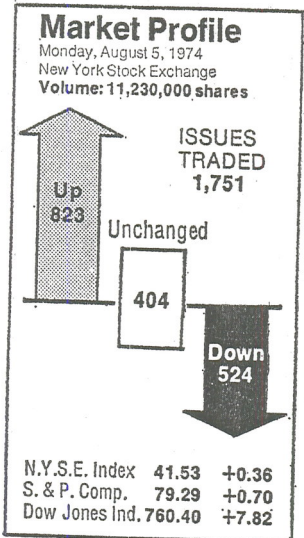


# Nixon Stepdown Reports Spur Stocks; Big Board to Ask Higher Broker Rates



The New York Times

## Prices Rise Slightly Here but Surge on the Coast After Release of Tapes

By VARTANIG G. VARTAN

The battered stock market moved higher yesterday, propelled by rumors that some announcement about the impeachment situation would come from the White House after the close of trading.

Some brokers thought a Nixon resignation might be in the works. The prospects were enough to send stock prices briskly higher in early afternoon trading—with the Dow industrials ahead by more than 12 points—but the rally soon faltered.

At the final bell, the Dow was ahead by 7.82 points at 760.40. This was a decided improvement over last week's performance, when the blue-chip barometer plunged nearly 32 points to the lowest reading in almost four years.

### Glamour Issues Buoyed

Glamour stocks, fattened a bit by short-covering, ran ahead yesterday. On the active list, Eastman Kodak gained 1 1/4 to 86 7/8 and McDonald's rose 2 1/8 to 40 5/8.

Last night, following President Nixon's release of three critical tapes that he admitted "may further damage my case," several Wall Streeters expressed the opinion that prices in New York markets would open higher this morning.

A possible straw in the wind was the action of stocks on the Pacific Coast Exchange, which did not close until one hour after the release of the statement. The number of issues also listed on that exchange finished higher than the New York closing quotations by better than a 2-to-1 margin. International Business Machines rose 2 points on the Pacific exchange while Exxon, Inter-

Continued on Page 43, Column 1

### Continued From Page 41

national Paper and General Motors moved fractionally higher.

"I would guess that the New York market will be up tomorrow," said Mark N. Kaplan, president of Drexel Burnham. "More people will believe the uncertainty will be resolved shortly and that Mr. Nixon will be leaving the White House."

### Good Tone Expected

"I expect a good tone to the market at tomorrow's opening," said David S. Jackson, a specialist and former chairman of the Amex. "If Nixon resigns or is convicted by the Senate, it will be a huge market and an up market. There may be difficulty in opening the exchanges immediately."

On the New York market, glamour stocks, fattened a bit by short-covering, ran ahead yesterday. On the active list, Eastman Kodak gained 1 1/4 to 86 7/8 and McDonald's rose 2 1/8 to 40 5/8.

Chemicals, retailers, nonferrous metals and some oil issues 11.23 million shares, or about Volume ambled along at also moved higher. Leading gold issues lost one to 2 points, on a par with last week's daily average.

The confusion about a White House announcement, coming after Mr. Nixon had summoned top aides to Camp David, Md., on Sunday, proved yet another sign of Wall Street's anxiety and its fascination with the President's next move.

Shortly after 1:30 P.M., Gerald L. Warren, acting as the White House spokesman, said he would make an announcement sometime after 3:30 P.M. The presumption was that it would concern the impeachment situation.

Brokers huddled around stock tickers, wondering aloud if some major development were about to unfold. "Political considerations seem to dominate the market," declared Lawrence Lewis, vice president of Pershing & Co., Inc.

### No Resignation Announcement

But 15 minutes before the market close, the deputy press secretary said the forthcoming information would have nothing to do with a Nixon resignation.

Finally, the announcement came about one hour after Wall Street closed down for the day. The Associated Press reported that Mr. Nixon released transcripts of three 1972 conversations which, he said, "may further damage my case." He admitted that he had kept the evidence from his lawyers and had omitted it from public statements on Watergate.

Among glamour stocks rising by 2 points or more were Digital Equipment, Motorola, ARA Services and International Business Machines. Point-plus gainers in the oil and chemical sectors included Exxon, Getty, Kerr-McGee, Monsanto and Allied Chemical. Superior Oil, which often shows larger swings, climbed 4 points to 159.

The Big Board had one giant-size loser in Revco D. S., a discount drug chain. It plunged 8 points to 16 3/8 following a preliminary earnings report deemed to be disappointing by some Wall Street followers. The stock sold at a high of 56 two years ago.

### Large Percentage Loser

Colwell Mortgage Trust, off 2 1/8 to 4 7/8, was the market's second largest percentage loser. After the close of trading on Friday, this real estate investment trust reported a sharp drop in first-half earnings and also omitted its June quarter dividend. Its peak price last year was 33 3/4.

Clorox, topping the active list, added 1/2 to 8 3/4. Kuhn, Loeb crossed a block of 483,800 share at 9. Sears, Roebuck, after dropping 9 1/2 points last week following projection of lower quarterly earnings, rose 1 1/8 to 65 5/8.

Meanwhile, words of warning on the economic and financial outlook came from Albert M. Wojnilower, economist of the First Boston Corporation,

Calling the outlook "treacherous," he forecast that the peaks in both short-term and long-term rates may not occur until near the end of 1974 "or even later."

Many brokers, on the other hand, have been banking on a downturn in interest rates within the relatively near future as a stimulus to stock prices.

"The year 1975 shapes up as one of mild recession—at best," Mr. Wojnilower said at a news conference. "Inflation is unlikely to subside significantly this year."