Sugar Price Drop Apparently Ruins French Broker Firm

A WALL STREET JOURNAL NEWS STORY

Slumping world sugar prices apparently have pulled down with them a major French commodities concern.

The brokers association of the Paris Commodities Exchange said it has stricken from its approved list the commodities brokerage house known as Nataf because it was unable to meet its obligations.

The broker group didn't offer any details, but it is believed that Nataf held about half the contracts for future delivery of sugar that were outstanding on the Paris market.

As the price of sugar fell, Nataf evidently couldn't find buyers to balance out its positions, and it apparently was unable to maintain its margin commitments.

Using the New York market as an indication, the price of sugar for delivery next March has fallen more than 26% in the past two weeks to about 47 cents a pound.

The Paris Exchange suspended trading in sugar futures to give the broker group time to investigate other member firms.

Great Western United Loses Injunction Bid In Tender Offer Appeal

BY A WALL STREET JOURNAL STAFF REPORTER

NEW ORLEANS—The U.S. Court of Appeals for the Fifth Circuit denied a request by Great Western United Corp. for a preliminary injunction against a tender offer for the company's stock by Nelson Bunker Hunt and William Herbert Hunt, Texas businessmen.

Great Western had appealed a Dallas federal district court's refusal to grant a preliminary injunction against the Hunts' offer for 910,000 shares of Great Western common at $27.50 a share.

In Denver, Great Western said its attorneys were studying possible actions the company might take after the appeals court ruling.