

Dollar Plunges On Heavy Sales

LONDON — (AP) — The U.S. dollar plunged to record lows at the opening of European exchanges today — and the price of gold correspondingly soared to new peaks.

A massive distrust of the solidity of the dollar brought selling orders from all directions.

In Frankfurt, its value dropped nearly five pfennigs during the first half hour.

The foreign exchange turmoil spilled over into the bullion markets and sent the price of gold to a record high of \$119 dollars an ounce in both London and Zurich.

The floodgates appeared to open after yesterday's Ascension Day holiday when all European markets except London were closed.

The dollar hit record lows in Frankfurt, Paris and Zurich. In Paris, the rate dropped almost 10 centimes to 4.2925 francs. In Zurich, the dollar dropped from Wednesday's 3.1025 Swiss francs to 3.0650. In Frankfurt, it opened just over one pfennig lower at 2.7040 marks, only to drop to 2.6570 marks before recovering to 2.6750.

Trading was all one-way, against the dollar.

In the London bullion market, the price of gold jumped from yesterday's closing \$114.75 to \$119. In Zurich,

gold jumped \$5.75 an ounce from Wednesday's closing level of \$113.25.

In Hong Kong, however, the price dropped back slightly from yesterday's record high of \$115.31 an ounce.

In the London foreign exchange, the pound sterling climbed almost three cents to \$2.5915 from Thursday's closing level. Some profit taking set in shortly before noon and the value of the dollar improved to 2.6710 marks in Frankfurt, to 3.07115 Swiss francs in Zurich and to 4.3150 francs in Paris. The pound fell back to \$2.5740 in London.