

Babson-

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 39— Canadian oil reserves should begin to recover in price unless there is rationing of gasoline in the United States in late 1958.

40— Most important factor in connection with real estate is the parking problem, which is a curse of almost every city. Suburban real estate and farms owe much to the automobile, but the automobile industry is now reaching a stage where it could revolutionize present real estate prices. We owe the automobile industry a debt of gratitude for our present prosperity. It is a bellweather of general business for 1958. It is, however, like everything else, subject to the business cycle and may be cause of the next depression. Another probable cause will be the failure of one of the big corporations whose stock is among the "30 Blue Chips" of the Dow-Jones Industrials.

STOCK MARKET OUTLOOK

41— The "bloom is off the stock market." We will have rallies and reactions during 1958, but the broad trend will be downward. This is the first time for many years that I have said this in my annual report. There is too much talk about missiles, bombs, and fallout.

42— While the stock market has been going up during the past few years, the bond market has been going down. The reverse will take place during 1958. While the stock market is going down, the bond market will begin to creep upward. This especially applies to tax-free bonds, the purchase of which I strongly recommend.

43— Good cumulative non-callable preferred stocks will also be in demand during 1958. Owing to the money market, they recently suffered in price; but owing to lack of supply, they will be the first stocks to recover. Remember, I am now recommending only high grade cumulative non-callable preferreds.

44— The large fortunes made in the stock market have come from buying non-dividend paying stocks at \$5.00 a share or under. These will be the first to reach a buying level. If you are to buy these low priced stocks, you should seek companies without too much cumulative preferred stock outstanding. This is the opposite of the "preferred" recommendation in paragraph 43!

45— Large bank balances will continue to be a good investment in 1958. Many savings banks are now paying 3 to 3 1/2 percent interest. These balances, however, should not be looked upon as permanent investments, but rather as a means of enabling you to have cash available when common stocks reach a low level. This time may NOT come in 1958. Here again, much depends upon President Eisenhower's condition.

46— Although many corporations interested in atomic energy, electronics rare metals and other growth industries will become more prosperous and profitable to investors, some of these new companies will be wiped out. Hence, investors should be very careful in connection therewith.

47— Utility stocks should hold their own with regard to dividends and marketability. Electric power will always be in demand.

48— Most railroad stocks should be avoided. Most passenger business is now being operated at a loss. Trucks, buses, airplanes, and private automobiles will ultimately force the government to take over the railroads. In the meantime, the securities of the long-haul railroads, which specialize in heavy freight, will be the best to own. The short haul roads should be avoided by investors.

49— Notwithstanding the above we cannot now become panicky or too much bearish. Our country is not now operating on the gold standard which was responsible for many of our national crises, but is now on a Political Standard. Although Newton's law of Action and Reaction must continue to operate, yea Congress can for a while lengthen the prosperity cycles. This it will attempt to do even if it requires an economic dictator to temporarily regulate money, wages, prices, rents, taxes, and industry in general. I cannot forecast disarmament in 1958. It appears to me now, however, that the present race in guided missiles, atomic underwater navies, surprise satellites, and other tremendously destructive military equipment could ultimately rob us of our freedom and turn us back to slavery unless disarmament becomes a serious goal. The Sputniks should hasten either another military world war or the elimination of world wars. Sputniks should shorten the cold war now in progress.

50— Speaking realistically, the hope of the United States and the world depends upon our spiritual relationships. Only as we grow spiritually, along with our material growth and military power, can the world be kept in balance. Therefore, my final ap-

NEW PLASTIC CLAY Bakes Easier Than Pie



Pyrocon is the name of a remarkable new modeling material that children can shape into whatever little object they fancy and bake for permanence in mother's own kitchen oven in 15 minutes. Pyrocon differs from old fashioned earth clay in that it is a modern plant plastic material. It needs no moistening, is clean and non-messy to work with, and comes in brilliant basic colors that can be mixed to any shade or left partially blended for marbled effects. Before baking, it can be used over and over again, and stored for months without drying out. After baking for 15 minutes at 350° F., it becomes hard and practically unbreakable. Pyrocon kits include a full range of colors, basic pattern molds, modeling tools and complete instructions—priced at \$2.00 at art supply stores or toy counters. The material is also available in bulk for professional and institutional use.



Over 600 Persons Attend Open House At Bank Building

Well over 600 persons attended the open house Saturday of the new Bank of Eastern Oregon building and examined the modern facilities of the bank. Manager Gene Pierce said nearly 450 persons signed the guest register and over 600 were served refreshments by wives of the bank's directors and officers.

On display were many pieces of bookkeeping equipment which will be put into use here.

A feature of the opening was prizes for guessing the weight of the vault door and the number of moving parts in a bookkeeping machine. Prizes of \$15, \$10 and \$5 savings accounts were offered for both contests. Weight of the vault door was 5,367 pounds and the closest guess of 5,380 was made by Sheriff C. J. D. Bauman. Second prize winner was Gary Jones with 5,386 pounds, and third place went to Ervin Anderson with 5,400 pounds.

The bookkeeping machine had a total of 7,412 parts and Clyde Nutting came the closest with a guess of 7,250; Loyd Burkenbine was second with a guess of 7,230 and Ray Wright third with 7,600.

HOSPITAL NEWS

New arrivals—To Mr. and Mrs. Joe McMinn, Kinzua, a 6 lb. 4 oz. girl born Dec. 29, named Patsey Keylene. To Mr. and Mrs. Henry Robert Krebs, Cecil, an 8 lb. 13 1/2 oz. boy born Dec. 23, named Skye Henry. To Mr. and Mrs. Richard Carl Donald, Portland, a 6 lb. 4 oz. boy born Dec. 25, named Daniel Eugene. To Mr. and Mrs. Keith Lillie, Condon, a 7 lb. 1 oz. girl born Dec. 26, named Tana Dee. To Mr. and Mrs. John Campbell, Heppner, a 9 lb. 11 3/4 oz. boy born Dec. 29, named Michael Paul. To Rev. and Mrs. Merlin Zier, Heppner, a 7 lb. 14 oz. girl born Dec. 30, named Sandra Joan.

Patients — William I. Jewel, Kinzua, dismissed; Ray Kirk Heppner; Jerome F. Bush, Condon, dismissed; Wayne Bates, Condon, dismissed; Joan Patrick, Lexington, dismissed; Christina Young, Lexington, dismissed; Johnny Jay Stratton, Heppner, dismissed; George W. Elder, Ione; Allen Walter Wolf, Stanfield, Ira Lewis, Lexington, dismissed; Kathrine Lines, Heppner, dismissed; Mrs. Cleo Marlin, Condon, dismissed; Patricia Tucker, Ione, dismissed; Clyde Caton, Ashland; Harley Wright, Heppner; Theadora Siebel, Hermiston; Rita Gale Rabelih, Condon; dismissed; Danny Leathers, Hardman; dismissed; Anne Little, Heppner, dismissed; Mary Ellen Gates; Fossil, (deceased); Loren Simonds Kinzua; Robert Nahikian, Condon; Rita Thorpe, Heppner; Maxine H. Ennis, Heppner.

MOVES TO HEPPNER

Arnold Raymond, formerly with the McMinnville News-Register, is now employed as linotype operator at the Gazette Times. Mrs. Raymond and two small children will move here shortly.

prayer is for the support of all churches of all denominations and their ministers, priests, and rabbis who are carrying the torch of righteousness.

Farm Outlook

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 a probable reduction in the number of layers. Broiler prices for 1958 are likely to be close to the estimated average price of 19 cent a pound in 1957; however, production is expected to be up slightly. Turkey prices in early 1958 probably will be below 1957 levels. If expected cutbacks in production for 1958 are made, prices of turkeys in the last half of 1958 will be higher than in the last half of this year. With large supplies of edible fats and oils expected for the 1957-58 marketing year and a strong domestic and foreign demand, prices of butter this fall and winter will average about the same as a year earlier. But prices of lard and vegetable oils (cottonseed and soybean) may be somewhat lower, as increased soybean output will more than offset declines in cottonseed.

With record corn, barley, and sorghum grain supplies, feed grain prices in 1957-58 are expected to average lower than a year earlier, influenced by a record 1957 production indicated in October, and lower price supports than in 1956. Prospective acreage of wheat for 1958, and excellent moisture conditions for winter wheat, point to another very large crop, possible in the range of 975-1,000 bushels. At the end of the 1958-59 marketing year, no substantial further declines in the carryover is likely.

Some further reduction in the carryover of rice is expected by August 1, 1958. Fewer potatoes will be available from now until next spring and prices received by growers should average substantially above those of a year earlier.

These judgements about 1958 are based on three main assumptions — assumptions that seemed most realistic to the group at the time but none of which is certain:

- (1) that the domestic business situation will continue strong, with no substantial letdown in production, prices or employment;
- (2) that the uncertain international situation will not touch off another burst of inflation; and
- (3) that there will be no major changes in government programs affecting 1958 farm income.

Looking beyond 1958, they had this to say: Looking beyond 1958 the most serious problem confronting American agriculture is to find ways to keep production in balance with market demand at prices considered acceptable to farmers. In the past two years, some progress has been made toward reducing the burdensome stocks of wheat, cotton, and rice. But stocks of feed grains continue to rise, and probably will be still larger at the close of the present feeding season. Sooner or later, farmer will either have to reduce the output of feed grains or else feed larger amounts to animals, and thereby increase the output of meat, poultry products, and dairy products.

MOVES OFFICE

The office of the Morrow county health department is being moved to second floor space in the court house and will open there January 2. The rooms the office has been occupying in Pioneer Memorial hospital will be remodeled to provide additional room for nursing home beds.

First National Announces New Savings Plan

A new savings plan called "Fihstomatic," and featuring the combination of automatic deduction from personal checking accounts with a new high-interest savings certificate was announced Thursday by First National of Portland.

The plan, first combination of its kind in the west, allows customers to automatically deduct funds from a checking account and direct them into the new savings certificates which earn 3 per cent interest, compounded semi-annually. Or, customers may deduct funds for a regular savings account paying 2 1/2 per cent interest, it was explained by C. B. Stephenson, bank president. "It is common knowledge that the business economy of Oregon and the nation is highly dependent on the ability and the willingness of people to put aside savings," Stephenson said. "We feel that anything we can do to make saving easier and more convenient will benefit not only the savers themselves but the business community as a whole."

The new savings certificate, which is issued in multiples of \$25 may be held to maturity at the 3 per cent rate, or surrendered after a 90-day withdrawal notice, earning 2 1/2 per cent interest.

LADIES NIGHT DATE CHANGED

Elks ladies night has been changed for this month only, from Thursday, January 2, to Thursday, January 9.

Justice and Municipal Courts

Clayton James DeMelt, Jr., no PUC permit, forfeited \$15 bail.
 John Lewis Smith, defective foot brakes, \$10 fine.
 Stanley LeRoy Schoonover, no brakes, \$10 fine.
 Wilbur F. Steagall, failure to stop at stop sign, \$10 fine.
 Charles Allen Bloodworth, violation of basic rule, \$25 fine.
 Ray Ivan Papineau, failure to stop at stop sign, \$10 fine.
 David Barnett, violation of basic rule, \$25 fine.
 Barton Lyle Boylen, violation of basic rule, forfeited \$14.50 bail.
 Judith Ann Collins, violation of basic rule, \$25 fine.
 Jack James Van den Biesen, failure to dim headlights, \$10 fine suspended.
 John Meadows, parking restricted zone, \$1 fine.
 John Kiggins violation of basic rule, \$15 fine.

JAMES MONAHAN IN HOLLYWOOD

James Monahan, son of Mr. and Mrs. James Monahan, left Saturday for Los Angeles where he will be the house guest of Ellie Shipstall and will attend the Bob Hope New Year's Eve party. He will also attend the Rose Bowl game on New Year's day and return to the University of Portland January 6.

Lyle Jensen, who is attending Modar's Barber college in Portland, was at the home of his parents, Mr. and Mrs. Lincoln Nash for Christmas day. Pat Baseel of St. Helen's was also a guest at the Nash home.

Local News In Brief

Mr. and Mrs. Joseph B. Green and family of Pendleton were here to spend Christmas day with his mother Mrs. Alex Green, also here were Mr. and Mrs. Bob Hagerman of La Grande. They all had dinner together at the Cornett Green home.

Mr. and Mrs. Joe Loos and baby from Arlington, spent Christmas day with Mr. and Mrs. Alfred Troedson.

Carl F. Spaulding Sr. returned Friday after spending the Christmas holiday with his son and family, Mr. and Mrs. Marshall E. Spaulding, in Parkdale.

Mr. and Mrs. Alfred Mattoon left Sunday for a vacation in Reno.

Mr. and Mrs. Ray Smith and family spent Christmas with relatives in Oregon City.

Mr. and Mrs. Clarence Rosewall were Christmas visitors in Weston.

Mrs. Sophia Barr of Portland was a guest over the holidays at the home of her sister and brother-in-law, Mr. and Mrs. Frank Turner.

CHRISTMAS GUESTS AT NEILLS

Mr. and Mrs. Roy Neill entertained their great grandchildren with a Christmas tree for them only. Sixteen of them were present on Christmas day, with their parents and some grandparents. Two of the great grandsons were unable to attend but there were 35 present altogether.

Twenty eight of the guests were entertained for dinner at the home of the Neill's daughter and son-in-law, Mr. and Mrs. Ralph Scott.

Mr. and Mrs. Larry Mollahan of Eugene are spending the holidays at the home of his parents, Mr. and Mrs. P. A. Mollahan.

Mr. and Mrs. Neal Knighten and family of Kennewick spent the Christmas holidays at the home of her parents, Mr. and Mrs. Roy Neill. Also a Christmas guest at the Neill home was Ralph Moore of Couger, Washington.



"It's a money tree. I raised it to please the Bureau of Internal Revenue!"

Peck's Richfield SERVICE
 614 S. E. Court St., Pendleton
 1 Blk. N. of Til Taylor Park
RICHFIELD PRODUCTS
 Goodyear Tires, Batteries
BUD PECK

Everyone Is Invited To Attend Annual Meeting

OF THE
Morrow County Livestock Growers ASSOCIATION

Friday, Saturday, Jan. 10 & 11

HEPPNER

A Program Of Interest to All WITH Robert J. Steward

Director of the State Department of Agriculture, will be banquet speaker Saturday evening.

FRIDAY FEATURE BULL DAY

Bring your bulls to the livestock corrals at the fair grounds and trade, sell or buy. Have them there by 11 a.m. so the afternoon will be free for trading. Learn about losses occurring from new livestock diseases a special round table discussion.

SATURDAY FEATURE "Do We Want A Beef Commission"

Debate by Ted Hyde, chairman of beef aCommission committee and Umattilla county feed lot operator.

SOCIAL HOUR - SATURDAY
 5:00, ELKS LOUNGE

BANQUET - SATURDAY
 6:30, FAIR PAVILION

DOOR PRIZES GIVEN AWAY BOTH DAYS
 all events open to the public
FAIR PAVILION FRIDAY
ELKS TEMPLE, SATURDAY