

GRAHAM-NEWMAN CORPORATION

52 WALL STREET

NEW YORK 5. N. Y.

February 27, 1948

To the Stockholders of Graham-Newman Corporation:

Submitted herewith is a copy of the report of our auditors, Messrs. Stern, Porter, Kingston & Coleman, covering the fiscal year ended January 31, 1948.

The appended balance sheet indicates a net asset value of \$114.13 per share on January 31, 1948, compared with \$116.84 per share on January 31, 1947.

Dividends of \$17.10 per share were paid during the year, of which \$12.97 has been designated as Capital Gain Dividends, pursuant to Section 362 of the Internal Revenue Code.

The over-all gain for the fiscal year, after deduction of the decrease in unrealized appreciation, amounted to \$14.39 per share on the average number of shares outstanding. Net realized profits for the year, without reflecting the shrinkage in unrealized appreciation, amounted to \$17.01 per share.

The indicated net asset value as of February 14, 1948, was approximately \$111 per share.

The annual meeting of stockholders is scheduled to be held on Monday, April 12, 1948. In connection therewith, it is expected that formal notice will be mailed to stockholders before April 2, 1948, together with a proxy statement and request for proxies.

Very truly yours,

Benj. Graham,  
President

Jerome A. Newman,  
Vice-President & Treasurer

11687 / 12.5  
17690  
11687  
27960  
23368  
36920  
3368  
35552

STERN, PORTER, KINGSTON & COLEMAN  
CERTIFIED PUBLIC ACCOUNTANTS

*551 5th Avenue, New York 17, N. Y.*  
MURRAY HILL 2-8075

To the Board of Directors and Stockholders of  
Graham-Newman Corporation:

We have examined the Balance Sheet of Graham-Newman Corporation as at January 31, 1948 and the related statements of Profit and Loss, Surplus and Unrealized Appreciation of Investments for the year then ended, have reviewed the system of internal control and the accounting procedures of the company and, without making a detailed audit of the transactions, have examined or tested accounting records of the company and other supporting evidence by methods and to the extent we deemed appropriate and in accordance with generally accepted standards applicable in the circumstances.

Pursuant to regulations of the Securities and Exchange Commission applicable to regulated investment companies, the Balance Sheet herein gives effect to the evaluation of investments in securities at their quoted market values as at the date thereof.

In our opinion, the accompanying Balance Sheet and related statements of Profit and Loss, Surplus and Unrealized Appreciation of Investments together with the notes appended thereto, present fairly the position of Graham-Newman Corporation as at January 31, 1948 and the results of its operations for the year then ended, in conformity with the accounting principles set forth hereinabove applied on a basis consistent with that of the preceding year.

*Stern Porter Kingston & Coleman*  
STERN, PORTER, KINGSTON & COLEMAN  
Certified Public Accountants

New York, N. Y.  
February 24, 1948.

GRAHAM-NEWMAN

NEW

B A L A N C E

JANUARY 31,

(ON BASIS OF QUOTED MARKET VALUES OF

A S S E T S

CASH IN BANKS \$ 81,955.51

DUE FROM BROKERS 156,178.27

INVESTMENTS IN SECURITIES (see Note A)

Marketable Securities-at Quoted Market Values  
as at January 31, 1948 3,808,176.00  
(Cost \$3,818,607.17)

OTHER ASSETS

Interest accrued \$782.50  
Advance 400.00 1,182.50

\$4,047,492.28

The comments contained in the  
are an integral part of this statement

CORPORATION

YORK

S H E E T

1948

SECURITIES AS AT JANUARY 31, 1948)

L I A B I L I T I E S   A N D   C A P I T A L

<u>SECURITIES SHORT</u> - at Quoted Market Values as at January 31, 1948 (see Note A) (Net Proceeds of Sales \$71,077.77)		\$	37,388.00
<u>DUE TO BROKERS</u> - for securities purchased			6,658.15
<u>ACCOUNTS PAYABLE AND ACCRUALS</u>			
Officers' Compensation Payable (see Note B)	\$	33,664.84	
Sundry Payables and Accruals		<u>7,832.90</u>	<u>41,497.74</u>
<u>Total Liabilities</u>			85,543.89
 <u>NET ASSETS APPLICABLE TO CAPITAL STOCK</u>			
Capital Stock:			
Authorized-40,000 shares of no par value			
Issued and Outstanding-			
34,715 shares, at stated value			
of \$50.00 per share		1,735,750.00	
Capital Surplus		2,202,939.79	
Earned Surplus		<u>None</u>	
<u>Total Capital Stock and Surplus</u>			3,938,689.79
Unrealized Appreciation of Investments		<u>23,258.60</u>	
<u>Total Assets Applicable to Capital Stock</u> (see Notes A and C) (Equivalent to \$114.13 per share)			3,961,948.39
			<u>\$4,047,492.28</u>

accompanying notes to financial statements  
and should be read in conjunction therewith.

## GRAHAM-NEWMAN CORPORATION

NEW YORK

## PROFIT AND LOSS STATEMENT

FOR THE FISCAL YEAR ENDED JANUARY 31, 1948

STATEMENT OF INCOME AND EXPENSES - excluding Gain or Loss  
on Investments

<u>Income</u>		
Dividends		\$109,980.28
Interest on Investments		<u>44,664.31</u>
<u>Total Income</u>		154,644.59
<u>Expenses</u>		
Officers' Compensation (see Note B):		
Benjamin Graham	\$ 31,832.42	
Jerome A. Newman	31,832.42	
Seymour Cohn	10,000.00	
Other:		
Office Salaries	10,422.50	
Executive Committee Fees	4,400.00	
Directors' Fees	875.00	
Rent and Light	2,995.66	
Telephone and Telegraph	1,476.79	
Insurance	412.50	
Taxes (other than Federal Income Tax)	5,938.61	
Auditing and Legal	12,735.87	
Custodian Fees	1,738.27	
General Expense	3,045.07	
Interest	<u>1,564.58</u>	
<u>Total Expenses</u>		<u>119,269.69</u>
<u>Net Income</u> , exclusive of gain or loss on investments		35,374.90
<u>REALIZED GAIN ON SALES OF INVESTMENTS</u>	546,205.45	
<u>UNREALIZED APPRECIATION OR DEPRECIATION OF INVESTMENTS</u>		
Unrealized Appreciation at January 31, 1947	114,388.84	
Unrealized Appreciation at January 31, 1948	<u>23,258.60</u>	
<u>Net Decrease of Unrealized Appreciation</u>	<u>91,130.24</u>	<u>455,075.21</u>
<u>TOTAL NET INCOME</u> , including Unrealized Appreciation of Investments (see Notes A and C)		<u>\$490,450.11</u>

GRAHAM-NEWMAN CORPORATION  
NEW YORK  
STATEMENT OF CHANGES IN NET ASSETS  
FOR THE FISCAL YEAR ENDED JANUARY 31, 1948

		<u>NO. OF SHARES</u>	<u>PER SHARE</u>
<u>NET ASSETS AT JANUARY 31, 1947</u>	\$3,996,593.16	34,207	\$116.84
<u>ADD:-</u>			
Capital Stock issued during the year for cash	65,240.13	<u>508</u>	128.42
		34,715	
Net Income for year (adjusted for decrease in unrealized appreciation):			
Net Income, excluding gain or loss on investments	\$ 35,374.90		
Realized Gain on Investments	<u>546,205.45</u>		
Total	<u>581,580.35</u>		
Less-Decrease in Unrealized Appreciation	<u>91,130.24</u>		14.13(a)
Surplus Adjustments-Tax refund and adjustment of tax reserves for prior years	<u>3,291.49</u>		.09(a)
<u>TOTAL</u>	4,555,574.89		131.23
<u>DEDUCT - DIVIDENDS PAID</u>			
<u>Date Paid</u>	<u>Per Share</u>		
May 22, 1947	\$ 1.75	60,751.25	
August 15, 1947	1.75	60,751.25	
November 25, 1947	4.00	138,860.00	
January 29, 1948	<u>9.60</u>	<u>333,264.00</u>	
Total	<u>\$17.10</u>	<u>593,626.50</u>	17.10(b)
<u>NET ASSETS AT JANUARY 31, 1948</u>	<u>\$3,961,948.39</u>	<u>34,715</u>	<u>\$114.13</u>

<u>ANALYSIS</u>	<u>Total</u>	<u>Capital Stock</u>	<u>Capital Surplus</u>	<u>Earned Surplus</u>	<u>Unrealized Appreciation</u>
Net Assets at January 31, 1947	3,996,593.16	\$1,710,350.	\$2,171,854.32	\$ -	\$114,388.84
<u>ADD:-</u>					
Capital Stock issued during year (508 shs.)	65,240.13	25,400.(c)	39,840.13(d)		
Net Income for year	490,450.11			581,580.35	-91,130.24
Surplus Adjustments	3,291.49			<u>3,291.49</u>	
Total	4,555,574.89	1,735,750.	2,211,694.45	584,871.84	<u>23,258.60</u>
<u>Deduct-Dividends Paid</u>	<u>593,626.50</u>		<u>8,754.66</u>	<u>584,871.84</u>	
Net Assets at January 31, 1948	<u>\$3,961,948.39</u>	<u>\$1,735,750.</u>	<u>\$2,202,939.79</u>	<u>\$ -0-</u>	<u>\$ 23,258.60</u>

(see following page for footnotes)

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STATEMENT OF CHANGES IN NET ASSETS  
FOR THE FISCAL YEAR ENDED JANUARY 31, 1948  
(CONTINUED)

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FOOTNOTES

- (a) Computed on number of shares outstanding at close of year.
- (b) Computed on number of shares upon which dividends were actually paid.
- (c) At stated value of \$50.00 per share.
- (d) Excess of amount realized from sales of capital shares over stated value thereof (\$50.00 per share).

GRAHAM-NEWMAN CORPORATION

NEW YORK

NOTES TO FINANCIAL STATEMENTS

JANUARY 31, 1948

NOTE A - UNREALIZED APPRECIATION OF INVESTMENTS

The unrealized appreciation of investments at January 31, 1948 was \$23,258.60, represented as follows:

	<u>Cost</u>	<u>Quoted Market Value at January 31, 1948</u>	<u>Unrealized Appreciation (or Depreciation)</u>
Investments in Securities	\$3,818,607.17	\$3,808,176.	\$-10,431.17
Securities Short	-71,077.77	-37,388(a)	+33,689.77
Together	<u>\$3,747,529.40</u>	<u>\$3,770,788.</u>	<u>+\$23,258.60</u>

(a) Cover Value

NOTE B - COMPENSATION OF OFFICERS

The compensation of Benjamin Graham and Jerome A. Newman as officers of the company for the current fiscal year is, in respect of each of them (a) a stated salary of \$15,000. per annum, and (b) additional compensation in an amount equal to 10% of the excess of the "over-all net profit" (as adjusted for the net change as at the end of the year, as compared with the status at the beginning of the year, in the unrealized appreciation of investments) over the sum of (i) the amount by which the "over-all net profit" for the prior year was less than an amount equal to \$0.01724 per share per day on the average number of shares outstanding during that year, and (ii) an amount equal to \$5.84 per share on the average number of shares outstanding during the current year. The above amounts viz: \$0.1724 per share per day and \$5.84 per share per year represent respectively the equivalent of 5% on the asset value of the capital stock at the beginning of the respective fiscal years, viz: at January 31, 1946 \$125.88 per share and at January 31, 1947 \$116.84 per share. In effect, additional compensation is therefore payable to each of these officers in an amount equal to 10% of the excess of the "over-all net profit" over an amount equal to 5% of the asset value of the capital stock at the beginning of the year, - any deficiency in profits as compared with such exclusion (of 5% on the asset value of the stock at the beginning of the year) being chargeable against the profits of the subsequent year or years in arriving at the base upon which additional compensation is to be computed. The additional compensation payable to these officers cannot be in excess of 25% (12½% to each) of the amount of dividends paid during the year. In the event that additional compensation had been computed and paid upon this latter basis, then, in the event of the death of either, or upon the termination of his tenure of office, he or his estate would be entitled to receive any excess of the amount of additional compensation as computed on the basis of the "over-all net profits" (after deducting the exclusions above noted) over the amounts that had previously been paid to him. Had such event occurred as at January 31, 1948 there would, however, have been no additional compensation payable to either officer or to his estate other than the amounts set forth in the statements herein.

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NOTES TO FINANCIAL STATEMENTS

JANUARY 31, 1948

(CONTINUED)

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NOTE C - TAX STATUS

The company is a "regulated investment company" under the Internal Revenue Code, and as such it is subject to Federal income tax at 25% of the excess of its net long term capital gain (less its net short term capital loss, if any) over the amount distributed as "capital gain dividends", and at 38% of the excess of its other net income over the amount distributed as dividends and chargeable thereto. Dividends were paid during the year in an amount which exceeded both the "capital gains" and other income, so that the company is not subject to income tax for the current year. The company intends in the future to distribute all of its net income as dividends. No provision has therefore been made in the statements herewith for Federal income tax on the net unrealized appreciation in market values as at January 31, 1948.

NOTE D - The aggregate dollar amounts of purchases and sales of investment securities, other than government securities, made by the company during the fiscal year ended January 31, 1948 were as follows:

Cost of Purchases	\$4,459,501.
Proceeds from Sales	<u>4,920,352.</u>

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GRAHAM-NEWMAN CORPORATION

NEW YORK

INVESTMENT IN SECURITIES

JANUARY 31, 1948

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SUMMARY

	<u>MARKET VALUE</u>
<u>BONDS</u>	
Railroads	\$ 233,365.
Utilities	157,969.
Real Estate	9,913.
Holding Companies	1,021.
U. S. Government	<u>200,000.</u>
<u>Total Bonds</u>	<u>\$ 602,268.</u>
 <u>PREFERRED STOCKS</u>	
Industrials	211,288.
Investment Companies	150,375.
Utilities	385,750.
Insurance Companies	4,150.
Holding Companies	<u>121,678.</u>
<u>Total Preferred Stocks</u>	<u>\$ 873,241.</u>
 <u>COMMON STOCKS</u>	
Industrials	1,366,888.
Holding Companies	83,522.
Investment Companies	320,544.
Railroads	156,092.
Utilities	116,955.
Insurance Companies	<u>288,666.</u>
<u>Total Common Stocks</u>	<u>\$2,332,667.</u>
 <u>TOTAL</u>	 <u>\$3,808,176.</u>

## GRAHAM-NEWMAN CORPORATION

NEW YORK

## INVESTMENT IN SECURITIES

JANUARY 31, 1948

<u>FACE AMOUNT</u>	<u>DESCRIPTION OF SECURITIES</u>	<u>MARKET VALUE JANUARY 31, 1948</u>
<b><u>BONDS - RAILROADS</u></b>		
\$ 50,000.	Boston Terminal Co. 3½% 2/1/1947	\$ 31,750.
\$ 96,000.	Chicago, Terre Haute and Southeastern Railway Co. Income Mortgage 2-3¼% 1/1/1994	72,240.
\$180,000.	Northwestern Terminal Railway Company First Mortgage Income 5% 1/1/1977	88,200.
\$ 63,000.	Rio Grande & Western Railway Co. First Consolidated Mortgage Series A 4% 4/1/1949 (stubs)	6,300.
\$ 50,000.	Wisconsin Central Railway Company First General Mortgage 4% 7/1/1949	<u>34,875.</u>
	<u>Total Railroad Bonds</u>	<u>\$233,365.</u>
<b><u>BONDS - UTILITIES</u></b>		
\$43,000.	Chicago Rapid Transit Company: First and Refunding Mortgage Series A ) 6% 7/1/1953 (stubs) )	6,600.
\$67,000.	First and Refunding Mortgage 6½% 7/1/1944 (stubs)	
\$5,000.	Federal Street & Pleasant Valley Passenger Railway Co. Consolidated Mortgage 5% 5/1/1942	3,700.
\$ 93,000.	Metropolitan West Side Elevated Railway Co. (Chicago): Extension Mortgage 4% 7/1/1938 (stubs)	47,694.
494,000.	First Mortgage 4% 8/1/1938 (stubs)	
\$ 1,000.	Northwestern Elevated Railway Company: First Mortgage 5% 9/1/1941 (stubs)	2,100.
20,000.	First Mortgage C/D 5% 9/1/1941 (stubs)	
\$ 50,000.	Portland Electric Power Co. Collateral Trust Cumulative Income 6% 3/1/1950	74,375.
\$ 43,000.	Union Elevated Railroad Company First Mortgage 5% 10/1/1945 (stubs)	4,300.
\$ 30,000.	West End Traction Co. General Mortgage 5% 1/1/1938	<u>19,200.</u>
	<u>Total Utilities Bonds</u>	<u>\$157,969.</u>
<b><u>BONDS - REAL ESTATE</u></b>		
2,500 Units	Schulco Company Incorporated Scrip 5% 7/1/1963	2,813.
\$10,000.	Sunnyside Properties, Inc. 6% Cumulative Income Notes (Registered)	<u>7,100.</u>
	<u>Total Real Estate Bonds</u>	<u>\$ 9,913.</u>
<b><u>BONDS - HOLDING COMPANIES</u></b>		
\$30,000.	Continental Securities Corp. Debenture Series, "A" 5% 5/1/42 (Stubs)	900.
\$96,500.	Reynolds Realization Corporation Debentures 5% 4/1/1946 (Stubs)	<u>121.</u>
	<u>Total Holding Companies Bonds</u>	<u>\$ 1,021.</u>

**INVESTMENT IN SECURITIES**

JANUARY 31, 1948

(CONTINUED)

<u>NO. OF SHARES OR FACE AMOUNT</u>	<u>DESCRIPTION OF SECURITIES</u>	<u>MARKET VALUE JANUARY 31, 1948</u>
<b><u>BONDS - U. S. GOVERNMENT</u></b>		
\$200,000.	U. S. Treasury Bonds 2½% 12/15/1959-62	<u>\$200,000.</u>
<b><u>PREFERRED STOCKS - INDUSTRIALS</u></b>		
1,100	Avco Manufacturing Corp. Cumulative Convertible Preferred	41,250.
1,000	Autocar Company Cumulative 5% Convertible Preferred Series A, B and C	18,250.
300	Cluett, Peabody & Company 4% Cumulative Convertible Second Preferred	26,250.
500	Eastern Sugar Associates \$5.00 Cumulative Preferred Certificates of Beneficial Interest	26,250.
300	Franklin Simon & Co. Inc. Cumulative Convertible Preferred	8,775
500	Gar Wood Industries, Inc. 4½% Cumulative Convertible Preferred	16,125.
700	Graham Paige Motors Corp. Cumulative Convertible Preferred	12,425.
200	Marion Power Shovel Company 7% Cumulative Preferred	31,000.
300	Murray Company \$4.50 Cumulative Preferred	12,563.
400	Thermoid Co. \$2.50 Cumulative Convertible Preferred	<u>18,400.</u>
	<u>Total Preferred Stocks - Industrials</u>	<u>\$211,288.</u>
<b><u>PREFERRED STOCKS - INVESTMENT COMPANIES</u></b>		
1,300	Alleghany Corporation Cumulative Convertible \$2.50 Prior Preferred	92,950.
925	Railway and Light Securities Company 4% Cumulative Convertible Preferred	42,550.
3,500	Transit Investment Corp. 6% Cumulative Participating Preferred	<u>14,875.</u>
	<u>Total Preferred Stocks - Investment Companies</u>	<u>\$150,375.</u>
<b><u>PREFERRED STOCKS - UTILITIES</u></b>		
500	Illinois Power Company 5% Cumulative Convertible Preferred	27,000.
4,000	Market Street Railway Company Cumulative Prior Preference 6%	65,000.
685	New England Public Service Company \$6.00 Prior Lien Cumulative Preferred Contingent Certificate for Additional Amount Due (stubs)	2,055.
1,020	New England Public Service Company \$7.00 Prior Lien Cumulative Preferred Contingent Certificate for Additional Amount Due (stubs)	5,865.
1,300	North American Light & Power Company \$6.00 Cumulative Preferred	248,300.
775	United Public Utilities Corporation \$1.87 Cumulative Convertible Preferred	30,806.
165	United Public Utilities Corporation \$2.04 Cumulative Convertible Preferred	<u>6,724.</u>
	<u>Total Preferred Stocks - Utilities</u>	<u>\$385,750.</u>

INVESTMENT IN SECURITIES

JANUARY 31, 1948

(CONTINUED)

<u>NO. OF SHARES</u>	<u>DESCRIPTION OF SECURITIES</u>	<u>MARKET VALUE JANUARY 31, 1948</u>
<u>PREFERRED STOCKS - INSURANCE COMPANIES</u>		
400	U. S. Casualty Co. \$0.45 Cumulative Convertible Participating Preferred	\$ 4,150.
<u>PREFERRED STOCKS - HOLDING COMPANIES</u>		
8,850	Electric Bond & Share Co. \$6.00 Preferred Contingent Certificates for Additional Amounts Due (stubs)	26,550.
100	Electric Power and Light Corp. \$6.00 Cumulative Preferred	13,213.
200	Federal Light & Traction Co. Cumulative Preferred Contingent Certificate for Additional Amount Due	700.
740	Standard Power and Light Corporation \$7.00 Cumulative Preferred	81,215.
	<u>Total Preferred Stocks-Holding Companies</u>	<u>\$121,678.</u>
<u>COMMON STOCKS - INDUSTRIALS</u>		
4,600	A. D. F. Company	10,925.
3,000	American Hawaiian Steamship Company	116,625.
12,300	Bell Aircraft Corporation	221,400.
500	Boeing Airplane Company	12,188.
12,100	Brewster Aeronautical Company	7,562.
4,000	Buda Company	52,000.
3,000	Compania Manufactures del Patrero, S. A.	-
5,000	Consolidated Steel Corporation	162,500.
500	Consolidated Vultee Aircraft Corporation	7,125.
300	Continental Steel Corporation	4,875.
900	Cuban-American Sugar Company	12,825.
200	Douglas Aircraft Co.	10,900.
7,128	Equitable Office Building Corporation	32,967.
1,000	Fairchild Engine & Airplane Corporation	4,125.
4,200	Fajardo Sugar Co. of Porto Rico	127,050.
500	Franklin Railway Supply Company	8,875.
2,200	L. H. Gilmer Company	6,325.
300	International Match Realization Company, Ltd.	2,700.
600	Jones & Lamson Machine Company	13,650.
1,000	Lee Rubber & Tire Corporation	43,375.
500	Mandel Brothers, Inc.	4,625.
1,550	Merchants & Miners Transportation Company	75,369.
2,400	National Department Stores Corp.	39,600.
44,790	National Transit Pump & Machine Company*	274,339.
500	New Britain Machine Company	12,875.
300	N. Y. Shipbuilding Corp.	4,800.
100	Pittsburgh Incline Plane Company	17,000.
2,000	Tide Water Associated Oil Company	42,000.
573	Utica Knitting Company	26,788.
1,000	R. C. Williams Company	11,500.
	<u>Total Common Stocks - Industrials</u>	<u>\$1,366,888.</u>

\*Non-controlled affiliate.

INVESTMENT IN SECURITIES

JANUARY 31, 1948

(CONTINUED)

<u>NO. OF SHARES</u>	<u>DESCRIPTION OF SECURITIES</u>	<u>MARKET VALUE JANUARY 31, 1948</u>
<b><u>COMMON STOCKS - HOLDING COMPANIES</u></b>		
1,500	Amerex Holding Corporation	\$ 41,250.
500	Central & Southwest Utilities Co.	4,500.
3,005	Engineers Public Service Company-ex distribution	4,507.
100	Georgia Railroad and Banking Company	16,250.
3,000	Midland Realization Company	2,250.
4,500	Midland Utilities Company	765.
500	Railroad Securities Company	<u>14,000.</u>
	<u>Total Common Stocks - Holding Companies</u>	<u>\$ 83,522.</u>
<b><u>COMMON STOCKS - INVESTMENT COMPANIES</u></b>		
530	Aldred Investment Trust	5,168.
1,000	American Research & Development Corporation	25,000.
1,500	American International Corp.	17,438.
7,400	Carriers and General Corporation	51,800.
5,000	General Shareholdings Corporation	15,625.
5,000	General Tin Investments Ltd.-American Certificate for Ordinary Capital	8,125.
800	Mission Corporation	40,600.
1,000	Niagara Shares Corp. "B"	8,750.
7,000	Pacific American Investors, Inc.	19,250.
15,000	The Pennroad Corporation	90,000.
2,300	Railway and Light Securities Company	36,800.
100	U. S. & Foreign Securities Corporation	<u>1,988.</u>
	<u>Total Common Stocks-Investment Companies</u>	<u>\$320,544.</u>
<b><u>COMMON STOCKS - RAILROADS</u></b>		
810	Boston Elevated Railway Co. Stamped as to Liquidation Payment	15,592.
1,700	Mine Hill and Schuylkill Haven Railroad Company	76,500.
1,000	Northern Pacific Railway Company	20,250.
500	Vicksburg, Shreveport & Pacific Railway Company	<u>43,750.</u>
	<u>Total Common Stocks - Railroads</u>	<u>\$156,092.</u>
<b><u>COMMON STOCKS - UTILITIES</u></b>		
300	International Ocean Telegraph Company	25,500.
10,000	Longview Bridge Company 4% Non-cumulative Class A	70,000.
684	Monongahela Street Railway Company	17,955.
400	United Public Utilities Corporation	<u>3,500.</u>
	<u>Total Common Stocks-Utilities</u>	<u>\$116,955.</u>

INVESTMENT IN SECURITIES

JANUARY 31, 1948

(CONTINUED)

<u>NO. OF SHARES</u>	<u>DESCRIPTION OF SECURITIES</u>	<u>MARKET VALUE JANUARY 31, 1948</u>
<u>COMMON STOCKS - INSURANCE COMPANIES</u>		
800	American Surety Company	
1,000	Employers Group Associates	\$ 45,500.
727	National Union Fire Insurance Company	28,625.
4,355	New Amsterdam Casualty Company	23,446.
		123,029.
200	Northern Insurance Company of New York	
40	Northwestern National Insurance Co.	14,400.
900	Standard Accident Insurance Company	4,800.
1,025	Universal Insurance Company	28,238
		<u>20,628.</u>
	<u>Total Common Stocks-Insurance Companies</u>	<u>\$288,666.</u>

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GRAHAM-NEWMAN CORPORATION

NEW YORK

SECURITIES SHORT

JANUARY 31, 1948

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COMMON STOCKS - INDUSTRIALS

<u>NO. OF SHARES</u>	<u>NET PROCEEDS OF SALE</u>	<u>COVER VALUE JANUARY 31, 1948</u> Price Amount
2,800 Avco Manufacturing Corp.	\$31,378.63	5-1/4 \$14,700.
2,100 Graham Paige Motors Corporation	22,690.07	5-3/8 11,288.
1,200 Thermoid Co.	17,009.07	9-1/2 11,400.
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Total	<u>\$71,077.77</u>	<u>\$37,388.</u>