

TECHNICAL MARKET ACTION

The market sold off in the final hour of Thursday's session. Prior to this decline, the industrial average had seven successive trading days of higher closings. Also, since the March low, this average had closed higher on fourteen days and lower on only three for a net gain of 11.56 points figured on closing prices.

Recent action of the market has served to confirm the primary or major uptrend. The writer continues to expect the ultimate goal for the industrial average to be the 230-240 zone. The New York Times average, the only important average that had hitherto not confirmed the major uptrend, confirmed last week. Longer term investors should continue 100% invested regardless of intermediate fluctuations.

As to the intermediate trend, technical indications point to the possibility of the industrial average reaching the 165-167 area before another consolidating phase. This checks with the New York Times average which indicates 117 1/2 - 119 1/2 against Wednesday's close of 116.64. Thus a good portion of the intermediate upswing may already have been seen. However, would expect continued selective strength for a while longer. Continue to take profits on some of recommended issues as advised in letter of April 16th. The following three issues reached selling prices since Monday.

	<u>Recommended At</u>	<u>Sold At</u>	<u>Points Profit</u>
Allis Chalmers	42	47	5
American Chain	25	30	5
Poor & Co. B	12 3/4	16	3 1/4

Since the first of the year the writer has advised closing out thirty-six recommendations. All completed transactions were closed out at a profit. Gains have totalled 237 5/8 points, or approximately 6 1/2 points on each transaction.

As to the minor trend, would expect any continuation of Thursday's weakness to be followed by another attempt to reach or moderately pass the highs of the move, subject of course to unfavorable news developments.

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April 19, 1945	Closing - Dow-Jones Industrials	163.20
	Dow-Jones Rails	52.74

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.