

Babson's View

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 expect a revenue act in 1968. It may include excise imposts as well as income levies.
 8. The Administration will be forced to reduce total expenditures for the coming year by \$6-to-\$10 billion. While the war continues, most of this will have to be lopped off non-defense areas.
 9. Congress will remove the 25% gold backing for Federal Reserve notes early in the year.
 10. The amount of goods tourists will be permitted to bring into the country duty-free will be reduced to zero in 1968.
 11. Further restrictions will be put on foreign investments by U. S. Corporations in the

coming year; our government will encourage American companies to increase dividend payments by foreign subsidiaries.
 12. Rationing of credit by the Administration and the Federal Reserve is a distinct possibility in the months ahead.
 13. U. S. outlays for foreign aid will be slashed in 1968.
 14. Our money managers will slow down the current high rate of money-supply increase as soon as Congress takes action to curb inflation.
 15. But the tremendous outpouring of money during the whole of 1967 will continue, for some months, to exert upward pressures on interest rates and the general price level. It will also have an energizing effect on business. Hence, as money flow is cut

back next year, there will be a delayed depressing effect on interest rates, prices, and business... probably after midyear.
 16. There will be repeated raids on the dollar; but it will not be devalued in 1968.
 17. There will, however, be many discussions between financial experts here and abroad to develop a long-range plan for revaluing in terms of gold - on a more realistic basis - the currencies of all of the Free World.
 18. The early - 1968 uptilt in business volume will give a lift to corporate profits; the fanning out of wage boosts, however, along with rising costs and taxes will later have a squeezing effect on profits.
 19. Short-term interest rates will rise faster than long-term

in the months ahead.
 20. This will have a restrictive impact on the availability and cost of mortgage funds.
 21. In turn, the recovery now under way in home building will be restrained and perhaps reversed as 1968 moves along... but apartment construction should remain in an uptrend.
 22. Inventories will rise - perhaps sharply - in the first half of 1968... taper off later.
 23. Business capital expenditures should start the year on a strong note; but as the year advances, prospects for further gains will become dimmer.
 24. With wage guidelines now definitely junked, there will be a stampede by labor generally to bring contract gains in line with the huge advances made by the United Auto Workers; the an-

ual salary concept for production workers will gain further acceptance in 1968 by a number of American industries.
 25. A labor feature for the coming year will be widespread stoppages by state, city, and local public employees; the battle on this front will surely be long and bitter.
 26. With elections coming in the autumn, Congress will not vote any restrictive labor legislation in 1968. Although we anticipate that credit controls may possibly be invoked in the Administration's struggle with inflation, there is no chance that any serious attempts will be made to impose wage controls.
 27. Upward pressures on the cost of living will be intensified during the first half of the new year, with advances tapering as autumn approaches. Over-all, we look for another increase in living expenses of over 3%, and it would not surprise us if the toll should rise to the 4% level. The "bad boys" will continue to be soaring medical and upsurges in transportation and finished goods tags. Food may inch up a little more as processing costs mount further; but prospective plentiful supplies will act as a controlling factor.
 28. Total cash receipts from marketings should advance moderately over figures for 1967; however, the relentless up-push of costs will take its toll, and farmers' net income will do well to improve even slightly... notwithstanding some relief from higher government payouts. Large marketings promise to restrain cattle quotes and hold this source of farm income in its recent low profitability groove. Meat prices, however, propped by bulging expenses, will be well maintained to firmer for the year. The consumer with storage facilities may benefit from time to time by watching carefully for sales and taking advantage of any buying opportunities provided by occasional runs of cattle fed to extra-heavy weights. Apparent determination by growers to cut back on poultry output threatens to deprive the housewife of one of her most prolific sources of reasonably priced meat.
 29. Real estate will be a many-sided market in 1968. Prices for single-family homes will continue to advance as construction fails to satisfy rising demands and as all building costs move higher... particularly during the first half. Demand for rentals in the middle and lower brackets will gain steadily; however, ability to satisfy these needs will be severely hamstrung by even more costly and scarcer mortgage money. Speculative purchases and the salability of vacant property - especially that in less desirable areas - will suffer from the drying-up of funds to carry such parcels. Broadly, the betterment that set in during the final six months of 1967 will probably not be maintained long in 1968.
 30. Higher pay scales, the effect of recent increases in total money supplies, bigger social security outlays, and further advances in disposable income promise to give very strong support to retail trade during the early months of 1968 and for some time beyond. Only minor shadow is the evident reluctance of consumers to go as heavily into debt as in recent years. The purchasing power will be there, and only an optimistic shift in consumer attitudes will be necessary to ring up record sales gains - maybe 8% to 10% - at least during the first half-year. Later, efforts of the Administration and of the money managers to cool the inflation through taxes and cutbacks in government spending may slow the rate of retail upturn.
 31. The trend in recent years has been toward a dwindling margin of U. S. exports over imports. This has come at a bad time for our chronic condition of imbalance in our international payments position. Devaluation of the pound and other currencies has hurt our ability to expand exports at a crucial moment for our balance of payments. Greatest hope for us in 1968 is that European nations that have been in a business slump will enjoy recovery... making a better market for our products there. We forecast that our government will discuss, and perhaps implement, export subsidies during the year ahead.
 32. Current talk of the possibility of an even "hotter" summer ahead in our racially imbalanced big cities should be discouraged. Preparations already made and in the making should reduce the danger of the firestorms suffered in 1967. We feel that real advances have been made through the ballot box in major mayoralty elections. Another hopeful sign is the rising trend toward responsibility for bettering conditions on the part of the businessmen and the private sector. We are willing to stick our necks out and predict that the summer of 1968 will not be as "hot" as was 1967's.
 33. However, we are not optimistic on the course crime is pursuing. Recent reports indicate that Americans will be in even greater danger of being murdered, maimed, or robbed in 1968 than in 1967 (a fright-

ening one out of 44).
 34. Money pressures - from lessened availability and higher cost - point to lowered liquidity next year... with an attendant increase in bankruptcies, more difficult collections, and rising foreclosures.
 35. We anticipate a year of rapidly shifting attitudes toward the stock market and toward groups of stocks and individual issues. Early year upswings in business and selectively higher profits - combined with a liberal supply of money following the Fed's huge outpourings in 1967 - should pave the way for further progress by the popular stock averages. Later, as the battle against inflation intensifies, the stock market may become subject to a painful re-assessment.
 36. A year ago we predicted that in 1967 the "old aristocracy of the blue chips based on past performance" would "be replaced by a new aristocracy of super-able managements that have been pounded down in price to a point where real solid substance is clearly visible. One such group is the chemicals. The old line major companies here - ones that enjoyed a great bull market in the 1950s - may be in a buying range during 1968.
 37. Among the "old aristocracy of the blue chips" there are a number of industrial areas that have been pounded down in price to a point where real solid substance is clearly visible. One such group is the chemicals. The old line major companies here - ones that enjoyed a great bull market in the 1950s - may be in a buying range during 1968.
 38. If we are correct in the above assumption... we cannot be far wrong in predicting that the better electric-utility common stocks may also prove to be outstanding purchases for long-term growth.
 39. Still not among today's much sought-after "performance" stocks... the big multiple-risk insurance concerns represent another type of equity investment that could well afford high opportunity over an extended period of time to those who have the courage and foresight to pick them up when they have few friends. And they may have more "glamor" than many think... as they are showing a developing trend toward "conglomerating."
 40. Another group that could reach long-term buying levels next year is banks. Although their profits are up now, they have not been popular. The reason: Every period of money squeeze raises doubts as to the degree of "wringing out" that bond portfolios and loans will have to take when money passes its crisis. That time may come during 1968.
 41. High money rates have raised havoc with the prices of many of the large finance company stocks listed on the N. Y. Stock Exchange. Some of these have broad holdings in other lines; yet they are selling close to their "cellar" lows. When money rates froth up and crest over next year - as we predict - a good investment opportunity will be presented in this group.
 42. It seems almost a foregone certainty that auto production will soar... when the strike-struck plants finally get back to work. For a while then there might develop a speculative wave in these issues. But we predict it would be unwise to chase after auto stocks on any great early-year strength. They are cyclical in nature, and may experience some rough going during the upcoming battle against inflation. We think there are better opportunities in strongly situated aggressive merchandising outlets.
 43. Despite pressures to cut back on spending next year, there will be a renewed flare-up of the anti-ballistic-missile scare. Look for additional appropriations to build a thicker shield than the thin one proposed by Mr. McNamara. This flap will be accompanied by a renewed buying wave in stocks associated with the program.
 44. When discussion of inflation goes into high gear in 1968, attention will again be focused on ways to "protect" against it. You will be told to buy stocks as a hedge. But remember then that stocks go up because their earnings climb, not because they are a "hedge against inflation." We predict that many will find to their sorrow that stocks hastily bought as inflation "protection" had no such value.
 45. There will also be a great buzzing in the coming months about gold stocks as a way to make money out of a dollar jump in the price of the precious metal. The devaluation of the pound caused a big rush into gold stocks. Since the dollar will not be devalued in 1968, we warn recent purchasers of such issues that they may have losses for a long time, although they may be right on some distant day, not next year.
 46. We predict that a number of huge international concerns with shares traded in the U. S. and not subject to the interest-qualifications tax - particularly those that do a big business with the "hard money" nations of the European Common Mar-

ket - may do better than gold stocks during the year now opening.
 47. War issues - so-called defense stocks - may not do so well in 1968 as equities of those concerns that will benefit from an end to the war buildup. Do not get "locked into" war stocks... simply because they boast high current profits and order backlogs.
 48. Building issues are excellent examples of peace stocks. They look a little high now following 1967's recovery in home building; however, we predict that when the money pressure gets intolerable sometime next year, there may develop another opportunity to get into building equities with an eye to future substantial gain after the Viet phase-out.
 49. In conclusion, under the stimulus of the Fed's 1967 "money bath" - and spurred by heavy strike-catchup output and strong activity to hedge against coming labor stoppages - business could soar during some of the early months next year. Gross National Product and the Fed Index of Production will both advance smartly. Sooner or later, however, the government will have to beat back the onrushing inflation. We do not believe that the American people will stand by and see their great country scuttled. And when the money managers stem the money flood - and the Administration and Congress shrink the budget deficit, the upthrust of business and profits will be curbed. This may not be so pleasant for a while. It could be downright unpleasant. But it will surely hold far greater promise for a longer and sunnier tomorrow.

III law office. The motor box was pulled down, and telephone wires ripped out.
 The accident occurred about 11:30 A. M. Wednesday and electrical current was off nearly an hour in Kenansville, Warsaw and Beaufort.

Rotary Hears Christmas

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 lived. He did none of the things one usually associates with greatness - He had no credentials but Himself, yet every seventh day of the wheels of commerce cease their turning and multitudes wend their way to worshipping and to pay homage and respect to Him. The names of the past proud statesmen of Greece and Rome have come and gone; but the name of This Man abounds more and more. Time has spread 1900 years between the people of this generation and the scene of His crucifixion; at the time He was thirty-three years old and the tide of public opinion had turned against Him because His teachings of righteousness were contrary to their ideas. He was betrayed by His own disciple. His friends ran away. He was turned over to His enemies and went through the mockery of a trial. The thirty shekels for which Judas sold Him were worth \$18.36, but don't forget, we have often sold Him for less. At the instigation of the Jews, the Romans nailed Him to a cross between two thieves. While He was dying, His executioners gambled for His clothing, the only property He had on earth. When He was dead He was laid in a borrowed grave through pity of a friend, and rose on the third day from the dead, and ascended, at St. Luke has put on record, from the summit of the Mount of Olives, in a cloud into the infinite expanse of the Heavens. With this Resurrection He has left to us a legacy that we will never have to face tomorrow - alone. This God-Man, He Who died with a spear through a breast bruised with our sins, Whom we honor today, went through all this - This Man Whose soul was tempered by a large charity that proceeded from a Divine understanding and an infinite power of compassion. Yes, He still lives. Herod could not destroy Him and the grave could not hold Him. Nineteen hundred years have come and gone and today He is the Central Figure of the human race and the leader of mankind's progress. All the armies that ever marched, all the navies that ever sailed, all the parliaments that ever sat, all the kings that ever reigned, put together, have not affected the life of man on this earth as much as That One Solitary Life. He stands forth, today, upon the highest pinnacle of heavenly glory, proclaimed by God, acknowledged by Angels, adored by Saints and feared by devils as the Living Lord and Savior, Jesus Christ. Such, in brief, is the story of the most Remarkable Personality the world has ever known, our greatest teacher.

March of Dimes

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 babies are born each year with a defect, and an estimated 15 million persons of all ages have one or more defect that affects their daily lives.
 The Directors said that the March of Dimes, which won the fight against polio, attacks birth defects by financing research and supporting more than 90 birth defects centers at major medical institutions throughout the United States.
 Mrs. Lee is a graduate of the Charlotte School of Cosmetology and has worked in the field of Real Estate. She is past president of District IV of the V. F. W. Auxiliary; Vice-President of Wallace Democratic Precinct; has been president of Duplin General Hospital Auxiliary for seven years; a member of Wallace Woman's Club and active in other civic and community affairs. Mr. and Mrs. Lee are the parents of three sons and the family attends the Wallace Methodist Church.
 Mr. Whitaker is a native of Alamance County and was with the Highway Patrol for eight years. He has been Chief of Police in Wallace for the past sixteen years. Mr. Whitaker is a member of the Shrine Club and has served as president of the Lion's Club. Mr. and Mrs. Whitaker, and their three sons, attend the Presbyterian Church in Wallace.
 "A fine example of what can be done is seen at our Birth Defects Treatment Center in Chapel Hill and our Birth Defects Evaluation Center at the Western Carolina Center in Morganton. The point is that we need more such centers not only in our State, but in many others."
 "In our State alone," they said, "every year there are an estimated 6,800 babies born with defects. How long can men and women of good will tolerate the suffering and heartache that this total represents?"

Calypso

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 a charge of assault with a deadly weapon.
 Lonnie Rouse, 51, was admitted to the hospital, and is reported to be in fair condition. The other man, Archie Lewis, was treated and released.
 The shooting took place in Harvey Wall's roadside in Calypso about 7 p.m. Investigation into the circumstances is being continued by Duplin Deputies Alfred E. Basden and Glenn Jernigan and Constable Jimmy Kelly.

Winner

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 of Concord Baptist Church. They have one son, Dan Bishop who has just completed six months active duty with the National Guard at Fort Knox Kentucky.
Freak Accident
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 delivering freight to the Civilian Defense Office in Kenansville to be stored in the basement of the Duplin County Jail.
 In passing under the wires on Seminary Street, leading west from the Court House wires were ripped from the utility pole beside H. L. Stevens

E. B. "Red" Boyette presided in the absence of President Richard Cavenaugh. Fellowship Chairman Robert West presented the following guests: John Soles, F. H. A. Supervisor for Duplin County; Rev. Bill Crowder, Pastor of the Warsaw Methodist Church; and "Chip" Ausley, son of Dr. Mett Ausley.

Students on Honor Rolls At College

Wayne Community College, in recognition of academic achievement during the Fall Quarter of this year, has named to the Dean's List those students who made all A's while taking 12 or more quarter hours. They included Melba Geraldine Blackman of route 1, Newton Grove, a Practical Nurse student.
 Named to the Honor Roll, for making a "B" average, with no grade below "C" while taking 12 or more quarter hours were Bobby Franklin Herring, route 1, Mount Olive, in Accounting; Durwin L. Newcome, route 2, Faison, and James Thomas Taylor, Jr., route 2, Faison, both students in the Diesel Mechanics courses;
 Edgar Alvin House, Warsaw, in Electronics; Jeanne Price, route 2, Seven Springs, Executive Secretary;
 Orion R. Blizard, route 1, Kenansville, Forestry; Alfred Clay Parker, route 3, Mount Olive, Livestock and Poultry;
 Burne's Ains; Wanda Gray B. Johnson, route 2, Seven Springs, and Linda Kornegy, route 1, Albemarle, Practical Nursing; and Thomas R. Holland, route 1, Mount Olive, Drafting and Design.

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The Golden Passbook Savings Account with the Automatic Withdrawal Feature

You get the high 5% interest rate of a savings certificate (certificate of deposit)... plus the flexibility of making deposits and withdrawals similar to a passbook savings account... plus automatic withdrawals on any schedule you set up to meet known recurrent needs for cash!

After an original deposit of \$1,000 or more, deposits of \$100 or more each time keep your Golden Passbook Savings Account building new security for you, at maximum interest. You can withdraw any time, on 90 days notice. We can even make withdrawals for you on specific dates when you need cash for taxes, insurance premiums, tuition payments, vacation funds... any major cash need... just as long as your balance does not fall below \$1,000 at any time.

Interest of 5% is compounded quarterly. If it remains in your Golden Passbook Savings Account, it earns even more money for you! Open your account at any Waccamaw Bank... make deposits at any Waccamaw Bank... visit, telephone or write any Waccamaw Bank for complete details.

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