

# MARKETS AND FINANCE

## STOCKS

### WALL STREET

**NEW YORK 18**—A wave of selling sent share prices down sharply on the stock market Wednesday. It was followed by a mild recovery in the late afternoon.

Selling built up gradually after a mixed opening, spreading first to the steels, rails, aircrafts and motors to other sections of the list.

Volume mounted with the decline and for a time the ticker tape fell behind in reporting transactions. Volume for the day was around 2,500,000 shares.

# US Business Figures Announced

**WASHINGTON 18**—Business sales fell about one-eighth seasonally from spring to early summer, the Commerce Department says, with a free spending public making up for purse tightening by the federal government.

And it says the nation's total production of goods and services turned up a little bit in the second quarter of the year, after nine months of decline.

The department, in the August number of its Monthly Business Survey made public Tuesday, added that July sales at retail stores were about average for the season despite a sharp drop during the month in auto sales. But employment, it said, continued to "drift downward through July" with most of the payroll trimming in the manufacturing industry.

The Federal Reserve Board meanwhile released a study of employment and unemployment trends that said the pattern of the recent business downturn was closely similar to that in the 1948-49 recession.

Industries and areas most dependent on employment in durable goods factories and textiles mills suffered most, the Reserve Board said, while employment was most stable in the South Central, Mountain and Pacific States and in metropolitan centers for trade and services like New York City, Los Angeles and Boston.

The Commerce Department said defense outlays declined by an annual rate of about 9 1/2 billion dollars from the second quarter of 1953, when security spending reached an all-time peak of 54 1/2 billion dollars a year, through the second quarter of this year, when defense spending was at an annual rate of 44 1/2 billion dollars.

In the second quarter of this year the decline was still sharper, though less steep than in preceding quarters—about 2 1/2 billion dollars annual rate, compared with a decline in defense spending in the first quarter of the year of nearly 3 billion dollars, annual rate. This appeared to give substance to reports that during the spring quarter the government loosened up a little on its expenditures to help business recovery along.

## Weather

**Western Oregon**—Mostly cloudy with occasional showers through Thursday. Continued cool with highs 60-70. Lows Wednesday night 46-52. Winds off coast mostly easterly to southeasterly 5-15 miles an hour.

**Eastern Oregon**—Rain near Cascades spreading by Wednesday night to extreme west. Thursday rain and continued cool. High 53-62. Lows Wednesday night 42-52.

**Northern California**—Partly cloudy, scattered showers likely through Thursday. Morning coastal cloudiness. Variable winds near coast, mostly westerly and northwesterly and 10-20 miles an hour.

**Baker and Vicinity**—Considerable cloudiness, few showers through Thursday. High 62-67. Low Wednesday night 35-40.

**Grants Pass and Vicinity**—Cloudy, occasional showers through Thursday. Continued cool. High of 70. Low Wednesday night 52.

**Fire Weather**—Fire danger continues low in northwestern Oregon, with lower humidities above 50 per cent through Thursday. Low to moderate danger in southwestern and central Oregon.

By THE ASSOCIATED PRESS  
24 hours to 4:30 a. m. Wednesday

	Max.	Min.	Prep.
Bend	63	38	T
Elsie	64	42	—
Klamath Falls	64	42	—
Lakeview	67	46	—
Medford	72	54	.03
Newport	63	52	.07
North Bend	66	54	T
Ontario	67	42	.02
Pendleton	70	40	—
Portland Airport	68	55	.20
Roseburg	69	50	.01
Salem	64	51	.08
Boise	70	41	—
Chicago	87	73	—
Denver	80	58	—
Eureka	63	35	—
Los Angeles	76	64	—
New York	83	72	.14
Red Bluff	85	59	—
San Francisco	68	56	—
Seattle	63	45	—
Spokane	63	45	.12

### Zemo Great For Itchy Skin Rash

Zemo, a doctor's formula, promptly relieves itching of surface skin rashes, eczema, prickly heat, athlete's foot. Zemo stops scratching and so aids faster healing and clearing. Buy Extra Strength Zemo for stubborn cases.

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Short will continue his interests in the Wocus Tavern which he operates.

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## Aquatic Camp Hit By Cold

Send up the electric blankets.

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Time won't be wasted, according to Red Cross officials. Students will use 500 feet of hemp rope to study knot tying while it rains. The theory of sailing will be covered and work on first aid techniques will be practiced.

## Leon Pearson Hearing Held

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Glenn Erick was called as the prosecution's first witness by District Attorney Frank Alderson to describe the shooting of his brother.

The witness said that after he was alleged to have fatally wounded the gun victim, Pearson said: "I got tired of these guys coming here and beating me and messing around."

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Erick also said that when he went to the porch with Norman Lyl Karr, another witness to the shooting, he saw a toy pistol lying beside his brother. (No trace of the toy pistol was found by officers who made an intensive search).

After an hour of interrogation, District Attorney Alderson concluded his direct examination of Erick. After Defense Counsel George C. Reinmiller of Portland agreed, Dr. George H. Adler, county coroner, was called to the witness stand before Erick was subjected to cross-examination. Reinmiller will question Erick later.

Dr. Adler described an autopsy he performed on the gun victim's body. He said Erick had been shot in the stomach and was dead on arrival at Klamath Valley Hospital. Dr. Adler was still testifying when District Judge D. E. Van Vactor ordered a noon recess. The hearing was to be continued Wednesday afternoon.

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According to the juvenile officer, the youthful train wrecker, joined another 11-year-old boy who had just been released from the county juvenile home Tuesday night in stealing a truck which was driven into a ditch and wrecked near the Ashland Highway.

Mrs. Blackmer said both boys are being held pending action by the juvenile court.

## ORITUARY

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