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Market PlaceMichael Blumstein Rising Fears, Falling Stocks

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WHEN stock prices began taking off in August 1982, the economy was a shambles. Now, with the economy on the move, the stock market seems to be at a standstill. Even Friday's report of an unexpectedly sharp drop in the unemployment rate - to 8.7 percent, from 9.1 percent - failed to lift the market's spirits.

After a rather lackluster week, the Dow Jones industrial average closed Friday at 1,218.29, off 5.19 points for the week. The broader New York Stock Exchange index of 1,500 common stocks fell 0.51 point for the week, finishing at 93.77.

Some market players are getting increasingly edgy because the weakness is no longer confined to the high-flying, small-capitalization issues, which many agree had gotten a bit out of hand. Now, even some of the blue chips are declining. Minnesota Mining and Manufacturing, Du Pont, Ford and Sears all lost ground last week.

Still dominating much discussion about the market is the course of interest rates, and whether they will increase, hurting stock prices. The recent money supply figures have been in line with Federal Reserve growth targets, indicating little need for the Fed to tighten up and raise interest rates.

But analysts expressed concern last week over the Senate's failure to raise the national debt limit. The Treasury Department had to postpone three securities auctions until this week, and analysts feared that the bond market would be upset about the delay, pushing bond prices down and interest rates up. In addition, Henry Kaufman, the widely followed Salomon Brothers economist, predicted that the Fed would tighten up later this year or early next year.

Another Wall Street fear is that profits will not increase as rapidly as previously predicted. Anheuser-Busch showed last week just how nervous the market has become. The company began telling analysts on Wednesday that 1984 might not be a terrific growth year. Its stock then dropped steadily, falling 4 1/2 points, to 62 1/2, by Friday's close.

Technology Blues

Among the blue chips that declined last week was International Business Machines, which finished Friday at 122 1/4, off 4 3/4 for the week. The drop was interesting, since I.B.M. on Tuesday finally unveiled the PCjr, its first computer specifically designed for home use.

The stocks of I.B.M.'s competitors had been buffeted for weeks as the world awaited the birth of the so-called Peanut. Once the event was actually announced, I.B.M. came back to earth.

''This has been such a hyped story for weeks and weeks,'' said Ulric Weil, an analyst at Morgan Stanley. ''It's a very good product, but it was virtually impossible for I.B.M. to exceed the expectations.'' He also noted that I.B.M. does not plan to deliver the new product until after the Christmas shopping season, and only then on a limited basis.

Other technology stocks also had their troubles last week, but one notable exception was Texas Instruments. It soared 22 3/4 points on Monday, to 124 1/2, in reaction to its announcement that it would cut its losses and withdraw from the home computer business. By Friday, T.I. had climbed to 126 1/8.

''It's almost amusing,'' Mr. Weil said. ''In the old days, a company's stock was rewarded when it entered high technology. Now, it's rewarded when they leave. There's a message there somewhere.''

Strength in Brokerages

Two weeks ago, as the major brokerage firms were issuing their rather dismal third-quarter earnings, selling pressure on their stocks was intense. On Oct. 21, for example, Merrill Lynch had dropped to 29 3/4 from a 1983 high of 56 1/2. Now, however, the brokerage stocks are starting to recover. Merrill Lynch closed Friday at 32. E.F. Hutton rose to 35 1/4, from 31 1/2 on Oct. 21; Paine Webber to 34 1/4, from 31 7/8; Phibro-Salomon to 28 1/4, from 27 3/8; First Boston to 39 1/8, from 37 1/4; A.G. Edwards to 25 1/4, from 24 5/8, and American Express (parent of Shearson) to 34 1/4, from 33 1/8. Only Donaldson, Lufkin & Jenrette declined, to 16 1/8, from 17.

Joel Rosenthal, an analyst with the Jesup & Lamont Securities Company, is among those touting the stocks on the belief that a second leg of the bull market is coming.

But he thinks the recent increase in brokerage stock prices results from speculation that Congress will shorten the capital gains holding period to six months, from one year. The Senate Finance Committee agreed last Monday to include that change in its tax bill, and Representative Dan Rostenkowski, chairman of the House Ways and Means Committee, signaled some interest in the idea later in the week.

If, after six months, investors' gains were taxed at a maximum of 20 percent, instead of at a maximum of 50 percent, stocks would be ''a more attractive investment,'' Mr. Rosenthal argued. Volume, as well as stock prices, could improve, helping brokerage profits.

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