PLAINTIFF'S EXHIBIT 10H-42

Abreast of the Market

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Stock prices declined on the New York Stock Exchange yesterday. The drop was more pronounced than on Monday, but trading continued light.

The market opened generally a bit below Monday's final quotations and then drifted steadily down to close at the low of the day.

Ending with a loss of 4.66 points, or 0.80%, the Dow-Jones industrial average closed at 573.15. The railroad average dropped 1.21, or 0.96%, to 124.64, and the utilities eased 0.02, or 0.02%, to 91.70.

Volume totaled 2,270,000 shares, 50,000 more than on Monday. Declines outnumbered advances by 733 to 289. There were three new 1960 highs and 71 new lows.

Standard Oil (New Jersey) led the market in activity, slipping ⅜ on turnover of 66,600 shares. The stock registered a new 1960 low. The loss was attributed by some brokers to rumors that a large offering of the stock by stockholders will come soon. Other petroleum shares ended with small changes, with a number of gains sprinkled among the declines.

Acme Steel announced a dividend cut to 10 cents a share from 30 cents and the stock closed with a loss of 3¾. With a sharp decline in steel production slated this week, other steel stocks also closed lower. Bethlehem Steel slipped ⅜ on volume of 20,000 shares, while U.S. Steel declined ⅞. Lukens fell 2, Youngstown Sheet & Tube gave up a point, and Jones & Laughlin went down 1⅛. National Steel was a strong steel issue, advancing 1⅜.

Ryder System sank 2⅜ on turnover of 17,800 shares following a delayed opening caused by difficulty in matching a large number of orders to sell. The orders stemmed from news that the Government has filed an antitrust suit to require Ryder, the nation's second largest truck leasing company, to dispose of part of its operations.

Motors were the most active single group. Of the five most heavily traded issues yesterday, four were auto company shares. Studebaker-Packard "when issued" stock fell ⅝. American Motors and General Motors edged down ¼, and Studebaker-Packard common lost ⅛. In less active trading, Ford Motor declined 1⅜ and Chrysler eased ⅜.

AMP, a company that makes electrical wire terminals and splices, dropped 2⅜ despite a forecast of record fourth quarter profits made by the company's president before the New York Society of Security Analysts. Other electrical equipment and electronics issues also were weak. General Electric fell 1¼ and Westinghouse Electric eased ⅜. Texas Instruments was down 4⅛, Transitron and Ampex each gave up a point, and Varian Associates sagged 1⅜.

Gold stocks were up again. Campbell Red Lake Mines added ⅜ on volume of 15,200 shares. Dome Mines advanced 1⅜ and Homestake Mining jumped 2⅛.

Three corporations announced small increases in their quarterly dividend and the stocks of all three made tiny gains. Gamble-Skogmo, a Midwest general merchandise store chain, edged up ⅛ after it boosted its quarterly dividend to 30 cents a share from 25 cents. General Public Utilities added ⅛ after it increased its payment to 38 cents from 28 cents. Melville Shoe also went up ⅛ following its declaration of a 40-cent dividend, up from 37½ cents in previous quarters.

Coppers declined in response to two news items: American Smelting announced a price reduction of two cents a pound, and the large Congo producer, Union Miniere du Haut Katanga, said it has no plans to curtail copper production now. Anaconda dropped 1⅛ and American Smelting lost 2⅛. Kennecott, Phelps Dodge and Cerro de Pasco all slipped fractions.

Vending machine stocks lost ground. Vendo Co., which announced an agreement with Mitsubishi Heavy Industries of Japan on the manufacture and sale of vending machines in that country, declined ⅜. Universal Match fell 1⅛; ABC Vending and Automatic Canteen each eased ⅜.

MARKET DIARY

	Tues.	Mon.	Fri.	Thur.	Wed.	Tues.
Issues traded	1,217	1,193	1,201	1,209	1,240	1,228
Advances	289	438	850	553	255	387
Declines	733	554	196	425	777	623
Unchanged	195	201	155	231	208	224
New highs, 1960	3	3	7	5	1	7
New lows, 1960	71	44	34	128	201	142

DOW-JONES CLOSING AVERAGES

	1960	Changes		1959	Changes	
	TUESDAY					
Industrials	573.15	−4.66	−0.80%	636.06	−0.95	−0.15%
Railroads	124.64	−1.21	−0.96%	158.73	+0.96	+0.61%
Utilities	91.70	−0.02	−0.02%	88.07	−0.17	−0.19%

Volume on the American Stock Exchange declined by 40,000 shares to 1,000,000. Aerojet-General was off 2⅝, Fairchild Camera 2¼, Heli-Coil 1⅝, Leesona 1½, Loral Electronics 1½, and Mead Johnson 1½. On the other hand, General Plywood and Sherwin-Williams each added a point.

Heard on the Street—

Rogers Corp. (American) has begun production of a new high temperature transformer insulation material under license from Westinghouse Electric. . . . Timely Clothes (over the counter) is offering shareholders $540,000 of 6½% convertible debentures in the ratio of $100 principal amount for each 16 2-3 common shares held September 20 "solely for the purpose of reducing current and short term debt," Frederick G. Cartwright, chairman, said. Conversion may be made at $15 of debenture for each share of stock until July 1, 1963, then at $17.50 through July 1, 1966, and thereafter at $20. . . . Sea Pak (over the counter) believes net for the year ended July 31 topped $305,000, equal to 85 cents a share, up from $229,693, or 64 cents a share, in fiscal 1959, according to Tom B. Pearce, Jr., executive vice president. Sales declined to about $9,800,000 from $10,000,000, however, primarily as a result of lower shrimp prices. Raw shrimp costs fell even further. . . . R. F. Haffenreffer III, chairman and president of Narragansett Brewing (over the counter) says there have been negotiations between his company and Jacob Ruppert "but nothing that points to an agreement at the moment." . . . Instruments for Industry's (over the counter) recently acquired George Rattray subsidiary has received a $100,000 Navy contract which "assures us of meeting the $750,000 volume of new orders we anticipated for the first year" with Instruments for Industry, according to Allan L. Merken, general manager.

Market Views—

OPINION: Lucien O. Hooper, of W. E. Hutton & Co., says "we have come from an area of 'overvaluation' down to an area of 'fair value' without developing many real, orthodox 'bargains.' Usually, in the past, undervaluation has followed overvaluation—sooner or later." . . . Oppenheimer, Neu & Co. believes "third quarter results will make very poor reading and undoubtedly dividend cuts such as Montgomery Ward, General Dynamics and United Fruit are only forerunners of more to come." . . . "In heavily margined accounts," says Shearson, Hammill & Co., "we would take advantage of any market strength to lighten up. Where healthy cash reserves have been built up, on the other hand, we think it is time to make some purchases."

ANALYSIS: Ira Haupt & Co. has reviewed Vick Chemical. . . . McLeod, Young, Weir & Co., Toronto, has analyzed Traders Finance Corp. . . . A. M. Kidder & Co. has discussed Oklahoma Natural Gas and Renaco and has a pamphlet appraisal of Savings and Loan Holding Companies. . . . Paine, Webber, Jackson & Curtis has an analysis of Hammermill Paper. . . . Reynolds & Co. has reviewed Williams Brothers. . . . Joseph D. Goodman & Co., Philadelphia, has commented on Cities Service, Goodrich, Great A. & P. and Pacific Finance. . . . R. K. Thurlow, of Winslow, Cohu & Stetson, has analyzed American Steel Foundries.

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Martin Co. Says 9 Month Profit Rose Sharply

Martin Co.'s net for 1960's first nine months is expected to show "roughly the same" 23% rise posted in the first six months, Earl R. Uhlig, vice president and controller, told The Wall Street Journal.

For the first nine months of 1959 the company earned $9,439,789, or $3.33 a common share on 9% less stock than outstanding. Sales totaled $577,738,136. For the six months ended June 30, net was $7,647,710, or $2.45 a common share, up from $6,214,436, or an adjusted $2.02 a common share. First half sales rose to $301,968,702 from $348,384,735.

Mr. Uhlig said he "knows of nothing" to change last year's forecast of higher sales and corporate planning, said Martin is continuing its efforts to diversify. The company recently acquired about 28½% interest in Nuclear Corp. of America (American) and last year bought about 10% interest in General Precision Equipment Corp. Mr. Bassett said Martin is engaged in "continuing discussions" with other companies.

Mr. Bassett emphasized Martin has no intention of turning its back on Government business. "Government work will still be the mainstay of our operations," Mr. Bassett said, but he declined to say what division between Government and non-Government business Martin is seeking. At present, the company's non-Government business involves produc-