

ANOTHER LOW SET

Rebound Fails to Halt a Plunge of 9.05 to 684.79 in the Dow

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The stock market toppled yesterday to a new low since April, 1963, as measured by the Dow-Jones industrial average. A rally led by glamou issues in the final half hour on expanding volume, however, reduced the day's loss markedly from its poorest level.

The blue-chip barometer, grinding steadily downward during most of the session, was off a staggering 16.70 points at 3 P.M.

Then, in the absence of any significant news developments, a recovery got under way and the tape ran three minutes late with prices on the upswing at the final bell. The Dow finished at 684.79 with a loss of 9.05 points.

Wall Street brokers said the

Market Summaries

Thursday, May 14, 1970

N.Y. Times Industrials	693.25	- 9.88
N.Y. Times Railroads	94.56	-10.52
N.Y. Times Combined	393.90	- 5.70
N.Y.S.E. Composite	41.37	- 0.62
Standard & Poor's Comp.	75.44	- 1.09
Dow Jones Industrials	684.79	- 9.05

NEW YORK STOCK EXCHANGE (Volume 13,920,000 shares)

	Thursday	Wednesday
Total Issues	1,610	1,572
Advances	229	226
Declines	1,211	1,141
Unchanged	170	205
New Highs	0	0
New Lows	759	505

ODD-Lot Transactions

Wednesday, May 13, 1970

Purchase	Short Sales	Total Sales
360,153	17,256	326,339

recovery benefited both from purchases by some traders who had sold short, as well as buying "by people trying to probe for the bottom."

New Low Registered

The New York Times combined average, also registering a new low since 1963, toppled 5.70 points to 393.90.

Over a period of nearly 18 months, an interim spanning the worst bear market since the Depression, the Dow has plunged more than 200 points.

On Dec. 3, 1968, the average peaked out at 985.21. Its decline since that date now amounts to 30.5 per cent.

In Washington, an economist in the Nixon Administration was quoted as attributing the sharp market slump to "an atmosphere of confusion and uncertainty." But he contended that the economy remains "basically strong."

Fear of Inflation Cited

On Wall Street, many brokers were less charitable in their assessment of a market break that has left them—and their customers—weary, worried and poorer.

These brokers cited "the fear of inflation" and "a lack of faith" in the Administration's

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foreign and domestic policies as the basic causes of the steady erosion in both stock and bond values.

Another factor gaining momentum over the last few weeks, according to the managing partner of one brokerage house, is the "feverish" amount of short selling on the part of both amateurs and professionals.

"The new game in town is shorting stocks," he said. "This creates selling pressure and tends to stop rallies from gaining momentum. It is also one sign of a market bottom, but there's no telling how long this situation can last."

In a typical short sale, a person sells borrowed stock in the hope of buying it back later at a lower price and thus realizing a short-term profit. Brokers said that some people who had lost money in the market drop are trying to recoup through selling stocks short.

The market decline has accelerated sharply in recent weeks. The Dow, for example, has tumbled more than 100 points since April 13.

Volume on the New York Stock Exchange expanded to 13.92 million shares, or about 3.5 million shares higher than an average session this year.

For the second straight day, not a single new high appeared on the Big Board. A total of 759 stocks—out of the entire exchange list of 1,808 issues—registered new lows. Only 229 stocks advanced, while 1,211 issues closed with losses.

American Telephone Off

American Telephone eased $\frac{5}{8}$ to 45 $\frac{3}{4}$ in active trading. Earlier, it traded at 45 $\frac{1}{4}$, the lowest price since 1960. General Motors dropped 1 $\frac{1}{8}$ to 63 $\frac{3}{8}$ after selling at a new low since 1963. I. B. M., down 6 $\frac{1}{2}$ to 268 $\frac{1}{2}$; traded as low as 262, a new low since 1967.

Telex, up $\frac{5}{8}$ to 15 $\frac{1}{8}$, was the volume leader as it scored a gain for the first time this week.

The only other gainers on the active roster were Memorex, up 4 $\frac{3}{8}$ to 80, and Xerox, up 2 to 79.

Lum's, a food franchise stock once favored by "go-go" mutual funds, slipped $\frac{5}{8}$ to 5 $\frac{1}{2}$. Last year, it sold at a record price of 33 $\frac{1}{2}$.

Forest-product stocks, a group that some Wall Street analysts were recommending a year or so ago as inflation hedges, continued to drop in response to a Wall Street Journal article noting that lumber prices have turned soft. The absence of a long-heralded housing boom is an adverse factor for the industry.

On the active roster; Georgia-Pacific fell $2\frac{7}{8}$ to $42\frac{1}{2}$ and Corwin Zellerbach dropped $1\frac{1}{4}$ to $28\frac{3}{8}$. Meanwhile, International Paper was down 2 points to $1\frac{1}{2}$ and Boise Cascade tumbled $2\frac{1}{4}$ to $53\frac{3}{8}$.

Some Glamour Issues Up

The action of Burroughs demonstrates the recovery for some glamour issues late in the session. The computer stock finished at 120 with a gain of $1\frac{1}{8}$ points after selling as low as $11\frac{1}{4}$ —a new low for the year.

Disney climbed $3\frac{1}{4}$ to $121\frac{1}{2}$, or 5 points above its low price yesterday. Avon Products rose $1\frac{1}{2}$ to $141\frac{7}{8}$ and American Research & Development added 4 to $62\frac{1}{4}$. The session's best point gainers were glamour issues.

Losses of 4 points or more appeared in Midwest Oil, Abbott Labs, McIntyre Porcupine

National Stock Exchange

The following is a selected list of stock transactions on the National Stock Exchange.

Sales	Stocks	High	Low	Close	Chng.	Net
	Thursday, May 14, 1970					
900	Am Med Bldg	$11\frac{3}{4}$	10	$10\frac{1}{2}$	—	$1\frac{1}{2}$
3,000	Anodyne	$6\frac{7}{8}$	$6\frac{1}{2}$	$6\frac{7}{8}$	—	$\frac{1}{8}$
800	Applied	$6\frac{5}{8}$	$6\frac{1}{2}$	$6\frac{1}{2}$	—	$\frac{3}{8}$
1,100	Can South	3	3	3	—	$\frac{1}{4}$
1,500	Cinecom	$5\frac{7}{8}$	$5\frac{1}{2}$	$5\frac{3}{4}$	—	$\frac{1}{4}$
100	Cst Carib O&M	$\frac{1}{2}$	$\frac{1}{8}$	$\frac{1}{8}$	—	$\frac{1}{4}$
100	Comp Auto	$6\frac{1}{4}$	$6\frac{1}{4}$	$6\frac{1}{4}$	—	$\frac{1}{2}$
2,300	Comp Data Sys	$5\frac{7}{8}$	$5\frac{3}{8}$	$5\frac{3}{8}$	—	$\frac{3}{4}$
400	Diversa	$4\frac{3}{4}$	$4\frac{3}{8}$	$4\frac{3}{8}$	—	$\frac{1}{4}$
800	Golconda Mng	8	$7\frac{3}{4}$	$7\frac{3}{4}$	—	$\frac{3}{4}$
100	Leasing Cred	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	—	$\frac{1}{8}$
3,500	Magell Pet	3	$2\frac{7}{8}$	$2\frac{7}{8}$	+	$\frac{1}{8}$
1,500	Medfield	$66\frac{1}{4}$	6	6	—	$\frac{3}{8}$
1,100	Natwd Auto Auct	$5\frac{3}{8}$	$4\frac{3}{4}$	5	—	$\frac{3}{8}$
1,500	Pancoastal	$\frac{3}{4}$	$\frac{5}{8}$	$\frac{5}{8}$	—	$\frac{1}{8}$
4,700	Pantepec	$\frac{1}{2}$	$\frac{5}{8}$	$\frac{5}{8}$	—	$\frac{1}{8}$
1,100	Pep Arts	$1\frac{1}{2}$	$1\frac{3}{8}$	$1\frac{3}{8}$	—	$\frac{5}{8}$
900	PRF Corp	$2\frac{3}{8}$	$2\frac{1}{2}$	$2\frac{3}{8}$	—	$\frac{1}{8}$
2,900	Real Eight	$10\frac{1}{4}$	9	10	—	$\frac{1}{2}$
3,700	Rey Atlas	$4\frac{1}{8}$	3	$3\frac{3}{4}$	—	$\frac{3}{8}$
2,800	Telectre-mek	$2\frac{1}{4}$	2	2	—	$\frac{1}{4}$
200	Telmont	$7\frac{1}{4}$	$6\frac{3}{4}$	$7\frac{1}{4}$	+	$\frac{1}{4}$
600	Unit Can O&G	$3\frac{1}{2}$	$3\frac{1}{4}$	$3\frac{1}{4}$	—	$\frac{1}{4}$
200	Wells Indust	2	2	2	—	$\frac{1}{2}$
500	Whale	$1\frac{3}{8}$	$1\frac{1}{2}$	$1\frac{1}{2}$	—	$\frac{5}{8}$
5,100	Yoo-Hoo	$5\frac{7}{8}$	4 $\frac{3}{8}$	5	—	$\frac{3}{8}$

Mines and Corning Glass Works.

Among the blue chips, both Alcoa and Sears, Roebuck fell $2\frac{1}{4}$ as both posted new lows. Point-plus losses came in U.S. Steel and Westinghouse Electric.

"What are your retail customers doing?" the head of one brokerage concern was asked. He countered: "What retail customers?"

It was that kind of a day. In the morning, one woman registered representative confided: "I hate to go into the office today, because I know just what it's going to be like."

At the close, when asked how he felt, one broker replied: "Terrible."

But there were glimmers of hope offered in Wall Street. Another broker declared: "I predict a rally in this market either on Friday or next Monday, because that's when the subscription period will end for the new Telephone debentures."

Until Monday afternoon, shareowners of A.T. & T. can subscribe for a package of \$1.57-billion in debentures, which make up the first part of the biggest corporate financing in history.

Brokers report that much money is being raised for these debentures by the sale of other securities, including high-quality stocks.