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BUSINESS

THURSDAY,

Resignation Rally Con

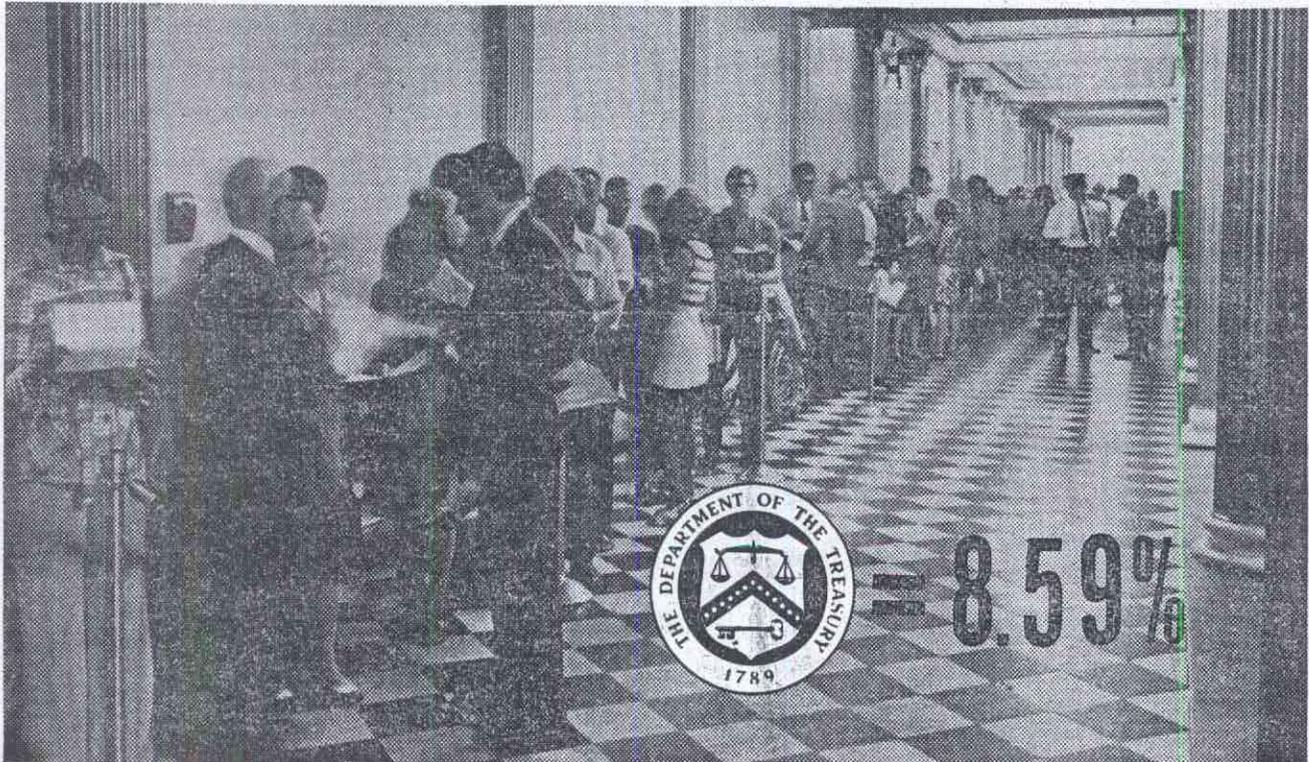


Photo by Ellsworth Davis—The Washington Post

Investors will receive a yield of 8.59 per cent on a Treasury offering of Tuesday. Yesterday, another crowd

gathered outside room 2134 of the Treasury Building here, to make bids on a six-year government note.

IS & FINANCE

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tinues; Dow Up 23.78

By Jack Egan

Washington Post Staff Writer

Expectations of an imminent resignation by President Nixon and hopes by investors for a new and more stable administration in Washington to deal with the nation's economic problems sent stocks sharply higher on the New York Stock Exchange again yesterday.

The Dow Jones average of 30 industrials closed up 23.78 points to 797.56 for the third biggest gain of the year. Trading was a moderate 13.38 million shares despite a burst of buying at the close. Gainers outnumbered losers by more than 4 to 1.

The three-day resignation rally has added nearly 45 points to the Dow Jones average since Monday. The record gain for a week is 51.55 points registered in early June of this year when investors anticipated a downturn in interest rates.

Stocks faltered at the opening—reacting, analysts said, to President Nixon's statement on Tuesday that he would not step down voluntarily—but advanced moderately early in the session as brokers noted still mounting pressure from Republican leaders for Mr. Nixon's resignation.

A report at mid-day in the Providence Journal-Bulletin quoting informed sources that President Nixon had made an "irrevocable" decision to

quit office spurred the advance despite continued White House denials.

In the final hour, stocks shot up more than 9 points amidst heavy trading after news that a story in the Phoenix Gazette said President Nixon planned to announce his resignation by yesterday afternoon.

At the close, the tape was three minutes late as contrary reports on the President's intentions continued to sweep the markets.

The rally continued on the Pacific Coast Stock Exchange after the eastern markets closed, with gaining issues outnumbering declines by 10 to 1.

On the Big Board, Standard & Poor's 500-stock index rose 2.13 to 82.65. The price of an average share on the NYSE gained 71 cents as the NYSE composite index added 1.09 points to 43.26.

Marcor was the most active stock, rising 2 5/8 to 26 7/8 on a volume of 314,000 shares. Mobil Oil Corp. announced late Tuesday that it had reached agreement with Marcor's directors to acquire the company, and was offering \$35 per share of common stock as part of an \$870 million deal.

Revco D.S. dropped 1 5/8 to 13 3/8, having been down as low as 11 1/8 for its bottom for the year. Revco stock has declined sharply after the firm announced an earnings gain for the fiscal

year below what some analysts had hoped for.

Blue chips, glamors, steels and oils showed particular strength. Eastman Kodak was up 4 3/4, IBM rose 6, and Polaroid and Xerox each gained 2 1/2. U.S. Steel and Bethlehem both each 1 5/8, Kerr-McGee was up 4 and Schlumberger climbed 2 3/8.

But gold shares dropped in response to a decline in bullion prices on European markets. ASA, Ltd., fell 3. Homestake Mines was down 1 3/4 and Campbell Red Lake dropped 1 1/4.

On the American Stock Exchange, prices also moved sharply higher on a thin volume of 1.52 million shares. The Amex market value index gained 1.27 points to 78.96. Advances outnumbered declines by just under 2 to 1. The price of an Amex common share rose 15 cents.

Syntex Corp. was the most actively traded Amex stock rising 21/8 to 40 7/8. Westerns Industries followed, up 1 7/8 to 15 1/4; and McCulloch Oil, third most active, dropped 1/8 to 4.

The NASDAQ index for the over-the-counter market added 1.15 to 71.68. The most active OTC stock was Bank America Corp., up 3/8 to 30 1/2. National Liberty Corp. was second, down 1/8 to 1 3/4, and Intel Corp., third, rose 1/2 to 32 1/2. Government Employees Insurance, the tenth most active OTC issue, dropped 5/8 to 22.