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Stock Values Up 12% In 6 Months

by OWEN DAVIS
Financial Times Writer

Regional stocks in the first six months of 1976 reflected the general mood of the economy, making moderate, but not flashy gains.

The value of 166 over-the-counter stocks surveyed by the *Financial Times* rose 12% from Dec. 31 to July 1, well behind the substantial gains of 1975. For all of last year, the value of stocks listed weekly by the *Financial Times* went up 31%, shooting up 41% in the first half of 1975.

But the stock market has been far less volatile this year. The Dow Jones industrial average climbed 16.7% in the first six months while the New York Stock Exchange composite stocks were up 11.9%.

North Carolina and other selected southeastern stocks, then, were about in line with national trends.

A 12% increase in the value of regional stocks over six months "is not bad at all," said Rick Harrington, technical analyst for

Interstate Securities Corp. of Charlotte.

"This year, we've had slow economic recovery, nothing spectacular," he said. "Stocks are more in line with what they should be. In 1975, the market was coming off a very oversold condition. Stocks generally were underpriced early in the year and they went up a lot."

"The rally in '75 brought stocks more in line with their true investment value. Most of these regional stocks are still under their price levels of five-to-eight years ago, though."

"It's a result of the last bear market, when we had an unstable economy, high interest rates and inflation. There is less consumer confidence in common stocks."

An investor with one share of the 166 regional companies surveyed would hold a portfolio worth \$2,143.30 July 1, compared to \$1,914.85 Dec. 31.

Of the over-the-counter stocks, 138 made gains in the year's first half, 22 lost and six did not change (for a complete listing, see page 6).

There were a few dramatic gains among

individual companies and fewer dramatic losses. Lowe's Companies did fall from 45½ to 25¾, but much of that loss resulted from a 3-2 stock split. First-Citizens Bank of North Carolina also fell from 345 to 320.

Two of the big gainers were Rose's Stores, up from 58 to 88, and Food Town Stores, up from 39½ to 58.

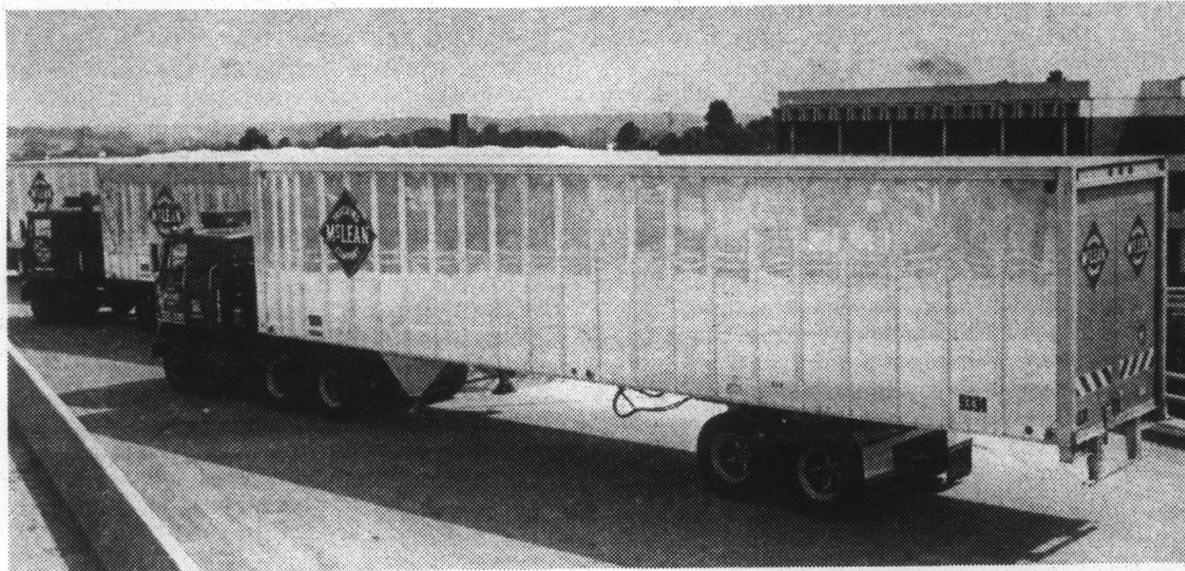
Making solid gains among the medium stocks were Home Beneficial class B, up from 17 to 24¾; and Kaman Corp., Virginia Chemicals and Sonoco Products, all up 6¾.

Several small stocks also did well for the six months, including Econo-Travel, Conner Homes, PRF Corp., Stanwood, Computer Network Corp., Unicapital Corp. and Quorum Industries. All at least doubled in value.

Furniture stocks as a group showed nice gains, as they did in 1975. Cochrane, Delwood, Dibrell Brothers, Ethan Allen, Gravely, Heilig-Meyers, Lane and Pulaski all rose appreciably.

While some textile stocks were sluggish, others climbed a good bit—notably, Cannon,

(Continued on page 11)



SLEEK TRACTOR-TRAILERS line up in the parking lot of McLean Trucking Co. in Winston-Salem. The nation's fourth-largest motor carrier is enjoying a most profitable year [see story, page 2].

Bank System Launched

by JERRY ADAMS
Financial Times Contributor

CHARLOTTE—North Carolina bankers—who will still tell you their bank is better than the other guy's—got together last week to launch a service they will all offer the same way.

It is the Automated Payments Exchange, or APEX. In the planning and preparation stages for about a year, APEX will allow companies in the state to institute "checkless" payrolls.

With APEX, a company sends a computer tape with payroll information to its bank,

which makes deposits for those employees who bank there. Then the tape is sent to the Federal Reserve Bank in Charlotte, which is acting under contract as the automated clearing house, or ACH, for the system.

The Fed will send out to other employees' banks the deposit information for their payrolls, returning the tape to the company. It will all be accomplished without a check changing hands.

Willis R. Rhodes, president of the N.C. Automated Clearing House Association (NorCACHA), called Tuesday's opening

(Continued on page 7)

Carolina Compendium

...Directors of Rose's Stores have recommended a 7-1 split of the company's common stock, which would raise the number of Rose's shares from 305,200 to more than 2.1 million. The split, which must be approved by shareholders Sept. 8, would enable the stock to qualify for listing on major exchanges. Rose's is now traded over the counter and last week sold for \$100. The company's directors also voted to raise the quarterly dividend from 40 cents to 49 cents.

...Landmark Communications has agreed to sell WFMY television of Greensboro to Harte-Hanks Newspapers Inc., headquartered in San Antonio, Tex. Purchase price was about \$19 million. Landmark bought

(Continued on page 5)

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The Anson Record[Wadesboro]
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The Chowan Herald[Edenton]
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Gates County Index[Gatesville]
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