# Technical Market Action

Continue to like the technical action of the market and believe the next move of importance will be on the upside. For the past few days, volume has been below the million share mark and selling pressure appears to be lifting. The closing prices of the industrials have held within a range of less than two points for the last seven trading days even though the market has had wide intra-day swings. This backing and filling builds up wider base formations of which there are now an increasing number.

When the up move will start is open to question, but the fact that the averages have declined for seven out of the last eight trading days leads to the conclusion that a turn might be quite near. Also the fact that, on Thursday, the averages had a divergent closing with the rails gaining 88 cents while the industrials lost 69 cents, may turn out to be bullish development. This type of action often precedes a change of trend.

• Continue to like the technical patterns of the individual issues recently mentioned. All of these stocks have built up sizeable base patterns and, in most instances, are quite close to upside breakouts.

EDMUND W. TABELL

SHIELDS & COMPANY

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Closing

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| Dow-Jones Industrials | 169.98 |
| Dow-Jones Rails | 47.93 |
| Dow-Jones 65-Stock | 61.48 |

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