

GRAHAM-NEWMAN CORPORATION
120 WALL STREET
NEW YORK 5. N. Y.

February 29, 1952.

To the Stockholders of Graham-Newman Corporation:

Submitted herewith are financial statements of the Corporation covering the fiscal year ended January 31, 1952.

The appended balance sheet indicates a net asset value of \$1,257.85 per share on January 31, 1952, compared with \$1,232.48 per share on January 31, 1951. In March 1951, a dividend of \$27.14 per share was paid applicable to the result of the previous fiscal year.

Net realized profits for the year, without reflecting the increase in unrealized appreciation, amounted to \$152.57 per share. The total distributions applicable for the year exceed such net realized profit for the following reasons:

- (a) a net amount of \$15.54 per share representing reserve for officers' compensation is not tax deductible until paid; and
- (b) a net amount of \$.31 per share represents an adjustment between dividend income accrued and received during the year.

The dividends paid applicable to the earnings for the fiscal year ended January 31, 1952 aggregated \$150.36 per share, consisting of the quarterly dividends of \$12.50 per share, paid in June and September 1951 and a dividend of \$125.36 per share paid in December 1951. It is expected that the directors will declare a dividend of \$17.44 payable in March 1952 thus making a total of \$167.80 per share.

Of such total dividends of \$167.80 per share, \$158.93 per share consists of long-term capital gains, \$.04 per share short-term capital loss and \$8.91 ordinary income.

The overall gain for the fiscal year, including the net increase in unrealized appreciation was \$202.87 per share, or 16.5% on the asset value of the shares at the beginning of the fiscal year. The indicated asset value on February 16, 1952, was approximately \$1,268.00 per share.

The financial statements have been reviewed by Messrs. Stern, Porter, Kingston and Coleman, independent public accountants, whose certificate is set forth herein.

The proxy statement for the annual meeting of stockholders which will be held on April 14, 1952 will be mailed to the stockholders on or about April 1, 1952.

By order of the Board of Directors,

Benj. Graham,
President

Jerome A. Newman,
Vice-President & Treasurer

OFFICERS

Benjamin Graham,
President

Jerome A. Newman,
Vice Pres. & Treasurer

Edward E. Laufer,
Secretary

Howard A. Newman, Ass't
Secretary & Ass't Treasurer

DIRECTORS

Benjamin Graham

Jerome A. Newman

Wm.K. Jacobs, Jr.

Robert J. Marony

David L. Dodd

Elias Reiss

Sylvan E. Weil

STERN, PORTER, KINGSTON & COLEMAN

CERTIFIED PUBLIC ACCOUNTANTS

551 Fifth 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, 1952 and the related statements of Profit and Loss and Changes in Net Assets for the fiscal 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.

In our opinion, the accompanying Balance Sheet and related statements of Profit and Loss and Changes in Net Assets, subject however to the notes appended thereto, present fairly the position of Graham-Newman Corporation as at January 31, 1952 and the results of its operations for the fiscal year then ended, 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 25, 1952.

INVESTMENTS IN SECURITIES

JANUARY 31, 1950

<u>NO. OF SHARES</u>	<u>DESCRIPTION OF SECURITIES</u>	<u>QUOTED MARKET VALUE AT JANUARY 31, 1950 Amount</u>
<u>OTHER SECURITIES - COMMON STOCKS (Continued)</u>		
<u>Industrials (continued)</u>		
	Forward	\$2,099,380.
4,000	De Vilbiss Company	52,500.
3,500	Diamond T. Motor Car Co.	43,313.
200	Douglas Aircraft Company	14,500.
200	Easy Washing Machine Corp. "B"	2,000.
6,300	Equitable Office Building	44,100.
500	Fairchild Engine & Airplane Corporation	2,688.
11,500	Fajardo Sugar Company	281,750.
1,500	Federal Motor Truck Company	6,938.
1,200	Franklin Railway Supply Company	11,400.
500	General Precision Equipment Corp.	7,188.
700	Gisholt Machine Company	9,363.
500	Hercules Motors Corporation	8,188.
1,000	Howe Scale Company	5,000.
500	Jenkins Brothers	9,500.
1,000	Jones & Lamson Machine Co.	20,500.
500	Kearney & Trecker Corp.	6,563.
300	I. B. Kleinert Rubber Company	3,788.
1,000	Lee Rubber & Tire Corporation	42,000.
2,500	Lima-Hamilton Corp.	20,938.
1,000	Lukens Steel Company	19,375.
375	Lunkenheimer Company	5,812.
1,000	Mandel Brothers, Inc.	9,000.
1,400	Manhattan Shirt Company	25,725.
100	Marshall Wells Company	17,750.
2,200	Maryland Drydock Company	27,225.
2,000	Merchants & Miners Transport Company	15,250.
2,600	Mohawk Rubber Company	34,775.
3,100	National Department Stores Corporation	52,312.
1,400	National Enameling & Stamping Company	13,300.
29,790	National Transit Pump & Machine Company*	178,740.
745	New Britain Machine Company	15,365.
4,200	New York Merchandise Company	45,675.
2,000	New York Shipbuilding Corp. (Participating)	36,000.
1,500	Niles-Bement-Pond Company	15,187.
1,500	Pullman Incorporated	53,062.
2,000	Pyrene Manufacturing Company	13,750.
1,500	Real Silk Hosiery Mills, Inc.	18,000.
	Forward	\$3,287,900.

GRAHAM-NEWMAN
NEW
BALANCE
JANUARY 31,

A S S E T S

CASH		\$ 98,802.08
DEPOSITS WITH BROKERS		255,379.75
INVESTMENTS IN SECURITIES-AT MARKET VALUE (Note A) (Cost \$5,366,763.09)		7,470,365.00
OTHER ASSETS		
Dividends receivable	\$5,378.76	
Interest accrued on bonds	697.92	
Deposits and sundry receivables	3,429.64	
Furniture and fixtures	<u>3,976.75</u>	13,483.07

\$7,838,029.90

LIABILITIES AND CAPITAL

NOTES PAYABLE - BANK (secured)		\$ 600,000.00
SECURITIES SHORT - AT COVER VALUE (net proceeds of sales \$249,834.38)		244,688.00
DUE TO BROKERS for securities purchased		7,650.00
SUNDRY PAYABLES AND ACCRUALS		11,936.41
DUE TO OFFICERS (Benjamin Graham and Jerome A. Newman) for additional compensation-on basis of realized net income for the three fiscal years ended January 31, 1952 (Note B)		267,426.28
of which payable currently	\$ 63,018.06	
balance payable in installments (1953-1956)	<u>204,408.22</u>	
PROVISION FOR ADDITIONAL CONTINGENT COMPENSATION OF OFFICERS (Benjamin Graham and Jerome A. Newman) On increase in unrealized appreciation of investments subsequent to January 31, 1948 (Note B)		417,097.94
NET ASSETS APPLICABLE TO OUTSTANDING CAPITAL STOCK		6,289,231.27
Capital Stock:		
Authorized, issued and outstanding- 5,000 shares of no par value- stated value \$500.00 per share	2,500,000.00	
Capital Surplus	2,097,580.92	
Earned Surplus	-	
Total Capital Stock and Surplus	<u>4,597,580.92</u>	
Unrealized appreciation of investments- after deducting provision for related additional contingent compensation of officers (Note A)	<u>1,691,650.35</u>	
Total, as above (equivalent to \$1,257.85 per share)	<u>\$6,289,231.27</u>	
		<u>\$7,838,029.90</u>

GRAHAM-NEWMAN CORPORATION
NEW YORK
PROFIT AND LOSS STATEMENT
FOR THE FISCAL YEAR ENDED JANUARY 31, 1952

STATEMENT OF INCOME AND EXPENSES

(excluding gain or loss on investments)

Income

Dividends	\$238,970.42
Interest on investments	<u>1,114.18</u>
Total	240,084.60

Expenses

Salaries of Officers:	
Benjamin Graham (Note B)	\$ 25,000.00
Jerome A. Newman (" B)	25,000.00
Other	20,102.94
Other:	
Office salaries	17,000.48
Executive committee fees	8,383.34
Directors' fees	1,350.00
Rent and light	2,748.30
Telephone and telegraph	2,437.69
Taxes (other than Federal taxes on income)	7,582.32
Legal and auditing	6,000.00
Custodian fees	2,980.40
General expense	7,607.85
Depreciation	<u>515.68</u>
Total	126,709.00
Interest paid	<u>4,259.68</u>

Total Expenses (exclusive of additional compensation of officers) 130,968.68

Net Income (excluding gain or loss on investments- before deducting additional compensation of officers and provision for Federal taxes on income) 109,115.92

NET REALIZED GAIN ON INVESTMENTS 794,461.35

Amount realized	2,921,727.99
Cost	<u>2,127,266.64</u>

NET INCOME, before deducting additional compensation of officers and provision for Federal taxes on income 903,577.27

Deduct:

Additional compensation of officers (Note B)	
Benjamin Graham	\$70,357.73
Jerome A. Newman	<u>70,357.73</u>
Provision for Federal taxes on income (Note C)	None
	<u>140,715.46</u>

NET INCOME FOR YEAR 762,861.81

ADD-INCREASE IN UNREALIZED APPRECIATION (NOTE A) 314,339.21

At January 31, 1951	\$1,794,409.08
At January 31, 1952	<u>2,108,748.29</u>

Deduct-Provision for related additional contingent compensation of officers 62,867.84 251,471.37

NET "OVER ALL" INCOME FOR YEAR \$1,014,333.18

including increase in unrealized appreciation
equivalent (on 5,000 shares) to \$202.87 per share

GRAHAM-NEWMAN CORPORATION
NEW YORK
STATEMENT OF CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JANUARY 31, 1952

		<u>Per share</u>
<u>NET ASSETS AT JANUARY 31, 1951</u>	\$6,162,398.09	\$1,232.48
<u>ADD:-</u>		
Net Income for the fiscal year ended January 31, 1952:		
Net income, excluding gain or loss on investments (before deducting addi- tional compensation of officers)	\$109,115.92	
Net realized gain on sales of investments	<u>794,461.35</u>	
Total	903,577.27	
Deduct-Additional compensation of officers (Note B)	<u>140,715.46</u>	
Net Income for year	762,861.81	152.57
Increase in Unrealized Appreciation of Investments	314,339.21	
Deduct-Provision for related additional contingent compensation of officers	<u>62,867.84</u>	<u>50.30</u>
<u>TOTAL</u>	7,176,731.27	1,435.35
<u>DEDUCT - DIVIDENDS PAID</u>		
	<u>Per share</u>	
March 28, 1951	\$ 27.14	135,700.00*
June 28, 1951	12.50	62,500.00
September 28, 1951	12.50	62,500.00
December 22, 1951	<u>125.36</u>	<u>626,800.00</u>
Total	<u>\$177.50</u>	<u>887,500.00</u>
<u>BALANCE - NET ASSETS AT JANUARY 31, 1952</u>	<u>\$6,289,231.27</u>	<u>\$1,257.85</u>

ANALYSIS OF CHANGES IN NET ASSETS-FOR THE FISCAL YEAR ENDED JANUARY 31, 1952

	<u>Total</u>	<u>Capital Stock</u>	<u>Capital Surplus</u>	<u>Earned Surplus</u>	<u>Unrealized Appreciation (a) (Net)</u>
Net Assets at Jan. 31, 1951	\$6,162,398.09	\$2,500,000	\$2,180,500.31	\$ 41,718.80	\$1,440,178.98
Add-Net Income for year	762,861.81			762,861.81	
Increase in unrealized appreciation (net)(a)	<u>251,471.37</u>				<u>251,471.37</u>
Total	7,176,731.27			804,580.61	1,691,650.35
Deduct-Dividends paid	<u>887,500.00</u>		<u>82,919.39(b)</u>	<u>804,580.61</u>	
Balance-Net Assets at Jan. 31, 1952	<u>\$6,289,231.27</u>	<u>\$2,500,000</u>	<u>\$2,097,580.92</u>	<u>\$ -0-</u>	<u>\$1,691,650.35</u>

(a) Unrealized appreciation as shown herein represents the net amounts after deducting related contingent additional compensation of officers.

(b) Dividends charged to Capital Surplus represents the excess of dividends paid (\$887,500) over the balance of Earned Surplus (\$804,580.61)

* The dividend paid March 28, 1951 was paid out of the net income for the prior fiscal year.

GRAHAM-NEWMAN CORPORATION
NEW YORK
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 1952

NOTE A - VALUATION OF INVESTMENTS-UNREALIZED APPRECIATION OF INVESTMENTS

Investments have been evaluated at their quoted market values as at January 31, 1952 except as noted below. These valuations are not, however, intended as representations of the amounts which may be actually realizable upon sale of the securities.

The unrealized appreciation of investments at January 31, 1952 is represented as follows:

	<u>Cost</u>	<u>Value at Jan. 31, 1952</u>	<u>Unrealized Appreciation</u>
Investments in securities	\$5,366,763.09	\$7,470,365	\$2,103,601.91
Securities short	249,834.38(a)	244,688(b)	5,146.38(c)
Net securities position	<u>\$5,116,928.71</u>	<u>\$7,225,677</u>	<u>\$2,108,748.29</u>

Securities short are stated at (a) proceeds of sale
(b) cover value and (c) indicated gain

The unrealized appreciation of investments at the beginning of the year, the increase therein for the current year, the related additional contingent compensation of officers (see Note B) and the balance applicable to the outstanding capital stock were as follows:

	<u>At Jan. 31, 1951</u>	<u>Increase for year</u>	<u>At Jan. 31, 1952</u>
Total unrealized appreciation	\$1,794,409.08	\$314,339.21	\$2,108,748.29
Deduct-related additional compensation of officers	<u>354,230.10</u>	<u>62,867.84</u>	<u>417,097.94</u>
Balance-applicable to outstanding capital stock	<u>\$1,440,178.98</u>	<u>\$251,471.37</u>	<u>\$1,691,650.35</u>

The investment in Atlantic Gulf and West Indies Steamship Lines (AGWI) common stock has been valued at its quoted market value on the New York Stock Exchange as at January 31, 1952, and upon this basis shows an unrealized appreciation at that date of \$1,247,557.50, of which \$314,860.00 represents appreciation during the current year. Effective control of AGWI has been acquired by Jerome A. Newman, one of the officers of Graham-Newman Corporation. There have recently been only occasional transactions in AGWI common stock on the New York Stock Exchange. The investments in Monterey Oil Company Preferred and Common Stock for which no market quotations were available have been evaluated by the management and in the statements herein at \$336,000, which amount represents unrealized appreciation for the year and also at the close thereof of \$158,700. The management is of the opinion that these investments have been conservatively valued.

NOTE B - COMPENSATION OF OFFICERS

The President and Treasurer each receive a salary of \$25,000 per annum, and additional compensation of 10% of the excess of the realized net income in each year as determined at the close thereof (less the net unrealized depreciation, if any, in the value of investments at the year end which had accrued subsequent to January 31, 1948) over an amount equivalent to \$40.00 per share per annum (\$10.00 per share per quarter) on the presently outstanding capital stock. The total amount of additional compensation payable to each of these officers from and after February 1, 1948 is, however, limited to 12½% of the excess of total dividends paid during this period over an amount equivalent to \$40.00 per share per annum on the presently outstanding stock (or the equivalent on the old stock outstanding prior to recapitalization in 1950). The additional compensation for the

NOTES TO FINANCIAL STATEMENTS

JANUARY 31, 1952

(CONTINUED)

NOTE B - COMPENSATION OF OFFICERS (Continued)

fiscal year ended January 31, 1949 has been paid in full, and for all subsequent years is payable in five equal annual installments within sixty days of the close of the respective years. In the event of the death of either of these officers, or the termination of his tenure of office, such officer or his estate will be entitled to receive further additional compensation in an amount equal to 10% of the increase in unrealized appreciation, if any, which had accrued subsequent to January 31, 1948, less the amount, if any, of the \$40.00 per share per annum exclusion noted above, to the extent that such exclusion had not previously been applied in the computation of additional compensation in any prior year.

NOTE C - TAX STATUS

The Corporation has elected to be taxed as a "regulated investment company" under the Internal Revenue Code, and as such will be liable to Federal taxes on income on such amount only as is represented by its undistributed net long term capital gains (less its net short term capital loss if any) and its undistributed net income from other sources. The Corporation has in the past, and intends in the future, to distribute as dividends each year, or within the time limit provided by the terms of the Internal Revenue Code, an amount which will absorb the total net income in each of the above categories which is reportable for Federal income tax purposes, and in this event will not be liable for Federal taxes on income. No provision has therefore been made for such taxes either in respect of the realized net income for the current period or in respect of unrealized appreciation at the close thereof.

NOTE D - SUPPLEMENTARY INFORMATION

The aggregate dollar amounts of purchases and sales of investment securities, other than United States Government obligations, made during the year were as follows:

Cost of Securities	\$2,102,647.96
Proceeds of sales of securities	2,949,416.52

GRAHAM-NEWMAN CORPORATION

NEW YORK

INVESTMENTS IN SECURITIES

JANUARY 31, 1952

S U M M A R Y

MARKET VALUE AT
JANUARY 31, 1952

INVESTMENT COMPANIES

Common Stocks \$ 74,250

HOLDING COMPANIES

Preferred Stocks 295,119
Common Stocks 153,738

OTHER SECURITIES

Bonds

Railroads 422,381
Utilities 69,905

Preferred Stocks

Utilities 81,750
Industrial 561,525

Common Stocks

Railroads 762,550
Utilities 174,045
Banks 29,375
Insurance Companies 95,750
Industrial 4,749,977

TOTAL

\$7,470,365

GRAHAM-NEWMAN CORPORATION
 NEW YORK
 INVESTMENTS IN SECURITIES
 JANUARY 31, 1952

<u>NO. OF SHARES</u>	<u>DESCRIPTION OF SECURITIES</u>	<u>MARKET VALUE AT JANUARY 31, 1952</u>
<u>INVESTMENT COMPANIES</u>		
<u>Common Stocks</u>		
5,000	General Public Service Corporation	\$ 18,750
10,000	Pacific American Investors, Inc.	55,500
		<u>\$ 74,250</u>
 <u>HOLDING COMPANIES</u>		
<u>Preferred Stocks</u>		
900	American & Foreign Power Co. Inc. \$6.00 Cumulative Preferred	86,850
250	American Water Works & Electric Co. Inc. \$6.00 Preferred (stubs)	2,781
1,500	Associated Telephone & Telegraph Company \$6.00 Cumulative First Preferred	201,000
25	Standard Power & Light Corp. \$7.00 Cumulative Preferred	4,413
100	Western Pacific Railroad 6% Cumulative Convertible Preferred	<u>75</u>
		<u>\$295,119</u>
 <u>Common Stocks</u>		
3,405	Engineers Public Service Company (stubs)	613
1,000	Georgia Railroad & Banking Company	150,000
10,000	Middle West Corporation	<u>3,125</u>
		<u>\$153,738</u>
 <u>OTHER SECURITIES - BONDS</u>		
	Face Amount	
	<u>Railroads</u>	
	Boston Terminal Company:	
\$294 M.	First Mortgage 3 $\frac{1}{2}$ % 2/1/1947)	276,000
6 M.	First Mortgage 4% 7/1/1950)	
16 M.	Chicago, Indianapolis & Louisville Railway Co. First Income 4% 1/1/1983	<u>10,640</u>
	Forward	<u>\$286,640</u>

INVESTMENTS IN SECURITIES

JANUARY 31, 1952

<u>DESCRIPTION OF SECURITIES</u>	<u>MARKET VALUE AT JANUARY 31, 1952</u>
<u>OTHER SECURITIES - BONDS (Continued)</u>	
Face <u>Amount</u>	
<u>Railroads (Continued) (Forward)</u>	\$286,640
\$100 M. Chicago, Terra Haute & Southeastern Railway Co. Income Mortgage 2-3/4% 1/1/1994	70,500
443 M. Denver & Rio Grande Western Railroad 5% 4/1/1978 (stubs)	13,290
50 M. International Great Northern Railroad Company Adjustment Mortgage Series A 6% 1952	26,250
Missouri Pacific Railroad:	
23 M. 5 1/2% Series A 5/1/1949	14,576
300 M. 4 1/2% 65 Year Series A When Issued	11,625*
100 M. 4 1/2% 75 Year Series B When Issued	<u>(500)*</u>
	<u>\$422,381</u>
<u>Utilities</u>	
25 M. Brazilian Traction Light & Power Co. Ltd. Series E Convertible Collateral Trust 4 1/2% 9/1/1971	24,750
100 M. Chicago City Railway Company First Mortgage 5% 2/1/1927 (stubs)	2,250
89 M. Chicago Rapid Transit Company: First & Refunding Mortgage Series A 6% 7/1/1953(stubs)	6,500
311 M. First & Refunding Mortgage Series A 6 1/2% 7/1/1944 (stubs)	
1,131 M. Metropolitan West Side Elevated Railway Co. (Chicago) Extension Mortgage 4% 7/1/1938 (stubs)	28,275
145 M. Northwestern Elevated Railroad Company First Mortgage 5% 9/1/1941 (stubs)	4,350
126 M. Union Elevated Railroad Company First Mortgage 5% 10/1/1945 (stubs)	3,780
	<u>\$ 69,905</u>

*indicated gain (or loss)

INVESTMENTS IN SECURITIES

JANUARY 31, 1952

No. of <u>Shares</u>	<u>DESCRIPTION OF SECURITIES</u>	<u>MARKET VALUE AT JANUARY 31, 1952</u>
<u>OTHER SECURITIES - PREFERRED STOCKS</u>		
<u>Utilities</u>		
1,000	Central States Electric Corporation 7% Cumulative Preferred (stubs)	\$ 39,250
10,000	Market Street Railway Company 6% Cumulative Prior Preferred (x)	<u>42,500</u>
		<u>\$ 81,750</u>
<u>Industrial</u>		
500	American Woolen Co. Inc. \$4.00 Cumulative Convertible Preferred	37,188
500	American Zinc, Lead & Smelting Company \$5.00 Cumulative Prior Preferred	53,500
	Autocar Company:	
609	5% Cumulative Convertible Preferred-Series A	14,375
291	5% Convertible Preferred Series B	
100	5% Cumulative Convertible Preferred-Series C	
1,200	Avco Manufacturing Corporation \$2.25 Cumulative Convertible Preferred	54,300
300	Cluett Peabody & Co. 4% Cumulative Convertible Second Preferred	26,025
400	Crucible Steel Company of America 5% Cumulative Convertible Preferred	36,400
600	Fedders Quigan Corporation Series A 5% Cumulative Convertible Preferred	29,700
400	Gar Wood Industries, Inc. 4½% Cumulative Convertible Preferred	15,000
500	General Cable Corporation 4% Cumulative Convertible Second Preferred	15,500
1,750	Monterey Oil Company 4% Preferred	175,000
1,500	Murray Corporation of America 4% Cumulative Preferred	66,937
800	Thermoid Company \$2.50 Cumulative Convertible Preferred	<u>37,600</u>
		<u>\$561,525</u>

INVESTMENTS IN SECURITIES

JANUARY 31, 1952

<u>No. of Shares</u>	<u>DESCRIPTION OF SECURITIES</u>	<u>MARKET VALUE AT JANUARY 31, 1952</u>
<u>OTHER SECURITIES - COMMON STOCKS</u>		
<u>Railroads</u>		
	Cleveland & Pittsburgh Railroad Co.:	
400	\$3.50 Regular Guaranteed	\$ 27,200
400	\$2.00 Special Guaranteed Betterment	15,500
1,000	Delaware Railroad Company	38,500
180	Mahoning Coal Railroad Co.	91,350
4,000	Montgomery & Erie Railway Company (3½%-guaranteed by Erie Railroad Company)(x)	32,000
7,500	Northern Pacific Railway Company	461,250
1,000	Southwestern Railroad Company	70,000
500	West Jersey & Seashore Railroad Company	<u>26,750</u>
		<u>\$762,550</u>
<u>Utilities</u>		
7,000	Boston Elevated Railway Company	51,625
150	Gold & Stock Telegraph Company	18,900
3,300	Eastern Utilities Associates- Convertible	29,700
500	Green Mountain Power Corporation	8,812
300	International Ocean Telegraph Company	29,250
2,000	Puget Sound Power & Light Company	35,750
400	United Public Utilities Corporation	<u>8</u>
		<u>\$174,045</u>
<u>Banks</u>		
5,000	Continental Bank & Trust Company (N. Y.)	<u>\$ 29,375</u>
<u>Insurance Companies</u>		
400	American Surety Company	21,250
1,000	Employers Group Associates	37,250
1,000	Standard Accident Insurance Company	<u>37,250</u>
		<u>\$ 95,750</u>
<u>Industrials</u>		
1,000	Adam Hat Stores, Inc.	3,500
1,500	Allied Kid Company	30,000
3,550	American Arch Company(Delaware)	
3,550	American Arch Company, Inc. (New York)	1,775
3,500	American Crystal Sugar Company	75,688
500	American Hardware Corporation	<u>9,750</u>
		<u>\$120,713</u>

Forward - 14 -

INVESTMENTS IN SECURITIES

JANUARY 31, 1952

<u>No. of Shares</u>	<u>DESCRIPTION OF SECURITIES</u>	<u>MARKET VALUE AT JANUARY 31, 1952</u>
<u>OTHER SECURITIES - COMMON STOCKS (Continued)</u>		
<u>Industrials (Continued)(Forward)</u>		\$ 120,713
6,500	American Hawaiian Steamship Company	307,125
1,500	American La France Foamite Corporation	19,125
700	American Laundry Machinery Company	18,638
23,763	Atlantic Gulf & West Indies Steamship Lines (x)	2,376,300
1,800	Baldwin-Lima-Hamilton Corporation	19,125
200	Brockway Motor Company	4,100
1,000	Brunswick Balke Collander Co.	17,625
4,000	Buda Company	56,000
2,100	Bunte Brothers	19,950
600	Caribbean Sugar Co.	13,200
2,000	Carman & Co., Inc.	9,000
1,150	Cleveland Worsted Mills Company	115,000
500	C. G. Conn Ltd.	3,625
5,000	Consolidated Liquidating Corporation	8,750
2,500	Coro, Inc.	21,875
4,500	De Vilbiss Company	81,000
600	Diamond T Motor Car Co.	8,175
800	Dictograph Products Co., Inc.	4,600
500	Easy Washing Machine Corporation - Class B	6,000
1,200	Franklin Railway Supply Company	13,200
400	General Cigar Co.	6,700
240	Gisholt Machine Company	4,200
650	Harnischfeger Corporation	23,075
400	Hercules Motors Corporation	7,900
600	Howe Scale Company	3,975
600	Jenkins Brothers (non-voting)	15,075
1,300	Jones & Lamson Machine Co.	44,038
2,900	Kingan & Co., Inc.	11,600
300	I. B. Kleinert Rubber Company	4,163
2,200	Lamson Corporation	20,900
1,000	Lit Brothers	13,000
1,500	Mandel Bros., Inc.	11,812
1,400	Manhattan Shirt Company	30,625
50	Marshall-Wells Company	14,100
2,000	Merchants & Miners Transportation Company	16,750
900	Miami Copper Co.	21,262
2,300	Monterey Oil Company	161,000
2,000	Namm's, Incorporated	7,500
2,400	Nathan Straus-Duparquet, Inc.	18,000
2,300	National Department Stores Corporation	37,375
6,000	Nesco, Inc.	<u>61,500</u>

Forward - 15-

\$3,777,676

INVESTMENTS IN SECURITIES

JANUARY 31, 1952

No. of Shares	<u>DESCRIPTION OF SECURITIES</u>	MARKET VALUE AT <u>JANUARY 31, 1952</u>
<u>OTHER SECURITIES - COMMON STOCKS (Continued)</u>		
	<u>Industrials (Continued)(Forward)</u>	\$3,777,676
2,300	New York Merchandise Co., Inc.	22,138
3,000	New York Shipbuilding Corporation - Participating	54,000
1,000	New York Shipbuilding Corporation - Founders	18,000
200	Pacific Mills	6,475
23,500	Philadelphia & Reading Coal & Iron Co.	439,500(1)
900	Pullman, Inc.	38,137
1,400	Pyrene Manufacturing Company	20,125
1,200	Real Silk Hosiery Mills, Inc.	15,000
900	Reliable Stores Corporation	22,950
1,000	Rice-Stix, Inc.	28,750
200	Sargent & Co.	3,400
200	Shuron Optical Company, Inc.	7,900
1,600	Thor Corporation	21,600
480	Timely Clothes, Inc.	6,720
500	Todd Shipyards Corporation	25,125
450	Tyer Rubber Company	15,863
45,950	Utica Knitting Company (x)	178,056
1,500	Wealden Corporation	28,312
1,500	Wheeler Osgood Company	20,250
		<u>\$4,749,977</u>

(1) Philadelphia & Reading Coal & Iron Co.:

20,000 at 19	\$380,000
3,500 at 17 (option price)	<u>59,500</u>
	<u>\$439,500</u>

(x) Represents investment in a non-controlled affiliate as defined in Investment Company Act of 1940, under which an issuer is an affiliate of one who owns 5% or more of its outstanding voting securities.

GRAHAM-NEWMAN CORPORATION

NEW YORK

SECURITIES SHORT

JANUARY 31, 1952

<u>No. of Shares</u>	<u>DESCRIPTION OF SECURITIES</u>	<u>COVER VALUE, JANUARY 31, 1952</u>
<u>PREFERRED STOCKS</u>		
<u>Holding Companies</u>		
1,600	American & Foreign Power Co., Inc. \$7.00 Cumulative Second Preferred - Series A	\$ 16,600
<u>Railroads</u>		
1,700	Missouri Pacific Railroad Company 5% Cumulative Convertible Preferred	39,525
1,000	Missouri Pacific Railroad Company \$5.00 Preferred- when issued	(1,275)*
<u>COMMON STOCKS</u>		
<u>Railroads</u>		
1,000	New York, New Haven & Hartford Railroad Co.	15,625
<u>Industrials</u>		
800	American Woolen Co., Inc.	27,400
2,000	American Zinc Lead & Smelting Company	49,250
3,800	Avco Manufacturing Corporation	27,075
720	Crucible Steel Company of America	27,360
2,100	Fedders Quigan Corporation	28,350
1,800	Gar Wood Industries, Inc.	13,275
400-70/100	Utah Fuel Co.-When Issued	1,503
		<u>\$244,688</u>

*indicated gain