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THE WEATHER.  
Fair

### FINANCIAL STATE OF NATION SHOWS BIG IMPROVEMENT

Bankers Report to Reserve Board that Conditions Throughout Country Much Better.

### CHANGE IN LAST FEW MONTHS

Credit Excellent, Reserves Abundant and Short-Term Money is Cheap, they Say.

### ADVISORY BODY HEARD FROM

What They Tell Looked on as Indicating Business Revival.

### NO RECOMMENDATIONS MADE

Kansas City and Cleveland Regional Institutions Lower Redcount Rates to Correspond with Those of Atlanta.

WASHINGTON, Dec. 15.—Financial conditions throughout the United States have improved greatly in the last few months, according to reports to the Federal Reserve board today by some of the most prominent bankers in the country. Credit conditions were said to be exceptionally good, reserves abundant and short term money cheap.

The reports were made by members of the advisory council, the only body authorized by the federal reserve act to give advice to the Federal Reserve board, including such financiers as J. P. Morgan and J. B. Forgan. Their opinions on conditions over the country were received with interest by the board, as a most promising indication that business generally is reviving and on the upward trend again.

The council held its first session here today and met twice with the board. It made no concrete recommendations, although the board asked for advice on questions relating to time deposits, the use of acceptances and the administration into the federal reserve system of state banks. Through an executive committee the council will shortly submit its conclusions on these subjects.

The board issued a statement tonight reciting the events of the first meeting, which reads in part:

"At the joint meeting it was suggested with reference to state bank admissions that care be used in order to admit to the system only those institutions which were strong and capable of performing the service in a commercial way, while at the same time taking pains to protect the national banks of the system in the full enjoyment of their privileges.

Careful Examination Urged.  
"Careful examination of all entering banks was recommended. It was stated that in many parts of the country state banks are ready and willing to seek admission to the system under proper conditions in substantial numbers.

The meeting developed an unusual degree of enthusiasm over the prospect of the federal reserve system, particularly with reference to the clearing of checks when properly safeguarded and applied."

The board announced tonight that the federal banks in Cleveland and Kansas City today lowered their discount rates to correspond to those authorized yesterday for Atlanta. A further retirement of emergency currency is expected to follow these reductions.

### Bank of Vancouver Suspends Payment

VANCOUVER, Dec. 15.—The Bank of Vancouver suspended payment last night. In a formal statement the directors said that failure to obtain financial assistance owing to the war and lack of public confidence, joined with inability to collect outstanding accounts, had led to the bank's suspension. The directors said they hoped if arrangements could be made to reopen after the statutory period of ninety days.

The bank's assets at the close of business were \$1,068,000 and its liabilities were deposits of \$279,000 and a note circulation of \$235,000.

The shareholders are principally Vancouver men.

### The Weather

Forecast till 7 p. m. Wednesday:  
For Omaha, Council Bluffs and Vicinity  
—Fair with rising temperature.

Temperature at Omaha Yesterday.

Hour	Temp.
5 a. m.	5
6 a. m.	5
7 a. m.	5
8 a. m.	5
9 a. m.	5
10 a. m.	5
11 a. m.	5
12 m.	5
1 p. m.	5
2 p. m.	5
3 p. m.	5
4 p. m.	5
5 p. m.	5
6 p. m.	5
7 p. m.	5
8 p. m.	5

Comparative Local Record.

Year	High	Low
1914	55	42
1913	50	37
1912	45	32
1911	40	27

Reports from Stations at 7 P. M.

Station and State	Temp.	High	Rain-
Chicago, Ill.	2	12	0.00
Denver, Colo.	10	12	0.00
Des Moines, Ia.	4	14	0.00
Dodge City, Kan.	14	20	0.00
North Platte, Neb.	14	20	0.00
Omaha, Neb.	4	14	0.00
Rapid City, S. Dak.	0	6	0.00
Sioux Falls, S. Dak.	0	6	0.00
St. Paul, Minn.	-2	4	0.00
Valentine, Neb.	-4	4	0.00

L. A. WELSH, Local Forecaster.

### ENGLAND'S KING ACTIVE IN MILITARY MATTERS—King George (in center), surrounded by staff officers, watching Kitchener's new army drilling at Aldershot.



### CO-OPERATIVE FARM CONGRESS TO MEET

Grain and Live Stock Shipping Association to Discuss Proposed Public Warehouse Law.

### SESSIONS TO OPEN WEDNESDAY

Clifford Thorne and Charles Wooster to Return—Farmers to Discuss the Storage of Grain in Country Elevators.

The proposed public warehouse law for Nebraska is to come up again when the Nebraska Co-operative Grain and Live Stock Shipping association meets in Omaha, beginning this morning. The association comes for a three day session.

Clifford Thorne, chairman of the Iowa Board of Railway Commissioners, is to come over from Des Moines to address the association on the railway situation. Mr. Thorne will likely touch on the proposed general advance in freight rates as proposed by thirty-six railroads for the western classification territory.

Another matter of interest to the grain men and the farmers' shipping associations is to be brought up in the question of whether country elevators shall store grain for farmers. No less than a dozen speakers are scheduled to talk on this matter.

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### McGovern Abandons Contest for Senate

MADISON, Wis., Dec. 15.—With the certifying of the election by the state canvassing board of Paul O. Huston, democratic candidate for United States senator, Governor Francis E. McGovern, republican, concedes Mr. Huston's election, according to a statement today by A. C. Umbreit, attorney for McGovern. Mr. Umbreit says that while apparently compromises instead of accuracy is to decide the election, it would be useless to carry the contest before the United States senate, as the decision of the court puts an end to the recount and makes the securing of any further proof of inaccuracy impossible.

### Sultan in Speech from the Throne Tells Why He Proclaimed Holy War

LONDON, Dec. 15.—A dispatch to Reuter's Telegram company from Constantinople by way of Amsterdam gives the gist of the speech from the throne by Sultan Mehmed V at the opening of the Turkish Parliament Monday. The sultan announced that he was forced to declare war when the Russian fleet attacked the Turkish fleet in the Black sea and England and France began actual hostilities by sending troops to the Turkish frontiers.

"The necessity was forced upon us to resist with armed force the policy of destruction which at all times has been pursued against the Islamic world by England, Russia and France, and which assumed the character of religious persecution," the sultan declared.

"In consonance with the Fetwa (sacred moslem law), I called all moslems to a holy war against these powers and those who help them. I am convinced that our forces on land and sea will add fresh victories to those gained by the glorious armies of Germany and Austria-Hungary against the common enemies."

### STIMSON SAYS NAVY OF OFFENSE NEEDED

Former Secretary of War Assails Policy that Would Keep Ships Guarding Coast.

NEW YORK, Dec. 15.—A very moderate increase in our regular army, the foundations upon which a large volunteer army could be promptly organized when war comes, and enough guns and ammunition, such as the immediate army needs of the United States, in the opinion of Henry L. Stimson, formerly secretary of war, who addressed today the Merchants' Association of New York on "The Needs of the Army."

"It is not a question of spending a huge amount of new money to adopt the practical things that military opinion advises should be done at once," Mr. Stimson said. "We are already spending today on our army and navy very large sums of money—in the case of the army at least—which, if wisely spent along proper plans, ought to be quite sufficient for an adequate military defense."

### President Opposes the Literacy Test

WASHINGTON, Dec. 15.—President Wilson announced to callers today his opposition to the literacy test in the immigration bill pending in the senate and said he did not believe the test "tested quality."

### Cruiser Dresden Has Left Punta Arenas

SANTIAGO, Chile, Dec. 15.—An official communication received here from Punta Arenas announces that the German cruiser Dresden left there Sunday evening.

### GERMANY ADMITS BLOW AT WARSAW FROM NORTH FAILS

Retreat of Teuton Forces Moving South on Old Polish Capital Announced. ENCOUNTER SUPERIOR NUMBERS Column Advancing from Soldau by Way of Miawa Obligated to Re-occupy Former Position.

PETROGRAD REPORTS GAINS Russ Communication Frontal Attacks by Night Are Repulsed. COUNTER ASSAULTS ALSO MADE Several Hundred Prisoners and One Field Battery Captured by Muscovite Warriors of Casar.

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BERLIN, Dec. 15.—(Via London.)—A retreat of the German forces which attempted to strike at Warsaw from the north, was acknowledged in an official communication given out today at army headquarters. The statement follows: "The German column, which had advanced from Soldau, East Prussia, by way of Miawa, in the direction of Clechaw, has had to reoccupy its old positions owing to the numerical superiority of the enemy."

### GERMAN CRUISER PUTS INTO GUAM

One of Kaiser's Smaller Ships Seeks Shelter in United States Pacific Port. MAY BE INTERNED FOR THE WAR

Sister Ship of the Geier, Now Tied Up at Honolulu, Likely to Meet with the Same Fate.

WASHINGTON, Dec. 15.—Arrival of the German converted cruiser, Cormoran, in the harbor of Guam, an American possession in the Ladrones archipelago, was officially reported to the Navy department today by the commandant of the naval station there. It is presumed the German vessel sought the harbor to intern during the war.

The Cormoran has been given twenty-four hours from 10 a. m. yesterday in which to leave the port or intern for the war. It was short of coal, provisions and water.

The Cormoran needed 1,500 tons of coal to reach the nearest German port, according to Captain W. J. Maxwell, naval governor of Guam. It was offered 100 tons of coal and fresh water and its captain was given until 10 a. m. today (Guam time) to decide what his future course would be.

Secretary Daniels has approved Captain Maxwell's action and has instructed him not to allow the vessel more coal and provisions than can be properly spared.

Naval officers here believe the Cormoran, although described as a converted cruiser, is really the unfortified cruiser of that name, a sister ship of the Geier, interned at Honolulu several weeks ago. Mystery has surrounded the whereabouts of the ship for several weeks. It was known to have been before Kiao Chow during the early part of the war when the Japanese attacked that port and later was reported sunk in Oriental waters.

The Cormoran was built at Danzig in 1902, is 250 feet long with a displacement of 1,000 tons and makes sixteen knots an hour. Its armament consists of eight four-inch guns, five one-pounders and two fourteen-inch torpedo tubes above the water.

### No Compromise Yet Effected on Nebraska Jobs

(From a Staff Correspondent.)  
WASHINGTON, Dec. 15.—(Special Telegram.)—That compromise fail to compromise is the judgment of Senator G. M. Hitchcock after his interview today with Secretary McAdoo over the collectorship in Nebraska. Senator Hitchcock said his interview with the secretary of the treasury was productive of a mutual understanding regarding the two big Nebraska offices to be filled and which are being held up because Secretary of State Bryan cannot see his way clear to compromise along Senator Hitchcock's (Major O'Dahlin of Omaha for collector and Chris Gruenther of Platte Center for marshal).

### St. Louis Frozen to Death; Much Suffering

ST. LOUIS, Dec. 15.—The first death attributed directly to the cold this year was recorded here. George Stillwell, 67 years old, was found frozen to death at the rear of his boarding house.

Scores of cases of physical suffering due to the cold were brought to the attention of the police and hospital authorities. The minimum temperature was four degrees and a strong wind prevailed throughout the day.

### Atlanta Lawyer is Killed by Burglar

ATLANTA, Ga., Dec. 15.—Charles B. Reynolds, a lawyer, was shot and instantly killed early today in a revolver battle with a burglar in his home here. Reynolds fired four times before he was killed. The burglar escaped.

### OPERATION ON BRISBANE IS NOT NOW NECESSARY

ATLANTA, Ga., Dec. 15.—Distinct improvement was reported by attending physicians today in the condition of Arthur Brisbane, the editor who has been seriously ill from intestinal trouble here for several days. Mr. Brisbane has been removed to a hospital, where his physicians, after a consultation early today, decided an operation would not be necessary unless some more serious complications developed.

### The Day's War News

Such confident claims have been made by the allies during the last week concerning the success of their new movement against the German line that the Berlin military authorities have issued a special statement to contradict them. Berlin characterizes the French report of December 12, concerning the destruction of batteries and capture of trenches as "a pure invention."

The definite statement is made in Rotterdam that the Germans have begun a retreat, falling back in Belgium toward a prepared line further from the coast. Official confirmation was lacking, however.

The report from Nish that the Servians had recaptured Belgrade was not confirmed from any other sources, although it was admitted in Vienna that the Austrians had suffered reverses in Servia.

It is announced in Berlin that the Turkish cruiser Midirli, formerly the German warship Breslau, has bombarded the Russian Black Sea port of Sebastopol, although with what effect is not stated.

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Secretary McAdoo indicated that he would do whatever he could to bring about a solution of the differences existing between Mr. Bryan and Mr. Hitchcock and he hoped something might come out of the effort before the close of the week.

### Bulwark Destroyed By Accident, Not Foe

LONDON, Dec. 15.—The official press bureau announced tonight that the sinking of the battleship Bulwark apparently was not due to an hostile act. Investigating officers have disclosed no evidence of treachery on the part of any persons aboard the vessel or of any act by an enemy.

The announcement shows that it was the result of an explosion due to the accidental ignition of the ammunition on board.

### Christmas Ship Is Off for Salonika

GENOVA (Via Rome), Dec. 15.—The United States naval collier Jason, which brought Christmas gifts from the American people to the children of the belligerent powers, left here today for Salonika.

### ALLIES RESUME ADVANCE ALONG WEST FRONTIER

Official Report from London Tells of Renewal of Fighting in Northern France and Belgium.

### GERMAN TRENCHES ARE TAKEN

Substantial Progress is Made on the Line from Hollebeke to Wytschaete, Belgium.

### SERVIANS RETAKE BELGRADE

Austrians Are Forced to Evacuate Capital of Little Kingdom for the Second Time.

### STRUGGLE IN EAST UNDECIDED

Neither Side is Now Claiming a Substantial Advantage.

### RUSSIAN NEEDS RAILROADS

Efficient Transportation System of the Germans Enables Them to Check Invasion at the Frontier.

LONDON, Dec. 15.—(1:35 P. M.)—The official information bureau today gave out the following statement:

"After a period of comparative quiet the fighting in northern France has recommenced."

"A combined attack by the allies was made yesterday on the line from Hollebeke to Wytschaete, in Belgium. Several German trenches and a number of prisoners were captured and substantial progress made."

LONDON, Dec. 15.—Belgrade, the unfortified capital of Servia, which the Austrians after a long and terrible bombardment occupied two weeks ago, is again in the possession of the Servians.

A dispatch from Nish, the temporary capital of the country, received in London early this morning, makes the announcement that Servian troops have re-entered the city thus crowning their recent surprising victory against the Austrian invaders of their territory. The telegram from Nish is brief and says merely that the city has been occupied. Up to the present time it has not been followed by an admission from any Austrian source.

Austrian arms have been figuring prominently of late in the war, the Austrian progress across the Carpathians from the passes of which they have been clearing the Russians having been one of the positive factors in the fighting of the last few days in the eastern arena.

Struggle in East Undecided.  
North of the Vistula, along the Miawa front, the struggle seems to be favoring the Russians, but neither side claims a decisive victory anywhere along the eastern front. The final engagement still remains to be fought out between Lodz and the Vistula.

Military observers in London, commenting upon Russia's failure to clear Poland of German troops, dwell upon the fact that even Russia's vast resources in men may continue to prove unavailing, unless existing methods of communication are improved. On two occasions Russian forces approaching the German frontier have been driven back by reason of the remarkable system of German railroads, which enables Germany to move troops expeditiously, and it has been suggested, that Russia should begin at once the construction of new transverse lines in Poland and the improvement of existing lines. Temporary lines.

(Continued on Page Two, Column Five.)

### Farming as a Business

The recent great meeting of farm owners in Omaha showed clearly that farming has risen to something more than an expedient for the making of a living.

Big men of big brains are making farming a BUSINESS, because IT PAYS. Scientific farming—the getting of the most out of the soil—attracts men of ability.

Not to mention the clean, healthful living—real home life. Look over the farm bargains in today's Want Ad section. This suggestion may be a ten-strike for you.

Telephone Tyler 1000

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