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'No Scientific Evidence'

SAUCER REPORT DENIES VISITORS FROM SPACE

HIGHEST EVER

Banks Hike Prime Rate To 7 Per Cent

NEW YORK (AP) — Major banks across the country raised the prime interest rate for business loans to a new all-time high of 7 per cent from 6 1/2 per cent Tuesday.

The First City National Bank of New York was the first to announce the increase in the prime rate, the interest commercial banks charge their biggest and most creditworthy customers such as large corporations.

Other banks quickly followed. It was the second time in less than a month that the major banks raised the prime or minimum rate for business loans. First National City Bank also led the boost in the prime rate to a record 6 1/2 per cent from 6 1/4 per cent on Dec. 15. Other inter-

est rates such as rates for consumer loans are scaled up from the prime rate.

The December increase followed action by the Federal Reserve Board boosting the discount rate, the interest charged commercial banks for funds borrowed from the Federal Reserve, to 5 1/2 from 5 1/4 per cent.

Bankers attributed the prime rate increase to increases in other money-market rates, plus strong seasonal demand for business loans.

The Federal Reserve Board had taken no action on the discount rate this time, and sources in Washington said the prime rate increase came as a surprise to the board. Reaction from board members was not immediately available.

Prices on both the stock and bond markets moved sharply lower following the prime rate boost.

Most banks lowered the prime rate to 6 1/2 per cent from 6 1/4 per cent last September in anticipation of a slowdown in the economy and easier credit as a result of the income tax surcharge. The economy failed to cool off, however, and rates went back up to 6 1/2 per cent on Dec. 2.

RELATED STORY

Most Banks Here Will Hike Rates

As the New York Stock Exchange faltered for the second day in a row, banks here today followed the lead of the First National City Bank of New York and hiked their prime interest rate a quarter of a per cent to an all-time high of 7 per cent.

Great Western Bank & Trust President Ashley Purse said, "There is no alternative except to go along, and I suspect other banks will follow suit once they have had an opportunity to discuss First National's action."

Gilbert Bradley, senior vice president of Valley National Bank agreed with Purse. "We will wait to see what the other banks do, but they generally go along and so have we in the past. I can see no reason why we will not be forced to raise our prime rate to seven per cent."

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Farewell

President Johnson stands with head bowed as he listens to accolades at a congressional reception for the retiring chief executive on Capitol Hill last night. (AP Wirephoto)

WITHIN MONTH

Paper Says Asian Summit Talks Due

SEOUL (UPI) — Richard M. Nixon may fly to Bangkok within a month after his inauguration as president for a summit meeting with the leaders of allied nations fighting in Vietnam, a Seoul newspaper said today.

Ronald Ziegler, Nixon's press spokesman, said the cabinet members would meet with the heads of a series of task forces created by Nixon to study a wide range of domestic problems.

Details Of Study Still Are Secret

WASHINGTON (AP) — A secret report on an Air Force-financed investigation of flying saucers will say there is no scientific evidence to indicate that these unidentified flying objects are spaceships from another world.

Informed sources told The Associated Press that this will be the primary thrust of the closely guarded report on a two-year study by a team of nongovernment scientists.

The sources said the report will not claim that the study produced proof that UFO's are not manned surveillance craft from outer space. "You can't prove a negative," the sources said.

Neither, they said, will it question the possibility that intelligent life exists beyond the earth. Instead, it will emphasize that the investigation uncovered no scientific evidence to support contentions by various individual scientists and private organizations that flying saucers are visitors from a distant planet.

The study, financed by a \$500,000 grant from the Air Force, was made by a team of scientists under Dr. Edward U. Condon of the University of Colorado.

Dr. James E. McDonald, senior physicist with the University of Arizona's Institute of Atmospheric Physics, said today that he is awaiting the report with "keen interest."

"The crux of the issue," he pointed out, "is the scientific evaluation of the thoroughness in which they have investigated individual cases."

"Particularly critical to persons such as myself who've investigated many hundreds of cases will be the question of how diligently and open-mindedly the Condon report discusses 29 years of Air Force UFO reports. These constitute one of the critical areas of data. Past evidence indicates that they haven't been looked at too closely."

McDonald added that years of evidence from highly reliable sources — airline pilots and law enforcement officers — also comprise the core of information that the Condon report will have to have examined to be scientifically acceptable.

Tight security has been imposed on the Condon project

from the start, and authorities are still working hard to guard against leaks.

The 1,600-page report has been turned over, at the Air Force's request, to a special appraisal committee of the National Academy of Sciences, which refuses to divulge any information, even the names of committee members.

Findings of the academy committee are to be attached to the report for simultaneous release by the Air Force, now tentatively scheduled for Friday.

Dr. Condon, 65, a physicist and a former chief of the U. S. National Bureau of Standards, has repeatedly refused to talk about the findings of the project.

Condon's project staff included a dozen astronomers, physicists and psychologists. He also enlisted the aid of outside consultants, and contracted with private agencies for some research.

Thermometer Approaching Record Highs

Our weather's so fine In Nineteen Sixty-nine; Hope temperature sticks With spirit of '76.

— PAULINE OTTICK

The mercury is nudging record highs, and will continue to signal warm conditions to-morrow despite predictions of high cloudiness and wind.

Yesterday's warmest was a dreary 76, only two degrees below the city's record for the date set in 1936. This morning's low was a mild 43.

After an overnight minimum in the 43-47 range, tomorrow's temperatures will climb to between 75 and 80, says the weatherman.

By 7 p.m. today, the temperature had reached 71. Humidity was 18 per cent.

The weekend pollen count was Bermuda 1, rebus lancea 7 and alternaria 2. (The count is taken in the vicinity of Tucson Blvd. and Broadway and may vary in other areas.)

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