

No Depression In Sight, Roger Babson Predicts

FROM PAGE 1
10. SPECULATIVE STOCKS
Of the approximately 150 stocks listed on the New York Stock Exchange, a majority have been going down while the Dow-Jones list of 30 which everyone watches have been going up. This is due to the purchase of Dow-Jones issues today largely by estates, pension funds, mutual companies and others that prefer fairly conservative and dividend-paying companies. I forecast that stocks not in the Dow-Jones list will do better proportionately in 1964 than they did this year.

11. SWITCHING, based on my above forecast, and having learned that only buying can lead to stocks up, I predict that 1964 may prove to be a good year to switch from some of the overvalued Dow-Jones stocks into other ones that are now overlooked.

12. GOVERNMENT BONDS
The only government bonds that interest are the long-term ones which may now be purchased at a discount to use in payment of par for death taxes. I forecast that more government will be issued during 1964 and that their prices may gradually slip as money becomes tighter.

13. CORPORATION BONDS
Those buying corporate bonds should either take to issues of under five year maturity or keep their money in the long-term corporation bond which will drop in price in 1964 as interest rates rise.

14. TAX EXEMPT BONDS
Likewise, I predict that long-term tax-exempt bonds will decline next year. They are not more overpriced than corporation bonds, because of heavy buying during the past two years. I do not look for a rise in 1964.

Therefore, I would certainly consider buying of tax-exempt to short maturities and I would avoid revenue bonds.

15. INTEREST RATES, I forecast that interest rates will continue at least as high today, and will probably rise through 1964 in order to keep gold here in this country and should the value of the dollar.

16. DEVALUATION OF GOLD, I forecast that there will be devaluation of gold during 1964. I am personally acquainted with conditions in Africa, and will say that those who wish to speculate in gold mining stocks will go down as well as up, in accordance with many different conditions.

17. PROFITS, I forecast that corporate profits will continue to rise in 1964, though

and inflation is tremendous Europe... particularly in 1964 and France.

18. COVER PRICES, I forecast that cover prices are dependent on two factors: Demand and supply. This copper: I believe demand will continue to increase during the electrical era we are now in. And since my visit to Africa, I feel the supply of copper is almost unlimited. Hence I forecast a little change in price on balance in 1964.

19. FUTURE RARE METALS, with some few exceptions, the above applies generally to many of the basic raw materials, including iron and steel, and especially aluminum. The present firming in quotations will carry much further and could be subject to further rise in the year.

20. SUGAR, Sugar prices, however, will hold at a generally high range all through 1964.

21. BUILDING -- SUBURBAN I forecast that new building will continue around present level through 1964, with additional growth in "suburbia". This applies to single homes and to apartment houses, which could easily be overbuilt as the home and motel have been.

22. PUBLIC CONSTRUCTION, Otherwise, strength in building will occur mainly in the public sector--especially roadbuilding.

23. REAL ESTATE, I predict that farm the "right side" of cities will continue to increase in value during 1964. I say "right side" because every city has to have some one best location in which to grow. This usually is toward the west but this is something suburban developers must watch very closely.

24. RURAL AREAS, As I have said before, the way to buy real estate profitably is to give out the main road a way from the city in which you are, the "right side". Every few miles, stop and inquire the price of the land--as long as it is quoted by the foot,

back in your car and drive until it is owned by the acre. Everything else being equal, I forecast that the purchase of this land will show you a profit over the long run.

25. ADVERTISING, While TV advertising will continue strong, for news, medicines and some other products, I forecast that broadcast advertising will hold its own. Newspaper ads can be cut out and sent by reference, which is impossible with radio or TV ads.

26. NEWSPAPERS, I forecast that competing newspapers will continue to consolidate, and there may possibly be a return to the days when newspapers represented the opinion of some one man with courage, influence, and personality rather than the decisions of a "board" of directors. Note that this is something television is a ready trying to develop in its new reports, and newspapers must watch it.

27. STRIKES, I believe that 1964 will be free from large strikes. The "big show" of course, will be the negotiations between the auto workers and manufacturer.

28. WAGES, While labor will not get a big pay increase it wants in 1964, it will get the cost-of-living "fringe benefit".

29. EMPLOYMENT, I forecast that employment will rise because of the influx of young job seekers and displacement of unskilled workers by automation.

30. WORK WEEK, There will be continuing adjustment to the 40-hour week in 1964 to 35-hour week with the same pay. I forecast this will not be accomplished. There may be a compromise to 37 1/2 hours, though this will depend largely upon President Johnson.

31. FOREIGN TRADE, Rising automation in the U.S. in 1964 will make us so completely more effectively with lower per-man-hour labor costs in Europe, labor costs in Italy are already rising.

32. CUBA, People in Florida have no reason to worry about their remittance to Cuba until the decisions of some kind with the U.S. in connection with Berlin or West Germany.

33. RETAIL SALES, I forecast that 1964 will show an increase in retail sales and in installment purchases.

34. MECHANICAL EQUIPMENT, I forecast that the great increase in leisure time and the constant gains in personal income will give manufacturers of recreational equipment a prosperous year in 1964.

35. SYNTHETIC FOODS, I forecast that really new synthetic foods--cheaper than the natural, and just as healthful--will appear in experiments in 1964.

36. SYNTHETIC CLOTHING, I forecast that this new industry will develop notably in the United States during 1964, particularly in women's specialty work clothes.

37. AUTO FABRIC, The auto companies are paying much study to the developing problem of forecast real progress toward mechanical parts.

38. SEAT BELTS, I predict that insurance companies will put added pressure during 1964 on all state governments to enact legislation requiring "roll-up" seat belts on all cars.

39. NEW INVENTIONS, I forecast that rapid studies will be made in 1964 in the direction of manufacturing mass through matter.

40. ELECTRONIC PRODUCTION, I forecast a great increase in electronic manufacturing in 1964... with emphasis on adaptation of space efforts to military application.

41. AIR CONDITIONING, I predict radical changes in air conditioning in 1964 via the reduction, and later elimination, of moving parts in the best-withdrawal machinery.

42. ELECTRIC HEATING, I forecast experiments in electric heating in 1964 when we will be at only the individuals in the room, but not the air.

43. OCEANOGRAPHY, I forecast great development in 1964 in mineral recovery, food supplements, new chemical derivatives, etc., obtained through oceanographic research.

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In appreciation of our association of the past months. LITTLE HOUSE



Timely Wishes

For a happy and blessed New Year. LAMAR HOUSE Bill Ruddle



NEW YEAR Wishes

Here's to the New Year! Best wishes friends.



1964 A.V. ALLISON Tax Commissioner

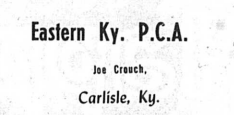


We want all of you to know that we appreciate your good will and support. Our best wishes for a happy New Year. DEE JAY AUTO PARTS



Cheer

Happy New Year! Thank you one and all for the friendship you have given to us. Eastern Ky. P.C.A. Joe Creach, Carlisle, Ky.



JOYOUS NEW YEAR

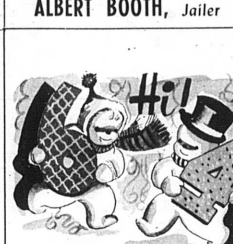
Best wishes, good luck in the New Year. 1964



Woody's Auto Repair



We would like our friends to know we appreciate their support and look forward to serving them in the new year. ALBERT BOOTH, Jailer



1964

We wish you the best of everything in the year ahead. Happy New Year. MORRISON'S VARIETY

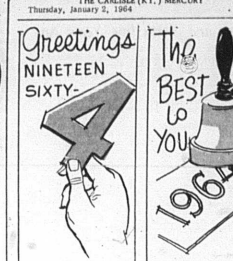


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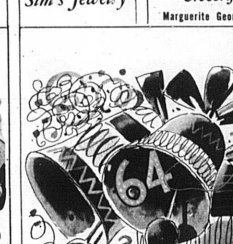
Thank you for your good will in the past year. Best of luck in 1964. William Dollins, Sheriff Maurice Cameron Deputy



JOYOUS NEW YEAR

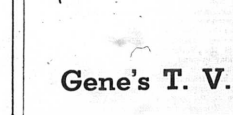


It has been a privilege to be of service. Bartarville Grocery Marguerite George



Happy New Year

Gene's T. V.

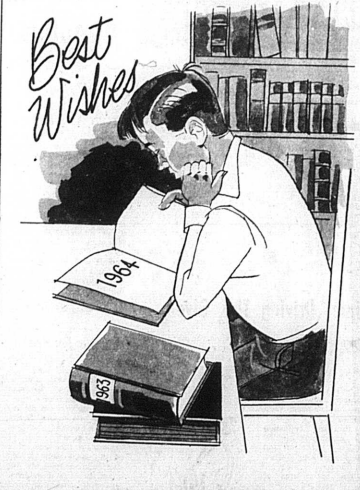


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May success and happiness be your companions as we sail into the New Year. Good luck. 1964



Neal's Grocery



As the pages of the New Year unfold, we hope each day will be filled with happiness for you. Happy New Year friends. 1964

Standard Oil Co. William B. Parker, Agent

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THE WORLD'S MOST MARVELOUS MATTRESS
Easy terms
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Garrett's Furniture Co.