

## Technical Market Action

The market went through another gloomy session on Monday with the market closing on the lows of the day. The industrial average declined \$1.87 to 169.80 while the rails closed 45 cents lower at 44.32. Trading was very slow for the first four hours with a turnover of only 420,000 shares. Volume picked up in the final hour, while the average was losing 99 cents, to total 700,000 shares for the day.

At the day's low of 169.76, the industrials just touched the minor uptrend line extending through the April 15th low of 165.39 and the April 29th low of 167.42. Ability of this minor uptrend to hold would be encouraging. Penetration would mean a testing of the April low, although there is a good support level at 169-167. A penetration of this minor uptrend line would not be as important marketwise as ability to cross the intermediate downtrend line from the February highs.

The market has again entered the upper part of the 160-170 range which has been a support area for the last nine months. Believe that this range is a broad accumulation area from which the market will embark on another uptrend. While it is discouraging for the moment, the longer the market remains in the accumulation area the greater becomes the base area and the eventual rally possibilities.

Numerous issues are again getting close to buying levels. Believe E. W. Bliss is one such issue. At Monday's close of 20 1/4, the stock was near the 1947 low of 19 1/8 and 1946 low of 18 1/4. The 20-18 area is a very strong long term support level. Bliss reached a high of 26 3/8 in 1947 and has built up a very interesting base pattern. First quarter earnings were \$2.01 a share.

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### Closings

Dow-Jones Industrials	169.80
Dow-Jones Rails	44.32
Dow-Jones 65-Stock	60.04

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.