

March 15, 1945

TECHNICAL MARKET ACTION

Last week's decline was halted at the 155-156 support level and the market has rallied over two points from the lows. Volume on the advance has been small. However, there is, as yet, no indication of any important top formation and expect the market to move up to the 160-165 area before such a situation develops. At this stage of the market, believe action of individual issues of much more importance than that of the general averages.

Additional issues in the recommended list, along with some new suggestions, are reviewed below.

California Packing - Recommended at 27 3/4. Last sale 31 1/2. Stock has recently penetrated upside resistance level. An advance to 35-40 zone is indicated. Longer term indications are considerably higher. Hold or buy on soft spots. Enter selling order at 35.

Campbell, Wyant & Cannon - Recommended at 19 3/8. Last sale 23. In long term uptrend pattern. First indication 26-28. Eventually much higher. Sale advised, for trading purposes, at 27. Hold in meantime and buy on dips.

Carpenter Steel - Recommended at 33. Last sale 34 1/2. An inactive issue, but in a definite uptrend. Patience may be required. Hold and buy on market weakness.

Celanese - Last sale 43 1/2. Has excellent long term technical pattern. Advise purchase if stock reacts to 42-40 area.

Champion Paper - Recommended at 35. Last sale 32 1/8. Has reacted from originally recommended price. Has attractive technical pattern. Purchase advised at the market.

Chicago Pneumatic Tool - Last sale 26 1/2. Long term indications point to much higher levels. Would add to list if available in 25-24 area.

Chrysler - Recommended at 98 7/8. Last sale 100 1/8. Has penetrated seven month trading range between 87 and 98. Strong support level at 98-96 level. Hold.

Cities Service - Recommended at 19 5/8. Last sale 19 3/8. One of the writer's favorites for intermediate term rally. Believe issue is in buying zone between 20 and 18.

Colorado Fuel - Recommended at 24 5/8. Last sale 27 1/2. Has shown excellent technical behavior. Expect 35-40 level to be reached on first phase of advance.

Columbia Pictures - Recommended at 18 1/2. Last sale 22 1/2. Has shown much better action than average amusement issue. Continued retention is recommended.

Continental Diamond Fibre - Recommended at 12 5/8. Last sale 11 3/8. A slow moving issue but definitely behind the market. No immediate move indicated but purchase recommended for long term holding.

Delaware, Lackawanna & Western - Recommended at 10. Last sale 9 1/4. A radical speculation in the railroad group with possibilities of large percentage appreciation. Purchase recommended as a long term gamble.

Eagle Picher Lead - Recommended at 14. Last sale 15 7/8. Very attractive long term pattern. Hold and buy on market weakness.

Engineers Public Service - Recommended at 15 7/8. Last sale 18 3/8. Technical pattern still attractive. Retention advised.

Fairbanks Morse - Recommended at 49 3/4. Last sale 48 1/2. Recently penetrated relatively narrow four year trading range. Indicates long term uptrend. Purchase advised.

Foster Wheeler - Recommended at 30. Last sale 34. First resistance level at 38-40. Sell at 38 in hope of picking up again on reaction.

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The opinions expressed in this letter are in the personal interpretation of charts by Mr. Edmund W. Tabell and are not presented as the opinions of Shields & Company.