization systems, flight data computers, etc.)
- Special Motors
(servo-motors to operate indicating and control systems)
- Radio Communication Products
(testing devices, digital computer memory drums, etc.)

- 4 -

An indication of the sales volume which may be expected over the near term is given by the \$26,000,000 of orders presently on Kollsman's books (this does not include orders for \$5,000,000 worth of electronic devices held by the parent). While the backlog admittedly reflects the high level of current aircraft production, world conditions imply a continuation of a major aircraft procurement program for an indefinite time.

Of even greater potential is the future demand for control instruments for guided missiles. Although the country's guided missile program has been shrouded in secrecy, it is evident that sufficient progress has been made to allow limited production of several missiles. As the program unfolds into mass production of an arsenal of guided devices, the demand for flight and firing devices can be expected to show a marked increase.

COMPETITION

In the sale of tuners, competition is limited to a relatively few companies, principally Sarkes-Tarzian, Inc. and General Instrument Corp. A number of television set manufacturers make some or all of their tuners. The new developments of UHF and color-TV have attracted a number of concerns that seek to enter the tuner field.

In the production of aircraft instruments, Kollsman's principal competitor is the Eclipse-Pioneer Division of Bendix Aviation. Others such as the U.S. Gauge Div. of American Machines & Metals and General Electric offer limited lines of instruments.

The Company's strong emphasis on research can be expected to maintain the firm's position in its various lines. Standard Coil Products spent about $7\frac{1}{2}\%$ of 1953 Net Sales income on technical research and development.

5% CONVERTIBLE SUBORDINATED S.F. DEBENTURES, due 12/1/67

The Standard Coil Products 5% Debentures are currently selling at about 96 providing a current yield of 5.2% and a yield to maturity of 5.4%. The Common Stock is selling at 15. Though the Debentures are selling somewhat above the current conversion ratio, the conversion feature has distinct appeal.

Principal indenture provisions for the Debentures are as follows:

Purchase Fund - \$50,000 or $2\frac{1}{2}\%$ of prior years earnings, whichever is greater, shall be made available semi-annually, from 6/1/53 to 12/1/57, toward retirement of issue at a price not exceeding par, plus accrued interest. Conversions to extent of 50% of requirements can be applied in lieu of cash.

- 5 -

Sinking Fund - 5% semi-annually 12/1/57 to 12/1/66 of balance outstanding 11/30/57 at a price not exceeding par and interest. Credit allowed on conversions.

Redemption Prices (in whole or part)

For Sinking Fund - at 100, beginning June 1, 1958.
Otherwise - 12/1/53 to 12/1/57 - 100, 1958 - 102 $\frac{1}{2}$, thereafter on descending scale to 100 on 12/1/67.

Conversion - At \$18.50 through 12/1/57, at \$20 through 12/1/62, thereafter to 12/1/67 at \$21.75 per share.

Subordinated to borrowings under existing lines of credit and all other loans from financial institutions. Borrowings, other than the Debentures, are limited to 35% of the sum of consolidated debt, capital stock and surplus.

Ownership of the 5% Debentures is considered an excellent means of participating in both the high aircraft procurement program and in the impending boom in color television. Due to the conversion privilege the Debentures will participate in any major improvement in the price of the common shares. Pending such improvement, the Debentures offer an attractive yield as well as ample protection of principal. The coverage of fixed charges is shown in the following table.

((\$000)) <u>Year</u>	<u>Net Sales</u>	<u>Available for Fixed Charges</u>	<u>Interest & Deb. Expense</u>	<u>Fixed Charges Times Earned</u>
1951	\$40,303	\$5,204	\$166	31.4 X
1952	65,990	7,396	260	28.4
1953	89,271	8,221	458	17.9
6 Mos. 6/30/54	38,543	3,070	231	13.3

CWC:lp
September 20, 1954

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September 27, 1954

THE INSTITUTE FOR ADVANCED STUDY

FILTROL CORPORATION

Common Stock (\$0.80) at 28 to yield 2.9%

Memo to Mr. Leidesdorf:

Attached is a memorandum on Filtrol Corporation, a major producer of catalysts used in the catalytic cracking method of refining petroleum. The Company has shown outstanding growth in sales and earnings and has paid a dividend in every year for the past twenty years.

Though the business was originally that of supplying adsorbents to the petroleum industry, Filtrol moved rapidly into production of catalysts when the catalytic cracking refining process was introduced in the early Forties. Due to the limitations on construction, catalytic refining capacity evidenced little growth until the post-World War II period. Subsequent construction has been at a very rapid pace and is reflected in the sales growth of Filtrol. Sales of adsorbents, meanwhile, have continued to show good progress.

The investment merit of Filtrol is bolstered by the strong upward trends which are evident in the refining industry. The principal push in the demand for catalysts stems from the fact that the refining industry is going through a dynamic change-over from the thermal cracking methods to the much more economical catalytic cracking process. It is expected that construction will continue and that the demand for catalysts will double by the end of the decade solely from this change in refining techniques. In addition there is the underlying growth trend of the oil industry itself. Traditionally the oil industry has significantly outpaced the general economy's annual expansion of 3% per annum.

Another plus factor in the outlook for Filtrol is the improvement in profit margins which can be expected when the firm's new by-product chemical plant is broken-in and operating at its rated efficiency. The operation of this plant is expected to add 75 to 90 cents per share to earnings in the coming year.

While the purchase of the common stock of Filtrol would be attractive on the basis of the very favorable outlook for future sales growth, there are certain defensive factors that also add appeal.

- 2 -

Filtrol is the only concern which produces "natural" catalysts; that is, catalysts processed from mineral deposits of certain clays. All other cracking catalysts are produced synthetically. For technical reasons, briefly outlined in the memorandum, the two types of catalysts are not completely interchangeable. It appears that there will continue to be a firm market for natural catalysts in the foreseeable future. Inasmuch as Filtrol controls all the sizeable domestic deposits of catalyst-yielding clays, there is little likelihood that others will initiate production of natural catalysts. Filtrol also enjoys wide profit margins. In times of stress it would be possible to reduce profits, if necessary, and still maintain volume operations and a fair rate of return.

The latest reported earnings as well as the current results reported to us confidentially reveal that an improvement in both sales and profit margins is in process. Interim data for the six months ending June 30 are as follows:

	<u>Six Months June 30</u>	
	(000)	
	<u>1954</u>	<u>1953</u>
Sales	\$10,084	\$8,387
Deprec., Deplet. & Amort.	815	524
Net Income	1,547	950
Net Income per share	\$1.17	\$0.72

It is understood that the above earnings are after very sizeable expenses that have been incurred in getting the new chemical plant into operation. This plant is expected to operate in the red for the next few months at which time it should begin to contribute to earnings.

We believe that the base for this improvement in earnings is sound and that further progress will occur over the next several years. We suggest that the Committee consider the purchase of 2,000 shares of the Common Stock of Filtrol Corporation.

September 27, 1954

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FILTROL CORPORATION

Common Stock (\$0.80) at 28 to yield 2.9%

CAPITALIZATION

(000)	Approx. Balance Sheet 6/30/54		Market Value 8/26/54	
Long Term Debt	\$ 2,455	18.9%	\$ 2,455	6.7%
Common Equity (1,316,632 shs)	<u>10,518</u>	<u>81.1</u>	<u>35,549</u>	<u>93.5</u>
Total	\$12,973	100.0%	\$38,004	100.0%

BUSINESS

Filtrol Corporation is a major producer of petroleum cracking catalysts and the only producer using natural clays as a raw material. In addition to natural catalysts, which account for about 75% of current dollar volume of sales, Filtrol also processes clays into adsorbents. The latter group of products which decolorize, deodorize and purify liquids, are sold primarily to refiners of lubricating oils and waxes but also are marketed to processors of vegetable oils, dry cleaning solvents, etc.

For its supply of raw materials Filtrol either owns in fee, leases, or controls by exclusive contract about a dozen clay mining properties. Its plants at Vernon, California, Salt Lake City, Utah and Jackson, Mississippi are located in close proximity to these clay deposits. The Vernon plant processes bentonite clays into catalysts for both the thermoform (TCC) and fluid catalytic cracking processes at a rate of 250 tons a day. The Salt Lake City plant, which operates on hallosite clay, has a daily output of 100 tons of special catalysts designed to treat oils that have high sulphur content. The Jackson plant has a daily capacity of 275 tons of adsorbents. All plants have been operating virtually at capacity for the past several years.

NEW BY-PRODUCT PLANT

A by-product chemical plant is being brought into production at Vernon. Its output of ammonium sulphate, alumina and magnesia is expected to add only modestly to sales but to improve operating margins considerably.

- 2 -

Through a mutually beneficial contract with Shell Chemical Corp., a nearby Shell plant supplies sulphuric acid and ammonia to Filtrol. Shell also pays a small process fee to Filtrol and in return receives the entire output of ammonium sulphate. It is necessary for Filtrol to treat its clays with acid in order to extract the alumina and magnesia which are impurities incompatible with the catalytic refining process. Prior to the opening of this plant Filtrol had to purchase sulphuric acid and then spend about \$35,000 per month to sufficiently neutralize the effluent so that it could be turned into the public sewer system. The chemistry of the new plant permits Filtrol to run the acid through the clay purifying process before running it into the ammonium sulphate cycle. As a result the present treatment plant provides Filtrol with free acid and eliminates a costly disposal problem while Shell gets low cost ammonium sulphate. The immediate effect of the plant therefore is to widen operating margins rather than to boost sales.

The process also yields alumina and magnesia. Filtrol is currently negotiating with Aluminum Company of America for a long term contract covering the alumina output of the plant. The alumina which the by-product plant yields is of exceptionally high quality but the market for such is distinctly limited. While the grade of alumina produced might command a price of 45 cents a pound for small quantities in the open market, a contract for the entire output at a price of 15 cents a pound is a more realistic anticipation. At 15 cents a pound the alumina would add \$3 - \$3½ million a year to Filtrol's sales. While the marketing costs involved are indeterminable at this time, a wide profit margin is expected.

OPERATING RECORD

The sales growth evident in the figures below reflects the rapid increase in the use of catalytic cracking within the petroleum refining industry. The hesitation in the sales trend which occurred in 1952 was due primarily to the extended strike of refinery workers which resulted in lower demand for refining requisites. In recent years, net income was somewhat restrained by Excess Profits Taxes.

Income Account Synopsis

	Net	Pre-Tax Profits	Net	Per Common Share			
	Sales		%	Income	Earned	Paid	Range *
1943	4,208	1,106	26.2	457	\$0.35	\$0.21	N.A.
1944	4,321	743	17.2	405	0.31	0.21	N.A.
1945	5,951	1,522	25.6	649	0.49	0.29	11- 4
1946	5,750	1,350	23.5	835	0.63	0.19	18-11
1947	7,037	1,188	16.9	849	0.64	0.36	13-12
1948	9,245	2,524	27.6	1,692	1.29	0.36	10- 8
1949	10,456	2,756	26.5	1,841	1.40	0.55	9- 7
1950	12,203	3,623	29.7	2,076	1.58	0.55	12- 8
1951	17,110	4,087	23.8	1,987	1.51	0.73	16-11
1952	16,162	3,181	19.7	1,781	1.35	0.73	22-15
1953	17,988	3,907	21.7	1,957	1.49	0.80	19-14

* Prior to 1953, range is for Filtrol Co. of California stock, adjusted for merger with present company.

- 3 -

Due to the fact that the stock of Filtrol Corporation has been publicly held for a relatively short time, balance sheets are available only for recent years. As noted above (See CAPITALIZATION), debt has been reduced considerably in 1954.

Balance Sheet Items (\$000)

	<u>Cash</u>	<u>Receiv.</u>	<u>Invent.</u>	<u>Total Current Assets</u>	<u>Current Liabilities</u>	<u>Working Capital</u>
1951	1,780	1,553	1,412	4,745	3,574	1,171
1952	1,086	1,641	1,946	4,675	2,566	2,109
1953	2,894	2,046	1,576	6,516	5,127	1,389

	<u>Property Account</u>			<u>Preferred Stock</u>	<u>Common Equity</u>	<u>Per Sh Common</u>
	<u>Gross</u>	<u>Net</u>	<u>Debt</u>			
1951	10,296	6,960	750	197	7,360	\$5.59
1952	11,835	7,593	1,500	-	8,415	6.39
1953	17,645	12,360	4,412	-	9,499	7.21

COMPETITION

Filtrol Corporation is the sole domestic producer of natural catalysts. There are presently six producers of synthetic catalysts; the three principal ones are American Cyanamid, Davison Chemical and Socony-Vacuum. While the aggregate dollar sales volume of synthetics is greater than that of natural catalysts, Filtrol's sales of catalysts are believed to exceed the catalyst sales of any one of the competitors.

Natural and synthetic catalysts are interchangeable only to a limited extent. The efficacy of using one or the other depends on the product mix desired. The principal factors favoring clay catalysts are: (a) higher total yield of light products, (b) impurities deposited on clay catalysts may be flushed out more economically than in the case of synthetic catalysts, (c) slight price advantage over synthetics. The principal factors favoring synthetics are: (a) higher octane rating of the smaller yield of gasoline produced, (b) high yield of butylenes and propylene (both used in making synthetic rubber), and, (c) synthetics are more sulphur-resistant. This latter advantage has been largely overcome by Filtrol's development of sulphur-resistant hallosite clay catalysts produced in Utah.

During periods when there is national emphasis on aviation gasoline and high production of synthetic rubber, synthetic catalysts may be favored. However, with the recent introduction of platinum reforming ("platforming") supplementary units to refineries, the larger amounts of gasoline produced by natural catalysts can be upgraded to higher octane ratings. The general consensus of opinion in the petroleum refining industry is that the various conditions encountered and the various needs of the industry will continue to leave room for the use of clay and synthetic catalysts in roughly the same proportions as at present.

- 4 -

Future competition in natural synthetics would be a normal expectation in view of the wide profit margins. This possibility is largely offset by the fact that Filtrol owns or controls virtually all the known deposits of clay which are of sufficient quality and quantity to sustain long term commercial operation. Should new deposits be discovered in the future a potential competitor would still have to surmount the high cost of construction of facilities. There seems to be little threat of competition from a new producer of natural catalysts.

OUTLOOK

An extended period of growth is in prospect for Filtrol Corporation. The shift from thermal cracking to catalytic cracking commenced in the late Forties. There are virtually no thermal cracking units being erected today. It is reported that new catalytic cracking facilities in the United States and Canada will increase daily capacity to about 3,100,000 barrels by the end of the year. This constitutes a 25% increase over catalytic cracking facilities in operation at the beginning of the year. The effect of this new construction on the demand for catalysts is manifest.

Total refining capacity of the United States and Canada is now approximately 9,000,000 barrels of crude oil per day. Of this total, about 5,750,000 b/d is cracking capacity. Despite the marked difference in efficiency in favor of catalytic cracking, over 45% of the cracking capacity operates on the old thermal process. A large part of this is expected to be replaced by catalytic cracking capacity within the next five years. This gradual transition will be accompanied by a sharp rise in the consumption of catalysts. This is the foundation of Filtrol's potential growth.

In addition to the rapid changeover of refining facilities, there is also the basic growth of demand for petroleum products. The general economy of this country is expanding at the rate of about 3% per year. Petroleum demand has traditionally outpaced this general rate of growth. Filtrol's sales growth can be expected to reflect the rise in total refining as well as the greater catalytic capacity.

COMMON STOCK

Prior to January 1953 the Company's stock was not outstanding with the public, being owned 50% by Filtrol Company of California and 50% by Attapulugus Clay Company. In 1953 the two companies were merged and about half of the stock of the new company was marketed for the accounts of a few holders of large blocks of stock.

Adjusted to the current capitalization, earnings have shown a consistent growth from 24 cents per share in 1942 to \$1.49 in 1953. Current year's earnings are expected to be near \$2.75 per common share. This assumes only that the chemical plant reaches the break even point in operations and

- 5 -

that there is no more than a token sale of alumina. With greater demand for catalysts and income from sales of alumina, another substantial advance in earnings is anticipated in 1955.

Filtrol has paid a dividend on its common stock in each year for the past twenty years. As earnings have increased, disbursements have also increased with the payout rate in the five years 1949-1953 averaging about 45% of net income. During 1953 a total of 80 cents per share was disbursed by means of four quarterly payments of 20 cents each. This rate has continued in 1954. In light of the heavy prepayments of long term debt, the rate may not be advanced immediately. However, we would expect that the dividend policy of the past will not be changed and that a dividend increase in 1955 is a distinct possibility.

BOARD OF DIRECTORS

Myron A. Bantrell	Chairman, President & Treasurer
Paul Fussell	Director O'Melveny & Myers, Member Title Ins. & Trust Co. (L.A.), Director Social Oil & Ref. Co., Director Pomona College, Trustee
R. M. Haney	Vice President & Director
Roy W. Johns	Director Atlantic Refining Co., General Counsel & Director
Gustave E. Kidde	Vice President & Director
Harold W. Sanders	Director Union Oil Co. of California, Vice President and Director Pacific Airmotive Corp., Director Union Bank & Trust Co. (L.A.), Director

CWC:lp
September 15, 1954

John W. Bristol

THE INSTITUTE FOR ADVANCED STUDY
SUMMARY OF INVESTMENT HOLDINGS
As of September 27, 1954

	MARKET VALUE 9/27/54		ESTIMATED ANNUAL INCOME 9/27/54			
	Amount	% of Total	Amount	% of Total	Current Market	Yield Book
CASH - Uninvested *	\$ 354,888	1.4%	\$ -	- %	- %	- %
BONDS						
U.S. Gov't. Marketable & Comm'l. Paper - Due Within 1 Yr.	4,552,703	17.3	71,814	9.0	1.6	1.6
U.S. Gov't. Marketable-Other	3,292,997	12.5	66,075	8.3	2.0	2.0
U.S. Savings Series "G" (At Par)	800,000	3.0	20,000	2.5	2.5	2.5
Railroad	119,125	0.5	5,000	0.6	4.2	7.0
Public Utility	424,125	1.6	20,750	2.6	4.9	5.2
Industrial & Miscellaneous	1,726,236	6.5	70,432	8.9	4.1	4.1
TOTAL BONDS	\$10,915,186	41.4%	\$254,071	31.9%	2.3 %	2.3 %
PREFERRED STOCKS						
Public Utility	422,163	1.6	21,316	2.7	5.0	5.1
Industrial & Miscellaneous	527,725	2.0	26,400	3.3	5.0	5.7
TOTAL PREFERRED STOCKS	\$ 949,888	3.6%	\$ 47,716	6.0%	5.0 %	5.4 %
COMMON STOCKS						
Public Utility - Electric	1,366,491	5.2	62,200	7.8	4.6	7.1
Public Utility-Gas & Pipeline	1,485,388	5.6	65,840	8.3	4.4	8.8
Industrial & Miscellaneous	11,186,991	42.4	360,852	45.4	3.2	7.3
Bank & Insurance	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$14,038,870	53.2%	\$488,892	61.5%	3.5 %	7.4 %
SECURITIES OF NOMINAL VALUE	\$ 100	0.0%	\$ -	- %	- %	- %
REAL ESTATE MORTGAGES	\$ 27,875	0.1%	\$ 1,183	0.2%	4.2 %	4.2 %
PROFESSORS' HOMES - MTGES.	\$ 84,075	0.3%	\$ 3,363	0.4%	4.0 %	4.0 %
GRAND TOTAL	\$26,370,882	100.0%	\$795,225	100.0%	3.02%	4.24%

Reported by Treasurer's office. Adjusted for contracted transactions through 9/30/54.

* Of which \$100,000 is to be reserved for current expenditures.

φ Before amortization & write off on Bonds, estimated at \$14,200 annually

INCREASE OR DECREASE 9/27/54		
Compared with Book - Same Date		
Book Value#	Increase	Decrease
\$ 354,888	\$ -	\$ -
4,549,798	2,905	
3,298,366		5,369
800,000	-	-
71,233	47,892	
397,680	26,445	
1,719,888	6,348	
\$10,836,965	\$ 78,221	
416,321	5,842	
465,716	62,009	
\$ 882,037	\$ 67,851	
876,390	490,101	
747,400	737,988	
4,940,799	6,246,192	
-	-	-
\$ 6,564,589	\$7,474,281	
\$ 100	\$ -	\$ -
\$ 27,875	\$ -	\$ -
\$ 84,075	\$ -	\$ -
\$18,750,529	\$7,620,353	

D.J.I.A. - 9/27/54 - 362.26.

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Revised, October 20, 1954

THE INSTITUTE FOR ADVANCED STUDY

Common Stocks

As of September 27, 1954

	<u>Book Value</u>		<u>Market Value</u>		<u>Appreciation or Depreciation</u>
	<u>Amount</u>	<u>Percent Total</u>	<u>Amount</u>	<u>Percent Total</u>	
Public Utility					
Electric	\$ 876,390	13.4%	\$ 1,366,491	9.7%	\$ 490,101
Gas & Pipeline	747,400	11.4	1,485,388	10.6	737,988
Total Public Utility	(1,623,790)	(24.8)	(2,851,879)	(20.3)	(1,228,089)
Industrial & Miscellaneous					
Chemical	946,188	14.4	2,087,502	14.9	1,141,314
Distilling	144,930	2.2	224,126	1.6	79,196
Metal (Non-Ferrous)	632,585	9.6	1,438,000	10.2	805,415
Miscellaneous	677,946	10.3	1,104,875	7.9	426,929
Office Equipment	136,837	2.1	674,900	4.8	538,063
Oil & Natural Gas	2,083,506	31.7	4,859,213	34.6	2,775,707
Paper	143,810	2.2	440,000	3.1	296,190
Retail Trade	174,997	2.7	358,375	2.6	183,378
Total Industrial & Miscellaneous	(4,940,799)	(75.2)	(11,186,991)	(79.7)	(6,246,192)
<hr/>					
Total Common Stocks	<u>\$6,564,589</u>	<u>100.0%</u>	<u>\$14,038,870</u>	<u>100.0%</u>	<u>\$7,474,281</u>

THE INSTITUTE FOR ADVANCED STUDY
Percent Common Stocks to all Investments
and
Dow-Jones Industrial Averages

<u>Date</u>	<u>Market Value (000 omitted)</u>			<u>% Common Stocks to all Investments</u>	<u>Dow-Jones Industrial Averages</u>
	<u>Common Stocks</u>	<u>Cash & Other Investments</u>	<u>All Investments</u>		
6/30/42	\$ 1,356	\$ 5,838	\$ 7,194	18.9%	103.34
6/30/43	1,932	6,262	8,194	23.6	143.38
6/30/44	2,209	6,477	8,686	25.4	148.38
6/30/45	6,289	10,048	16,337	38.5	165.29
6/28/46	6,462	13,093	19,555	33.1	205.62
6/30/47	6,313	11,686	17,999	35.1	177.30
6/30/48	7,835	10,046	17,881	43.8	189.46
6/30/49	7,564	9,527	17,091	44.3	167.42
6/30/50	9,361	9,919	19,280	48.6	209.11
6/29/51	10,642	10,829	21,471	49.6	242.64
6/30/52	12,477	11,439	23,916	52.2	274.26
6/30/53	10,695	12,104	22,799	46.9	268.26
12/31/53	10,835	12,506	23,341	46.4	280.90
3/31/54	12,022	12,603	24,625	48.8	303.51
6/30/54	12,668	12,670	25,338	50.0	333.53
9/27/54	14,039	12,332	26,371	53.2	362.26

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Changes in Security Holdings
From September 30 through October 15, 1954

Purchase:

100M Industrial Acceptance Corp. Ltd. Disc. Notes $1\frac{5}{8}/4-13-55$
(To replace 100M Discounted $2\frac{1}{8}/10-13-54$ maturing)

Sales & Redemptions:

400M Yellow Manufacturing Acceptance Corp. Disc. Notes $2\frac{3}{8}/10-4-54$ (Matured)
2,500shs C.I.T. Financial Corp. Common Stock
3,000shs (Chas.) Pfizer & Co., Inc. Common Stock
5,500rts Middle South Utilities, Inc.
(Net proceeds, \$974.37 to be used to write down cost of stock)

Received - Payment for month of September

\$413.67 Watchung Associates, Inc. Notes $5\frac{3}{4}/10-1-65$
(Unpaid Balance \$146,231.56)

October 20, 1954

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THE INSTITUTE FOR ADVANCED STUDY

1.

BONDS

U.S. Government & Comm'l Paper

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>9/27/54</u>	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Apprec.</u> <u>or</u> <u>Deprec.</u>	<u>Est.</u> <u>Annual</u> <u>Income</u>	<u>Maturity</u> <u>Yield on</u> <u>Market</u>
				\$	\$	\$	\$	%
<u>U.S. Government Bonds & Comm'l Paper</u>								
<u>Commercial Credit Co.</u>								
200M	1 $\frac{3}{8}$ /1-18-55	100	/	200,000	200,000	-	3,500	1.8
250M	1 $\frac{5}{8}$ /2-15-55	100	/	250,000	250,000	-	4,063	1.6
<u>Commercial Investment Trust Inc.</u>								
500M	1 $\frac{1}{2}$ /5-6-55	100	/	500,000	500,000	-	7,500	1.5
600M	1 $\frac{1}{2}$ /6-21-55	100	/	600,000	600,000	-	9,000	1.5
<u>General Motors Acceptance Corp.</u>								
300M	1 $\frac{3}{8}$ /1-18-55	100	/	300,000	300,000	-	5,250	1.8
250M	1 $\frac{5}{8}$ /2-18-55	100	/	250,000	250,000	-	4,063	1.6
<u>Industrial Acceptance Corp. Ltd.</u>								
<u>Secured Notes (U.S. Pay.)</u>								
100M	2 $\frac{1}{8}$ /10-13-54	100	/	100,000	100,000	-	2,125	2.1
250M	1 $\frac{5}{8}$ /3-30-55	100	/	250,000	250,000	-	4,063	1.6
<u>Yellow Mfg. Acceptance Corp.</u>								
400M	2 $\frac{3}{8}$ /10-4-54	100	/	400,000	400,000	-	9,500	2.4
<u>Federal Intermediate Credit Bank</u>								
200M	1.90/11-1-54	100.065	100.056	200,131	200,112	19	3,800	1.3
100M	1.20/6-1-55	100	99.966	100,000	99,966	34	1,200	1.3
<u>Treasury Ctls. of Indebtedness</u>								
400M	1 $\frac{5}{8}$ /2-15-55	100	100-11	400,000	401,375	1,375	6,500	0.7
1,000M	1 $\frac{1}{8}$ /5-17-55	99.966	100-4	999,667	1,001,250	1,583	11,250	0.9

/ Carried at Book Value. Discounted Notes.
 Note: Market at Bid Price.

THE INSTITUTE FOR ADVANCED STUDY

2.

BONDS

U.S. Government & Comm'l Paper (Cont'd.)

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/27/54</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Maturity Yield on Market</u> %
<u>U. S. Government Bonds & Comm'l Paper (Cont'd.)</u>								
<u>Treasury Notes</u>								
1,500M	1 $\frac{3}{4}$ /12-15-55	100	100-29	1,500,000	1,513,594	13,594	26,250	0.9
<u>Treasury Bonds</u>								
1,770M	2 $\frac{1}{4}$ /6-15-62/59	101-19	100-17	1,798,366	1,779,403	18,963	39,825	2.1 ϕ
<u>Savings Series "G" (At Par)</u>								
100M	2 $\frac{1}{2}$ /1-1-55	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{3}{8}$ /1-1-56	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{2}$ /4-1-57	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{2}$ /3-1-58	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{3}{8}$ /1-1-59	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{3}{8}$ /1-1-60	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{2}$ /4-1-61	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{3}{8}$ /3-1-62	100	100	100,000	100,000	-	2,500	2.5
TOTAL U.S. GOVERNMENT BONDS & COMM'L PAPER				8,648,164	8,645,700	2,464	157,889	1.8 \star

ϕ Yield to Optional Call Date.

\star Current Yield.

THE INSTITUTE FOR ADVANCED STUDY

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					<u>BONDS</u>			
					<u>Railroad</u>		<u>Public Utility</u>	
<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>9/27/54</u>	<u>Book</u> <u>Value</u> \$	<u>Market</u> <u>Value</u> \$	<u>Apprec.</u> <u>or</u> <u>Deprec.</u> \$	<u>Est.</u> <u>Annual</u> <u>Income</u> \$	<u>Maturity</u> <u>Yield on</u> <u>Market</u> %
<u>Railroad Bonds</u>								
100M	Missouri Pacific R.R. 1st & Ref. "H" 5/4-1-80 (Callable 105)	71½	119½ flat	71,233	119,125	47,892	5,000#	4.2*
<u>Public Utility Bonds</u>								
10,000 Notes	Gulf Interstate Gas Co. \$20.00 Interim Notes 6/12-1-54 ø	19½	20½	195,680	206,250	10,570	12,000	5.8*
100M	Southern Natural Gas Co. Conv. # S.F. Deb. 4½/6-1-73 (Callable 105)	100	113¾	100,000	113,750	13,750	4,500	4.0*
100M	Tennessee Gas Transmission Co. S.F. Deb. 4¼/9-1-74 (Callable 106¼)	102	104½	102,000	104,125	2,125	4,250	3.9
TOTAL PUBLIC UTILITY BONDS				397,680	424,125	26,445	20,750	4.9*

* Current Yield.

Convertible into Common Stock at 28. Current Market Common 31½.

ø Interest received in excess 5% annually to be used to write down cost.

ø Redeemable in Preferred Stock.

BONDS

45

* Current Yield.
 / Convertible into Common Stock at 47.09. Current Market Common 41.
 # Face Value reduced monthly after first withholding interest at $5\frac{3}{4}\%$ annual rate.
 \$ Carried at Book Value.

THE INSTITUTE FOR ADVANCED STUDY

5.

PREFERRED STOCKS

Public Utility

Industrial & Miscellaneous

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>9/27/54</u>	<u>Book</u> <u>Value</u> \$	<u>Market</u> <u>Value</u> \$	<u>Apprec.</u> <u>or</u> <u>Deprec.</u> \$	<u>Est.</u> <u>Annual</u> <u>Income</u> \$	<u>Current</u> <u>Yield on</u> <u>Market</u> %
<u>Public Utility</u>								
1,000	Northern Natural Gas Co. 5.50% Cum. S.F. (Callable 107½)	106½	109	106,114	109,000	2,886	5,500	5.0
50	Tennessee Gas Transmission Co. 5.12% Cum. (Callable 105½)	99½	103¼	4,957	5,163	206	256	5.0
1,000	Texas Eastern Transmission Corp. 5.50% Cum. S.F. (Callable 103)	103¼	104½	103,250	104,500	1,250	5,500	5.3
1,000	Texas Gas Transmission Corp. 4.96% Cum. S.F. (Callable 104)	100	100	100,000	100,000	-	4,960	5.0
2,000	Transcontinental Gas Pipeline Co. \$2.55 Cum. (Callable 53½)	51	51¾	102,000	103,500	1,500	5,100	4.9
TOTAL PUBLIC UTILITY PREFERRED STOCKS				416,321	422,163	5,842	21,316	5.0
<u>Industrial & Miscellaneous</u>								
15,000	Brown-Forman Distillers Corp. 4% (\$10 Par) Cum. (Callable 10¼ after 7/1/57)	6¾	7½	96,000	112,500	16,500	6,000	5.3
200	Christiana Securities Corp. 7% Cum. (Callable 120)	126¾	138	25,350	27,600	2,250	1,400	5.1
3,000	U.S. & Int'l. Securities \$5 Cum. 1st W.W. (Callable 105)	88¼	103½	264,891	310,500	45,609	15,000	4.8
500	U.S. Rubber Co. 8% Non-Cum. First (Non-Callable)	159	154¼	79,475	77,125	2,350	4,000	5.2
TOTAL INDUSTRIAL & MISCELLANEOUS PREFERRED STOCKS				465,716	527,725	62,009	26,400	5.0

THE INSTITUTE FOR ADVANCED STUDY

COMMON STOCKS
Public Utility - Electric

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>9/27/54</u>	<u>Book</u> <u>Value</u> \$	<u>Market</u> <u>Value</u> \$	<u>Apprec.</u> <u>or</u> <u>Deprec.</u> \$	<u>Est.</u> <u>Annual</u> <u>Income</u> \$	<u>Current</u> <u>Yield on</u> <u>Market</u> %
<u>Public Utility - Electric</u>								
4,000	American Gas & Electric (\$1.64)	23 $\frac{5}{8}$	37 $\frac{1}{4}$	94,593	149,000	54,407	6,560	4.4
4,200	Carolina Power & Light (\$1.00)	15 $\frac{7}{8}$	22 $\frac{3}{8}$	66,641	93,975	27,334	4,200	4.5
4,000	Central & South West Corp. (\$1.16)	16 $\frac{1}{8}$	26 $\frac{5}{8}$	64,742	106,500	41,758	4,640	4.4
1,500	Consumers Power (\$2.20)	31 $\frac{1}{4}$	47 $\frac{1}{4}$	46,953	70,875	23,922	3,300	4.7
3,000	Dayton Power & Light (\$2.00)	37 $\frac{1}{4}$	43 $\frac{1}{2}$	111,767	130,500	18,733	6,000	4.6
2,000	Illinois Power (\$2.20)	31	48 $\frac{3}{4}$	61,902	97,500	35,598	4,400	4.5
3,000	Indianapolis Power & Light (\$1.10)	10 $\frac{1}{8}$	24	30,218	72,000	41,782	3,300	4.6
3,000	Kansas City Power & Light (\$1.80)	25 $\frac{1}{2}$	36 $\frac{3}{4}$	76,629	110,250	33,621	5,400	4.9
5,500	Middle South Utilities (\$1.40)	(13 $\frac{1}{8}$)	30 $\frac{1}{8}$	(72,011)	169,813	97,802	7,700	4.5
5,500	Middle South Utilities Rights (\$-)	(-)	7/32	(-	1,203	1,203	-	-
3,000	Niagara Mohawk Power (\$1.60)	24 $\frac{1}{8}$	31 $\frac{5}{8}$	72,283	94,125	21,842	4,800	5.1
3,000	Oklahoma Gas & Electric (\$1.50)	26	31 $\frac{1}{8}$	78,074	94,875	16,801	4,500	4.7
2,000	Public Service Colorado (\$1.60)	19 $\frac{1}{4}$	39 $\frac{3}{4}$	38,573	79,500	40,927	3,200	4.0
3,000	Virginia Electric & Power (\$1.40)	20 $\frac{5}{8}$	32 $\frac{1}{8}$	62,004	96,375	34,371	4,200	4.4
TOTAL PUBLIC UTILITY - ELECTRIC COMMON STOCKS				876,390	1,366,491	490,101	62,200	4.6

THE INSTITUTE FOR ADVANCED STUDY

7.

COMMON STOCKS

Public Utility - Gas & Pipeline

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>9/27/54</u>	<u>Book</u> <u>Value</u> \$	<u>Market</u> <u>Value</u> \$	<u>Apprec.</u> <u>or</u> <u>Deprec.</u> \$	<u>Est.</u> <u>Annual</u> <u>Income</u> \$	<u>Current</u> <u>Yield on</u> <u>Market</u> %
<u>Public Utility - Gas & Pipeline</u>								
2,000	Atlanta Gas Light (\$1.20)	17 $\frac{3}{8}$	23 $\frac{3}{4}$	34,633	47,500	12,867	2,400	5.1
1,000	Consolidated Natural Gas (\$2.50)	41	74 $\frac{3}{4}$	40,974	74,750	33,776	2,500	3.3
3,000	National Fuel Gas (\$1.00)	10 $\frac{7}{8}$	20 $\frac{7}{8}$	32,655	62,625	29,970	3,000	4.8
5,000	Northern Natural Gas (\$2.00)	32 $\frac{7}{8}$	43 $\frac{7}{8}$	164,116	219,375	55,259	10,000	4.6
4,100	Panhandle Eastern Pipe Line (\$2.50)	27 $\frac{1}{8}$	72 $\frac{1}{4}$	111,096	296,225	185,129	10,250	3.5
1,200	Peoples Gas Light & Coke (\$7.00)	105 $\frac{5}{8}$	167	126,815	200,400	73,585	8,400	4.2
10,000	Southern Natural Gas (\$1.60)	12 $\frac{3}{4}$	30 $\frac{3}{4}$	126,914	307,500	180,586	16,000	5.2
3,600	Tennessee Gas Trans. (\$1.40)	9 $\frac{5}{8}$	28 $\frac{1}{4}$	33,967	101,700	67,733	5,040	5.0
5,500	United Gas (\$1.50)	13 $\frac{5}{8}$	31 $\frac{5}{8}$	76,230	175,313	99,083	8,250	4.7
TOTAL PUBLIC UTILITY - GAS & PIPELINE COMMON STOCKS				747,400	1,485,388	737,988	65,840	4.4
GRAND TOTAL PUBLIC UTILITY COMMON STOCKS				1,623,790	2,851,879	1,228,089	128,040	4.5

THE INSTITUTE FOR ADVANCED STUDY

8.

COMMON STOCKS
Industrial & Miscellaneous

Shares	Security	Book	Market 9/27/54	Book Value	Market Value	Apprec. or Deprec.	Est. Annual Income	Current Yield on Market
	<u>Industrial & Miscellaneous</u>			\$	\$	\$	\$	%
	<u>Chemical</u>							
2,000	Allied Chemical & Dye (\$3.00)	42 $\frac{3}{8}$	98 $\frac{1}{4}$	84,855	196,500	111,645	6,000	3.1
10,250	Dow Chemical (\$1.00 ϕ)	28 $\frac{3}{4}$	41 $\frac{1}{8}$	294,302	422,813	128,511	10,250	2.4 ϕ
5,000	duPont, E.I. (\$4.00)	36	144	179,881	720,000	540,119	20,000	2.8
1,500	Hooker Electrochemical (\$2.00)	29 $\frac{3}{8}$	81 $\frac{1}{8}$	43,969	121,875	77,906	3,000	2.5
3,500	Monsanto Chemical (\$2.50)	64 $\frac{3}{8}$	87 $\frac{3}{8}$	225,212	306,688	81,476	8,750	2.9
3,000	Pfizer (Chas.) (Del.) (\$1.25)	18	36 $\frac{1}{8}$	54,139	108,375	54,236	3,750	3.5
155	Shea Chemical, Class A (\$-)	-	#	1	1	-	-	-
2,500	Union Carbide & Carbon (\$2.50)	25 $\frac{1}{2}$	84 $\frac{1}{2}$	63,829	211,250	147,421	6,250	3.0
	Total Chemical			946,188	2,087,502	1,141,314	58,000	2.8
	<u>Distilling</u>							
1,500	Distillers Corp.-Seagrams (\$1.70)	19 $\frac{1}{8}$	33 $\frac{3}{8}$	28,604	50,063	21,459	2,550	5.1
2,500	Walker (H.) Gooderham & Worts (\$4.00)	46 $\frac{1}{2}$	69 $\frac{5}{8}$	116,326	174,063	57,737	10,000	5.7
	Total Distilling			144,930	224,126	79,196	12,550	5.6
	<u>Metal (Non-Ferrous)</u>							
3,000	Aluminium Ltd. (\$2.00)	31 $\frac{3}{8}$	69 $\frac{1}{8}$	93,988	208,500	114,512	6,000	2.9
10,000	American Metal Co., Ltd. (\$1.50 ϕ)	10 $\frac{3}{8}$	37 $\frac{1}{8}$	104,775	375,000	270,225	15,000	4.0 ϕ
2,000	American Smelting & Refining (\$2.00)	20 $\frac{3}{8}$	40	40,750	80,000	39,250	4,000	5.0
2,000	Kennecott Copper (\$6.00)	41 $\frac{5}{8}$	87 $\frac{1}{4}$	83,275	174,500	91,225	12,000	6.9
10,000	Newmont Mining (\$2.50)	31	60	309,797	600,000	290,203	25,000	4.2
	Total Metal (Non-Ferrous)			632,585	1,438,000	805,415	62,000	4.3

ϕ Plus Stock Dividend.

Carried at Book Value.

THE INSTITUTE FOR ADVANCED STUDY

9.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>9/27/54</u>	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Apprec.</u> <u>or</u> <u>Deprec.</u>	<u>Est.</u> <u>Annual</u> <u>Income</u>	<u>Current</u> <u>Yield</u> <u>Market</u>
	<u>Industrial & Miscellaneous (Cont'd.)</u>			<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>%</u>
	<u>Miscellaneous</u>							
1,000	American Research & Development (\$-)	28 $\frac{3}{4}$	21 $\frac{1}{4}$	28,750	21,250	7,500	#	#
5,000	C.I.T. Financial (\$2.00)	21 $\frac{1}{8}$	42 $\frac{1}{2}$	105,774	211,250	105,476	10,000	4.7
3,500	Hanna (M.A.) Class "A" (\$10 Par) Non-Voting (\$2.00)	46 $\frac{1}{2}$	76	162,700	266,000	103,300	7,000	2.6
1,500	Hanna (M.A.) Class "B" (\$10 Par) (\$2.00)	41 $\frac{1}{8}$	77	62,396	115,500	53,104	3,000	2.6
1,000	Industrial Rayon (\$3.00)	34 $\frac{7}{8}$	45 $\frac{1}{8}$	34,839	45,125	10,286	3,000	6.6
3,750	Kendall (\$2.20)	31 $\frac{1}{8}$	40	119,514	150,000	30,486	8,250	5.5
3,000	Paramount Pictures (\$2.00)	32 $\frac{3}{8}$	35 $\frac{3}{8}$	97,282	106,125	8,843	6,000	5.7
1,000	Studebaker (\$-)	23 $\frac{1}{8}$	17 $\frac{1}{8}$	23,592	17,875	5,717	-	-
3,300	Sunbeam (\$1.65¢)	7 $\frac{3}{4}$	40 $\frac{1}{2}$	25,370	133,650	108,280	5,445	4.1¢
1,200	Universal Leaf Tobacco (\$2.00)	14 $\frac{3}{4}$	31 $\frac{1}{4}$	17,729	38,100	20,371	2,400	6.3
	Total Miscellaneous			677,946	1,104,875	426,929	45,095	4.1
	<u>Office Equipment</u>							
1,000	Addressograph-Multigraph (\$3.00¢)	44 $\frac{1}{2}$	79	44,548	79,000	34,452	3,000	3.8¢
2,020	International Business Machines (\$4.00¢)	45 $\frac{3}{4}$	295	92,289	595,900	503,611	8,080	1.4¢
	Total Office Equipment			136,837	674,900	538,063	11,080	1.6

¢ Plus Stock Dividend.

Capital Gains distribution to be used to write down cost of stock.
 Only ordinary income to be taken into income account.

THE INSTITUTE FOR ADVANCED STUDY

10.

					COMMON STOCKS			
					Industrial & Miscellaneous (Cont'd.)			
Shares	Security	Book	Market 9/27/54	Book Value	Market Value	Apprec. or Deprec.	Est. Annual Income	Current Yield on Market
	Industrial & Miscellaneous (Cont'd.)			\$	\$	\$	\$	%
	Oil & Natural Gas							
2,000	Amerada Petroleum (\$3.00)	42 $\frac{1}{2}$	180	85,083	360,000	274,917	6,000	1.7
1,000	Columbian Carbon (\$2.00)	30 $\frac{1}{2}$	49 $\frac{1}{2}$	30,135	49,500	19,365	2,000	4.0
4,000	Continental Oil (Del.) (\$2.60)	24 $\frac{1}{2}$	72	97,843	288,000	190,157	10,400	3.6
6,500	Gulf Oil (\$2.00)	25 $\frac{1}{4}$	61	164,259	396,500	232,241	13,000	3.3
5,000	Louisiana Land & Expl. (\$3.00)	14	73 $\frac{7}{8}$	70,148	366,875	296,727	15,000	4.1
2,000	Phillips Petroleum (\$2.60)	25 $\frac{1}{8}$	65	50,282	130,000	79,718	5,200	4.0
3,000	Seaboard Oil (\$0.83)	18 $\frac{1}{8}$	37 $\frac{1}{4}$	54,189	111,750	57,561	2,500	2.2
5,100	Shell Oil (\$2.00)	14 $\frac{1}{2}$	54 $\frac{3}{4}$	73,849	279,225	205,376	10,200	3.7
8,800	Skelly Oil (\$1.80)	25 $\frac{1}{8}$	47 $\frac{1}{4}$	220,710	415,800	195,090	15,840	3.8
6,000	Standard Oil (Indiana) (\$2.50)	56 $\frac{3}{8}$	94 $\frac{5}{8}$	340,250	567,750	227,500	15,000	2.6
3,220	Standard Oil (N.J.) (\$4.60)	25 $\frac{1}{4}$	100	82,997	322,000	239,003	14,812	4.6
800	Superior Oil (Calif.) (\$2.00)	175 $\frac{1}{8}$	735	140,250	588,000	447,750	1,600	0.3
6,000	Texas Co. (\$3.40)	45 $\frac{7}{8}$	80 $\frac{1}{2}$	275,568	483,000	207,432	20,400	4.2
10,500	Tide Water Associated Oil (\$-)	21 $\frac{1}{4}$	23 $\frac{3}{8}$	228,433	245,438	17,005	Stock	-
2,000	United Carbon (\$2.50)	33 $\frac{1}{4}$	68 $\frac{1}{4}$	67,510	136,500	68,990	5,000	3.7
3,000	Warren Petroleum (\$1.60)	34	39 $\frac{3}{8}$	102,000	118,875	16,875	4,800	4.0
Total Oil & Natural Gas				2,083,506	4,859,213	2,775,707	141,752	2.9

Plus Stock Dividend.

THE INSTITUTE FOR ADVANCED STUDY

11.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/27/54</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
<u>Industrial & Miscellaneous (Cont'd.)</u>								
<u>Paper</u>								
5,500	International Paper (\$3.00)	26 $\frac{1}{8}$	80	143,810	440,000	296,190	16,500	3.8
<u>Retail Trade</u>								
1,500	Federated Dept. Stores (\$2.50)	9 $\frac{7}{8}$	52 $\frac{1}{4}$	14,844	78,375	63,531	3,750	4.8
2,000	Murphy, G.C. (\$2.00)	36	44 $\frac{3}{4}$	71,914	89,500	17,586	4,000	4.5
1,500	Sears Roebuck (\$2.75)	22 $\frac{3}{8}$	75	33,545	112,500	78,955	4,125	3.7
4,000	Simpsons Co., Ltd. (\$0.50)	13 $\frac{6}{8}$	19 $\frac{1}{2}$	54,694	78,000	23,306	2,000	2.6
Total Retail Trade				174,997	358,375	183,378	13,875	3.9
GRAND TOTAL INDUSTRIAL & MISCELLANEOUS COMMON STOCKS				4,940,799	11,186,991	6,246,192	360,852	3.2
GRAND TOTAL <u>ALL</u> COMMON STOCKS				6,564,589	14,038,870	7,474,281	488,892	3.5

THE INSTITUTE FOR ADVANCED STUDY

12.

SECURITIES OF NOMINAL VALUE

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>9/27/54</u>	<u>Book</u> <u>Value</u> \$	<u>Market</u> <u>Value</u> \$	<u>Apprec.</u> <u>or</u> <u>Deprec.</u> \$	<u>Est.</u> <u>Annual</u> <u>Income</u> \$	<u>Current</u> <u>Yield on</u> <u>Market</u> %
<u>Securities of Nominal Value</u>								
200 Units	Engineers Royalties, Inc. Unit #	$\frac{1}{2}$ #	$\frac{1}{2}$ #	100 #	100 #	-	#	-
10 $\frac{10}{200}$ shs	Schulte, Retail Stores, Corp. (No Par) Common (\$-)	Gift	-	Carried at No Book Value -			-	-
1 sh	U. S. Electric Power Co. Common (\$-)	Gift	-	Carried at No Book Value -			-	-
TOTAL SECURITIES OF NOMINAL VALUE				100	100	-	-	-

Gift. Unit consists of 1 share 7% Cum. (\$10 Par) Preferred Stock and 1 share No Par Common Stock. Company's valuation of 200 Units. Received payments in 1948, 1949, 1950, 1951, 1953 and March 31, 1954 of \$70, \$65, \$35, \$70, \$35 and \$35 respectively.

THE INSTITUTE FOR ADVANCED STUDY
 SUMMARY OF INVESTMENT HOLDINGS
 As of June 30, 1954

	MARKET VALUE 6/30/54		ESTIMATED ANNUAL INCOME 6/30/54			
	Amount	% of Total	Amount	% of Total	Current Market	Yield Book
CASH - Uninvested #	\$ 305,117	1.2%	\$ -	- %	- %	- %
BONDS						
U.S.Gov't. Marketable & Comm'l Paper - Due Within 1 Yr.	6,311,207	24.9	109,052	14.5	1.7	1.7
U.S.Gov't. Marketable - Other	3,314,026	13.1	66,075	8.8	2.0	2.0
U.S.Savings Series "G"(At Par)	850,000	3.4	21,250	2.8	2.5	2.5
Railroad	112,500	0.4	5,000	0.7	4.4	7.0
Public Utility	318,125	1.3	15,500	2.1	4.9	5.3
Industrial & Miscellaneous	783,802	3.1	33,000	4.4	4.2	4.2
TOTAL BONDS	\$11,689,660	46.2%	\$249,877	33.3%	2.1 %	2.2 %
PREFERRED STOCKS						
Public Utility	84,550	0.3	4,400	0.5	5.2	5.4
Industrial & Miscellaneous	478,750	1.9	25,200	3.4	5.3	5.7
TOTAL PREFERRED STOCKS	\$ 563,300	2.2%	\$ 29,600	3.9%	5.3 %	5.6 %
COMMON STOCKS						
Public Utility - Electric	1,312,600	5.2	62,200	8.3	4.7	7.1
Public Utility - Gas Pipeline	1,423,738	5.6	63,265	8.4	4.4	8.5
Industrial & Miscellaneous	9,931,270	39.2	341,717	45.5	3.4	7.4
Bank & Insurance	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$12,667,608	50.0%	\$467,182	62.2%	3.7 %	7.5 %
SECURITIES OF NOMINAL VALUE /	\$ 100	0.0%	\$ -	- %	- %	- %
REAL ESTATE MORTGAGES	\$ 28,025	0.1%	\$ 1,191	0.2%	4.2 %	4.2 %
PROFESSORS' HOMES - MTGES.	\$ 84,075	0.3%	\$ 3,363	0.4%	4.0 %	4.0 %
GRAND TOTAL	\$25,337,885	100.0%	\$751,213	100.0%	2.96%	4.00%

INCREASE OR DECREASE 6/30/54		
Compared with Book - Same Date		
Book Value#	Increase	Decrease
\$ 305,117	\$ -	\$ -
6,299,458	11,749	
3,298,366	15,660	
850,000	-	-
71,233	41,267	
294,325	23,800	
777,821	5,981	
\$11,591,203	\$ 98,457	
81,000	3,550	
444,716	34,034	
\$ 525,716	\$ 37,584	
876,390	436,210	
747,399	676,339	
4,613,963	5,317,307	
-	-	-
\$ 6,237,752	\$6,429,856	
\$ 100	\$ -	\$ -
\$ 28,025	\$ -	\$ -
\$ 84,075	\$ -	\$ -
\$18,771,988	\$6,565,897	

- # Reported by Treasurer's office. D.J.I.A. - June 30, 1954 - 333.53.
 * Of which \$100,000 is to be reserved for current expenditures.
 / Carried at Book Value. No market readily available.
 ø Before amortization of premium on Bonds, estimated at \$9,600 annually.

John W. Bristol
 August 12, 1954

PAUL B. WYANT & CO.

WOOLWORTH BUILDING
233 BROADWAY
NEW YORK 7, N. Y.

CORTLANDT 7-1137

PAUL B. WYANT
JOHN W. BRISTOL
ATWOOD O. PETERSON

April 5, 1954

Copy to Mr. Maass
Mr. Schaap
Mr. Strauss
Mr. Oppenheimer
Mr. Rosenwald
Mr. Hancock
Mr. Linder
Mr. Mitchell
Mr. Schur

THE INSTITUTE FOR ADVANCED STUDY

THE LOUISIANA LAND AND EXPLORATION COMPANY

Common Stock (\$3.00) at 66 to yield 4.5%

Memo to Mr. Leidesdorf:

In accordance with your recent request we have prepared a brief memorandum on The Louisiana Land and Exploration Company.

In spite of the substantial market appreciation in this stock in the past year, we continue to believe that it represents good long term value in the soundest phase of the petroleum industry.

We suggest that the Institute maintain its present position namely, 5,000 shares having a cost of 14 or \$70,148 and a current market value of 66 or \$330,000.

April 5, 1954

Paul B. Wyant & Co.

PAUL B. WYANT & CO.
WOOLWORTH BUILDING
233 BROADWAY
NEW YORK 7, N. Y.
—
CORTLANDT 7-1137

PAUL B. WYANT
JOHN W. BRISTOL
ATWOOD O. PETERSON

April 5, 1954

THE LOUISIANA LAND AND EXPLORATION COMPANY

Common Stock (\$3.00) at 66 to yield 4.5%
(Price Range 1954 to date: 68-52)

Capitalization

	Balance Sheet <u>12/31/53</u>	Market Value <u>4/2/54</u>
Common Equity (2,977,306 shs.)	\$15,838,000	\$196,502,000

Business and Properties

Louisiana Land & Exploration Company was formed in 1926 to acquire a substantial spread of acreage in southern Louisiana. Operations are principally of a royalty nature with properties operated under contract by others. However, the Company is conducting some geophysical work of its own and is doing some drilling jointly with others and on its own. The following table summarizes the Company's property holdings at the close of 1953.

	<u>Acres</u>	<u>%</u>
Land owned in fee	582,701	68
Mineral leases owned	109,036	13
Mineral, royalty & overriding royalty interests	144,682	17
Mineral leases jointly owned	<u>19,630</u>	<u>2</u>
	856,049	100%

The principal source of revenue is derived from a contract agreement made in 1928 with The Texas Company under which Louisiana Land receives a 25% royalty on oil and gas produced from lands owned in fee and 12½% from leased land plus an 8 1/3% share in the net profits realized on each dome as a unit. Last year, 59% of oil and gas revenue came under this contract, 35% under jointly operated properties and the balance from other royalty interests. In 1946 and 1947 the Texas Company contract accounted for about 69% of total oil and gas revenue.

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The second largest lessee is Humble Oil and Refining Company. Some years ago Humble took an option on nearly 1/2 million acres of Louisiana Land's properties for the purpose of seismographic work and selecting a portion of the acreage to develop on a royalty basis to Louisiana Land. The option expired in December, 1953, and under the terms of the agreement Humble has extended its option until August, 1954, on 1/3 of the acreage involved with the balance of approximately 302,000 acres released back to the company and now available for leasing to others. Management states that wide interest is being shown in this available acreage by other companies.

In addition to the Texas Company and Humble, drilling operations on Company properties have been carried on by Superior Oil of California, Union Oil, Phillips Petroleum and a number of private operators.

Although the Company is traditionally a Louisiana operation, it has in recent years been acquiring acreage in other areas, principally Texas, North Dakota, Montana, New Mexico, and South Dakota. These mineral royalty and overriding royalty interests acquired since 1949, amounting to some 119,733 net royalty acres, are classified as follows:

1. Productive	3,125
2. Untested	104,471
3. Unproductive & Written-off	<u>12,137</u>
	119,733

Production

Louisiana Land's net interest in crude oil production from its properties totaled 6.8 million barrels in 1953 as compared with 5.9 million barrels in 1952 and 3.2 million barrels in 1946. Production has shown an average increase of 11.2% in every year of the post-war period in spite of periodic local pro-rationing.

The Company's net interest in natural gas production has also increased each year and amounted to 6.8 billion cubic feet in 1953, as compared with 1.9 billion cubic feet in 1946. Although this amount is still small in dollar value (only \$549,000 in 1953) the Company's gas reserves are substantial (probably over a trillion cubic feet) and undedicated - which would indicate important earnings from this source in the future.

The Company does not publish its crude oil reserve figures but stated in its latest Annual Report that in spite of record production in 1953, net proven reserves at the end of the year were greater than on December 31, 1952. Frequent reference is made in the 1953 Annual Report to the development of "new productive horizons" in many of the Company's properties.

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Crude Oil Production
 (Net Interest-Thousand bbls.)

	<u>1928</u> <u>Contract</u> <u>Texas Co.</u>	<u>Joint</u>	<u>Other</u>	<u>Total</u>	<u>Natural Gas</u> <u>(Net Interest)</u> <u>(MMCF)</u>
1946	2,061	1,002	130	3,193	1,946
1947	2,251	977	161	3,389	2,068
1948	2,548	1,150	173	3,870	2,600
1949	2,662	1,302	213	4,176	2,782
1950	2,973	1,535	306	4,817	3,342
1951	3,332	1,904	327	5,563	5,697
1952	3,430	2,096	374	5,901	5,761
1953	3,861	2,509	432	6,802	6,830

Operating Record

Operating results for the past 8 years reflect the steady increase in crude oil production from the Company's properties shown above. Earnings in 1953 were \$3.56 per share after deducting \$.45 per share for excess profits taxes. With expanding production and elimination of EPT, earnings in 1954 are expected to reach \$4 per share. Because of the relatively low expense of a royalty operation, a very high percentage of earnings has been paid out in dividends. A continuation of this high dividend pay-out in the future will depend somewhat on the extent of the Company's increasing participation in drilling activities.

	<u>Operating</u> <u>Income</u> <u>(000)</u>	<u>Property</u> <u>Charges *</u> <u>(000)</u>	<u>Income</u> <u>Taxes</u> <u>(000)</u>	<u>Net</u> <u>Income</u> <u>(000)</u>	<u>Per Share Common</u>		
					<u>Earned</u> \$	<u>Paid</u> \$	<u>Range</u>
1946	\$ 5,987	\$1,031	\$1,160	\$ 3,024	1.02	0.60	16-10
1947	8,261	1,076	1,720	4,596	1.54	1.00	20-12
1948	12,348	1,052	2,706	7,295	2.45	2.00	24-15
1949	13,179	562	2,735	8,239	2.77	2.25	31-16
1950	15,580	706	3,996	9,075	3.05	2.50	35-26
1951	17,639	706	6,244	8,557	2.87	2.50	59-33
1952	18,321	1,412	6,160	8,472	2.85	2.50	54-41
1953	22,162	2,026	6,910	10,602	3.56	3.00	52-41

* Includes depreciation, depletion, dry holes, cancelled leases, geological expense.

April 5, 1954

Paul B. Wyant & Co.

THE INSTITUTE FOR ADVANCED STUDY
RECAPITULATION OF INVESTMENT HOLDINGS
As of March 31, 1954

	MARKET VALUE 3/31/54		ESTIMATED ANNUAL INCOME 3/31/54			
	Amount	% of Total	Amount	% of Total	Current Yield Market	Book
CASH - Uninvested	\$ 78,660*	0.3%	\$ -	- %	- %	- %
BONDS						
U.S. Gov't. Marketable & Comm'l. Paper - Due Within 1 Yr.	6,512,000	26.5	159,676	19.9	2.5	2.5
U.S. Gov't. Marketable - Other	3,291,038	13.4	66,075	8.2	2.0	2.0
U.S. Savings Series "G" (At Par)	850,000	3.5	21,250	2.6	2.5	2.5
Railroad	112,000	0.5	5,000	0.6	4.5	7.0
Public Utility	322,375	1.3	15,500	1.9	4.8	5.3
Industrial	794,483	3.2	33,061	4.1	4.2	4.2
TOTAL BONDS	\$11,881,896	48.4%	\$300,562	37.3%	2.5 %	2.5 %
PREFERRED STOCKS						
Public Utility	84,400	0.3	4,400	0.5	5.2	5.4
Industrial & Miscellaneous	465,650	1.9	25,200	3.2	5.4	5.7
TOTAL PREFERRED STOCKS	\$ 550,050	2.2%	\$ 29,600	3.7%	5.4 %	5.6 %
COMMON STOCKS						
Public Utility-Electric	1,257,301	5.1	62,200	7.7	4.9	7.1
Public Utility-Gas Pipeline	1,384,413	5.6	60,265	7.5	4.4	8.0
Industrial & Miscellaneous	9,379,899	38.1	350,091	43.4	3.7	7.6
Bank & Insurance	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$12,021,613	48.8%	\$472,556	58.6%	3.9 %	7.6 %
SECURITIES OF NOMINAL VALUE †	\$ 100	0.0%	\$ -	- %	- %	- %
REAL ESTATE MORTGAGES	\$ 8,250	0.0%	\$ 401	0.0%	4.9 %	4.9 %
PROFESSORS' HOMES-MTGFS	\$ 84,362	0.3%	\$ 3,374	0.4%	4.0 %	4.0 %
GRAND TOTAL	\$24,624,931	100.0%	\$806,493	100.0%	3.28%	4.31%

INCREASE OR DECREASE 3/31/54		
Compared with Book - Same Date		
Book Value #	Increase	Decrease
\$ 78,660	\$ -	\$ -
6,499,852	12,148	
3,300,187		9,149
850,000	-	-
71,233	40,767	
294,373	28,002	
779,126	15,357	
\$11,794,771	\$ 87,125	
81,000	3,400	
444,716	20,934	
\$ 525,716	\$ 24,334	
876,390	380,911	
749,641	634,772	
4,603,414	4,776,485	
-	-	-
\$ 6,229,445	\$5,792,168	
\$ 100	\$ -	\$ -
\$ 8,250	\$ -	\$ -
\$ 84,362	\$ -	\$ -
\$18,721,304	\$5,903,627	

Reported by Treasurer's Office.

D.J.I.A. - March 31, 1954 - 303.51

* Reserved for current expenditures.

† Carried at Book Value. No market readily available.

‡ Before amortization of premium on Bonds, estimated at \$9,400 annually.

Paul B. Wyant & Co.
 April 8, 1954

THE INSTITUTE FOR ADVANCED STUDY

Common Stocks

As of March 31, 1954

	<u>Book Value</u>		<u>Market Value</u>		<u>Appreciation or Depreciation</u>
	<u>Amount</u>	<u>Percent Total</u>	<u>Amount</u>	<u>Percent Total</u>	
Public Utility					
Electric	\$ 876,390	14.1%	1,257,301	10.5%	\$ 380,911
Gas Pipeline	749,641	12.0	1,384,413	11.5	634,772
Total Public Utility	(1,626,031)	(26.1)	(2,641,714)	(22.0)	(1,015,683)
Industrial & Miscellaneous					
Chemical	946,188	15.2	1,797,782	15.0	851,594
Distilling	84,770	1.4	127,500	1.0	42,730
Drug & Pharmaceutical	119,514	1.9	143,438	1.2	23,924
Finance	105,773	1.7	170,000	1.4	64,227
Metal (Non-Ferrous)	575,178	9.2	1,053,125	8.8	477,947
Miscellaneous	130,280	2.1	236,325	2.0	106,045
Office Equipment	136,289	2.2	605,201	5.0	468,912
Oil & Natural Gas	1,961,519	31.5	4,275,028	35.6	2,313,509
Paper	143,810	2.3	341,000	2.8	197,190
Retail Trade	174,997	2.8	304,000	2.5	129,003
Steel	225,096	3.6	326,500	2.7	101,404
Total Industrial & Miscellaneous	(4,603,414)	(73.9)	(9,379,899)	(78.0)	(4,776,485)
Total Common Stocks	\$6,229,445	100.0%	\$12,021,613	100.0%	\$5,792,168

THE INSTITUTE FOR ADVANCED STUDY

Percent Common Stocks to All Investments

and
Dow-Jones Industrial Averages

<u>Date</u>	<u>Market Value (000) omitted)</u>			<u>Common[%] Stocks to all Investments</u>	<u>Dow-Jones Industrial Averages</u>
	<u>Common Stocks</u>	<u>Cash & Other Investments</u>	<u>All Investments</u>		
6/30/42	\$ 1,356	\$ 5,838	\$ 7,194	18.9%	103.34
6/30/43	1,932	6,262	8,194	23.6	143.38
6/30/44	2,209	6,477	8,686	25.4	148.38
6/30/45	6,289	10,048	16,337	38.5	165.29
6/28/46	6,462	13,093	19,555	33.1	205.62
6/30/47	6,313	11,686	17,999	35.1	177.30
6/30/48	7,835	10,046	17,881	43.8	189.46
6/30/49	7,564	9,527	17,091	44.3	167.42
6/30/50	9,361	9,919	19,280	48.6	209.11
6/29/51	10,642	10,829	21,471	49.6	242.64
6/30/52	12,477	11,439	23,916	52.2	274.26
6/30/53	10,695	12,104	22,799	46.9	268.26
9/30/53	10,450	12,140	22,590	46.3	264.04
12/31/53	10,835	12,506	23,341	46.4	280.90
3/31/54	12,022	12,603	24,625	48.8	303.51

Paul B. Wyant & Co.

THE INSTITUTE FOR ADVANCED STUDY

1.

<u>BONDS</u>								
U.S. Government & Comm'l Paper								
<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>3/31/54</u>	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Apprec.</u> <u>or</u> <u>Deprec.</u>	<u>Est.</u> <u>Annual</u> <u>Income</u>	<u>Maturity</u> <u>Yield on</u> <u>Market</u>
				\$	\$	\$	\$	%
<u>U.S. Government Bonds & Comm'l Paper</u>								
Commercial Credit Co.								
300M	2 $\frac{3}{8}$ /4-23-54	100	/	300,000	300,000	-	8,250	2.8
250M	2 $\frac{3}{8}$ /5-21-54	100	/	250,000	250,000	-	6,875	2.8
Commercial Investment Trust Inc.								
950M	2 $\frac{3}{8}$ /8-9-54	100	/	950,000	950,000	-	22,563	2.4
600M	2 $\frac{3}{8}$ /9-24-54	100	/	600,000	600,000	-	14,250	2.4
General Motors Acceptance Corp.								
300M	2 $\frac{3}{8}$ /4-23-54	100	/	300,000	300,000	-	8,250	2.8
250M	2 $\frac{3}{8}$ /5-25-54	100	/	250,000	250,000	-	6,875	2.8
Industrial Acceptance Corp. Ltd. Secured Notes (U.S. Pay.)								
100M	3 $\frac{1}{8}$ /4-14-54	100	/	100,000	100,000	-	3,250	3.3
250M	2 $\frac{3}{8}$ /9-30-54	100	/	250,000	250,000	-	5,313	2.1
Yellow Mfg. Acceptance Corp.								
400M	2 $\frac{3}{8}$ /10-4-54	100	/	400,000	400,000	-	9,500	2.4
Federal Intermediate Credit Bank								
100M	2.25/9-1-54	100.322	100-9	100,322	100,281	41	2,250	1.4
200M	1.90/11-1-54	100.148	100-7	200,296	200,438	142	3,800	1.4
Treasury Ctls. of Indebtedness								
2,300M	2 $\frac{5}{8}$ /6-1-54	99.966	100-12	2,299,234	2,308,625	9,391	60,375	0.3
500M	1 $\frac{1}{8}$ /2-15-55	100	100-17	500,000	502,656	2,656	8,125	1.0

/ Carried at Book Value. Discounted Notes.
 Note: Market at Bid Price.

THE INSTITUTE FOR ADVANCED STUDY

BONDS

2.

U.S. Government & Comm'l Paper (Cont'd.)

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 3/31/54</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Maturity Yield on Market</u> %
<u>U.S. Government Bonds & Comm'l Paper (Cont'd.)</u>								
Treasury Notes								
1,500M	1 $\frac{3}{4}$ /12-15-55	100	100-26	1,500,000	1,512,188	12,188	26,250	1.2
Treasury Bonds								
1,770M	2 $\frac{1}{2}$ /6-15-62/59	101-23	100-16	1,800,187	1,778,850	21,337	39,825	2.1 ϕ
Savings Series "G" (At Par)								
50M	2 $\frac{1}{2}$ /7-1-54	100	100	50,000	50,000	-	1,250	2.5
100M	2 $\frac{1}{2}$ /1-1-55	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{2}$ /1-1-56	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{2}$ /4-1-57	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{2}$ /3-1-58	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{2}$ /1-1-59	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{2}$ /1-1-60	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{2}$ /4-1-61	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{2}$ /3-1-62	100	100	100,000	100,000	-	2,500	2.5
TOTAL U.S. GOVERNMENT BONDS & COMM'L PAPER				10,650,039	10,653,038	2,999	247,001	2.3 \star

ϕ Yield to Optional Call Date.

\star Current Yield.

THE INSTITUTE FOR ADVANCED STUDY

3.

		BONDS						
		Railroad Public Utility						
<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>3/31/54</u>	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Apprec.</u> <u>or</u> <u>Deprec.</u>	<u>Est.</u> <u>Annual</u> <u>Income</u>	<u>Maturity</u> <u>Yield on</u> <u>Market</u>
				\$	\$	\$	\$	%
<u>Railroad Bonds</u>								
100M	Missouri Pacific R.R. 1st & Ref. "H" 5/4-1-80 (Callable 105)	71 $\frac{1}{4}$	112 flat	71,233	112,000	40,767	5,000/	4.5*
<u>Public Utility Bonds</u>								
5,000 Notes	Gulf Interstate Gas Co. \$20.00 Interim Notes 6/12-1-54 ø	18 $\frac{1}{2}$	20 $\frac{1}{2}$	92,500	102,500	10,000	6,000	5.9*
100M	Southern Natural Gas Co. Conv. # S.F. Deb. 4 $\frac{1}{2}$ /6-1-73 (Callable 105)	100	114 $\frac{5}{8}$	100,000	114,625	14,625	4,500	3.9*
100M	Tennessee Gas Transmission Co. S.F. Deb. 5/9-1-73 (Callable 104.90)	101 $\frac{7}{8}$	105 $\frac{1}{4}$	101,873	105,250	3,377	5,000	4.6
TOTAL PUBLIC UTILITY BONDS				294,373	322,375	28,002	15,500	4.8*

* Current Yield.

Convertible into Common Stock at 28. Current Market Common 31.

/ Interest received in excess 5% annually to be used to write down cost.

ø Redeemable in Preferred Stock.

THE INSTITUTE FOR ADVANCED STUDY

4.

		<u>BONDS</u>						
		<u>Industrial</u>						
<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 3/31/54</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Maturity Yield on Market</u>
	<u>Industrial Bonds</u>			\$	\$	\$	\$	%
300M	Dome Exploration (Western) Ltd. Note Reg. 4/2-1-63 (Callable 100 Cdn. Fds.)	91	♢	273,092	273,092	-	12,000	4.4♢
100M	Dow Chemical Co. Conv. Ⓢ Sub. Deb. 3/7-1-82 (Callable 104½)	101⅜	105	101,427	105,000	3,573	3,000	2.9★
50M	Shea Chemical Corp. 1st Mtge. 5/1-15-64 (Callable at 100)	100	♢	49,999	49,999	-	2,500	5.0♢
200M	Warren Petroleum Corp. Conv. ♣ Deb. 3½/10-1-66 (Callable 102½)	102⅞	108¾	205,716	217,500	11,784	7,000	3.2★
150M #	Watchung Associates, Inc. Secured Notes 5¾/10-1-65 (Callable at 105 after 10/1/58)	100	♢	148,892#	148,892	-	8,561	5.7♢
TOTAL INDUSTRIAL BONDS				779,126	794,483	15,357	33,061	4.2★

★ Current Yield. ♢ Carried at Book Value.
 Ⓢ Convertible into Common Stock at 47.09. Current Market Common 36½.
 ♣ Convertible into Common Stock at 34. Current Market Common 32⅞.
 # Face Value reduced monthly after first withholding interest at 5¾% annual rate.

THE INSTITUTE FOR ADVANCED STUDY

PREFERRED STOCKS

5.

Public Utility

Industrial & Miscellaneous

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 3/31/54</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
				\$	\$	\$	\$	%
	<u>Public Utility</u>							
300	Northern Natural Gas Co. 5.50% Cum. S.F. (Callable 107½)	100	108	30,000	32,400	2,400	1,650	5.1
500	Texas Eastern Transmission Corp. 5.50% Cum. S.F. (Callable 103)	102	104	51,000	52,000	1,000	2,750	5.3
	TOTAL PUBLIC UTILITY PREFERRED STOCKS			81,000	84,400	3,400	4,400	5.2
	<u>Industrial & Miscellaneous</u>							
12,000	Brown-Forman Distillers Corp. 4% (\$10 Par) Cum. Jr. (Callable 10¼ after 7/1/57)	6¼	6⅝	75,000	79,500	4,500	4,800	6.0
200	Christiana Securities Corp. 7% Cum. (Callable 120)	126¾	137	25,350	27,400	2,050	1,400	5.1
3,000	U.S. & Int'l. Securities \$5 Cum. 1st W.W. (Callable 105)	88¼	95¼	264,891	285,750	20,859	15,000	5.2
500	U.S. Rubber Co. 8% Non-Cum. First (Non-Callable)	159	146	79,475	73,000	6,475	4,000	5.5
	TOTAL INDUSTRIAL & MISCELLANEOUS PREFERRED STOCKS			444,716	465,650	20,934	25,200	5.4

THE INSTITUTE FOR ADVANCED STUDY

6.

COMMON STOCKS

Public Utility - Electric

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 3/31/54</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
<u>Public Utility - Electric</u>								
4,000	American Gas & Electric (\$1.64)	23 $\frac{5}{8}$	36 $\frac{1}{2}$	94,593	145,000	50,407	6,560	4.5
2,100	Carolina Power & Light (\$2.00)	31 $\frac{1}{4}$	43 $\frac{3}{8}$	66,641	91,613	24,972	4,200	4.6
4,000	Central & South West Corp. (\$1.16)	16 $\frac{1}{8}$	24 $\frac{1}{8}$	64,742	96,500	31,758	4,640	4.8
1,500	Consumers Power (\$2.20)	31 $\frac{1}{4}$	42	46,953	63,000	16,047	3,300	5.2
3,000	Dayton Power & Light (\$2.00)	37 $\frac{1}{4}$	38 $\frac{3}{4}$	111,767	116,250	4,483	6,000	5.2
2,000	Illinois Power (\$2.20)	31	43 $\frac{3}{8}$	61,902	87,750	25,848	4,400	5.0
1,500	Indianapolis Power & Light (\$2.20)	20 $\frac{1}{8}$	43 $\frac{3}{4}$	30,218	65,625	35,407	3,300	5.0
3,000	Kansas City Power & Light (\$1.80)	25 $\frac{1}{8}$	34 $\frac{1}{8}$	76,629	104,625	27,996	5,400	5.2
5,500	Middle South Utilities (\$1.40)	13 $\frac{1}{8}$	27 $\frac{1}{8}$	72,011	151,938	79,927	7,700	5.1
3,000	Niagara Mohawk Power (\$1.60)	24 $\frac{1}{8}$	29 $\frac{1}{4}$	72,283	87,750	15,467	4,800	5.5
3,000	Oklahoma Gas & Electric (\$1.50)	26	29 $\frac{1}{8}$	78,074	89,625	11,551	4,500	5.0
2,000	Public Service Colorado (\$1.60)	19 $\frac{1}{4}$	34 $\frac{1}{8}$	38,573	68,750	30,177	3,200	4.7
3,000	Virginia Electric & Power (\$1.40)	20 $\frac{1}{8}$	29 $\frac{1}{8}$	62,004	88,875	26,871	4,200	4.7
TOTAL PUBLIC UTILITY - ELECTRIC				876,390	1,257,301	380,911	62,200	4.9
COMMON STOCKS								

THE INSTITUTE FOR ADVANCED STUDY

7.

COMMON STOCKS

Public Utility - Gas Pipeline

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 3/31/54</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Public Utility - Gas Pipeline</u>			<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>%</u>
2,000	Atlanta Gas Light (\$1.20)	17 $\frac{3}{8}$	22	34,633	44,000	9,367	2,400	5.5
1,000	Consolidated Natural Gas (\$2.50)	41	58 $\frac{1}{4}$	40,974	58,250	17,276	2,500	4.3
3,000	National Fuel Gas (\$1.00)	10 $\frac{7}{8}$	16 $\frac{3}{4}$	32,655	50,250	17,595	3,000	6.0
5,000	Northern Natural Gas (\$1.80)	33 $\frac{1}{4}$	39 $\frac{1}{8}$	166,357	195,625	29,268	9,000	4.6
4,100	Panhandle Eastern Pipe Line (\$2.50)	27 $\frac{1}{8}$	77 $\frac{1}{2}$	111,096	317,750	206,654	10,250	3.2
1,200	Peoples Gas Light & Coke (\$6.00)	105 $\frac{5}{8}$	140 $\frac{1}{4}$	126,815	168,300	41,485	7,200	4.3
10,000	Southern Natural Gas (\$1.40)	12 $\frac{3}{4}$	31	126,914	310,000	183,086	14,000	4.5
3,600	Tennessee Gas Transmission (\$1.40)	9 $\frac{3}{8}$	23	33,967	82,800	48,833	5,040	6.1
5,500	United Gas Corp. (\$1.25)	13 $\frac{7}{8}$	28 $\frac{5}{8}$	76,230	157,438	81,208	6,875	4.4
TOTAL PUBLIC UTILITY - GAS PIPELINE								
COMMON STOCKS				749,641	1,384,413	634,772	60,265	4.4
GRAND TOTAL PUBLIC UTILITY COMMON STOCKS				1,626,031	2,641,714	1,015,683	122,465	4.6

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8.

<u>COMMON STOCKS</u>								
<u>Industrial & Miscellaneous</u>								
<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>3/31/54</u>	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Apprec.</u> <u>or</u> <u>Deprec.</u>	<u>Est.</u> <u>Annual</u> <u>Income</u>	<u>Current</u> <u>Yield on</u> <u>Market</u>
	<u>Industrial & Miscellaneous</u>			\$	\$	\$	\$	%
	<u>Chemical</u>							
2,000	Allied Chemical & Dye (\$3.00)	42 $\frac{3}{8}$	84	84,855	168,000	83,145	6,000	3.6
10,250	Dow Chemical (\$1.00 ϕ)	28 $\frac{3}{4}$	36 $\frac{1}{8}$	294,302	370,281	75,979	10,250	2.8 ϕ
5,000	duPont, E.I. (\$4.00)	36	116 $\frac{1}{4}$	179,881	581,250	401,369	20,000	3.4
1,500	Hooker Electrochemical (\$2.00)	29 $\frac{3}{8}$	68	43,969	102,000	58,031	3,000	2.9
3,500	Monsanto Chemical (\$2.50)	64 $\frac{3}{8}$	82	225,213	287,000	61,787	8,750	3.0
3,000	Pfizer (Chas.) (Del.) (\$1.25)	18	35 $\frac{3}{8}$	54,138	106,125	51,987	3,750	3.5
155	Shea Chemical, Class A (\$-)	-	#	1	1	-	-	-
2,500	Union Carbide & Carbon (\$2.50)	25 $\frac{1}{2}$	73 $\frac{1}{4}$	63,829	183,125	119,296	6,250	3.4
	Total Chemical			946,188	1,797,782	851,594	58,000	3.2
	<u>Distilling</u>							
1,500	Distillers Corp.-Seagrams (\$1.70)	19 $\frac{1}{8}$	29	28,604	43,500	14,896	2,550	5.9
1,500	Walker (H.)-Gooderham & Worts (\$3.75)	37 $\frac{1}{2}$	56	56,166	84,000	27,834	5,625	6.7
	Total Distilling			84,770	127,500	42,730	8,175	6.4
	<u>Drug & Pharmaceutical</u>							
3,750	Kendall (\$2.20)	31 $\frac{7}{8}$	38 $\frac{1}{4}$	119,514	143,438	23,924	8,250	5.8
	<u>Finance</u>							
5,000	C.I.T. Financial (\$2.00)	21 $\frac{1}{8}$	34	105,773	170,000	64,227	10,000	5.9

ϕ Plus Stock Dividend.
 # Carried at Book Value.

THE INSTITUTE FOR ADVANCED STUDY

9.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>3/31/54</u>	<u>Book</u> <u>Value</u> \$	<u>Market</u> <u>Value</u> \$	<u>Apprec.</u> <u>or</u> <u>Deprec.</u> \$	<u>Est.</u> <u>Annual</u> <u>Income</u> \$	<u>Current</u> <u>Yield on</u> <u>Market</u> %
<u>Industrial & Miscellaneous (Cont'd.)</u>								
<u>Metal (Non-Ferrous)</u>								
3,000	Aluminium Ltd. (\$2.00)	31 $\frac{3}{8}$	56 $\frac{3}{8}$	93,988	169,125	75,137	6,000	3.5
10,000	American Metal Co., Ltd. (\$1.50 ϕ)	10 $\frac{3}{4}$	23 $\frac{3}{4}$	104,775	237,500	132,725	15,000	6.3 ϕ
2,000	American Smelting & Refining (\$2.00)	20 $\frac{3}{8}$	33 $\frac{1}{4}$	40,750	66,500	25,750	4,000	6.0
2,000	Kennecott Copper (\$6.00)	41 $\frac{5}{8}$	74	83,275	148,000	64,725	12,000	8.1
9,000	Newmont Mining (\$2.50)	28	48	252,390	432,000	179,610	22,500	5.2
Total Metal (Non-Ferrous)				575,178	1,053,125	477,947	59,500	5.6
<u>Miscellaneous</u>								
1,000	American Research & Development (\$-)	28 $\frac{3}{4}$	19	28,750	19,000	9,750	#	#
1,000	Industrial Rayon (\$3.00)	34 $\frac{1}{8}$	43 $\frac{1}{2}$	34,839	43,500	8,661	3,000	6.9
1,000	Studebaker (\$1.60)	23 $\frac{5}{8}$	18 $\frac{7}{8}$	23,592	18,875	4,717	1,600	8.5
3,300	Sunbeam (\$1.65 ϕ)	7 $\frac{3}{4}$	38	25,370	125,400	100,030	5,445	4.3 ϕ
1,200	Universal Leaf Tobacco (\$1.70)	14 $\frac{3}{4}$	24 $\frac{5}{8}$	17,729	29,550	11,821	2,040	6.9
Total Miscellaneous				130,280	236,325	106,045	12,085	5.1
<u>Office Equipment</u>								
1,000	Addressograph-Multigraph (\$3.00 ϕ)	44 $\frac{1}{2}$	66	44,548	66,000	21,452	3,000	4.5 ϕ
1,614	International Business Machines (\$4.00 ϕ)	56 $\frac{7}{8}$	334	91,741	539,201	447,460	6,456	1.2 ϕ
375								
1,000								
Total Office Equipment				136,289	605,201	468,912	9,456	1.6

ϕ Plus Stock Dividend.

Capital Gains distribution to be used to write down cost of stock.
 Only ordinary income to be taken into income account.

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10.

COMMON STOCKS
 Industrial & Miscellaneous (Cont'd)

Shares	Security	Book	Market 3/31/54	Book Value	Market Value	Apprec. or Deprec.	Est. Annual Income	Current Yield on Market
	Industrial & Miscellaneous (Cont'd)			\$	\$	\$	\$	%
	<u>Oil & Natural Gas</u>							
2,000	Amerada Petroleum (\$3.00)	42 $\frac{1}{2}$	188 $\frac{1}{2}$	85,083	377,000	291,917	6,000	1.6
1,000	Columbian Carbon (\$2.00)	30 $\frac{3}{8}$	45 $\frac{5}{8}$	30,135	45,375	15,240	2,000	4.4
4,000	Continental Oil (Del.) (\$2.60)	24 $\frac{1}{2}$	61 $\frac{3}{4}$	97,843	247,000	149,157	10,400	4.2
6,500	Gulf Oil (\$2.00p)	25 $\frac{1}{4}$	56 $\frac{1}{8}$	164,259	364,813	200,554	13,000	3.6p
5,000	Louisiana Land & Expl. (\$3.00)	14	66 $\frac{1}{4}$	70,148	331,250	261,102	15,000	4.5
2,000	Phillips Petroleum (\$2.60)	25 $\frac{1}{8}$	62 $\frac{1}{2}$	50,282	125,000	74,718	5,200	4.2
1,000	Seaboard Oil (\$2.50)	54 $\frac{1}{4}$	116 $\frac{1}{2}$	54,189	116,500	62,311	2,500	2.1
2,550	Shell Oil (\$3.00)	29	91	73,849	232,050	158,201	7,650	3.3
8,800	Skelly Oil (\$1.70)	25 $\frac{3}{8}$	48 $\frac{1}{4}$	220,710	424,600	203,890	14,960	3.5
6,000	Standard Oil (Indiana) (\$2.50p)	56 $\frac{3}{4}$	77	340,250	462,000	121,750	15,000	3.2p
3,120	Standard Oil (N.J.) (\$4.50)	23 $\frac{3}{8}$	80 $\frac{3}{4}$	73,009	251,940	178,931	14,040	5.6
800	Superior Oil (Calif.) (\$2.00)	175 $\frac{3}{8}$	670	140,250	536,000	395,750	1,600	0.3
6,000	Texas Co. (\$3.40)	45 $\frac{7}{8}$	69	275,569	414,000	138,431	20,400	4.9
10,000	Tide Water Associated Oil (\$1.15)	21 $\frac{7}{8}$	21 $\frac{3}{4}$	218,433	217,500	933	11,500	5.3
2,000	United Carbon (\$2.50)	33 $\frac{3}{4}$	65	67,510	130,000	62,490	5,000	3.8
Total Oil & Natural Gas				1,961,519	4,275,028	2,313,509	144,250	3.4

p Plus Stock Dividend

THE INSTITUTE FOR ADVANCED STUDY

11.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 3/31/54</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
<u>Industrial & Miscellaneous (Cont'd.)</u>								
<u>Paper</u>								
5,500	International Paper (\$3.00)	26 $\frac{1}{8}$	62	143,810	341,000	197,190	16,500	4.8
<u>Retail Trade</u>								
1,500	Federated Dept. Stores (\$2.50)	9 $\frac{7}{8}$	41 $\frac{3}{4}$	11,814	62,625	47,781	3,750	6.0
2,000	Murphy, G. C. (\$2.00)	36	43 $\frac{1}{2}$	71,914	87,000	15,086	4,000	4.6
1,500	Sears Roebuck (\$2.75)	22 $\frac{3}{8}$	60 $\frac{1}{4}$	33,515	90,375	56,830	4,125	4.6
4,000	Simpsons Co., Ltd. (\$0.50)	13 $\frac{5}{8}$	16	54,694	64,000	9,306	2,000	3.1
Total Retail Trade				171,997	304,000	129,003	13,875	4.6
<u>Steel</u>								
3,500	Hanna (M.A.) Class "A" (\$10 Par) Non-Voting (\$2.00)	46 $\frac{1}{2}$	65	162,700	227,500	64,800	7,000	3.1
1,500	Hanna (M.A.) Class "B" (\$10 Par) (\$2.00)	41 $\frac{5}{8}$	66	62,396	99,000	36,604	3,000	3.0
Total Steel				225,096	326,500	101,404	10,000	3.1
GRAND TOTAL INDUSTRIAL & MISCELLANEOUS COMMON STOCKS				4,603,414	9,379,899	4,776,485	350,091	3.7
GRAND TOTAL <u>ALL</u> COMMON STOCKS				6,229,445	12,021,613	5,792,168	472,556	3.9

THE INSTITUTE FOR ADVANCED STUDY

12.

SECURITIES OF NOMINAL VALUE

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 3/31/54</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
<u>Securities of Nominal Value</u>								
200 Units	Engineers Royalties, Inc. Unit #	$\frac{1}{2}$ #	$\frac{1}{2}$ #	100 #	100 #	-	#	#
10 $\frac{10}{200}$ shs	Schulte, Retail Stores, Corp. (No Par) Common (\$-)	Gift	-	Carried at No Book Value -			-	-
1 sh	U. S. Electric Power Co. Common (\$-)	Gift	-	Carried at No Book Value -			-	-
TOTAL SECURITIES OF NOMINAL VALUE				100	100	-	-	-

Gift. Unit consists of 1 share 7% Cum. (\$10 Par) Preferred Stock and 1 share No Par Common Stock. Company's valuation of 200 Units. Received payments in 1948, 1949, 1950, 1951, 1953 and March 31, 1954 of \$70, \$65, \$35, \$70, \$35 and \$35 respectively.

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THE INSTITUTE FOR ADVANCED STUDY
RECAPITULATION OF INVESTMENT HOLDINGS
As of December 31, 1953

	MARKET VALUE 12/31/53		ESTIMATED ANNUAL INCOME 12/31/53			
	Amount	% of Total	Amount	% of Total	Current Yield Market	Book
CASH - Uninvested *	\$ 285,020	1.2%	\$ -	- %	- %	- %
BONDS						
U.S. Gov't. Marketable & Comm'l Paper - Due Within 1 Yr.	6,314,781	27.1	163,188	20.1	2.6	2.6
U.S. Gov't. Marketable - Other	3,248,213	14.0	66,075	8.1	2.0	2.0
U.S. Savings Series "G" (At Par)	900,000	3.9	22,500	2.8	2.5	2.5
Railroad	104,750	0.4	5,000	0.6	4.8	7.0
Public Utility	311,125	1.3	15,500	1.9	5.0	5.3
Industrial	734,342	3.1	30,625	3.8	4.2	4.2
TOTAL BONDS	\$11,613,211	49.8%	\$302,888	37.3%	2.6 %	2.6 %
PREFERRED STOCKS						
Public Utility	81,600	0.3	4,400	0.5	5.4	5.4
Industrial & Miscellaneous	433,400	1.9	25,200	3.1	5.8	5.7
TOTAL PREFERRED STOCKS	\$ 515,000	2.2%	\$ 29,600	3.6%	5.7 %	5.6 %
COMMON STOCKS						
Public Utility - Electric	1,194,776	5.1	62,200	7.7	5.2	7.1
Public Utility - Gas Pipeline	1,321,975	5.7	60,265	7.4	4.6	8.0
Industrial & Miscellaneous	8,317,811	35.6	352,554	43.5	4.2	7.6
Bank & Insurance	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$10,834,562	46.1%	\$475,019	58.6%	4.4 %	7.6 %
SECURITIES OF NOMINAL VALUE #	\$ 100	0.0%	\$ -	- %	- %	- %
REAL ESTATE MORTGAGES	\$ 8,400	0.0%	\$ 409	0.1%	4.9 %	4.9 %
PROFESSORS' HOMES - MTGES.	\$ 84,362	0.1%	\$ 3,374	0.4%	4.0 %	4.0 %
GRAND TOTAL	\$23,340,655	100.0%	\$811,290	100.0%	3.48%	4.32%

INCREASE OR DECREASE 12/31/53		
Compared with Book - Same Date		
Book Value	Increase	Decrease
\$ 285,020	\$ -	\$ -
6,299,294	15,487	
3,300,187		51,974
900,000	-	-
71,233	33,517	
294,373	16,752	
730,235	4,107	
\$11,595,322	\$ 17,889	
81,000	600	
444,716		11,316
\$ 525,716		\$10,716
876,696	318,080	
749,640	572,335	
4,647,934	3,669,877	
-	-	-
\$ 6,274,270	\$4,560,292	
\$ 100	\$ -	\$ -
\$ 8,400	\$ -	\$ -
\$ 84,362	\$ -	\$ -
\$18,773,190	\$4,567,465	

Reported by Treasurer's Office.

D.J.I.A. - December 31, 1953 - 280.90

* Of which \$100,000 to be reserved for current expenditures.

/ Carried at Book Value. No market readily available.

Before amortization of premium on Bonds, estimated at \$4,300 annually.

Paul B. Wyant & Co.
 January 19, 1954

THE INSTITUTE FOR ADVANCED STUDY
RECAPITULATION OF INVESTMENT HOLDINGS
As of December 31, 1953

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	MARKET VALUE 12/31/53		ESTIMATED ANNUAL INCOME 12/31/53			
	Amount	% of Total	Amount	% of Total	Current Yield Market	Book
CASH - Uninvested *	\$ 285,020	1.2%	\$ -	- %	- %	- %
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U.S. Gov't. Marketable & Comm'l Paper - Due Within 1 Yr.	6,314,781	27.1	163,488	20.1	2.6	2.6
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Public Utility - Gas Pipeline	1,321,975	5.7	60,265	7.4	4.6	8.0
Industrial & Miscellaneous	8,317,811	35.6	352,554	43.5	4.2	7.6
Bank & Insurance	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$10,834,562	46.4%	\$475,019	58.6%	4.4 %	7.6 %
SECURITIES OF NOMINAL VALUE /	\$ 100	0.0%	\$ -	- %	- %	- %
REAL ESTATE MORTGAGES	\$ 8,400	0.0%	\$ 409	0.1%	4.9 %	4.9 %
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GRAND TOTAL	\$23,340,655	100.0%	\$811,290	100.0%	3.48%	4.32%

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876,696	318,080	
749,640	572,335	
4,647,934	3,669,877	
-	-	-
\$ 6,274,270	\$4,560,292	
\$ 100	\$ -	\$ -
\$ 8,400	\$ -	\$ -
\$ 84,362	\$ -	\$ -
\$18,773,190	\$4,567,465	

/ Reported by Treasurer's Office.

D.J.I.A. - December 31, 1953 - 280.90

* Of which \$100,000 to be reserved for current expenditures.

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Before amortization of premium on Bonds, estimated at \$4,300 annually.

Paul B. Wyant & Co.
 January 19, 1954

PAUL B. WYANT & CO.

WOOLWORTH BUILDING
233 BROADWAY
NEW YORK 7, N. Y.

CORTLANDT 7-1137

PAUL B. WYANT
JOHN W. BRISTOL
ATWOOD O. PETERSON

March 31, 1953

Copy to Mr. Maass
Mr. Schaap
Mr. Strauss
Dr. Oppenheimer
Mr. Rosenwald
Mr. Hancock
Mr. Linder
Mr. Mitchell
Mr. Schur

THE INSTITUTE FOR ADVANCED STUDY

Alabama Gas Corporation

Common Stock (\$0.80) at 16 to yield 5%

Memo to Mr. Leidesdorf:

Southern Natural Gas Company stockholders of record March 16 are to receive, on or about April 2, a distribution of .24306 common share of Alabama Gas Corporation for each share of Southern Natural held. The Institute currently holds 8,800 shares Southern Natural Gas Company at an average cost of $14\frac{1}{8}$ and a current market price, ex the distribution of Alabama Gas, of 28. Thus, the Institute will receive 2,138 shares Alabama Gas Corporation common stock having a current market value of \$34,208.

Attached is a brief memorandum on Alabama Gas Corporation for the information of the Committee. This company, sharing in the post-war prosperity of the Southeastern section of the country, has more than doubled its operating revenues since 1947. While there is reason to expect further growth in the company's service territory, it must be pointed out that a substantial proportion of the revenues is derived from the distribution of gas in the steel and heavy industry district of Birmingham.

In selecting investments in the natural gas industry, we are generally inclined to favor gas-producing companies or long-distance transmission companies with greater opportunity for expanding into new markets rather than distribution companies limited to the growth in their franchise area. For this reason, we would suggest that the Committee consider disposing of Alabama Gas Corporation common stock and reinvesting the proceeds in 1,200 additional shares Southern Natural Gas common. This will round out the holding to 10,000 shares. At its present market price of 28, Southern Natural Gas provides the same yield, 5%, as Alabama Gas.

Paul B. Wyant & Co.

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 —
 CORTLANDT 7-1137

PAUL B. WYANT
 JOHN W. BRISTOL
 ATWOOD O. PETERSON

March 24, 1953

ALABAMA GAS CORPORATION

Common Stock (\$0.80) at 16 to yield 5%

<u>Capitalization</u>	<u>12/31/52</u> <u>Balance Sheet</u>		<u>3/24/53</u> <u>Market Value</u>	
	(000)	%	(000)	%
Debt	\$16,605	59.4%	\$16,605	53.4%
Preferred	1,447	5.2	1,057	3.4
Common Equity	9,887	35.4	13,459	43.2
(841,198shs)	<u>\$27,939</u>	<u>100.0%</u>	<u>\$31,121</u>	<u>100.0%</u>

Business and Territory

Alabama Gas Corporation, which originated in 1929 as Birmingham Gas Company, today operates gas distribution systems in thirty-five communities in central and northern Alabama. Its largest distribution system (from which approximately 54% of revenues are derived) serves the city of Birmingham and ten suburban municipalities. The service territory covers about one-half the area of the state of Alabama but probably includes upwards of 70% of the state's population and industry and all important cities except Mobile. Birmingham, the largest city in the state, is one of the important steel centers in the country. Other important industries include textiles, lumber, food products, chemicals and cement.

As shown in the following table, Alabama Gas Corporation has shared fully in the growth of the Southeastern United States during the post-war years.

	<u>Operating</u> <u>Revenue</u> (000)	<u>Net Income</u> <u>Avail. for Com.</u> (000)	<u>Earned</u> <u>Per Share *</u>	<u>Div. *</u>
1946	\$ 7,700	\$ 500	\$0.56	\$0.28
1947	9,100	700	0.83	0.37
1948	10,900	615	0.73	0.39
1949	12,004	952	1.13	0.60
1950	14,153	1,032	1.23	0.74
1951	16,789	986	1.17	0.80
1952	18,457	1,108	1.32	0.80

* Based on 841,198 shares currently outstanding.

The demand for the company's gas is primarily for residential use even in the Birmingham division. A large part of the industrial load is represented by sales to the Birmingham plant of Republic Steel Corporation. The source of gross revenues in 1952 was approximately as follows:

Residential	63.3%
Commercial	12.6%
Industrial	24.1%

Alabama Gas Corporation purchases natural gas from Southern Natural Gas Company under contracts extending to January 1, 1972. Southern Natural Gas may soon apply for higher rates. If, and when, these increased rates go into effect, they would temporarily reduce Alabama Gas Corporation's earnings. However, the effect should not be severe or protracted, since the higher price for gas probably would be passed along to Alabama's customers through application for higher rates. Alabama Gas is currently paying Excess Profits Taxes. Therefore, it is possible that the State Commission might not permit Alabama to pass on the full amount of the increased cost of gas.

As shown above, common share earnings in 1952 were \$1.32 after \$290,000 Excess Profits Tax, equal to \$.34 per share. At its current market price of 16, the stock is selling 12.1 times its current earnings to yield 5% on the current dividend rate of \$.80, which dividend represents a pay-out of 60%.

March 24, 1953

Paul B. Nyant & Co.

THE INSTITUTE FOR ADVANCED STUDY
RECAPITULATION OF INVESTMENT HOLDINGS
As of March 23, 1953

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	MARKET VALUE 3/23/53		ESTIMATED ANNUAL INCOME 3/23/53			
	Amount	% of Total	Amount	% of Total	Current Yield	Book
CASH - Invested	\$ 527,756*	2.2%	\$ -	- %	- %	- %
BONDS						
U.S.Gov't.Marketable & Comm'l						
Paper - Due Within 1 Yr.	5,601,298	23.4	117,126	15.2	2.1	2.1
U.S.Gov't.Marketable - Other	3,179,813	13.3	66,075	8.6	2.1	2.0
U.S.Savings Series"G"(At Par)	950,000	4.0	23,750	3.1	2.5	2.5
Railroad	111,250	0.4	5,000	0.6	4.5	6.6
Public Utility	573,750	2.4	13,750	1.8	2.4	2.6
Industrial	607,592	2.5	22,000	2.9	3.6	3.8
TOTAL BONDS	\$11,023,703	46.0%	\$247,701	32.2%	2.2 %	2.2 %
PREFERRED STOCKS						
Public Utility	-	-	-	-	-	-
Industrial	572,825	2.4	29,228	3.8	5.1	5.2
TOTAL PREFERRED STOCKS	\$ 572,825	2.4%	\$ 29,228	3.8%	5.1 %	5.2 %
COMMON STOCKS						
Public Utility - Electric	1,161,576	4.8	59,000	7.7	5.1	6.9
Public Utility-Gas Pipeline	1,377,080	5.7	58,320	7.6	4.2	8.1
Industrial & Miscellaneous	9,184,424	38.5	371,460	48.2	4.0	7.4
Bank & Insurance	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$11,723,080	49.0%	\$488,780	63.5%	4.2 %	7.4 %
SECURITIES OF NOMINAL VALUE	\$ 100	0.0%	\$ -	- %	- %	- %
REAL ESTATE MORTGAGES	\$ 9,300	0.0%	\$ 465	0.0%	5.0 %	5.0 %
PROFESSORS' HOMES - MTGES.	\$ 94,464	0.4%	\$ 3,779	0.5%	4.0 %	4.0 %
GRAND TOTAL	\$23,951,228	100.0%	\$769,953#	100.0%	3.21%	4.21%

INCREASE OR DECREASE 3/23/53		
Compared with Book - Same Date		
Book Value	Increase	Decrease
\$ 527,756	\$ -	\$ -
5,601,935		637
3,303,829		124,016
950,000	-	-
76,233	35,017	
527,968	45,782	
580,733	26,859	
\$11,040,698		\$ 16,995
-	-	-
565,622	7,203	
\$ 565,622	\$ 7,203	
858,991	302,585	
720,238	656,842	
5,002,761	4,181,663	
-	-	-
\$ 6,581,990	\$5,141,090	
\$ 100	\$ -	\$ -
\$ 9,300	\$ -	\$ -
\$ 94,464	\$ -	\$ -
\$18,819,930	\$5,131,298	

/ Reported by Treasurer's Office. D.J.I.A. - March 23, 1953 - 287.39
 * Of which \$100,000 to be reserved for current expenditures.
 / Carried at Book Value. No market readily available.
 # Before amortization of premium on Bonds, estimated at \$7,300 annually.

Paul B. Wyant & Co.
 March 25, 1953

THE INSTITUTE FOR ADVANCED STUDY

Common Stocks

As of March 23, 1953

	<u>Book Value</u>		<u>Market Value</u>		<u>Appreciation or Depreciation</u>
	<u>Amount</u>	<u>Percent Total</u>	<u>Amount</u>	<u>Percent Total</u>	
Public Utility					
Electric	\$ 858,991	13.1%	\$ 1,161,576	9.9%	\$ 302,585
Gas Pipeline	720,238	10.9	1,377,080	11.7	656,842
Total Public Utility	(1,579,229)	(24.0)	(2,538,656)	(21.6)	(959,427)
Industrial & Miscellaneous					
Agricultural Implement	43,966	0.7	56,500	0.5	12,534
Automobile	23,592	0.3	39,875	0.3	16,283
Chemical	946,186	14.4	1,718,500	14.7	772,314
Distilling	113,374	1.7	155,250	1.3	41,876
Drug & Pharmaceutical	119,514	1.8	116,250	1.0	3,264
Finance	105,773	1.6	143,125	1.2	37,352
Metal (Non-Ferrous)	776,384	11.8	1,389,538	11.9	613,154
Miscellaneous	185,217	2.8	321,875	2.7	136,658
Office Equipment	139,015	2.1	437,588	3.7	298,573
Oil & Natural Gas	1,953,286	29.7	3,772,110	32.2	1,818,824
Paper	143,810	2.2	280,000	2.4	136,190
Rayon & Textile	34,839	0.5	50,000	0.4	15,161
Retail Trade	174,980	2.7	311,813	2.7	136,833
Steel	225,096	3.4	360,500	3.1	135,404
Tobacco	17,729	0.3	31,500	0.3	13,771
Total Industrial & Miscellaneous	(5,002,761)	(76.0)	(9,184,424)	(78.4)	(4,181,663)
 Total Common Stocks	 \$6,581,990	 100.0%	 \$11,723,080	 100.0%	 \$5,141,090

THE INSTITUTE FOR ADVANCED STUDY
Percent Common Stocks to All Investments
and
Dow-Jones Industrial Averages

<u>Date</u>	<u>Market Value (000 omitted)</u>			<u>% Common Stocks to all Investments</u>	<u>Dow-Jones Industrial Averages</u>
	<u>Common Stocks</u>	<u>Cash & Other Investments</u>	<u>All Investments</u>		
6/30/42	\$ 1,356	\$ 5,838	\$ 7,194	18.9%	103.34
6/30/43	1,932	6,262	8,194	23.6	143.38
6/30/44	2,209	6,477	8,686	25.4	148.38
6/30/45	6,289	10,048	16,337	38.5	165.29
6/28/46	6,462	13,093	19,555	33.1	205.62
6/30/47	6,313	11,686	17,999	35.1	177.30
6/30/48	7,835	10,046	17,881	43.8	189.46
6/30/49	7,564	9,527	17,091	44.3	167.42
6/30/50	9,361	9,919	19,280	48.6	209.11
6/29/51	10,642	10,829	21,471	49.6	242.64
6/30/52	12,477	11,439	23,916	52.2	274.26
9/30/52	11,904	11,437	23,341	51.0	270.61
12/31/52	12,525	11,663	24,188	51.8	291.90
3/23/53	11,723	12,228	23,951	49.0	287.39

Paul B. Wyant & Co.

THE INSTITUTE FOR ADVANCED STUDY

1.

					BONDS			
					U.S. Government & Comm'l Paper			
Amount	Security	Book	Market 3/23/53	Book Value	Market Value	Apprec. or Deprec.	Est. Annual Income	Maturity Yield on Market
U.S. Government Bonds & Comm'l Paper					\$	\$	\$	%
Commercial Investment Trust, Inc.								
600M	2 ³ / ₈ /4-3-53	100	/	600,000	600,000	-	14,250	2.4 ¹ / ₄
Commercial Credit Co.								
300M	2 ¹ / ₂ /7-28-53	100	/	300,000	300,000	-	6,750	2.3 ¹ / ₄
250M	2 ³ / ₈ /8-25-53	100	/	250,000	250,000	-	5,938	2.4 ¹ / ₄
General Motors Acceptance Corp.								
300M	2 ¹ / ₂ /7-28-53	100	/	300,000	300,000	-	6,750	2.3 ¹ / ₄
250M	2 ³ / ₈ /8-28-53	100	/	250,000	250,000	-	5,938	2.4 ¹ / ₄
Treasury Ctfs. of Indebtedness								
2,400M	1 ⁷ / ₈ /6-1-53	99.966	100.002	2,399,201	2,400,048	847	45,000	1.8
500M	2 ¹ / ₂ /2-15-54	100.140	100-4	500,703	500,625	78	11,250	2.1
Treasury Notes								
1,000M	2 ¹ / ₂ /12-1-53	100 ¹ / ₄	100-2	1,002,031	1,000,625	1,406	21,250	2.0
1,500M	1 ¹ / ₂ /12-15-55	100	98-25	1,500,000	1,481,719	18,281	26,250	2.2
Treasury Bonds								
1,770M	2 ¹ / ₂ /6-15-62/59	101-29	95-30	1,803,829	1,698,094	105,735	39,825	2.7
Savings Series "G" (At Par)								
50M	2 ¹ / ₂ /5-1-53	100	100	50,000	50,000	-	1,250	2.5
50M	2 ¹ / ₂ /1-1-54	100	100	50,000	50,000	-	1,250	2.5
50M	2 ¹ / ₂ /7-1-54	100	100	50,000	50,000	-	1,250	2.5
100M	2 ¹ / ₂ /1-1-55	100	100	100,000	100,000	-	2,500	2.5
100M	2 ¹ / ₂ /1-1-56	100	100	100,000	100,000	-	2,500	2.5
100M	2 ¹ / ₂ /4-1-57	100	100	100,000	100,000	-	2,500	2.5
100M	2 ¹ / ₂ /3-1-58	100	100	100,000	100,000	-	2,500	2.5
100M	2 ¹ / ₂ /1-1-59	100	100	100,000	100,000	-	2,500	2.5
100M	2 ¹ / ₂ /1-1-60	100	100	100,000	100,000	-	2,500	2.5
100M	2 ¹ / ₂ /4-1-61	100	100	100,000	100,000	-	2,500	2.5
100M	2 ¹ / ₂ /3-1-62	100	100	100,000	100,000	-	2,500	2.5
TOTAL U.S. GOVERNMENT BONDS & COMM'L PAPER				9,855,764	9,731,111	124,653	206,951	2.1 ¹ / ₂

/ Carried at Book Value. Discounted Notes.
 * Current Yield
 Note: Market at Bid Price.

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2.

Amount	Security	Book	Market 3/23/53	Book Value	Market Value	Apprec. or Deprec.	Est. Annual Income	Current Yield on Market
	<u>Railroad Bonds</u>							
100M	Missouri Pacific R.R. 1st & Ref. "H" 5/4-1-80 (Callable 105)	76 $\frac{1}{4}$	111 $\frac{1}{4}$ flat	76,233	111,250	35,017	5,000*	4.5
	<u>Public Utility Bonds</u>							
500M	Amer. Tel. & Tel. Conv.# Deb. 2 $\frac{3}{4}$ /12-15-61 (Callable 105)	105 $\frac{5}{8}$	114 $\frac{3}{4}$	527,968	573,750	45,782	13,750	2.4
	<u>Industrial Bonds</u>							
300M	Dome Exploration (Western) Ltd. Note Reg. 4/2-1-63 (Callable 100 Cdn.Fds.)	91	6	273,092	273,092	-	12,000	4.46
100M	Dow Chemical Co. Conv.* Sub. Deb. 3/7-1-82 (Callable 104 $\frac{1}{2}$)	101 $\frac{1}{2}$	106 $\frac{1}{4}$	101,477	106,250	4,773	3,000	2.8
200M	Warren Petroleum Corp. Conv./ Deb. 3 $\frac{1}{2}$ /10-1-66 (Callable 102 $\frac{3}{4}$)	103 $\frac{1}{8}$	114 $\frac{1}{8}$	206,164	228,250	22,086	7,000	3.1
	TOTAL INDUSTRIAL BONDS			580,733	607,592	26,859	22,000	3.6

* Interest received in excess 5% annually to be used to write down cost.

6 Carried at Book Value.

Convertible into Common Stock at 143.84. Current Market Common 158 $\frac{7}{8}$.

* Convertible into Common Stock at 48.38. Current Market Common 39 $\frac{7}{8}$.

/ Convertible into Common Stock at 34. Current Market Common 36 $\frac{3}{4}$.

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3.

PREFERRED STOCKS

Industrial & Miscellaneous

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 3/23/53</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous</u>			\$	\$	\$	\$	%
10,000	Arkansas Natural Gas Corp. 6% (\$10 Par) Cum. (Callable 10.60)	10 $\frac{3}{4}$	10 $\frac{5}{8}$	107,766	106,250	1,516	6,000	5.6
200	Christiana Securities Corp. 7% Cum. (Callable 120)	126 $\frac{3}{4}$	134	25,350	26,800	1,450	1,400	5.2
870	Food Machinery & Chemical Corp. 3 $\frac{1}{2}$ % Cum. Conv. # (Callable 101)	101 $\frac{1}{4}$	95	88,140	82,650	5,490	2,828	3.4
3,000	U.S. & Int'l. Securities \$5 Cum. 1st W.W. (Callable 105)	88 $\frac{1}{4}$	95 $\frac{1}{4}$	264,891	285,750	20,859	15,000	5.2
500	U.S. Rubber Co. 8% Non-Cum. First (Non-Callable)	159	142 $\frac{3}{4}$	79,475	71,375	8,100	4,000	5.6
TOTAL INDUSTRIAL & MISCELLANEOUS PREFERRED STOCKS				565,622	572,825	7,203	29,228	5.1

Convertible into Common stock at 47.84+. Current Market Common 39 $\frac{1}{4}$.

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4.

COMMON STOCKS

Public Utility - Electric

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 3/23/53</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Public Utility - Electric</u>			\$	\$	\$	\$	%
4,000	American Gas & Electric (\$1.50)	23 $\frac{5}{8}$	32	94,593	128,000	33,407	6,000	4.7
2,100	Carolina Power & Light (\$2.00)	31 $\frac{3}{4}$	42	66,641	88,200	21,559	4,200	4.8
4,000	Central & South West Corp. (\$1.00)	16 $\frac{1}{4}$	21 $\frac{5}{8}$	64,970	86,500	21,530	4,000	4.6
4,000	Columbus & Southern Ohio Electric (\$1.40)	23 $\frac{1}{8}$	26 $\frac{1}{4}$	92,744	105,000	12,256	5,600	5.3
1,500	Consumers Power (\$2.00)	31 $\frac{1}{2}$	37 $\frac{1}{2}$	47,259	56,250	8,991	3,000	5.3
2,000	Illinois Power (\$2.20)	31	41 $\frac{1}{8}$	61,902	83,250	21,348	4,400	5.3
1,500	Indianapolis Power & Light (\$2.00)	20 $\frac{1}{8}$	40 $\frac{3}{8}$	30,219	60,563	30,344	3,000	5.0
3,000	Kansas City Power & Light (\$1.60)	25 $\frac{1}{2}$	31 $\frac{1}{8}$	76,629	93,375	16,746	4,800	5.1
5,500	Middle South Utilities (\$1.40)	13 $\frac{1}{4}$	27 $\frac{3}{8}$	72,710	150,563	77,853	7,700	5.1
3,000	Niagara Mohawk Power (\$1.60)	24 $\frac{1}{8}$	28 $\frac{1}{8}$	72,283	84,375	12,092	4,800	5.7
3,000	Oklahoma Gas & Elec. (\$1.50)	26 $\frac{1}{8}$	28	78,464	84,000	5,536	4,500	5.4
2,000	Public Service Colorado (\$1.40)	19 $\frac{1}{4}$	31	38,573	62,000	23,427	2,800	4.5
3,000	Virginia Electric & Power (\$1.40)	20 $\frac{5}{8}$	26 $\frac{1}{2}$	62,004	79,500	17,496	4,200	5.3
TOTAL PUBLIC UTILITY - ELECTRIC COMMON STOCKS				858,991	1,161,576	302,585	59,000	5.1

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5.

COMMON STOCKS

Public Utility - Gas Pipeline

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 3/23/53</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Public Utility - Gas Pipeline</u>			\$	\$	\$	\$	%
#2,138	Alabama Gas (\$0.80)	#	15 $\frac{7}{8}$	#	33,955	33,955#	1,710	5.0
2,000	Atlanta Gas Light (\$1.20)	17 $\frac{3}{8}$	21 $\frac{1}{8}$	34,634	43,000	8,366	2,400	5.6
1,000	Consolidated Natural Gas (\$2.50)	41	56 $\frac{3}{4}$	40,974	56,750	15,776	2,500	4.4
3,000	National Fuel Gas (\$0.85)	10 $\frac{7}{8}$	16 $\frac{1}{4}$	32,655	48,750	16,095	2,550	5.2
4,500	Northern Natural Gas (\$1.80)	33 $\frac{1}{4}$	43 $\frac{1}{4}$	149,627	194,625	44,998	8,100	4.2
4,100	Panhandle Eastern Pipe Line (\$2.50)	27 $\frac{5}{8}$	83 $\frac{1}{4}$	111,155	341,325	230,170	10,250	3.0
1,200	Peoples Gas Light & Coke (\$6.00)	105 $\frac{5}{8}$	145 $\frac{1}{4}$	126,815	174,300	47,485	7,200	4.1
8,800	Southern Natural Gas (\$1.40)	14 $\frac{1}{8}$	28 $\frac{1}{8}$	124,681	247,500	122,819	12,320	5.0
3,600	Tennessee Gas Transmission (\$1.40)	9 $\frac{3}{8}$	25	33,967	90,000	56,033	5,040	5.6
5,000	United Gas Corp. (\$1.25)	13 $\frac{3}{8}$	29 $\frac{3}{8}$	65,730	146,875	81,145	6,250	4.3
TOTAL PUBLIC UTILITY - GAS PIPELINE								
COMMON STOCKS				720,238	1,377,080	656,842	58,320	4.2
GRAND TOTAL PUBLIC UTILITY COMMON STOCKS				1,579,229	2,538,656	959,427	117,320	4.6

To be received about April 2. Basis .24306sh. Alabama Gas for each share Southern Natural Gas.
 Fractional share $\frac{928}{1000}$ to be paid in cash. Ex-stock - March 13, 1953.

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6.

COMMON STOCKS

Industrial & Miscellaneous

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 3/23/53</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous</u>			\$	\$	\$	\$	%
	<u>Agricultural Implement</u>							
2,000	Deere & Co. (\$2.375)	22	28 $\frac{1}{4}$	43,966	56,500	12,534	4,750	8.4
	<u>Automobile</u>							
1,000	Studebaker (\$3.00)	23 $\frac{5}{8}$	39 $\frac{7}{8}$	22,592	39,875	16,283	3,000	7.5
	<u>Chemical</u>							
2,000	Allied Chemical & Dye (\$3.00)	42 $\frac{3}{8}$	75 $\frac{5}{8}$	84,855	151,250	66,395	6,000	4.0
10,000	Dow Chemical (\$1.00 ϕ)	29 $\frac{5}{8}$	39 $\frac{7}{8}$	294,302	398,750	104,448	10,000 ϕ	2.5 ϕ
5,000	duPont, E. I. (\$3.55)	36	98	179,881	490,000	310,119	17,750	3.6
1,500	Hooker Electrochemical (\$2.00)	29 $\frac{3}{8}$	63	43,969	94,500	50,531	3,000	3.2
3,500	Monsanto Chemical (\$2.50)	64 $\frac{3}{8}$	91 $\frac{1}{2}$	225,212	320,250	95,038	8,750	2.7
3,000	Pfizer (Chas.) (Del.) (\$1.15)	18	30	54,138	90,000	35,862	3,450	3.8
2,500	Union Carbide & Carbon (\$2.50)	25 $\frac{1}{2}$	69 $\frac{1}{2}$	63,829	173,750	109,921	6,250	3.6
	<u>Total Chemical</u>			946,186	1,718,500	772,314	55,200	3.2

ϕ Plus Stock Dividend.

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7.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 3/23/53</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous (Cont'd)</u>			\$	\$	\$	\$	%
	<u>Distilling</u>							
3,000	Distillers Corp. - Seagrams (\$1.70)	19 $\frac{1}{8}$	28	57,208	84,000	26,792	5,100	6.1
1,500	Walker (H.)-Gooderham & Worts(\$3.00)	37 $\frac{1}{2}$	47 $\frac{1}{2}$	56,166	71,250	15,084	4,500	6.3
	Total Distilling			113,374	155,250	41,876	9,600	6.2
	<u>Drug & Pharmaceutical</u>							
3,000	Kendall (\$2.25)	39 $\frac{7}{8}$	38 $\frac{3}{4}$	119,514	116,250	3,264	6,750	5.8
	<u>Finance</u>							
5,000	C.I.T. Financial (\$1.80)	21 $\frac{1}{8}$	28 $\frac{5}{8}$	105,773	143,125	37,352	9,000	6.3
	<u>Metal (Non-Ferrous)</u>							
4,400	Aluminium Ltd. (\$2.00)	32 $\frac{1}{8}$	50 $\frac{1}{4}$	141,617	221,100	79,483	8,800	4.0
9,450	American Metal Co., Ltd. (\$1.50)	10 $\frac{7}{8}$	25	103,213	236,250	133,037	14,175	6.0
4,000	American Smelting & Refining (\$3.00)	23 $\frac{3}{4}$	40 $\frac{1}{4}$	94,917	161,000	66,083	12,000	7.5
1,000	International Silver (\$4.00)	18	52 $\frac{5}{8}$	18,000	52,375	34,375	4,000	7.6
3,500	Kennecott Copper (\$6.00)	47 $\frac{1}{2}$	74 $\frac{7}{8}$	166,247	262,063	95,816	21,000	8.0
9,000	Newmont Mining (\$2.50)	28	50 $\frac{3}{4}$	252,390	456,750	204,360	22,500	4.96
	Total Metal (Non-Ferrous)			776,384	1,389,538	613,154	82,475	5.9

6 Plus Stock Dividend.

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8.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>3/23/53</u>	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Apprec.</u> <u>or</u> <u>Deprec.</u>	<u>Est.</u> <u>Annual</u> <u>Income</u>	<u>Current</u> <u>Yield on</u> <u>Market</u>
	<u>Industrial & Miscellaneous (Cont'd)</u>			\$	\$	\$	\$	%
	<u>Miscellaneous</u>							
1,000	American Research & Development(\$-)	29	23	29,000	23,000	6,000	-	-
7,500	General American Investors (\$0.60#)	17 $\frac{1}{2}$	26 $\frac{3}{4}$	130,847	200,625	69,778	4,500#	2.2#
3,000	Sunbeam (\$1.50)	8 $\frac{1}{2}$	32 $\frac{3}{4}$	25,370	98,250	72,880	4,500	4.6
	Total Miscellaneous			185,217	321,875	136,658	9,000	2.8
	<u>Office Equipment</u>							
1,030	Addressograph-Multigraph (\$3.00)	45 $\frac{7}{8}$	52 $\frac{1}{2}$	47,274	54,075	6,801	3,090	5.7
1,575	International Business Machines (\$4.00#)	58 $\frac{1}{4}$	243 $\frac{1}{2}$	91,741	383,513	291,772	6,300#	1.6#
	Total Office Equipment			139,015	437,588	298,573	9,390	2.1

♢ Plus Stock Dividend.

Capital Gains distribution to be used to write down cost of stock.
 Only ordinary income to be taken into income account.

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9.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 3/23/53</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield or Market</u>
				\$	\$	\$	\$	%
<u>Industrial & Miscellaneous (Cont'd)</u>								
<u>Oil & Natural Gas</u>								
2,000	Amerada Petroleum (\$3.00)	42 $\frac{1}{2}$	183	85,083	366,000	280,917	6,000	1.6
1,000	Columbian Carbon (\$2.25)	30 $\frac{1}{2}$	48 $\frac{1}{4}$	30,135	48,250	18,115	2,250	4.7
4,000	Continental Oil (Del.) (\$2.50)	24 $\frac{1}{2}$	57 $\frac{1}{2}$	97,843	230,000	132,157	10,000	4.3
6,240	Gulf Oil (\$2.00)	26 $\frac{1}{4}$	49	163,790	305,760	141,970	12,480	4.1
5,000	Louisiana Land & Expl. (\$2.50)	14	46 $\frac{7}{8}$	70,148	234,375	164,227	12,500	5.3
2,000	Phillips Petroleum (\$2.60)	25 $\frac{3}{8}$	66 $\frac{3}{4}$	50,700	133,500	82,800	5,200	3.9
1,000	Seaboard Oil (\$2.75)	54 $\frac{1}{4}$	82 $\frac{1}{4}$	54,189	82,250	28,061	2,750	3.3
2,500	Shell Oil (\$3.00)	29 $\frac{1}{2}$	68 $\frac{1}{4}$	73,849	170,625	96,776	7,500	4.4
4,400	Skelly Oil (\$3.25)	50 $\frac{1}{8}$	81 $\frac{1}{2}$	220,710	358,600	137,890	14,300	4.0
6,000	Standard Oil (Indiana) (\$2.50)	56 $\frac{3}{4}$	74 $\frac{1}{4}$	340,250	445,500	105,250	15,000	3.4
3,000	Standard Oil (N.J.) (\$4.25)	21 $\frac{1}{2}$	73 $\frac{1}{2}$	64,827	220,500	155,673	12,750	5.8
800	Superior Oil (Calif.) (\$3.00)	175 $\frac{1}{8}$	595	140,250	476,000	335,750	2,400	0.5
6,000	Texas Co. (\$3.00)	45 $\frac{7}{8}$	55 $\frac{3}{8}$	275,569	332,250	56,681	18,000	5.4
10,000	Tide Water Associated Oil (\$1.15)	21 $\frac{1}{8}$	25 $\frac{1}{4}$	218,433	252,500	34,067	11,500	4.6
2,000	United Carbon (\$2.50)	33 $\frac{3}{4}$	58	67,510	116,000	48,490	5,000	4.3
Total Oil & Natural Gas				1,953,286	3,772,110	1,818,824	137,630	3.6
<u>Paper</u>								
5,000	International Paper (\$3.00)	28 $\frac{3}{4}$	56	143,810	280,000	136,190	15,000	5.4
<u>Rayon & Textile</u>								
1,000	Industrial Rayon (\$3.00)	34 $\frac{7}{8}$	50	34,839	50,000	15,161	3,000	6.0

¢ Plus Stock Dividend.

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10.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>3/23/53</u>	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Apprec.</u> <u>or</u> <u>Deprec.</u>	<u>Est.</u> <u>Annual</u> <u>Income</u>	<u>Current</u> <u>Yield on</u> <u>Market</u>
				\$	\$	\$	\$	%
<u>Industrial & Miscellaneous (Cont'd)</u>								
<u>Retail Trade</u>								
1,500	Federated Dept. Stores (\$2.50)	9 $\frac{7}{8}$	44	14,844	66,000	51,156	3,750	5.7
2,000	Murphy, G.C. (\$2.00)	36	46	71,914	92,000	20,086	4,000	4.3
1,500	Sears Roebuck (\$2.75)	22 $\frac{3}{8}$	59 $\frac{7}{8}$	33,545	89,813	56,268	4,125	4.5
4,000	Simpsons Co., Ltd. (\$0.50)	13 $\frac{5}{8}$	16	54,677	64,000	9,323	2,000	3.1
Total Retail Trade				174,980	311,813	136,833	13,875	4.4
<u>Steel</u>								
3,500	Hanna (M.A.) Class "A" (\$10 Par)							
	Non-Voting (\$2.15)	46 $\frac{1}{2}$	71 $\frac{1}{2}$	162,700	250,250	87,550	7,525	3.0
1,500	Hanna (M.A.) Class "B"							
	(\$10 Par) (\$2.15)	41 $\frac{5}{8}$	73 $\frac{1}{2}$	62,396	110,250	47,854	3,225	2.9
Total Steel				225,096	360,500	135,404	10,750	3.0
<u>Tobacco</u>								
1,200	Universal Leaf Tobacco (\$1.70)	14 $\frac{3}{4}$	26 $\frac{1}{4}$	17,729	31,500	13,771	2,040	6.5
GRAND TOTAL INDUSTRIAL & MISCELLANEOUS COMMON STOCKS				5,002,761	9,184,424	4,181,663	371,460	4.0
GRAND TOTAL <u>ALL</u> COMMON STOCKS				6,581,990	11,723,080	5,141,090	488,780	4.2

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11.

SECURITIES OF NOMINAL VALUE

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>3/23/53</u>	<u>Book</u> <u>Value</u> \$	<u>Market</u> <u>Value</u> \$	<u>Apprec.</u> <u>or</u> <u>Deprec.</u> \$	<u>Est.</u> <u>Annual</u> <u>Income</u> \$	<u>Current</u> <u>Yield on</u> <u>Market</u> %
<u>Securities of Nominal Value</u>								
200 Units	Engineers Royalties, Inc. Unit #	$\frac{1}{2}\#$	$\frac{1}{2}\#$	100#	100#	-	#	#
1 sh	U.S. Electric Power Co. Common (\$-)	Gift	-	Carried at No Book Value		-	-	-
10 $\frac{10}{200}$ shs	Schulte, Retail Stores, Corp. (No Par) Common (\$-)	Gift	-	Carried at No Book Value		-	-	-
TOTAL SECURITIES OF NOMINAL VALUE				100	100	-	-	-

Gift. Unit consists of 1 share 7% Cum. (\$10 Par) Preferred Stock & 1 share No Par Common Stock. Company's valuation of 200 Units. Received payments in 1948, 1949, 1950, 1951 and January 1953 of \$70, \$65, \$35, \$70 and \$35 respectively.

THE INSTITUTE FOR ADVANCED STUDY
RECAPITULATION OF INVESTMENT HOLDINGS
As of September 30, 1953

	MARKET VALUE 9/30/53		ESTIMATED ANNUAL INCOME 9/30/53				INCREASE OR DECREASE 9/30/53		
	Amount	% of Total	Amount	% of Total	Current Market	Yield Book	Compared with Book - Same Date Book Value	Increase	Decrease
CASH - Uninvested *	\$ 223,373	1.0%	\$ -	- %	- %	- %	\$ 223,373	\$ -	\$ -
BONDS									
U.S. Gov't. Marketable & Comm'l Paper - Due Within 1 Yr.	6,215,047	27.5	160,063	19.7	2.6	2.6	6,200,273	14,774	
U.S. Gov't. Marketable - Other	3,209,306	14.2	66,075	8.1	2.1	2.0	3,302,008		92,702
U.S. Savings Series "G" (At Par)	900,000	4.0	22,500	2.8	2.5	2.5	900,000	-	-
Railroad	106,500	0.5	5,000	0.6	4.7	7.0	71,233	35,267	
Public Utility	304,375	1.3	15,500	1.9	5.1	5.3	294,400	9,975	
Industrial	580,592	2.6	22,000	2.7	3.8	3.8	580,484	108	
TOTAL BONDS	\$11,315,820	50.1%	\$291,138	35.8%	2.6 %	2.6 %	\$11,348,398		\$32,578
PREFERRED STOCKS									
Public Utility	30,825	0.1	1,650	0.2	5.4	5.5	30,000	825	
Industrial & Miscellaneous	471,775	2.1	26,825	3.3	5.7	5.4	494,979		23,204
TOTAL PREFERRED STOCKS	\$ 502,600	2.2%	\$ 28,475	3.5%	5.7 %	5.4 %	\$ 524,979		\$22,379
COMMON STOCKS									
Public Utility - Electric	1,094,026	4.8	61,360	7.5	5.6	7.2	857,673	236,353	
Public Utility-Gas Pipeline	1,223,175	5.4	60,265	7.4	4.9	8.0	749,640	473,535	
Industrial & Miscellaneous	8,133,240	36.1	367,645	45.3	4.5	7.3	5,007,205	3,126,035	
Bank & Insurance	-	-	-	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$10,450,441	46.3%	\$489,270	60.2%	4.7 %	7.4 %	\$ 6,614,518	\$3,835,923	
SECURITIES OF NOMINAL VALUE †	\$ 100	0.0%	\$ -	- %	- %	- %	\$ 100	\$ -	\$ -
REAL ESTATE MORTGAGES	\$ 8,550	0.0%	\$ 424	0.1%	5.0 %	5.0 %	\$ 8,550	\$ -	\$ -
PROFESSORS' HOMES - MTGES.	\$ 89,532	0.4%	\$ 3,581	0.4%	4.0 %	4.0 %	\$ 89,532	\$ -	\$ -
GRAND TOTAL	\$22,590,416	100.0%	\$812,888#	100.0%	3.60%	4.32%	\$18,809,450	\$3,780,966	

- † Reported by Treasurer's Office. D.J.I.A. - September 30, 1953-264.04.
 * Of which \$100,000 to be reserved for current expenditures.
 † Carried at Book Value. No market readily available.
 # Before amortization of premium on Bonds, estimated at \$5,300 annually.

Paul B. Wyant & Co.
 October 14, 1953

THE INSTITUTE FOR ADVANCED STUDY

Common Stocks
As of September 30, 1953

	<u>Book Value</u>		<u>Market Value</u>		<u>Appreciation or Depreciation</u>
	<u>Amount</u>	<u>Percent Total</u>	<u>Amount</u>	<u>Percent Total</u>	
Public Utility					
Electric	\$ 857,673	13.0%	\$ 1,094,026	10.5%	\$ 236,353
Gas Pipeline	749,640	11.3	1,223,175	11.7	473,535
Total Public Utility	(1,607,313)	(24.3)	(2,317,201)	(22.2)	(709,888)
Industrial & Miscellaneous					
Agricultural Implement	43,966	0.7	50,500	0.5	6,534
Automobile	23,592	0.4	22,000	0.2	1,592
Chemical	946,187	14.3	1,615,375	15.5	669,188
Distilling	113,374	1.7	149,625	1.4	36,251
Drug & Pharmaceutical	119,514	1.8	118,500	1.1	1,014
Finance	105,773	1.6	133,750	1.3	27,977
Metal (Non-Ferrous)	773,045	11.7	1,093,701	10.5	320,656
Miscellaneous	202,946	3.1	296,925	2.8	93,979
Office Equipment	139,015	2.1	416,613	4.0	277,598
Oil & Natural Gas	1,961,051	29.6	3,385,875	32.4	1,424,824
Paper	143,810	2.2	255,625	2.4	111,815
Rayon & Textile	34,839	0.5	38,875	0.4	4,036
Retail Trade	174,997	2.6	286,376	2.7	111,379
Steel	225,096	3.4	269,500	2.6	44,404
Total Industrial & Miscellaneous	(5,007,205)	(75.7)	(8,133,240)	(77.8)	(3,126,035)
 Total Common Stocks	 \$ 6,614,518	 100.0%	 \$10,450,441	 100.0%	 \$3,835,923

THE INSTITUTE FOR ADVANCED STUDY
Percent Common Stocks to All Investments
and
Dow-Jones Industrial Averages

Date	Market Value (000 omitted)			Common Stocks to all Investments	Dow-Jones Industrial Averages
	Common Stocks	Cash & Other Investments	All Investments		
6/30/42	\$ 1,356	\$ 5,838	\$ 7,194	18.9%	103.34
6/30/43	1,932	6,262	8,194	23.6	143.38
6/30/44	2,209	6,477	8,686	25.4	148.38
6/30/45	6,289	10,048	16,337	38.5	165.29
6/28/46	6,462	13,093	19,555	33.1	205.62
6/30/47	6,313	11,686	17,999	35.1	177.30
6/30/48	7,835	10,046	17,881	43.8	189.46
6/30/49	7,564	9,527	17,091	44.3	167.42
6/30/50	9,361	9,919	19,280	48.6	209.11
6/29/51	10,642	10,829	21,471	49.6	242.64
6/30/52	12,477	11,439	23,916	52.2	274.26
12/31/52	12,525	11,663	24,188	51.8	291.90
3/23/53	11,723	12,228	23,951	49.0	287.39
6/30/53	10,695	12,104	22,799	46.9	268.26
9/30/53	10,450	12,140	22,590	46.3	264.04

Paul B. Wyant & Co.

THE INSTITUTE FOR ADVANCED STUDY

1.

BONDS

U.S. Government & Comm'l Paper

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>9/30/53</u>	<u>Book</u> <u>Value</u> \$	<u>Market</u> <u>Value</u> \$	<u>Apprec.</u> <u>or</u> <u>Deprec.</u> \$	<u>Est.</u> <u>Annual</u> <u>Income</u> \$	<u>Maturity</u> <u>Yield on</u> <u>Market</u> %
<u>U.S. Government Bonds & Comm'l Paper</u>								
Commercial Credit Co.								
300M	2 $\frac{3}{4}$ /4-23-54	100	/	300,000	300,000	-	8,250	2.8 $\frac{1}{2}$
250M	2 $\frac{3}{4}$ /5-21-54	100	/	250,000	250,000	-	6,875	2.8 $\frac{1}{2}$
Commercial Investment Trust, Inc.								
600M	2 $\frac{1}{2}$ /12-29-53	100	/	600,000	600,000	-	15,000	2.5 $\frac{1}{2}$
General Motors Acceptance Corp.								
300M	2 $\frac{3}{4}$ /4-23-54	100	/	300,000	300,000	-	8,250	2.8 $\frac{1}{2}$
250M	2 $\frac{3}{4}$ /5-25-54	100	/	250,000	250,000	-	6,875	2.8 $\frac{1}{2}$
Industrial Acceptance Corp. Ltd.								
Secured Notes								
200M	3/10-14-53	100	U.S. (Not / Disc.)	200,000	200,000	-	6,000	3.0
250M	3 $\frac{1}{2}$ /3-29-54	100	/	250,000	250,000	-	8,125	3.3 $\frac{1}{2}$
Yellow Mfg. Acceptance Corp.								
400M	2 $\frac{5}{8}$ /1-7-54	100	/	400,000	400,000	-	10,500	2.6 $\frac{1}{2}$
Treasury Ctfs. of Indebtedness								
500M	2 $\frac{1}{4}$ /2-15-54	100.092	100-9	500,464	501,406	942	11,250	1.5
2,400M	2 $\frac{5}{8}$ /6-1-54	99.966	100-16	2,399,201	2,412,000	12,799	63,000	1.9
Treasury Notes								
750M	2 $\frac{3}{8}$ /12-1-53	100-3	100-7	750,608	751,641	1,033	15,938	0.8
1,500M	1 $\frac{3}{4}$ /12-15-55	100	99-4	1,500,000	1,486,875	13,125	26,250	2.1
Treasury Bonds								
1,770M	2 $\frac{1}{4}$ /6-15-62/59	101-26	97-10	1,802,008	1,722,431	79,577	39,825	2.6

/ Carried at Book Value. Discounted Notes
 Note: Market at Bid Price.

THE INSTITUTE FOR ADVANCED STUDY

2.

BONDS

U.S. Government & Comm'l Paper (Cont'd.)

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/53</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Maturity Yield on Market</u> %
<u>U.S. Government Bonds & Comm'l Paper (Cont'd.)</u>								
<u>Savings Series "G" (At Par)</u>								
50M	2 $\frac{1}{2}$ /1-1-54	100	100	50,000	50,000	-	1,250	2.5
50M	2 $\frac{1}{2}$ /7-1-54	100	100	50,000	50,000	-	1,250	2.5
100M	2 $\frac{1}{2}$ /1-1-55	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{2}$ /1-1-56	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{2}$ /4-1-57	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{2}$ /3-1-58	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{2}$ /1-1-59	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{2}$ /1-1-60	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{2}$ /4-1-61	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{2}$ /3-1-62	100	100	100,000	100,000	-	2,500	2.5
TOTAL U.S. GOVERNMENT BONDS & COMM'L PAPER				10,402,281	10,324,353	77,928	248,638	2.4*

* Current Yield.

THE INSTITUTE FOR ADVANCED STUDY

3.

		<u>BONDS</u>						
		<u>Railroad</u>			<u>Public Utility</u>		<u>Industrial</u>	
<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>9/30/53</u>	<u>Book</u> <u>Value</u> \$	<u>Market</u> <u>Value</u> \$	<u>Apprec.</u> <u>or</u> <u>Deprec.</u> \$	<u>Est.</u> <u>Annual</u> <u>Income</u> \$	<u>Maturity</u> <u>Yield on</u> <u>Market</u> %
	<u>Railroad Bonds</u>							
100M	Missouri Pacific R.R. 1st & Ref. "H" 5/4-1-80 (Callable 105)	71½	106½ flat	71,233	106,500	35,267	5,000 (a)	4.7%
	<u>Public Utility Bonds</u>							
5,000 Notes	Gulf Interstate Gas Co. \$20.00 Interim Notes 6/12-1-54 (b)	18½	18⅞	92,500	94,375	1,875	6,000	6.4%
100M	Southern Natural Gas Co. Conv. # S.F. Deb. 4½/6-1-73 (Callable 105)	100	106½	100,000	106,125	6,125	4,500	4.2
100M	Tennessee Gas Transmission Co. S.F. Deb. 5/9-1-73 (Callable 104.90)	101⅞	103⅞	101,900	103,875	1,975	5,000	4.7
	<u>TOTAL PUBLIC UTILITY BONDS</u>			294,400	304,375	9,975	15,500	5.1%
	<u>Industrial Bonds</u>							
300M	Dome Exploration (Western) Ltd. Note Reg. 4/2-1-63 (Callable 100 Cdn. Fds.)	91	ø	273,092	273,092	-	12,000	4.4%
100M	Dow Chemical Co. Conv. # Sub. Deb. 3/7-1-82 (Callable 104½)	101½	99¼	101,452	99,250	2,202	3,000	3.1
200M	Warren Petroleum Corp. Conv. / Deb. 3½/10-1-66 (Callable 102½)	103	104½	205,940	208,250	2,310	7,000	3.1
	<u>TOTAL INDUSTRIAL BONDS</u>			580,484	580,592	108	22,000	3.8%

* Current Yield.

ø Carried at Book Value.

Convertible into Common Stock at 28. Current Market Common 25¼.

§ Convertible into Common Stock at 48.38. Current Market Common 35⅞.

/ Convertible into Common Stock at 34. Current Market Common 31½.

(a) Interest received in excess 5% annually to be used to write down cost.

(b) Redeemable in Preferred Stock.

THE INSTITUTE FOR ADVANCED STUDY

4.

PREFERRED STOCKS

Public Utility
 Industrial & Miscellaneous

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/53</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
	<u>Public Utility</u>							
300	Northern Natural Gas Co. 5.50% Cum. S.F. (Callable 107½)	100	102¾	30,000	30,825	825	1,650	5.4
	<u>Industrial & Miscellaneous</u>							
12,000	Brown-Forman Distillers Corp. 4% (\$10 Par) Cum. Jr. (Callable 10¼ after 7/1/57)	6¼	6⅜	75,000	73,500	1,500	4,800	6.5
200	Christiana Securities Corp. 7% Cum. (Callable 120)	126¾	132	25,350	26,400	1,050	1,400	5.3
500	Food Machinery & Chemical Corp. 3¼% Cum. Conv. # (Callable 101)	100½	89	50,263	44,500	5,763	1,625	3.7
3,000	U.S. & Int'l. Securities \$5 Cum. 1st W.W. (Callable 105)	88¼	87	264,891	261,000	3,891	15,000	5.7
500	U.S. Rubber Co. 8% Non-Cum. First (Non-Callable)	159	132¾	79,475	66,375	13,100	4,000	6.0
	TOTAL INDUSTRIAL & MISCELLANEOUS PREFERRED STOCKS			<u>494,979</u>	<u>471,775</u>	<u>23,204</u>	<u>26,825</u>	<u>5.7</u>

Convertible into Common Stock at 47.84+. Current Market Common 34¾.

THE INSTITUTE FOR ADVANCED STUDY

5.

COMMON STOCKS

Public Utility - Electric

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/53</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Public Utility - Electric</u>			\$	\$	\$	\$	%
4,000	American Gas & Electric (\$1.64)	23 $\frac{5}{8}$	31 $\frac{3}{8}$	94,593	125,500	30,907	6,560	5.2
2,100	Carolina Power & Light (\$2.00)	31 $\frac{1}{4}$	39	66,641	81,900	15,259	4,200	5.1
4,000	Central & South West Corp. (\$1.00)	16 $\frac{1}{8}$	20 $\frac{5}{8}$	64,742	82,500	17,758	4,000	4.8
4,000	Columbus & Southern Ohio Electric (\$1.60)	23 $\frac{1}{8}$	25	92,744	100,000	7,256	6,400	6.4
1,500	Consumers Power (\$2.20)	31 $\frac{1}{2}$	38 $\frac{3}{8}$	47,259	57,563	10,304	3,300	5.7
2,000	Illinois Power (\$2.20)	31	37 $\frac{1}{4}$	61,902	74,500	12,598	4,400	5.9
1,500	Indianapolis Power & Light (\$2.20)	20 $\frac{1}{8}$	37 $\frac{1}{8}$	30,218	55,688	25,470	3,300	5.9
3,000	Kansas City Power & Light (\$1.60)	25 $\frac{1}{2}$	28 $\frac{5}{8}$	76,629	85,125	8,496	4,800	5.6
5,500	Middle South Utilities (\$1.40)	13 $\frac{1}{8}$	25 $\frac{1}{4}$	72,011	138,875	66,864	7,700	5.5
3,000	Niagara Mohawk Power (\$1.60)	24 $\frac{1}{8}$	26	72,283	78,000	5,717	4,800	6.2
3,000	Oklahoma Gas & Elec. (\$1.50)	26	25 $\frac{3}{4}$	78,074	77,250	824	4,500	5.8
2,000	Public Service Colorado (\$1.60)	19 $\frac{1}{4}$	31 $\frac{1}{4}$	38,573	62,500	23,927	3,200	5.1
3,000	Virginia Electric & Power (\$1.40)	20 $\frac{1}{8}$	24 $\frac{1}{8}$	62,004	74,625	12,621	4,200	5.6
TOTAL PUBLIC UTILITY - ELECTRIC COMMON STOCKS				857,673	1,094,026	236,353	61,360	5.6

THE INSTITUTE FOR ADVANCED STUDY

6.

COMMON STOCKS
Public Utility - Gas Pipeline

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>9/30/53</u>	<u>Book</u> <u>Value</u> \$	<u>Market</u> <u>Value</u> \$	<u>Apprec.</u> <u>or</u> <u>Deprec.</u> \$	<u>Est.</u> <u>Annual</u> <u>Income</u> \$	<u>Current</u> <u>Yield on</u> <u>Market</u> %
	<u>Public Utility - Gas Pipeline</u>							
2,000	Atlanta Gas Light (\$1.20)	17 $\frac{3}{8}$	20 $\frac{7}{8}$	34,633	41,750	7,117	2,400	5.7
1,000	Consolidated Natural Gas (\$2.50)	41	52 $\frac{3}{8}$	40,974	52,375	11,401	2,500	4.8
3,000	National Fuel Gas (\$1.00)	10 $\frac{7}{8}$	14 $\frac{5}{8}$	32,655	43,875	11,220	3,000	6.8
5,000	Northern Natural Gas (\$1.80)	33 $\frac{1}{4}$	36	166,357	180,000	13,643	9,000	5.0
4,100	Panhandle Eastern Pipe Line (\$2.50)	27 $\frac{1}{8}$	65 $\frac{1}{8}$	111,096	268,550	157,454	10,250	3.8
1,200	Peoples Gas Light & Coke (\$6.00)	105 $\frac{5}{8}$	131 $\frac{1}{2}$	126,815	157,800	30,985	7,200	4.6
10,000	Southern Natural Gas (\$1.40)	12 $\frac{3}{4}$	25 $\frac{1}{4}$	126,914	252,500	125,586	14,000	5.5
3,600	Tennessee Gas Transmission (\$1.40)	9 $\frac{3}{8}$	22	33,966	79,200	45,234	5,040	6.4
5,500	United Gas Corp. (\$1.25)	13 $\frac{7}{8}$	26 $\frac{3}{4}$	76,230	147,125	70,895	6,875	4.7
TOTAL PUBLIC UTILITY - GAS PIPELINE COMMON STOCKS				749,640	1,223,175	473,535	60,265	4.9
GRAND TOTAL PUBLIC UTILITY COMMON STOCKS				1,607,313	2,317,201	709,888	121,625	5.2

THE INSTITUTE FOR ADVANCED STUDY

7.

COMMON STOCKS

Industrial & Miscellaneous

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/53</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
	<u>Industrial & Miscellaneous</u>							
	<u>Agricultural Implement</u>							
2,000	Deere & Co. (\$2.00)	22	25 $\frac{1}{4}$	43,966	50,500	6,534	4,000	7.9
	<u>Automobile</u>							
1,000	Studebaker (\$3.00)	23 $\frac{5}{8}$	22	23,592	22,000	1,592	3,000	13.6
	<u>Chemical</u>							
2,000	Allied Chemical & Dye (\$3.00)	42 $\frac{3}{8}$	66 $\frac{5}{8}$	84,855	133,250	48,395	6,000	4.5
10,000	Dow Chemical (\$1.00 ϕ)	29 $\frac{3}{8}$	35 $\frac{5}{8}$	294,302	356,250	61,948	10,000 ϕ	2.8 ϕ
5,000	duPont, E.I. (\$3.55)	36	99 $\frac{1}{8}$	179,881	495,625	315,744	17,750	3.6
1,500	Hooker Electrochemical (\$2.00)	29 $\frac{3}{8}$	56	43,969	84,000	40,031	3,000	3.6
3,500	Monsanto Chemical (\$2.50)	64 $\frac{3}{8}$	82 $\frac{1}{2}$	225,213	288,750	63,537	8,750	3.0
3,000	Pfizer (Chas.) (Del.) (\$1.15)	18	31 $\frac{5}{8}$	54,138	95,625	41,487	3,450	3.6
2,500	Union Carbide & Carbon (\$2.50)	25 $\frac{1}{2}$	64 $\frac{3}{4}$	63,829	161,875	98,046	6,250	3.9
	Total Chemical			946,187	1,615,375	669,188	55,200	3.4

ϕ Plus Stock Dividend.

THE INSTITUTE FOR ADVANCED STUDY

8.

COMMON STOCKS
Industrial & Miscellaneous (Cont'd)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>9/30/53</u>	<u>Book</u> <u>Value</u> \$	<u>Market</u> <u>Value</u> \$	<u>Apprec.</u> <u>or</u> <u>Deprec.</u> \$	<u>Est.</u> <u>Annual</u> <u>Income</u> \$	<u>Current</u> <u>Yield on</u> <u>Market</u> %
	<u>Industrial & Miscellaneous (Cont'd)</u>							
	<u>Distilling</u>							
3,000	Distillers Corp. - Seagrams (\$1.70)	19 $\frac{1}{8}$	26	57,208	78,000	20,792	5,100	6.5
1,500	Walker (H.)-Gooderham & Worts (\$3.75)	37 $\frac{1}{2}$	47 $\frac{3}{4}$	56,166	71,625	15,459	5,625	7.9
	Total Distilling			113,374	149,625	36,251	10,725	7.2
	<u>Drug & Pharmaceutical</u>							
3,000	Kendall (\$2.25)	39 $\frac{7}{8}$	39 $\frac{1}{2}$	119,514	118,500	1,014	6,750	5.7
	<u>Finance</u>							
5,000	C.I.T. Financial (\$1.80)	21 $\frac{1}{8}$	26 $\frac{3}{4}$	105,773	133,750	27,977	9,000	6.7
	<u>Metal (Non-Ferrous)</u>							
4,400	Aluminium Ltd. (\$2.00)	31 $\frac{3}{8}$	43 $\frac{3}{4}$	138,278	192,500	54,222	8,800	4.6
9,450	American Metal Co., Ltd. (\$1.50)	10 $\frac{7}{8}$	19 $\frac{3}{4}$	103,213	186,638	83,425	14,175	7.6
4,000	American Smelting & Refining (\$2.00)	23 $\frac{3}{4}$	27 $\frac{3}{4}$	94,917	111,000	16,083	8,000	7.2
1,000	International Silver (\$4.00)	18	41	18,000	41,000	23,000	4,000	9.8
3,500	Kennecott Copper (\$6.00)	47 $\frac{1}{2}$	62 $\frac{3}{8}$	166,247	218,313	52,066	21,000	9.6
9,000	Newmont Mining (\$2.50)	28	38 $\frac{1}{4}$	252,390	344,250	91,860	22,500	6.5
	Total Metal (Non-Ferrous)			773,045	1,093,701	320,656	78,475	7.2

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9.

COMMON STOCKS
Industrial & Miscellaneous (Cont'd)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/53</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous (Cont'd)</u>			\$	\$	\$	\$	%
	<u>Miscellaneous</u>							
1,000	American Research & Development (\$-)	29	16 $\frac{1}{2}$	29,000	16,500	12,500	-	-
7,500	General American Investors (\$0.60#)	17 $\frac{1}{2}$	21 $\frac{1}{2}$	130,847	161,250	30,403	4,500#	2.8#
3,000	Sunbeam (\$1.50)	8 $\frac{1}{2}$	29 $\frac{1}{8}$	25,370	87,375	62,005	4,500	5.2
1,200	Universal Leaf Tobacco (\$1.70)	14 $\frac{3}{4}$	26 $\frac{1}{2}$	17,729	31,800	14,071	2,040	6.4
	Total Miscellaneous			202,946	296,925	93,979	11,040	3.7
	<u>Office Equipment</u>							
1,030	Addressograph-Multigraph (\$3.00¢)	45 $\frac{7}{8}$	51 $\frac{1}{4}$	47,274	52,788	5,514	3,090¢	5.9¢
1,575	International Business Machines (\$4.00¢)	58 $\frac{1}{4}$	231	91,741	363,825	272,084	6,300¢	1.7¢
	Total Office Equipment			139,015	416,613	277,598	9,390	2.3

¢ Plus Stock Dividend.

Capital Gains distribution to be used to write down cost of stock.
 Only ordinary income to be taken into income account.

THE INSTITUTE FOR ADVANCED STUDY

10.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd)

Shares	Security	Book	Market 9/30/53	Book Value	Market Value	Apprec. or Deprec.	Est. Annual Income	Current Yield on Market
	Industrial & Miscellaneous (Cont'd)			\$	\$	\$	\$	%
	<u>Oil & Natural Gas</u>							
2,000	Amerada Petroleum (\$3.00)	42 $\frac{1}{2}$	152	85,083	304,000	218,917	6,000	2.0
1,000	Columbian Carbon (\$2.00)	30 $\frac{1}{8}$	40 $\frac{1}{4}$	30,135	40,250	10,115	2,000	5.0
4,000	Continental Oil (Del.) (\$2.60)	24 $\frac{1}{2}$	50 $\frac{1}{2}$	97,843	202,000	104,157	10,400	5.1
6,240	Gulf Oil (\$2.00 ϕ)	26 $\frac{1}{4}$	42 $\frac{3}{4}$	163,791	266,760	102,969	12,480 ϕ	4.7 ϕ
5,000	Louisiana Land & Expl. (\$2.50)	14	46	70,148	230,000	159,852	12,500	5.4
2,000	Phillips Petroleum (\$2.60)	25 $\frac{3}{8}$	50 $\frac{1}{4}$	50,282	100,500	50,218	5,200	5.2
1,000	Seaboard Oil (\$2.50)	54 $\frac{1}{4}$	75	54,189	75,000	20,811	2,500	3.3
2,550	Shell Oil (\$3.00)	29	69 $\frac{1}{2}$	73,849	177,225	103,376	7,650	4.3
8,800	Skelly Oil (\$1.625 ϕ)	25 $\frac{1}{8}$	35	220,710	308,000	87,290	14,300 ϕ	4.6 ϕ
6,000	Standard Oil (Indiana) (\$2.50 ϕ)	56 $\frac{3}{8}$	67	340,250	402,000	61,750	15,000 ϕ	3.7 ϕ
3,120	Standard Oil (N.J.) (\$4.25)	23 $\frac{3}{8}$	68 $\frac{7}{8}$	73,009	214,890	141,881	13,260	6.2
800	Superior Oil (Calif.) (\$3.00)	175 $\frac{3}{8}$	570	140,250	456,000	315,750	2,400	0.5
6,000	Texas Co. (\$3.00)	45 $\frac{7}{8}$	50 $\frac{5}{8}$	275,569	303,750	28,181	18,000	5.9
10,000	Tide Water Associated Oil (\$1.15)	21 $\frac{3}{8}$	20 $\frac{1}{4}$	218,433	202,500	15,933	11,500	5.7
2,000	United Carbon (\$2.50)	33 $\frac{1}{4}$	51 $\frac{1}{2}$	67,510	103,000	35,490	5,000	4.9
Total Oil & Natural Gas				1,961,051	3,385,875	1,424,824	138,190	4.1
	<u>Paper</u>							
5,000	International Paper (\$3.00)	28 $\frac{3}{4}$	51 $\frac{1}{8}$	143,810	255,625	111,815	15,000	5.9
	<u>Rayon & Textile</u>							
1,000	Industrial Rayon (\$3.00 ϕ)	34 $\frac{7}{8}$	38 $\frac{7}{8}$	34,839	38,875	4,036	3,000 ϕ	7.7 ϕ

ϕ Includes 50 shs. to be received as 2% Stock Dividend, X-Divid. 9/15/53
 Payable 10/16/53
 ϕ Plus Stock Dividend

THE INSTITUTE FOR ADVANCED STUDY

11.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/53</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
<u>Industrial & Miscellaneous (Cont'd.)</u>								
<u>Retail Trade</u>								
1,500	Federated Dept. Stores (\$2.50)	9 $\frac{7}{8}$	36 $\frac{7}{8}$	14,844	55,313	40,469	3,750	6.8
2,000	Murphy, G.C. (\$2.00)	36	46 $\frac{1}{2}$	71,914	93,000	21,086	4,000	4.3
1,500	Sears Roebuck (\$2.75)	22 $\frac{3}{8}$	56 $\frac{3}{8}$	33,545	84,563	51,018	4,125	4.9
4,000	Simpsons Co., Ltd. (\$0.50)	13 $\frac{5}{8}$	13 $\frac{5}{8}$	54,694	53,500	1,194	2,000	3.7
Total Retail Trade				174,997	286,376	111,379	13,875	4.8
<u>Steel</u>								
3,500	Hanna (M.A.) Class "A" (\$10 Par) Non-Voting (\$2.00)	46 $\frac{1}{2}$	53	162,700	185,500	22,800	7,000	3.8
1,500	Hanna (M.A.) Class "B" (\$10 Par) (\$2.00)	41 $\frac{5}{8}$	56	62,396	84,000	21,604	3,000	3.6
Total Steel				225,096	269,500	44,404	10,000	3.7
GRAND TOTAL INDUSTRIAL & MISCELLANEOUS COMMON STOCKS				5,007,205	8,133,240	3,126,035	367,645	4.5
GRAND TOTAL <u>ALL</u> COMMON STOCKS				6,614,518	10,450,441	3,835,923	489,270	4.7

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SECURITIES OF NOMINAL VALUE

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>9/30/53</u>	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Apprec.</u> <u>or</u> <u>Deprec.</u>	<u>Est.</u> <u>Annual</u> <u>Income</u>	<u>Current</u> <u>Yield on</u> <u>Market</u>
				\$	\$	\$	\$	%
<u>Securities of Nominal Value</u>								
200 Units	Engineers Royalties, Inc.							
	Unit #	1/2#	1/2#	100#	100#	-	#	#
10 $\frac{10}{200}$ shs	Schulte, Retail Stores,							
	Corp. (No Par) Common (\$-)	Gift	-	Carried at No Book Value		-	-	-
1 sh	U.S. Electric Power Co.							
	Common (\$-)	Gift	-	Carried at No Book Value		-	-	-
TOTAL SECURITIES OF NOMINAL VALUE				100	100	-	-	-

Gift. Unit consists of 1 share 7% Cum. (\$10 Par) Preferred Stock & 1 share No Par Common Stock. Company's valuation of 200 Units. Received payments in 1948, 1949, 1950, 1951 and January 1953 of \$70, \$65, \$35, \$70 and \$35 respectively.

THE INSTITUTE FOR ADVANCED STUDY
RECAPITULATION OF INVESTMENT HOLDINGS
As of June 30, 1953

Budget?
Finance Com.

	MARKET VALUE 6/30/53		ESTIMATED ANNUAL INCOME 6/30/53			
	Amount	% of Total	Amount	% of Total	Current Yield Market	Book
CASH - Uninvested *	\$ 311,444	1.4%	\$ -	- %	- %	- %
<u>BONDS</u>						
U.S.Gov't. Marketable & Comm'l Paper - Due Within 1 Yr.	6,451,469	28.3	159,876	20.2	2.5	2.5
U.S.Gov't. Marketable - Other	3,147,037	13.8	66,075	8.4	2.1	2.0
U.S.Savings Series "G" (At Par)	900,000	3.9	22,500	2.8	2.5	2.5
Railroad	105,750	0.5	5,000	0.6	4.7	7.0
Public Utility	102,750	0.4	4,500	0.6	4.4	4.5
Industrial	585,717	2.6	22,000	2.8	3.8	3.8
TOTAL BONDS	\$11,292,723	49.5%	\$279,951	35.4%	2.5 %	2.5 %
<u>PREFERRED STOCKS</u>						
Public Utility	-	-	-	-	-	-
Industrial & Miscellaneous	401,950	1.8	22,025	2.8	5.5	5.2
TOTAL PREFERRED STOCKS	\$ 401,950	1.8%	\$ 22,025	2.8%	5.5 %	5.2 %
<u>COMMON STOCKS</u>						
Public Utility - Electric	1,043,501	4.6	60,260	7.6	5.8	7.0
Public Utility - Gas Pipeline	1,215,050	5.3	59,340	7.5	4.9	8.0
Industrial & Miscellaneous	8,436,238	37.0	365,460	46.2	4.3	7.3
Bank & Insurance	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$10,694,789	46.9%	\$485,060	61.3%	4.5 %	7.4 %
SECURITIES OF NOMINAL VALUE †	\$ 100	0.0%	\$ -	- %	- %	- %
REAL ESTATE MORTGAGES	\$ 8,700	0.0%	\$ 435	0.0%	5.0 %	5.0 %
PROFESSORS' HOMES - MTGES.	\$ 89,532	0.4%	\$ 3,581	0.5%	4.0 %	4.0 %
GRAND TOTAL	\$22,799,238	100.0%	\$791,052#	100.0%	3.47%	4.20%

INCREASE OR DECREASE 6/30/53		
Compared with Book - Same Date		
Book Value	Increase	Decrease
\$ 311,444	\$ -	\$ -
6,450,475	994	154,971
3,302,008	-	-
900,000	-	-
71,233	34,517	-
100,000	2,750	-
580,484	5,233	-
\$11,404,200		\$111,477
-	-	-
419,979		18,029
\$ 419,979		\$ 18,029
857,672	185,829	
739,200	475,850	
4,999,023	3,437,215	
-	-	-
\$ 6,595,895	\$4,098,894	
\$ 100	\$ -	\$ -
\$ 8,700	\$ -	\$ -
\$ 89,532	\$ -	\$ -
\$18,829,850	\$3,969,388	

† Reported by Treasurer's Office. D.J.I.A. - June 30, 1953 - 268.26
 * Of which \$100,000 to be reserved for current expenditures.
 † Carried at Book Value. No market readily available.
 # Before amortization of premium on Bonds, estimated at \$5,400 annually.

Paul B. Wyant & Co.
 July 6, 1953

PAUL B. WYANT & CO.
WOOLWORTH BUILDING
233 BROADWAY
NEW YORK 7, N. Y.
CORTLANDT 7-1137

PAUL B. WYANT
JOHN W. BRISTOL
ATWOOD O. PETERSON

April 16, 1952

Copy to Mr. Maass
Mr. Schaap
Mr. Strauss
Mr. Oppenheimer
Mr. Rosenwald
Mr. Hancock
Mr. Linder
Mr. Lamont
Mr. Schur

THE INSTITUTE FOR ADVANCED STUDY

THE KENDALL COMPANY

Common Stock (\$2.50) at 41 to yield 6.1%

Memo to Mr. Leidesdorf:

Attached is a memorandum on The Kendall Company.

Although Kendall "has its roots in cotton textiles", a large portion of its revenue is derived from relatively depression-proof specialty lines with wide profit margins. This Company and Johnson & Johnson represent the two largest suppliers of surgical dressings and allied textile lines in the country. The Company's business is well integrated and consists of a grey goods division with seven cotton mills, a finishing operation, and the Bauer & Black division. "Tobacco cloth", the main product of the grey division is used as a base for surgical dressings, sanitary napkins, cheesecloth, diapers, and in farming as seed bed covering. Other products include interlinings for suits and collars, linings for book bindings, as well as the more standard textiles such as poplins, print cloth, and sheeting.

Bauer & Black "Curity" surgical dressings are better known to hospitals and physicians than to the public, which is more familiar with the Johnson & Johnson trademark. However, the Company has embarked on a substantial promotion campaign designed to push its retail bandage and surgical dressing business, an example being the new plastic bandage "Curad". The Bauer & Black division also makes elastic webbing products designed for support and protection, adhesive tapes, and the Blue Jay line of foot products.

Kendall has an excellent growth record. Sales have consistently expanded since organization and have averages \$82.4 million in the post-war period compared with \$24 million in the pre-war years, 1936-1940. Book value of the common has increased over eight times from \$4.85 in 1936 to \$41.00 at the close of 1951. The significance of book value in this case is more impressive when it is considered that average earnings of \$7.79 per share for the past five years represent an average return of 24% on the common equity. The Company carries its net fixed assets at a figure less than the actual capital expenditures in the last four years.

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Kendall's excellent operating results for 1951 demonstrate the extent to which the Company has succeeded in divorcing itself from the usual cyclical swings of the textile industry. It is believed that no more than 25-30% of the total business is subject to the competition usually associated with the textile industry, and the managements efforts appear to be directed towards further reducing this proportion.

Hedging of cotton purchases, the use of LIFO accounting, and a relatively rapid inventory turnover, all tend to minimize the effect on earnings of any unsettlement in raw material prices.

Despite substantial capital expenditures in the post-war years the Company's financial position is strong, working capital having increased from \$16 million to \$24 million since 1946, while debt and preferred stock have been reduced. In the past five years alone Kendall has retained and reinvested earnings to the extent of \$27.33 per share of common, only 29% of earnings having been paid out in dividends. Since capital expenditures for 1952 are expected to drop well below the average of recent years and earnings should not be materially lower than the \$6.29 per share reported in 1951 the \$2.50 indicated dividend ratio appears well protected and could even be increased.

Attention is invited to the statistical comparison of the relative value of Kendall Company and Johnson & Johnson, appearing on page 6 of the memorandum.

Selling at 41 the stock is 6.5 times last years earnings, and 5.3 times average earnings for the past five years of \$7.79 per share. This, coupled with a favorable yield of 6.1%, appears to be an over-conservative market appraisal of a company with the demonstrated growth characteristics of Kendall.

I suggest the Committee consider favorably the purchase of 3,000 shares Kendall Company Common Stock.

JWB/lp

Paul B. Wyant & Co.

PAUL B. WYANT & CO.

WOOLWORTH BUILDING
233 BROADWAY
NEW YORK 7, N. Y.

PAUL B. WYANT
JOHN W. BRISTOL
ATWOOD O. PETERSON

CORTLANDT 7-1137

April 15, 1952

THE KENDALL COMPANY

Common Stock (\$2.50) at 41 to yield 6.1%

Capitalization

	Balance Sheet 12/31/51	
Funded Debt	\$ 3,500,000	9%
\$4.50 Preferred	3,718,500	9
Common Equity (800,000 shares)	32,782,285 *	82
	<u>\$40,000,785</u>	<u>100%</u>

* Market Value: \$32,800,000

The Kendall Company is a vertically integrated manufacturer of products which are sold in two general fields of business, (1) commercial textile field, and (2) the hospital and the consumer surgical dressings field. Products sold in the first field comprise a wide variety of cotton textile grey and finished cloth products. Those in the second field comprise a comprehensive line of surgical dressings and related products broadly defined as professional rather than commercial products.

Conduct of the business is decentralized into three operating divisions, each with its own specialized management, (1) Kendall Mills Grey, (2) Kendall Mills Finishing, and (3) Bauer & Black (surgical dressings). These divisions operate both as independent and as interdependent units. The seven cotton mills, for example, producing half a billion yards of grey (unbleached) cloth yearly, find an outlet for the greater part of their output through the Finishing and Bauer & Black divisions and dispose of the smaller part in the grey to tobacco growers as seed bed covers and to selected industrial customers, through their own sales force.

It is estimated that about one-half of Kendall's output reaches the ultimate consumer under the Company's own brand names as surgical dressings, elastic goods, sutures, and foot products. While the Company is relatively unknown to the public other labels like "Curity", "Bauer & Black", "Bike" and "Blue Jay" have wide acceptance. About one-half of the remaining non-brand output of the Company has specialty usage so that it would appear that not more than 30% of their total business is subject

The Kendall Company

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to the cyclical swings usually associated with the textile industry. This would seem to have been confirmed by the excellent relative showing of Kendall during the past year of depressed conditions in the textile industry.

Kendall Mills Grey Division

Six of the seven Kendall Cotton Mills (all located in the Carolinas) specialize in the weaving of "tobacco cloth", the textile trade designation for the low-count fabric which is the base material for surgical gauze, sanitary napkin gauze, cheesecloth and many clothing trade and industrial products. The two largest mill units, the Pelzer Mills, make heavier and finer cloths, which include gauze diaper cloth, broadcloth, poplin, wide sheeting and print cloths. Kendall is the largest producer of tobacco cloth and also dominates the field of both disposable and standard baby diapers. The Company is one of the leaders in lightweight wide sheeting, part of which is converted into finished sheets and pillow cases sold under the Pelzer trade-mark. The types of cotton textiles produced by the Company have not been affected to a noticeable degree by synthetic fibers.

In connection with the operations of this division the Company has followed a policy of hedging against fluctuations in the price of cotton.

The Kendall Mills Finishing Division

The finishing division, as its name indicates, converts grey cloth and cotton into a wide variety of finished fibers. Normally about 75% of its grey cloth is supplied by Kendall Cotton Mills, with the balance purchased in the open market. Two of the finishing plants at Walpole and Griswoldville, Massachusetts specialize in the conversion of lightweight cloths, primarily tobacco cloth, into surgical gauze, cheesecloth, sanitary napkin gauze, diapers, absorbent cotton and bandage cloth. Other important textile products are interlinings for the clothing trade, book binding cloth, buntings, pharmaceutical cotton and milk filters. Approximately 25% of the output is distributed or further converted by the Bauer & Black division. The remainder is sold to other manufacturers or distributed through wholesale or retail outlets principally under the trade names, "Curity" and "Kendall". The Company is one of the largest producers in the country of cheesecloth, gauze diapers, sanitary napkin gauze and finished tobacco cloths.

A promising specialty called "WEBRIL", a non-woven fabric, has been developed by the Kendall research laboratories. Because of its excellent absorbent qualities and freedom from lint, it is expected to find important use in surgical dressings, surgical sponges, and milk and oil filters.

A third finishing plant at Slatersville, Rhode Island, finishes curtain fabrics, poplins, broadcloths and interlinings and also conducts a commercial bleaching, dyeing and finishing business.

The Kendall Company

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Bauer & Black Division

The Bauer & Black division manufactures surgical dressings and allied products at its main plant in Chicago, and elastic webbing products at its Bike Web plant in South Bend, Indiana. The products of this division are distributed primarily through its own sales organization, directly to hospitals and to surgical supply dealers, and through drug wholesalers. The Bike Web line of athletic products are also distributed through sporting goods dealers.

The principal products of this division are "Curity" medicated and absorbent gauze dressings, absorbent cotton, surgical sutures, medicated and adhesive plasters. Kendall shares a position about equal or slightly larger than Johnson and Johnson in hospital dressings but has a relatively weaker standing in the proprietary or retail business. The Company's current emphasis is on obtaining a larger foothold in the household or retail market. One of the important research and sales developments in 1951 was the introduction of the Curad plastic bandage. This bandage with many new characteristics including a new medication has received a favorable response by consumers and the drug trade. Extensive sales and promotional programs have been undertaken to launch this product and to support the entire line of consumer surgical dressings.

The Bike Web plant produces an extensive line of elastic products including suspensories, athletic supporters, elastic stockings and bandages. A new and growing Bauer & Black activity is its Industrial Tape division which manufactures a line of pressure-sensitive adhesive tapes for automobile, aircraft and other industrial uses. "Blue Jay" corn plasters and supplementary foot products and "Bike" supporters and webbing products enjoy an established reputation and a wide distribution. Recently the Company organized a separate "Blue Jay" products division to distribute the foot products line formerly merchandised through the Bauer & Black division.

While the Company competes with a number of other concerns in the products of the Bauer & Black Division, it is one of the two largest suppliers of surgical dressings and allied products in the country and is the largest supplier of elastic goods made from elastic webbing.

The Bauer & Black Division is estimated to account for 40% - 45% of the Company's aggregate sales. Moreover the surgical dressings and allied products business has been a stable and growing one, little subject to the wide fluctuations in demand characteristic of so many textile products.

Operating Record

Kendall has demonstrated a strong earning power, having reported a profit after taxes in every year except one since 1928. With the exception of 1938 common dividends have been paid regularly since 1935.

The Kendall Company

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16 Year Operating Record

<u>Dec. 31</u>	<u>Net Sales</u> (000)	<u>Pre-Tax Earnings</u> (000)	<u>% of Sales</u>	<u>Net Profit</u> (000)	<u>Per Share Common</u>		
					<u>Earn.</u>	<u>Div.</u>	<u>Range</u>
1936	\$21,872	\$ 1,330	6.1%	\$1,026	\$ 1.05	\$0.25	6 $\frac{5}{8}$ - 2 $\frac{1}{2}$
1937	27,071	559	2.1	480	0.37	0.25	12 $\frac{1}{4}$ - 5 $\frac{1}{4}$
1938	21,598	255	1.2	151	0.04	-	4 $\frac{3}{4}$ - 2 $\frac{1}{4}$
1939	24,887	1,239	5.0	949	0.96	0.12 $\frac{1}{2}$	6 $\frac{1}{2}$ - 2 $\frac{1}{2}$
1940	25,460	1,179	4.6	846	0.84	0.25	5 - 3
1941	39,889	2,676	6.7	1,150	1.22	0.25	7 - 4
1942	53,359	6,466	12.1	1,472	1.62	0.25	4 - 3 $\frac{1}{4}$
1943	56,520	5,285	9.3	1,318	1.43	0.25	5 - 3 $\frac{3}{4}$
1944	49,616	3,659	7.2	975	1.00	0.25	6 $\frac{3}{4}$ - 4 $\frac{1}{4}$
1945	46,403	3,041	6.5	927	0.94	0.25	11 $\frac{3}{4}$ - 5 $\frac{1}{4}$
1946	57,427	5,753	10.0	3,382	4.00	0.75	18 $\frac{1}{2}$ - 9 $\frac{1}{4}$
1947	75,187	11,855	15.7	6,877	8.55	1.50	21 - 10 $\frac{1}{2}$
1948	80,964	14,410	17.8	8,719	10.68	2.37 $\frac{1}{2}$	27 - 17
1949	70,986	8,209	11.6	5,123	6.19	2.15	29 - 21
1950	88,298	10,830	12.3	5,962	7.24	2.60	42 - 26
1951	96,580	10,966	11.3	5,202	6.29	2.50	47 - 38
<u>Average</u>							
1936-40	\$24,178	\$ 912	3.8%	\$ 691	\$ 0.64	\$0.17 $\frac{1}{2}$	7 - 3 $\frac{1}{4}$
1947-51	\$82,403	\$11,254	13.6%	\$6,377	\$ 7.79	\$2.22	33 - 22

Kendall's position with regard to excess profits taxes is relatively favorable. Based on a normal tax rate of 52% Kendall can earn approximately \$6.20 per share before any excess profits tax applies.

1952 Prospects

While the immediate outlook for the textile business is not encouraging, the degree to which Kendall has divorced itself from the industry's wide swings has already been demonstrated. The Company has recently reported some improvement in demand and the restoration of southern cotton mill schedules to a three-shift five-day operation. This plus the increasing acceptance of Kendall's specialized lines, particularly the "Curad" plastic bandage, indicates that sales may show a moderate gain this year. However profit margin will probably be lower due to reduced textile prices, higher wage costs and continued heavy promotion expenses of consumer products. While the latter may reduce earnings somewhat it would appear sound policy to strengthen that phase of Kendall's business which promises to contribute the most in future years and to do so when high income and excess profits taxes make the expenditure least burdensome.

The Kendall Company

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4/15/52

While it is too early to estimate Kendall's 1952 earnings with any degree of accuracy, we would expect them to fall somewhere between \$5.50 and \$6.00 per share (vs. \$6.29 in 1951). The 1951 dividend of \$2.50 will be well protected and, in the absence of heavy capital expenditures might even be increased.

Financial Position

The retention of a large percentage of earnings in recent years has enabled the Company to build up a strong working capital position, despite sizable expenditures for plant extension and improvements.

A noteworthy feature has been the depreciation policy followed by the management, fixed assets having been written down some 51% to \$14.7 million, a conservative amount considering that capital expenditures totaled over \$16.6 million during the last five years.

The book value of the common stock of \$41.00 per share is $8\frac{1}{2}$ times the book value at the close of 1936 (\$4.85 per share). In this case asset value has much significance, in view of the consistently high rate of earnings realized on invested capital.

The trend of principal balance sheet items at five year intervals can be seen in the following table:

<u>Balance Sheet Data</u>					
(000)					
	1936	1941	1946	1951	
<u>Working Capital</u>					
Cash & equivalent	\$1,694	\$2,534	\$ 3,918	\$ 5,438	
Receivables	2,831	5,097	6,058	8,619	
Inventories	7,507	9,043	11,239	17,541	
Total Current Assets	12,032	16,674	21,214	31,598	
Current Liabilities	6,807	7,815	5,133	7,581	
NET CURRENT ASSETS	\$5,226	\$8,859	\$16,081	\$24,017	
(Net C.A. per share)	(-)	(\$1.70)	(\$9.52)	(\$21.00)	
<u>Fixed Assets</u>					
Property Account - Gross	\$12,496	\$13,738	\$15,755	\$29,916	
Net	5,275	3,778	2,731	14,671	
<u>Invested Capital</u>					
Debt	\$ 4,005	\$ 4,565	\$ 4,500	\$ 3,500	
Preferred Stock	3,366	2,938	3,963	3,718	
Common Equity	3,874	5,563	10,941	32,782	
Total Capital	\$11,245	\$13,066	\$19,404	\$40,000	
Book Value Common	\$4.85	\$6.95	\$13.67	\$41.00	
% Earned on Capital	11.6%	10.0%	18.1%	13.4%	

The Kendall Company

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4/15/52

Brief Comparison of Kendall Co. and Johnson & Johnson

The investor has consistently paid a higher multiple of earnings for Johnson & Johnson than for Kendall Company. This divergence has not been rewarded by any of the usual measures of return to the investor. While the substantially superior operating performance of Kendall in 1951 has been followed by a market decline of 27% from the high for Johnson & Johnson versus only 13% for Kendall the still wide divergence in investor appraisal appears substantially out of line with underlying values. The following brief comparisons, based on current market prices, reflect this.

<u>Per Share</u>	<u>Kendall</u>	<u>Johnson & Johnson</u>
Current Price	41	61
1951-52 Range	47 - 38	83 - 59
1951 Earnings	\$6.29	\$3.78
1947-51 Average Earnings	\$7.79	\$4.77
Price-Earnings Ratio	6.5 Times	16.1 Times
% Earned on Common Equity	15.3%	10.1%

Per \$100 Invested at current market price

Number of Shares	2.44	1.64
<u>Earnings</u>		
1951	\$15.35	\$ 6.20
1950	\$17.66	\$10.64
1947-51 Average	\$19.00	\$ 7.82
<u>Dividends</u>		
1951	\$ 6.10	\$ 1.80 (\$7.54 ¢)
1950	\$ 6.34	\$ 3.28
1947-51 Average	\$ 5.42	\$ 1.79 (\$4.12 ¢)
<u>Asset Values</u>		
Book Value	\$100.04	\$61.66
Net Current Assets	\$ 51.24	\$25.75
Retained Earnings - 1947-51 *	\$ 66.68	\$22.71

* Representing the increase in book value from December 31, 1946 to December 31, 1951.

¢ Adjusted to include 5% stock dividends at market price at time of payment.

The Kendall Company

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4/15/52

Management

Of the 800,000 shares of common stock outstanding it is believed that only 200,000 to 300,000 shares are in public hands, with the balance held by Mr. Kendall, the Bauer & Black interests and four other directors (or their families) who have been associated with the Company for more than thirty years.

Directors are:

Henry P. Kendall - Chairman of the Board
L. H. Ballou - Chairman of the Finance Committee
H. R. Lane - Chairman of the Executive Committee
R. R. Higgins - President & Treasurer
John A. Lunn - Vice President (Manufacturing)
Harold T. Marshall - Vice President (Sales)
J. A. Valentine - Secretary
John M. Foster - General Counsel
H. K. Hallett

April 15, 1952

Paul B. Wyant & Co.

THE INSTITUTE FOR ADVANCED STUDY
RECAPITULATION OF INVESTMENT HOLDINGS
As of March 31, 1952

	MARKET VALUE 3/31/52		ANNUAL INCOME RATE 3/31/52				INCREASE OR DECREASE 3/31/52		
	Amount	% Total	Amount	% Total	% Yield On Mkt.	% Yield On Book	Book Value #	Increase	Decrease
CASH - Uninvested	\$ 400,000	1.7%	\$ -	- %	- %	- %	\$ 400,000	\$ -	\$ -
BONDS									
U.S.Gov't. Marketable & Comm'l Paper - Due Within 1 Yr.	3,452,515	14.6	70,063	8.4	2.0	2.0	3,449,200	3,315	
U.S.Gov't. Marketable-Other	3,227,184	13.6	66,075	7.9	2.0	2.0	3,307,471		80,287
U.S.Savings Series "G"(At Par)	950,000	4.0	23,750	2.8	2.5	2.5	950,000	-	-
Railroad	149,125	0.6	7,125	0.8	4.8	5.3	135,215	13,910	
Public Utility	709,188	3.0	20,850	2.5	2.9	3.1	678,987	30,201	
Industrial	198,250	0.8	6,500	0.8	3.3	3.4	193,281	4,969	
TOTAL BONDS	\$ 8,686,262	36.6%	\$194,363	23.2%	2.2 %	2.2 %	\$ 8,714,154		\$27,892
PREFERRED STOCKS									
Public Utility	285,375	1.2	12,750	1.5	4.5	4.6	276,699	8,676	
Industrial & Miscellaneous	1,747,777	7.4	82,479	9.8	4.7	4.8	1,716,856	30,921	
TOTAL PREFERRED STOCKS	\$ 2,033,152	8.6%	\$ 95,229	11.3%	4.7 %	4.8 %	\$ 1,993,555	\$ 39,597	
COMMON STOCKS									
Public Utility - Elec. & Other	928,370	3.9	51,750	6.2	5.6	6.9	753,824	174,546	
Public Utility - Natural Gas	1,303,413	5.5	54,100	6.4	4.2	7.0	769,362	534,051	
Industrial & Miscellaneous	10,266,728	43.3	439,001	52.3	4.3	8.5	5,143,018	5,123,710	
Bank & Insurance	-	-	-	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$12,498,511	52.7%	\$544,851	64.9%	4.4 %	8.2 %	\$ 6,666,204	\$5,832,307	
SECURITIES OF NOMINAL VALUE /	\$ 100	0.0%	\$ -	- %	- %	- %	\$ 100	\$ -	\$ -
REAL ESTATE MORTGAGES	\$ 34,793	0.1%	\$ 1,566	0.2%	4.5 %	4.5 %	\$ 34,793	\$ -	\$ -
PROFESSORS' HOMES - MTGES.	\$ 78,584	0.3%	\$ 3,143	0.4%	4.0 %	4.0 %	\$ 78,584	\$ -	\$ -
GRAND TOTAL	\$23,731,402	100.0%	\$839,152#	100.0%	3.54%	4.70%	\$17,887,390	\$5,844,012	

* Reported by Treasurer's Office.

/ Carried at Book Value. No market readily available.

Before amortization of premium on Bonds, estimated at \$7,200 annually.

D.J.I.A. - March 31, 1952 - 269.46.

Paul B. Wyant & Co.
 April 14, 1952

THE INSTITUTE FOR ADVANCED STUDY
RECAPITULATION OF INVESTMENT HOLDINGS
As of September 30, 1952

	MARKET VALUE 9/30/52		ESTIMATED ANNUAL INCOME 9/30/52				INCREASE OR DECREASE 9/30/52		
	Amount	% of Total	Amount	% of Total	Current Yield		Compared with Book - Same Date		
					Mkt.	Book	Book Value	Increase	Decrease
CASH - Uninvested	\$ 189,808*	0.8%	\$ -	- %	- %	- %	\$ 189,808	\$ -	\$ -
BONDS									
U.S. Gov't. Marketable & Comm'l Paper - Due Within 1 Yr.	3,449,319	14.8	70,813	8.2	2.1	2.1	3,449,200	119	
U.S. Gov't. Marketable - Other	3,187,894	13.7	66,075	7.6	2.1	2.0	3,305,650		117,756
U.S. Svgs. Series "G" (At Par)	950,000	4.1	23,750	2.7	2.5	2.5	950,000	-	-
Railroad	141,375	0.6	7,125	0.8	5.0	5.7	125,215	16,160	
Public Utility	707,963	3.0	20,850	2.4	2.9	3.1	677,174	30,789	
Industrial	676,217	2.9	25,000	2.9	3.7	3.7	674,261	1,956	
TOTAL BONDS	\$ 9,112,768	39.1%	\$213,613	24.6%	2.3 %	2.3 %	\$ 9,181,500		\$ 68,732
PREFERRED STOCKS									
Public Utility	298,375	1.3	12,750	1.5	4.3	4.6	276,699	21,676	
Industrial & Miscellaneous	1,745,088	7.5	82,350	9.5	4.7	4.8	1,714,909	30,179	
TOTAL PREFERRED STOCKS	\$ 2,043,463	8.8%	\$ 95,100	11.0%	4.7 %	4.8 %	\$ 1,991,608	\$ 51,855	
COMMON STOCKS									
Public Utility - Electric	999,438	4.3	53,150	6.1	5.3	7.1	750,891	248,547	
Public Utility - Gas Pipeline	1,234,700	5.3	57,510	6.7	4.7	7.5	768,658	466,042	
Industrial & Miscellaneous	9,670,297	41.4	441,865	51.1	4.6	8.4	5,272,529	4,397,768	
Bank & Insurance	-	-	-	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$11,904,435	51.0%	\$552,525	63.9%	4.6 %	8.1 %	\$ 6,792,078	\$5,112,357	
SECURITIES OF NOMINAL VALUE †	\$ 100	0.0%	\$ -	- %	- %	- %	\$ 100	\$ -	\$ -
REAL ESTATE MORTGAGES	\$ 9,300	0.0%	\$ 465	0.1%	5.0 %	5.0 %	\$ 9,300	\$ -	\$ -
PROFESSORS' HOMES - MTGES.	\$ 80,670	0.3%	\$ 3,227	0.4%	4.0 %	4.0 %	\$ 80,670	\$ -	\$ -
GRAND TOTAL	\$23,340,544	100.0%	\$864,930#	100.0%	3.71%	4.74%	\$18,245,064	\$5,095,480	

‡ Reported by Treasurer's Office.

D-J-I-A. - September 30, 1952 - 270.61

* \$100,000 to be reserved for current expenditures.

† Carried at Book Value. No market readily available.

Before amortization of premium on Bonds, estimated at \$7,770 annually.

Paul B. Wyant & Co.
 October 20, 1952

THE INSTITUTE FOR ADVANCED STUDY

Common Stocks

As of September 30, 1952

	<u>Book Value</u>		<u>Market Value</u>		<u>Appreciation or Depreciation</u>
	<u>Amount</u>	<u>Percent Total</u>	<u>Amount</u>	<u>Percent Total</u>	
Public Utility					
Electric	\$ 750,891	11.1%	\$ 999,438	8.4%	\$ 248,547
Gas Pipeline	768,658	11.3	1,234,700	10.4	466,042
Total Public Utility	(1,519,549)	(22.4)	(2,234,138)	(18.8)	(714,589)
Industrial & Miscellaneous					
Agricultural Implement	43,966	0.6	62,750	0.5	18,784
Automobile	23,592	0.3	36,250	0.3	12,658
Chemical	842,181	12.4	1,576,513	13.2	734,332
Distilling	113,374	1.7	136,500	1.1	23,126
Drug & Pharmaceutical	119,514	1.8	121,500	1.0	1,986
Finance	147,973	2.2	172,813	1.5	24,840
Metal (Non-Ferrous)	765,484	11.3	1,398,750	11.7	633,266
Miscellaneous	256,309	3.8	377,125	3.2	120,816
Office Equipment	139,015	2.0	378,500	3.2	239,485
Oil & Natural Gas	1,692,786	24.9	3,565,658	30.0	1,872,872
Paper	143,810	2.1	248,125	2.1	104,315
Rayon & Textile	81,959	1.2	127,600	1.1	45,641
Retail Trade	253,114	3.7	525,025	4.4	271,911
Steel	631,723	9.3	913,638	7.7	281,915
Tobacco	17,729	0.3	29,550	0.2	11,821
Total Industrial & Miscellaneous	(5,272,529)	(77.6)	(9,670,297)	(81.2)	(4,397,768)
Total Common Stocks	<u>\$6,792,078</u>	<u>100.0%</u>	<u>\$11,904,435</u>	<u>100.0%</u>	<u>\$5,112,357</u>

THE INSTITUTE FOR ADVANCED STUDY
Percent Common Stocks to All Investments
and
Dow-Jones Industrial Averages

<u>Date</u>	<u>Market Value (000 omitted)</u>			<u>% Common Stocks to all Investments</u>	<u>Dow-Jones Industrial Averages</u>
	<u>Common Stocks</u>	<u>Cash & Other Investments</u>	<u>All Investments</u>		
6/30/42	\$ 1,356	\$ 5,838	\$ 7,194	18.9%	103.34
6/30/43	1,932	6,262	8,194	23.6	143.38
6/30/44	2,209	6,477	8,686	25.4	148.38
6/30/45	6,289	10,048	16,337	38.5	165.29
6/28/46	6,462	13,093	19,555	33.1	205.62
6/30/47	6,313	11,686	17,999	35.1	177.30
6/30/48	7,835	10,046	17,881	43.8	189.46
6/30/49	7,564	9,527	17,091	44.3	167.42
6/30/50	9,361	9,919	19,280	48.6	209.11
6/29/51	10,642	10,829	21,471	49.6	242.64
9/28/51	12,142	11,057	23,199	52.3	271.16
12/31/51	12,258	11,148	23,406	52.4	269.23
3/31/52	12,499	11,232	23,731	52.7	269.46
6/30/52	12,477	11,439	23,916	52.2	274.26
9/30/52	11,904	11,437	23,341	51.0	270.61

Paul B. Wyant & Co.

THE INSTITUTE FOR ADVANCED STUDY

1.

<u>BONDS</u>								
<u>U.S. Government & Comm'l Paper</u>								
<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/52</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Maturity Yield on Market</u>
				\$	\$	\$	\$	%
<u>U.S. Government Bonds & Comm'l Paper</u>								
<u>Commercial Credit Co.</u>								
250M	2½/11-28-52	100	¢	250,000	250,000	-	6,250	2.5¢
<u>General Motors Acceptance Corp.</u>								
250M	2½/12-3-52	100	¢	250,000	250,000	-	6,250	2.5¢
<u>Commercial Investment Trust, Inc.</u>								
600M	2¾/4-3-53	100	¢	600,000	600,000	-	14,250	2.4¢
<u>Treasury Ctls. of Indebtedness</u>								
2,350M	1½/6-1-53	99.966	99.971	2,349,200	2,349,319	119	44,063	1.9
<u>Treasury Notes</u>								
1,500M	1½/12-15-55	100	98-21	1,500,000	1,479,844	20,156	26,250	2.2
<u>Treasury Bonds</u>								
1,770M	2½/6-15-62/59	102	96-16	1,805,650	1,708,050	97,600	39,825	2.6
<u>Savings Series "Q" (At Par)</u>								
50M	2½/5-1-53	100	100	50,000	50,000	-	1,250	2.5
50M	2½/1-1-54	100	100	50,000	50,000	-	1,250	2.5
50M	2½/7-1-54	100	100	50,000	50,000	-	1,250	2.5
100M	2½/1-1-55	100	100	100,000	100,000	-	2,500	2.5
100M	2½/1-1-56	100	100	100,000	100,000	-	2,500	2.5
100M	2½/4-1-57	100	100	100,000	100,000	-	2,500	2.5
100M	2½/3-1-58	100	100	100,000	100,000	-	2,500	2.5
100M	2½/1-1-59	100	100	100,000	100,000	-	2,500	2.5
100M	2½/1-1-60	100	100	100,000	100,000	-	2,500	2.5
100M	2½/4-1-61	100	100	100,000	100,000	-	2,500	2.5
100M	2½/3-1-62	100	100	100,000	100,000	-	2,500	2.5
TOTAL U. S. GOVERNMENT BONDS & COMM'L PAPER				7,704,850	7,587,213	117,637	160,638	2.1*

¢ Bid Prices.

¢ Carried at Book Value. Discounted for 9 Mos.

* Current Yield.

THE INSTITUTE FOR ADVANCED STUDY

2.

				BONDS				
				Railroad Public Utility				
<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/52</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Maturity Yield on Market</u> %
<u>Railroad Bonds</u>								
50M	Chgo., T.H. & S.E. Income 2 $\frac{3}{4}$ -4 $\frac{1}{2}$ /1-1-94 (Callable 100)	98	74 $\frac{3}{4}$	48,982	37,375	11,607	2,125	5.7 $\frac{1}{2}$
100M	Missouri Pacific R.R. 1st & Ref. "H" 5/4-1-80 (Callable 105)	76 $\frac{1}{2}$	104 f	76,233	104,000	27,767	5,000 $\frac{1}{2}$	4.8 $\frac{1}{2}$
TOTAL RAILROAD BONDS				125,215	141,375	16,160	7,125	5.0 $\frac{1}{2}$
<u>Public Utility Bonds</u>								
500M	Amer. Tel. & Tel. Conv. Deb. 2 $\frac{3}{4}$ /12-15-61 (Callable 105)	105 $\frac{7}{8}$	108 $\frac{7}{8}$	529,529	544,375	14,846	13,750	2.5 $\frac{1}{2}$
50M	Public Service Elec. & Gas Deb. 6/7-1-98 (Non-Callable)	122 $\frac{7}{8}$	146	61,407	73,000	11,593	3,000	3.9
20M	Public Service Elec. & Gas 1st & Ref. 8/6-1-2037 (Non-Callable)	181	202	36,195	40,400	4,205	1,600	3.9
50M	South Jersey Gas, Elec. & Traction 1st 5/3-1-53 (Non-Callable)	100 $\frac{1}{8}$	100 $\frac{5}{8}$	50,043	50,188	145	2,500	4.1
TOTAL PUBLIC UTILITY BONDS				677,174	707,963	30,789	20,850	2.9 $\frac{1}{2}$

* Current Yield.

f Flat.

/ Interest received in excess 5% annually to be used to write down cost.

THE INSTITUTE FOR ADVANCED STUDY

3.

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/52</u>	<u>BONDS</u>		<u>PREFERRED STOCKS</u>		
				<u>Industrial</u>	<u>Public Utility</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
				<u>Book Value</u> \$	<u>Market Value</u> \$	<u>\$</u>	<u>\$</u>	<u>%</u>
	<u>Industrial Bonds</u>							
300M	Dome Exploration (Western) Ltd. Note Reg. 4/2-1-63 (Callable 100 Cdn.Fds.)	U.S. 91	¢	273,092	273,092	-	12,000	4.4¢
100M	Dow Chemical Co. Conv. Sub. Deb. 3/7-1-82 (Callable 104½)	101½	103⅝	101,500	103,625	2,125	3,000	2.9
100M	Imperial Oil Ltd. S.F. Deb. 3/12-15-69 (Callable 101½ Cdn.Fds.)	U.S. 93¼	U.S. 89½	93,281	89,500	3,781	3,000	3.4
200M	Warren Petroleum Corp. Conv. Deb. 3½/10-1-66 (Callable 102¾)	103¼	105	206,388	210,000	3,612	7,000	3.3
	<u>TOTAL INDUSTRIAL BONDS</u>			674,261	676,217	1,956	25,000	3.7
<u>Shares</u>	<u>Public Utility Preferred Stocks</u>							
500	Consolidated Edison Co. N. Y. \$5 Cum. (Callable 105)	105	108¾	52,500	54,375	1,875	2,500	4.6
500	Southwestern Gas & Electric Co. 5% Cum. (Callable 109)	107	108	53,489	54,000	511	2,500	4.6
500	Standard Gas & Electric \$7 Cum. (Callable 115)	114¾	201	73,603	100,500	26,897	3,500	3.5
1,000	Tennessee Gas Transmission Co. 4.25% Cum. (Callable 105)	97½	89½	97,107	89,500	7,607	4,250	4.7
	<u>TOTAL PUBLIC UTILITY PREFERRED STOCKS</u>			276,699	298,375	21,676	12,750	4.3

¢ Carried at Book Value.

THE INSTITUTE FOR ADVANCED STUDY

4.

PREFERRED STOCKS

Industrial & Miscellaneous

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/52</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous</u>			\$	\$	\$	\$	%
4,000	Alum. Co. of Canada 4% (\$25 Par) Cum. (Callable 26 $\frac{5}{8}$ Cdn. Fds.)	U.S. 23 $\frac{7}{8}$	U.S. 24 $\frac{7}{8}$	95,419	99,500	4,081	4,000	4.0
300	American Metal Co. 4 $\frac{1}{2}$ % Cum. (Callable 105)	81 $\frac{3}{4}$	103 $\frac{1}{2}$	24,543	31,050	6,507	1,350	4.3
10,000	Arkansas Natural Gas Corp. 6% (\$10 Par) Cum. (Callable 10.60)	103 $\frac{1}{4}$	103 $\frac{3}{4}$	107,766	107,500	266	6,000	5.6
800	Bethlehem Steel Corp. 7% Cum. (Non-Callable)	127 $\frac{1}{4}$	140 $\frac{3}{8}$	101,813	112,300	10,487	5,600	5.0
1,000	Canada Dry Ginger Ale \$4.25 Cum. Conv. (Callable 102 $\frac{1}{2}$)	119 $\frac{5}{8}$	90	119,614	90,000	29,614	4,250	4.7
2,000	Celanese Corp. of America 4 $\frac{1}{2}$ % Cum. Conv. "A" (Callable 105)	103 $\frac{1}{4}$	100 $\frac{3}{4}$	206,616	201,500	5,116	9,000	4.5
200	Christiana Securities Corp. 7% Cum. (Callable 120)	126 $\frac{3}{4}$	134	25,350	26,800	1,450	1,400	5.2
1,000	Food Machinery & Chemical Corp. 3 $\frac{1}{2}$ % Cum. Conv. (Callable 101)	101 $\frac{1}{2}$	99 $\frac{3}{4}$	101,493	99,750	1,743	3,250	3.3
500	Hanna, (H.A.) & Co. \$4.25 Cum. (Callable 104)	103 $\frac{1}{8}$	104	51,559	52,000	441	2,125	4.1
500	Murphy, (G. C.) & Co. 4 $\frac{3}{4}$ % Cum. (Callable 105)	110 $\frac{5}{8}$	107 $\frac{1}{2}$	55,285	53,750	1,535	2,375	4.4

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5.

PREFERRED STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/52</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
<u>Industrial & Miscellaneous (Cont'd.)</u>								
500	Pure Oil 5% Cum. (Callable 105)	105	108 $\frac{3}{8}$	52,500	54,188	1,688	2,500	4.6
500	Reynolds, (R. J.) Tobacco Co. 4.50% Cum. (Callable 102 $\frac{1}{4}$)	100	103 $\frac{1}{2}$	50,000	51,750	1,750	2,250	4.3
4,000	Sunray Oil 4 $\frac{1}{2}$ % (\$25 Par) Cum. "A" (Callable 25 $\frac{1}{4}$)	21 $\frac{7}{8}$	24	87,347	96,000	8,653	4,250	4.4
1,000	U.S. & Foreign Securities \$4.50 Cum. 1st (Callable 105)	101 $\frac{7}{8}$	101	101,838	101,000	838	4,500	4.5
3,000	U.S. & Int'l. Securities \$5 Cum. 1st W.W. (Callable 105)	88 $\frac{1}{4}$	96	264,891	288,000	23,109	15,000	5.2
500	U.S. Rubber Co. 8% Non-Cum. First (Non-Callable)	159	140	79,475	70,000	9,475	4,000	5.7
1,500	U.S. Steel Corp. 7% Cum. (Non-Callable)	126 $\frac{1}{4}$	140	189,400	210,000	20,600	10,500	5.0
TOTAL INDUSTRIAL & MISCELLANEOUS PREFERRED STOCKS				1,714,909	1,745,088	30,179	82,350	4.7

THE INSTITUTE FOR ADVANCED STUDY

6.

COMMON STOCKS

Public Utility - Electric

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/52</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
	<u>Public Utility - Electric</u>							
1,000	American Gas & Electric (\$3.00)	31 $\frac{3}{8}$	59 $\frac{3}{4}$	31,727	59,750	28,023	3,000	5.0
2,000	Carolina Power & Light (\$2.00)	33 $\frac{5}{8}$	38 $\frac{5}{8}$	66,641	77,000	10,359	4,000	5.2
4,000	Central & South West Corp. (\$1.00)	16 $\frac{1}{4}$	20	64,971	80,000	15,029	4,000	5.0
4,000	Columbus & Southern Ohio Electric (\$1.40)	23 $\frac{1}{8}$	25 $\frac{1}{4}$	92,744	101,000	8,256	5,600	5.5
1,500	Consumers Power (\$2.00)	21 $\frac{5}{8}$	36 $\frac{3}{4}$	47,517	55,125	7,608	3,000	5.4
2,000	Florida Power (\$1.20)	16 $\frac{1}{2}$	22 $\frac{5}{8}$	32,971	44,250	11,279	2,400	5.4
2,000	Illinois Power (\$2.20)	31	39	61,902	78,000	16,098	4,400	5.6
1,500	Indianapolis Power & Light (\$2.00)	20 $\frac{1}{8}$	39	30,219	58,500	28,281	3,000	5.1
3,000	Kansas City Power & Light (\$1.60)	25 $\frac{1}{2}$	29 $\frac{5}{8}$	76,629	88,875	12,246	4,800	5.4
5,500	Middle South Utilities (\$1.30)	13 $\frac{1}{2}$	25 $\frac{5}{8}$	72,710	140,938	68,228	7,150	5.1
3,000	Niagara Mohawk Power (\$1.60)	24 $\frac{3}{4}$	27 $\frac{3}{8}$	72,283	82,125	9,842	4,800	5.8
2,000	Public Service Colorado (\$1.40)	19 $\frac{1}{2}$	28 $\frac{3}{8}$	38,573	57,000	18,427	2,800	4.9
3,000	Virginia Electric & Power (\$1.40)	20 $\frac{5}{8}$	25 $\frac{5}{8}$	62,004	76,875	14,871	4,200	5.5
TOTAL PUBLIC UTILITY - ELECTRIC COMMON STOCKS				750,891	999,438	248,547	53,150	5.3

THE INSTITUTE FOR ADVANCED STUDY

7.

COMMON STOCKS

Public Utility - Gas Pipeline

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/52</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
<u>Public Utility - Gas Pipeline</u>								
2,000	Atlanta Gas Light (\$1.20)	17 ⁵ / ₈	21 ¹ / ₂	34,872	42,500	7,628	2,400	5.6
5,000	Columbia Gas System (\$0.90)	13 ⁵ / ₈	13 ⁵ / ₈	68,181	68,125	56	4,500	6.6
1,000	Consolidated Natural Gas (\$2.50)	41	54 ⁵ / ₈	40,974	54,875	13,901	2,500	4.6
3,000	National Fuel Gas (\$0.80)	10 ⁷ / ₈	13 ⁵ / ₈	32,655	40,875	8,220	2,400	5.9
4,500	Northern Natural Gas (\$1.80)	33 ¹ / ₂	38	149,627	171,000	21,373	8,100	4.7
4,000	Panhandle Eastern Pipe Line (\$2.00)	27 ³ / ₄	71	111,155	284,000	172,845	8,000	2.8
1,000	Peoples Gas Light & Coke (\$6.00)	106 ⁷ / ₈	137 ¹ / ₂	106,815	137,250	30,435	6,000	4.4
4,400	Southern Natural Gas (\$2.80)	28 ³ / ₈	51 ¹ / ₂	124,682	226,600	101,918	12,320	5.4
3,600	Tennessee Gas Transmission (\$1.40)	9 ¹ / ₈	22 ¹ / ₂	33,967	80,100	46,133	5,040	6.3
5,000	United Gas Corp. (\$1.25)	13 ⁵ / ₈	25 ⁷ / ₈	65,730	129,375	63,645	6,250	4.8
TOTAL PUBLIC UTILITY - GAS PIPELINE								
COMMON STOCKS				768,658	1,234,700	466,042	57,510	4.7
GRAND TOTAL PUBLIC UTILITY COMMON STOCKS				1,519,549	2,234,138	714,589	110,660	5.0

THE INSTITUTE FOR ADVANCED STUDY

8.

COMMON STOCKS

Industrial & Miscellaneous

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/52</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
				\$	\$	\$	\$	%
	<u>Industrial & Miscellaneous</u>							
	<u>Agricultural Implement</u>							
2,000	Deere & Co. (\$2.375)	22	31 $\frac{5}{8}$	43,966	62,750	18,784	4,750	7.6
	<u>Automobile</u>							
1,000	Studebaker (\$3.00)	23 $\frac{5}{8}$	36 $\frac{1}{2}$	23,592	36,250	12,658	3,000	8.3
	<u>Chemical</u>							
2,000	Allied Chemical & Dye (\$3.00)	42 $\frac{5}{8}$	74 $\frac{5}{8}$	84,855	148,750	63,895	6,000	4.0
6,300	Dow Chemical (\$0.80)	22 $\frac{1}{4}$	41 $\frac{5}{8}$	139,948	262,238	122,290	5,040	1.9
5,000	duPont, E. I. (\$3.55)	36	86 $\frac{1}{4}$	179,881	431,250	251,369	17,750	4.1
2,200	Eastman Kodak (\$1.80)	22 $\frac{5}{8}$	44 $\frac{1}{2}$	49,211	97,900	48,689	3,960	4.0
1,500	Hooker Electrochemical (\$2.00)	30 $\frac{1}{8}$	50 $\frac{3}{4}$	45,107	76,125	31,018	3,000	3.9
3,500	Monsanto Chemical (\$2.50)	64 $\frac{5}{8}$	87	225,212	304,500	79,288	8,750	2.9
3,000	Pfizer (Chas.) (Del.) (\$1.15)	18	32 $\frac{3}{4}$	54,138	98,250	44,112	3,450	3.5
2,500	Union Carbide & Carbon (\$2.00)	25 $\frac{1}{2}$	63	63,829	157,500	93,671	5,000	3.2
	<u>Total Chemical</u>			842,181	1,576,513	734,332	52,950	3.4

⌘ Plus Stock Dividend.

THE INSTITUTE FOR ADVANCED STUDY

9.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/52</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous (Cont'd.)</u>			\$	\$	\$	\$	%
	<u>Distilling</u>							
3,000	Distillers Corp. - Seagrams (\$1.70)	19 $\frac{1}{8}$	24 $\frac{1}{8}$	57,208	72,375	15,167	5,100	7.0
1,500	Walker (H.)-Gooderham & Worts (\$4.00)	37 $\frac{1}{2}$	42 $\frac{3}{4}$	56,166	64,125	7,959	6,000	9.4
	Total Distilling			113,374	136,500	23,126	11,100	8.1
	<u>Drug & Pharmaceutical</u>							
3,000	Kendall (\$2.50)	39 $\frac{7}{8}$	40 $\frac{1}{2}$	119,514	121,500	1,986	7,500	6.2
	<u>Finance</u>							
2,500	C.I.T. Financial (\$4.50)	59 $\frac{1}{4}$	69 $\frac{1}{8}$	147,973	172,813	24,840	11,250	6.5
	<u>Metal (Non-Ferrous)</u>							
4,400	Aluminium Ltd. (\$2.00)	32 $\frac{1}{8}$	51 $\frac{3}{4}$	141,617	227,700	86,083	8,800	3.9
9,000	American Metal Co., Ltd. (\$1.50)	11 $\frac{1}{2}$	26	103,213	234,000	130,787	13,500	5.8
4,000	American Smelt. & Ref. (\$3.50)	23 $\frac{3}{4}$	43	94,917	172,000	77,083	14,000	8.1
1,000	International Silver (\$4.50)	18	48	18,000	48,000	30,000	4,500	9.4
3,500	Kennecott Copper (\$6.00)	47 $\frac{1}{2}$	73 $\frac{1}{2}$	166,247	257,250	91,003	21,000	8.2
8,800	Newmont Mining (\$2.50)	27 $\frac{1}{2}$	52 $\frac{1}{4}$	241,490	459,800	218,310	22,000 [/]	4.8 [/]
	Total Metal (Non-Ferrous)			765,484	1,398,750	633,266	83,800	6.0

[/] Plus Stock Dividend.

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10.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/52</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous (Cont'd.)</u>			\$	\$	\$	\$	%
	<u>Miscellaneous</u>							
1,000	Allied Mills (\$2.25)	31½	34½	31,553	34,250	2,697	2,250	6.6
1,000	American Research & Development (\$-)	29	21½	29,000	21,500	7,500	-	-
7,500	General American Investors (\$0.70#)	19½	28½	144,572	211,875	67,303	5,250#	2.5#
1,000	Stein, A., & Co., (\$1.20)	25⅞	16½	25,814	16,500	9,314	1,200	7.3
3,000	Sunbeam (\$1.50)	8½	31	25,370	93,000	67,630	4,500	4.8
	Total Miscellaneous			256,309	377,125	120,816	13,200	3.5
	<u>Office Equipment</u>							
1,000	Addressograph-Multigraph (\$3.00)	47½	62	47,274	62,000	14,726	3,000	4.8
1,500	International Business Machines (\$4.00#)	61⅞	211	91,741	316,500	224,759	6,000#	1.9#
	Total Office Equipment			139,015	378,500	239,485	9,000	2.4

♢ Plus Stock Dividend.

Capital Gains distribution to be used to write down cost of stock.

Only ordinary income to be taken into income account.

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11.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/52</u>	<u>Book Value \$</u>	<u>Market Value \$</u>	<u>Apprec. or Deprec. \$</u>	<u>Est. Annual Income \$</u>	<u>Current Yield on Market %</u>
<u>Industrial & Miscellaneous (Cont'd.)</u>								
<u>Oil & Natural Gas</u>								
2,000	Amerada Petroleum (\$3.00)	42 $\frac{1}{2}$	205 $\frac{1}{2}$	85,083	411,000	325,917	6,000	1.5
1,000	Columbian Carbon (\$2.25)	30 $\frac{3}{4}$	50 $\frac{1}{4}$	30,135	50,250	20,115	2,250	4.5
4,000	Continental Oil (Del.) (\$2.50)	24 $\frac{1}{2}$	60	97,843	240,000	142,157	10,000	4.2
6,000	Gulf Oil (\$2.25)	27 $\frac{1}{2}$	49 $\frac{1}{2}$	163,790	297,000	133,210	13,500	4.5
5,000	Louisiana Land & Expl. (\$2.50)	14	42	70,148	210,000	139,852	12,500	6.0
2,000	Phillips Petroleum (\$2.40)	25 $\frac{3}{8}$	56	50,700	112,000	61,300	4,800	4.3
1,000	Seaboard Oil (\$2.75)	54 $\frac{1}{4}$	79 $\frac{1}{2}$	54,189	79,500	25,311	2,750	3.5
2,500	Shell Oil (\$3.00)	29 $\frac{3}{4}$	70	73,849	175,000	101,151	7,500	4.3
4,400	Skelly Oil (\$3.25 ϕ)	50 $\frac{3}{8}$	81	220,710	356,400	135,690	14,300 ϕ	4.0 ϕ
3,000	Standard Oil (Indiana) (\$2.50 ϕ)	36	76 $\frac{1}{4}$	107,938	228,750	120,812	7,500 ϕ	3.3 ϕ
6,060	Standard Oil (N.J.) (\$4.50)	24 $\frac{3}{8}$	75 $\frac{1}{8}$	149,572	455,258	305,686	27,270	6.0
800	Superior Oil (Calif.) (\$3.00)	175 $\frac{5}{8}$	515	140,250	412,000	271,750	2,400	0.6
4,000	Texas Co. (\$3.35)	40 $\frac{5}{8}$	52 $\frac{1}{2}$	162,636	208,500	45,864	13,400	6.4
10,000	Tide Water Associated Oil (\$1.125)	21 $\frac{1}{8}$	21	218,433	210,000	8,433	11,250	5.4
2,000	United Carbon (\$2.50)	33 $\frac{3}{4}$	60	67,510	120,000	52,490	5,000	4.2
	Total Oil & Natural Gas			1,692,786	3,565,658	1,872,872	140,420	3.9
<u>Paper</u>								
5,000	International Paper (\$3.00)	28 $\frac{3}{4}$	49 $\frac{5}{8}$	143,810	248,125	104,315	15,000	6.0
<u>Rayon & Textile</u>								
2,200	Industrial Rayon (\$3.00)	37 $\frac{1}{4}$	58	81,959	127,600	45,641	6,600	5.2

ϕ Plus Stock Dividend.

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12.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/52</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous (Cont'd.)</u>			\$	\$	\$	\$	%
	<u>Retail Trade</u>							
2,400	Federated Dept. Stores (\$2.50)	9 $\frac{7}{8}$	44 $\frac{1}{2}$	23,750	105,900	82,150	6,000	5.7
1,500	Grant, (W.T.) (\$1.50)	18	31 $\frac{1}{2}$	27,028	46,875	19,847	2,250	4.8
1,000	Kress, (S.H.) (\$3.00)	46 $\frac{7}{8}$	54 $\frac{1}{2}$	46,888	54,125	7,237	3,000	5.5
2,000	May Dept. Stores (\$1.80)	13 $\frac{3}{4}$	32	27,625	64,000	36,375	3,600	5.6
2,000	Murphy, G.C. (\$2.375)	36	54 $\frac{1}{4}$	71,914	108,500	36,586	4,750	4.4
2,500	Sears Roebuck (\$2.75)	22 $\frac{3}{8}$	58 $\frac{1}{4}$	55,909	145,625	89,716	6,875	4.7
	<u>Total Retail Trade</u>			253,114	525,025	271,911	26,475	5.0
	<u>Steel</u>							
4,000	Bethlehem Steel (\$4.00)	39 $\frac{1}{2}$	49 $\frac{5}{8}$	158,015	198,500	40,485	16,000	8.1
2,800	Hanna (M.A.) Class "A" (\$10 Par)							
	Non-Voting (\$2.15)	37 $\frac{3}{4}$	73 $\frac{1}{2}$	105,861	205,800	99,939	6,020	2.9
1,400	Hanna (M.A.) Class "B"							
	(\$10 Par) (\$2.15)	38 $\frac{3}{8}$	76	53,712	106,400	52,688	3,010	2.8
2,500	Inland Steel (\$3.50)	32 $\frac{3}{8}$	42 $\frac{3}{8}$	80,827	105,938	25,111	8,750	8.3
4,000	National Steel (\$3.00)	30 $\frac{3}{8}$	45 $\frac{3}{8}$	121,641	181,500	59,859	12,000	6.6
3,000	U.S. Steel (\$3.00)	37 $\frac{1}{4}$	38 $\frac{1}{2}$	111,667	115,500	3,833	9,000	7.8
	<u>Total Steel</u>			631,723	913,638	281,915	54,780	6.0
	<u>Tobacco</u>							
1,200	Universal Leaf Tobacco (\$1.70)	14 $\frac{3}{4}$	24 $\frac{5}{8}$	17,729	29,550	11,821	2,040	6.9
	<u>GRAND TOTAL INDUSTRIAL & MISCELLANEOUS COMMON STOCKS</u>			5,272,529	9,670,297	4,397,768	441,865	4.6
	<u>GRAND TOTAL ALL COMMON STOCKS</u>			6,792,078	11,904,435	5,112,357	552,525	4.6

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13.

SECURITIES OF NOMINAL VALUE

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 9/30/52</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
<u>Securities of Nominal Value</u>								
200 Units	Engineers Royalties, Inc. Unit #	$\frac{1}{2}\#$	$\frac{1}{2}\#$	100#	100#	-	#	#
1 sh	U.S. Electric Power Co. Common (\$-)	Gift	-	Carried at No Book Value -			-	-
10 $\frac{10}{200}$ shs	Schulte, Retail Stores, Corp. (No Par) Common (\$-)	Gift	-	Carried at No Book Value -			-	-
TOTAL SECURITIES OF NOMINAL VALUE				100	100	-	-	-

Gift. Unit consists of 1 share 7% Cum. (\$10 Par) Preferred Stock & 1 share No Par Common Stock. Company's valuation of 200 Units. Received payments in 1948, 1949, 1950 and 1951 of \$70, \$65, \$35 & \$70 respectively.

PAUL B. WYANT & CO.

WOOLWORTH BUILDING
 233 BROADWAY
 NEW YORK 7, N. Y.

PAUL B. WYANT
 JOHN W. BRISTOL
 ATWOOD O. PETERSON

CORTLANDT 7-1137

Figures showing the percentage distribution in various classes of securities held as of June 30, 1952 for a representative list of 28 College Endowment Funds may be of interest and are as follows:

Percentages.....					
	Average		Extreme			
	<u>Book</u>	<u>Market</u>	<u>Book</u>		<u>Market</u>	
			<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>
<u>Bonds</u>						
Government	22.8	19.1	52.4	4.1	41.6	3.6
Corporate	19.6	16.7	44.3	3.0	38.7	2.4
<u>Stocks</u>						
Preferred	10.7	9.1	21.3	0.5	19.5	0.4
Common	36.7	46.3	61.0	16.4	68.0	21.9
<u>Real Estate</u>						
Mortgages	2.0	1.6	14.2	-	12.2	-
Properties	4.6	4.0	19.8	-	16.5	-
<u>Miscellaneous</u>	2.5	2.4	24.1	-	20.8	-
<u>Uninvested Principal</u>	1.1	0.8	7.9	-	6.8	-

October 9, 1952

28 Colleges and Universities - 1952
17 " " " " - 1951

Book Value Percentages

	- Bonds -				- Stocks -					
	Government		Corporate		Preferred		Common		Other Items*	
	1952	1951	1952	1951	1952	1951	1952	1951	1952	1951
#1.	30.2	33.7	18.3	7.8	9.1	8.2	37.9	44.8	4.5	5.5
2.	26.4	23.5	18.0	18.9	5.6	7.0	37.2	35.8	12.8	14.8
3.	10.1	14.6	22.3	20.0	4.6	4.6	45.7	44.0	17.3	16.8
4.	25.6	25.9	27.5	21.7	7.1	7.4	37.1	35.8	2.7	9.2
5.	27.9	28.5	19.4	20.7	11.8	11.1	35.1	33.1	5.8	6.6
6.	12.2	10.0	10.3	11.8	7.8	9.2	61.0	55.7	8.7	13.3
7.	29.4	30.0	3.0	4.3	0.5	0.4	32.2	34.3	34.9	31.0
8.	36.0	-	8.0	-	11.0	-	45.0	-	-	-
9.	31.7	39.2	10.4	10.3	15.1	9.2	28.1	26.6	14.7	14.7
10.	31.3	26.0	11.3	19.8	16.7	14.8	38.3	36.7	2.4	2.7
11.	57.0	56.0	Inc. in Gov'ts.		7.9	8.5	35.1	35.5	-	-
12.	13.0	16.1	44.3	42.8	10.6	10.7	27.7	25.8	4.4	4.6
13.	8.9	11.7	17.5	19.2	9.3	9.2	34.4	33.6	29.9	26.3
14.	8.6	6.3	21.1	24.6	5.3	5.3	30.9	30.0	34.1	33.8
15.	52.4	-	10.8	-	7.2	-	26.4	-	3.2	-
16.	4.1	7.8	34.5	33.9	13.0	14.0	34.2	32.8	14.2	11.5
17.	6.3	-	13.7	-	8.0	-	27.2	-	44.8	-
18.	17.7	-	27.9	-	13.1	-	41.3	-	-	-
19.	18.2	-	18.2	-	21.3	-	40.9	-	1.4	-
20.	20.6	-	35.4	-	21.1	-	22.8	-	0.1	-
21.	16.3	8.8	23.2	25.7	15.6	13.9	44.9	51.6	-	-
22.	40.1	-	26.6	-	6.5	-	16.4	-	10.4	-
23.	15.1	21.0	16.8	17.9	12.9	13.4	38.1	38.4	17.1	9.3
24.	13.0	-	32.4	-	7.4	-	44.5	-	2.7	-
25.	24.0	26.0	9.0	5.0	20.0	19.0	39.0	41.0	8.0	9.0
26.	13.3	-	23.7	-	15.1	-	41.4	-	6.5	-
27.	40.8	-	13.2	-	2.0	-	43.0	-	1.0	-
28.	8.3	-	31.9	-	13.9	-	42.5	-	3.4	-
Average	22.8	22.7	19.6	17.9	10.7	9.7	36.7	37.4	10.2	12.3

* Includes mortgages, property, miscellaneous and cash.

28 Colleges and Universities - 1952
 17 " " " " - 1951

Market Value Percentages

	- Bonds -				- Stocks -					
	Government		Corporate		Preferred		Common		Other Items*	
	1952	1951	1952	1951	1952	1951	1952	1951	1952	1951
#1.	22.5	25.6	14.1	6.3	7.3	6.8	52.6	57.0	3.5	4.3
2.	23.2	21.0	15.9	16.9	4.8	6.3	44.8	42.2	11.3	13.6
3.	8.2	12.6	18.5	17.6	3.8	4.0	55.3	50.9	14.2	14.9
4.	20.3	21.7	22.7	18.7	5.8	6.2	49.1	45.5	2.1	7.9
5.	22.5	23.9	15.8	17.5	9.9	9.3	45.5	42.1	6.3	7.2
6.	9.6	8.0	8.2	8.8	6.5	6.9	68.0	65.8	7.7	10.5
7.	23.1	24.3	2.4	3.6	0.4	0.3	46.6	45.9	27.5	25.9
8.	30.0	-	6.0	-	9.0	-	55.0	-	-	-
9.	25.2	32.7	8.4	8.5	12.3	7.9	42.2	38.4	11.9	12.5
10.	24.0	25.6	9.1	11.3	13.5	12.5	51.5	48.5	1.9	2.1
11.	47.2	47.0	Ino. in Gov'ts.		6.5	7.0	46.3	46.0	-	-
12.	11.5	14.6	38.7	38.2	9.6	9.8	35.5	32.4	4.7	5.0
13.	5.8	8.1	11.6	13.5	6.6	6.7	49.2	45.4	26.8	26.3
14.	7.2	5.4	18.0	21.7	4.9	5.2	40.4	37.2	29.5	30.5
15.	41.6	-	8.8	-	6.1	-	41.0	-	2.5	-
16.	3.6	7.3	30.6	30.7	12.3	13.5	40.9	37.8	12.6	10.7
17.	5.4	-	12.2	-	6.6	-	36.8	-	39.0	-
18.	15.4	-	24.2	-	11.7	-	48.7	-	-	-
19.	15.9	-	15.5	-	18.0	-	49.4	-	1.2	-
20.	19.5	-	33.2	-	19.5	-	27.7	-	0.1	-
21.	14.1	7.9	20.7	23.3	13.0	11.9	52.2	56.9	-	-
22.	37.6	-	24.9	-	6.0	-	21.9	-	9.6	-
23.	12.2	17.8	13.1	14.6	10.4	11.3	50.4	48.3	13.9	8.0
24.	11.1	-	27.6	-	6.1	-	48.8	-	6.4	-
25.	24.0	22.0	7.0	6.0	16.0	17.0	47.0	48.0	6.0	7.0
26.	13.1	-	22.9	-	15.2	-	42.5	-	6.3	-
27.	34.9	-	11.3	-	2.1	-	50.9	-	-	-
28.	6.2	-	25.1	-	10.6	-	55.5	-	-	-
Average	19.1	19.1	16.7	15.1	9.1	8.4	46.3	46.4	8.8	11.0

* Includes mortgages, property, miscellaneous and cash.

The percentages given above include those of Amherst, California, Chicago, Cornell, Dartmouth, Duke, Harvard, Johns Hopkins, Lafayette, M I T, Oberlin, Princeton, Rutgers, Smith, Stanford, Vanderbilt, Wellesley, Williams, Yale, though the figures do not appear in alphabetical order.

PAUL B. WYANT & CO.
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CORTLANDT 7-1137

PAUL B. WYANT
JOHN W. BRISTOL
ATWOOD O. PETERSON

Copy to Mr. Maass
Mr. Stewart
Mr. Schaap
Mr. Strauss
Mr. Oppenheimer
Mr. Rosenwald
Mr. Hancock
Mr. Linder
Mr. Schur

THE INSTITUTE FOR ADVANCED STUDY

Kirby Petroleum Company

\$0.50 Cum. Preferred Stock (\$10 Par) at $8\frac{1}{4}$ to yield 6.1%

Memo to Mr. Leidesdorf:

Since the purchase of 5,000 shares Kirby Petroleum Company preferred stock has been authorized subject to the Committee's approval, the attached memorandum is submitted as a matter of information.

This small crude oil and natural gas producing company has recently come under the control of the C. W. Murchison interests, whose aggressive policies are already being reflected in a rapidly expanding rate of production, increased reserves and sharply higher earnings.

The dividend requirements on this \$5 million issue are currently being earned better than five times. In fact the company's income from oil and gas royalties alone in recent years has been well in excess of the dividend requirements. As the senior security of the company (except for a small current bank loan) this issue, currently selling for \$4 million is backed by oil reserves valued conservatively at \$11 $\frac{1}{4}$ million.

Kirby issued 500,000 shares of this preferred stock in January as a share for share dividend to its common stockholders. It is believed that the desire of many of the recipients to take the dividend in cash has led to substantial selling. This affords an opportunity to purchase a preferred stock in a small but improving oil company at a yield which appears generous in relation to the limited risk involved.

February 18, 1952

Paul B. Wyant & Co.

PAUL B. WYANT
 JOHN W. BRISTOL
 ATWOOD O. PETERSON

PAUL B. WYANT & CO.
 WOOLWORTH BUILDING
 233 BROADWAY
 NEW YORK 7, N. Y.
 CORTLANDT 7-1137

February 2, 1952

KIRBY PETROLEUM COMPANY

\$0.50 Cum. Preferred Stock (\$10 Par) at 8 to yield 6.3%

Capitalization (12/31/51)

(Reflects issue of \$0.50 Preferred Stock in January 1952)		Approx. Book Value (000)	Market Value (000)
Bank Loan (Current)		\$ 300	\$ 300
\$0.50 Preferred Stock	500,000shs	5,000	4,000
Common Stock	500,000shs	1,650	11,875
		<u>\$6,950</u>	<u>\$16,175</u>

Business

Kirby Petroleum Company owns fee lands and mineral leases in Louisiana, New Mexico, Mississippi and Texas, and is primarily engaged in the development of crude oil and natural gas producing properties. In addition to deriving income from the sale of oil and gas to oil purchasing and pipeline companies, about 15% of 1950 gross revenues were obtained from oil and gas royalties.

Production and Reserves

While production figures have not been published since 1948 the data below can be considered a reasonably accurate estimate.

	<u>Total Production</u>	<u>Daily Average</u>
	(In Barrels)	
1947	783,605	2,145
1948	851,605	2,330
1949	685,000	1,875
1950	675,000	1,850
1951 (Est.)	825,000	2,250
Current Rate (Est.)	1,241,000	3,400

It will be noted that estimated 1951 production increased substantially and that the current rate of 3,400 bbls/day shows further marked improvement.

Most of the increase in production is accounted for by the Heler Gohlke field in DeWitt and Victoria Counties on the Texas Gulf. The 11 wells completed to date in this field apparently add 4,000,000 gross barrels to Kirby's reserves. Since the Company has substantial additional acreage in the vicinity of the proven area of the field it is possible that an additional 10 - 15 wells may be brought in. Production is about 100 bbls/day per well, and based on the history of the Slick field in Goliad County to the southwest, this rate could be maintained for a few years.

Therefore, a conservative estimate of Kirby's present proved crude reserves would be about 15,000,000 barrels.

In the table below the operating record for the past five years is shown together with estimated 1951 results based on figures published for the ten months to October 31st. At the current rate of production "cash income" in 1952 could rise further to \$2.8 million.

Operating Record (\$000)

<u>Dec. 31st</u>	<u>Gross Oper. Revenue</u>	<u>"Cash" Income*</u>	<u>% of Gross</u>	<u>Deprec. & Deplet.</u>	<u>Retiremen^{ts} Dry Holes Explor.</u>	<u>Income Taxes</u>	<u>Net Income</u>
1946	1,185	913	77.0	168	277	13	368
1947	1,575	1,048	66.5	177	289	99	582
1948	2,433	1,716	70.5	212	441	210	1,063
1949	2,276	1,681	74.0	253	617	65	811
1950	2,209	1,624	73.5	259	734	20	629
1951 Est.	2,700	2,000	74.0	-	-	-	1,350

Per Share Common

	<u>Cash Income*</u>	<u>Reported Income</u>	<u>Div. Paid</u>	<u>Price Range</u>	<u>Pro-Forma Pfd. Div. Coverage</u>
1946	\$1.82	\$ 0.74	\$0.10	11 ³ / ₄ - 6 ⁵ / ₈	1.5
1947	2.10	1.16	0.20	19 - 7 ⁵ / ₈	2.3
1948	3.43	2.13	0.50	20 ³ / ₄ - 11	4.2
1949	3.37	1.62	0.50	14 ³ / ₄ - 9 ¹ / ₂	3.2
1950	3.24	1.26	0.50	22 - 11 ³ / ₈	2.5
1951 Est.	4.00	2.70	-0-	33 - 17 ⁵ / ₈	5.4

* Income before deducting depreciation, depletion, retirement losses (lease abandonments), dry hole losses and exploratory expenses - i.e. income available for further drilling, exploration, and dividends.

- 3 -

Position of \$0.50 Cumulative Preferred Stock

This stock was issued in January 1952 to holders of common stock on a share for share basis. The pro-forma coverage of the \$250,000 annual dividend requirements is shown in the table above. While asset coverage at book value is not large (see balance sheet data below) a value of 75¢/bbl on the estimated 15 million barrels of crude reserves would mean \$11½ million behind this preferred issue selling at its current market price for \$4 million.

Description of \$0.50 Cumulative Preferred Stock (\$10 Par)

Has preference over common as to cumulative dividends of \$0.50 per annum payable semi-annually April and October 1, and in liquidation as to assets equal to \$10.20 if voluntary and \$10 if involuntary.

Sinking Fund - Annually beginning May 15, 1957 - 25% of preceding year's net income after all taxes. Based on current earnings this sinking fund would amount to 7% per annum and would retire the entire issue in 14 years from 1957 assuming no increase in production or earnings.

Redeemable - For sinking fund at \$10. Otherwise beginning January 1, 1957 at \$10.20. No voting or subscription rights.

Balance Sheet Data (\$000)

Working Capital

Dec. 31st	Cash	Total Current Assets	Current Liabil.	Net Current Assets
1941	77	176	93	83
1946	83	221	325	104
1947	210	450	268	182
1948	630	936	388	548
1949	388	646	169	477
1950	655	969	249	720

	<u>Property Account</u>		<u>Common Equity</u>	<u>Book Value</u>
	<u>Gross</u>	<u>Net</u>		
1941	1,870	1,408	1,490	\$ 2.98
1946	4,024	3,055	2,981	5.97
1947	4,387	3,248	3,463	6.94
1948	5,152	3,809	4,392	8.78
1949	6,016	4,445	4,952	9.90
1950	6,334	4,531	5,332	10.66

JWB/asd

Paul B. Wyant & Co.

THE INSTITUTE FOR ADVANCED STUDY
RECAPITULATION OF INVESTMENT HOLDINGS
As of December 31, 1952

	MARKET VALUE 12/31/52		ESTIMATED ANNUAL INCOME 12/31/52			
	Amount	% of Total	Amount	% of Total	Current Yield Market	Yield Book
CASH - Uninvested	\$ 789,107 ¹	3.3%	\$ -	- %	- %	- %
<u>BONDS</u>						
U.S.Gov't.Marketable & Comm'l						
Paper-Due Within 1 Yr.	4,449,669	18.4	91,439	11.5	2.1	2.1
U.S.Gov't.Marketable-Other	3,206,869	13.3	66,075	8.3	2.1	2.0
U.S.Svgs.Ser."G" (At Par)	950,000	3.8	23,750	3.0	2.5	2.5
Railroad	111,250	0.5	5,000	0.6	4.5	6.6
Public Utility	626,250	2.6	16,250	2.0	2.6	2.8
Industrial	608,842	2.5	22,000	2.7	3.6	3.8
TOTAL BONDS	\$ 9,952,880	41.1%	\$224,514	28.1%	2.3 %	2.3 %
<u>PREFERRED STOCKS</u>						
Public Utility	-	-	-	-	-	-
Industrial & Miscellaneous	817,281	3.4	41,175	5.2	5.0	5.2
TOTAL PREFERRED STOCKS	\$ 817,281	3.4%	\$ 41,175	5.2%	5.0 %	5.2 %
<u>COMMON STOCKS</u>						
Public Utility - Electric	1,118,375	4.6	57,650	7.2	5.2	7.0
Public Utility - Gas Pipeline	1,342,888	5.6	56,460	7.1	4.2	7.8
Industrial & Miscellaneous	10,063,761	41.6	414,150	51.9	4.1	7.7
Bank & Insurance	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$12,525,024	51.8%	\$528,260	66.2%	4.2 %	7.6 %
SECURITIES OF NOMINAL VALUE ²	\$ 100	0.0%	\$ -	- %	- %	- %
REAL ESTATE MORTGAGES	\$ 9,300	0.0%	\$ 465	0.0%	5.0 %	5.0 %
PROFESSORS' HOMES - MTGES.	\$ 94,464	0.4%	\$ 3,779	0.5%	4.0 %	4.0 %
GRAND TOTAL	\$24,188,156	100.0%	\$798,193 ³	100.0%	3.30%	4.29%

INCREASE OR DECREASE 12/31/52		
Compared with Book - Same Date		
Book Value ⁴	Increase	Decrease
\$ 789,107	\$ -	\$ -
4,451,231		1,562
3,303,829		96,960
950,000	-	-
76,232	35,018	
577,979	48,271	
580,733	28,109	
\$ 9,940,004	\$ 12,876	
-	-	-
792,746	24,535	
\$ 792,746	\$ 24,535	
829,355	289,020	
720,477	622,411	
5,410,317	4,653,444	
-	-	-
\$ 6,960,149	\$5,564,875	
\$ 100	\$ -	\$ -
\$ 9,300	\$ -	\$ -
\$ 94,464	\$ -	\$ -
\$18,585,870	\$5,602,286	

- ¹ Reported by Treasurer's office. D.J.I.A. - December 31, 1952 - 291.90
² Of which \$100,000 to be reserved for current expenditures.
³ Carried at Book Value. No market readily available.
⁴ Before amortization of premium on Bonds, estimated at \$7,300 annually.

Paul B. Wyant & Co.
 January 27, 1953

THE INSTITUTE FOR ADVANCED STUDY
RECAPITULATION OF INVESTMENT HOLDINGS
As of December 31, 1952

	MARKET VALUE 12/31/52		ESTIMATED ANNUAL INCOME 12/31/52			
	Amount	% of Total	Amount	% of Total	Current Market	Yield Book
CASH - Uninvested	\$ 789,107 [†]	3.3%	\$ -	- %	- %	- %
<u>BONDS</u>						
U.S.Gov't.Marketable & Comm'l						
Paper-Due Within 1 Yr.	4,449,669	18.4	91,439	11.5	2.1	2.1
U.S.Gov't.Marketable-Other	3,206,869	13.3	66,075	8.3	2.1	2.0
U.S.Svgs.Ser."G" (At Par)	950,000	3.8	23,750	3.0	2.5	2.5
Railroad	111,250	0.5	5,000	0.6	4.5	6.6
Public Utility	626,250	2.6	16,250	2.0	2.6	2.8
Industrial	608,842	2.5	22,000	2.7	3.6	3.8
TOTAL BONDS	\$ 9,952,880	41.1%	\$224,514	28.1%	2.3 %	2.3 %
<u>PREFERRED STOCKS</u>						
Public Utility	-	-	-	-	-	-
Industrial & Miscellaneous	817,281	3.4	41,175	5.2	5.0	5.2
TOTAL PREFERRED STOCKS	\$ 817,281	3.4%	\$ 41,175	5.2%	5.0 %	5.2 %
<u>COMMON STOCKS</u>						
Public Utility - Electric	1,118,375	4.6	57,650	7.2	5.2	7.0
Public Utility - Gas Pipeline	1,342,888	5.6	56,460	7.1	4.2	7.8
Industrial & Miscellaneous	10,063,761	41.6	414,150	51.9	4.1	7.7
Bank & Insurance	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$12,525,024	51.8%	\$528,260	66.2%	4.2 %	7.6 %
SECURITIES OF NOMINAL VALUE [†]	\$ 100	0.0%	\$ -	- %	- %	- %
REAL ESTATE MORTGAGES	\$ 9,300	0.0%	\$ 465	0.0%	5.0 %	5.0 %
PROFESSORS' HOMES - MTGES.	\$ 94,464	0.4%	\$ 3,779	0.5%	4.0 %	4.0 %
GRAND TOTAL	\$24,188,156	100.0%	\$798,193 [#]	100.0%	3.30%	4.29%

INCREASE OR DECREASE 12/31/52		
Compared with Book - Same Date		
Book Value [†]	Increase	Decrease
\$ 789,107	\$ -	\$ -
4,451,231		1,562
3,303,829		96,960
950,000	-	-
76,232	35,018	
577,979	48,271	
580,733	28,109	
\$ 9,940,004	\$ 12,876	
-	-	-
792,746	24,535	
\$ 792,746	\$ 24,535	
829,355	289,020	
720,477	622,411	
5,410,317	4,653,444	
-	-	-
\$ 6,960,149	\$5,564,875	
\$ 100	\$ -	\$ -
\$ 9,300	\$ -	\$ -
\$ 94,464	\$ -	\$ -
\$18,585,870	\$5,602,286	

[†] Reported by Treasurer's office. D.J.I.A. - December 31, 1952 - 291.90
^{*} Of which \$100,000 to be reserved for current expenditures.
[†] Carried at Book Value. No market readily available.
[#] Before amortization of premium on Bonds, estimated at \$7,300 annually.

Paul B. Wyant & Co.
 January 27, 1953

THE INSTITUTE FOR ADVANCED STUDY

Common Stocks

As of December 31, 1952

	<u>Book Value</u>		<u>Market Value</u>		<u>Appreciation or Depreciation</u>
	<u>Amount</u>	<u>Percent Total</u>	<u>Amount</u>	<u>Percent Total</u>	
Public Utility					
Electric	\$ 829,355	11.9%	\$ 1,118,375	8.9%	\$ 289,020
Gas Pipeline	720,477	10.4	1,342,888	10.8	622,411
Total Public Utility	(1,549,832)	(22.3)	(2,461,263)	(19.7)	(911,431)
Industrial & Miscellaneous					
Agricultural Implement	43,966	0.6	61,000	0.5	17,034
Automobile	23,592	0.3	40,125	0.3	16,533
Chemical	996,535	14.3	1,862,013	14.9	865,478
Distilling	113,374	1.6	142,313	1.1	28,939
Drug & Pharmaceutical	119,514	1.7	109,500	0.9	10,014
Finance	147,973	2.1	187,500	1.5	39,527
Metal (Non-Ferrous)	776,384	11.2	1,450,700	11.6	674,316
Miscellaneous	242,584	3.5	376,063	3.0	133,479
Office Equipment	139,015	2.0	431,032	3.4	292,017
Oil & Natural Gas	1,953,287	28.1	3,848,265	30.7	1,894,978
Paper	143,810	2.1	275,000	2.2	131,190
Rayon & Textile	81,959	1.2	127,050	1.0	45,091
Retail Trade	183,031	2.6	415,125	3.3	232,094
Steel	427,564	6.1	708,375	5.7	280,811
Tobacco	17,729	0.3	29,700	0.2	11,971
Total Industrial & Miscellaneous	(5,410,317)	(77.7)	(10,063,761)	(80.3)	(4,653,444)
 Total Common Stocks	 \$6,960,149	 100.0%	 \$12,525,024	 100.0%	 \$5,564,875

THE INSTITUTE FOR ADVANCED STUDY
Percent Common Stocks to All Investments
and
Dow-Jones Industrial Averages

<u>Date</u>	<u>Market Value (000 omitted)</u>			<u>% Common Stocks to all Investments</u>	<u>Dow-Jones Industrial Averages</u>
	<u>Common Stocks</u>	<u>Cash & Other Investments</u>	<u>All Investments</u>		
6/30/42	\$ 1,356	\$ 5,838	\$ 7,194	18.9%	103.34
6/30/43	1,932	6,262	8,194	23.6	143.38
6/30/44	2,209	6,477	8,686	25.4	148.38
6/30/45	6,289	10,048	16,337	38.5	165.29
6/28/46	6,462	13,093	19,555	33.1	205.62
6/30/47	6,313	11,686	17,999	35.1	177.30
6/30/48	7,835	10,046	17,881	43.8	189.46
6/30/49	7,564	9,527	17,091	44.3	167.42
6/30/50	9,361	9,919	19,280	48.6	209.11
6/29/51	10,642	10,829	21,471	49.6	242.64
6/30/52	12,477	11,439	23,916	52.2	274.26
9/30/52	11,904	11,437	23,341	51.0	270.61
12/31/52	12,525	11,663	24,188	51.8	291.90

Paul B. Wyant & Co.

THE INSTITUTE FOR ADVANCED STUDY

Investment Changes from 12/31/52 through 2/6/53

Purchases:

300M Commercial Credit Co. Notes 2 $\frac{1}{2}$ /7-28-53 (Disc. 182 days)
300M General Motors Acceptance Corp. Notes 2 $\frac{1}{2}$ /7-28-53 (Disc. 182 days)

Sales:

1,025shs Aluminum Co. of Canada Ltd. 4% (\$25 Par) Cumulative Preferred
at approximately 24 $\frac{1}{2}$ U.S. Fds.
1,500rts Consumers Power Co. at 6/32
1,500rts Hooker Electrochemical Co. at 26/32
(Proceeds sale of rights used to write down cost of stock held)

Received:

3,750shs C.I.T. Financial Corp. Common
(Additional shares to effect 2 $\frac{1}{2}$ /1 split)
100shs Carolina Power & Light Co. Common
(5% Stock Dividend payable 2/16/53)
2,000shs American Gas & Electric Co. Common (\$5 Par)
For
1,000shs \$10 Par Stock
50shs American Gas & Electric Co. Common (\$5 Par)
(2 $\frac{1}{2}$ % Stock Dividend payable 3/10/53)

THE INSTITUTE FOR ADVANCED STUDY

1.

					<u>BONDS</u>			
					<u>U.S. Government & Comm'l Paper</u>			
<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>12/31/52^p</u>	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Apprec.</u> <u>or</u> <u>Deprec.</u>	<u>Est.</u> <u>Annual</u> <u>Income</u>	<u>Maturity</u> <u>Yield on</u> <u>Market</u>
				\$	\$	\$	\$	%
<u>U.S. Government Bonds & Comm'l Paper</u>								
Commercial Investment Trust, Inc.								
600M	2 ⁵ / ₈ /4-3-53	100	^p	600,000	600,000	-	14,250	2.4 ^p
Commercial Credit Co.								
250M	2 ⁵ / ₈ /8-25-53	100	^p	250,000	250,000	-	5,938	2.4 ^p
General Motors Acceptance Corp.								
250M	2 ⁵ / ₈ /8-28-53	100	^p	250,000	250,000	-	5,938	2.4 ^p
Treasury Ctls. of Indebtedness								
2,350M	1 ⁷ / ₈ /6-1-53	99.966	99.946	2,349,200	2,348,731	469	44,063	2.0
Treasury Notes								
1,000M	2 ¹ / ₂ /12-1-53	100 ¹ / ₄	100-3	1,002,031	1,000,938	1,093	21,250	2.0
1,500M	1 ³ / ₂ /12-15-55	100	98-19	1,500,000	1,478,906	21,094	26,250	2.3
Treasury Bonds								
1,770M	2 ¹ / ₂ /6-15-62/59	101-29	97-20	1,803,829	1,727,963	75,866	39,825	2.5
Savings Series "G" (At Par)								
50M	2 ¹ / ₂ /5-1-53	100	100	50,000	50,000	-	1,250	2.5
50M	2 ¹ / ₂ /1-1-54	100	100	50,000	50,000	-	1,250	2.5
50M	2 ¹ / ₂ /7-1-54	100	100	50,000	50,000	-	1,250	2.5
100M	2 ¹ / ₂ /1-1-55	100	100	100,000	100,000	-	2,500	2.5
100M	2 ¹ / ₂ /1-1-56	100	100	100,000	100,000	-	2,500	2.5
100M	2 ¹ / ₂ /4-1-57	100	100	100,000	100,000	-	2,500	2.5
100M	2 ¹ / ₂ /3-1-58	100	100	100,000	100,000	-	2,500	2.5
100M	2 ¹ / ₂ /1-1-59	100	100	100,000	100,000	-	2,500	2.5
100M	2 ¹ / ₂ /1-1-60	100	100	100,000	100,000	-	2,500	2.5
100M	2 ¹ / ₂ /4-1-61	100	100	100,000	100,000	-	2,500	2.5
100M	2 ¹ / ₂ /3-1-62	100	100	100,000	100,000	-	2,500	2.5
TOTAL U.S. GOVERNMENT BONDS & COMM'L PAPER				8,705,060	8,606,538	98,522	181,264	2.1 [*]

^p Bid Prices.
^p Carried at Book Value. Discounted for 9 Mos.
^{*} Current Yield.

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2.

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/52</u>	<u>BONDS</u>		<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Maturity Yield on Market</u>
				<u>Railroad</u>	<u>Public Utility</u>			
				<u>Book Value</u>	<u>Market Value</u>			
				\$	\$	\$	\$	%
	<u>Railroad Bonds</u>							
100M	Missouri Pacific R.R. 1st & Ref. "H" 5/4-1-80 (Callable 105)	76½	111½ F	76,232	111,250	35,018	5,000/	4.5*
	<u>Public Utility Bonds</u>							
500M	Amer. Tel. & Tel. Conv. Deb. 2¾/12-15-61 (Callable 105)	105⅝	115¼	527,968	576,250	48,282	13,750	2.4*
50M	South Jersey Gas, Elec. & Traction 1st 5/3-1-53 (Non-Callable)	100	100	50,011	50,000	11	2,500	5.0
	TOTAL PUBLIC UTILITY BONDS			577,979	626,250	48,271	16,250	2.6*
	<u>Industrial Bonds</u>							
300M	Dome Exploration (Western) Ltd. Note Reg. 4/2-1-63 (Callable 100 Cdn.Fds.)	91	ø	273,092	273,092	-	12,000	4.4ø
100M	Dow Chemical Co. Conv. Sub. Deb. 3/7-1-82 (Callable 104½)	101½	108¾	101,477	108,750	7,273	3,000	2.8
200M	Warren Petroleum Corp. Conv. Deb. 3½/10-1-66 (Callable 102¾)	103⅛	113½	206,164	227,000	20,836	7,000	3.1
	TOTAL INDUSTRIAL BONDS			580,733	608,842	28,109	22,000	3.6

* Current Yield.

F Flat.

/ Interest received in excess 5% annually to be used to write down cost.

ø Carried at Book Value.

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3.

PREFERRED STOCKS

Industrial & Miscellaneous

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/52</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous</u>			\$	\$	\$	\$	%
1,025	Alum. Co. of Canada 4% (\$25 Par) Cum. (Callable 26 $\frac{5}{8}$ Cdn.Fds.)	23 $\frac{3}{4}$	U.S. 23 $\frac{1}{4}$	24,371	23,831	540	1,025	4.3
10,000	Arkansas Natural Gas Corp. 6% (\$10 Par) Cum. (Callable 10.60)	10 $\frac{3}{4}$	10 $\frac{3}{8}$	107,766	103,750	4,016	6,000	5.8
200	Christiana Securities Corp. 7% Cum. (Callable 120)	126 $\frac{3}{4}$	136	25,350	27,200	1,850	1,400	5.1
1,000	Food Machinery & Chemical Corp. 3 $\frac{1}{2}$ % Cum. Conv. (Callable 101)	101 $\frac{1}{2}$	102	101,493	102,000	507	3,250	3.2
3,000	U.S. & Int'l. Securities \$5 Cum. 1st W.W. (Callable 105)	88 $\frac{1}{4}$	92 $\frac{1}{2}$	264,891	277,500	12,609	15,000	5.4
500	U.S. Rubber Co. 8% Non-Cum. First (Non-Callable)	159	140	79,475	70,000	9,475	4,000	5.7
1,500	U.S. Steel Corp. 7% Cum. (Non-Callable)	126 $\frac{1}{4}$	142	189,400	213,000	23,600	10,500	4.9
TOTAL INDUSTRIAL & MISCELLANEOUS PREFERRED STOCKS				792,746	817,281	24,535	41,175	5.0

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4.

COMMON STOCKS

Public Utility - Electric

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/52</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
	<u>Public Utility - Electric</u>							
1,000	American Gas & Electric (\$3.00)	31 $\frac{3}{8}$	67 $\frac{7}{8}$	31,727	67,875	36,148	3,000	4.4
2,000	Carolina Power & Light (\$2.00)	33 $\frac{3}{8}$	40 $\frac{3}{8}$	66,641	80,750	14,109	4,000	5.0
4,000	Central & South West Corp. (\$1.00)	16 $\frac{1}{4}$	20 $\frac{1}{8}$	64,971	81,500	16,529	4,000	4.9
4,000	Columbus & Southern Ohio Electric (\$1.40)	23 $\frac{1}{8}$	25 $\frac{3}{4}$	92,744	103,000	10,256	5,600	5.4
1,500	Consumers Power (\$2.00)	31 $\frac{5}{8}$	38	47,517	57,000	9,483	3,000	5.3
2,000	Florida Power (\$1.20)	16 $\frac{1}{2}$	24 $\frac{1}{8}$	32,971	48,250	15,279	2,400	5.0
2,000	Illinois Power (\$2.20)	31	41 $\frac{1}{8}$	61,902	83,000	21,098	4,400	5.3
1,500	Indianapolis Power & Light (\$2.00)	20 $\frac{1}{8}$	39 $\frac{1}{4}$	30,219	59,625	29,406	3,000	5.0
3,000	Kansas City Power & Light (\$1.60)	25 $\frac{1}{4}$	29 $\frac{1}{4}$	76,629	88,500	11,871	4,800	5.4
5,500	Middle South Utilities (\$1.30)	13 $\frac{1}{4}$	26 $\frac{1}{4}$	72,710	147,125	74,415	7,150	4.9
3,000	Niagara Mohawk Power (\$1.60)	24 $\frac{1}{8}$	27 $\frac{3}{4}$	72,283	83,250	10,967	4,800	5.8
3,000	Oklahoma Gas & Elec. Co. (\$1.50)	26 $\frac{1}{8}$	26	78,464	78,000	464	4,500	5.8
2,000	Public Service Colorado (\$1.40)	19 $\frac{1}{4}$	29 $\frac{3}{8}$	38,573	58,750	20,177	2,800	4.8
3,000	Virginia Electric & Power (\$1.40)	20 $\frac{1}{8}$	27 $\frac{1}{4}$	62,004	81,750	19,746	4,200	5.1
TOTAL PUBLIC UTILITY - ELECTRIC COMMON STOCKS				829,355	1,118,375	289,020	57,650	5.2

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5.

COMMON STOCKS

Public Utility - Gas Pipeline

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/52</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
<u>Public Utility - Gas Pipeline</u>								
2,000	Atlanta Gas Light (\$1.20)	17 $\frac{3}{8}$	21 $\frac{1}{2}$	34,873	43,000	8,127	2,400	5.6
1,000	Consolidated Natural Gas (\$2.50)	41	58	40,974	58,000	17,026	2,500	4.3
3,000	National Fuel Gas (\$0.80)	10 $\frac{7}{8}$	14 $\frac{7}{8}$	32,655	44,625	11,970	2,400	5.4
4,500	Northern Natural Gas (\$1.80)	33 $\frac{1}{4}$	47	149,627	211,500	61,873	8,100	3.8
4,100	Panhandle Eastern Pipe Line (\$2.50)	27 $\frac{1}{8}$	80 $\frac{7}{8}$	111,155	331,588	220,433	10,250	3.1
1,200	Peoples Gas Light & Coke (\$6.00)	105 $\frac{5}{8}$	135	126,814	162,000	35,186	7,200	4.4
8,800	Southern Natural Gas (\$1.40)	14 $\frac{1}{8}$	29 $\frac{3}{8}$	124,682	258,500	133,818	12,320	4.8
3,600	Tennessee Gas Transmission (\$1.40)	9 $\frac{3}{8}$	25 $\frac{1}{2}$	33,967	91,800	57,833	5,040	5.5
5,000	United Gas Corp. (\$1.25)	13 $\frac{1}{8}$	28 $\frac{3}{8}$	65,730	141,875	76,145	6,250	4.4
TOTAL PUBLIC UTILITY - GAS PIPELINE				720,477	1,342,888	622,411	56,460	4.2
COMMON STOCKS								
GRAND TOTAL PUBLIC UTILITY COMMON STOCKS				1,549,832	2,461,263	911,431	114,110	4.6

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6.

COMMON STOCKS

Industrial & Miscellaneous

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/52</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous</u>							
	<u>Agricultural Implement</u>							
2,000	Deere & Co. (\$2.375)	22	30½	43,966	61,000	17,034	4,750	7.8
	<u>Automobile</u>							
1,000	Studebaker (\$3.00)	23½	40½	23,592	40,125	16,533	3,000	7.5
	<u>Chemical</u>							
2,000	Allied Chemical & Dye (\$3.00)	42¾	76¾	84,855	153,750	68,895	6,000	3.9
10,000	Dow Chemical (\$1.00 ¢)	29¾	42¾	294,302	427,500	133,198	10,000 ¢	2.3 ¢
5,000	duPont, E. I. (\$3.55)	36	96¾	179,881	483,125	303,244	17,750	3.7
2,200	Eastman Kodak (\$1.80 ¢)	22¾	44¾	49,211	98,450	49,239	3,960 ¢	4.0 ¢
1,500	Hooker Electrochemical (\$2.00)	30½	64½	45,107	96,750	51,643	3,000	3.1
3,500	Monsanto Chemical (\$2.50)	64¾	92¾	225,212	322,875	97,663	8,750	2.7
3,000	Pfizer (Chas.) (Del.) (\$1.15)	18	33¾	54,138	100,500	46,362	3,450	3.4
2,500	Union Carbide & Carbon (\$2.50)	25½	71¾	63,829	179,063	115,234	6,250	3.5
	<u>Total Chemical</u>			996,535	1,862,013	865,478	59,160	3.2

¢ Plus Stock Dividend.

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7.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/52</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
				\$	\$	\$	\$	%
	<u>Industrial & Miscellaneous (Cont'd)</u>							
	<u>Distilling</u>							
3,000	Distillers Corp. - Seagrams (\$1.70)	19 $\frac{1}{8}$	25 $\frac{1}{8}$	57,208	75,375	18,167	5,100	6.8
1,500	Walker (H.)-Gooderham & Worts (\$3.00)	37 $\frac{1}{2}$	44 $\frac{5}{8}$	56,166	66,938	10,772	4,500	6.7
	Total Distilling			113,374	142,313	28,939	9,600	6.7
	<u>Drug & Pharmaceutical</u>							
3,000	Kendall (\$2.25)	39 $\frac{7}{8}$	36 $\frac{1}{2}$	119,514	109,500	10,014	6,750	6.2
	<u>Finance</u>							
2,500	C.I.T. Financial (\$4.50)	23 $\frac{5}{8}$	75	147,973	187,500	39,527	11,250	6.0
	<u>Metal (Non-Ferrous)</u>							
4,400	Aluminium Ltd. (\$2.00)	32 $\frac{1}{8}$	51 $\frac{5}{8}$	141,617	227,150	85,533	8,800	3.9
9,450	American Metal Co., Ltd. (\$1.50)	10 $\frac{7}{8}$	24	103,213	226,800	123,587	14,175	6.3
4,000	American Smelting & Refining (\$3.50)	23 $\frac{3}{4}$	42 $\frac{7}{8}$	94,917	171,500	76,583	14,000	8.2
1,000	International Silver (\$4.50)	18	51	18,000	51,000	33,000	4,500	8.8
3,500	Kennecott Copper (\$6.00)	47 $\frac{1}{2}$	78 $\frac{1}{2}$	166,247	274,750	108,503	21,000	7.6
9,000	Newmont Mining (\$2.50 ϕ)	28	55 $\frac{1}{2}$	252,390	499,500	247,110	22,500 ϕ	4.5 ϕ
	Total Metal (Non-Ferrous)			776,384	1,450,700	674,316	84,975	5.9

ϕ Plus Stock Dividend.

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8.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/52</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous (Cont'd)</u>							
	<u>Miscellaneous</u>							
1,000	Allied Mills (\$2.25)	31½	32½	31,553	32,500	947	2,250	6.9
1,000	American Research & Development (\$-)	29	20¾	29,000	20,500	8,500	-	-
7,500	General American Investors (\$0.70#)	17½	26½	130,847	201,563	70,716	5,250#	2.6#
1,000	Stein, A., & Co. (\$1.20)	25¾	16½	25,814	16,500	9,314	1,200	7.3
3,000	Sunbeam (\$1.50)	8½	35	25,370	105,000	79,630	4,500	4.3
	<u>Total Miscellaneous</u>			<u>242,584</u>	<u>376,063</u>	<u>133,479</u>	<u>13,200</u>	<u>3.5</u>
	<u>Office Equipment</u>							
1,030	Addressograph-Multigraph (\$3.00)	45¾	58¾	47,274	60,513	13,239	3,090	5.1
* 1,575	International Business Machines (\$4.00¢)	58½	235½	91,741	370,519	278,778	6,300¢	1.7¢
	<u>Total Office Equipment</u>			<u>139,015</u>	<u>431,032</u>	<u>292,017</u>	<u>9,390</u>	<u>2.2</u>

¢ Plus Stock Dividend.

Capital Gains distribution to be used to write down cost of stock.
 Only ordinary income to be taken into income account.

* Includes 5% Stock Dividend, ex-div. 12/30/52, payable 1/29/53.

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9.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/52</u>	<u>Book Value \$</u>	<u>Market Value \$</u>	<u>Apprec. or Deprec. \$</u>	<u>Est. Annual Income \$</u>	<u>Current Yield on Market %</u>
<u>Industrial & Miscellaneous (Cont'd)</u>								
<u>Oil & Natural Gas</u>								
2,000	Amerada Petroleum (\$3.00)	42 $\frac{1}{2}$	187	85,083	374,000	288,917	6,000	1.6
1,000	Columbian Carbon (\$2.25)	30 $\frac{1}{8}$	47 $\frac{1}{8}$	30,135	47,500	17,365	2,250	4.7
4,000	Continental Oil (Del.) (\$2.50)	24 $\frac{1}{2}$	62 $\frac{1}{8}$	97,843	250,500	152,657	10,000	4.0
6,240	Gulf Oil (\$2.00)	26 $\frac{1}{4}$	50 $\frac{3}{8}$	163,791	314,340	150,549	12,480	4.0
5,000	Louisiana Land & Expl. (\$2.50)	14	46 $\frac{1}{2}$	70,148	232,500	162,352	12,500	5.4
2,000	Phillips Petroleum (\$2.40)	25 $\frac{3}{8}$	63 $\frac{1}{4}$	50,700	126,500	75,800	4,800	3.8
1,000	Seaboard Oil (\$2.75)	54 $\frac{1}{4}$	82 $\frac{1}{4}$	54,189	82,250	28,061	2,750	3.3
2,500	Shell Oil (\$3.00)	29 $\frac{1}{2}$	72 $\frac{1}{4}$	73,849	180,625	106,776	7,500	4.2
4,400	Skelly Oil (\$3.25 ϕ)	50 $\frac{1}{8}$	83 $\frac{1}{4}$	220,710	366,300	145,590	14,300 ϕ	3.9 ϕ
6,000	Standard Oil (Indiana) (\$2.50 ϕ)	56 $\frac{3}{4}$	81 $\frac{3}{4}$	340,250	490,500	150,250	15,000 ϕ	3.1 ϕ
3,000	Standard Oil (N.J.) (\$4.25)	21 $\frac{1}{8}$	77 $\frac{3}{4}$	64,827	233,250	168,423	12,750	5.5
800	Superior Oil (Calif.) (\$3.00)	175 $\frac{3}{8}$	555	140,250	444,000	303,750	2,400	0.5
6,000	Texas Co. (\$3.00)	45 $\frac{7}{8}$	57 $\frac{3}{4}$	275,569	346,500	70,931	18,000	5.2
10,000	Tide Water Associated Oil (\$1.15)	21 $\frac{1}{8}$	23 $\frac{1}{2}$	218,433	235,000	16,567	11,500	4.9
2,000	United Carbon (\$2.50)	33 $\frac{3}{4}$	62 $\frac{1}{4}$	67,510	124,500	56,990	5,000	4.0
Total Oil & Natural Gas				1,953,287	3,848,265	1,894,978	137,230	3.6
<u>Paper</u>								
5,000	International Paper (\$3.00)	28 $\frac{3}{4}$	55	143,810	275,000	131,190	15,000	5.5
<u>Rayon & Textile</u>								
# 2,310	Industrial Rayon (\$3.00 ϕ)	35 $\frac{1}{2}$	55	81,959	127,050	45,091	6,930 ϕ	5.5 ϕ

ϕ Plus Stock Dividend.

Includes 5% Stock Dividend, ex-div. 11/25/52, payable 1/20/53.

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10.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/52</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
				\$	\$	\$	\$	%
	<u>Industrial & Miscellaneous (Cont'd)</u>							
	<u>Retail Trade</u>							
2,500	Federated Dept. Stores (\$2.50)	11 $\frac{1}{4}$	47	28,180	117,500	89,320	6,250	5.3
1,500	Grant (W.T.) (\$1.50)	18	31 $\frac{3}{4}$	27,028	47,625	20,597	2,250	4.7
2,000	Murphy, G.C. (\$2.00)	36	50	71,914	100,000	28,086	4,000	4.0
2,500	Sears Roebuck (\$2.75)	22 $\frac{3}{8}$	60	55,909	150,000	94,091	6,875	4.6
	Total Retail Trade			183,031	415,125	232,094	19,375	4.7
	<u>Steel</u>							
3,500	Hanna (M.A.) Class "A" (\$10 Par)							
	Non-Voting (\$2.15)	46 $\frac{1}{2}$	77	162,700	269,500	106,800	7,525	2.8
1,500	Hanna (M.A.) Class "B"							
	(\$10 Par) (\$2.15)	41 $\frac{5}{8}$	79 $\frac{1}{2}$	62,396	119,250	56,854	3,225	2.7
2,500	Inland Steel (\$3.50)	32 $\frac{3}{8}$	46 $\frac{1}{4}$	80,827	115,625	34,798	8,750	7.6
4,000	National Steel (\$3.00)	30 $\frac{3}{8}$	51	121,641	204,000	82,359	12,000	5.9
	Total Steel			427,564	708,375	280,811	31,500	4.4
	<u>Tobacco</u>							
1,200	Universal Leaf Tobacco (\$1.70)	14 $\frac{3}{4}$	24 $\frac{3}{4}$	17,729	29,700	11,971	2,040	6.9
	GRAND TOTAL INDUSTRIAL & MISCELLANEOUS COMMON STOCKS			5,410,317	10,063,761	4,653,444	414,150	4.1
	GRAND TOTAL <u>ALL</u> COMMON STOCKS			6,960,149	12,525,024	5,564,875	528,260	4.2

THE INSTITUTE FOR ADVANCED STUDY

11.

SECURITIES OF NOMINAL VALUE

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/52</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
<u>Securities of Nominal Value</u>								
200 Units	Engineers Royalties, Inc. Unit #	1#	1#	100#	100#	-	#	#
1 sh	U.S. Electric Power Co. Common (\$-)	Gift	-	Carried at No Book Value		-	-	-
10 $\frac{10}{200}$ shs	Schulte, Retail Stores, Corp. (No Par) Common (\$-)	Gift	-	Carried at No Book Value		-	-	-
TOTAL SECURITIES OF NOMINAL VALUE				100	100	-	-	-

Gift. Unit consists of 1 share 7% Cum. (\$10 Par) Preferred Stock & 1 share No Par Common Stock. Company's valuation of 200 Units. Received payments in 1948, 1949, 1950 and 1951 of \$70, \$65, \$35 & \$70 respectively.

THE INSTITUTE FOR ADVANCED STUDY
RECAPITULATION OF INVESTMENT HOLDINGS
As of June 30, 1952

	MARKET VALUE 6/30/52		ESTIMATED ANNUAL INCOME 6/30/52				INCREASE OR DECREASE 6/30/52		
	Amount	% of Total	Amount	% of Total	Current Yield		Compared with Book - Same Date		
					Mkt.	Book	Book Value *	Increase	Decrease
CASH - Uninvested	\$ 339,309	1.1%	\$ -	- %	- %	- %	\$ 339,309	\$ -	\$ -
BONDS									
U.S.Gov't.Marketable & Comm'l Paper - Due Within 1 Yr.	3,450,000	14.4	70,063	8.2	2.0	2.0	3,449,200	800	
U.S.Gov't.Marketable - Other	3,241,472	13.6	66,075	7.7	2.0	2.0	3,305,650		64,178
U.S.Savings Series "G" (At Par)	950,000	4.0	23,750	2.8	2.5	2.5	950,000	-	-
Railroad	138,750	0.6	7,125	0.8	5.1	5.7	125,215	13,535	
Public Utility	709,025	3.0	20,850	2.4	2.9	3.1	677,174	31,851	
Industrial	485,000	2.0	18,000	2.1	3.7	3.7	481,722	3,278	
TOTAL BONDS	\$ 8,974,247	37.6%	\$205,863	24.0%	2.3 %	2.3 %	\$ 8,988,961		\$14,714
PREFERRED STOCKS									
Public Utility	294,125	1.2	12,750	1.5	4.3	4.6	276,699	17,426	
Industrial & Miscellaneous	1,747,525	7.3	82,350	9.7	4.7	4.8	1,714,909	32,616	
TOTAL PREFERRED STOCKS	\$ 2,041,650	8.5%	\$ 95,100	11.2%	4.7 %	4.8 %	\$ 1,991,608	\$ 50,042	
COMMON STOCKS									
Public Utility-Electric & Other	948,688	4.0	52,750	6.2	5.6	7.0	751,412	197,276	
Public Utility-Gas Pipeline	1,308,250	5.5	54,940	6.4	4.2	7.1	768,658	539,592	
Industrial & Miscellaneous	10,220,103	42.7	440,795	51.7	4.3	8.4	5,250,468	4,969,635	
Bank & Insurance	-	-	-	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$12,477,041	52.2%	\$548,485	64.3%	4.4 %	8.1 %	\$ 6,770,538	\$5,706,503	
SECURITIES OF NOMINAL VALUE /	\$ 100	0.0%	\$ -	- %	- %	- %	\$ 100	\$ -	\$ -
REAL ESTATE MORTGAGES	\$ 9,300	0.0%	\$ 465	0.1%	5.0 %	5.0 %	\$ 9,300	\$ -	\$ -
PROFESSORS' HOMES - MTGES.	\$ 74,670	0.3%	\$ 2,987	0.4%	4.0 %	4.0 %	\$ 74,670	\$ -	\$ -
GRAND TOTAL	\$23,916,317	100.0%	\$852,900	100.0%	3.57%	4.69%	\$18,174,486	\$5,741,831	

* Reported by Treasurer's Office.

/ Carried at Book Value. No market readily available.

Before amortisation of premium on Bonds, estimated at \$7,700 annually.

D.J.I.A. - June 30, 1952 - 274.26.

Paul B. Wyant & Co.
 July 11, 1952

THE INSTITUTE FOR ADVANCED STUDY
RECAPITULATION OF INVESTMENT HOLDINGS
As of December 31, 1951

Mr. Leonard

	MARKET VALUE 12/31/51		ANNUAL INCOME RATE 12/31/51				INCREASE OR DECREASE 12/31/51 Compared with Book - Same Date		
	Amount	% Total	Amount	% Total	% Yield on Mkt. Book		Book Value*	Increase	Decrease
CASH - Uninvested	\$ 444,528	1.9%	\$ -	- %	- %	- %	\$ 444,528	\$ -	\$ -
BONDS									
U.S. Gov't. & Comm'l Paper - Due Within 1 Year	3,450,680	14.8	68,813	8.2	2.0	2.0	3,449,200	1,480	
U.S. Gov't. - Other Marketable	3,188,269	13.6	66,075	7.9	2.1	2.0	3,307,471		119,202
U.S. Savings Series "G" (At Par)	950,000	4.1	23,750	2.8	2.5	2.5	950,000	-	-
Railroad	143,000	0.6	7,125	0.8	5.0	5.3	135,215	7,785	
Public Utility	711,525	3.0	20,850	2.5	2.9	3.1	678,988	32,537	
Industrial	190,625	0.8	6,462	0.8	3.4	3.3	193,281		2,656
TOTAL BONDS	\$ 8,634,099	36.9%	\$193,075	23.0%	2.2 %	2.2 %	\$ 8,714,155		\$ 80,056
PREFERRED STOCKS									
Public Utility	378,000	1.6	18,750	2.2	5.0	4.9	384,465		6,465
Industrial & Miscellaneous	1,577,784	6.7	74,479	8.9	4.7	4.8	1,562,059	15,725	
TOTAL PREFERRED STOCKS	\$ 1,955,784	8.3%	\$ 93,229	11.1%	4.8 %	4.8 %	\$ 1,946,524	\$ 9,260	
COMMON STOCKS									
Public Utility - Elec. & Other	896,631	3.8	51,750	6.2	5.8	6.9	754,582	142,049	
Public Utility - Natural Gas	1,207,969	5.2	55,475	6.6	4.6	7.0	787,438	420,531	
Industrial & Miscellaneous	10,153,491	43.4	442,716	52.6	4.4	8.4	5,249,886	4,903,605	
Bank & Insurance	-	-	-	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$12,258,091	52.4%	\$549,941	65.4%	4.5 %	8.1 %	\$ 6,791,906	\$5466,185	
SECURITIES OF NOMINAL VALUE /	\$ 100	0.0%	\$ -	- %	- %	- %	\$ 100	\$ -	\$ -
REAL ESTATE MORTGAGES	\$ 35,193	0.2%	\$ 1,620	0.1%	4.6 %	4.6 %	\$ 35,193	\$ -	\$ -
PROFESSORS' HOMES-MTGES.	\$ 78,584	0.3%	\$ 3,143	0.4%	4.0 %	4.0 %	\$ 78,584	\$ -	\$ -
GRAND TOTAL	\$23,406,379	100.0%	\$841,008#	100.0%	3.59%	4.67%	\$18,010,990	\$5395,389	

* Reported by Treasurer's Office.

/ Carried at Book Value. No market readily available.

Before amortization of premium on Bonds, estimated at \$7,200.00 annually.

D. J. I. A. - December 31, 1951 - 269.23.

Paul B. Wyant & Co.
 January 31, 1952

THE INSTITUTE FOR ADVANCED STUDY

Common Stocks

As of December 31, 1951

	<u>Book Value</u>		<u>Market Value</u>		<u>Appreciation or Depreciation</u>
	<u>Amount</u>	<u>Percent Total</u>	<u>Amount</u>	<u>Percent Total</u>	
Public Utility					
Electric & Other	\$ 754,582	11.1%	\$ 896,631	7.3%	\$ 142,049
Natural Gas	787,438	11.6	1,207,969	9.9	420,531
Total Public Utility	(1,542,020)	(22.7)	(2,104,600)	(17.2)	(562,580)
Industrial & Miscellaneous					
Agricultural Implement	43,966	0.6	64,250	0.5	20,284
Automobile & Accessory	41,967	0.6	49,000	0.4	7,033
Chemical	935,487	13.8	1,865,282	15.2	929,795
Distilling	113,374	1.7	151,125	1.3	37,751
Drug & Pharmaceutical	19,643	0.3	33,375	0.2	13,732
Finance	147,973	2.2	141,250	1.1	6,723
Metal (Non-Ferrous)	757,814	11.2	1,539,699	12.6	781,885
Miscellaneous	256,310	3.8	369,313	3.0	113,003
Office Equipment	187,298	2.8	498,800	4.1	311,502
Oil Producing & Refining	1,417,103	20.9	3,260,556	26.6	1,843,453
Paper	143,810	2.1	245,000	2.0	101,190
Rayon & Textile	81,959	1.2	132,000	1.1	50,041
Retail Trade	362,556	5.3	720,913	5.9	358,357
Soap	90,560	1.3	100,328	0.8	9,768
Steel	632,337	9.3	952,000	7.8	319,663
Tobacco	17,729	0.2	30,600	0.2	12,871
Total Industrial & Miscellaneous	(5,249,886)	(77.3)	(10,153,491)	(82.8)	(4,903,605)
Total Common Stocks	<u>\$6,791,906</u>	<u>100.0%</u>	<u>\$12,258,091</u>	<u>100.0%</u>	<u>\$5,466,185</u>

THE INSTITUTE FOR ADVANCED STUDY
Percent Common Stocks to All Investments
and
Dow-Jones Industrial Averages

<u>Date</u>	<u>Market Value (000 omitted)</u>			<u>% Common Stocks to all Investments</u>	<u>Dow-Jones Industrial Averages</u>
	<u>Common Stocks</u>	<u>Cash & Other Investments</u>	<u>All Investments</u>		
6/30/42	\$ 1,356	\$ 5,838	\$ 7,194	18.9%	103.34
6/30/43	1,932	6,262	8,194	23.6	143.38
6/30/44	2,209	6,477	8,686	25.4	148.38
6/30/45	6,289	10,048	16,337	38.5	165.29
6/28/46	6,462	13,093	19,555	33.1	205.62
6/30/47	6,313	11,686	17,999	35.1	177.30
6/30/48	7,835	10,046	17,881	43.8	189.46
6/30/49	7,564	9,527	17,091	44.3	167.42
6/30/50	9,361	9,919	19,280	48.6	209.11
12/30/50	11,197	9,992	21,189	52.8	235.41
3/31/51	11,636	9,789	21,425	54.4	247.94
6/29/51	10,642	10,829	21,471	49.6	242.64
9/28/51	12,142	11,057	23,199	52.3	271.16
12/31/51	12,258	11,148	23,406	52.4	269.23

Paul B. Wyant & Co.

THE INSTITUTE FOR ADVANCED STUDY

1.

BONDS

U. S. Government & Comm'l Paper

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>12/31/51</u>	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Apprec.</u> <u>or</u> <u>Deprec.</u>	<u>Est.</u> <u>Annual</u> <u>Income</u>	<u>Maturity</u> <u>Yield on</u> <u>Market</u>
				\$	\$	\$	\$	%
U.S. Government Bonds & Comm'l Paper								
Commercial Investment Trust, Inc.								
600M	2½/7-7-52	100	/	600,000	600,000	-	13,500	/
Federal Intermediate Credit Bank Deb.								
500M	2.25/3-3-52	100	99.995	500,000	499,975	25	11,250	2.3
Treasury Ctfs. of Indebtedness								
2,350M	1½/7-1-52	99.966	100.030	2,349,200	2,350,705	1,505	44,063	1.8
Treasury Notes								
1,500M	1½/12-15-55	100	98-10	1,500,000	1,474,688	25,312	26,250	2.2
Treasury Bonds								
1,770M	2½/6-15-62/59	102-4	96-26	1,807,471	1,713,581	93,890	39,825	2.6
Savings Series "G" (At Par)								
50M	2½/5-1-53	100	100	50,000	50,000	-	1,250	2.5
50M	2½/1-1-54	100	100	50,000	50,000	-	1,250	2.5
50M	2½/7-1-54	100	100	50,000	50,000	-	1,250	2.5
100M	2½/1-1-55	100	100	100,000	100,000	-	2,500	2.5
100M	2½/1-1-56	100	100	100,000	100,000	-	2,500	2.5
100M	2½/4-1-57	100	100	100,000	100,000	-	2,500	2.5
100M	2½/3-1-58	100	100	100,000	100,000	-	2,500	2.5
100M	2½/1-1-59	100	100	100,000	100,000	-	2,500	2.5
100M	2½/1-1-60	100	100	100,000	100,000	-	2,500	2.5
100M	2½/4-1-61	100	100	100,000	100,000	-	2,500	2.5
100M	2½/3-1-62	100	100	100,000	100,000	-	2,500	2.5
TOTAL U. S. GOVERNMENT BONDS & COMM'L PAPER				7,706,671	7,588,949	117,722	158,638	2.1*

/ Bid Prices.

/ Carried at Book Value. Discounted at 2½% for 9 Mos.

* Current Yield.

THE INSTITUTE FOR ADVANCED STUDY

2.

BONDS
Railroad
Public Utility

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>12/31/51</u>	<u>Book</u> <u>Value</u> \$	<u>Market</u> <u>Value</u> \$	<u>Apprec.</u> <u>or</u> <u>Deprec.</u> \$	<u>Est.</u> <u>Annual</u> <u>Income</u> \$	<u>Maturity</u> <u>Yield on</u> <u>Market</u> %
	<u>Railroad Bonds</u>							
50M	Chgo., T.H. & S.E., Income 2 $\frac{3}{4}$ -4 $\frac{1}{2}$ -1-94 (Callable 100)	98	68 $\frac{1}{2}$	48,982	34,250	14,732	2,125	6.2%
100M	Missouri Pacific R.R. 1st & Ref. "H" 5/4-1-80 (Callable 105)	86 $\frac{1}{4}$	108 $\frac{3}{4}$ f	86,233	108,750	22,517	5,000 ^f	4.6%
	TOTAL RAILROAD BONDS			135,215	143,000	7,785	7,125	5.0%
	<u>Public Utility Bonds</u>							
500M	Amer. Tel. & Tel. Conv. Deb. 2 $\frac{3}{4}$ /12-15-61 (Callable 105)	106 $\frac{1}{4}$	110	531,091	550,000	18,909	13,750	2.5%
50M	Public Service Elec. & Gas Deb. 6/7-1-98 (Non-Callable)	123	141	61,531	70,500	8,969	3,000	4.0
20M	Public Service Elec. & Gas 1st & Ref. 8/6-1-2037 (Non-Callable)	181 $\frac{1}{2}$	202 $\frac{5}{8}$	36,290	40,525	4,235	1,600	3.9
50M	South Jersey Gas, Elec. & Traction 1st 5/3-1-53 (Non-Callable)	100 $\frac{1}{8}$	101	50,076	50,500	424	2,500	3.2
	TOTAL PUBLIC UTILITY BONDS			678,988	711,525	32,537	20,850	2.9%

* Current Yield.

f Flat.

/ Interest received in excess 5% annually to be used to write down cost.

THE INSTITUTE FOR ADVANCED STUDY						3.		
						<u>BONDS</u>	<u>PREFERRED STOCKS</u>	
						Industrial	Public Utility	
<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>12/31/51</u>	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Apprec.</u> <u>or</u> <u>Deprec.</u>	<u>Est.</u> <u>Annual</u> <u>Income</u>	<u>Current</u> <u>Yield on</u> <u>Market</u>
	<u>Industrial Bonds</u>			\$	\$	\$	\$	%
100M	Imperial Oil Ltd., S.F. Deb. 3/12-15-69 (Callable 101½ Cdn.Fds.)	U.S. 93¼	U.S. 86	93,281	86,000	7,281	2,962#	3.4#
100M	Warren Petroleum Corp. Conv. Deb. 3½/10-1-66 (Callable 103)	100	104½	100,000	104,625	4,625	3,500	3.3
	TOTAL INDUSTRIAL BONDS			193,281	190,625	2,656	6,462	3.4
<u>Shares</u>	<u>Public Utility Preferred Stocks</u>							
10,000	Arkansas Natural Gas Corp. 6% (\$10 Par) Cum. (Callable 10.60)	10¾	10½	107,766	105,000	2,766	6,000	5.7
500	Consolidated Edison Co. N.Y. \$5 Cum. (Callable 105)	105	107½	52,500	53,750	1,250	2,500	4.7
500	Southwestern Gas & Elec. Co. 5% Cum. (Callable 109)	107	105	53,489	52,500	989	2,500	4.8
500	Standard Gas & Elec. \$7 Cum. (Callable 115)	117½	165½	73,603	82,750	9,147	3,500	4.2
1,000	Tennessee Gas Transmission Co. 4.25% Cum. (Callable 106)	97¾	84	97,107	84,000	13,107	4,250	5.1
	TOTAL PUBLIC UTILITY PREFERRED STOCKS			384,465	378,000	6,465	18,750	5.0

After deducting 1½% approximate discount on exchange of Canadian Funds.

THE INSTITUTE FOR ADVANCED STUDY

4.

PREFERRED STOCKS
Industrial & Miscellaneous

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
<u>Industrial & Miscellaneous</u>								
4,000	Alum. Co. of Canada 4% (\$25 Par) Cum. (Callable 26 $\frac{3}{4}$ Cdn.Fds.)	U.S. 23 $\frac{7}{8}$	U.S. 22 $\frac{3}{4}$	95,419	91,000	4,419	3,950#	4.3#
300	American Metal Co. 4 $\frac{1}{2}$ % Cum. (Callable 105)	81 $\frac{3}{4}$	94 $\frac{1}{2}$	24,542	28,350	3,808	1,350	4.8
800	Bethlehem Steel Corp. 7% Cum. (Non-Callable)	127 $\frac{1}{4}$	139	101,813	111,200	9,387	5,600	5.0
1,000	Canada Dry Ginger Ale \$4.25 Cum. Conv. (Callable 102 $\frac{1}{2}$)	119 $\frac{5}{8}$	92	119,614	92,000	27,614	4,250	4.6
1,000	Celanese Corp. of America 4 $\frac{1}{2}$ % Cum. Conv. "A" (Callable 105)	100	110	100,000	110,000	10,000	4,500	4.1
200	Christiana Securities Corp. 7% Cum. (Callable 120)	126 $\frac{3}{4}$	131	25,350	26,200	850	1,400	5.3
1,000	Food Machinery & Chemical Corp. 3 $\frac{1}{4}$ % Cum. Conv. (Callable 101 $\frac{1}{2}$)	101 $\frac{1}{2}$	107	101,493	107,000	5,507	3,250	3.0
495	Hanna, M.A. & Co. \$4.25 Cum. (Callable 104)	103 $\frac{1}{8}$	103 $\frac{1}{2}$	51,024	51,233	209	2,104	4.1
500	Murphy, G.C. & Co. 4 $\frac{3}{4}$ % Cum. (Callable 107 $\frac{1}{2}$)	110 $\frac{5}{8}$	109	55,285	54,500	785	2,375	4.4

After deducting 1 $\frac{1}{4}$ % approximate discount on exchange of Canadian Funds.

THE INSTITUTE FOR ADVANCED STUDY

5.

PREFERRED STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
<u>Industrial & Miscellaneous (Cont'd.)</u>								
600	Oliver Corp. $4\frac{1}{2}\%$ Cum. Conv. (Callable 104)	103 $\frac{1}{2}$	105 $\frac{1}{2}$	62,068	63,300	1,232	2,700	4.3
500	Pure Oil 5% Cum. (Callable 105)	105	107 $\frac{5}{8}$	52,500	53,813	1,313	2,500	4.6
500	Reynolds, R.J. Tobacco Co. 4.50% Cum. (Callable 102 $\frac{1}{2}$)	100	101 $\frac{1}{2}$	50,000	50,750	750	2,250	4.4
4,000	Sunray Oil $4\frac{1}{4}\%$ (\$25 Par) Cum. "A" (Callable 25 $\frac{1}{2}$)	21 $\frac{7}{8}$	23 $\frac{1}{4}$	87,347	93,000	5,653	4,250	4.6
1,000	U.S. & Foreign Securities \$4.50 Cum. 1st (Callable 105)	101 $\frac{7}{8}$	99	101,838	99,000	2,838	4,500	4.5
3,000	U.S. & Int'l. Securities \$5 Cum. 1st W.W. (Callable 105)	88 $\frac{1}{4}$	89 $\frac{1}{2}$	264,891	268,500	3,609	15,000	5.6
500	U.S. Rubber Co. 8% Non-Cum. First (Non-Callable)	159	136 $\frac{1}{4}$	79,475	68,125	11,350	4,000	5.9
1,500	U.S. Steel Corp. 7% Cum. (Non-Callable)	126 $\frac{1}{4}$	139 $\frac{7}{8}$	189,400	209,813	20,413	10,500	5.0
TOTAL INDUSTRIAL & MISCELLANEOUS PREFERRED STOCKS				1,562,059	1,577,784	15,725	74,479	4.7

THE INSTITUTE FOR ADVANCED STUDY

6.

COMMON STOCKS

Public Utility - Electric & Other

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
<u>Public Utility - Electric & Other</u>								
1,050	American Gas & Electric (\$3.00)	31 $\frac{7}{8}$	60 $\frac{1}{8}$	33,485	63,131	29,646	3,150	5.0
2,000	Carolina Power & Light (\$2.00)	33 $\frac{3}{8}$	34 $\frac{1}{4}$	66,641	68,500	1,859	4,000	5.8
4,000	Central & South West Corp. (\$0.90)	16 $\frac{1}{4}$	17 $\frac{1}{4}$	64,971	69,000	4,029	3,600	5.2
4,000	Columbus & Southern Ohio Electric (\$1.40)	23 $\frac{1}{8}$	20 $\frac{1}{2}$	92,744	82,000	10,744	5,600	6.8
1,500	Consumers Power (\$2.00)	31 $\frac{3}{8}$	34 $\frac{1}{2}$	47,517	51,750	4,233	3,000	5.8
2,000	Florida Power (\$1.20)	16 $\frac{3}{4}$	17 $\frac{3}{8}$	33,492	35,750	2,258	2,400	6.7
2,000	Illinois Power (\$2.20)	31	37 $\frac{1}{4}$	61,902	74,500	12,598	4,400	5.9
1,500	Indianapolis Power & Light (\$2.00)	20 $\frac{1}{8}$	36	30,247	54,000	23,753	3,000	5.6
3,000	Kansas City Power & Light (\$1.60)	25 $\frac{3}{4}$	27	77,388	81,000	3,612	4,800	5.9
5,500	Middle South Utilities (\$1.20)	13 $\frac{1}{4}$	22 $\frac{1}{2}$	72,710	123,750	51,040	6,600	5.3
3,000	Niagara Mohawk Power (\$1.60)	24 $\frac{1}{8}$	24 $\frac{5}{8}$	72,283	73,875	1,592	4,800	6.5
2,000	Public Service Colorado (\$1.40)	19 $\frac{1}{2}$	26 $\frac{3}{8}$	38,573	53,750	15,177	2,800	5.2
3,000	Virginia Electric & Power (\$1.20)	20 $\frac{3}{8}$	21 $\frac{3}{8}$	62,629	65,625	2,996	3,600	5.5
TOTAL PUBLIC UTILITY - ELECTRIC & OTHER				COMMON STOCKS				
				754,582	896,631	142,049	51,750	5.8

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7.

COMMON STOCKS

Public Utility - Natural Gas

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
<u>Public Utility - Natural Gas</u>								
2,000	Atlanta Gas Light (\$1.20)	17 ⁵ / ₈	21	34,872	42,000	7,128	2,400	5.7
5,000	Columbia Gas Systems (\$0.90)	13 ⁵ / ₈	15 ³ / ₈	68,181	76,875	8,694	4,500	5.9
1,000	Consolidated Natural Gas (\$2.50)	41 ⁵ / ₈	58	41,678	58,000	16,322	2,500	4.3
3,000	National Fuel Gas (\$0.80)	10 ⁷ / ₈	13 ³ / ₈	32,655	41,250	8,595	2,400	5.8
4,500	Northern Natural Gas (\$1.80)	33 ¹ / ₄	37 ⁵ / ₈	149,627	169,313	19,686	8,100	4.8
4,000	Panhandle Eastern Pipe Line (\$2.00)	27 ³ / ₄	59 ¹ / ₂	111,156	238,000	126,844	8,000	3.4
1,000	Peoples Gas Light & Coke (\$6.00)	106 ⁷ / ₈	130	106,815	130,000	23,185	6,000	4.6
4,400	Southern Natural Gas (\$2.50)	28 ³ / ₈	48 ³ / ₈	124,682	214,500	89,818	11,000	5.1
3,000	Tennessee Gas Transmission (\$1.40)	11 ⁵ / ₈	26 ³ / ₈	33,967	80,250	46,283	4,200	5.2
6,375	United Gas Corp. (\$1.00)	13 ¹ / ₈	24 ³ / ₄	83,805	157,781	73,976	6,375	4.0
TOTAL PUBLIC UTILITY - NATURAL GAS COMMON STOCKS				787,438	1,207,969	420,531	55,475	4.6
GRAND TOTAL PUBLIC UTILITY COMMON STOCKS				1,542,020	2,104,600	562,580	107,225	5.1

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8.

COMMON STOCKS

Industrial & Miscellaneous

Shares	Security	Book	Market 12/31/51	Book Value	Market Value	Apprec. or Deprec.	Est. Annual Income	Current Yield on Market
	Industrial & Miscellaneous			\$	\$	\$	\$	%
	<u>Agricultural Implement</u>							
1,000	Deere & Co. (\$4.75)	44	64 $\frac{1}{4}$	43,966	64,250	20,284	4,750	7.4
	<u>Automobile & Accessory</u>							
1,000	Mack Trucks (\$1.00)	18 $\frac{3}{8}$	15 $\frac{1}{4}$	18,375	15,250	3,125	1,000	6.6
1,000	Studebaker (\$3.00)	23 $\frac{5}{8}$	33 $\frac{3}{4}$	23,592	33,750	10,158	3,000	8.9
	Total Automobile & Accessory			41,967	49,000	7,033	4,000	8.2
	<u>Chemical</u>							
2,000	Allied Chemical & Dye (\$3.00)	42 $\frac{3}{8}$	75 $\frac{1}{2}$	84,855	151,000	66,145	6,000	4.0
1,000	Columbian Carbon (\$2.25)	30 $\frac{1}{8}$	43 $\frac{1}{4}$	30,135	43,250	13,115	2,250	5.2
(2,050)*	Dow Chemical (\$2.40)	66 $\frac{5}{8}$	116	135,609	(237,800)	102,191	4,920 ϕ	2.1 ϕ
(2,000)Rts	Dow Chemical (\$-)	-	43/64	-	(1,344)	1,344	-	-
5,000	duPont, E. I. (\$3.55)	36	92	179,881	460,000	280,119	17,750	3.9
2,200#	Eastman Kodak (\$1.80)	22 $\frac{5}{8}$	46	49,211	101,200	51,989	3,960 ϕ	3.9 ϕ
1,500	Hooker Electrochemical (\$2.00)	30 $\frac{1}{8}$	59	45,107	88,500	43,393	3,000	3.4
3,500	Monsanto Chemical (\$2.50)	64 $\frac{5}{8}$	105 $\frac{3}{4}$	225,212	370,125	144,913	8,750	2.4
3,000	Pfizer (Chas.) (Del.) (\$1.15)	18	42	54,138	126,000	71,862	3,450	2.7
2,500	Union Carbide & Carbon (\$2.00)	25 $\frac{1}{2}$	63 $\frac{5}{8}$	63,829	159,063	95,234	5,000	3.1
2,000	United Carbon (\$2.50)	33 $\frac{1}{4}$	63 $\frac{1}{2}$	67,510	127,000	59,490	5,000	3.9
	Total Chemical			935,487	1,865,282	929,795	60,080	3.2

* Includes 2 $\frac{1}{2}$ % Stock Dividend (Ex-Divid. 12/28/51. Payable 2/14/52). Authorized subscription to 40shs at 82 $\frac{1}{2}$ per share. 2,000 Rights expiring 1/25/52.

ϕ Plus Stock Dividend.

Includes 10% Stock Dividend (Ex-Divid. 12/26/51. Payable 1/26/52).

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9.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous (Cont'd.)</u>			\$	\$	\$	\$	%
	<u>Distilling</u>							
3,000	Distillers Corp. - Seagrams (\$1.70)	19 $\frac{1}{8}$	25 $\frac{1}{8}$	57,208	75,375	18,167	5,036#	6.7#
1,500	Walker (H.)-Gooderham & Worts (\$4.00)	37 $\frac{1}{2}$	50 $\frac{1}{2}$	56,166	75,750	19,584	5,925#	7.8#
	Total Distilling			113,374	151,125	37,751	10,961	7.3
	<u>Drug & Pharmaceutical</u>							
500	Johnson & Johnson (\$1.00)	39 $\frac{1}{4}$	66 $\frac{3}{4}$	19,643	33,375	13,732	500	1.5
	<u>Finance</u>							
2,500	C.I.T. Financial (\$4.50)	59 $\frac{1}{4}$	56 $\frac{1}{2}$	147,973	141,250	6,723	11,250	8.0
	<u>Metal (Non-Ferrous)</u>							
2,200	Aluminium Ltd. (\$1.00)	64 $\frac{3}{8}$	106	141,617	233,200	91,583	8,800	3.8
4,410	American Metal Co., Ltd. (\$3.00)	22 $\frac{1}{4}$	61 $\frac{1}{8}$	98,275	269,561	171,286	13,230	4.9
4,000	American Smelt. & Ref. (\$3.50)	23 $\frac{3}{4}$	47 $\frac{5}{8}$	94,917	190,500	95,583	14,000	7.3
1,000	International Silver (\$6.00)	18	58 $\frac{1}{2}$	18,000	58,500	40,500	6,000	10.3
3,500	Kennecott Copper (\$6.00)	47 $\frac{1}{2}$	85 $\frac{3}{4}$	166,247	300,125	133,878	21,000	7.0
4,375	Newmont Mining (\$5.00#)	54 $\frac{1}{8}$	111 $\frac{1}{2}$	238,758	487,813	249,055	21,875#	4.5#
	Total Metal (Non-Ferrous)			757,814	1,539,699	781,885	84,905	5.5

After deducting 1 $\frac{1}{4}$ % approximate discount on exchange of Canadian Funds.
 # Plus Stock Dividend.

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10.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous (Cont'd.)</u>			\$	\$	\$	\$	%
	<u>Miscellaneous</u>							
1,000	Allied Mills (\$2.75)	31½	33⅞	31,553	33,875	2,322	2,750	8.1
1,000	American Research & Development (\$-)	29	21	29,000	21,000	8,000	-	-
7,500	General American Investors (\$0.70#)	19¼	26⅞	144,573	199,688	55,115	5,250 #	2.6 #
1,000	Stein, A., & Co., (\$2.00)	25⅞	20¼	25,814	20,250	5,564	2,000	9.9
1,500	Sunbeam (\$3.00)	16⅞	63	25,370	94,500	69,130	4,500	4.8
	Total Miscellaneous			256,310	369,313	113,003	14,500	3.9
	<u>Office Equipment</u>							
1,030	Addressograph-Multigraph (\$3.00)	47¼	60	48,696	61,800	13,104	3,090	5.0
2,000	International Business Machines (\$4.00¢)	69¼	218½	138,602	437,000	298,398	8,000¢	1.8¢
	Total Office Equipment			187,298	498,800	311,502	11,090	2.2

¢ Plus Stock Dividend.

Capital Gains distribution to be used to write down cost of stock.
 Only ordinary income to be taken into income account.

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11.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield or Market</u>
	<u>Industrial & Miscellaneous (Cont'd.)</u>			\$	\$	\$	\$	%
	<u>Oil Producing & Refining</u>							
2,000	Amerada Petroleum (\$3.00)	42 $\frac{1}{2}$	117 $\frac{1}{4}$	85,083	294,500	209,417	6,000	2.0
4,000	Continental Oil (Del.) (\$2.50)	24 $\frac{1}{2}$	56 $\frac{1}{4}$	97,843	225,000	127,157	10,000	4.4
6,000	Gulf Oil (\$2.25)	27 $\frac{1}{4}$	54 $\frac{5}{8}$	163,790	327,750	163,960	13,500	4.1
5,000	Louisiana Land & Expl. (\$2.50)	14	49 $\frac{5}{8}$	70,148	248,125	177,977	12,500	5.0
2,000	Phillips Petroleum (\$2.40)	25 $\frac{3}{8}$	51	50,700	102,000	51,300	4,800	4.7
1,000	Seaboard Oil (\$2.75)	54 $\frac{1}{4}$	95	54,189	95,000	40,811	2,750	2.9
2,500	Shell Oil (\$3.00)	29 $\frac{1}{2}$	69	73,849	172,500	98,651	7,500	4.3
4,000	Skelly Oil (\$3.25)	55 $\frac{1}{2}$	92	220,710	368,000	147,290	13,000	3.5
2,000	Southland Royalty (\$2.50)	33 $\frac{1}{8}$	62 $\frac{1}{2}$	67,683	125,000	57,317	5,000	4.0
3,000	Standard Oil (Indiana) (\$2.50)	36 $\frac{1}{2}$	74 $\frac{3}{4}$	109,524	224,250	114,726	7,500	3.3
6,075	Standard Oil (N.J.) (\$4.00)	24 $\frac{3}{4}$	75 $\frac{3}{4}$	150,127	460,181	310,054	24,300	5.3
800	Superior Oil (Calif.) (\$4.00)	175 $\frac{3}{8}$	525	140,250	420,000	279,750	3,200	0.8
2,000	Texas Co. (\$3.35)	25 $\frac{5}{8}$	56 $\frac{1}{8}$	51,130	112,250	61,120	6,700	6.0
2,000	Tide Water Associated Oil (\$2.25)	41	43	82,077	86,000	3,923	4,500	5.2
	Total Oil Producing & Refining			1,417,103	3,260,556	1,843,453	121,250	3.7
	<u>Paper</u>							
5,000	International Paper (\$3.00)	28 $\frac{3}{4}$	49	143,810	245,000	101,190	15,000	6.1
	<u>Rayon & Textile</u>							
2,200	Industrial Rayon (\$3.00)	37 $\frac{1}{4}$	60	81,959	132,000	50,041	6,600	5.0

⌘ Plus Stock Dividend.

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12.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

Shares	Security	Book	Market 12/31/51	Book Value	Market Value	Apprec. or Deprec.	Est. Annual Income	Current Yield on Market
	Industrial & Miscellaneous (Cont'd.)			\$	\$	\$	\$	%
	<u>Retail Trade</u>							
2,400	Federated Dept. Stores (\$2.50)	9 $\frac{7}{8}$	40 $\frac{1}{4}$	23,750	96,600	72,850	6,000	6.2
1,500	Grant, W.T. (\$1.75)	18	33 $\frac{3}{8}$	27,028	49,688	22,660	2,625	5.3
1,000	Kress, S.H. (\$3.00)	46 $\frac{7}{8}$	52 $\frac{1}{2}$	46,888	52,500	5,612	3,000	5.7
2,000	May Dept. Stores (\$1.80)	13 $\frac{3}{4}$	31	27,625	62,000	34,375	3,600	5.8
2,000	Murphy, G.C. (\$2.375)	36	57 $\frac{1}{2}$	71,914	115,000	43,086	4,750	4.1
3,000	Penney, J.C. (\$3.25)	36 $\frac{1}{2}$	68 $\frac{3}{8}$	109,442	205,125	95,683	9,750	4.8
2,500	Sears Roebuck (\$2.75)	22 $\frac{3}{8}$	56	55,909	140,000	84,091	6,875	4.9
	Total Retail Trade			362,556	720,913	358,357	36,600	5.1
	<u>Soap</u>							
2,205 $\frac{1}{2}$	Colgate-Palmolive-Peet (\$2.00 ϕ)	41 $\frac{1}{8}$	45 $\frac{1}{2}$	90,560	100,328	9,768	4,410 ϕ	4.4 ϕ
	<u>Steel</u>							
4,000	Bethlehem Steel (\$4.00)	39 $\frac{1}{2}$	51 $\frac{1}{2}$	158,015	206,000	47,985	16,000	7.8
1,400	Hanna, M.A. (\$6.45)	114	205	159,573	287,000	127,427	9,030	3.1
2,500	Inland Steel (\$3.50)	32 $\frac{5}{8}$	50 $\frac{3}{4}$	81,441	126,875	45,434	8,750	6.9
4,000	National Steel (\$3.00)	30 $\frac{3}{8}$	53 $\frac{1}{8}$	121,641	212,500	90,859	12,000	5.6
3,000	U.S. Steel (\$3.00)	37 $\frac{1}{4}$	39 $\frac{3}{8}$	111,667	119,625	7,958	9,000	7.5
	Total Steel			632,337	952,000	319,663	54,780	5.8
	<u>Tobacco</u>							
1,200	Universal Leaf Tobacco (\$1.70)	14 $\frac{3}{4}$	25 $\frac{1}{2}$	17,729	30,600	12,871	2,040	6.7
	GRAND TOTAL INDUSTRIAL & MISCELLANEOUS COMMON STOCKS			5,249,886	10,153,491	4,903,605	442,716	4.4
	GRAND TOTAL ALL COMMON STOCKS			6,791,906	12,258,091	5,466,185	549,941	4.5

* Includes 5% Stock Dividend (Ex-Divid. 12/13/51 - Payable 1/8/52)
 ϕ Plus Stock Dividend.

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13.

SECURITIES OF NOMINAL VALUE

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Securities of Nominal Value</u>			\$	\$	\$	\$	%
200 Units	Engineers Royalties, Inc. Unit #	$\frac{1}{2}\#$	$\frac{1}{2}\#$	100#	100#	-	#	#
1 sh	U.S. Electric Power Co. Common (\$-)	Gift	-	Carried at No Book Value		-	-	-
10 $\frac{10}{200}$ shs	Schulte, Retail Stores, Corp. (No Par) Common (\$-)	Gift	-	Carried at No Book Value		-	-	-
TOTAL SECURITIES OF NOMINAL VALUE				100	100	-	-	-

Gift. Unit consists of 1 share 7% (\$10 Par) Preferred Stock & 1 share No Par Common Stock. Company's valuation of 200 Units. Received payments in 1948, 1949, 1950 & 1951 of \$70, \$65, \$35 & \$35 respectively.

PAUL B. WYANT
233 BROADWAY
[WOOLWORTH BLDG.]
NEW YORK 7, N. Y.
TELEPHONE CORTLANDT 7-0634

December 21, 1951

Copy to Mr. Maass
Mr. Stewart
Mr. Schaap
Mr. Strauss
Mr. Oppenheimer
Mr. Rosenwald
Mr. Hancock
Mr. Linder
Mr. Schur

THE INSTITUTE FOR ADVANCED STUDY

Creole Petroleum Corporation
Common Stock (\$6.00) at 71 to yield 8.4%

Memo to Mr. Leidesdorf:

In accordance with the request of the Committee I have prepared the attached memorandum on Creole Petroleum Corporation.

Reflecting the results of substantial capital expenditures over the past five years and also a strong demand and price situation in fuel oil, Creole is expected to report record production and earnings for the year 1951. The recently established annual dividend rate of \$6 provides an attractive yield of 8.5% and, in view of the strong cash position of the Company, and the expected earnings of \$8 per share in 1951, should be maintained at least for the next year. Furthermore, if the present strong demand and price structure in fuel oil is maintained, earnings could show further improvement in 1952.

As the members of the Committee are well aware I have long been favorably disposed towards oil securities generally. In spite of this fact and also the relatively good statistical position of Creole I believe the risks inherent to this situation do not warrant a commitment at its present market price.

First of all, since most of the Company's crude production is of the heavy type suitable for fuel oil purposes, Creole's earnings have always been peculiarly sensitive to changes in fuel oil prices, which, as in the winter of 1949, are sometimes subject to severe weakness. Additionally the Company must absorb import duties, which can be burdensome in times of price weakness.

Furthermore, despite the complacency of the management in regard to the political situation in Venezuela, the record of instability in its Government is hardly one to inspire confidence and in comparison with the other major oil companies Creole obviously represents an undiversified political risk.

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While the weaknesses cited above have always existed I would not be inclined to incur their risks by a commitment at the present historically high level in the market price of this issue.

I might also mention that so long as there is an excess profits tax there will probably be no further offers on the part of Standard Oil Co. (N.J.) to acquire Creole stock up to 95% of the outstanding shares, since there is now no tax advantage in a consolidated return, Creole being exempt from U.S. excess profits taxes.

December 21, 1951

Paul B. Wyant

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CREOLE PETROLEUM CORPORATION
Common Stock (\$6.00) at 71 to yield 8.4%
(Price Range 1951 to date: 85-52)

Capitalization

Balance Sheet
12/31/50

Market Value
12/19/51

No Debt or Preferred Stock

Common Stock & Surplus (25,865,310shs)

\$552,092,000

\$1,836,437,000

Creole Petroleum Corporation, 93% owned by Standard Oil Company (N.J.), is one of the world's largest producers of crude oil, accounting for 7% to 8% of total world output and about 45% of Venezuelan production. Production is currently running at the rate of 784,000 barrels per day as compared with an average of 666,000 barrels daily for the year 1950. The Company is budgeting for an average of 800,000 barrels per day in 1952.

Two refineries, one of which was completed last year, have a total capacity of 125,000 barrels daily, or about 16% of current production. The largest part (over half) of Creole's crude is processed at Standard Oil's refinery at Aruba. The balance is shipped to the United States, Canada, Europe, The Argentine and others.

Creole's net reserves of crude oil and condensate were officially estimated as of December 31, 1949 at 4.1 billion barrels; acquisitions in excess of production since then are believed to have increased these reserves to 4½ billion barrels. In considering Creole's reserves it should be remembered, however, that Venezuelan crude is a heavy, low gravity variety compared with that obtained in the United States, and that the chief product is heavy fuel oil. Consequently Creole's income is materially affected by changes in heavy fuel oil prices. Quotations for heavy fuel oil in Gulf Coast ports dropped from a high of \$2.46 per barrel in 1948 to a low of \$1.15 in May, 1949. During the last half of 1949 the price strengthened to \$1.65, dropped again in March to \$1.50 and subsequently recovered in May to \$1.75 per barrel at which level the price has remained and is currently frozen.

In 1950 over 40% of Creole's products came to the United States, and over three quarters of that amount was in the form of heavy fuel oil. This supplements production from U. S. refineries and demand is therefore dependent upon both fuel oil production and industrial activity, particularly on the East Coast. Creole's shipments of crude oil to the United States are largely heavy types for the production of asphalt and heavy fuel oil. The present duty of 21¢ per barrel (on imports above a small quota) puts Creole at a competitive disadvantage when fuel prices are depressed.

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The Management states that the Iranian situation has had no noticeable effect upon Creole's operations, and that none of the Company's crude is being used to meet the deficiency caused by the elimination of Iranian oil from the world market. Consequently a settlement of that situation would have no significant effect upon Creole. The Company believes the long-term outlook is for a steady rise in South and Central American markets, which along with North American sales are expected in time to replace European outlets.

Capital expenditures in the past five years have been substantial, amounting to nearly \$480 million. These have been financed by retained earnings of \$317 million (45% of net income), depreciation and depletion of \$166 million, thus accomplishing a major expansion without recourse to external financing. In addition net working capital increased by \$60 million during the period. The breakdown of Creole's property account before and after reserves shown below, together with related capital expenditures for the past five years indicates the conservative value at which the Company carries assets.

Property Plant and Equipment
 (000 omitted)

	Balance Sheet 12/31/50		Capital Expenditures 5 Yrs. to 12/31/50	% of Total Expenditures
	Gross Investment At Cost	Net Investment		
Production	\$518,787	\$276,815	\$279,330	58.3%
Refining	125,134	112,662	127,147	26.5
Pipe Lines	87,075	63,734	58,037	12.1
Marketing, Tankers, etc.	36,373	20,689	14,980	3.1
Total	\$767,369	\$473,900	\$479,494	100.0%

Capital expenditures in the current year will be approximately \$65 million, or not materially greater than depreciation charges of \$60 million. Since the Company's cash position is comfortable (over \$152 million as of December 31, 1950) they should be able to pay out a large proportion of earnings in dividends.

Earnings

The following summary of operations does not include figures for years prior to 1944 since these would not be comparable as the scope and results were substantially affected by the acquisition of Lago Petroleum Corporation's Venezuelan assets in 1943.

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Operating Record (000,000)

	Gross Operating Income	Deprec. Deplet. Amortiz.	Pre-Tax Income		Net Profit
			Amount	% of Gross	
1944	\$147.1	\$12.8	\$ 77.2	52.4	\$ 62.0
1945	183.1	17.8	93.6	51.2	64.6
1946	244.1	15.1	115.4	47.2	83.3
1947	380.4	23.7	182.8	48.0	130.7
1948	548.7	33.7	290.5	53.0	198.7
1949	434.5	39.2	158.1	36.5	116.1
1950	515.6	54.2	233.5	45.2	166.9

	Per Share Common				Crude Product.	Refinery Runs
	Reported Earnings	Cash Earnings ^ø	Dividend	Price Range	(Daily Ave.)	(-000 bbls.)
1944	\$2.33	\$ 2.81	\$1.25	29-23	372.6	40.3
1945	2.43	3.11	1.25	34-24	453.0	54.1
1946	3.13	3.70	1.75	38-25	545.4	62.0
1947	5.06	5.97	2.85	43-26	589.4	59.2
1948	7.68	8.98	3.60	53-37	635.2	70.4
1949	4.49	6.01	3.00	41-29	591.1	64.4
1950	6.45	8.55	3.40	53-30	668.2	113.2
1951	8.00 Est.	10.30 Est.	5.75	85-52		

^ø Net Profit before depreciation, depletion and amortization but after dry hole expense.

Earnings this year are expected to reach a new high record of over \$8.00 per share and if production should reach 800,000 barrels average daily in 1952 it is possible that earnings would be around \$9.00 per share. The Company's U.S. tax position is favorable so long as there are no changes in the rules covering Western Hemisphere companies. Practically all of its tax liability is in Venezuela and therefore higher U. S. corporate and excess profits taxes are not significant in figuring earning power. The Venezuelan take in taxes, royalties, etc. is approximately 50% of Creole's operating earnings.

At this point it should be mentioned that since over 40% of Creole's products are sold to the United States, earnings could be affected by higher import duties or the imposition of more restricted quotas, agitation for which periodically crops up among domestic producers when the supply and demand situation in fuel oil is not too tight.

Political Factors

In Venezuela there was a change of government by revolution in 1945. In November 1948 the control of the government was taken over by a three man Military Junta, one of whom was recently assassinated, although

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no change in regime resulted. Creole management, when questioned about the political situation adopts a complacent attitude. They say, "We are in the oil business and not in politics. We have continued to produce oil through five changes in administration in Venezuela and our relations have been amicable with each one of the governments".

Financial Position

The strong financial condition of the Company at the close of last year can be seen in the comparative balance sheet data shown below. Working capital, which had been sharply depleted by the heavy capital expenditures of 1947-1949, increased by \$100 million because of improved earnings and lower capital expenditures.

Balance Sheet Data (\$000 omitted)

	<u>Cash & Equiv.</u>	<u>Receivables</u>	<u>Inventories</u>	<u>Total Current Assets</u>	<u>Current Liabilities</u>	<u>Net Current Assets</u>
1936	1,086	12,024	4,369	17,480	2,723	14,757
1941	5,161	7,245	5,820	18,227	10,033	8,193
1946	4,271	80,901	37,561	122,733	67,169	55,563
1947	2,908	65,454	56,716	125,078	95,122	29,956
1948	3,477	93,534	72,369	169,379	150,302	19,077
1949	5,261	25,211	80,115	110,587	102,837	7,750
1950	152,769	15,551	67,100	235,420	128,194	107,225
	<u>Property Account Gross</u>	<u>Account Net</u>	<u>Pension Reserves</u>	<u>Common & Surplus</u>	<u>Book Value</u>	<u>% Earned on Inv. Cap. *</u>
1936	76,694	51,303	-	67,341	\$ 9.65	12.8%
1941	115,423	73,260	-	82,551	11.84	14.9
1946	408,270	223,193	6,055	275,363	10.35	30.0
1947	519,389	313,568	20,040	328,962	12.72	36.3
1948	669,904	440,615	33,787	434,889	16.81	43.0
1949	752,276	491,112	36,121	473,104	18.29	22.8
1950	767,369	473,900	38,233	552,092	21.34	28.3

* Invested capital includes common stock, surplus and reserve funds.

December 20, 1951

Paul B. Wyant

JWB:lp

PAUL B. WYANT
233 BROADWAY
[WOOLWORTH BLDG.]
NEW YORK 7, N. Y.

TELEPHONE CORTLANDT 7-0634

December 7, 1951

Copy to Mr. Maass
Mr. Stewart
Mr. Schaap
Mr. Strauss
Mr. Oppenheimer
Mr. Rosenwald
Mr. Hancock
Mr. Linder
Mr. Schur

THE INSTITUTE FOR ADVANCED STUDY

PITTSBURGH CONSOLIDATION COAL COMPANY

Common Stock (\$3.00) at 47 to yield 6.1%

Memo to Mr. Leidesdorf:

In accordance with the request of the Committee I have prepared the attached memorandum on Pittsburgh Consolidation Coal Company.

This Company, the result of a merger in 1945 of Consolidation Coal Company, Pittsburgh Coal Company, and later the Hanna Coal Company is the largest operator in the industry, owning substantial reserves of unmined coal of diversified types and strategically located for its principal markets. The management, controlled by Hanna and Mellon interests, is considered excellent. The Company has recently completed a five year program of mechanization of mines and preparation facilities and is probably the most efficient operator in the industry.

For a number of reasons I cannot generate any enthusiasm for this stock at this time. In spite of the improved financial position of coal companies generally, and this company in particular, it is difficult to ignore the fact that, except for the past ten years, the record of the industry shows many years of continuous deficits. While I do not anticipate a return of unprofitable operations in the near future, I do not believe the outlook for bituminous coal, highly dependent as it is on activity in heavy industry, is for a continuation of the abnormally high level of recent years. It would be unrealistic to assume that this company, financially strong as it is, will be immune to the industry's many difficult problems or its dependence on activity in cyclical heavy industries.

In the last annual report, Mr. Love, President, stressed the violent changes that have taken place in market conditions in the coal industry during the past five years. He also pointed out that "Tremendous swings occur in consumption due to changes in general industrial activity and in prices of competitive fuels. In addition, strikes cause unusual quantities of coal to be consumed from storage, while threats of such shut-downs result in the building of abnormal stockpiles. All these factors require an over-capacity to produce in normal times."

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In the last few years the industry has run practically the whole gamut of possibilities in labor relations, and while there is hope of some improvement as a result of the new association of coal operators, one cannot ignore the tremendous power and financial strength of John Lewis' union.

From the standpoint of its statistical position the common stock of this company, at its current price level of 47, would appear, at first glance, to represent reasonably good value. Financial position is strong and the stock is selling for only 6.2 times average earnings of \$7.65 per share for the past four years. However, earnings in the current year are expected to decline to about \$6.00 per share. This would indicate a current price earnings ratio of 7.8 which is much higher than has existed at any time in the past four years of abnormally high earnings, when the stock typically sold at 4.6 times earnings at its high and 3 times earnings at its low. I do not anticipate any return in the near future to the record 1948 earnings of \$9.87 per share when, incidentally, the high price for the stock was 36.

Therefore, I am not inclined to recommend the purchase of this common stock at the present time.

December 7, 1951

Paul B. Wyant

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December 6, 1951

PITTSBURGH CONSOLIDATION COAL COMPANY
Common Stock (\$3.00) at 47 to yield 6.4%
 (Price Range 1951 to date 51-38)

Capitalization (\$000)

	<u>Balance Sheet</u>		<u>Market Value</u>	
	<u>12/31/50</u>	<u>% of Total</u>	<u>12/6/51</u>	<u>% of Total</u>
Long-term Debt	\$ 19,336	12.2%	\$ 19,336	16.0%
Common Stock & Surplus	139,484	87.8	101,299	84.0
(2,155,299 shares)	\$158,820	100.0%	\$120,635	100.0%

Pittsburgh Consolidation Coal Company is the largest commercial producer of bituminous coal in the United States. The combined properties mined by the Company and its lessees accounted for nearly 5% of national bituminous coal production in 1950. The Company was created in 1945 through the merger of Consolidation Coal Company (once Rockefeller dominated) and Pittsburgh Coal Company (Mellon-controlled). The M.A. Hanna Company in Cleveland, which had previously acquired most of the Rockefeller interests in Consolidation, emerged from the transaction as the dominant force in the new Company. Its interest was further increased in 1946 by the transfer of Hanna bituminous mining properties, mostly in Ohio, to Pittsburgh Consolidation Coal for 325,000 shares additional stock. As of December 31, 1950 the M.A. Hanna Company owned 754,553 shares of Pittsburgh Consolidation Coal, or 35% of the outstanding stock and \$7,338M 3½% Debentures.

At the present time the Company is operating 35 deep mines and 11 strip mines, having a total daily capacity of about 135,000 tons of coal. All important mines have been highly mechanized during the past 5 years. At present less than 5% of total output is loaded by hand compared with 34% in 1945. The small amount of coal not loaded mechanically is being mined from reserves which will not last over 6 years. Labor time has been reduced on other underground operations through the utilization of modern equipment, the success of which is indicated by the increase in tons mined per man day from 7.5 in 1946 to 10.3 last year. This ratio benefited during the period from an increase in surface mining but was adversely affected after June 1947 by the establishment of underground travel time (portal to portal) as part of the working day.

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The above ground handling of coal has also been greatly improved. Mechanical washing and sizing plants with a daily capacity of 136,200 tons are now being operated. This compares with a capacity of only 62,500 tons daily at the beginning of 1946.

The major post-war program of modernization has been completed, but efforts to reduce mining costs further must continue in order to overcome the increasing wages the industry must pay to hold on to the type of labor which has now become necessary to operate the present intricate and expensive equipment.

Coal Reserves

Coal reserves are believed to be among the most valuable in the country and are sufficient to permit a high rate of production for many years to come. Current reserves of 1.8 billion tons will provide for annual production in the neighborhood of 30 million tons for a period of 60 years. However, the company's coal reserves will be improved wherever possible and new reserves probably will be acquired so that production may be expected to continue beyond 60 years.

Since the end of World War II, considerable progress has been made in raising both the overall quality and quantity of reserves. Those reserves which were considered least likely to be produced at a profit have been either sold or leased while new reserves of good quality were purchased. In the five years 1946-1950, coal reserves were increased by 440 million tons despite production of 132 million tons. One of the chief virtues of the acquisition of some 225 million tons of strip coal in southeastern Ohio, including the Hanna properties, is the low production cost of surface mining with modern equipment. Another major purchase was 600 million tons of Pittsburgh vein coal located in northern West Virginia and southwestern Pennsylvania, which can be mined at the lowest possible underground cost.

Market Changes

During the past five years significant changes have taken place in the market for coal which have affected and continue to affect its distribution. There has been a gradual decrease in the amount of coal used in domestic heating, as natural gas, with its greater convenience, found its way into these markets. In addition, the trend of the railroads to replace their old steam locomotives with new Diesel power has resulted in a drastic and sudden reduction in coal consumption by these carriers.

Offsetting this, the growth in industrial activity and manufacturing in the territory served by the Company, carrying with it substantial expansion of electrical power production, has provided a market to replace losses in the domestic and railroad fields. The change in the position of the Company's sales is shown in the following table.

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<u>Use</u>	<u>Percent of Total Sales</u>	
	<u>1946</u>	<u>1950</u>
General Industrial	32.1%	27.2%
Utility Power Stations	13.0	27.0
Locomotive Fuel	23.3	14.7
Steel and By-products	14.8	17.3
Lake Storage and Vessel Fuel	10.8	9.4
Home Heating	6.0	4.4
	100.0%	100.0%
 Total Sales	 25,603,537 tons	 27,612,766 tons

It will be noted that during 1950, 27% of sales went to public utility power plants compared with 13% in 1946. Sales for locomotive fuel and home heating are down to 19% of sales making the Company considerably less subject to future losses to competitive fuels than the bituminous coal industry generally. Currently, about 35% of the soft coal sold by the industry is used for these purposes. The Company anticipates that sales to utilities will continue to increase both in volume and relative to total sales. In the Company's marketing area which is bounded by Detroit, Buffalo, New York and Washington new power stations are being built which will add about 15 million tons to annual demand. Because of its leading position in the industry and its low cost mining methods Pittsburgh Consolidation may be expected to share in this expanded market.

Labor Costs

Wages are the principal cost in coal mining. Last year labor costs were about 50% of total operating expenses, exclusive of cost of purchased coal and taxes, and 35% of total revenues. The control of operating expenses, consequently, has necessitated a constant effort to raise the efficiency of labor. The output per man day has been raised about 37% since the end of 1945. This increase in efficiency has minimized the adverse effects of higher wage rates. Despite an increase of 62% in average hourly wage rates plus benefits, total labor costs per ton mined have increased only 9% with practically no change in the last two years. Wage rates and costs per ton have been as follows:

<u>Year</u>	<u>Hourly Wage Rates and Benefits</u>	<u>Direct Wages and Related Benefits Per Ton</u>
1950	\$2.33	\$2.38
1949	2.19	2.38
1948	2.04	2.36
1947	1.81	2.11
1946	1.44	2.18

Operating Record

In pre-war years Pittsburgh Coal and Consolidation Coal were unable to operate profitably. Both companies were overcapitalized and the arrears on Pittsburgh's preferred stock increased consistently as earnings failed to materialize. Continuous deficits reported by Pittsburgh from 1925 through 1939 resulted in operating losses totalling about \$50 million. Consolidation Coal went through two reorganizations to rid itself of overcapitalization. Prior to 1926 its properties were carried on its books at a net of \$144 million. However, in two write-downs its net property account was reduced to \$17 million.

Operations turned profitable in 1940 for the first time in 15 years. Earnings during the period 1945 through 1948 rose sharply as coal prices improved and more efficient operations widened the margin of profit. Results were adversely affected by strikes in 1949 and 1950, but profit margins were maintained and net income was still well above the years 1945 and 1946.

In the following table data for the years 1941 through 1944 is for the combined predecessor companies.

<u>Year to</u> <u>Dec. 31</u>	<u>Gross</u> <u>Revenue</u>	<u>Operating</u> <u>Profit</u> ^p	<u>Profit</u> <u>Margin</u>	<u>Deprec.</u> <u>Deplet.</u>	<u>Pre-Tax</u> <u>Income</u> *	<u>% of</u> <u>Gross</u>	<u>Net</u> <u>Income</u> *
	(\$000)	(\$000)	%	(\$000)	(\$000)	%	(\$000)
1941	88,746	N.A.	-	4,510	5,037	5.7	3,127
1942	100,801	N.A.	-	5,235	6,466	6.5	3,918
1943	98,897	N.A.	-	5,175	5,807	5.9	3,429
1944	117,067	N.A.	-	5,443	9,481	8.1	5,592
1945	115,836	12,611	10.9	5,000	7,859	6.8	4,665
1946	145,439	13,216	9.1	4,228	8,785	6.0	5,695
1947	210,714	40,860	19.4	5,119	22,305	10.6	13,833
1948	235,420	42,764	18.2	6,322	33,897	14.4	21,316
1949	175,662	29,742	16.9	7,549	21,974	12.5	14,554
1950	180,436	33,952	18.8	7,735	25,532	14.1	16,145

<u>Per Share Common</u>			
<u>Earned</u> *	<u>Paid</u>	<u>Range</u>	
1945	\$2.60	\$0.98	23 - 21
1946	2.69	1.40	26 - 17
1947	6.53	1.55	33 - 18
1948	9.87	2.25	36 - 26
1949	6.72	3.00	32 - 25
1950	7.49	2.25	40 - 24

* Before gain (loss) on property sales:

	(\$000)	Per Share
1945	503	\$0.28
1946	2,567	1.21
1947	1,309	0.61
1948	1,362	0.63
1949	872	0.40
1950	1,168	0.54

^p Before depreciation and depletion.

Current Earnings

Coal shipments in 1951, uninterrupted by strikes, are expected to be above last year's level, but the trend of dollar sales will be less favorable because of lower prices. Reduced coal prices have been accompanied by higher wage rates and both are having an unfavorable effect upon profit margins. This can be seen in the quarterly data shown below. Because of periodic strike conditions during both 1949 and 1950 comparative data for three previous years is shown.

<u>Quarter to:</u>	<u>(\$000)</u>	<u>SALES</u>			
		<u>1948</u>	<u>1949</u>	<u>1950</u>	<u>1951</u>
March 31	\$	59,165	53,823	31,382	\$ 50,516
June 30		49,677	50,203	47,733	47,399
Sept. 30		59,271	35,610	47,527	44,999
Dec. 31		67,306	36,026	53,795	
		<u>\$235,419</u>	<u>\$175,662</u>	<u>\$180,437</u>	<u>\$</u>
	<u>(\$000)</u>	<u>PRE-TAX INCOME (% OF SALES)</u>			
		<u>1948</u>	<u>1949</u>	<u>1950</u>	<u>1951</u>
March 31	\$	5,797 (9.8%)	6,330 (11.8%)	1,393 (4.4%)	\$ 6,333 (12.5%)
June 30		7,281 (14.7)	6,986 (13.9)	7,106 (14.9)	5,314 (11.2)
Sept. 30		10,785 (18.2)	3,273 (9.2)	7,824 (16.4)	4,994 (11.1)
Dec. 31		10,033 (16.1)	5,385 (14.9)	9,208 (17.1)	
		<u>\$33,896 (14.4%)</u>	<u>\$21,974 (12.5%)</u>	<u>\$25,531 (14.1%)</u>	<u>\$ (%)</u>
	<u>EARNED PER SHARE</u>				
		<u>1948</u>	<u>1949</u>	<u>1950</u>	<u>1951</u>
March 31		\$1.68	\$1.84	\$0.38	\$1.49
June 30		2.15	2.04	1.94	1.32
Sept. 30		3.02	0.95	1.96	1.30
Dec. 31		3.02	1.89	3.21	1.89 Est.
		<u>\$9.87</u>	<u>\$6.72</u>	<u>\$7.49</u>	<u>\$6.00 Est.</u>

Financial Position and Capital Expenditures

Mechanization of operations and acquisition of new reserves have necessitated large capital expenditures. Such expenditures rose from \$4.3 million in 1945 to a peak of \$23.5 million and totalled \$76.3 million for the 5-year period. Source of the funds is shown in the following summary of cash flow for the period 1946-1950. It will be seen that depreciation and depletion charges of \$30.9 million were well below the net capital

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expenditures of \$46.7 million (after deducting proceeds from sale of properties). Since only 31% of earnings were paid out in dividends, retained earnings of \$49.3 million (\$22.90 per share) were used to make up the difference and increase working capital.

Source of Funds

		Per Share
Earnings	\$ 71,542,000	\$ 33.19
Depreciation and depletion	30,953,000	14.36
Sale of properties and investments	29,560,000	13.72
Net increase in long term debt	5,800,000	2.69
	<u>\$137,855,000</u>	<u>\$ 63.96</u>

Disposition of Funds

		Per Share
Capital expenditures	\$ 76,260,000	\$ 35.38
Common dividends	22,181,000	10.29
Increase in working capital	39,414,000	18.29
	<u>\$137,855,000</u>	<u>\$ 63.96</u>

A summary of the principal balance sheet items for each year since the present company's formation is shown below.

(\$000)

Dec. 31	Cash & Equiv.	Receivables	Inventories	Total Current Assets	Current Liabilities	Net Current Assets	Net C.A. Per Share
1945	\$19,580	\$12,926	\$ 9,845	\$42,352	\$12,081	\$30,271	\$ 7.90
1946	33,439	17,594	17,856	68,889	18,986	49,903	14.95
1947	34,117	25,733	20,991	80,841	26,657	54,184	17.55
1948	33,785	24,636	25,882	84,303	24,685	59,618	19.10
1949	42,033	16,845	15,406	74,284	13,228	61,056	18.35
1950	38,825	24,771	22,722	86,319	16,634	69,685	23.35

	<u>Property Account</u>		<u>Investments & Other</u>	<u>Long-term Debt</u>	<u>Common Equity</u>	
	<u>Gross</u>	<u>Net</u>			<u>Total</u>	<u>Per Share</u>
1945	\$160,635	\$52,016	\$ 9,356	\$16,069	\$ 72,162	\$40.24
1946	156,468	52,748	5,922	18,304	85,647	40.40
1947	159,409	56,792	9,187	16,925	97,503	46.00
1948	182,641	74,623	7,974	18,356	117,448	54.37
1949	192,529	85,271	6,314	21,246	124,778	57.61
1950	196,359	86,407	8,025	19,336	139,484	64.72

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During this period the net book value of properties has increased from \$52 million to \$86.4 million an increase of \$34.4 million, which appears to be a conservative evaluation of the properties added. Coal reserves are carried at a value of less than 5 cents per ton.

Working capital has increased \$39.4 million during the period, and on December 30, 1950 cash items stood at \$38.8 million compared with total long-term debt and current liabilities of \$36 million.

Research

Pittsburgh Consolidation is one of the few companies in the coal industry that is large enough to spend substantial sums for research. Efforts to date have been directed towards three major projects: (1) gasification of coal, (2) low temperature carbonization of coal and (3) pipeline transportation of coal.

At this time the plentiful supply of natural gas and petroleum makes this commercialization of the gasification process uneconomic, but laboratory study on potential improvements is being continued.

Low temperature carbonization appears to offer more near term promise. The principal product of this process is a heavy liquid containing a high percentage of tar acids which command good prices in the chemical and plastic industries. Commercial application is possible within a few years.

Announcement was made this week that the company's experimental pipeline to transport coal has been completed and is in operation. If a year of tests prove the operation feasible, this low cost commercial transportation of coal from mine to market could strengthen coal's competitive position as a fuel. At present transportation charges amount to almost 50% of the delivered cost of coal in many of the company's markets. It has been pointed out that an amount of natural gas equal in fuel value to a ton of coal can be moved by pipeline for 33¢ per hundred miles. The railroads are currently charging \$2.74 to move a ton of coal from the company's Ohio mine to Cleveland, a distance of 110 miles.

Management

In addition to the 35% common stock holding of the M.A. Hanna Company, important interests are also held by the Mellons. George M. Humphrey, Chairman of the Board; R.L. Ireland, Chairman of the Executive Committee, and George H. Love, President, are also Directors of M.A. Hanna Company. Arthur E. Braun, a Director is Chairman of the Advisory Committee of the Mellon National Bank & Trust Company. Two other Directors, Arthur B. Van Buskirk and George W. Wyckoff are Vice Presidents of T. Mellons & Sons. Other Directors include Thomas I. Parkinson, President Equitable Life Assurance Society; L.F. Rains, President of A.M. Byers Company; Alan M. Scaife, Chairman of the Board, Scaife Company; William P. Witherow, Chairman and President of Blaw-Know Company and Emery M. Ford, Chairman of the Wyandotte Chemicals Corporation.

December 6, 1951

JWB:ASD

Paul B. Wyant

THE INSTITUTE FOR ADVANCED STUDY
RECAPITULATION OF INVESTMENT HOLDINGS
As of December 31, 1951

	MARKET VALUE 12/31/51		ANNUAL INCOME RATE 12/31/51				INCREASE OR DECREASE 12/31/51		
	Amount	% Total	Amount	% Total	% Yield on		Compared with Book - Same Date		
					Mkt.	Book	Book Value*	Increase	Decrease
CASH - Uninvested	\$ 444,528	1.9%	\$ -	- %	- %	- %	\$ 444,528	\$ -	\$ -
<u>BONDS</u>									
U.S. Gov't. & Comm'l Paper -									
Due Within 1 Year	3,450,680	14.8	68,813	8.2	2.0	2.0	3,449,200	1,480	
U.S. Gov't. - Other Marketable	3,188,269	13.6	66,075	7.9	2.1	2.0	3,307,471		119,202
U.S. Savings Series "Q" (At Par)	950,000	4.1	23,750	2.8	2.5	2.5	950,000	-	-
Railroad	143,000	0.6	7,125	0.8	5.0	5.3	135,215	7,785	
Public Utility	711,525	3.0	20,850	2.5	2.9	3.1	678,988	32,537	
Industrial	190,625	0.8	6,462	0.8	3.4	3.3	193,281		2,656
TOTAL BONDS	\$ 8,634,099	36.9%	\$193,075	23.0%	2.2 %	2.2 %	\$ 8,714,155		\$ 80,056
<u>PREFERRED STOCKS</u>									
Public Utility	378,000	1.6	18,750	2.2	5.0	4.9	384,465		6,465
Industrial & Miscellaneous	1,577,784	6.7	74,479	8.9	4.7	4.8	1,562,059	15,725	
TOTAL PREFERRED STOCKS	\$ 1,955,784	8.3%	\$ 93,229	11.1%	4.8 %	4.8 %	\$ 1,946,524	\$ 9,260	
<u>COMMON STOCKS</u>									
Public Utility - Elec. & Other	896,631	3.8	51,750	6.2	5.8	6.9	754,582	142,049	
Public Utility - Natural Gas	1,207,969	5.2	55,475	6.6	4.6	7.0	787,438	420,531	
Industrial & Miscellaneous	10,153,491	43.4	442,716	52.6	4.4	8.4	5,249,886	4,903,605	
Bank & Insurance	-	-	-	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$12,258,091	52.4%	\$549,941	65.4%	4.5 %	8.1 %	\$ 6,791,906	\$5466,185	
SECURITIES OF NOMINAL VALUE /	\$ 100	0.0%	\$ -	- %	- %	- %	\$ 100	\$ -	\$ -
REAL ESTATE MORTGAGES	\$ 35,193	0.2%	\$ 1,620	0.1%	4.6 %	4.6 %	\$ 35,193	\$ -	\$ -
PROFESSORS' HOMES-MTGES.	\$ 78,584	0.3%	\$ 3,143	0.4%	4.0 %	4.0 %	\$ 78,584	\$ -	\$ -
GRAND TOTAL	\$23,406,379	100.0%	\$841,008#	100.0%	3.59%	4.67%	\$18,010,990	\$5395,389	

* Reported by Treasurer's Office.

/ Carried at Book Value. No market readily available.

Before amortization of premium on Bonds, estimated at \$7,200.00 annually.

D. J. I. A. - December 31, 1951 - 269.23.

Paul B. Wyant & Co.
 January 31, 1952

THE INSTITUTE FOR ADVANCED STUDY

Common Stocks

As of December 31, 1951

	<u>Book Value</u>		<u>Market Value</u>		<u>Appreciation or Depreciation</u>
	<u>Amount</u>	<u>Percent Total</u>	<u>Amount</u>	<u>Percent Total</u>	
Public Utility					
Electric & Other	\$ 754,582	11.1%	\$ 896,631	7.3%	\$ 142,049
Natural Gas	787,438	11.6	1,207,969	9.9	420,531
Total Public Utility	(1,542,020)	(22.7)	(2,104,600)	(17.2)	(562,580)
Industrial & Miscellaneous					
Agricultural Implement	43,966	0.6	64,250	0.5	20,284
Automobile & Accessory	41,967	0.6	49,000	0.4	7,033
Chemical	935,487	13.8	1,865,282	15.2	929,795
Distilling	113,374	1.7	151,125	1.3	37,751
Drug & Pharmaceutical	19,643	0.3	33,375	0.2	13,732
Finance	147,973	2.2	141,250	1.1	6,723
Metal (Non-Ferrous)	757,814	11.2	1,539,699	12.6	781,885
Miscellaneous	256,310	3.8	369,313	3.0	113,003
Office Equipment	187,298	2.8	498,800	4.1	311,502
Oil Producing & Refining	1,417,103	20.9	3,260,556	26.6	1,843,453
Paper	143,810	2.1	245,000	2.0	101,190
Rayon & Textile	81,959	1.2	132,000	1.1	50,041
Retail Trade	362,556	5.3	720,913	5.9	358,357
Soap	90,560	1.3	100,328	0.8	9,768
Steel	632,337	9.3	952,000	7.8	319,663
Tobacco	17,729	0.2	30,600	0.2	12,871
Total Industrial & Miscellaneous	(5,249,886)	(77.3)	(10,153,491)	(82.8)	(4,903,605)
Total Common Stocks	<u>\$6,791,906</u>	<u>100.0%</u>	<u>\$12,258,091</u>	<u>100.0%</u>	<u>\$5,466,185</u>

THE INSTITUTE FOR ADVANCED STUDY
Percent Common Stocks to All Investments
and
Dow-Jones Industrial Averages

<u>Date</u>	<u>Market Value (000 omitted)</u>			<u>% Common Stocks to all Investments</u>	<u>Dow-Jones Industrial Averages</u>
	<u>Common Stocks</u>	<u>Cash & Other Investments</u>	<u>All Investments</u>		
6/30/42	\$ 1,356	\$ 5,838	\$ 7,194	18.9%	103.34
6/30/43	1,932	6,262	8,194	23.6	143.38
6/30/44	2,209	6,477	8,686	25.4	148.38
6/30/45	6,289	10,048	16,337	38.5	165.29
6/28/46	6,462	13,093	19,555	33.1	205.62
6/30/47	6,313	11,686	17,999	35.1	177.30
6/30/48	7,835	10,046	17,881	43.8	189.46
6/30/49	7,564	9,527	17,091	44.3	167.42
6/30/50	9,361	9,919	19,280	48.6	209.11
12/30/50	11,197	9,992	21,189	52.8	235.41
3/31/51	11,636	9,789	21,425	54.4	247.94
6/29/51	10,642	10,829	21,471	49.6	242.64
9/28/51	12,142	11,057	23,199	52.3	271.16
12/31/51	12,258	11,148	23,406	52.4	269.23

Paul B. Wyant & Co.

THE INSTITUTE FOR ADVANCED STUDY

1.

BONDS

U. S. Government & Comm'l Paper

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>12/31/51</u>	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Apprec.</u> <u>or</u> <u>Deprec.</u>	<u>Est.</u> <u>Annual</u> <u>Income</u>	<u>Maturity</u> <u>Yield on</u> <u>Market</u>
				\$	\$	\$	\$	%
U.S. Government Bonds & Comm'l Paper								
Commercial Investment Trust, Inc.								
600M	2½/7-7-52	100	/	600,000	600,000	-	13,500	/
Federal Intermediate Credit Bank Deb.								
500M	2.25/3-3-52	100	99.995	500,000	499,975	25	11,250	2.3
Treasury Ctls. of Indebtedness								
2,350M	1½/7-1-52	99.966	100.030	2,349,200	2,350,705	1,505	44,063	1.8
Treasury Notes								
1,500M	1½/12-15-55	100	98-10	1,500,000	1,474,688	25,312	26,250	2.2
Treasury Bonds								
1,770M	2½/6-15-62/59	102-4	96-26	1,807,471	1,713,581	93,890	39,825	2.6
Savings Series "G" (At Par)								
50M	2½/5-1-53	100	100	50,000	50,000	-	1,250	2.5
50M	2½/1-1-54	100	100	50,000	50,000	-	1,250	2.5
50M	2½/7-1-54	100	100	50,000	50,000	-	1,250	2.5
100M	2½/1-1-55	100	100	100,000	100,000	-	2,500	2.5
100M	2½/1-1-56	100	100	100,000	100,000	-	2,500	2.5
100M	2½/4-1-57	100	100	100,000	100,000	-	2,500	2.5
100M	2½/3-1-58	100	100	100,000	100,000	-	2,500	2.5
100M	2½/1-1-59	100	100	100,000	100,000	-	2,500	2.5
100M	2½/1-1-60	100	100	100,000	100,000	-	2,500	2.5
100M	2½/4-1-61	100	100	100,000	100,000	-	2,500	2.5
100M	2½/3-1-62	100	100	100,000	100,000	-	2,500	2.5
TOTAL U. S. GOVERNMENT BONDS & COMM'L PAPER				7,706,671	7,588,949	117,722	158,638	2.1*

/ Bid Prices.

/ Carried at Book Value. Discounted at 2½% for 9 Mos.

* Current Yield.

THE INSTITUTE FOR ADVANCED STUDY

2.

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Maturity Yield on Market</u>
	<u>Railroad Bonds</u>			\$	\$	\$	\$	%
50M	Chgo., T.H. & S.E., Income 2 $\frac{3}{4}$ -4 $\frac{1}{2}$ /1-1-94 (Callable 100)	98	68 $\frac{1}{2}$	48,982	34,250	14,732	2,125	6.2*
100M	Missouri Pacific R.R. 1st & Ref. "H" 5/4-1-80 (Callable 105)	86 $\frac{1}{2}$	108 $\frac{3}{4}$ f	86,233	108,750	22,517	5,000/	4.6*
	TOTAL RAILROAD BONDS			135,215	143,000	7,785	7,125	5.0*
	<u>Public Utility Bonds</u>							
500M	Amer. Tel. & Tel. Conv. Deb. 2 $\frac{3}{4}$ /12-15-61 (Callable 105)	106 $\frac{1}{4}$	110	531,091	550,000	18,909	13,750	2.5*
50M	Public Service Elec. & Gas Deb. 6/7-1-98 (Non-Callable)	123	141	61,531	70,500	8,969	3,000	4.0
20M	Public Service Elec. & Gas 1st & Ref. 8/6-1-2037 (Non-Callable)	181 $\frac{1}{2}$	202 $\frac{5}{8}$	36,290	40,525	4,235	1,600	3.9
50M	South Jersey Gas, Elec. & Traction 1st 5/3-1-53 (Non-Callable)	100 $\frac{1}{8}$	101	50,076	50,500	424	2,500	3.2
	TOTAL PUBLIC UTILITY BONDS			678,988	711,525	32,537	20,850	2.9*

* Current Yield.

f Flat.

/ Interest received in excess 5% annually to be used to write down cost.

THE INSTITUTE FOR ADVANCED STUDY						3.		
				<u>BONDS</u>		<u>PREFERRED STOCKS</u>		
				<u>Industrial</u>		<u>Public Utility</u>		
<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial Bonds</u>			\$	\$	\$	\$	%
100M	Imperial Oil Ltd., S.F. Deb. 3/12-15-69 (Callable 101½ Cdn.Fds.)	U.S. 93½	U.S. 86	93,281	86,000	7,281	2,962#	3.4#
100M	Warren Petroleum Corp. Conv. Deb. 3½/10-1-66 (Callable 103)	100	104½	100,000	104,625	4,625	3,500	3.3
	TOTAL INDUSTRIAL BONDS			193,281	190,625	2,656	6,462	3.4
<u>Shares</u>	<u>Public Utility Preferred Stocks</u>							
10,000	Arkansas Natural Gas Corp. 6% (\$10 Par) Cum. (Callable 10.60)	103½	10½	107,766	105,000	2,766	6,000	5.7
500	Consolidated Edison Co. N.Y. \$5 Cum. (Callable 105)	105	107½	52,500	53,750	1,250	2,500	4.7
500	Southwestern Gas & Elec. Co. 5% Cum. (Callable 109)	107	105	53,489	52,500	989	2,500	4.8
500	Standard Gas & Elec. \$7 Cum. (Callable 115)	147½	165½	73,603	82,750	9,147	3,500	4.2
1,000	Tennessee Gas Transmission Co. 4.25% Cum. (Callable 106)	97½	84	97,107	84,000	13,107	4,250	5.1
	TOTAL PUBLIC UTILITY PREFERRED STOCKS			384,465	378,000	6,465	18,750	5.0

After deducting 1½% approximate discount on exchange of Canadian Funds.

THE INSTITUTE FOR ADVANCED STUDY

4.

PREFERRED STOCKS

Industrial & Miscellaneous

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous</u>			\$	\$	\$	\$	%
4,000	Alum. Co. of Canada 4% (\$25 Par) Cum. (Callable 26 $\frac{3}{4}$ Cdn.Fds.)	U.S. 23 $\frac{7}{8}$	U.S. 22 $\frac{3}{4}$	95,419	91,000	4,419	3,950#	4.3#
300	American Metal Co. 4 $\frac{1}{2}$ % Cum. (Callable 105)	81 $\frac{3}{4}$	94 $\frac{1}{2}$	24,542	28,350	3,808	1,350	4.8
800	Bethlehem Steel Corp. 7% Cum. (Non-Callable)	127 $\frac{1}{4}$	139	101,813	111,200	9,387	5,600	5.0
1,000	Canada Dry Ginger Ale \$4.25 Cum. Conv. (Callable 102 $\frac{1}{2}$)	119 $\frac{5}{8}$	92	119,614	92,000	27,614	4,250	4.6
1,000	Celanese Corp. of America 4 $\frac{1}{2}$ % Cum. Conv. "A" (Callable 105)	100	110	100,000	110,000	10,000	4,500	4.1
200	Christiana Securities Corp. 7% Cum. (Callable 120)	126 $\frac{3}{4}$	131	25,350	26,200	850	1,400	5.3
1,000	Food Machinery & Chemical Corp. 3 $\frac{1}{4}$ % Cum. Conv. (Callable 101 $\frac{1}{2}$)	101 $\frac{1}{2}$	107	101,493	107,000	5,507	3,250	3.0
495	Hanna, M.A. & Co. \$4.25 Cum. (Callable 104)	103 $\frac{1}{8}$	103 $\frac{1}{2}$	51,024	51,233	209	2,104	4.1
500	Murphy, G.C. & Co. 4 $\frac{3}{4}$ % Cum. (Callable 107 $\frac{1}{2}$)	110 $\frac{5}{8}$	109	55,285	54,500	785	2,375	4.4

After deducting 1 $\frac{1}{4}$ % approximate discount on exchange of Canadian Funds.

THE INSTITUTE FOR ADVANCED STUDY

5.

PREFERRED STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
<u>Industrial & Miscellaneous (Cont'd.)</u>								
600	Oliver Corp. $4\frac{1}{2}\%$ Cum. Conv. (Callable 104)	103 $\frac{1}{2}$	105 $\frac{1}{2}$	62,068	63,300	1,232	2,700	4.3
500	Pure Oil 5% Cum. (Callable 105)	105	107 $\frac{5}{8}$	52,500	53,813	1,313	2,500	4.6
500	Reynolds, R.J. Tobacco Co. 4.50% Cum. (Callable 102 $\frac{1}{2}$)	100	101 $\frac{1}{2}$	50,000	50,750	750	2,250	4.4
4,000	Sunray Oil $4\frac{1}{4}\%$ (\$25 Par) Cum. "A" (Callable 25 $\frac{1}{4}$)	21 $\frac{7}{8}$	23 $\frac{1}{4}$	87,347	93,000	5,653	4,250	4.6
1,000	U.S. & Foreign Securities \$4.50 Cum. 1st (Callable 105)	101 $\frac{7}{8}$	99	101,838	99,000	2,838	4,500	4.5
3,000	U.S. & Int'l. Securities \$5 Cum. 1st W.W. (Callable 105)	88 $\frac{1}{4}$	89 $\frac{1}{2}$	264,891	268,500	3,609	15,000	5.6
500	U.S. Rubber Co. 8% Non-Cum. First (Non-Callable)	159	136 $\frac{1}{4}$	79,475	68,125	11,350	4,000	5.9
1,500	U.S. Steel Corp. 7% Cum. (Non-Callable)	126 $\frac{1}{4}$	139 $\frac{7}{8}$	189,400	209,813	20,413	10,500	5.0
TOTAL INDUSTRIAL & MISCELLANEOUS PREFERRED STOCKS				1,562,059	1,577,784	15,725	74,479	4.7

THE INSTITUTE FOR ADVANCED STUDY

6.

COMMON STOCKS

Public Utility - Electric & Other

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
				\$	\$	\$	\$	%
	<u>Public Utility - Electric & Other</u>							
1,050	American Gas & Electric (\$3.00)	31 $\frac{7}{8}$	60 $\frac{1}{8}$	33,485	63,131	29,646	3,150	5.0
2,000	Carolina Power & Light (\$2.00)	33 $\frac{1}{8}$	34 $\frac{1}{4}$	66,641	68,500	1,859	4,000	5.8
4,000	Central & South West Corp. (\$0.90)	16 $\frac{1}{4}$	17 $\frac{1}{4}$	64,971	69,000	4,029	3,600	5.2
4,000	Columbus & Southern Ohio Electric (\$1.40)	23 $\frac{1}{8}$	20 $\frac{1}{2}$	92,744	82,000	10,744	5,600	6.8
1,500	Consumers Power (\$2.00)	31 $\frac{1}{8}$	34 $\frac{1}{2}$	47,517	51,750	4,233	3,000	5.8
2,000	Florida Power (\$1.20)	16 $\frac{3}{4}$	17 $\frac{1}{8}$	33,492	35,750	2,258	2,400	6.7
2,000	Illinois Power (\$2.20)	31	37 $\frac{1}{4}$	61,902	74,500	12,598	4,400	5.9
1,500	Indianapolis Power & Light (\$2.00)	20 $\frac{1}{8}$	36	30,247	54,000	23,753	3,000	5.6
3,000	Kansas City Power & Light (\$1.60)	25 $\frac{1}{4}$	27	77,388	81,000	3,612	4,800	5.9
5,500	Middle South Utilities (\$1.20)	13 $\frac{1}{4}$	22 $\frac{1}{2}$	72,710	123,750	51,040	6,600	5.3
3,000	Niagara Mohawk Power (\$1.60)	24 $\frac{1}{8}$	24 $\frac{1}{2}$	72,283	73,875	1,592	4,800	6.5
2,000	Public Service Colorado (\$1.40)	19 $\frac{1}{2}$	26 $\frac{1}{8}$	38,573	53,750	15,177	2,800	5.2
3,000	Virginia Electric & Power (\$1.20)	20 $\frac{1}{8}$	21 $\frac{1}{8}$	62,629	65,625	2,996	3,600	5.5
TOTAL PUBLIC UTILITY - ELECTRIC & OTHER								
COMMON STOCKS				754,582	896,631	142,049	51,750	5.8

THE INSTITUTE FOR ADVANCED STUDY

7.

COMMON STOCKS

Public Utility - Natural Gas

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
				\$	\$	\$	\$	%
<u>Public Utility - Natural Gas</u>								
2,000	Atlanta Gas Light (\$1.20)	17 $\frac{3}{8}$	21	34,872	42,000	7,128	2,400	5.7
5,000	Columbia Gas Systems (\$0.90)	13 $\frac{5}{8}$	15 $\frac{3}{8}$	68,181	76,875	8,694	4,500	5.9
1,000	Consolidated Natural Gas (\$2.50)	41 $\frac{5}{8}$	58	41,678	58,000	16,322	2,500	4.3
3,000	National Fuel Gas (\$0.80)	10 $\frac{7}{8}$	13 $\frac{3}{4}$	32,655	41,250	8,595	2,400	5.8
4,500	Northern Natural Gas (\$1.80)	33 $\frac{1}{4}$	37 $\frac{3}{8}$	149,627	169,313	19,686	8,100	4.8
4,000	Panhandle Eastern Pipe Line (\$2.00)	27 $\frac{3}{4}$	59 $\frac{1}{2}$	111,156	238,000	126,844	8,000	3.4
1,000	Peoples Gas Light & Coke (\$6.00)	106 $\frac{7}{8}$	130	106,815	130,000	23,185	6,000	4.6
4,400	Southern Natural Gas (\$2.50)	28 $\frac{3}{8}$	48 $\frac{3}{4}$	124,682	214,500	89,818	11,000	5.1
3,000	Tennessee Gas Transmission (\$1.40)	11 $\frac{1}{8}$	26 $\frac{3}{4}$	33,967	80,250	46,283	4,200	5.2
6,375	United Gas Corp. (\$1.00)	13 $\frac{1}{8}$	24 $\frac{1}{4}$	83,805	157,781	73,976	6,375	4.0
TOTAL PUBLIC UTILITY - NATURAL GAS COMMON STOCKS				787,438	1,207,969	420,531	55,475	4.6
GRAND TOTAL PUBLIC UTILITY COMMON STOCKS				1,542,020	2,104,600	562,580	107,225	5.1

THE INSTITUTE FOR ADVANCED STUDY

8.

COMMON STOCKS

Industrial & Miscellaneous

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous</u>			\$	\$	\$	\$	%
	<u>Agricultural Implement</u>							
1,000	Deere & Co. (\$4.75)	44	64½	43,966	64,250	20,284	4,750	7.4
	<u>Automobile & Accessory</u>							
1,000	Mack Trucks (\$1.00)	18⅜	15¼	18,375	15,250	3,125	1,000	6.6
1,000	Studebaker (\$3.00)	23⅝	33¾	23,592	33,750	10,158	3,000	8.9
	Total Automobile & Accessory			41,967	49,000	7,033	4,000	8.2
	<u>Chemical</u>							
2,000	Allied Chemical & Dye (\$3.00)	42⅜	75½	84,855	151,000	66,145	6,000	4.0
1,000	Columbian Carbon (\$2.25)	30⅝	43¼	30,135	43,250	13,115	2,250	5.2
(2,050)*	Dow Chemical (\$2.40¢)	66⅝	116	135,609	(237,800)	102,191	4,920¢	2.1¢
(2,000)Rts	Dow Chemical (\$-)	-	43/64	-	(1,344)	1,344	-	-
5,000	duPont, E. I. (\$3.55)	36	92	179,881	460,000	280,119	17,750	3.9
2,200#	Eastman Kodak (\$1.80¢)	22⅜	46	49,211	101,200	51,989	3,960¢	3.9¢
1,500	Hooker Electrochemical (\$2.00)	30⅝	59	45,107	88,500	43,393	3,000	3.4
3,500	Monsanto Chemical (\$2.50)	64⅝	105¾	225,212	370,125	144,913	8,750	2.4
3,000	Pfizer (Chas.) (Del.) (\$1.15)	18	42	54,138	126,000	71,862	3,450	2.7
2,500	Union Carbide & Carbon (\$2.00)	25½	63⅝	63,829	159,063	95,234	5,000	3.1
2,000	United Carbon (\$2.50)	33¼	63½	67,510	127,000	59,490	5,000	3.9
	Total Chemical			935,487	1,865,282	929,795	60,080	3.2

* Includes 2½% Stock Dividend (Ex-Divid. 12/28/51. Payable 2/14/52). Authorized subscription to 40shs at 82½ per share. 2,000 Rights expiring 1/25/52.

¢ Plus Stock Dividend.

Includes 10% Stock Dividend (Ex-Divid. 12/26/51. Payable 1/26/52).

THE INSTITUTE FOR ADVANCED STUDY

9.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous (Cont'd.)</u>			\$	\$	\$	\$	%
	<u>Distilling</u>							
3,000	Distillers Corp. - Seagrams (\$1.70)	19 $\frac{1}{8}$	25 $\frac{1}{8}$	57,208	75,375	18,167	5,036#	6.7#
1,500	Walker (H.)-Gooderham & Worts (\$4.00)	37 $\frac{1}{2}$	50 $\frac{1}{2}$	56,166	75,750	19,584	5,925#	7.8#
	Total Distilling			113,374	151,125	37,751	10,961	7.3
	<u>Drug & Pharmaceutical</u>							
500	Johnson & Johnson (\$1.00)	39 $\frac{1}{4}$	66 $\frac{3}{4}$	19,643	33,375	13,732	500	1.5
	<u>Finance</u>							
2,500	C.I.T. Financial (\$4.50)	59 $\frac{1}{4}$	56 $\frac{1}{2}$	147,973	141,250	6,723	11,250	8.0
	<u>Metal (Non-Ferrous)</u>							
2,200	Aluminium Ltd. (\$1.00)	64 $\frac{3}{8}$	106	141,617	233,200	91,583	8,800	3.8
4,410	American Metal Co., Ltd. (\$3.00)	22 $\frac{1}{4}$	61 $\frac{1}{8}$	98,275	269,561	171,286	13,230	4.9
4,000	American Smelt. & Ref. (\$3.50)	23 $\frac{3}{4}$	47 $\frac{1}{8}$	94,917	190,500	95,583	14,000	7.3
1,000	International Silver (\$6.00)	18	58 $\frac{1}{2}$	18,000	58,500	40,500	6,000	10.3
3,500	Kennecott Copper (\$6.00)	47 $\frac{1}{2}$	85 $\frac{3}{4}$	166,247	300,125	133,878	21,000	7.0
4,375	Newmont Mining (\$5.00#)	54 $\frac{1}{8}$	111 $\frac{1}{2}$	238,758	487,813	249,055	21,875#	4.5#
	Total Metal (Non-Ferrous)			757,814	1,539,699	781,885	84,905	5.5

After deducting 1 $\frac{1}{4}$ % approximate discount on exchange of Canadian Funds.
 # Plus Stock Dividend.

THE INSTITUTE FOR ADVANCED STUDY

10.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous (Cont'd.)</u>			\$	\$	\$	\$	%
	<u>Miscellaneous</u>							
1,000	Allied Mills (\$2.75)	31½	33⅞	31,553	33,875	2,322	2,750	8.1
1,000	American Research & Development (\$-)	29	21	29,000	21,000	8,000	-	-
7,500	General American Investors (\$0.70#)	19¼	26⅞	144,573	199,688	55,115	5,250 #	2.6 #
1,000	Stein, A., & Co., (\$2.00)	25⅞	20¼	25,814	20,250	5,564	2,000	9.9
1,500	Sunbeam (\$3.00)	16⅞	63	25,370	94,500	69,130	4,500	4.8
	Total Miscellaneous			256,310	369,313	113,003	14,500	3.9
	<u>Office Equipment</u>							
1,030	Addressograph-Multigraph (\$3.00)	47¼	60	48,696	61,800	13,104	3,090	5.0
2,000	International Business Machines (\$4.00¢)	69¼	218½	138,602	437,000	298,398	8,000¢	1.8¢
	Total Office Equipment			187,298	498,800	311,502	11,090	2.2

¢ Plus Stock Dividend.

Capital Gains distribution to be used to write down cost of stock.
 Only ordinary income to be taken into income account.

THE INSTITUTE FOR ADVANCED STUDY

11.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous (Cont'd.)</u>			\$	\$	\$	\$	%
	<u>Oil Producing & Refining</u>							
2,000	Amerada Petroleum (\$3.00)	42 $\frac{1}{2}$	147 $\frac{1}{4}$	85,083	294,500	209,417	6,000	2.0
4,000	Continental Oil (Del.) (\$2.50)	24 $\frac{3}{8}$	56 $\frac{1}{8}$	97,843	225,000	127,157	10,000	4.4
6,000	Gulf Oil (\$2.25)	27 $\frac{1}{4}$	54 $\frac{5}{8}$	163,790	327,750	163,960	13,500	4.1
5,000	Louisiana Land & Expl. (\$2.50)	14	49 $\frac{5}{8}$	70,148	248,125	177,977	12,500	5.0
2,000	Phillips Petroleum (\$2.40)	25 $\frac{5}{8}$	51	50,700	102,000	51,300	4,800	4.7
1,000	Seaboard Oil (\$2.75)	54 $\frac{1}{4}$	95	54,189	95,000	40,811	2,750	2.9
2,500	Shell Oil (\$3.00)	29 $\frac{1}{2}$	69	73,849	172,500	98,651	7,500	4.3
4,000	Skelly Oil (\$3.25)	55 $\frac{1}{8}$	92	220,710	368,000	147,290	13,000 ϕ	3.5 ϕ
2,000	Southland Royalty (\$2.50)	33 $\frac{3}{8}$	62 $\frac{1}{2}$	67,683	125,000	57,317	5,000	4.0
3,000	Standard Oil (Indiana) (\$2.50 ϕ)	36 $\frac{1}{2}$	74 $\frac{3}{4}$	109,524	224,250	114,726	7,500 ϕ	3.3 ϕ
6,075	Standard Oil (N.J.) (\$4.00)	24 $\frac{3}{4}$	75 $\frac{3}{4}$	150,127	460,181	310,054	24,300	5.3
800	Superior Oil (Calif.) (\$4.00)	175 $\frac{3}{8}$	525	140,250	420,000	279,750	3,200	0.8
2,000	Texas Co. (\$3.35)	25 $\frac{5}{8}$	56 $\frac{1}{8}$	51,130	112,250	61,120	6,700	6.0
2,000	Tide Water Associated Oil (\$2.25)	41	43	82,077	86,000	3,923	4,500	5.2
	Total Oil Producing & Refining			1,417,103	3,260,556	1,843,453	121,250	3.7
	<u>Paper</u>							
5,000	International Paper (\$3.00)	28 $\frac{3}{4}$	49	143,810	245,000	101,190	15,000	6.1
	<u>Rayon & Textile</u>							
2,200	Industrial Rayon (\$3.00 ϕ)	37 $\frac{1}{4}$	60	81,959	132,000	50,041	6,600 ϕ	5.0 ϕ

ϕ Plus Stock Dividend.

THE INSTITUTE FOR ADVANCED STUDY

12.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

Shares	Security	Book	Market 12/31/51	Book Value	Market Value	Apprec. or Deprec.	Est. Annual Income	Current Yield on Market
	Industrial & Miscellaneous (Cont'd.)			\$	\$	\$	\$	%
	<u>Retail Trade</u>							
2,400	Federated Dept. Stores (\$2.50)	9 $\frac{7}{8}$	40 $\frac{1}{4}$	23,750	96,600	72,850	6,000	6.2
1,500	Grant, W.T. (\$1.75)	18	33 $\frac{1}{8}$	27,028	49,688	22,660	2,625	5.3
1,000	Kress, S.H. (\$3.00)	46 $\frac{7}{8}$	52 $\frac{1}{2}$	46,888	52,500	5,612	3,000	5.7
2,000	May Dept. Stores (\$1.80)	13 $\frac{3}{4}$	31	27,625	62,000	34,375	3,600	5.8
2,000	Murphy, G.C. (\$2.375)	36	57 $\frac{1}{2}$	71,914	115,000	43,086	4,750	4.1
3,000	Penney, J.C. (\$3.25)	36 $\frac{1}{2}$	68 $\frac{1}{8}$	109,442	205,125	95,683	9,750	4.8
2,500	Sears Roebuck (\$2.75)	22 $\frac{3}{8}$	56	55,909	140,000	84,091	6,875	4.9
	Total Retail Trade			362,556	720,913	358,357	36,600	5.1
	<u>Soap</u>							
2,205 $\frac{1}{2}$	Colgate-Palmolive-Peet (\$2.00 ϕ)	41 $\frac{1}{8}$	45 $\frac{1}{2}$	90,560	100,328	9,768	4,410 ϕ	4.4 ϕ
	<u>Steel</u>							
4,000	Bethlehem Steel (\$4.00)	39 $\frac{1}{2}$	51 $\frac{1}{2}$	158,015	206,000	47,985	16,000	7.8
1,400	Hanna, M.A. (\$6.45)	114	205	159,573	287,000	127,427	9,030	3.1
2,500	Inland Steel (\$3.50)	32 $\frac{5}{8}$	50 $\frac{3}{4}$	81,441	126,875	45,434	8,750	6.9
4,000	National Steel (\$3.00)	30 $\frac{3}{8}$	53 $\frac{1}{8}$	121,641	212,500	90,859	12,000	5.6
3,000	U.S. Steel (\$3.00)	37 $\frac{1}{4}$	39 $\frac{1}{8}$	111,667	119,625	7,958	9,000	7.5
	Total Steel			632,337	952,000	319,663	54,780	5.8
	<u>Tobacco</u>							
1,200	Universal Leaf Tobacco (\$1.70)	14 $\frac{3}{4}$	25 $\frac{1}{2}$	17,729	30,600	12,871	2,040	6.7
	GRAND TOTAL INDUSTRIAL & MISCELLANEOUS COMMON STOCKS			5,249,886	10,153,491	4,903,605	442,716	4.4
	GRAND TOTAL ALL COMMON STOCKS			6,791,906	12,258,091	5,466,185	549,941	4.5

* Includes 5% Stock Dividend (Ex-Divid. 12/13/51 - Payable 1/8/52)
 † Plus Stock Dividend.

THE INSTITUTE FOR ADVANCED STUDY

13.

SECURITIES OF NOMINAL VALUE

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 12/31/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Securities of Nominal Value</u>			\$	\$	\$	\$	%
200 Units	Engineers Royalties, Inc. Unit #	$\frac{1}{2}\#$	$\frac{1}{2}\#$	100#	100#	-	#	#
1 sh	U.S. Electric Power Co. Common (\$-)	Gift	-	Carried at No Book Value		-	-	-
10 $\frac{10}{200}$ shs	Schulte, Retail Stores, Corp. (No Par) Common (\$-)	Gift	-	Carried at No Book Value		-	-	-
TOTAL SECURITIES OF NOMINAL VALUE				100	100	-	-	-

Gift. Unit consists of 1 share 7% (\$10 Par) Preferred Stock & 1 share No Par Common Stock. Company's valuation of 200 Units. Received payments in 1948, 1949, 1950 & 1951 of \$70, \$65, \$35 & \$35 respectively.

PAUL B. WYANT
233 BROADWAY
[WOOLWORTH BLDG.]
NEW YORK 7, N. Y.
—
TELEPHONE CORTLANDT 7-0634

October 22, 1951

Copy to Mr. Maass
Mr. Stewart
Mr. Schaap
Mr. Strauss
Mr. Oppenheimer
Mr. Rosenwald
Mr. Hancock
Mr. Linder
Mr. Schur

THE INSTITUTE FOR ADVANCED STUDY

Dome Exploration (Western) Ltd.

4% Notes 2/1/63 at approximately 88 (U.S. Funds)
to yield 4.3% on current basis
Prin. & Int. payable annually in Canadian Funds

Memo to Mr. Leidesdorf:

Attached is a memorandum on Dome Exploration Company with particular reference to its outstanding Notes.

The Company was well sponsored financially and has been eminently successful in the short period of its history. In addition to its partially developed oil and gas leases in the outstanding Redwater district of Alberta, the Company has other leaseholds under current development on promising acreage also in Alberta. A conservative appraisal of the principal assets, that is, the oil reserves and net current assets, is approximately \$15,000,000 or three times the \$5,000,000 outstanding Note issue.

Revenues of the Company, based on current oil production, are estimated at \$1,200,000 annually. One-third of this amount or an estimated \$400,000 would be required under the sinking fund terms of the Notes for their retirement. This would provide for retirement of the entire issue in 12½ years and give them an average life of about 7 years. Increased production through higher production allowables or the successful drilling of new wells would accelerate the Note retirement as one-third of any such revenues must apply to the sinking fund. Interest requirements on the entire issue currently outstanding are only \$200,000 annually.

I suggest that the Committee consider the purchase of 200M of the Notes at a cost of approximately \$176,000.

Paul B. Wyant

PAUL B. WYANT
233 BROADWAY
[WOOLWORTH BLDG.]
NEW YORK 7, N. Y.
—
TELEPHONE CORTLANDT 7-0634

Dome Exploration (Western) Limited
4% Notes 2/1/63 at approximately 88 (U.S. Funds)
to yield 4.3% on current basis
(Prin. & Int. payable in Canadian Funds)

Capitalization

Company has outstanding \$5,000,000 of the above Notes and 2,000,000 shares Common Stock which at its current price of 11 $\frac{3}{4}$ has a total market value of \$23,500,000.

History & Activities

Dome Exploration was incorporated under Canadian laws and started business in February 1950 backed by private financing in Eastern Canada and United States. The original participants subscribed to \$7,721,500 par value of Notes for a like sum and 250,000 shares of Common Stock at \$1.00 per share. Later the Capital Stock was reclassified into 1,500,000 shares \$2.50 par value and in July 1951 an additional 500,000 shares of the new stock was registered with the Securities Exchange Commission, of which 350,000 shares were sold publicly in United States at \$10.60 per share and 150,000 shares in Canada at \$11.22 per share. From the proceeds of nearly \$5 Million, \$2,271,500 of the Notes were retired.

The Company was founded for the purpose of engaging generally in the business of prospecting for, acquiring and developing oil and natural gas properties, and producing and selling crude oil, natural gas and related hydrocarbons in the western provinces of Canada. Its business includes both the acquisition and development of proven and semi-proven petroleum lease interests, and to a limited extent the exploration for new oil and natural gas fields. These activities have all been conducted in Alberta, where, since the original discovery of the Leduc field in 1947, the presence of substantial quantities of oil has been confirmed by the development of numerous other producing oil fields.

Dome Exploration does not maintain a field operating staff or own or operate any exploration, drilling or service equipment, and has conducted its exploration and development operations either by contract with other companies or under joint arrangements with other companies.

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Assets and Production

The Company's biggest asset at present is its Redwater, Alberta properties in which \$6,380,000 has been invested. It has an interest in 1,120 acres of Crown Reserve leases on which 27 wells have been drilled through arrangements with Western Leaseholds Ltd. Of these, 24 are oil wells, two were dry holes and one is a salt-water disposal well. Ralph E. Davis, a prominent oil geologist of New York and Houston, Texas, reported to the Company in June of this year regarding its Redwater oil reserves:

"I estimate that as of May 1, 1951 the net recoverable proved crude oil reserves attributable to the Company's present interests in the Redwater field, after deducting Crown royalties at the rate of approximately 15%, were 15,133,714 barrels under existing operating practices. These reserves were based upon a recovery factor of 40% of the net oil in place. However, I believe that the operation of the pressure maintenance program now being planned by the major operators in the field, if successful, will result in an ultimate recovery of 50% of the net oil in place, or 18,955,739 barrels, after Crown royalty deductions."

In June, Dome produced a net 43,200 barrels of crude from its share of Redwater wells. The posted price for oil was \$2.44 per barrel.

In addition to the Redwater leases, the Company holds or is currently completing obligations to acquire interest in leaseholds covering approximately 27,000 acres in various areas of Alberta including Drumheller, Acheson, Excelsior, Milk River, Spondin and Southwest Edmonton.

Dome's most interesting prospect at present is at Drumheller, 65 miles northeast of Calgary. The Company has a 25% net interest in 3,360 acres of checkerboarded quarter-sections and the same interest in wells on the lands. These wells include a Cretaceous gas well, a Cretaceous oil well producing about 30 barrels of oil daily, two wells currently shut-in pending reworking and a wildcat. The latter well, 1½ miles southeast of the Cretaceous oil wells, has made a discovery of crude oil in the Devonian D2 zone indicating a potential exceeding 1,000 barrels daily. The well drilled on to the D3 horizon, tested sulphur water and has plugged back for production from the D2 zone.

Appraisal of Assets (after Common Stock financing)

	<u>Valuation</u>
15,133,714 bbls. Oil at 75¢ per bbl. (Redwater field only)	\$11,350,286
Net Current Assets (Cash amounts to \$2,929,687 after deducting all Current Liabilities)	3,413,727
	<hr/>
Total	\$14,764,013

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This figure above is approximately three times the amount of outstanding Notes. It does not include the possibility of the recovery of an additional 3,800,000 barrels of oil through pressure maintenance or the cost of leases other than Redwater, certain drilling and development expenditures and equipment carried on the pro-forma balance sheet of April 30, 1951.

Earnings Estimate and Application to Note Retirement

It is estimated that the Company's revenues in the next year from its share of the production of oil, gas and associated hydro-carbons, after related operating expenses but before all other charges, will amount to \$1,200,000. Beginning in 1952, an annual sinking fund equal to 33 1/3% of such revenues for the preceding calendar year is provided for the retirement of the Notes. On the basis of this estimate without further development of new production which may reasonably be expected, the Notes would be retired in about 12½ years and have an average life of approximately 7 years. Interest requirements on the entire issue amounts to only \$200,000 annually.

Other Note Provisions

Principal and Interest is payable annually on February 1, in Canadian funds. Interest has accrued at 2% from February 1 to August 1, 1951, and thereafter to maturity at 4%.

Notes are callable at 100 plus accrued interest.

They are unsecured by Mortgage or pledge of property.

Trustees for the issue are The Toronto General Trusts Corporation and The Hanover Bank of New York.

Management

Among the important original participants in the financing of the Company were Dome Mines Ltd., a large Canadian gold mining company; Carl M. Loeb Rhoades & Co., member firm of the New York Stock Exchange; State Street Investment Corporation, a Boston investment trust; William F. Morton, officer of State Street Investment Corporation, and his family; Empire Trust Company of New York, and interests identified with the Clark family who have been long associated with the Singer Manufacturing Co. (Sewing Machines).

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Directors and Officers of the Company are as follows:

Clifford W. Michel - New York - Chairman of Board of Directors
(President of Dome Mines and Partner of Carl M. Loeb Rhoades)

James G. McCrea - Toronto - President & Director
(Vice President of Dome Mines)

John E. P. Gallagher - Calgary, Alberta - Exec. Vice President & Director
(Prior affiliation - executive of Standard Oil Co. New Jersey)

Henry Brunie - New York - Director
(President Empire Trust Co.)

John L. Loeb - New York - Director
(Partner Carl M. Loeb Rhoades)

Charles E. Main - New York - Director
(Vice President, The Clark Estates)

William F. Morton - Boston - Director
(Partner State Street Research & Management Corp.)

C. L. Rice, Jr. - New York - Director
(Vice President Empire Trust Co. - Oil & Gas Division)

October 9, 1951

Paul B. Wyant

THE INSTITUTE FOR ADVANCED STUDY
RECAPITULATION OF INVESTMENT HOLDINGS
As of September 28, 1951

	MARKET VALUE 9/28/51		ANNUAL INCOME RATE 9/28/51			
	Amount	% Total	Amount	% Total	% Yield on Mkt.	% Yield on Book
CASH - Uninvested	\$ 428,808	1.8%	\$ -	- %	- %	- %
<u>BONDS</u>						
U.S.Gov't. & Comm'l Paper- Due Within 1 Year.	3,352,217	14.4	64,688	7.8	1.9	1.9
U.S.Gov't. - Other Marketable	3,218,494	13.9	66,075	7.9	2.1	2.0
U.S.Savings Series "G" (at Par)	950,000	4.1	23,750	2.8	2.5	2.5
Railroad	148,500	0.6	7,125	0.9	4.8	5.3
Public Utility	757,150	3.3	21,725	2.6	2.9	3.1
Industrial	85,250	0.4	2,850	0.3	3.3	3.1
TOTAL BONDS	\$ 8,511,611	36.7%	\$186,213	22.3%	2.2 %	2.2 %
<u>PREFERRED STOCKS</u>						
Public Utility	391,500	1.7	18,750	2.2	4.8	4.9
Industrial & Miscellaneous	1,606,650	6.9	74,350	8.9	4.6	4.8
TOTAL PREFERRED STOCKS	\$ 1,998,150	8.6%	\$ 93,100	11.1%	4.7 %	4.8 %
<u>COMMON STOCKS</u>						
Public Utility - Elec. & Other	855,820	3.7	50,850	6.1	5.9	6.7
Public Utility - Natural Gas	1,185,841	5.1	55,475	6.7	4.7	7.0
Industrial & Miscellaneous	10,100,614	43.5	443,594	53.2	4.4	8.4
Bank & Insurance	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$12,142,275	52.3%	\$549,919	66.0%	4.5 %	8.1 %
SECURITIES OF NOMINAL VALUE ¹	\$ 100	0.0%	\$ -	- %	- %	- %
REAL ESTATE MORTGAGES	\$ 35,852	0.2%	\$ 1,635	0.2%	4.6 %	4.6 %
PROFESSORS' HOMES - MTGES.	\$ 82,586	0.4%	\$ 3,303	0.4%	4.0 %	4.0 %
GRAND TOTAL	\$23,199,382	100.0%	\$834,170 [#]	100.0%	3.60%	4.67%

INCREASE OR DECREASE 9/28/51		
Compared with Book - Same Date		
Book Value \$	Increase	Decrease
\$ 428,808	\$ -	\$ -
3,349,200	3,017	
3,309,292		90,798
950,000	-	-
135,215	13,285	
705,800	51,350	
93,281		8,031
\$ 8,542,788		\$31,177
384,465	7,035	
1,562,585	44,065	
\$ 1,947,050	\$ 51,100	
754,701	101,119	
787,700	398,141	
5,279,246	4,821,368	
-	-	-
\$ 6,821,647	\$5,320,628	
\$ 100	\$ -	\$ -
\$ 35,852	\$ -	\$ -
\$ 82,586	\$ -	\$ -
\$17,858,831	\$5,340,551	

* Reported by Treasurer's Office.

¹ Carried at Book Value. No market readily available.

[#] Before amortization of premium on Bonds, estimated at \$7,200.00 annually.

D.J.I.A. - September 28, 1951 - 271.16

Paul B. Wyant
 October 23, 1951

THE INSTITUTE FOR ADVANCED STUDY

Common Stocks

As of September 28, 1951

	<u>Book Value</u>		<u>Market Value</u>		<u>Appreciation or Depreciation</u>
	<u>Amount</u>	<u>Percent Total</u>	<u>Amount</u>	<u>Percent Total</u>	
Public Utility					
Electric & Other	\$ 754,701	11.1%	\$ 855,820	7.0%	\$ 101,119
Natural Gas	787,700	11.5	1,185,841	9.8	398,141
Total Public Utility	(1,542,401)	(22.6)	(2,041,661)	(16.8)	(499,260)
Industrial & Miscellaneous					
Agricultural Implement	43,966	0.6	65,500	0.5	21,534
Automobile & Accessory	41,967	0.6	45,875	0.4	3,908
Chemical	935,487	13.7	1,835,938	15.1	900,451
Distilling	113,374	1.7	157,500	1.3	44,126
Drug & Pharmaceutical	19,643	0.3	38,500	0.3	18,857
Finance	147,973	2.2	129,375	1.1	18,598
Food	38,570	0.6	66,250	0.5	27,680
Metal (Non-Ferrous)	745,359	10.9	1,434,175	11.8	688,816
Miscellaneous	272,659	4.0	394,688	3.3	122,029
Office Equipment	187,297	2.7	496,000	4.1	308,703
Oil Producing & Refining	1,404,000	20.6	3,201,525	26.4	1,797,525
Paper	143,810	2.1	256,250	2.1	112,440
Rayon & Textile	81,959	1.2	132,550	1.1	50,591
Retail Trade	362,556	5.3	736,613	6.1	374,057
Soap	90,560	1.3	101,850	0.8	11,290
Steel	632,337	9.3	976,825	8.0	344,488
Tobacco	17,729	0.3	31,200	0.3	13,471
Total Industrial & Miscellaneous	(5,279,246)	(77.4)	(10,100,614)	(83.2)	(4,821,368)
Total Common Stocks	<u>\$6,821,647</u>	<u>100.0%</u>	<u>\$12,142,275</u>	<u>100.0%</u>	<u>\$5,320,628</u>

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October 22, 1951

Copy to Mr. Maass
Mr. Stewart
Mr. Schaap
Mr. Strauss
Mr. Oppenheimer
Mr. Rosenwald
Mr. Hancock
Mr. Linder
Mr. Schur

THE INSTITUTE FOR ADVANCED STUDY

Tide Water Associated Oil Company
Common Stock \$2.00 at 40 to yield 5.0%

Memo to Mr. Leidesdorf:

Attached is a memorandum on Tide Water Associated Oil Company.

During the past five years this Company has made notable progress in improving its financial position, having retired \$45 million of funded debt and preferred stock, while working capital improved \$22 million and capital expenditures for the period totalled \$153.7 million. However, in production of crude oil and discovery of new reserves the record of achievement has been less satisfactory. This perhaps explains why the market price of the stock has lagged behind many others in the industry.

It has recently been announced that the Getty interests (through Mission Corp. and Pacific Western Oil) now control over 50% of Tide Water's Common Stock. Since the Gettys have been interested primarily in the crude end of the business, and since all senior capital has now been retired, it seems reasonable to assume that a greater part of cash earnings will be used to improve the production and reserve position.

According to official company estimates net recoverable reserves of crude oil and natural gas liquids amount to 517.2 million barrels, which valued at 75¢ per barrel are worth \$388 million, or approximately \$61 per share. Natural Gas reserves are unofficially estimated at 1½ trillion feet which, at 3¢ per MCF, would add \$45 million, or \$7 per share. Including net current and other assets a conservative appraisal is \$91 per share, which compares with a current market price of 40.

At this level Tide Water is selling at 7.8 times last year's reported earnings of \$5.17 per share, and 4.5 times indicated cash earnings of \$8.98 per share. Earnings for the current year are expected to fall between \$5 and \$6 per share. It is perhaps worth noting that cash earnings for the past five years total \$40.53 per share.

- 2 -

I suggest that the Committee consider favorably the purchase of 2,000 shares Tide Water Common as a substitution for 2,000 shares Texas Pacific Coal & Oil Common Stock. I shall provide a comparison at the meeting on Thursday showing that Tide Water represents substantially better value at current prices.

October 22, 1951

Paul B. Wyant

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October 22, 1951

Tide Water Associated Oil Company
Common Stock (\$2.00) at 40 to yield 5.0%
(Price Range 1951 to date : 44-32)

<u>Capitalization</u>	<u>Balance Sheet</u> <u>(12/31/50)</u>	<u>Market Value</u> <u>(6/18/51)</u>
(No bonds [*] or preferred stock)		
Common Equity (6,396,809 shs)	\$253,946,000	\$255,872,000

* Note: "Purchase and other obligations" in the amount of \$968,851 were outstanding on December 31, 1950.

Tide Water is engaged in practically all branches of the oil business, having reserves of crude in the Mid-Continent and Gulf Coast areas and in California, Colorado, Illinois, Indiana and Pennsylvania; crude oil refineries; natural gasoline plants; pipe lines, tankers and other transportation facilities; and marketing outlets throughout most of the United States, chiefly in the New England, Middle Atlantic and West Coast states.

The following tabulation shows, in thousands of barrels, Tide Water's net production of crude oil and natural gas liquids, together with the Company's estimate of reserves and net production of natural gas for the years 1946 through 1950.

	<u>NET PRODUCTION *</u>			<u>RESERVES *</u>			<u>Natural</u>
	<u>Crude</u>	<u>Nat.Gas.Liq.</u>	<u>Total</u>	<u>Crude</u>	<u>Liquids</u>	<u>Total</u>	<u>Gas Prod.</u> <u>(MMCF)</u>
1946	31,438	2,025	33,463	439,119	N.A.	N.A.	35,752
1947	32,296	2,088	34,384	431,370	42,436	473,806	38,353
1948	32,671	2,007	34,678	441,176	48,696	492,872	40,736
1949	30,236	2,365	32,601	457,719	50,538	508,257	40,963
1950	30,216	2,379	32,590	467,520	49,729	517,249	46,277

As can be seen from the table above Tide Water's production has been slipping somewhat since the war. Since only about a third of the crude production comes from Texas, the Company was not hit too severely by the cutback

* In thousands of barrels.

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in allowables in 1949. Conversely, however, its production in 1950 did not rise proportionately with increased Texas allowables.

In the first quarter of this year net production of crude oil and natural gas liquids totaled 9,073,000 barrels as against 7,392,000 barrels produced in the first quarter of last year. The daily averages were 100,816 barrels and 82,133 barrels respectively.

Estimated net recoverable reserves of crude oil and natural gas liquids of 517.2 million barrels are equivalent to about 14 years supply on the basis of first quarter average production. Valued at 75¢ per barrel the reserves are worth \$388 million, or approximately \$61 per share. While Tide Water has not had any sensational oil discoveries in recent years, its reserves have been showing steady expansion.

Crude oil processed in the Company's refineries for the past five years is shown below together with the percentage of net production to crude oil processed.

	<u>Refinery Runs</u> (000 bbls.)	<u>% Prod. to Runs</u>
1946	58,842	53.4%
1947	63,883	50.6
1948	59,752	54.7
1949	56,638	53.4
1950	58,485	51.7

Financial Position

Of major importance to this Company has been the simplification of its capital structure, resulting in the retirement, completed in 1950, of all obligations senior to the common stock. Since 1941 debt and preferred stock in the amount of \$90.5 million has been retired. During this same period net current assets have increased \$22.8 million. The following summary of principal balance sheet items for the years 1941, 1945 and 1950 shows the improvement in financial position.

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Balance Sheet Data
 (000 omitted)

<u>Working Capital</u>	<u>1941</u>	<u>1945</u>	<u>1950</u>
Cash & U. S. Gov'ts.	\$ 17,034	\$ 40,419	\$ 25,956
Receivables	12,345	14,836	26,382
Inventories	32,702	28,319	53,990
Total Current Assets	\$ 62,081	\$ 83,574	\$106,328
Current Liabilities	19,599	30,971	41,078
Net Current Assets	\$ 42,482	\$ 52,603	\$ 65,250
<u>Investments & Advances</u>	\$ 14,517	\$ 7,267	\$ 8,737
<u>Properties & Equipment</u>			
Gross Book Values	\$344,565	\$396,505	\$509,678
Net after D. & D.	137,982	140,460	176,300
Long-term Debt ^ø	40,504	17,717	969
Preferred Stock	50,000	28,789	-
Common Equity	100,969	148,792	253,946
Book Value per share	\$15.85	\$23.25	\$39.75

^ø Includes "Purchase and Other Obligations"

Capital Expenditures and Cash Flow

In the five post-war years capital expenditures have totalled \$153.7 million, of which \$91.7 million, or 59.6% has been for the production end of the business. In the same period cash generated from operations amounted to \$211.5 million, which covered all capital expenditures, retirement of senior obligations in the amount of \$15.5 million and an increase in net working capital. Details are shown in the following table:

(000 omitted)

	<u>Capital Expenditures</u>		<u>Cash Gain from Operations</u>		
	<u>Production</u>	<u>Totals</u>	<u>Retained Earnings</u>	<u>Non-Cash Charges</u>	<u>Total</u>
1946	\$15,128	\$ 20,456	\$12,343	\$ 19,811	\$ 32,154
1947	17,327	34,481	22,513	20,173	42,686
1948	21,857	39,287	26,464	23,288	49,752
1949	18,429	33,896	16,617	25,042	41,659
1950	18,961	25,603	20,887	24,395	45,282
Total	\$91,702	\$153,723	\$98,824	\$112,709	\$211,533

* Including amount spent on production facilities shown in first column.

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A comparison of cash earnings with reported earnings for the past five years, together with price-earnings ratios for both (using the Mean price each year) is shown below. Dividend payments for the period totalled \$7.65 per share compared with reported earnings of \$22.91 and cash earnings of \$40.53 per share.

	<u>Earnings</u>		<u>Mean Price</u>	<u>Price-Earnings Ratio</u>	
	<u>Reported</u>	<u>Cash</u>		<u>Reported Earnings</u>	<u>Cash Earnings</u>
1946	\$ 2.93	\$ 6.03	20 ³ / ₄	7.1	3.5
1947	4.57	7.72	21 ³ / ₄	4.8	2.8
1948	6.04	9.68	25 ³ / ₄	4.3	2.7
1949	4.20	8.12	22 ¹ / ₈	5.4	2.8
1950	5.17	8.98	30	5.8	3.3
5 Year Total	\$22.91	\$40.53			

15-Year Operating Record

	<u>Net Sales</u>	<u>Deprec. Deplet. Amortiz. Dry Holes</u>	<u>Pre-Tax Income</u>	<u>Net Income</u>	<u>Per Share Common</u>		
					<u>Earned</u>	<u>Paid</u>	<u>Range</u>
1936	\$124,584	\$14,414	\$11,556	\$10,218	\$1.03	\$0.15	22-15
1937	145,177	15,611	17,125	15,801	2.08	1.20	22-13
1938	137,384	15,119	11,020	10,427	1.28	1.00	16-10
1939	131,961	15,132	9,229	8,959	1.05	0.80	14- 9
1940	136,645	15,182	10,078	9,519	1.14	0.70	12- 9
1941	148,676	15,141	19,278	15,564	2.09	1.00	12- 9
1942	155,685	15,788	15,155	10,664	1.32	0.70	11- 8
1943	206,276	16,606	24,861	14,902	1.98	0.85	16-10
1944	238,412	18,839	28,171	17,787	2.43	1.00	17-13
1945	244,317	22,618	19,413	18,108	2.57	0.80	25-17
1946	216,302	19,811	26,308	19,758	2.93	1.20	24-18
1947	303,253	20,173	39,376	30,176	4.57	1.05	26-18
1948	373,500	23,288	50,052	39,387	6.04	1.90	32-19
1949	355,369	25,042	34,233	27,518	4.20	1.60	26-20
1950	356,984	24,395	40,604	33,364	5.17	1.90	38-22

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For the first quarter of 1951 Tide Water has reported earnings of \$1.39 per share as against \$0.94 per share for the first quarter of last year. The improvement in earnings is due to the increase in net production of crude oil previously cited and to some increases in average sales prices, particularly in fuel oils.

<u>Appraisal of Assets (12/31/51)</u>	<u>Value (000)</u>	<u>Per Share Common</u>
Net Reserves of Crude and Natural Gas Liquids (517,249,000 barrels at 75¢)	\$387,937	\$60.65
Net Reserves of Natural Gas (1.5 trillion cubic feet at 3¢ per MCF)	45,000	7.05
Non-Producing Property & Equipment - Net *	69,175	10.81
Investment in South Penn Oil at Market	6,510	1.02
Other Investments & Advances	6,024	0.94
Net Current Assets	65,250	10.20
Prepaid Items	5,273	0.82
Total	\$585,169	\$91.49
Less: Purchase Obligations & Reserve for Additional Taxes	1,799	0.28
Net	\$583,370	\$91.21

* Net book value after depreciation (69%) of refining, marketing and transportation facilities. Capital expenditures for these divisions have totalled \$62 million in the past five years.

Management

It has recently been announced that the Getty interests, through Mission Corporation and Pacific Western Oil, now control in excess of 50% of Tide Water Common stock.

Directors, other than executive officers of the Company, include the following:

Richard D. Brigham - Vice President and Director, Anglo-California National Bank

Walter A. Haas - President and Director, Levy-Strauss & Co. (Los Angeles); Director, Pacific Gas & Electric

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John Hertz - Partner, Lehman Brothers; Director, Paramount Pictures,
Consolidated Vultee, Madison Square Garden, Omnibus
Corp.

John Jay Hopkins - President and Director, Electric Boat Company

Severance A. Milliken - President and Director, Cleveland Electric
Illuminating Co.; Director, Cleveland Trust
Co., Interlake Iron Co., Youngstown Steel
Door

John M. Schiff - Partner, Kuhn, Loeb & Co.; Director, Westinghouse
Electric, C.I.T. Financial, Bowery Savings Bank

Olin Wellborn, III - Chairman, Hogan Petroleum Corp.; Director, Union
Bank & Trust Co. (California)

October 22, 1951

Paul B. Wyant

JWB:lp

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November 27, 1951

Copy to Mr. Maass
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Mr. Schaap
Mr. Strauss
Mr. Oppenheimer
Mr. Rosenwald
Mr. Hancock
Mr. Linder
Mr. Schur

THE INSTITUTE FOR ADVANCED STUDY

United Gas Corporation

Common Stock (\$1.00) at 24 to yield 4.2%

Memo to Mr. Leidesdorf:

In the attached memorandum I have summarized the current status of United Gas Corporation with particular reference to the major expansion program presently under way and the improved earnings expected to result therefrom.

I do not consider that United Gas Corporation common stock represents outstanding value at its current market level for a number of reasons including:

- (1) At the market price of 24 this common stock yields only 4.2% based on the current \$1 dividend rate, which, it is believed, will not be increased before 1953. Since the stock has provided an average yield of 5.2% for the past five years it would appear that some increase in the dividend has already been discounted.
- (2) The market price represents 15.8 times the current earnings rate of \$1.52 per share and is 11.1 times the estimated \$2.17 per share earnings expected upon completion of the expansion program in 1953. United Gas Corporation common in the past five years has typically sold at 14 times earnings at its high, 10.3 times earnings at its low and 12.2 times earnings at its mean price. Applying these ratios to the projected \$2.17 per earnings would produce a theoretical price range in 1953 of $30\frac{3}{8}$ high, $22\frac{3}{8}$ low, $26\frac{1}{2}$ mean.
- (3) A substantial portion of earnings are derived from crude oil and natural gasoline operations, which should be capitalized at much lower than the present price - earnings ratio of United Gas.

- 2 -

- (4) The Company is faced with purchasing an increasing proportion of its gas requirements and at field prices which have been rising faster than many of its contract sales prices.
- (5) Though accounting for an important part of earnings the trend of the Company's crude oil production has been unfavorable; 1950, for example, being one-half of production in 1942.

In conclusion I do not feel that the Institute should increase its holdings of United Gas at its current market price.

November 27, 1951

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November 27, 1951

UNITED GAS CORPORATION

Common Stock (\$1.00) at 24 to yield 4.2%
(1951 Price Range to date: 26-19)

	<u>Balance Sheet</u>		<u>Market Value</u>	
	<u>(000)</u>	<u>% of Total</u>	<u>(000)</u>	<u>% of Total</u>
<u>Capitalization (9/30/51)</u>				
Long-term Debt	\$202,541	52.2%	\$202,541	41.3%
Minority Interest *	2,473	0.6	6,638	1.3
Common Equity (11,718,632 shs)	182,369	47.2	281,247	57.4
	<u>\$387,383</u>	<u>100.0%</u>	<u>\$490,426</u>	<u>100.0%</u>

* 221,276 shares Duval Sulphur & Potash Company.

Business

United Gas Corporation, through its distribution divisions and its producing and pipeline subsidiaries (Union Producing Company and United Gas Pipeline Company) operates in the Gulf South and constitutes a system engaged principally in the production, purchase, gathering, transportation, distribution, and sale of natural gas. The system serves 439 communities in Texas, Louisiana and Mississippi, extends to Mobile in southern Alabama and to Pensacola in northwestern Florida, and to the International boundary at Laredo and at Roma, Texas. Subsidiaries of the Corporation are also engaged in the production, gathering and sale of crude oil; the recovery of natural gasoline and other liquid hydrocarbons through natural gasoline plants and cycling plants; and the production of sulphur (Duval Sulphur & Potash Company 74.7% owned).

The United system is one of the largest natural gas suppliers in the industry, being one of the major gas suppliers to long distance pipelines originating in the Gulf Coast region.

Operating Revenue and Operating Profit for the 12 months ending September 30, 1951 are shown below. Attention is invited to the percentage breakdown showing the substantial portion of earnings derived from other than pipeline activities. Crude oil and sulphur account for almost 26% of gross profits, although only 17.5% of revenues. No division of profits as between sale of natural gas, processing and natural gasoline is available. However it is believed that profits from all operations other than the sale of natural gas may account for 40% or more of the total.

- 2 -

	<u>Operating Revenue</u> (000)	<u>% of Total</u>		<u>Operating Profit *</u> (000)	<u>% of Total</u>
Natural Gas	\$ 85,337	70.6%)	\$39,735	74.2%
Gasoline & processing of gas	14,321	11.9)		
Crude Oil	16,282	13.5		11,681	21.8
Sulphur	4,833	4.0		2,153	4.0
	<u>\$120,773</u>	<u>100.0%</u>		<u>\$53,569</u>	<u>100.0%</u>

* Profit from operations before depreciation, depletion, interest and taxes.

Sources of Gas Supply

As shown in the table below the United system in 1950 produced 27% of the natural gas required for all gas sales obligations, a ratio which has been declining consistently since 1940 when 58% of requirements was produced. Of more significance is the trend in cost of purchased gas, which has risen steadily from 3.14¢ per MCF in 1943 to 5.38¢ per MCF in 1950; in both these years the average price received for gas sold was 12.6¢ per MCF. Apparently many of the sales contracts, particularly with large volume industrial customers, were made on a longer term basis than gas purchase contracts. This has undoubtedly been a major contributing factor to the mediocre earnings shown in recent years.

	<u>Total Gas Produced & Purchased</u> (billion cu.ft.)	<u>Percent Purchased</u>	<u>Percent Produced</u>	<u>Average Sales Price</u>	<u>Average Gross Cost</u>	<u>Gross Spread</u>
					(cents per MCF)	
1941	297.9	44%	56%	12.6¢	3.3¢	9.3¢
1942	315.1	48	52	13.0	3.2	10.2
1943	355.6	52	48	12.6	3.1	9.5
1944	404.0	56	44	12.1	3.1	9.0
1945	419.9	60	40	12.0	3.2	8.8
1946	406.8	62	38	12.0	3.3	8.7
1947	452.0	67	33	12.2	3.5	8.7
1948	520.5	69	31	12.1	3.7	8.4
1949	546.4	71	29	12.2	4.5	7.7
1950	630.1	73	27	12.6	5.4	7.2

Natural Gas Customers

A breakdown of revenues from natural gas sales in 1950 is shown below. The division as between classifications has not changed materially in recent years.

	<u>(000)</u>	<u>% of Total</u>	<u>Number of Customers</u>
Residential	\$13,049	18%	351,374
Commercial	4,226	6	47,797
Industrial	29,463	40	2,110
Gov't. & Municipal	2,616	3	464
Utilities & Pipelines	<u>24,160</u>	<u>33</u>	<u>186</u>
	<u>\$73,514</u>	<u>100%</u>	<u>401,931</u>

- 3 -

Crude Oil and Gasoline Sales

The trend of the Company's crude production has been unfavorable and production for 1950 was about one-half of the production in 1942. On the other hand natural gasoline sales show continued increase. Data for recent years follows:

	<u>Crude Oil Sales & Revenue</u>			<u>Gasoline Sales & Revenue</u>		
	<u>Revenue</u> (\$000)	<u>Volume</u> (000 bbls)	<u>Ave. Price</u> per bbl.	<u>Revenue</u> (\$000)	<u>Volume</u> (000 gals.)	<u>Ave. Price</u> per gal.
1942	\$11,862	11,874	\$1.01	\$1,374	40,898	3.4¢
1944	9,163	7,864	1.17	2,001	53,009	3.8
1946	9,446	6,796	1.39	2,727	65,040	4.2
1948	17,049	6,494	2.63	9,240	103,212	8.8
1949	13,907	5,350	2.60	8,496	118,045	7.0
1950	14,011	5,495	2.55	9,650	153,463	6.3

Oil & Gas Reserves

Ralph E. Davis estimated total proven controlled gas reserves as of December 31, 1950 at 28.2 trillion cubic feet total gas in place, of which 20.9 trillion cubic feet are considered recoverable. Of the latter amount 3.9 trillion cubic feet are owned and 17 trillion available through purchase contracts. Total proven controlled natural gasoline and condensate reserves are estimated at 41.6 million barrels. Net proven oil reserves are estimated to total 66.9 million barrels, more than 95% of which is considered fully developed by present wells. Mr. Davis believes that the available supply will be sufficient to meet the system's presently estimated requirements of up to 1,028 billion cubic feet per year (compares with 630 billion cu. ft. in 1950) for approximately 25 years.

The most important single reserve available to United Gas is the Pure Oil Block 32 in the Eugene Island area in the Gulf of Mexico off Southern Louisiana. Mr. Davis estimated Pure Oil's proven recoverable gas reserves in this field at 3.4 trillion cubic feet. However Mr. McGowen, President of United Gas, recently stated that developments since this original estimate indicated that these reserves may be "substantially larger".

Expansion Program

The Corporation is in the process of a major construction program involving expenditures for 1951 and 1952 estimated to cost \$170 million. The largest part of this involves the enlargement of the pipeline system by construction of more than 1,000 miles of large diameter pipeline to be built as a grid over its present system. The program includes construction recently completed of offshore gathering lines to connect gas wells of Pure Oil and Magnolia Petroleum referred to above.

- 4 -

United's pipeline system was built during the early 1930's in various steps without any over-all plan to meet today's demands. As a result the present system consists of various sizes of pipes designed to operate at radically different pressures, making interchange of gas throughout the system difficult. The construction program is designed to overcome these difficulties and to make available new, large sales of gas to Texas Eastern, Mississippi River Fuel and Southern Natural Gas and to provide new access to gas reserves.

In hearings before the S.E.C. recently the Company submitted a complete statement of the results expected to be achieved from the expansion program. Operating data will be shown later; the following indicates the expected expansion of natural gas sales:

	Natural Gas Sales		
	(\$000)	MMCF	¢ Per MCF
Actual 1949	\$ 62,190	510.1	12.2¢
" 1950	73,514	595.7	12.3
Estimated 1951	85,361	663.2	12.9
" 1952	138,448	955.6	14.4
" 1953	149,154	1,013.0	14.7

The program to obtain \$170 million to finance the cost of this expansion can be summarized as follows:

Common Stock	\$ 18,640,000	(1,065,330 shares sold in June 1951 at 17½)
First Mortgage Bonds	100,000,000	(\$50,000,000, 3½% due 1971, sold in June; balance to be sold in early 1952)
Bank Loans	25,000,000	
Retained Earnings	26,360,000	
	<u>\$170,000,000</u>	

After sale of an additional \$50 million First Mortgage bonds early in 1952 the percent debt in total capitalization will be approximately 58%. Through operations of sinking funds and use of retained earnings, management plans to reduce the debt ratio to 56% by the end of 1952 and to 54% by the end of 1953.

It is understood that for various reasons, chiefly the unavailability of steel pipe, the construction program is about three months behind schedule. The new connection with Texas Eastern at Kosciusko, Mississippi involving substantial quantities of gas was originally expected to be in operation November 1st, but is now expected sometime in February.

- 5 -

Operating Record and Projected Earnings

In the table below operations are summarized for the past 5 fiscal years, for the 12 months ending September 30, 1951, and also are projected through the year 1953, the first full year in which earnings from the expansion program will be realized. According to this estimate, made by the Company at hearings before the S.E.C. in May and recently confirmed by President McGowen, operating revenue is expected to expand by 1953 some \$67 million or about 56% over the current level and net earnings should increase approximately 43% to \$2.17 per share compared with \$1.52 per share in the latest reported period.

Mr. McGowen has expressed the opinion that no increase in the current \$1 dividend rate should be considered before 1953, when earnings from the new facilities should be building up.

	(\$ millions) Total	Deprec., etc.	Federal Income Taxes	Net Operating Revenue	# Interest	Net Income	* % Earned on Property
	Operating Revenue						
1946	\$ 63.3	\$10.5	\$ 5.4	\$14.4	\$3.3	\$11.7	7.0%
1947	77.1	11.0	6.7	20.6	5.1	15.9	9.6
1948	92.4	14.3	8.4	21.1	3.7	18.2	9.4
1949	92.3	13.8	6.3	18.2	3.4	15.2	7.3
1950	106.7	14.9	6.9	20.6	4.2	16.7	7.5
9/30/51	120.8	16.3	6.5	22.1	4.6	17.8	7.0
Est. 1951	120.6	16.0	7.0	21.5	4.0	17.7	5.3
1952	175.8	20.4	13.0	29.7	7.2	22.6	6.9
1953	187.8	21.0	14.7	32.8	7.3	25.5	7.6

ø Property retirement and depletion reserve, including dry holes, leases abandoned and amortization of plant acquisition adjustments.

Includes minority interest in earnings of Duval Sulphur.

* Net Operating Revenue as percent of net property.

Common Share Data

Year	Per Share Common		Price Range			Price-Earnings Ratio			Yield at Mean
	Earned	Paid	High	Low	Mean	High	Low	Mean	
1946	\$1.09	\$0.80	21	14	17½	19.3	12.8	16.0	4.6%
1947	1.50	0.85	19	14	16¾	12.6	9.3	11.0	5.1
1948	1.71	1.00	21	16	18¾	12.3	9.4	10.8	5.4
1949	1.43	1.00	21	16	18½	14.7	11.2	12.9	5.4
1950	1.57	1.00	21	15	18	13.4	9.5	11.8	5.5
5 Yr. Ave.	1.46	0.93	20½	15	17¾	14.0	10.3	12.2	5.2
9/30/51	1.52	1.00	26	19	22½	17.1	12.5	14.8	4.4
<u>Estimated</u>									
1951	1.50	1.00							
1952	1.92	1.00							
1953	2.17	1.40							

JWB:lp
 November 27, 1951

Paul B. Wyant

THE INSTITUTE FOR ADVANCED STUDY
RECAPITULATION OF INVESTMENT HOLDINGS
As of June 29, 1951

	MARKET VALUE 6/29/51		ANNUAL INCOME RATE 6/29/51			
	Amount	% Total	Amount	% Total	% Yield on Mkt.	% Yield on Book
CASH - Uninvested	\$ 308,000	1.4%	\$ -	- %	- %	- %
BONDS						
U.S. Gov't. & Comm'l Paper - Due Within 1 Year	3,349,541	15.6	50,000	6.2	1.5	1.5
U.S. Gov't. - Other Marketable	3,199,219	14.9	66,075	8.2	2.1	2.0
U.S. Savings Series "G" (at Par)	950,000	4.4	23,750	2.9	2.5	2.5
Railroad	144,500	0.7	7,125	0.9	4.9	5.3
Public Utility	721,825	3.4	21,725	2.7	3.0	3.1
Industrial	83,500	0.3	2,820	0.3	3.4	3.0
TOTAL BONDS	\$ 8,448,585	39.3%	\$171,495	21.2%	2.0%	2.0%
PREFERRED STOCKS						
Public Utility	383,125	1.8	18,750	2.3	4.9	4.9
Industrial & Miscellaneous	1,570,600	7.3	74,310	9.2	4.7	4.8
TOTAL PREFERRED STOCKS	\$ 1,953,725	9.1%	\$ 93,060	11.5%	4.8%	4.8%
COMMON STOCKS						
Public Utility-Electric & Other	810,313	3.8	50,700	6.2	6.3	6.7
Public Utility-Natural Gas	1,029,702	4.8	54,725	6.8	5.3	6.9
Industrial & Miscellaneous	8,801,889	41.0	434,139	53.7	4.9	8.2
Bank & Insurance	-	-	-	-	-	-
TOTAL COMMON STOCKS	\$10,641,904	49.6%	\$539,564	66.7%	5.1%	7.9%
SECURITIES OF NOMINAL VALUE /	\$ 100	0.0%	\$ -	- %	- %	- %
REAL ESTATE MORTGAGES	\$ 36,252	0.2%	\$ 1,631	0.2%	4.5%	4.5%
PROFESSORS' HOMES - MTGES.	\$ 82,586	0.4%	\$ 3,303	0.4%	4.0%	4.0%
GRAND TOTAL	\$21,471,152	100.0%	\$809,053#	100.0%	3.8%	4.6%

INCREASE OR DECREASE 6/29/51		
Compared with Book - Same Date		
Book Value *	Increase	Decrease
\$ 308,000	\$ -	\$ -
3,349,200	341	
3,309,292		110,073
950,000	-	-
135,215	9,285	
705,800	16,025	
93,281		9,781
\$ 8,542,788		\$ 94,203
384,465		1,340
1,562,585	8,015	
\$ 1,947,050	\$ 6,675	
754,701	55,612	
789,025	240,677	
5,276,007	3,525,882	
-	-	-
\$ 6,819,733	\$3,822,171	
\$ 100	\$ -	\$ -
\$ 36,252	\$ -	\$ -
\$ 82,586	\$ -	\$ -
\$17,736,509	\$3,734,643	

* Reported by Treasurer's Office.

/ Carried at Book Value. No Market readily available.

Before amortization of premium on Bonds, estimated at \$7,200.00 annually.

D.J.I.A. - June 29, 1951 - 242.64.

Paul B. Wyant
 July 24, 1951

THE INSTITUTE FOR ADVANCED STUDY

Common Stocks

As of June 29, 1951

	<u>Book Value</u>		<u>Market Value</u>		<u>Appreciation or Depreciation</u>
	<u>Amount</u>	<u>Percent Total</u>	<u>Amount</u>	<u>Percent Total</u>	
Public Utility					
Electric & Other	\$ 754,701	11.0%	\$ 810,313	7.6%	\$ 55,612
Natural Gas	789,025	11.6	1,029,702	9.7	240,677
Total Public Utility	(1,543,726)	(22.6)	(1,840,015)	(17.3)	(296,289)
Industrial & Miscellaneous					
Agricultural Implement	43,966	0.6	59,625	0.6	15,659
Automobile & Accessory	41,967	0.6	41,000	0.4	967
Chemical	937,360	13.7	1,667,188	15.7	729,828
Distilling	113,374	1.7	141,188	1.3	27,814
Drug & Pharmaceutical	19,643	0.3	35,750	0.3	16,107
Finance	147,973	2.2	121,875	1.1	26,098
Food	38,570	0.6	67,875	0.6	29,305
Metal (Non-Ferrous)	745,358	10.9	1,169,875	11.0	424,517
Miscellaneous	272,659	4.0	333,000	3.1	60,341
Office Equipment	187,297	2.7	454,500	4.3	267,203
Oil Producing & Refining	1,398,889	20.6	2,685,750	25.3	1,286,861
Paper	143,810	2.1	238,750	2.2	94,940
Rayon & Textile	81,959	1.2	130,350	1.2	48,391
Retail Trade	362,556	5.3	689,488	6.5	326,932
Soap	90,560	1.3	95,550	0.9	4,990
Steel	632,337	9.3	841,325	7.9	208,988
Tobacco	17,729	0.3	28,800	0.3	11,071
Total Industrial & Miscellaneous	(5,276,007)	(77.4)	(8,801,889)	(82.7)	(3,525,882)
Total Common Stocks	<u>\$6,819,733</u>	<u>100.0%</u>	<u>\$10,641,904</u>	<u>100.0%</u>	<u>\$3,822,171</u>

THE INSTITUTE FOR ADVANCED STUDY

1.

BONDS

U. S. Government & Comm'l Paper

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>6/29/51</u>	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Apprec.</u> <u>or</u> <u>Deprec.</u>	<u>Est.</u> <u>Annual</u> <u>Income</u>	<u>Maturity</u> <u>Yield on</u> <u>Market</u>
				\$	\$	\$	\$	%
<u>U.S. Government Bonds & Comm'l Paper</u>								
Commercial Investment Trust, Inc.								
500M	1 $\frac{7}{8}$ /10-11-51	100	/	500,000	500,000	-	9.375	/
Federal Intermediate Credit Bank Deb.								
500M	2.25/3-3-52	100	99.89 $\frac{1}{4}$	500,000	499,470	530	11,250	2.4
Treasury Notes								
2,350M	1 $\frac{1}{8}$ /8-1-51	99.966	100.003	2,349,200	2,350,071	871	29,375	1.2
1,500M	1 $\frac{1}{8}$ /12-15-55	100	98-31	1,500,000	1,484,531	15,469	26,250	2.0
Treasury Bonds								
1,770M	2 $\frac{1}{2}$ /6-15-62/59	102-7	96-28	1,809,292	1,714,688	94,604	39,825	2.6
Savings Series "G" (At Par)								
50M	2 $\frac{1}{8}$ /5-1-53	100	100	50,000	50,000	-	1,250	2.5
50M	2 $\frac{1}{8}$ /1-1-54	100	100	50,000	50,000	-	1,250	2.5
50M	2 $\frac{1}{8}$ /7-1-54	100	100	50,000	50,000	-	1,250	2.5
100M	2 $\frac{1}{8}$ /1-1-55	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{8}$ /1-1-56	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{8}$ /4-1-57	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{8}$ /3-1-58	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{8}$ /1-1-59	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{8}$ /1-1-60	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{8}$ /4-1-61	100	100	100,000	100,000	-	2,500	2.5
100M	2 $\frac{1}{8}$ /3-1-62	100	100	100,000	100,000	-	2,500	2.5
TOTAL U. S. GOVERNMENT BONDS & COMM'L PAPER				7,608,492	7,498,760	109,732	139,825	1.9 $\frac{1}{2}$

/ Bid Prices.

/ Carried at Book Value. Discounted at 1 $\frac{7}{8}$ %.

* Current Yield.

THE INSTITUTE FOR ADVANCED STUDY

BONDS

2.

Railroad
Public Utility

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 6/29/51</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Maturity Yield on Market</u> %
<u>Railroad Bonds</u>								
50M	Chgo., T.H. & S.E., Income 2 $\frac{3}{4}$ -4 $\frac{1}{2}$ /1-1-94 (Callable 100)	98	77	48,982	38,500	10,482	2,125	5.5 *
100M	Missouri Pacific R. R. 1st & Ref. "H" 5/4-1-80 (Callable 105)	86 $\frac{1}{4}$	106 f	86,233	106,000	19,767	5,000 /	4.7 *
TOTAL RAILROAD BONDS				135,215	144,500	9,285	7,125	4.9 *
<u>Public Utility Bonds</u>								
500M	Amer. Tel. & Tel. Conv. Deb. 2 $\frac{3}{4}$ /12-15-61 (Callable 105)	106 $\frac{1}{2}$	106 $\frac{5}{8}$	532,652	533,125	473	13,750	2.6x
25M	Int'l. Utilities Corp. Conv. Deb. 3 $\frac{1}{2}$ /5-1-65 (Callable 103)	100	109	25,000	27,250	2,250	875	2.7
50M	Public Service Elec. & Gas Deb. 6/7-1-98 (Non-Callable)	123 $\frac{1}{4}$	140	61,655	70,000	8,345	3,000	4.1
20M	Public Service Elec. & Gas 1st & Ref. 8/6-1-2037 (Non-Callable)	181 $\frac{7}{8}$	201	36,385	40,200	3,815	1,600	3.9
50M	South Jersey Gas, Elec. & Traction 1st 5/3-1-53 (Non-Callable)	100 $\frac{1}{4}$	102 $\frac{1}{2}$	50,108	51,250	1,142	2,500	3.4
TOTAL PUBLIC UTILITY BONDS				705,800	721,825	16,025	21,725	3.0 *

* Current Yield.

f Flat.

/ Interest received in excess 5% annually to be used to write down cost.

THE INSTITUTE FOR ADVANCED STUDY

3.

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 6/29/51</u>	<u>BONDS</u>		<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
				<u>Industrial</u>	<u>Public Utility</u>			
				<u>Book Value</u>	<u>Market Value</u>			
				\$	\$	\$	\$	%
<u>Industrial Bonds</u>								
100M	Imperial Oil Ltd., S.F. Deb. 3/12-15-69 (Non-Recorded) (Callable 101½ Cdn.Fds.)	U.S. 93¼	U.S. 83½	93,281	83,500	9,781	2,820#	3.4#
<u>Shares</u>								
<u>Public Utility Preferred Stocks</u>								
10,000	Arkansas Natural Gas Corp. 6% (\$10 Par) Cum. (Callable 10.60)	10¾	10⅝	107,766	106,250	1,516	6,000	5.6
500	Consolidated Edison Co. N. Y. \$5 Cum. (Callable 105)	105	106¾	52,500	53,375	875	2,500	4.7
500	Southwestern Gas & Elec. Co. 5% Cum. (Callable 109)	107	108	53,489	54,000	511	2,500	4.6
500	Standard Gas & Elec. \$7 Cum. (Callable 115)	117¼	156	73,603	78,000	4,397	3,500	4.5
1,000	Tennessee Gas Transmission Co. 4.25% Cum. (Callable 106)	97⅞	91½	97,107	91,500	5,607	4,250	4.6
TOTAL PUBLIC UTILITY PREFERRED STOCKS				384,465	383,125	1,340	18,750	4.9

After deducting 6% approximate discount on exchange of Canadian Funds.

THE INSTITUTE FOR ADVANCED STUDY

4.

PREFERRED STOCKS
Industrial & Miscellaneous

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 6/29/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous</u>			\$	\$	\$	\$	%
4,000	Alum. Co. of Canada 4% (\$25 Par) Cum. (Callable 26 $\frac{3}{4}$ Cdn.Fds.) (Non-Recorded)	U.S. 23 $\frac{7}{8}$	U.S. 21 $\frac{5}{8}$	95,419	86,500	8,919	3,760#	4.3#
300	American Metal Co. 4 $\frac{1}{2}$ % Cum. (Callable 105)	81 $\frac{3}{4}$	100	24,543	30,000	5,457	1,350	4.5
800	Bethlehem Steel Corp. 7% Cum. (Non-Callable)	127 $\frac{1}{2}$	145	101,813	116,000	14,187	5,600	4.8
1,000	Canada Dry Ginger Ale \$4.25 Cum. Conv. (Callable 102 $\frac{1}{2}$)	119 $\frac{5}{8}$	99	119,614	99,000	20,614	4,250	4.3
1,000	Celanese Corp. of America 4 $\frac{1}{2}$ % Cum. Conv. "A" (Callable 105)	100	110	100,000	110,000	10,000	4,500	4.1
200	Christiana Securities Corp. 7% Cum. (Callable 120)	126 $\frac{3}{4}$	140	25,350	28,000	2,650	1,400	5.0
1,000	Food Machinery & Chemical Corp. 3 $\frac{1}{2}$ % Cum. Conv. (Callable 101 $\frac{1}{2}$)	101 $\frac{1}{2}$	100	101,493	100,000	1,493	3,250	3.3
500	Hanna, M.A. & Co. \$4.25 Cum. (Callable 104)	103 $\frac{1}{8}$	102	51,549	51,000	549	2,125	4.2
500	Murphy, G. C. & Co. 4 $\frac{3}{8}$ % Cum. (Callable 107 $\frac{1}{2}$)	110 $\frac{6}{8}$	107 $\frac{1}{4}$	55,285	53,625	1,660	2,375	4.4

After deducting 6% approximate discount on exchange of Canadian Funds.

THE INSTITUTE FOR ADVANCED STUDY

5.

PREFERRED STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>6/29/51</u>	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Apprec.</u> <u>or</u> <u>Deprec.</u>	<u>Est.</u> <u>Annual</u> <u>Income</u>	<u>Current</u> <u>Yield on</u> <u>Market</u>
	<u>Industrial & Miscellaneous (Cont'd.)</u>			<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>%</u>
600	Oliver Corp. $4\frac{1}{2}\%$ Cum. Conv. (Callable 104)	103 $\frac{1}{2}$	98 $\frac{1}{2}$	62,068	59,100	2,968	2,700	4.6
500	Pure Oil 5% Cum. (Callable 105)	105	108	52,500	54,000	1,500	2,500	4.6
500	Reynolds, R. J. Tobacco Co. 4.50% Cum. (Callable 103 $\frac{1}{2}$)	100	104	50,000	52,000	2,000	2,250	4.3
4,000	Sunray Oil $4\frac{1}{2}\%$ (\$25 Par) Cum. "A" (Callable 25 $\frac{1}{2}$)	21 $\frac{7}{8}$	22 $\frac{3}{8}$	87,347	89,500	2,153	4,250	4.7
1,000	U.S. & Foreign Securities \$4.50 Cum. 1st (Callable 105)	101 $\frac{7}{8}$	99 $\frac{1}{4}$	101,838	99,250	2,588	4,500	4.5
3,000	U.S. & Int'l. Securities \$5 Cum. 1st W.W. (Callable 105)	88 $\frac{1}{4}$	88	264,891	264,000	891	15,000	5.7
500	U.S. Rubber Co. 8% Non-Cum. First (Non-Callable)	159	129	79,475	64,500	14,975	4,000	6.2
1,500	U.S. Steel Corp. 7% Cum. (Non-Callable)	126 $\frac{1}{4}$	142 $\frac{3}{4}$	189,400	214,125	24,725	10,500	4.9
TOTAL INDUSTRIAL & MISCELLANEOUS PREFERRED STOCKS				1,562,585	1,570,600	8,015	74,310	4.7

THE INSTITUTE FOR ADVANCED STUDY

6.

COMMON STOCKS

Public Utility - Electric & Other

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 6/29/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
				\$	\$	\$	\$	%
	<u>Public Utility - Electric & Other</u>							
1,000	American Gas & Electric (\$3.00)	33 $\frac{1}{2}$	53 $\frac{1}{2}$	33,485	53,500	20,015	3,000	5.6
2,000	Carolina Power & Light (\$2.00)	33 $\frac{1}{2}$	32 $\frac{1}{2}$	66,641	65,000	1,641	4,000	6.2
4,000	Central & South West Corp. (\$0.90)	16 $\frac{1}{2}$	13 $\frac{1}{2}$	64,971	55,000	9,971	3,600	6.5
4,000	Columbus & Southern Ohio Electric (\$1.40)	23 $\frac{1}{2}$	20 $\frac{3}{4}$	92,744	83,000	9,744	5,600	6.7
1,500	Consumers Power (\$2.00)	31 $\frac{3}{4}$	32 $\frac{1}{2}$	47,636	49,125	1,489	3,000	6.1
2,000	Florida Power (\$1.20)	16 $\frac{3}{4}$	17 $\frac{7}{8}$	33,492	35,750	2,258	2,400	6.7
2,000	Illinois Power (\$2.20)	31	34 $\frac{3}{4}$	61,902	69,500	7,598	4,400	6.3
1,500	Indianapolis Power & Light (\$1.80)	20 $\frac{1}{2}$	31 $\frac{1}{4}$	30,247	46,875	16,628	2,700	5.8
3,000	Kansas City Power & Light (\$1.60)	25 $\frac{1}{4}$	25	77,388	75,000	2,388	4,800	6.4
5,500	Middle South Utilities (\$1.20)	13 $\frac{1}{4}$	18 $\frac{7}{8}$	72,710	103,813	31,103	6,600	6.4
3,000	Niagara Mohawk Power (\$1.40)	24 $\frac{1}{2}$	21 $\frac{1}{2}$	72,283	64,125	8,158	4,200	6.5
2,000	Public Service Colorado (\$1.40)	19 $\frac{1}{2}$	24 $\frac{1}{4}$	38,573	48,500	9,927	2,800	5.8
3,000	Virginia Electric & Power (\$1.20)	20 $\frac{1}{2}$	20 $\frac{1}{2}$	62,629	61,125	1,504	3,600	5.9
TOTAL PUBLIC UTILITY-ELECTRIC & OTHER COMMON STOCKS				754,701	810,313	55,612	50,700	6.3

THE INSTITUTE FOR ADVANCED STUDY

7.

COMMON STOCKS

Public Utility - Natural Gas

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 6/29/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
				\$	\$	\$	\$	%
<u>Public Utility - Natural Gas</u>								
2,000	Atlanta Gas Light (\$1.20)	17 $\frac{3}{8}$	21 $\frac{1}{2}$	34,872	43,000	8,128	2,400	5.6
5,000	Columbia Gas Systems (\$0.80)	13 $\frac{1}{2}$	13 $\frac{1}{2}$	68,444	66,250	2,194	4,000	6.0
1,000	Consolidated Natural Gas (\$2.25)	41 $\frac{1}{8}$	54 $\frac{3}{8}$	41,678	54,375	12,697	2,250	4.1
3,000	National Fuel Gas (\$0.80)	107 $\frac{7}{8}$	12 $\frac{1}{2}$	32,655	37,500	4,845	2,400	6.4
4,500	Northern Natural Gas (\$1.80)	33 $\frac{1}{2}$	34 $\frac{7}{8}$	149,627	156,938	7,311	8,100	5.2
4,000	Panhandle Eastern Pipe Line (\$2.00)	27 $\frac{1}{2}$	46 $\frac{1}{2}$	111,156	186,000	74,844	8,000	4.3
1,000	Peoples Gas Light & Coke (\$6.00)	106 $\frac{7}{8}$	111 $\frac{1}{2}$	106,815	111,250	4,435	6,000	5.4
4,400	Southern Natural Gas (\$2.50)	28 $\frac{1}{8}$	41 $\frac{1}{2}$	124,682	182,600	57,918	11,000	6.0
3,000	Tennessee Gas Transmission (\$1.40)	11 $\frac{1}{8}$	22 $\frac{3}{8}$	33,966	67,875	33,909	4,200	6.2
(6,375	United Gas Corp. (\$1.00)	13 $\frac{3}{8}$	19 $\frac{1}{2}$	85,130	122,719	37,589	6,375	5.2
# (6,375 <u>Rts</u>	United Gas Corp. (\$-)	-	3/16	-	1,195	1,195	-	-
TOTAL PUBLIC UTILITY - NATURAL GAS COMMON STOCKS				789,025	1,029,702	240,677	54,725	5.3
GRAND TOTAL PUBLIC UTILITY COMMON STOCKS				1,543,726	1,840,015	296,289	105,425	5.7

Rights sold 6/28/51 but not settled by Nat'l. Newark & Essex Banking Co. as of 6/29/51.
 Proceeds \$1,324.95 to be used to write down cost of stock.

THE INSTITUTE FOR ADVANCED STUDY

8.

COMMON STOCKS

Industrial & Miscellaneous

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 6/29/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous</u>			\$	\$	\$	\$	%
	<u>Agricultural Implement</u>							
1,000	Deere & Co. (\$5.50)	44	59 $\frac{1}{8}$	43,966	59,625	15,659	5,500	9.2
	<u>Automobile & Accessory</u>							
1,000	Mack Trucks (\$0.50)	18 $\frac{3}{8}$	14 $\frac{1}{4}$	18,375	14,250	4,125	500	3.5
1,000	Studebaker (\$3.50)	23 $\frac{3}{8}$	26 $\frac{3}{4}$	23,592	26,750	3,158	3,500	13.1
	Total Automobile & Accessory			41,967	41,000	967	4,000	9.8
	<u>Chemical</u>							
2,000	Allied Chemical & Dye (\$3.00)	42 $\frac{3}{8}$	67 $\frac{3}{4}$	84,855	135,500	50,645	6,000	4.4
1,000	Columbian Carbon (\$2.25)	30 $\frac{1}{8}$	40	30,135	40,000	9,865	2,250	5.6
2,000	Dow Chemical (\$2.40)	67 $\frac{1}{4}$	93 $\frac{1}{2}$	135,619	187,000	51,381	4,800	2.6
5,000	duPont, E. I. (\$5.35)	36	92	179,881	460,000	280,119	26,750	5.8
2,000	Eastman Kodak (\$1.80)	24 $\frac{5}{8}$	42	49,211	84,000	34,789	3,600	4.3
1,500	Hooker Electrochemical (\$2.00)	30 $\frac{1}{8}$	53	45,107	79,500	34,393	3,000	3.8
3,500	Monsanto Chemical (\$3.00)	64 $\frac{3}{8}$	89 $\frac{1}{4}$	225,225	312,375	87,150	10,500	3.4
(3,000	Pfizer, (Chas.) (Del.) (\$0.95)	18 $\frac{5}{8}$	38 $\frac{3}{8}$	55,988	115,125	59,137	2,850	2.5
#(3,000)rts	Pfizer, (Chas.) (Del.) (\$-)	-	9/16	-	1,688	1,688	-	-
2,500	Union Carbide & Carbon (\$2.50)	25 $\frac{1}{8}$	58 $\frac{1}{8}$	63,829	146,250	82,421	6,250	4.3
2,000	United Carbon (\$2.50)	33 $\frac{1}{4}$	52 $\frac{1}{8}$	67,510	105,750	38,240	5,000	4.7
	Total Chemical			937,360	1,667,188	729,828	71,000	4.3

Rights sold 6/28/51 but not settled by Nat'l. Newark & Essex Banking Co. as of 6/29/51.
 Proceeds \$1,850.30 to be used to write down cost of stock.

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9.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 6/29/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous (Cont'd.)</u>							
	<u>Distilling</u>							
3,000	Distillers Corp. - Seagrams (\$1.70)	19 $\frac{1}{8}$	24	57,208	72,000	14,792	4,794 $\frac{1}{2}$ #	6.7#
1,500	Walker (H.)-Gooderham & Worts (\$3.55)	37 $\frac{1}{2}$	46 $\frac{1}{8}$	56,166	69,188	13,022	5,005 $\frac{1}{2}$ #	7.2#
	Total Distilling			113,374	141,188	27,814	9,799	6.9
	<u>Drug & Pharmaceutical</u>							
500	Johnson & Johnson (\$1.00 $\frac{1}{2}$)	39 $\frac{1}{2}$	71 $\frac{1}{2}$	19,643	35,750	16,107	500 ϕ	1.4 ϕ
	<u>Finance</u>							
2,500	C.I.T. Financial (\$5.00)	59 $\frac{1}{2}$	48 $\frac{3}{4}$	147,973	121,875	26,098	12,500	10.3
	<u>Food</u>							
1,000	United Fruit (\$4.50)	38 $\frac{5}{8}$	67 $\frac{7}{8}$	38,570	67,875	29,305	4,500	6.6
	<u>Metal (Non-Ferrous)</u>							
2,000	Aluminium Ltd. (\$3.60)	64 $\frac{5}{8}$	85 $\frac{1}{2}$	129,161	171,000	41,839	7,200	4.2
4,200	American Metal Co., Ltd. (\$2.00)	23 $\frac{3}{4}$	45	98,275	189,000	90,725	8,400	4.4
2,000	American Smelt. & Ref. (\$6.00)	47 $\frac{1}{2}$	74	94,917	148,000	53,083	12,000	8.1
1,000	International Silver (\$6.00)	18	59 $\frac{7}{8}$	18,000	59,875	41,875	6,000	10.0
3,500	Kennecott Copper (\$5.50)	47 $\frac{1}{2}$	68	166,247	238,000	71,753	19,250	8.1
3,500	Newmont Mining (\$4.00 ϕ)	68 $\frac{1}{2}$	104	238,758	364,000	125,242	14,000 ϕ	3.8 ϕ
	Total Metal (Non-Ferrous)			745,358	1,169,875	424,517	66,850	5.7

After deducting 6% approximate discount on exchange of Canadian Funds.

ϕ Plus Stock Dividend.

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10.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 6/29/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
	<u>Industrial & Miscellaneous (Cont'd)</u>			\$	\$	\$	\$	%
	<u>Miscellaneous</u>							
1,000	Allied Mills (\$2.50)	31 $\frac{1}{2}$	31	31,553	31,000	553	2,500	8.1
1,000	American Research & Development (\$-)	29	25 $\frac{1}{2}$	29,000	25,500	3,500	-	-
7,500	General American Investors (\$0.73)	21 $\frac{1}{2}$	23 $\frac{1}{2}$	160,922	176,250	15,328	5,475	3.1
1,000	Stein, A., & Co. (\$2.00)	25 $\frac{7}{8}$	23 $\frac{3}{4}$	25,814	23,750	2,064	2,000	8.4
1,500	Sunbeam (\$3.00)	16 $\frac{7}{8}$	51	25,370	76,500	51,130	4,500	5.9
	Total Miscellaneous			272,659	333,000	60,341	14,475	4.3
	<u>Office Equipment</u>							
1,000	Addressograph-Multigraph (\$3.75)	48 $\frac{3}{4}$	54 $\frac{1}{2}$	48,696	54,500	5,804	3,750	6.9
2,000	International Business Machines (\$4.00 ϕ)	69 $\frac{1}{4}$	200	138,601	400,000	261,399	8,000 ϕ	2.0 ϕ
	Total Office Equipment			187,297	454,500	267,203	11,750	2.6

ϕ Plus Stock Dividend.

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11.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market</u> <u>6/29/51</u>	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Apprec.</u> <u>or</u> <u>Deprac.</u>	<u>Est.</u> <u>Annual</u> <u>Income</u>	<u>Current</u> <u>Yield on</u> <u>Market</u>
	<u>Industrial & Miscellaneous (Cont'd.)</u>			\$	\$	\$	\$	%
	<u>Oil Producing & Refining</u>							
2,000	Amerada Petroleum (\$3.00)	42 $\frac{1}{2}$	99	85,083	198,000	112,917	6,000	3.0
4,000	Continental Oil (Del.) (\$2.50)	24 $\frac{3}{8}$	49 $\frac{1}{8}$	97,843	196,500	98,657	10,000	5.1
3,000	Gulf Oil (\$4.00)	54 $\frac{3}{8}$	95	163,790	285,000	121,210	12,000	4.2
5,000	Louisiana Land & Expl. (\$2.50)	14	37 $\frac{1}{2}$	70,148	186,250	116,102	12,500	6.7
1,000	Phillips Petroleum (\$4.80)	50 $\frac{3}{4}$	82 $\frac{3}{8}$	50,700	82,625	31,925	4,800	5.8
1,000	Seaboard Oil (\$2.60)	54 $\frac{1}{4}$	84	54,189	84,000	29,811	2,600	3.1
2,500	Shell Oil (\$3.00)	29 $\frac{1}{2}$	55 $\frac{1}{2}$	73,849	138,750	64,901	7,500	5.4
4,000	Skelly Oil (\$3.00)	55 $\frac{1}{8}$	81	220,710	324,000	103,290	12,000	3.7
2,000	Southland Royalty (\$2.50)	33 $\frac{3}{8}$	45	67,683	90,000	22,317	5,000	5.6
3,000	Standard Oil (Indiana) (\$2.00 ϕ)	36 $\frac{1}{2}$	63	109,524	189,000	79,476	6,000 ϕ	3.2 ϕ
6,000	Standard Oil (N.J.) (\$15 Par) (\$3.00)	24 $\frac{1}{8}$	60 $\frac{1}{2}$	145,016	361,500	216,484	18,000	5.0
800	Superior Oil (Calif.) (\$3.00)	175 $\frac{3}{8}$	400	140,251	320,000	179,749	2,400	0.8
2,000	Texas Co. (\$2.75)	25 $\frac{1}{2}$	46	51,130	92,000	40,870	5,500	6.0
2,000	Texas Pacific Coal & Oil (\$1.50)	9	36 $\frac{1}{4}$	17,973	72,500	54,527	3,000	4.1
2,500	Warren Petroleum (\$0.80)	20 $\frac{3}{8}$	26 $\frac{1}{4}$	51,000	65,625	14,625	2,000	3.0
	Total Oil Producing & Refining			1,398,889	2,685,750	1,286,861	109,300	4.1
	<u>Paper</u>							
5,000	International Paper (\$3.00)	28 $\frac{3}{4}$	47 $\frac{3}{4}$	143,810	238,750	94,940	15,000	6.3
	<u>Rayon & Textile</u>							
2,200	Industrial Rayon (\$3.00 ϕ)	37 $\frac{1}{4}$	59 $\frac{1}{4}$	81,959	130,350	48,391	6,600 ϕ	5.1 ϕ

ϕ Plus Stock Dividend.

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12.

COMMON STOCKS

Industrial & Miscellaneous (Cont'd.)

<u>Shares</u>	<u>Security</u>	<u>Book</u>	<u>Market 6/29/51</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Apprec. or Deprec.</u>	<u>Est. Annual Income</u>	<u>Current Yield on Market</u>
				\$	\$	\$	\$	%
<u>Industrial & Miscellaneous (Cont'd.)</u>								
<u>Retail Trade</u>								
2,400	Federated Dept. Stores (\$2.50)	9 $\frac{7}{8}$	42	23,750	100,800	77,050	6,000	6.0
1,500	Grant, W.T. (\$1.50)	18	28 $\frac{1}{8}$	27,028	42,188	15,160	2,250	5.3
1,000	Kress, S.H. (\$3.00)	46 $\frac{7}{8}$	52	46,888	52,000	5,112	3,000	5.8
2,000	May Dept. Stores (\$1.90)	13 $\frac{3}{4}$	31 $\frac{5}{8}$	27,625	63,250	35,625	3,800	6.0
2,000	Murphy, G.C. (\$2.25)	36	49 $\frac{1}{2}$	71,914	99,000	27,086	4,500	4.5
3,000	Penney, J.C. (\$3.50)	36 $\frac{1}{2}$	67	109,442	201,000	91,558	10,500	5.2
2,500	Sears Roebuck (\$2.75)	22 $\frac{5}{8}$	52 $\frac{1}{2}$	55,909	131,250	75,341	6,875	5.2
	Total Retail Trade			362,556	689,488	326,932	36,925	5.4
<u>Soap</u>								
2,100	Colgate-Palmolive-Peet (\$3.00)	43 $\frac{1}{2}$	45 $\frac{1}{2}$	90,560	95,550	4,990	6,300	6.6
<u>Steel</u>								
4,000	Bethlehem Steel (\$4.10)	39 $\frac{1}{2}$	47	158,015	188,000	29,985	16,400	8.7
1,400	Hanna, M.A. (\$5.50)	114	178	159,573	249,200	89,627	7,700	3.1
2,500	Inland Steel (\$3.50)	32 $\frac{5}{8}$	45 $\frac{3}{4}$	81,441	114,375	32,934	8,750	7.7
4,000	National Steel (\$3.25)	30 $\frac{3}{8}$	44 $\frac{1}{8}$	121,641	176,500	54,859	13,000	7.4
3,000	U.S. Steel (\$3.75)	37 $\frac{1}{4}$	37 $\frac{3}{4}$	111,667	113,250	1,583	11,250	9.9
	Total Steel			632,337	841,325	208,988	57,100	6.8
<u>Tobacco</u>								
1,200	Universal Leaf Tobacco (\$1.70)	14 $\frac{3}{4}$	24	17,729	28,800	11,071	2,040	7.1
GRAND TOTAL INDUSTRIAL & MISCELLANEOUS				5,276,007	8,801,889	3,525,882	434,139	4.9
COMMON STOCKS								
GRAND TOTAL <u>ALL</u> COMMON STOCKS				6,819,733	10,641,904	3,822,171	539,564	5.1

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SECURITIES OF NOMINAL VALUE

13.

<u>Amount</u>	<u>Security</u>	<u>Book</u>	<u>Market 6/29/51</u>	<u>Book Value</u> \$	<u>Market Value</u> \$	<u>Apprec. or Deprec.</u> \$	<u>Est. Annual Income</u> \$	<u>Current Yield on Market</u> %
<u>Securities of Nominal Value</u>								
200 Units	Engineers Royalties, Inc.	Unit # 1/2#	1/2#	100#	100#	-	#	-
1sh	U. S. Electric Power Co. Common (\$-)	Gift	-	Carried at No Book Value		-	-	-
10 ¹⁰ / ₂₀₀ shs	Schulte, Retail Stores, Corp. (No Par) Common (\$-)	Gift	-	Carried at No Book Value		-	-	-
TOTAL SECURITIES OF NOMINAL VALUE				100	100	-	-	-

Gift. Unit consists of 1 share 7% (\$10 Par) Preferred Stock & 1 share No Par Common Stock.
 Company's valuation of 200 Units. Received payments of \$70, \$65 & \$35 in 1948,
 1949 & 1950 respectively.