although acting poorly considering how prosperous the rails are, has not however given the necessary confirmation and continues to hold above *1953* low level. ; While it would be fair no say that Wall Street is still in a groove rather than in a decline any further fall particularly in Railroads would be construed seriously A bear market in Ame--ica is likely to-have far reaching repercussions of most countries.

### Gold at New High

AFTER early easiness bullion prices recorded further improvement with gold rising to the highest level for some months Early reaction was due mainly to corrective profit-taking occasioned by the previous week's sizable recovery. Although, the, rise in prices was accompanied by increase in the volume of business activity continued predominantly professional. Outside trading public preferred to keep off the market.

Gold "Jeth" delivery was done down to Rs 88-1 but recovered Sharply to Rs 91-2 on sustained professional bull support and considerable short covering. But higher levels attracted profit-taking and the price receded to Rs 90-2 and ended at Rs 90-5 against Rs 89-6½ a week ago. The firmness in gold despite the easiness in the world free market was attributed to continued good off-take and a scarcity of floating stock. Sentiment was greatly helped by the 100 per cent power cut for the Kolar gold mines; The average daily arrivals continued to fall short of the off-take and premium of spot gold on the forward rate once again rose to around Rs 1-12. Later it declined to Rs 1-4 on profit-taking by spot dealers.

Silver continued under bull manipulation, and fluctuations were irregular. After easing from Rs 158-8 to Rs 157- 11 silver " Jeth " delivery rallied to Rs 158-13 but reacted to Rs 157-7- Later it recovered to Rs 162-1 but receded to Rs 159-11 before ending at Rs 160-4. The bulls sold on the rise but lower levels attracted short Covering. In unofficial dealings the new "Asharh" contract was Reported at a discount of about Rs 3 indicating strong bull control.

### Cotton Slumps

COTTON futures suffered a renewed heavy fall and were down to the lowest level for some months with follow-up support completely lacking the previous week's rally caused essentially by bear covering proved shortdived ICC August reacted from Rs 694 to Rs 675-5 and after rallying to Rs 686-8 it slumped again to Rs 662-8 and ended at Rs 668 per candy. Anxious short covering in the previous week had weakened the technical position of the market. Bears virtually controlled the market. The bulls were frightened into sell- their holdings in a falling market The decline was aggravated heavy salling by option dealers. Spot houses were in no mood to support the market, On the contrary they seemed anxious to ''hedge.stocks with forward

With the Stock position none-too-easy near demoralisation conditions in the cotton market appear rather surprising, But reports of domestic and overseas demand for cloth are not very encouraging. The New York cotton market continues to show an easier tendency. The bulls have been unnerved By the prospect of taking delivery in the August contract, spot houses being persistent sellers. There will not be enough scope for the bulls to transfer their interests to the new contract even if trading is permitted in July.

The artificial silk yarn market showed an easier tendency, with both the spot and forward prices recording moderate losses. Sentiment was affected by the annotmcement of the bulk purchase agreement for Rs 2 crores between the Silk and Art Silk Mills' Association and Italviscosa. The deal will cover both 150 and 120 deniers blight first quality and the delivery period is reported to be October-March 1954, Consumer inquiry has been steadily declining in recent weeks.

June delivery 150D Japan was marked down from Rs 790 to Rs 768 and after rallying to Rs 788 it receded to end at Rs 772 per case of 200 pounds. The trade has protested against the poor quota for the import of 150 and 120 deniers of bright finishes which continue scarce. Domestic output fall far short of requirements.

### Oilseeds Steadier

OILSEEDS and oil prices rallied after a small early reaction and showed all-round improvement from the previous week's levels. Castor September which cased from Rs 148-12 to Rs 143-4 recovered to Rs 154-4 and ended at Rs 752-4. Improvement was attributed both to persistent short covering and renewed professional bull support induced by the firmness in spot castor and castor oil Export houses made sizable purchases in oil for immediate shipment against previous commitments. With overseas buyers quoting around £142 per ton for castor 0il commercial export leaves scarcely any margin for profit. The rise in spot quotation from Rs 31-12 to Rs 32-8, Madras variety, indicates a scarcity of stock.

Groundnuts were firm after persistent buying by vanaspati manufactures in . ready. Favourable rain reports caused occasional profit-taking in delivery contracts but the firm trend in spot prices produced short covering on reactions. Informed sources believe that the Government is contemplating .further measure to check the rise in edible oils. A Substantial cut in import duty on coconut oil is considered a certainty. This should have a depressing effect.on groundnut and groundnut oil prices.

Linseeds also recorded small gains on persistent up-country buying, Bombay prices being lower. Business, however, was mainly speculative. Mill buying in ready was generally limited. Linseed oil continued neglected Export business remained at a standstill, foreign prices being lower. Kardiseeds were firm on persistent mill buying in ready. Export demand, however, was negligible. Up-country was reported a seller in August-September, stock position being comfortable.

### Stan-Vac Debenture Issue

The Rs 4 crore debenture issue of the Standard Vacuum Refinery .Company of India was fully subscribed this week. The debentures issued at par, hear an interest of 5.25 per cent and 20 per cent of the issue is to mature every year from the eleventh to the fifteenth year, (1964 to 1968).

The present issue will finance a. part of the cost in India of the Rs 17.5 crores refinery now under construction at Trombay. After.the refinery goes into production , *in* July 1954,.. it is expected that Rs 7$ lakhs of preference shares will be issued by the company for subscription in India.