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WEDNESDAY, AUGUST 7, 1974

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on President Nixon's survival in office. Washington yesterday as investors focused their attention The stock market rode the roller coaster of events in

an end to the nation's protracted Watergate trauma shot the first half hour of trading on the New York Stock Exthe Dow Jones industrial average up nearly 26 points in The prospect of an early presidential resignation and

But stocks gave up half of that gain after President Nixon told a mid-day cabinet meeting that he would not leave office voluntarily.

The Dow Jones average of 30 industrials ended the day up 13.38 points at 773.78. Volume totaled a brisk 15.77 million shares, up from the 11.23 million shares traded the day before. Six million shares changed hands in the first

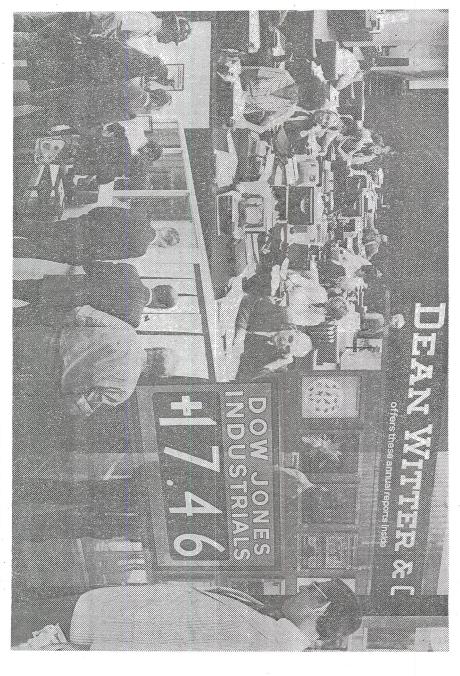
early in the day. rising as declining. The ratio had been more than 12 to 1 hour yesterday but trading tapered off after that.

The advance, on top of a 7.82-point gain on Monday, was broad-based with nearly three times as many issues

the President's fortunes with no other news item of any significance having an impact on trading. Analysts said all the market activity centered around

ously strongest supporters is quickly eroding "was considthat we would get a resolution of the impeachment question earlier than had been expected," Buck Kaiser, direcered bullish primarily because it indicated to investors tor of research for Paine, Webber, Jackson & Curtis, said Reports that President Nixon's position with his previ-

drag on until Congress reconvened in January," further among institutional investors that "impeachment would preoccupying the country. He added that there has been a growing fear recently



Photos by Charles Del Vecchio-The Washington Post

"The most bullish thing that could happen is a quick impeachment and speedy trial, which would lead to a clear-cut resolution one way or the other," Kaiser said.

Lee Pollack, a senior vice president of Hayden Stone, Inc., said "the market is telling us what would happen if President Nixon should resign." He predicted a rally of 50 to 100 points in the event of a resignation.

Some analysts, however, doubted the stock market could sustain a rally for very long without some fundamental improvement in overall economic conditions, particularly a drop in interest rates and the rate of inflation.

Standard & Poor's 500-stock index rose 1.23 to 80.52. The price of an average share of stock gained 42 cents as the NYSE composite index gained 0.64 to 42.17.

All major stock groups advanced with oils attracting particular interest. Glamor and blue-chip issues, many of them recently depressed, also were the focus of trading attention.

BUSINESS PICKS UP—Renewed stock market interest was evident yesterday at downtown brokerage offices, including Ferris & Co., Inc., upper left, which had one of the "busiest days in a long 'time"; Merrill Lynch,

Polaroid, the day's most active stock, dropped 1% to 27. McDonald's gained 1% to 42½, after a rise of 2% points the previous day. The company has recently reported favorable earnings for the second quarter. Eastman Kodak was up 2¼ to 89½; Xerox rose 1% to 95¼; and Du Pont gained 3 to 153½.

Williams Cos. gained 1% to $52\frac{1}{4}$. The company reported a second-quarter net of \$2.17 per share, up from \$1.54 for the 1973 quarter.

Detroit Edison, actively traded, rose 1/8 to 101/8. Among oils, Halliburton rose 23/8, Schlumberger and Getty were each up 15/8 and Atlantic Richfield gained 13/8.

Pierce, Fenner & Smith, Inc., below left, where investors lined up for computer readouts on their issues; and at Dean Witter & Co., where a passerby watched the Dow Jones average at 11:30 a.m., before a retreat.

Trading on the American Stock Exchange was a sluggish 1.17 million shares, up from 1.15 million Monday, with the average price of an Amex common share up 9 cents, and the Amex market value index up 0.75 to 77.69.

Texas International was the most actively traded Amex stock, down 1 point to 4% on a volume of 97,000 shares.

The NASDAQ composite index for the over-the-counter market closed at 70.53, up 0.86, with sales of 4.53 million shares, up from 3.17 million Monday.

Among the most active OTC stocks, Rank Organization A ADR stayed unchanged at 3%,

Local brokers say market rise based on hopes. Page D4