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TABELL'S MARKET LETTER

Riverside, Connecticut

November 4, 1960

In the past three Presidential elections this letter has attempted to forecast the winner and the stock market reaction to the result. Probably more through good luck than political acumen, our forecasts have been fairly good. In the Truman-Dewey contest in 1948, our opinion was that, while all the polls seemed to favor a Dewey victory, the result was far from certain, and we advised taking short-term trading profits as the market had seemingly discounted Dewey's election and could be expected to sell off sharply in the event of a Truman victory. It did not take too much ability to predict the 1956 election result. - Eisenhower was indicated as a sure winner. - However, we are proud that we called the turn in the 1952 election when we predicted that Eisenhower would be elected by a landslide greater than any since 1936, despite the fact that the polls forecast a very close election.

The 1960 result looks to us like a victory for Kennedy. Not only do all the polls point in that direction, but if Kennedy holds all the states in which he is even, or has a slight advantage, his victory could be of landslide proportions, surpassed only by the two Eisenhower and the first two Roosevelt elections. It is true that the fact that so many states are so close, coupled with the large undecided vote, makes it possible that Nixon will pull an upset, much as Truman did in 1948. This, however, must be regarded as rather unlikely.

In my opinion, while the election outcome may have some short-term repercussions in the stock market, over the longer term the result will have no great effect whether Kennedy or Nixon is elected. Other influences and forces over the next four years will be of far greater importance than the result of the election. For a real long-term prediction, I personally feel that no matter which candidate is elected on Tuesday, he will fail to be re-elected in 1964.

For a long time this letter has held the opinion that we are in the final stages of the bull market that started in 1949. It is possible that the general market averages can have another surge upward before the move is completed. The sequel will be a long trading area with the market holding within the confines of, roughly, 500 and 750 for several years before the upward trend is resumed. In the final stages of a bull market, lower-priced issues tend to perform better than the general market. This letter published a package recommendation of low-priced stocks on several occasions in the past. It was stressed that these issues be bought as a "package" in order to provide the necessary diversification in a speculative list of this nature. The list below of stocks selling under \$20.00 a share, is slightly changed from our list of August 12th. The new recommendations are marked with an asterisk.

	Recent Price	1959-60 Range		Recent Price	1959-60 Range
Allied Paper	10 5/8	17 1/4-8 3/4	Kaiser Industries	8 3/4	20 1/8-8 1/4
Avco	13 7/8	17 5/8-10 1/2	Lear	16 1/2	23 1/2-9 1/8
*Campbell Chiboug.	5 7/8	10 3/4-4 9/16	*McCrorry Corp.	13	19 3/4-12 1/2
Chic., Mil., St. Paul	15 1/4	33 3/8-13 1/4	National Can	9 1/4	14 5/8-8
*Commercial Solvents	19	25 1/2-12 5/8	*Northwest Airlines	15 3/4	46 3/8-13 3/4
Divco-Wayne	17 1/8	29-15 7/8	Pacific Petroleum	10 1/4	19 1/8-8
*Foote Mineral	19	45 5/8-18	Rayonier	16 1/8	30 3/8-15 5/8
Fruehauf Trailer	18 3/4	30 3/4-17 3/8	*Rohr Aircraft	15	24 3/4-12 5/8
Getty Oil	14 1/4	28 3/8-12 1/4	Servel	12 1/8	17 3/8-9 1/4
Intern'l Packers	15 3/4	24 5/8-12 3/4	*Sun Chemical	13 5/8	18 1/4-11 3/8

We have removed several issues from our previous list. As a result, the following switch operations are advised. Switch Chemway, Curtis Publishing, Hotel Corp, Publicker Ind., and United Industrial into Campbell Chiboug, Kaiser Industries or National Can. Pacific Petroleum replaces Home Oil and Fedders Corp., and Oliver Corporation (now Cletrac) should be switched into Commercial Solvents, Foote Mineral or Sun Chemical.

Dow-Jones Ind. 596.07
Dow-Jones Rails 128.22

EDMUND W. TABELL
WALSTON & CO. INC.

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