

## Technical Market Action

Although our list of recommended issues is quite complete, we are taking advantage of the current reaction to add five additional issues to the list. All five have excellent technical patterns and their purchase is advised in the 181-177 buying range.

Elliott Company is listed on the New York Curb and manufactures gas and steam turbines and allied products. The 1946 high was 39 1/2 and the low 14 1/2. This years range is 23 and 15 3/4. The stock has built up a sizable base pattern in the 15-23 range and an upside penetration would indicate substantially higher levels. Mondays close was 19 1/2.

Fansteel Metallurgical Corp. is also listed on the New York Curb and is engaged in the development, refinement and manufacture of rarer metals and alloys. The stock reached a high of 53 in 1945 on the basis of the present 2-1 split stock. The 1946 range was 42 high and 13 3/4 low. This years range 22 3/4 and 12 5/8. Mondays close was 15 5/8. The stock appears to be building up a favorable technical pattern.

Joy Manufacturing produces mechanical loaders and conveyors and other products used principally in the coal industry. Stock recently penetrated not only its early 1947 high but also the 1946 high of 34. This years range is 38 1/2 high and 25 1/2 low. Earnings for nine months ended June 30th were \$6.99 a share. Technical pattern indicates an eventual price objective above 60. Mondays close was 37 1/4.

Mullins Mfg. manufactures metal parts and stampings for the automotive, washing machine, refrigerator and plumbing fields. The 1946 range was 22 1/4 - 14 1/4 and this years range is 21 3/8 - 14 3/4. Mondays close was 19 3/4. Recent penetration of February high indicates higher prices with an eventual objective of 35-37. Earnings for six months ended June 30th were \$4.07 a share.

Worthington Pump and Machinery has been in a wide trading range between roughly 74 and 47 since early 1945 or approximately 2 1/2 years. The 1947 range is 68 1/2 high and 48 1/4 low. Mondays close was 55 1/4. An upside penetration of this large trading area would indicate substantially higher levels. The stock has extreme leverage with a bank loan, preferred stock and a relatively small amount (280,082 shares) of common stock. Earnings for first six months of 1947 were \$9.28 a common share

Mondays market worked fractionally lower with intra-day lows of 178.21 and 47.55. There is no change in opinion that the 181-177 area is a buying range prior to resumption of the advance. Current softness or irregularity may continue for a short while but such periods should be used to acquire recommended issues.

EDMUND W. TABELL

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SHIELDS & COMPANY

Closing:

Dow-Jones Industrials	178.98
Dow-Jones Rails	47.91
Dow-Jones 65 Stock Avg.	63.78