

Psychological Uplift for

DOW SLIDES 12.67 ON PROFIT TAKING

AUG 9 1974

Week's Rally, Sparked by
Expectations of Nixon
Resigning, Comes to End

By ALEXANDER R. HAMMER

This week's sharp stock market rally, which was sparked by expectations of President Nixon's resignation, ended abruptly yesterday as prices finished mixed in stepped-up trading.

Although the Dow Jones industrial average dropped 12.67 points to 784.89 because of the weakness in the blue-chips that comprise the average, advances on the New York Stock Exchange managed to outscore declines by 753 to 700.

In the previous three sessions, the widely followed average had soared 45 points, while the market as a whole had also posted impressive gains. The blue-chips and many of the glammers were among the biggest gainers earlier in the week.

Brokers attributed yesterday's weakness in the Dow and the general indifferent performance of the whole market to profit-taking and to the Government's report that wholesale prices had climbed at a dramatic 44.4 per cent annual rate in July.

Traders Take Profits

These brokers noted that investors and traders who had played a major role in the previous three-day rally took the news of President Nixon's scheduled television address last evening, in which he was expected to announce his resignation, as an opportunity to take profits.

They emphasized that the main underlying reasons for the

On the American Stock Exchange, prices finished slightly higher while the over-the-counter market closed lower. On commodity markets, the price of silver, which often follows gold, dropped sharply. Details on Page 53.

market's malaise in recent months continue to be the growing inflationary spiral and high interest rates.

One broker stressed that unless the inflationary trend ends "a change in Presidents won't have much effect on stock prices."

Turnover on the exchange yesterday expanded to 16.06 million shares from 13.38 million on Wednesday. Yesterday's volume was the largest since July 12, when 17.77 million shares changed hands.

New York Times

Economy Is Seen

BUSINESS/FINANCE

45

in Shift to Ford

The market received some bad news after the close yesterday when the Federal Reserve Board disclosed that business borrowing at 12 major New York City banks rose \$73-million in the week ended Wednesday.

Investors have been watching the loan figures in recent months for signs of some easing of tight money pressures. Increased loan demand usual-

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ly indicates that interest rates will remain high.

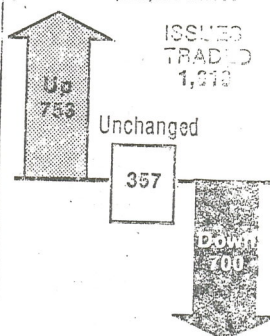
Of the 30 Dow-Jones blue-chip issues traded yesterday, only 4 rose; 23 declined and 3 were unchanged. Among the bigger losers, Procter & Gamble fell $2\frac{1}{4}$ to $93\frac{1}{2}$; DuPont 2 to 154; Allied Chemical $1\frac{1}{2}$ to $38\frac{1}{2}$; Exxon $1\frac{7}{8}$ to $70\frac{7}{8}$; Eastman Kodak $2\frac{1}{8}$ to $91\frac{3}{4}$ and Sears, Roebuck $1\frac{3}{4}$ to 68. The biggest gainer in the Dow average was Goodyear, which climbed $1\frac{1}{8}$ to $17\frac{1}{8}$.

Profit taking took its toll of many of the glamour issues. These issues made impressive gains earlier this week. International Business Machines, which traded ex-dividend, tumbled $4\frac{3}{4}$ to $208\frac{1}{2}$; Digital Equipment $3\frac{3}{8}$ to $92\frac{1}{8}$; Texas Instruments $3\frac{3}{4}$ to $80\frac{1}{4}$; Burroughs $3\frac{5}{8}$ to $91\frac{3}{8}$; Xerox $2\frac{1}{2}$ to $95\frac{1}{4}$ and Fairchild Camera 2 to 31.

A large percentage loser was CNA Financial, which dropped $\frac{7}{8}$ to $5\frac{7}{8}$. The company re-

Market Profile

Thursday, August 8, 1974
New York Stock Exchange
Volume: 16,960,000 shares



N.Y.S.E. Index	42.73	-0.53
S. & P. Comp.	81.57	-1.08
Dow Jones Ind.	784.89	-12.67

The New York Times

ported that its profits in the June quarter rose 12 per cent in contrast to large declines by its three competitors in the auto field.

The other car producers were mostly lower. General Motors fell $\frac{7}{8}$ to 46 in active trading; Ford eased $\frac{7}{8}$ to 44 $\frac{7}{8}$, while Chrysler ended unchanged at $15\frac{1}{4}$.

The majority of oil issues were depressed. Superior Oil tumbled $5\frac{7}{8}$ to $154\frac{1}{8}$; Atlantic Richfield $2\frac{1}{2}$ to $87\frac{3}{8}$; Continental Oil $1\frac{3}{8}$ to $37\frac{7}{8}$ and Union Oil of California $1\frac{1}{8}$ to $37\frac{3}{8}$.

On the upside, Pet, Inc. tacked on 1 to $19\frac{1}{2}$. The company said it expects improved sales and profits in the fiscal year ended March 31, 1975.

Reichold Chemicals moved ahead $\frac{3}{8}$ to 15 in brisk trading after the company forecast that its profits this year should exceed \$4 a share compared with \$1.65 a share in 1973.

The gold issues, which usually run counter to the general market trend, ended higher. ASA, Ltd., was up $1\frac{3}{8}$ to $92\frac{3}{4}$;

ported another large deficit for the second quarter and omitted the quarterly dividend.

American Motors topped the most active list and rose $\frac{3}{8}$ to $6\frac{3}{4}$ on 161,000 shares. On Wednesday, the company re-

Percentage Gains

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

Stock	Last Price	Net Chng.	Pct. Chng.
Telex Corp	3 $\frac{3}{8}$	+ $\frac{7}{8}$	+31.2
Relian Grp	6 $\frac{3}{8}$	+ 1 $\frac{1}{8}$	+20.5
Unicom Inc	3 $\frac{7}{8}$	+ $\frac{1}{2}$	+14.8
Intrcnl Div	2 $\frac{1}{8}$	+ $\frac{1}{4}$	+13.3
Teleprom	3 $\frac{1}{4}$	+ $\frac{3}{8}$	+13.0

Percentage Drops

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

Stock	Last Price	Net Chng.	Pct. Chng.
Chrysler wt	3	- $\frac{1}{2}$	-14.3
CNA Finl	5 $\frac{7}{8}$	- $\frac{7}{8}$	-13.0
A Dual Vest	3 $\frac{3}{8}$	- $\frac{1}{2}$	-12.9
Sav A Stop	2	- $\frac{1}{4}$	-11.1
Londntown	6 $\frac{1}{4}$	- $\frac{3}{4}$	-10.7

New 1974 Highs/Lows

	Thursday	Wednesday
New Highs	4	6
New Lows	33	50

Odd-Lot Transactions

Wednesday, August 7, 1974		
Purchases	Short Sales	Total Sales
285,949	6,994	244,339

Dome Mines $\frac{7}{8}$ to 54 $\frac{7}{8}$; Homestake $\frac{5}{8}$ to 56 $\frac{1}{2}$ and Campbell Red Lake $\frac{1}{8}$ to 38 $\frac{7}{8}$.

Other gainers included American Telephone, which added $\frac{7}{8}$ to 44 $\frac{3}{4}$; Southern Railway 1 $\frac{3}{4}$ to 44 $\frac{1}{2}$; Union Pacific 1 to 81 $\frac{1}{4}$ and General Mills 2 $\frac{1}{8}$ to 43 $\frac{1}{2}$.