

business/the economy

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U.S. Intervenes To Rein In Dollar's Record Surge

Continued From News Service
WASHINGTON — The first time since last fall, the United States has stepped into the foreign-exchange markets to try to restrain the recently surging dollar, the Treasury Department confirmed Tuesday.

The value of the dollar was driven up by foreign investors expecting higher U.S. interest rates — in the wake of "almost panic buying," said Treasury officials.

The intervention was not done in part because of higher rates in the United States, but also because Treasury plans to raise interest rates in the near future to help finance a budget deficit expected to hit \$80 billion in the fiscal year ending Sept. 30.

banks halted the dollar's advance on exchange markets in Europe and the United States Tuesday, although the dollar ended at rates only slightly below the record levels of Monday.

The latest intervention came after the dollar record came again last week and "the markets were becoming very volatile," Treasury officials said.

The administration has been reluctant to intervene to try to influence currency rates, preferring to let the market determine the exchange levels. Its policy has been to intervene only when the exchange markets are disoriented.

Bigger Stix, New Famous-Barr Completed At Chesterfield Mall

By Barbara B. Buchholz
of the Post-Dispatch Staff

Major changes are afoot at the Chesterfield Mall. Interstate 44 and Chesterfield Road. The Stix, Bar & Fuller store there recently underwent an almost \$1 million expansion and renovation.



Connie Ahrens folding a sweater at the new Famous-Bar store. Looking on is Eric Reinsfelder.

The two-level, 300,000-sq-ft Famous store, designed by Amato/Red Associates Architects, St. Louis, had a contemporary facade of white textured masonry and multicolored mirrors.

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Customer browsing in the crystal department of the renovated Stix store.

Boyd's Chain Sold

The Boyd's chain of eight clothing stores here will return to local ownership.

Chert, Peabody & Co. of New York, which has owned Boyd's since 1961, announced Tuesday that it is selling the chain to a group of investors headed by Robert J. Witt, a former officer of Chert, Peabody.

Witt said no changes are planned in management or operation of Boyd's. Witt said "a few personal investors" will hold minority interests.

Kellwood Chairman Tells Shareholders He Expects Earnings To Set Record

By Paul Wegman
of the Post-Dispatch Staff

Kellwood Co. expects record first quarter earnings and if current earnings continue, a record year, chairman and chief executive Paul W. Kellwood says.

The most important reason for the improved earnings outlook, said Kellwood, is the company's expansion into the Smart Store Ltd., a Hong Kong retailer of men's and women's shirts. Kellwood, which already had 22 percent of the firm, increased its ownership to 30 percent in April.

McAuto Buys Into Health-Care Firm

McDonald Douglas Automotive Co. says it has acquired a "substantial minority interest" in a New York health-care company.

Record Profits For Emerson Despite Slight Decline In Sales

Profits rose 1 percent at Emerson Electric Co. in the quarter that ended June 30 despite a 10th straight quarterly sales decline.

Ozark's Profits Fall 80 Percent

The airline industry's fare wars and accounting profits of Ozark Air Lines Inc. plummeted 80 percent, the stock reported.

Kellwood also set an all-time earnings record in 1978, when earnings were \$14 million, or \$1.64 a share. Worst decline to profit loss was in 1974. Earnings in the first quarter last year were \$1.4 million, or 40 cents a share.

McAuto, a computer-operations subsidiary of McDonald Douglas Corp., derived \$18.3 million in revenue from hospital and other health-care products in 1982. That represented more than half of the company's commercial revenue.

Emerson earned \$10.3 million, or \$1.15 a share, in its third quarter compared with \$9.5 million, or \$1.04 a share, a year earlier. For the nine months to June 30 earnings were \$30.3 million, or \$3.36 a share, up from \$28.8 million, or \$3.12 a share, in the same period last year.

Kellwood is a maker of apparel-home fashions, such as handbags and purses, and recreational equipment, particularly camping bags and camping tents. It also operates a

St. Louis, Mo. office. The company recently reported a 7-year, \$90 million loss in Hong Kong that would finance such expansion, Kellwood said.

Emerson's earnings were \$1.2 million, or \$1.20 a share, in the second quarter compared with \$1.1 million, or \$1.10 a share, in the same period last year.