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TABELL'S MARKET LETTER

July 13, 1956

On June 1, 1956 this letter published a list of 23 stocks with recommended buying ranges, stating that the issues would be placed on our recommended list when the buying ranges mentioned were reached. Since that time 12 of the 23 stocks reached the indicated buying levels and were forthwith added to the list. A brief review on each of the 12 issues added follows.

AMERADA PETROLEUM Price Recommended: 103-99 Current Price: 108

Amerada has the finest record in the Western Hemisphere in new oil discovery and its reserve position is believed to be one of the best of any of the major oil companies. The technical pattern is excellent, indicating 150-160 followed by possible higher levels over the longer term.

EASTERN AIR LINES Price Recommended: 47-45 Current Price: 51

EAL has one of the best growth records in the airline industry. Company follows the most conservative depreciation practices of any airline and earnings therefore are often understated in comparison with other lines. The technical pattern indicates 75 over the intermediate term with good support at 45-42.

INTERNATIONAL PETROLEUM Price Recommended: 34-32 Current Price: 36

Company is 83% owned by Standard Oil of N.J. and is one of the leading factors in South American oil production. Exploration is continually being carried on in Peru, Colombia and Venezuela. Stock has an intermediate term objective of 48. There is always the possibility of Jersey's taking over the minority interest in the company.

JOHNS MANVILLE Price Recommended: 50-48 Current Price: 53

JM, recently split two for one, has broken out of a trading range in which the stock held since 1955, indicating a possible 65-70 with good support at 50-48. The company's most important product, asbestos, is consistently finding new sources in industrial applications.

KAISER ALUMINUM Price Recommended: 46-44 Current Price: 59

Kaiser has an upside potential of 72, with good support at 55-50. Over the long term production capacity is expected to expand at a greater rate than the aluminum industry as a whole and the stock appears to be an excellent representation in a growth field.

NATIONAL DISTILLERS Price Recommended: 24-23 Current Price: 26

National is finally beginning to show profits from its large chemical investment. Intermediate term objective is 37-40 followed by a long term 56 with some supply being encountered between current levels and 37. There is support at 23-21.

NORFOLK & WESTERN Rwy. Price Recommended: 64-62 Current Price: 70

Norfolk is a highly efficient railroad serving the coal-rich "Pocahontas" territory. With the resurgence of bituminous coal as a fuel, company is expected to receive increasing freight traffic. The long term objective is 95 with support now at 67-65.

PITTSTON CO. Price Recommended: 45-43 Current Price: 55

It is possible that Pittston's 1956 earnings will approach the \$6.00 level vs. \$3.60. The company is a diversified holding operation which has interests in coal, natural gas and in transportation.

ROYAL McBEE Price Recommended: 31-29 Current Price: 35

Royal is one of the largest producers of typewriters and appears to have interesting potentials based on other forms of office equipment. Selling at around ten times estimated 1956 earnings, the stock would appear to be one of the cheapest participations in the growing office equipment field. Technical objective is 56 with support at 30-28.

SUNRAY-MID-CONTINENT Price Recommended: 25-24 Current Price: 25

The merger of Sunray, essentially a producer, and Mid-Continent, a refiner and marketer, is expected to produce better operating results than were shown by the two separately. Stock has an intermediate term objective of 29 followed by long term 40, with support close to current levels.

SYLVANIA ELECTRIC Price Recommended: 49-47 Current Price: 53

Sylvania was reviewed in our June 22, 1956 market letter.

TENNESSEE CORP. Price Recommended: 50-49 Current Price: 51

Tennessee is well on the way toward re-establishing itself as a major factor in the chemical industry. With near term outlook good, based on prospects of improved sales of triple superphosphate fertilizer, and the longer term outlook enhanced by growing sales to chemical and industrial companies, stock appears attractive at current levels. Long term objective is 80 with support at 48-45.

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