

SECURITIES AND EXCHANGE COMMISSION

NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.



Washington 25, D.C.

FOR RELEASE October 8, 1956

Statistical Release No. 1409

The SEC Index of Stock Prices, based on the closing prices of 265 common stocks for the week ended October 5, 1956, for the composite and by major industry groups, compared with the preceding week and with the highs and lows for 1956, is as follows:

	<u>(1939 = 100)</u>		<u>Percent Change</u>	<u>1956</u>	
	<u>10/5/56</u>	<u>9/28/56</u>		<u>High</u>	<u>Low</u>
Composite	341.0	333.7	↑ 2.2	366.2	319.0
Manufacturing	436.5	425.2	↑ 2.7	468.6	398.6
Durable Goods	419.4	408.5	↑ 2.7	437.6	369.4
Non-Durable Goods	452.6	441.0	↑ 2.6	500.8	425.2
Transportation	313.4	303.2	↑ 3.4	353.0	303.2
Utility	151.6*	151.9	- 0.2	161.5	151.6
Trade, Finance & Service	296.4	290.7	↑ 2.0	325.5	290.7
Mining	340.0	335.8	↑ 1.3	383.2	326.8

*New Low

Holding Company Act Release No. 12379

Ohio Power Company (Canton) has filed a financing proposal with the SEC; and the Commission has given interested persons until October 18, 1956, to request a hearing thereon.

As previously reported (9/21/56), Ohio proposes to issue and sell, at competitive bidding, \$28,000,000 of First Mortgage Bonds, Series due 1986, and 60,000 shares of its \$100 par Preferred Stock. Ohio also proposes to issue and sell to its parent, American Gas and Electric Company, 110,000 additional shares of its common stock for \$11,000,000 cash. Prior to the sale of the above securities, American Gas proposes to make a capital contribution of \$9,000,000 to Ohio. This latter transaction will not increase Ohio's cash resources since it is expected that, concurrently with the making of the contribution, Ohio will pay to American Gas a special cash dividend of \$9,000,000 on its common stock.

Net proceeds of the financing will be applied by Ohio, to the extent available, to the prepayment of outstanding bank notes. Such notes now amount to \$23,500,000, and it is expected that up to an additional amount of \$7,500,000 may be issued, making an aggregate of not in excess of \$31,000,000 to be outstanding at the time the proceeds

of this financing are received. Any remaining proceeds will be added to Ohio's treasury funds and applied to its construction program.

Investment Company Act Release No. 2420

The Adams Express Company and American International Corporation, affiliated investment companies, have made application to the SEC for an order of exemption under the Investment Company Act with respect to their proposed purchases of debentures of Fansteel Metallurgical Corporation; and the Commission has issued an order giving interested persons until October 18, 1956, to request a hearing thereon.

Fansteel, of North Chicago, Ill., filed a registration statement with the Commission on September 11, 1956, proposing the public offering of \$3,000,000 of Subordinated Debentures, due October 1, 1956, through an underwriting group headed by Hallgarten & Co. According to their exemption application, Adams and American may wish to purchase such debentures, in amounts not to exceed \$150,000 and \$100,000, respectively, depending upon the offering price and other terms, when published by the issuer. Because of their affiliations with members of the underwriting group, such purchases are prohibited by the Investment Company Act unless an exemption order is issued by the Commission.

Securities Exchange Act Release No. 5373

The Securities and Exchange Commission has granted a request of Troy, Graham and Company, Incorporated, Chicago, for withdrawal of its broker-dealer registration under the Securities Exchange Act of 1934; and it has discontinued proceedings on the question whether the company's registration should be revoked.

The proceedings, authorized by order dated June 15, 1956, were based upon the company's failure to file the required report of financial condition. Subsequently, under date of September 18, 1956, the company submitted a letter requesting withdrawal of its registration as a broker-dealer; and the Commission determined that, under the circumstances, the continuance of its proceedings is not necessary in the public interest.

Securities Exchange Act Release No. 5374

The Securities and Exchange Commission has instituted proceedings under the Securities Exchange Act of 1934 to determine whether to revoke the broker-dealer registration of Fred McDermott, doing business as Fred McDermott & Co., of Chicago, Illinois for failure to file the required report of financial condition during the year 1955.

The Commission's order provides McDermott an opportunity for hearing on November 9, 1956, on the question whether there has been such a failure to file a financial report for 1955 and, if so, whether it is in the public interest to revoke his registration as a broker-dealer.

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Mutual Trust, Kansas City, Mo. investment company, filed an amendment on October 5, 1956 to its registration statement, (File 2-10002), seeking registration of an additional 500,000 shares of Common Stock, \$1 par value.