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GLAMOURS LEAD SHARP STOCK RISE

Hopes for Vietnam Peace and Domestic Economic Gains Inspire Traders

'KISSINGER RALLY' SEEN

Dow-Jones Average Climbs 10.69 to 941.15 as Volume on Big Board Swells

NYTimes

By VARTANIG G. VARTAN

Stock prices rose sharply yesterday with glamour issues leading the way in what some observers called "a Kissinger rally."

The Dow-Jones industrial average, finishing at its session high, climbed 10.69 to 941.15.

A basic factor in carrying the market higher was the White House announcement on Tuesday morning that Henry A. Kissinger, President Nixon's national security adviser, had again conferred privately with North Vietnamese negotiators in Paris.

Expanding hopes for some Vietnam peace development, coupled with continuing signs of an improved domestic economy, meant a broadening of market strength. On Tuesday, the Dow average rose 5.72 points.

Glamour stocks actually had started to show signs of life

Market Summary

MARKET AVERAGES		
Wednesday, Aug. 2, 1972		
N.Y. Times Industrials	1,104.30	+ 8.21
N.Y. Times Railroads	133.47	+ 0.26
N.Y. Times Combined	618.88	+ 4.23
N.Y.S.E. Composite	60.13	+ 0.49
Standard & Poor's Comp.	109.29	+ 0.89
Dow-Jones Industrials	941.15	+10.69
NEW YORK STOCK EXCHANGE		
(Volume 17,920,000 shares)		
Wednesday Tuesday		
Total Issues	1,747	1,743
Advances	905	893
Declines	519	488
Unchanged	323	352
New Highs	62	36
New Lows	67	64
ODD-Lot TRANSACTIONS		
Tuesday, Aug. 1, 1972		
Purchases	Short Sales	Total Sales
253,772	4,687	380,392

in the final half hour of trading on Monday, which is generally a down day for the market as a whole.

Yesterday's glamour gainers included Disney, up 5% to

198 3/4, its best price ever; Honeywell, up 4 3/8 to 160 1/8; G. D. Searle, up 2 7/8 to 105; Schering-Plough, up 3 1/2 to 126 1/2, and Texas Instruments, up 2 to 176 3/4. Some glamour issues were helped by recent earnings reports and others benefited from short covering activity on the part of traders.

Bristol-Myers Rises

Bristol-Myers rose 2 1/2 to 67 1/2. A spokesman noted that some market letters had recommended purchase of the stock.

Warner-Lambert moved up 3 1/8 to 98 and a new high, after gaining 2 7/8 in the previous session. The company has filed an application with the Food and Drug Administration for approval to sell soft contact lenses for therapeutic uses.

International Business Machines dipped 1 point to 409 after selling at a record 411 1/2. The kingpin computer stock climbed 9 1/4 points on Tuesday. This gain was in response to a Federal court judge's denial of motions by Telex to restrain I.B.M. from introducing two

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new computer systems yesterday.

Telex, unchanged at 6 3/4, makes peripheral equipment for computers. In early 1970, it sold at a record 31 7/8.

The market's price strength was accompanied by higher volume on the New York Stock Exchange. Turnover rose to 17.92 million shares from the previous 15.54 million shares.

Airlines, oils and blue chips shared in the upswing. UAL rose 2 to 39, and TWA moved up 2 5/8 to 54 1/4.

General Motors, rising 1 1/8 to 76 1/8 among the blue chips, finally seemed to respond to the record quarterly profits—the highest for any American company—that it reported last Friday.

Eastman Kodak, closing at its best price on record, rose 1 1/2 to 140. Other components of the Dow industrials moving up by 1 point or more were du Pont, Owens-Illinois, Procter & Gamble, Texaco, Alcoa, Standard Oil (New Jersey), Standard Oil of California and Sears, Roebuck.

Mattel, the volume leader, slumped 3 3/4 to 16 3/8, its lowest price of 1972. This followed a management estimate that profits for the first half of its fiscal year would fall below year-earlier results. Similar statements by other companies have sent stock prices downward in recent weeks.

Ideal Toy fell 1 5/8 to 18 3/8 after trading at its yearly low of 17 3/8. The company said quarterly net income would be unchanged or lower.

Joy Manufacturing moved down 2 7/8 to 38 3/4. Its plant at New Philadelphia, Ohio, has been strikebound since Sunday.

General Development dropped 1 7/8 to 19 in active trading. The stock gave up 9 3/4 points last week after reporting a 17 per cent decline in quarterly net income. Moody's Investors Service estimated 1972 earnings at \$1.90 a share, compared with last year's \$2.08.

Curtiss-Wright Off

Curtiss-Wright fell 1 7/8 to 44 1/4. This reflected the disclosure by General Motors that it had not yet decided to produce the Wankel rotary engine, to which Curtiss-Wright holds North American rights.

Pet, Inc., dropped 3 points to 42 after reporting a substantial decline in quarterly profits.

Tootsie Roll Industries rose 1 point to 14 1/2 in response to a sharp increase in six-month earnings.

Bell & Howell rose 4 points to 68. In an interview with the Dow-Jones News Service, the company said it was starting to grow in newly expanded product areas, following a two-

Percentage Gains

Stocks with the largest percentage gains on the New York Stock Exchange yesterday:

Stock	Last Price	Net Chng.	Pct. Chng.
Divers Ind	4 3/4	+ 3/4	+20.7
Plan Resrch	11 1/2	+ 1 1/2	+15.0
Whittakr	8 3/4	+ 7/8	+11.3
Std Press	8 7/8	+ 7/8	+10.7
Simp Pat	49	+ 4 1/4	+ 9.5

Percentage Drops

Stocks with the largest percentage drops on the New York Stock Exchange yesterday:

Stock	Last Price	Net Chng.	Pct. Chng.
Mattel Inc	16 3/8	- 3 3/4	-18.6
DPF Inc	4 1/2	- 5/8	-11.6
Autom Ind	6 3/4	- 3/4	-10.0
Gen Develp	19	- 1 7/8	-9.0
Kawec Berl	11 3/4	- 1 1/8	-8.7

year phase of "pruning its corporate tree."

Standout gainers in the glamour sector included Simplicity Pattern, up 4 1/4 to 49, and Digital Equipment, up 5 1/2 to 90 3/4.

Dart Industries, up 3 1/8 to 52 3/4, said it would sell 50 drug stores to Eckerd's, Inc.

3 Ecological Groups Won't Contest U.S. On Offshore Leases

Special to The New York Times

WASHINGTON, Aug. 2—

Three environmental groups have decided not to renew a legal challenge to a Government sale of new oil-drilling rights in the Gulf of Mexico.

The groups' decision almost certainly means that the Interior Department's anticipated Sept. 12 sale of leases to drill in a 366,000-acre area off Louisiana will proceed as planned. A sale of 619,000 additional acres is tentatively set for December.

Friends of the Earth, one of three groups that attempted to block the sale when it was first scheduled last winter, said today that it would not go back to court. The Sierra Club, in consultation with Friends of the Earth, has taken a similar position, it was learned.

Both were influenced by the earlier withdrawal of the Natural Resources Defense Council, the third original complainant, by the prospect of unfavorable public reaction to a further delay, and by the assessment that this time the chances of winning in court were poor.

Friends of the Earth said it was urging the department to hold hearings on increased imports as an alternative to offshore drilling.

The Nixon Administration and the oil industry are eager for more offshore exploration in the hope that large new oil and natural gas reserves would diminish the country's growing need for imported fuels. Such imports are seen as a risk to national security, because of the possibility of interruption, and also as a financial burden.