

Stocks Fall 20.81 to '63 Low; Bond Interest Rates Hit Peaks

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Security markets came under relentless pressure yesterday as Wall Street registered the biggest single-day decline since the assassination of President Kennedy on Nov. 22, 1963. The Dow-Jones industrial average plunged 20.81 points to 641.36, its lowest close since Dec. 18, 1962.

Not a single issue posted a new 1970 high on either the Big Board or the American Stock Exchange, whose own index was carried back to mid-1967 levels. On the New York Stock Exchange, 911 issues out of a total list of 1,808 stocks registered new 1970 lows.

In the bond market, interest rates moved up to record highs. A top-rated electric utility bond issue was priced to yield 9.20 per cent. Tax-free municipal bonds are returning better than 7 per cent. Government bond prices dropped to historic lows.

Both the stock and bond markets saw their prices fall for related reasons. Foremost among these are the fears on Wall Street that the rate of dollar-eating inflation is not being checked and the continuing concern over the expanded war in Indochina. The record yields in the bond market, brokers said, are attracting funds that normally might be committed to stocks.

Volume on the Big Board ran

12.66 million shares, or only two million shares above an average session for 1970.

Stockbrokers said that forced selling in some margin accounts placed further pressures upon the market. This selling tends to feed upon itself and may continue this week.

The decline in the Dow industrials now amounts to 34.5 per cent since this blue-chip indicator peaked out in December, 1968, to begin the most vicious bear market since the Depression.

American Telephone eased only $\frac{1}{8}$ to 43 $\frac{1}{2}$ after trading at a new 10-year low. But declines of 6 points or more appeared in such stocks as International Business Machines, Walt Disney Productions, Bausch & Lomb, Owens-Corning Fiberglas and American Research and Development.

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