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UNITED STATES
DEPARTMENT OF COMMERCE
BUREAU OF FOREIGN AND DOMESTIC COMMERCE
WASHINGTON

1940 IN REVIEW

Business trends in 1940 were dominated by factors which grew out of the European war—the heavy demand for war materials from abroad and the vast defense program initiated at home. Under the impetus of these factors, total output of goods and services for the year as a whole rose to the highest point in our history. By the end of the year many industries, particularly durable goods lines, were operating at close to capacity limits and it was evident that the necessities of the situation required a further expansion in 1941.

Income payments to individuals rose sharply during the second half of the year, reaching an annual rate of 78 billion dollars in the final month of 1940. All major types of payments revealed marked gains.

This issue presents a review of business for the year 1940, summarizing the changes which occurred in major fields. Forty-two charts have been included. A summary table is presented on page 58 which gives comparative yearly figures for a series of recent years.

UNITED STATES DEPARTMENT OF COMMERCE
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Monthly Business Indicators, 1929-40

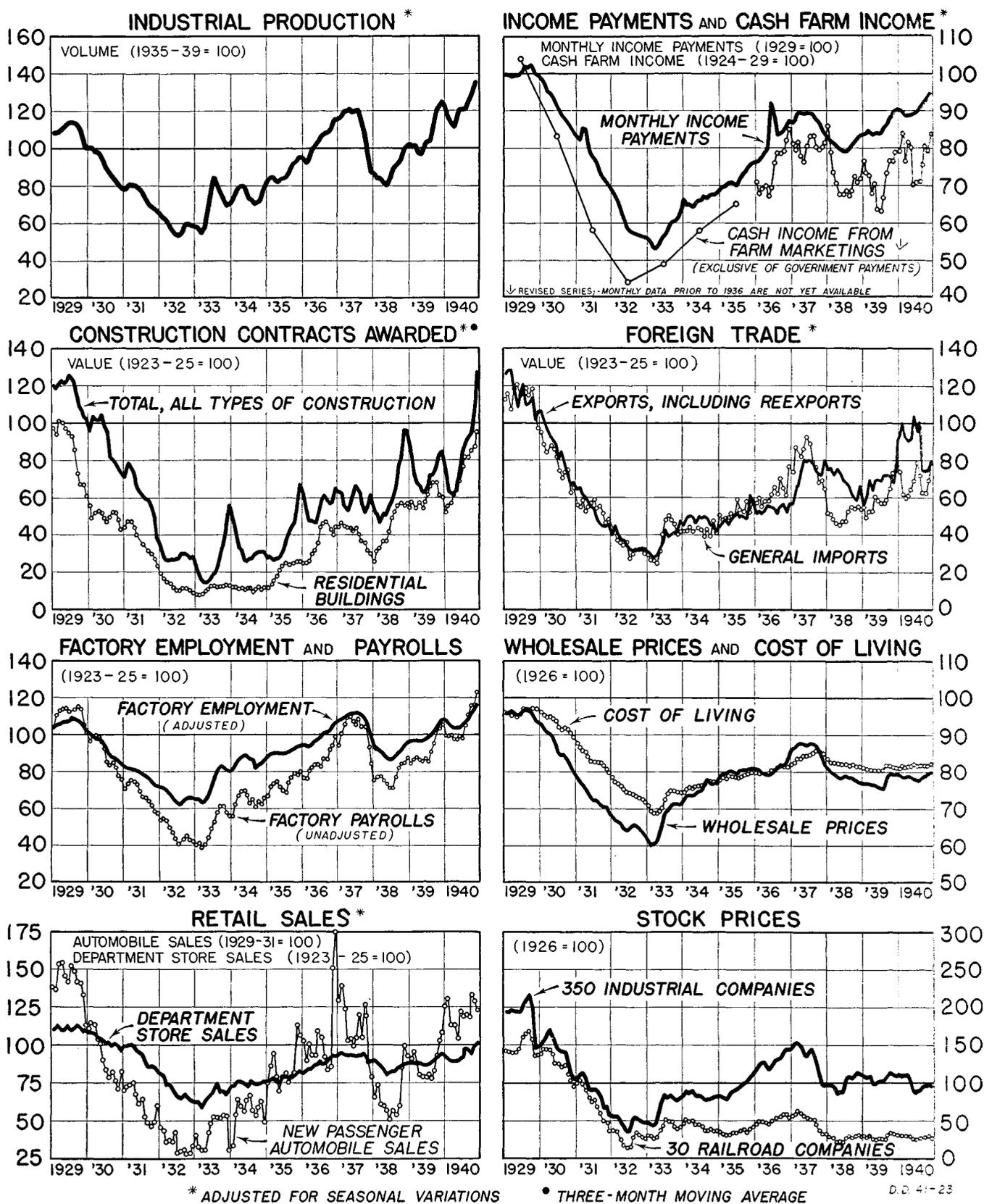


Figure 1.

An Economic Review of 1940

Introduction

THE economic record of the United States in 1940 was one of exceptional and widespread expansion. After an inauspicious first quarter, during which there was a reaction from the inventory boomlet of the final months of 1939, business indicators rose continuously. For the year as a whole, goods and services in record volume were produced and distributed. At the year-end operations in many areas of the economy were at a pace never before achieved, and the defense program made imperative a considerable expansion of output in 1941.

Fundamental changes occurred during 1940 in the character of the propelling factors in the economic situation and in the problems they created. For, in the course of the year, the wars raging on other continents became the dominant influence in the economic sphere; they supplied the impetus for the upswing in activity and determined the alterations in the structure of production which occurred. From the beginning of the year the export demand for war materials was a major dynamic factor. Then, as the invasion of the Lowlands and France revealed the magnitude of our defense needs under existing world conditions, President Roosevelt and the Congress outlined a huge defense program which thereafter overshadowed all else in the business situation. It became clear that the program virtually involved the creation of a new armament industry, or rather a new complex of industries, to provide the mechanized force required to insure the Nation's impregnability.

As both Government and industrial resources were marshalled for this vital and tremendous effort, the needs of the day were translated into orders and the first upswing of the past decade to be truly grounded in the capital-goods industries was begun. Before the end of the year unemployment had been considerably reduced and the operations of many firms were pressing against capacity, though the actual program, while accelerating markedly, was still largely in its initial stages.

Some conception of the enormous scope of the armament program may be gathered from the fact that in the President's budget message of January 1941 it was estimated that defense expenditures for fiscal years 1941 and 1940 would total more than 17 billion dollars.¹ In other words, it was expected that more than 10 percent of our expanded national income would be devoted

to defense preparations during this period. While large in itself this effort must be set against the much larger proportion of national income—about one-half—being devoted to military establishments by European belligerents.

By its very size the defense program dwarfed some of the problems encountered during the past decade, since it required that the idle men and machines be put at work in raising total productive output. In their stead arose the problems associated with a vast armament expansion—the problems of creating sufficient armament-producing facilities, of enlarging capacity to avoid bottlenecks, of providing additional labor skills, of limiting price dislocations, and of assuring adequate supplies of raw materials. With the exception of a pressing need for expansion of capacity in certain areas of the economy, these problems had not reached an acute phase by the end of 1940.

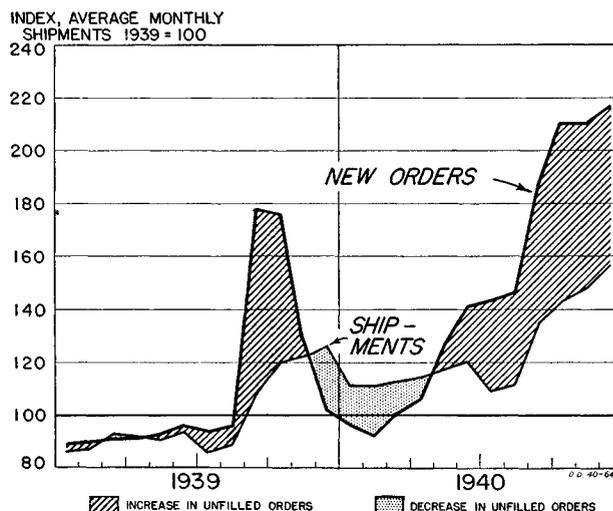


Figure 2.—Change in the Value of Manufacturers' Unfilled Orders, Durable Goods Industries, 1939 and 1940 (U. S. Department of Commerce).

But their very existence, with the defense program in its present stage, suggested the ingenuity, the resourcefulness, and the vision required to meet the tasks ahead. Larger output and larger income in 1941 were virtually certain, but the extent of the rise remained dependent upon the dispatch with which these problems were attacked and yielded to solution.

Inventory Expansion After Outbreak of War.

The business pattern in the early months of 1940 was determined by the forces set in motion after the outbreak of the European war in September 1939. It will be recalled that war came at a time when the economic situation in the United States lacked any

¹ See chapter on Federal finance for description of defense program.

major dynamic expansive force. There had been a little rise in business activity during the months prior to September 1939, and a continued moderate rise to the end of the year might have been expected. However, neither the trend of private business investment nor the projected program of the Government were such as to alter substantially the volume of production and employment.

The coming of the war led to an immediate and drastic alteration in this business picture. For, as figure 2 reveals, it touched off a buying wave of substantial proportions, the Department of Commerce index of new orders rising from 105 (January 1939=100) in August to 168 in September. As demand for consumption and permanent investment had not as yet been altered fundamentally, this increase in purchasing represented an attempt to anticipate the price rise and possible shortages of supply that were expected to result from the war. A sharp increase in production, based primarily upon this purchasing for inventory, got under way and continued on an upward trend until the end of the year. The magnitude of the influence of inventory purchasing in the rise of production can be appreciated from the fact that the Department of Commerce index of manufacturers' inventories rose from 95.9 (December 31, 1938=100) in August to 107.3 in December—an increase in dollar terms of approximately 1 billion dollars. As the psychological basis of the rise came to be understood, and the anticipations failed to materialize, the volume of purchasing fell off very rapidly.

Business Declines in Early 1940.

By the beginning of 1940 the volume of production had already passed its peak. New orders were well below shipments, and output was being maintained at the expense of the enlarged volume of unfilled orders that had been built up in September and October. Inventory accumulation was still very large, so that a resumption of purchasing in substantially increased volume could hardly be expected for some time without a marked change in the basic situation. The one expansionary force at work was the demand from abroad—the volume of exports of United States merchandise rose to 357 million dollars in December 1939 as against 248 million in August. Furthermore, because a large share of the increased foreign demand came in the armament industries which had little unused capacity, the flow of demand for investment goods was increased, providing support to business activity. Hence, apart from the likelihood of inventory liquidation during the first half of 1940, output could be expected to remain somewhat above that existing before the outbreak of war.

From January to April 1940 the course of business was conditioned by these factors. Industrial production declined quite rapidly as the rate of inventory accumulation tapered off. From its peak of 126

(1935-39=100) in December 1939 the Federal Reserve index of industrial production fell to 111 in April. New orders remained below shipments, bringing a continuous decrease in backlogs of unfilled orders. As a reflection of the quiet prevailing in basic materials markets, prices of sensitive commodities weakened. By the end of March 1940 the Bureau of Labor Statistics' index of 28 sensitive commodity prices had lost half the rise experienced from the outbreak of war to the peak reached late in September.

Intensification of War Brings Economic Expansion.

With the German invasion of the Lowlands and France in May, the forces underlying the economic situation were completely changed. An immediate expansion of purchasing by the Allied Commission put an end to the possibility of a general liquidation of inventories. While the volume of exports did not increase during the rest of the year, foreign demand became a much more important factor in the business situation, since a marked shift from agricultural to industrial products increased the impact of foreign demand on industrial production and the flow of private investment in this country. The urgency of the Allied needs increased the pressure for a greater flow of armament goods. This was accomplished not only by increasing commitments but by more liberal financing of plant expansion by the Allied Purchasing Commission. As a result, new orders received by

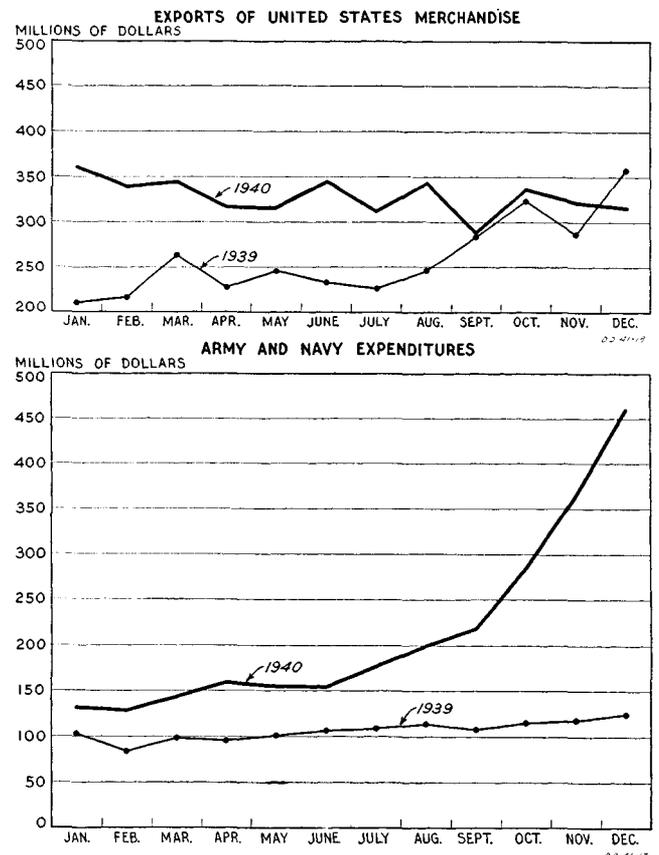


Figure 3.—Value of Exports of United States Merchandise and Army and Navy Expenditures, 1939 and 1940 (Exports, U. S. Department of Commerce; expenditures, U. S. Treasury Department).

manufacturers rose appreciably and industrial production once again turned upward.

Shortly after their initial move the German mechanized forces demonstrated great offensive power and raised a serious question as to the adequacy of military preparedness in this country. To settle all doubts on this question an extensive defense program was initiated. Plans for a two-ocean Navy were laid out, and a series of naval and air bases in the Atlantic Ocean was leased from Great Britain to increase the effectiveness of the fleet. The entire program included a tremendous increase in the air strength and mechanized equipment of the armed forces and an expansion in capacity for arms production that would insure adequate supplies in case of emergency. The first peacetime conscription bill in our history was passed, and an increase in the regular Army, excluding National Guard and Reserves, from 250,000 to 1,418,000 on June 30, 1942, was projected.

In order to plan for and coordinate the procurement of the raw materials, the finished armament equipment, and the productive capacity required for this defense program, a National Defense Advisory Council was organized. Soon a large volume of contracts was cleared by the Council and placed by the Army and Navy. Figure 3 shows that actual defense expenditures were increased sharply after the middle of the year. To facilitate the expansion of plant capacity required for armament production, the regulations regarding amortization allowances for tax purposes were liberalized so as to lessen the risk attached to investment in these facilities. Provision was made by the Reconstruction Finance Corporation to finance defense plant construction at low interest rates, and Government letters of intent to purchase were issued in order to facilitate the financing of production. Various corporations were set up by the Reconstruction Finance Corporation to secure adequate stock piles of strategic materials, and a program was initiated to facilitate the defense of and to improve the economic position of Latin America. In all these ways and many others, steps were taken to turn the Nation's energies to the problem of national defense.

This defense program provided a stimulus of sufficient magnitude to push the volume of economic activity continuously upward for the remainder of the year. New orders received by manufacturers rose abruptly, and unfilled orders piled up month after month despite a substantial increase in the volume of shipments. It is calculated that, between May and December, unfilled orders in the durable-goods industries more than doubled and that new orders in December still exceeded shipments by almost 40 percent. From its low point of 111 in April the Reserve Board's index of industrial production rose to an all-time high of 137 in December.

While the defense program and, to a much smaller extent, the enlarged export demand were the driving

forces in this business upswing, all types of demand were quickly affected, and they, too, added to the general expansion of activity. Private investment in equipment was stepped up rapidly as the volume of production began to press upon capacity in many durable-goods trades. Activity in the construction industry rose sharply; the volume of contracts awarded soon reaching the highest figure in a decade. The rise in contracts for factory construction was outstanding, though the increase in private residential construction was also substantial. As employment and income moved upward, a considerable increase in consumer purchasing occurred, particularly in durable-goods lines where sales were augmented by an increase in consumer credit.

Inventory Accumulation in Late 1940.

During much of this period of rapidly expanding business in 1940, no substantial impetus was derived from a general accumulation of inventories. However, the establishment of the Priorities Board in September, together with a realization that the defense program would require capacity operations in many lines for several years, resulted in a substantial increase in the flow of new orders which partly represented a general lengthening of commitments. From that time to the end of the year, manufacturers' inventories moved up rather rapidly, the total increase representing an accumulation of 700 million dollars. During this period a fairly continuous strengthening of prices occurred, although the total movement, apart from a few commodities, was relatively small.

Hence, in this respect the last quarter of 1940 had a certain similarity to the corresponding period of 1939. But the significance of inventory accumulation in the general business situation had entirely changed by the end of the later year. First, despite a higher level of production, the rise in stocks during the final months of 1940 was considerably smaller than a year earlier. Second, a much larger proportion of the increased stocks represented goods in process—goods that would definitely be taken off the market upon completion. Third, the durable-goods industries were responsible for a much larger part of the inventory rise—the very industries most affected by the armament and investment demands. And, last, the primary impetus in the expansion of production had shifted from inventory accumulation as such to the defense program and British purchasing. Thus, while the increase of stocks in the last quarter of 1940 contributed to the rise in the volume of production, an expansion of output would have occurred in any case.

Larger Rise in Durable-Goods Output.

Both because of the character of the basic stimulants and because of their impact on the flow of investment, the greater share of the expansion during the year was contributed by the durable-goods industries. By the

end of the year near-capacity operations were characteristic of firms producing heavy goods, and the output of these industries relative to total production was the largest since 1929. While total industrial production as measured by the Federal Reserve index was up from the 126 of December 1939 to 137 in December 1940, the durable-goods component had risen from 140 to 163 over the same period. In contrast, activity in the nondurable-goods industries increased from 117 to only 122. The nature of the expansion may be appreciated from the fact that in the course of the year activity in the machinery industries was increased a third, railroad equipment firms were producing about 50 percent larger volume, operations at shipyards rose 86 percent, and aircraft production—measured in terms of man-hours worked—expanded almost two and a half times. While the output of iron and steel mills and of non-ferrous-metals producers could not be much above the near-capacity volume of a year earlier, the flow of these materials into immediate consumption was much larger.

As may be seen in table 1, expenditures for durable goods, excluding naval vessels and certain special military equipment, increased 3 billion dollars in 1940 over the previous-year total for a gain of 16 percent. Total expenditures passed the 1937 figure by about 10 percent though remaining substantially under the 1929 volume. Well over half the total increase was contributed by producers' plant and equipment outlays. The latter rose by almost a third, with the total for the year only slightly under the peak 1929 volume. It may be noted that the two most important categories of producers' equipment expenditures, industrial and commercial, made new highs.

With operations at these levels in the durable-goods sectors of the economy, all measures of business activity

showed 1940 to be a year of substantial recovery, with the year's results in many cases exceeding previous high marks. The Reserve Board's production index averaged 122, a 13 percent rise over the previous year and well above the former high of 113 recorded for 1937. Electric power output for the year was at a new high of 144,965 million kilowatt hours as compared with 130,336 million in 1939. There was an increase of 7 percent in freight carloadings, and, although they were still 31 percent below the 1929 record, the year's showing was good in view of the secular diversion of traffic to other types of transportation over the decade. Owing to the sharp drop in public construction during the first half of the year, construction activity in 1940 rose only moderately over 1939. However, the value of contracts awarded exceeded the 1939 volume by one-eighth, with a large volume of work carried over into the new year. In the retail field, total sales in 1940 are estimated at 45.5 billion dollars, an 8 percent increase over 1939 for the largest physical volume on record. The expansion in all these fields contributed to a substantial decrease in unemployment. Total nonagricultural employment in December of 37,168,000 was 4.3 percent or 1,500,000 higher than employment a year earlier.

Larger National Income in 1940.

The most comprehensive measure of the economic improvement in 1940 is that afforded by the national income—the measure of net production of commodities and services by all private and public enterprises. This net-output value figure advanced from 69.4 billion dollars in 1939 to 73.9 billion in 1940, a gain of 4.5 billion or more than 6 percent, according to preliminary estimates. Because price increases from 1939 to 1940

Table 1.—Estimated Expenditures for New Durable Goods¹

(Millions of dollars)

Item	Plant and equipment				Plant				Equipment			
	1929	1937	1939	1940	1929	1937	1939	1940	1929	1937	1939	1940
Public and private.....	25,542	20,006	19,021	22,123	10,744	7,004	7,815	8,307	14,798	13,002	11,206	13,816
Public construction ²					2,411	2,802	3,619	3,354				
Private.....	23,131	17,204	15,402	18,769	8,333	4,202	4,196	4,953	14,798	13,002	11,206	13,816
Producers':												
Total.....	10,126	7,570	6,107	7,884	4,531	2,294	1,876	2,318	5,595	5,276	4,231	5,566
Railroads.....	840	525	270	450	503	188	130	170	337	337	140	280
Electric power.....	774	400	373	485	387	172	160	210	387	228	213	275
Telephones.....	615	348	333	400	328	100	91	117	287	248	242	283
Transit.....	135	101	107	114	82	39	54	51	53	62	53	63
Other utilities.....	369	162	121	150	256	117	81	100	113	45	40	50
Mining and manufacturing.....	3,596	3,122	2,425	3,375	1,441	1,053	775	975	2,155	2,069	1,650	2,300
Agriculture.....	961	919	773	865	348	222	230	250	613	697	543	615
Commercial and miscellaneous.....	2,836	1,993	1,705	2,045	1,186	403	355	445	1,650	1,590	1,350	1,700
Consumers':												
Total.....	13,005	9,634	9,295	10,885	3,802	1,908	2,320	2,635	9,203	7,726	6,975	8,250
Housing.....					3,234	1,740	2,095	2,385				
Nonprofit institutions.....					568	168	225	250				
Passenger cars.....									3,293	2,726	2,275	2,950
Household goods.....									5,910	5,000	4,700	5,300

¹ Data for 1940 are preliminary; certain data for earlier years revised. In view of the defense program, it may be pointed out that the estimates for durable goods exclude naval vessels and special military equipment generally, while including (under public construction) outlays for military posts, yards, docks, and hangars, for defense housing, and for publicly owned productive plant. Government expenditures for equipment of ordinary commercial type, such as typewriters, machine tools, and motor trucks, are included in the estimates for private equipment expenditures. Heretofore, purchases of such equipment by governments have been relatively insignificant. Under the defense program, however, they are certain to expand materially, and it is hoped that they can be at least partially segregated in estimates for later years.

² Includes work-relief construction.

were slight, nearly all of this improvement in national income resulted from an increase in the quantity of commodities and services produced.

Since the major share of defense activity was concerned with industrial materials and equipment, the expansion of national income was paced by the commodity producing industries. These industries—agriculture, mining, manufacturing, and contract construction—in the aggregate provided a net product in 1940 valued at 2.8 billion dollars more than the figure for 1939, an increase of more than 10 percent. This was about three-fifths of the gain in total national income from 1939 to 1940, although the industries represented about one-third of aggregate national income in 1939.

Net production values also were higher in other lines, but by smaller margins. Government net output, exclusive of work-relief production, advanced from 8.1 billion dollars in 1939 to 8.6 billion in 1940. It is important to recognize, however, that defense orders placed with private business firms are included with the net production of other industries and not in Government output. The value of net product in distribution industries was up 700 million dollars, rising from 15.3 billion in 1939 to 16.0 billion in 1940 for a gain of nearly 5 percent. Service industries, usually the laggards during periods of change, improved more than 4 percent as net output values increased from 18.5 billion dollars in 1939 to 19.3 billion in 1940.

The 73.9-billion-dollar aggregate for national income in 1940 was the highest value reached in any year since 1929. It was 84 percent above the depression low of 40.1 billion in 1932 and 3.7 percent above the previous recovery high of 71.2 billion in 1937.

As part of this movement reflects shifts in the general

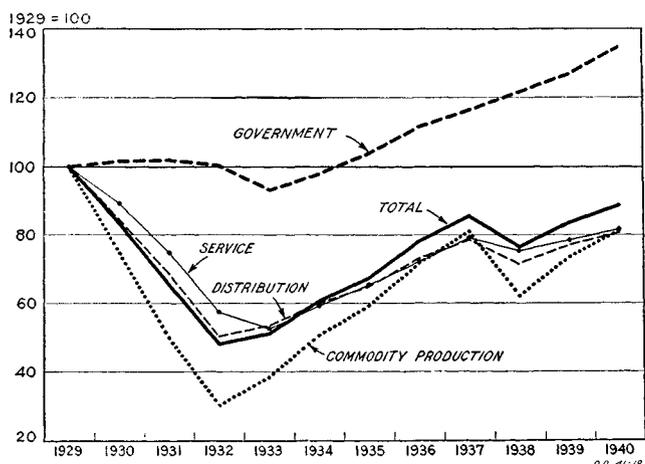


Figure 4.—Indexes of National Income by Major Industrial Sources, 1929-40 (U. S. Department of Commerce).

price level, however, changes in the quantity of net output have been less marked. In quantity terms, the national income declined about one-fourth from 1929 to 1932. The quantity of net output by all private and public enterprises had recovered to a point in both 1937 and 1939 that approximated the 1929 volume. From

1939 to 1940 the gain in real national income—a gain after allowance for price changes—was enough, roughly, to offset the increase in population from 1929 to 1940, so that per capita production was about as high in 1940 as in 1929.

Income Payments Also Rise.

Income payments to individuals during 1940 aggregated 74.3 billion dollars as compared with a total of 70.1 billion for 1939. As in the preceding year, the flow of income to individuals advanced sharply during

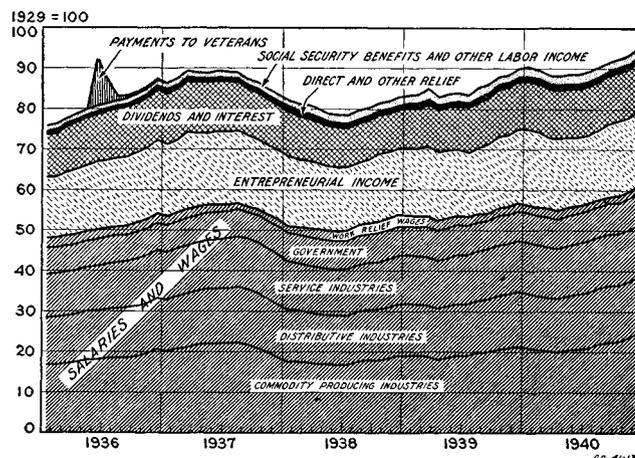


Figure 5.—Indexes of Income Payments by Type of Payment, Adjusted for Seasonal Variations, 1936-40 (U. S. Department of Commerce).

the second half and closed the year substantially above the preceding year-end figure. During the second quarter of 1940, income was disbursed at an annual rate of 73 billion dollars. By the final quarter it had advanced to 77 billion, reaching an annual rate of 78 billion in December. The rate for the final quarter of 1939 was 73 billion dollars.

The month-to-month movements in the various types of income were notably diverse in character. After correction for normal seasonal fluctuations, salaries and wages declined from the 1939 high of 88.9 (1929=100) recorded in December to 86.2 in April. Employment and pay rolls moved sharply upward in May, and, under the impetus of the defense program, the adjusted index of salaries and wages continued its upward movement through December when it reached a high of 96.0 for the year. As employees' income accounts for roughly two-thirds of total income payments, the 1940 expansion in pay rolls contributed substantially to the movement of income.

Dividend payments for the first quarter were 15 percent above the comparable period in 1939, the large increase over the preceding year continuing through the third quarter. There was a noticeable tendency for dividends to level off at the year-end, and for the last quarter disbursements were only 3 percent above the preceding year. These less favorable last-quarter comparisons were due partly to the high level of dividend disbursements achieved in the final quarter of

1939 and partly to a large-scale adjustment of earnings for increased taxes on 1940 corporate incomes. Unemployment compensation benefits, which first became an important source of income in 1938, rose sharply during the first half of the year and then declined markedly as employment increased, though the year as a whole showed a substantial rise over 1939.

The marked expansion in governmental activities consequent upon the inauguration of the defense program raised military and regular employment during the last quarter of 1940 13 percent above a year ago. This increase in consumer purchasing power occasioned by the expansion in governmental employment was, however, largely offset by a sharp reduction in income disbursements of an emergency nature. Thus, while regular pay rolls rose 70 million dollars between March and December, relief and unemployment benefits declined 50 million over the same period.

Advance in Profits.

On the basis of preliminary data it is estimated that net income of all corporations in the United States was about 25 percent higher in 1940 than in the preceding year. This comparison is based on net incomes adjusted for intercorporate items and taken after all taxes are deducted and, of course, it reflects the provisions made for the increased corporate income-tax rate and the excess-profits tax applicable to 1940 income.

Profits in the first quarter of 1940 were down substantially from the high last-quarter results in 1939. The second and third quarters brought successive moderate gains, and net income in the last quarter probably accounted for nearly one-third of the profits for the entire year, partly as a result of the usual seasonal pattern. As income reports are published only by a small percentage of all corporations, these estimates are preliminary and subject to revision. It is common for large corporations to publish such reports, however, and, since they represent a good proportion of the net income of all corporations, the estimates should be reasonably accurate.

Net income of manufacturing corporations was up about 30 percent, led by the metal and metal-products group with a gain of more than 50 percent. Profits in transportation advanced by about the same proportion as in total manufacturing. Gains in net incomes of mining companies were very substantial, and construction companies also showed some improvement. These lines are affected directly by the national-defense program, and the advances reflect substantially higher business volume in 1940. Gains also were general in other industries but usually were more moderate.

Production

Industrial Production

Total industrial production in 1940 was larger than in any previous year of our industrial history. The

new Federal Reserve index of industrial production, which appeared during the course of the year and which provides better representation than did the old index for several important industries that have experienced substantial secular growth, averaged 122 (1935-39=100) for the year as a whole. This was 8 percent higher than the 1937 average and 11 percent above that for 1929, regarded throughout the past decade as the high-water mark of business activity in the United States.

Not only was total output the highest on record but at no time during the year did it reach a very low point, judged by the averages of previous good years. In April, after some curtailment in production schedules following the inventory upswing in late 1939, the Reserve Board's index stood at only 111. This figure, however, exceeded the averages for both 1929 and 1939, and was but 2 points below the average for 1937.

From its April low the index advanced to 121 by June and it remained at this level for 3 months. In October the index exceeded the former peak of 126 recorded in December 1939, and successive new highs were reached in the last 2 months of the year, the November and December figures being 132 and 137.

The trend and character of production in 1940 was formed largely by conditions emanating from the European war. During the first 4 months of the year production slackened as new orders fell below shipments and backlogs declined with the spread of the feeling that stocks had been overexpanded. (See figures 2 and 6.) According to Department of Commerce data, about \$150,000,000 of manufacturers' inventories were liquidated between the end of February and the middle of the year, when such inventories reached their low point for 1940. This represented a decline of slightly more than 1 percent of the value of stocks on hand at the end of February, but manufacturers' inventories at the end of June were 13 percent higher than at the end of the preceding August. Thus, the decline in rates of inventory accumulation was a more important factor in the fall of production in the early months of 1940 than actual inventory liquidation. Although further liquidation would probably have occurred if the comparatively inactive phase of the war had continued, trade comment at the time indicated the likelihood that, as long as a state of war existed in Europe, stocks would be held somewhere above mid-1939 levels.

Even in this brief period of generally receding industrial activity, however, production continued to advance in certain lines. An enumeration of these industries affords evidence of the special influences which the war situation was beginning to exert. Of all component manufacturing industries included in the Federal Reserve Board index showing net production increases between August and December 1939, the only ones in which further significant net increases occurred between

December 1939 and April 1940 were (in order of size of increase) aircraft, shipbuilding, newsprint, fuel oil, and cigarettes. In addition, smaller increases of 2 percent or less were recorded in beef, ground wood pulp, and glass-container production. The relation between the war and aircraft, shipbuilding, and newsprint production is well known. As shown in figure 7, the increases in aircraft and shipbuilding occurred in a period in which durable-goods output generally dropped 19 percent, with iron and steel production falling 40 percent.

The trend of industrial production after April 1940, when the major turning point of the year was reached, was accompanied both by elements common to all periods of marked business expansion and by elements that were clearly exceptional and in some aspects unique. One of the most familiar elements, the wider movement of durable than of nondurable manufacturing production, is evidenced in figure 8. But even this picture has notable aspects. Although the index for nondurable goods has averaged higher than that for 1929 in every year since 1935, at no time until 1940 did the volume of durable-goods production exceed its 1929 peak. The relatively smaller recovery of produc-

ing by the British Empire not only provided a substantial direct demand for durable goods; they also induced a large increase in nearly all types of capital formation.

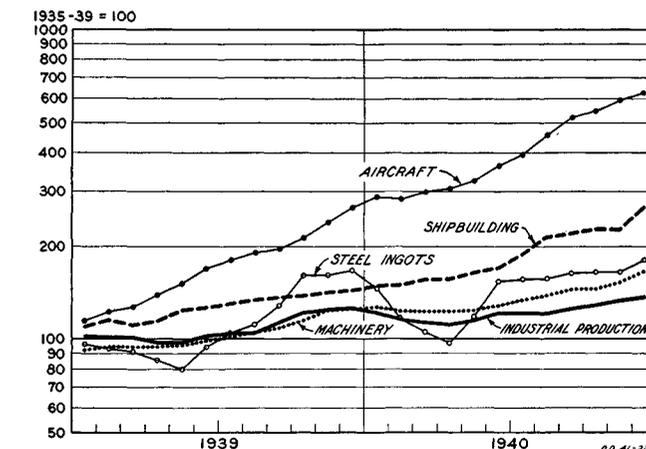


Figure 7.—Indexes of Industrial Production (Manufacturing and Minerals) and of Selected Manufactures, Adjusted for Seasonal Variations, 1939 and 1940 (Board of Governors of the Federal Reserve System).

Public and private investment in plant and equipment, consumers' investment in durable goods, and investment by business in larger inventories during the final quarter of the year—all were expanded under the propelling influence of defense and export needs. The end result was the rise of durable-goods production to record levels.

Record Production in Selected Industries.

Part of the response of industry to the above-mentioned stimuli is revealed by a list of the industries in which production for the year as a whole established new records. These are shown in table 2. Largest increases over previous records were scored in aircraft, tin, zinc, steel, and pulp and paper, all of which were strongly influenced by war developments. In order to give some indication of secular movement, the industries in table 2 are arrayed in order of percentage increase of 1940 over 1929. Although the Reserve Board's aircraft series does not extend back to 1929, it has been listed first in the table, for there can be little doubt that aircraft production in 1940, relative to 1929, was greater even than that of rayon; indications are that aircraft production in 1940 was about 8 times that of 1935. Of course the normal secular growth of the industry has been greatly augmented in the past 2 years by the very large orders flowing from the war abroad and our defense program at home. More exclusively secular forces have been at work in such industries as rayon, cigarettes, and pulp and paper, although record production of the latter was unquestionably related to the curtailment of pulp supplies from the Scandinavian countries. Production of glass containers has expanded rapidly since the repeal of the Eighteenth Amendment, despite increasing competition from tin containers and, more recently, from use of paper containers for milk.

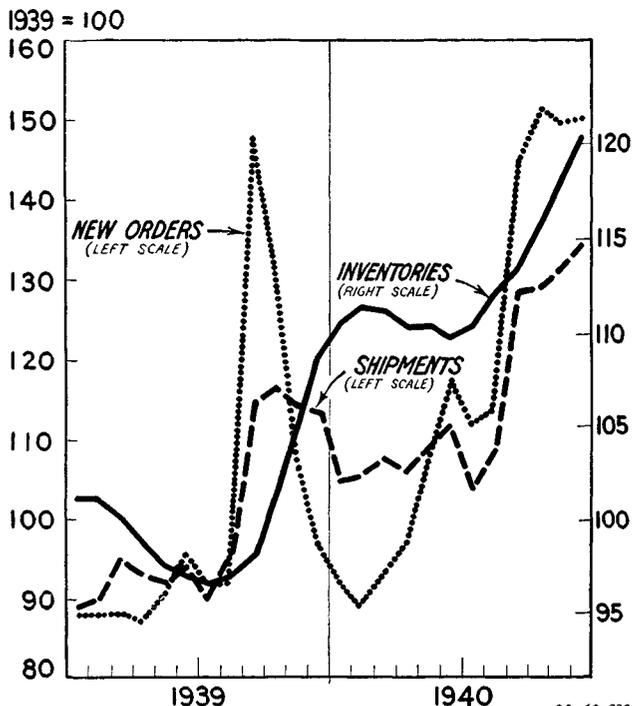


Figure 6.—Indexes of the Value of Manufacturers' New Orders, Shipments and Inventories, 1939 and 1940 (U. S. Department of Commerce).

NOTE.—Thirty-five units on the left scale (new orders and shipments) equal fifteen units on the right scale (inventories). The two scales were used to take into account the difference in dollar volume represented by the index numbers.

tion in the durable-goods lines prior to 1940 was, of course, a reflection of the smaller volume of capital formation.

But in 1940 the defense program and heavy purchas-

Table 2.—Industries With Record Annual Production in 1940

[Federal Reserve indexes, 1935-39=100]

Industry	1940 (preliminary)	Previous record high	1929	1939	Percentage increase of 1940 over—	
					Pre- vious record high	1929
Aircraft.....	416	176 (1939)	(1)	176	136	—
Rayon deliveries.....	139	128 (1939)	42	129	9	231
Glass containers.....	115	114 (1937)	75	110	1	53
Cigarettes.....	115	110 (1939)	76	110	5	51
Pulp and paper.....	222	113 (1939)	90	113	6	36
Crude petroleum.....	115	109 (1937)	86	108	6	34
Chemicals.....	114	112 (1937)	89	104	2	23
Tin deliveries.....	169	133 (1929)	133	96	27	27
Petroleum refining.....	113	111 (1939)	90	111	2	26
Rubber consumption.....	119	113 (1939)	96	113	5	24
Cotton consumption.....	120	111 (1927)	105	110	5	14
Manufactured foods.....	113	108 (1939)	101	108	5	12
Zinc shipments.....	130	117 (1929)	117	113	11	11
Steel ingots.....	143	133 (1929)	133	113	8	8
Printing and publishing.....	111	109 (1937)	104	106	2	7
Machinery.....	136	130 (1929)	130	104	5	5

1 No data.

Producers' Goods.

Among producers' goods the output of machinery, which set a record during 1940, is of importance as a major component of capital formation. Owing to the wide variety and continual change in sizes and kinds of machinery and equipment, the task of measuring the physical volume of machinery production is extremely difficult, and until recently no generally accepted index of machinery production was available. The new industrial-production index of the Federal Reserve Board, however, includes a machinery component, constructed on the basis of man-hours of employment corrected for changes in output per man-hour. As noted in table 2, the index of machinery production averaged 136 (1935-39=100) last year, compared with 104 in 1939, a rise of 30 percent. The index was also 5 percent higher than that for 1929, the previous peak. Machinery production experienced a slight decline in the early months of 1940, concurrently with the decline in general industrial production, although it did not fall as much as the latter; by April the adjusted index had dropped only 3 percent from its temporary high in January. Between April and December the Board's index of machinery production advanced from 123 to its all-time high of 165, a rise of 34 percent. The December 1940 figure was 74 percent above the average for the first 6 months of 1939.

The special importance of machine-tool production in 1940 is evidenced in estimates of the production of some of the more important types of machinery, again using data on man-hours of employment. Estimates so derived indicate that although production of all the major classes of machinery was greater in 1940 than in the preceding year, 1937 production of electrical machinery and supplies, and of textile machinery, was slightly higher than that of 1940, while 1937 production of agricultural machinery may have been 25 percent higher. On the other hand, machine-tool production

in 1940 appears to have been 50 percent higher than in 1937, and may have been as much as 75 percent higher than in 1939. These increases would have been even greater if additional machine-tool capacity had been available.

Data available currently on special items of machinery and equipment showed large increases in the final quarter, lifting activity in many cases well above the 1939 peak. Thus in October and November orders for foundry equipment were more than 60 percent higher than in the 2 best months of 1939. Similarly, orders for such equipment as iron and steel castings, electric overhead cranes, pumps, freight cars, and electric furnaces all soared in the last quarter of the year.

The sources of domestic demand for machinery and other durable manufactured producers' goods are to be seen in table 1, showing estimates of equipment expenditures by major industries. Private expenditures for durable-producers' equipment rose to \$5,566,000,000 in 1940, an increase of \$1,335,000,000 over 1939. Almost half of this increase occurred in mining and manufacturing industries—a more than propor-

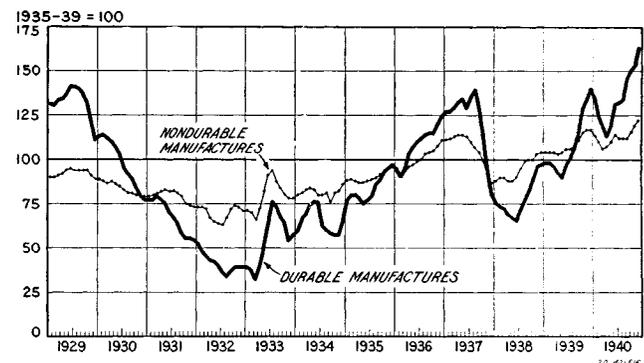


Figure 8.—Indexes of Manufacturing Production, Adjusted for Seasonal Variations, 1929-40 (Board of Governors of the Federal Reserve System).

NOTE.—Durable manufactures include iron and steel, machinery, transportation equipment, nonferrous metals and products, lumber and products, and stone, clay and glass products; nondurable manufactures include textiles and products, leather and products, manufactured food products, alcoholic beverages, tobacco products, paper and products, printing and publishing, petroleum and coal products, chemicals, and rubber products. The indexes are based upon physical volume.

tional gain, since new investment in mining and manufacturing equipment accounted for only 39 percent of the total in 1939. More than half of the remaining increase, though less than proportional, occurred in the commercial and miscellaneous group. However, the largest percentage increase was in the buying of railroad equipment, which doubled in 1940 after being exceptionally low since 1937. Though total new investment in durable producers' equipment in 1940 was almost identical with that of 1929, its composition was radically different. Investment in equipment by the mining and manufacturing and the commercial and miscellaneous groups was larger in 1940, while that in each of the utilities was much smaller. Table 1 clearly indicates that the deficiency of investment in producers' durable goods in 1940, relative to

1929, was in the area of plant rather than equipment expenditures.

Other Durable Goods.

Production of ingot steel in 1940 amounted to 65,247,000 net tons—7 percent above the previous high figure of 60,830,000 tons in 1929 and 18 percent above the total for 1937, the best year of the past decade. To reach the record 1940 figure, ingot production exceeded 1939 output by 26 percent. Owing to inventory accumulation in the latter months of 1939, steel operations declined during the first 4 months of 1940. Production in percent of capacity fell persistently until the last week in April; for April as a whole the rate (on a daily average basis) was at 60 percent as against 91 percent in the preceding December. Then followed an almost uninterrupted rise until the end of the year, with the monthly averages better than 90 percent in each of the last 4 months and December averaging 99 percent.

Much of the rise in production after April was due to additional foreign demand, largely British, resulting from increased needs and from the closing of sources of supply in Belgium and France. On a rolled basis, about 9,500,000 more tons of steel were produced in 1940 than in 1939, and the excess of steel exports in 1940 over those of 1939 represented about 55 percent of this additional production. Exports amounted to only 7 percent of estimated steel consumption in 1939, but represented 18 percent in 1940. Categories of domestic use whose increased takings were responsible for most of the remainder of the 1940 advance were automobiles, railroads, construction, and machinery. It is estimated that automobiles accounted for more than 15 percent of steel consumed, while construction accounted for somewhat less than 15 percent and railroads about 10 percent.

Steel capacity at the close of 1940, as announced by the American Iron and Steel Institute, was 84,152,000 net tons of ingots and castings annually, 3 percent above the 81,619,000 net tons available a year previously and 15 percent above capacity existing at the end of 1929. The increase of more than 2,500,000 tons included increases of 987,000 tons of Bessemer capacity, 844,000 tons of open-hearth ingot and castings capacity, and 703,000 tons of electric-furnace capacity. The increase in electric-furnace facilities was prompted largely by export and defense demand for high-grade alloy steel used in producing armaments and armor plate. It is estimated that electric-furnace capacity will exceed 3,500,000 tons by the end of 1941. The reported increases in open-hearth and Bessemer capacity include a substantial amount in existence a year ago but in need of renovation and repair, and hence not available for use at that time.

Paralleling the large advance in iron and steel production, the production and use of many of the non-ferrous metals was at record or near-record levels,

owing in part to their special importance in defense industries. Refined copper production of 1,033,000 tons was the highest since 1929. Although primary production of zinc in 1940 was 12,000 short tons less than that of 1929, shipments amounted to 696,497 tons in 1940, a rise of 16 percent. Similarly, tin deliveries of 115,497 long tons were at an all-time high. The excess of zinc shipments over primary production resulted in a sharp drop in refined stocks to 12,884 tons at the end of December, the lowest year-end figure since 1925. Reported stocks of refined copper of 142,772 tons at the year-end compared with 159,485 tons at the end of 1939 and 259,351 at the end of 1937. Tin stocks, on the other hand, were well above average; further increases were expected from the tin-purchase operations of the Metals Reserve Company, which also was importing reserve stocks of manganese ore, chromite, tungsten, and antimony.

The comparatively low stocks of zinc, lead, and copper are particularly significant in view of the record levels of demand that will probably be set in 1941. Production of all these metals was virtually at capacity before the end of 1940, but additional refining facilities were under construction for each. Moreover, in order to ease the copper supply situation further, and also to aid the copper-exporting countries of Latin America that have suffered from the British blockade of their continental markets, the Metals Reserve Company arranged in December for the purchase of 100,000 tons of copper, at a price of 10 cents a pound delivered at New York, from United States firms operating mines in Latin American countries.

Production of more than 400,000,000 pounds of ingot aluminum in 1940 was a new record high. With the expansion of capacity now contemplated, it is estimated that by the middle of 1941 output will reach an annual rate of almost 690,000,000 pounds, and a year later a rate of more than 830,000,000 pounds.

In line with the rise in practically all types of construction activity, production of most building materials advanced in 1940 to the best volumes of recent years. Lumber production increased 7 percent over 1939, and was about 4 percent above that in 1937. Portland-cement production was 7 percent higher than that of 1939 and 12 percent higher than that of 1937. Output of polished plate glass was above that for 1939 but less than production in 1937, while for common and face brick the reverse was true.

As mentioned above, shipbuilding activity was greatly accelerated by the war during 1940. From December 1939 to December 1940, the Federal Reserve adjusted index advanced from 144 to 268, a rise of 86 percent. In the course of the year, 53 merchant ocean-going vessels of more than 2,000 gross tons each, representing a total of 444,700 gross tons, were completed in United States shipyards. This compared with 28 vessels and 241,000 gross tons in 1939 and an annual

average of 117,000 tons in the period 1930-39. Moreover, at the end of the year, more than 180 oceangoing vessels, representing about 1,500,000 deadweight tons, were under construction. The number of vessels contracted for during the year was 94, with an estimated gross tonnage of 853,230. Of the merchant vessels completed or under construction, a number have been earmarked as naval auxiliaries, including almost half of those begun under the construction program of the Maritime Commission. In addition to these merchant vessels, 44 naval vessels having a displacement of 92,600 tons were completed and 513 naval vessels aggregating 2,274,600 tons displacement were under construction at the end of the year.

Shipbuilding in 1941 was expected to show a further increase. In December 1940 the British Purchasing Commission placed a contract for 60 cargo ships of uniform design, each of about 10,000 tons, while on January 3, 1941, the President announced an emergency shipbuilding program that will provide 200 cargo vessels in addition to the Maritime Commission's long-range program. To handle these programs, a further expansion of capacity was already under way at the end of the year.

The manufacture of consumers' durable goods during 1940 reflected the increased demand stemming from advances in employment and income. Referring again to table 1, expenditures on these goods are seen to have been 14 percent above those made last year, and while they were below expenditures in 1929, the lower prices prevailing this year indicate that the physical volume of such goods produced was the highest in history. This was true for most types of household appliances. Electric-refrigerator sales and vacuum-cleaner shipments were at an all-time high, while shipments of household washing machines fell only slightly short of the record volume for 1937. However, output of passenger automobiles numbered 3,692,328 cars, more than 825,532 or 29 percent over 1939, but 223,561 less than in 1937, and, of course, considerably less than the record year of 1929. But more than half of the difference between 1937 and 1940 output was attributable to decreased exports. Production was exceptionally high in the closing months of the year. Despite a record volume of retail sales in these months, dealer stocks of passenger cars and trucks were in the neighborhood of 425,000 units as the year ended—50 percent more than the number on hand at the end of 1939. As noted in the section on inventories, the desire of automobile manufacturers to clear the decks for defense orders, as well as the earlier change-over to new models, undoubtedly contributed to the comparatively high level of stocks at the end of 1940.

Minerals.

Mine production of the domestically produced metals, ferrous and nonferrous, generally experienced

changes of slightly larger magnitudes than those of refined production, discussed earlier. In the case of lead, both mine production and shipments of finished metal rose 9 percent, but for both copper and zinc the increases in mine output were slightly above the advances in finished-metal deliveries. In the iron and steel industry the differences were much greater; an increase of 41 percent over 1939 iron-ore shipments compared with an increase of 33 percent in pig-iron production and one of 26 percent in steel-ingot production. The increased accumulation of ore stocks was conspicuous in iron because of the industry's need to provide, before the closing of the Lake ports for the season, supplies adequate for a winter in which steel operations were likely to be maintained at near-capacity levels.

Among the fuels, the rise of 15 percent in bituminous-coal production was chiefly the result of the advance in general business activity, though the fixing of minimum prices, in effect on October 1, led to a small increase in coal inventories at the old prices. Owing to this combination of factors, bituminous output in 1940 was higher than in any year since 1930. Coke production, advancing with steel activity, recorded a percentage increase over 1939 practically identical with the increase in steel-ingot production, making output for the year the largest since 1929. A rise of 8 percent in crude petroleum production in 1940 established a new high in this industry.

Nondurable Manufactures.

Among nondurable manufactures, which consist largely of consumers' goods whose output fluctuated much less widely than that of producers' goods, records were established in many areas during 1940. Of the major textiles, cotton consumption and rayon deliveries were higher than ever before, while apparel wool consumption of 309,449,000 pounds (scoured basis) compares with 318,971,000 in 1935, the best year since 1923, and with 371,200,000 in 1918, the highest for any year on record. Consumption of 8,058,000 bales of cotton in 1940 exceeded that of the previous peak in 1937 by 9 percent, and consumption during the last 2 months of the year was at an annual rate of well over 9,000,000 bales. Though most of this rise was the result of consumer and military demand, some of the output in the final quarter was in response to increased inventory purchasing.

Deliveries of 389,000,000 pounds of rayon filament yarn revealed a production excess of 8 percent over deliveries in 1939, the previous record year. Silk deliveries of 312,867 picul bales reveals a continuation of the decline of recent years, the 1940 figure being 18 percent below that of 1939 and 50 percent under the record total in 1929. It is particularly noteworthy that consumption of silk in hosiery, which has largely held its own or increased in recent years, declined substantially from 290,731 bales in 1939 to about

244,000 bales in 1940. At this latter figure, silk consumption in hosiery represented more than 90 percent of domestic silk consumption. (Domestic consumption equals deliveries minus reexports.) The 1940 decline, as distinct from the secular decline in other uses, may be largely ascribed to reduced hosiery production and to the competition of substitute materials, notably nylon. Of total shipments of women's full-fashioned hosiery, nylon accounted for 8.1 percent during the third quarter of 1940, 8.4 percent in October, 9.7 percent in November, and 11.8 percent in December—indicating an upward trend that will probably cut into the hosiery market for silk even more seriously in 1941.

Defense requirements for textiles did not affect all branches of the industry equally, being of largest relative importance in wool. Thus, the Textile Economics Bureau estimates that Army requirements to June 1940 will equal 27 percent of the average annual consumption of apparel-class wool in recent years. On the other hand, Army buying of cotton textiles to November 30—assuming that production be spread over the August–May period—would add but 3 percent to the normal annual demand for raw cotton. However, the problem of meeting Army requirements for cotton goods is not accurately reflected in this percentage relation to total cotton consumption, as the demand for selected heavy cotton goods such as duck, and combed-yarn cotton goods, has been particularly heavy. In these cases the pressure of sudden increases in demand led to price advances and, where feasible, to the shifting of equipment from other types of constructions.

Like textiles, production of manufactured foods was generally higher in 1940. Flour output fell off somewhat, but sugar meltings rose slightly as did the output of manufactured dairy products, while the slaughter of meat animals increased about 12 percent. In the case of beef and veal, and also lamb and mutton, the increases were small. But with the hog-corn ratio at unfavorable levels, Federally inspected slaughter of 8,709,000,000 pounds of pork (including lard) was 19 percent above that of the corresponding period of 1939. Production of most other manufactured foods also increased.

Shoe production declined in 1940, in consequence of reductions in the large manufacturers' stocks accumulated in 1939. Output of tobacco products and alcoholic beverages increased somewhat, as did rubber consumption. Paper production generally rose about 5 percent, while output of pulp was 8,562,000 tons, the largest on record and 26 percent above 1939. Smaller imports and larger exports created by the cutting off of Scandinavian supplies were instrumental in raising pulp production, though domestic demand advanced sharply irrespective of this development.

Agricultural Output and Income

The position of agriculture improved materially in 1940. Increased acreage over that of 1939 and substantially improved yields during 1940 resulted in the best harvests since 1937, while livestock production, continuing the expansion of the past several years, attained a new record volume. With higher farm prices and larger marketings, the aggregate cash returns of agriculture rose more than half a billion dollars, despite slightly smaller Government payments than in 1939. The marked improvement in the domestic demand for farm products was the dominant influence affecting farm prices and income during the year. Livestock-product prices responded more readily to the higher domestic demand than crop prices. Owing to curtailed exports and production in excess of domestic requirements, the statistical position of a number of major crops was weaker than in the preceding year. Government's commodity loans and purchases, however, served to support crop prices and income in the most serious instances of oversupply, while increasing surplus-removal operations also made an important contribution to agricultural income.

Crop Production and Supplies.

Crop production in 1940 increased nearly 4 percent over 1939. Although lower than in the peak year 1937, crop output exceeded that of every other year of the past two decades. The composite production index of 53 crops (1923–32 pre-drought average=100) rose from 103.9 in 1939 to 107.9 in 1940; the 1937 index was 112.6. Sizable gains occurred in the production of food grains, potatoes, vegetables, cotton, feed grains other than corn, and hay, while declines were reported in corn, fruits, and tobacco. Field-crop production, although up substantially from 1939, was lower in the aggregate than in 1920 and 1937, and approximated the volume of 1928. In contrast with field crops, vegetables and fruits have shown pronounced upward trends in production and consumption since 1920. Vegetable production attained a new high in 1940, and the output of fruits, while suffering a moderate setback, was the third highest on record.

Increased acreage and improved yields both contributed to expanded crop production last year. More than 4,000,000 additional acres were planted, while the absence of serious drought conditions decreased acreage losses in leading crops by nearly the same amount. The harvested acreage of 46 crops increased 8,000,000 acres or about 2.5 percent over 1939. The 1940 harvested acreage, however, was 30,000,000 acres less than at the peak attained in 1932, and 20,000,000 acres less than the 1923–32 average.

Acreage changes since 1932 reflect Federal production-control and soil-conservation programs, as well as the substitution of drought-resisting crops in drought

areas. Compared with the pre-drought average, reductions of 15,300,000 acres have been made in corn, 4,900,000 acres in food grains, 16,400,000 acres in cotton, and 360,000 acres in tobacco. On the other hand, increases of 5,500,000 acres have occurred in tame hay, 6,200,000 in sweet sorghums for forage and hay, and 7,000,000 acres in annual legumes. Compared with 1939, the 1940 acreage of tame hay was increased 2,900,000 acres, sweet sorghums 2,100,000 acres, and annual legumes 950,000 acres as against decreases of corn acreage by 2,000,000 acres and tobacco by 590,000. Acreages of cotton and wheat remained virtually unchanged, although these commodities also present serious surplus problems.

Crop yields in 1940 were substantially better than the year before and surpassed the previous high attained in 1937. Corn, rice, dry edible beans, sweet potatoes, soybeans, and certain fruits were exceptions to the general improvement of yields, but the average for 28 crops advanced from 113.8 to 118.5, compared with 117.7 in 1937 (1923-32=100). Especially notable were the 1940 yields obtained in tobacco, cotton, oats, potatoes, sugar beets, peanuts, and flaxseed. Favorable rainfall and temperature conditions contributed to this improvement, but over the past few years the increase has been due primarily to technological advances in plant types and in farming methods, as well as to abandonment and diversion of less productive acreage to non-crop uses.

Table 3.—Harvested Acreage, Production, and Yield of Selected Crops

Crop	Unit	1923-32, average	1939	1940	Percent change, 1940 over 1923-32
Corn:					
Acreage harvested.....	Mil. acres.....	102	88	86	-15.1
Production.....	Mil. bushels.....	2,583	2,602	2,449	-5.2
Yield.....	Bu. per acre.....	25.4	29.4	28.3	+11.4
Food grains:					
Acreage harvested.....	Mil. acres.....	63	59	58	-7.8
Production.....	Mil. tons.....	27	25	27	-1.0
Yield.....	Lb. per acre.....	864.5	850.7	928.0	+7.3
Cotton:					
Acreage harvested.....	Mil. acres.....	41	24	24	-40.6
Production.....	Mil. bales.....	14	12	13	-12.0
Yield.....	Lb. per acre.....	169.9	237.9	252.4	+48.6
Tobacco:					
Acreage harvested.....	Mil. acres.....	1.8	2.0	1.4	-20.1
Production.....	Mil. pounds.....	1,377	1,858	1,376	-0.1
Yield.....	Lb. per acre.....	770.4	920.1	964.6	+25.2

Source: U. S. Department of Agriculture.

The increase in yields has been marked in the case of crops subject to acreage reduction, so that the effect has been to offset considerably such acreage reduction, as shown in table 3. Cotton acreage, for instance, was 41 percent less in 1940 than in 1923-32, but the yield had increased from 170 to 252 pounds per acre, with the result that the cotton crop declined only 12 percent. Similarly in the case of corn, acreage reduction amounting to 15 percent has resulted in crop curtailment of only about 5 percent. The over-all effect of improved yields in 1940 over the 1923-32 average has been to increase aggregate crop production about 8 percent despite nearly 6 percent less acreage harvested.

As the abundant harvests of 1940 followed 3 years of above-average crop production, crop supplies are generally at or near the largest volumes of recent years. Supplies of wheat and oats are the largest since 1932-33, of barley the largest on record. The supply of corn, although moderately lower than last year, is the second largest since 1932-33. The present cotton supply has been exceeded only in 1939-40. Curtailed exports, moreover, have left a greater proportion of total supply available for domestic disappearance in the case of crops normally exported in considerable volume. The estimated total supplies (carry-over plus production) of leading crops in 1935-41 are shown in table 4.

Table 4.—Relative Supplies of Leading Crops, By Crop Years¹

[Crop years 1935-36—1939-40=100]

Crop	1935-36	1936-37	1937-38	1938-39	1939-40	1940-41
Corn.....	92	65	106	114	124	122
Oats.....	106	89	105	106	94	115
Barley.....	110	80	88	103	119	131
Hay.....	100	89	94	110	107	112
Wheat.....	87	86	103	116	108	118
Cotton.....	83	84	108	109	116	109
Flue-cured tobacco.....	90	89	100	100	121	118

¹ Carry-over at beginning of crop year plus production. Based on data compiled by the U. S. Department of Agriculture.

Livestock and Livestock Products.

The volume of meat animals slaughtered in 1940 was substantially larger than in 1939, as a result principally of a 22 percent increase in marketings of hogs. The production of beef and veal under Federal inspection advanced about 3 percent, and lamb and mutton 1 percent. In consequence of the high level of corn prices relative to hogs prevailing during the past year, however, the spring and fall pig crops were reduced to 77.0 million head from 85.9 million in 1939. Slaughter supplies of hogs in the first 9 months of 1941 will be curtailed sharply, possibly by 15 to 20 percent. Reported intentions with regard to the 1941 spring pig crop indicate a further reduction which will limit supplies in the final quarter of the year. On the other hand, feeding operations have been increased 11 percent in the case of cattle and 6 percent in the case of lambs. Slaughter supplies of cattle may be only moderately larger until the late spring, when materially increased supplies will be marketed. In consequence of reduced hog marketings, however, total meat supplies in 1941 probably will be somewhat under those available last year.

The supply of poultry will also be smaller in the first half of 1941. Relatively unfavorable price ratios of chickens and eggs to feed induced a reduction of 12 percent in the number of chickens raised during 1940. The number of layers on hand in December was only slightly less than at the end of 1939, but the number of pullets to be added to laying flocks was down about 8 percent. Despite an anticipated decrease in the culling of flocks in response to high egg prices, egg production,

which increased 2 percent during 1940, probably will be lower in the first half of the current year.

Milk production, on the contrary, will continue the rising trend in evidence during recent years, as the number of milk cows is increasing and feed supplies are abundant. The gain in 1940 over production of 1939 was 2 percent.

Agricultural Exports.

In contrast with the experience during the World War, when agricultural exports more than tripled, foreign shipments of farm products have been sharply curtailed in the present conflict. Agricultural exports in 1940 declined to less than 520 million dollars from 655 million in 1939 and an average of nearly 780 million in 1936-38. By the late months of 1940, the monthly volume had dropped to only about 26 million dollars. Cotton and tobacco, which accounted for 57 percent of the value of agricultural exports in 1936-39, were affected most adversely by the closing of export markets. Cotton exports in the four crop years ending July 1939 accounted for more than 40 percent of production, and flue-cured tobacco exports for 50 percent of production.

Shipments abroad of United States cotton amounted to 243 million dollars in 1939 and 214 million in 1940. In both years exports were stimulated by an export indemnity program of the Surplus Marketing Administration, available from August 1939 to January 1940. About 5,900,000 bales of cotton were sold for export under this plan. Export shipments of indemnity cotton were largely made in the crop year 1939-40. Cotton exports in this period amounted to 6,920,000 bales (500 lbs.), valued at 349 million dollars, as compared with the total of 457 million for the two complete calendar years 1939 and 1940. On a monthly basis, cotton exports dropped from 60 million dollars in January 1940 to 8 million in June, and since that time have continued at extremely low levels. In the current crop year shipments are expected to be the lowest since the 1860's.

Exports of tobacco declined to 77 million dollars in 1939 and 44 million in 1940 from an average of 143 million in the preceding 3 years. Shipments of flue-cured tobacco, the principal export crop, dropped 100 million pounds from 1938-39 to 1939-40 and are expected to be even lower in the current crop year unless arrangements can be made for Great Britain to take a substantial proportion of stocks now being held for British account by the Commodity Credit Corporation. This credit agency purchased 160 million pounds of the 1939 crop of flue-cured tobacco and 205 million pounds of the 1940 crop.

In addition to cotton and tobacco, virtually every other category of agricultural exports has declined severely as a result of the war. Excluding cotton and tobacco, agricultural exports approximated 261 million dollars in 1940, compared with 335 million in 1939 and

316 million average from 1936 to 1938. By the closing months of 1940, the monthly rate was less than 18 million dollars. In the case of most other crops and livestock products, however, export markets are of distinctly secondary importance as compared with domestic demand.

Agricultural Prices and Income.

Prices received by farmers for agricultural products rose more than 5 percent from 1939 to 1940. This gain is attributable, in the main, to improved domestic demand. In the case of several crops, loan rates were also set moderately higher and surplus-removal operations of the Surplus Marketing Administration were increased. Sizable advances occurred in average prices of grains, cotton and cottonseed, truck crops, and dairy products. Meat-animal prices, on the other hand, averaged moderately lower, principally by reason of large supplies and reduced prices of hogs. The high point of farm-product prices subsequent to the outbreak of the war, recorded in February, was equaled again in December. Between these 2 months, however, crop prices receded while livestock product prices advanced.

Table 5.—Indexes of Prices Received by Farmers

[August 1909=July 1914=100]

Commodity group	Average			February 1940	December 1940
	1937	1939	1940		
All farm products.....	121	93	98	101	101
Grains.....	126	72	85	91	81
Cotton and cottonseed.....	95	73	81	85	79
Fruits.....	122	77	79	76	75
Truck crops.....	123	105	114	159	93
Meat animals.....	132	110	108	101	111
Dairy products.....	124	104	113	118	128
Chickens and eggs.....	111	94	96	98	122
Miscellaneous.....	130	95	103	107	102

Source: U. S. Department of Agriculture.

The behavior of prices in the case of a number of important crops is influenced by loan operations of the Commodity Credit Corporation. While season-average farm prices do not show an exact correspondence with loan rates (because of regional and quality differentials), the latter clearly support farm prices, as potentially price-depressing surpluses move into loan. Moreover, supplies are available from loan stocks at redemption values (loan rates plus costs) to meet increasing domestic demand, thus moderating price advances.

In the case of most livestock products, on the other hand, supplies are relatively inelastic. Furthermore, livestock-product supplies in 1941, with the exception of dairy products, are expected to be somewhat reduced, in contrast with the generally ample, and in several instances excessive, crop supplies. As a consequence, livestock-product prices have proven more responsive than crop prices to improving domestic demand during the latter half of 1940.

Higher farm prices, larger crop production, and in-

creased livestock-product marketings increased cash proceeds from the sale of farm products to approximately 8.4 billion dollars in 1940, 493 million more than in 1939. Farmers received substantially larger cash income than in 1939 from both crops and livestock products. With the addition of Government payments, cash farm income for 1940 was the second highest since 1929 and only slightly below the 1937 total. The cash farm income of 9.1 billion dollars (including Government payments) realized last year has been exceeded by sizable amounts in only two periods since 1910—in 1917-20, when income averaged 12.8 billion dollars, and in 1923-29, when the average was 10.6 billion. In both periods, farmers paid substantially higher prices for commodities used in farm production and for family maintenance.

Table 6.—Cash Farm Income, 1937-40
[Millions of dollars]

Source of income	1937	1938	1939	1940 ^p
Income from farm marketings.....	8,788	7,652	7,861	8,354
All crops.....	3,927	3,193	3,372	3,536
Grains.....	1,013	813	914	1,018
Cotton and cottonseed.....	883	647	629	660
Tobacco.....	321	294	269	240
All livestock.....	4,861	4,459	4,490	4,818
Meat animals.....	2,330	2,175	2,276	2,427
Dairy products.....	1,532	1,396	1,355	1,501
Poultry and eggs.....	818	761	718	728
Government payments.....	367	482	807	766
Total cash income.....	9,155	8,134	8,668	9,120

^p Preliminary.

Source: U. S. Department of Agriculture.

The index of income from farm marketings, charted in figure 9, rose from an average of 69.2 (1924-29=100) for the first 8 (pre-war) months of 1939 to a high level of 84.0 in February 1940, then declined to 70.0 in June. After remaining at 71.0 in July and August, the index advanced in the seasonally important closing months of the year. The rate of cash receipts (excluding Government payments) in December equaled the seasonally adjusted February level of 84.0, and averaged 81.3 for the final quarter. Prospects at present are for further gains in 1941, with materially higher livestock-product prices and income.

Farm Commodity Loans and Surplus Removal.

The Commodity Credit Corporation in connection with its commodity loan and purchase programs has accumulated, or is in the process of accumulating, very considerable farm "surpluses," as illustrated in the case of cotton, corn, wheat, and tobacco in figure 10. More than 2.7 million bales of the 1940 cotton crop have been placed under loan, and a major part of this cotton is expected to remain under loan next August 1. At that time it is estimated that Government-owned and loan cotton will approach 11 million bales, approximating the record Commodity Credit Corporation stocks of August 1, 1939. The current corn loan of 61 cents per bushel will be available until September 1941, and may result in the sealing of 150 to 200 million bushels. Corn

owned or sealed may amount to the record total of 600 million bushels on October 1. Wheat loans on the 1940 crop approximated 275 million bushels, of which possibly no more than 100 million bushels may be redeemed by July 1, indicating that the Commodity Credit Corporation probably will carry over a sizable quantity of wheat for the first time. In the case of flue-cured tobacco, moreover, the Commodity Credit Corporation is currently holding about 360 million pounds (farm weight) of the 1939 and 1940 crops, earmarked for subsequent sale and shipment to British buyers.

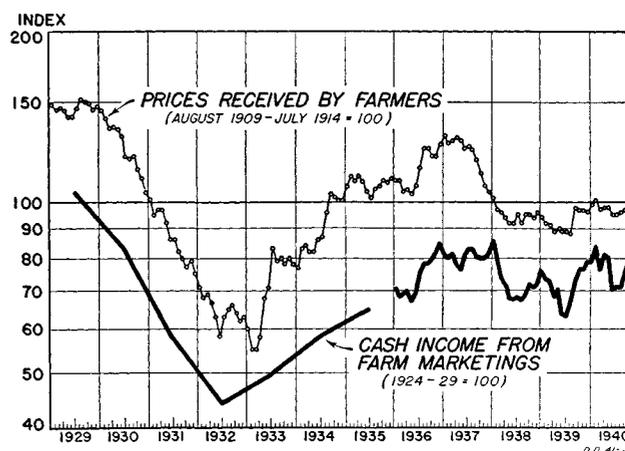


Figure 9.—Indexes of Prices Received by Farmers and Cash Income from Farm Marketings, 1929-40 (U. S. Department of Agriculture).

NOTE.—The index of cash income from farm marketings does not include governmental payments. Data are plotted annually through 1935 and monthly beginning with 1936. The monthly indexes, which are adjusted for seasonal variations, are not available prior to 1936.

The accumulation of agricultural supplies through loan operations has served to support farm income, especially income from crops, and to dampen both downward and upward fluctuations of income. As a result, crop income cannot be expected in the present situation to respond as readily to improving economic conditions as income from livestock products.

The Commodity Credit Corporation loan and purchase programs implement the operation of the "ever-normal granary." Supplies of cotton and certain tobacco types, however, are apparently excessive, and corn and wheat reserves at the end of the current crop year may well prove excessive also. Surpluses are indicated in the case of a considerable number of other agricultural products. Agricultural surpluses are dealt with, of course, not only through commodity loans, but also by means of production adjustment and control and surplus removal.

The removal of farm surpluses is carried forward by the Surplus Marketing Administration through (1) direct purchase and distribution, (2) domestic diversion, (3) export indemnities, and (4) food- and cotton-stamp plans. As an aftermath of the New England hurricane, the Surplus Marketing Administration also undertook a lumber-salvage program. The increasing magnitude of these programs may be indicated by

expenditures (see table 7) of 199 million dollars in the fiscal year 1939-40 in contrast to 110 million in the preceding year and 22 million in fiscal 1936-37. Outlays for this purpose may approximate 235 million dollars in the current fiscal year. Expenditures for direct purchase and distribution, amounting to 118 million dollars in 1939-40, will be reduced this year, while the consumer-stamp plans initiated in 1939 are being steadily expanded. Export indemnities in the current fiscal period will drop materially below the 53 million dollars paid to stimulate agricultural exports (largely cotton exports) in 1939-40.

Table 7.—Federal Government Expenditures for the Removal of Farm Surpluses, by Fiscal Years Ended June 30¹

[Thousands of dollars]

Surplus-removal programs	1936	1937	1938	1939	1940
Direct purchase and distribution programs:					
Original purchases.....	2 14,591	2 15,664	2 41,926	57,605	106,145
Processing, transportation, handling, etc. ³	9,853	2,608	6,958	10,087	11,650
Diversion programs.....	2,897	3,042	7,950	6,350	4,362
Lumber salvage program.....				7,354	5,143
Export programs.....	1,093	1,006	1,190	28,477	52,584
Stamp plans:					
Food.....					18,941
Cotton.....					121
Total expenditures for the removal of farm surpluses.....	28,435	22,321	58,024	109,873	198,946

¹ Statistics subject to adjustment.
² These figures may include a small amount for transportation expenses.
³ These figures include transportation on commodities purchased during the preceding fiscal year for delivery during the reported year.

Source: Surplus Marketing Administration.

involving the issuance of an estimated 9.5-11.5 million dollars of surplus commodity stamps monthly.

Consumption

Retail Distribution

Net sales of retailers in 1940, as estimated by the Bureau of Foreign and Domestic Commerce, amounted to about 45,500 million dollars, according to data now available. This represents a rise of 8.3 percent over the 1939 total of 42,024 million reported by the Bureau of the Census.

In terms of the physical quantity, not only the 1940 total but the per capita volume of goods distributed exceeded that of 1929—the year in which dollar volume of goods sold was highest. The 1929 dollar volume was 48,330 million dollars, 6 percent above the estimated dollar volume in 1940, for a per capita average of about \$398. Because the population rose approximately 8.3 percent between 1929 and 1940, estimated sales in the latter year were only \$345 per person, or 13 percent less than in 1929. Retail prices of consumers' goods, however, fell considerably during the intervening years. For example, food prices averaged 27 percent lower in 1940 than in 1929, clothing prices 12 percent lower, and prices of house furnishings 10 percent lower. The cost-of-living index of the United States Department of Labor averaged 22 percent higher in 1929 than in 1940, and, while this index was not designed to measure changes in the level of retail prices generally, it may be used as a rough approximation to such a measure. Correcting per capita sales in dollar terms for changes in the cost-of-living index would indicate that per capita sales in 1940 were 6 percent higher than in 1929 on a physical-volume basis. As the cost-of-living index includes the relatively inflexible items of rent and services, it probably tends to understate the decline in retail prices of commodities. Hence, the increase over 1929 in physical volume of goods sold per capita in 1940

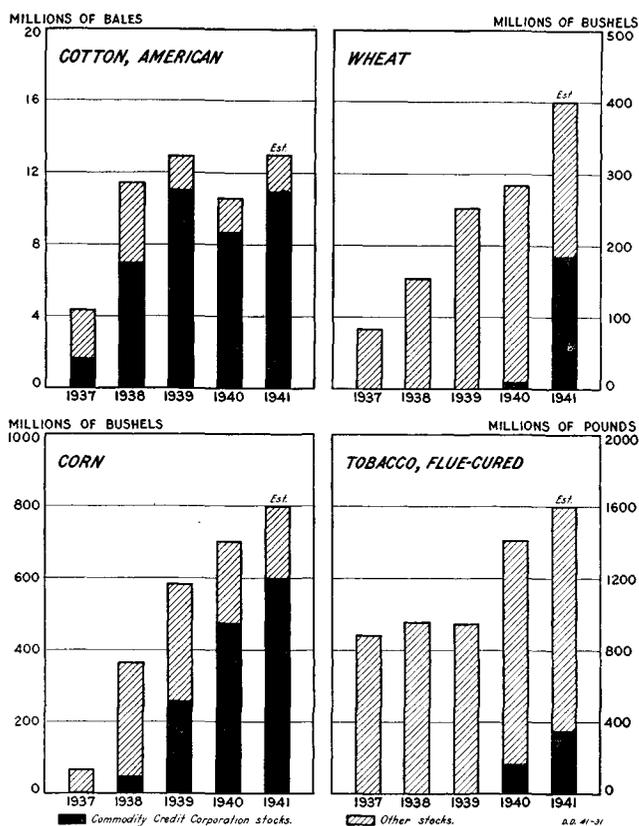


Figure 10.—Commodity Credit Corporation Stocks (Owned or Pledged Under Direct and Guaranteed Loans) and Other United States Stocks of American Cotton, Corn, Wheat, and Flue-Cured Tobacco, 1937-41.

NOTE.—Stocks of American cotton on August 1; corn, October 1; wheat and flue-cured tobacco, July 1. Data for all items are from the U. S. Department of Agriculture, except flue-cured tobacco for 1941 which is estimated by the U. S. Department of Commerce.

The direct purchase and distribution program and, more recently, the consumer-stamp plans are doubtless of greatest interest from the standpoint of the Nation's well-being, since the rationale of these programs is to increase the domestic consumption of agricultural products among low-income groups with the object of correcting important dietary and other consumption deficiencies. By December 1940, the food-stamp plan had been extended to 231 local areas and 2,822,000 participants, who received about 6,588 thousand dollars surplus commodity stamps during the month. The eventual inclusion of 4 to 5 million persons in the food-stamp plan is projected at the present time,

was probably greater than the indicated figure of 6 percent.

Estimates of the dollar volume of retail trade in 1940 by lines of business are shown in table 8, together with preliminary Census totals for 1939. The table reveals that increases were scored in all groups, from less than 1 percent for general stores to 25 percent for the automotive division. It is significant that with the exception of beer and liquor stores, which have shown an almost uninterrupted secular rise in sales since repeal in 1933, the largest three percentage increases in 1940 were in the automotive group, jewelry stores, and furniture and household-equipment stores, involving durable rather than nondurable goods, and involving also goods tending toward a luxury character. With rising income and employment, permitting higher levels of consumption, greatest relative sales increases may logically be expected in goods of this kind. Dealer sales of new passenger automobiles in 1940 amounted to 3,462,000 units, a rise of 27 percent over the number sold in 1939. The dollar volume of 1940 sales was more than 2,600 million dollars, or about a third higher than in the preceding year, indicating a rise in the average price paid per car.

Table 8.—Estimated Net Sales of Retailers, by Kinds of Business, 1939-40

Business group (Census classification)	Sales in millions of dollars		Percent- age in- crease, 1940 from 1939	Percent- age dis- tribution of total sales, 1940
	1940 ¹	1939 ²		
United States total.....	45,500	42,024	8.3	100.0
Food group.....	10,609	10,152	4.5	23.3
General stores (with food).....	814	810	0.5	1.8
Beer and liquor stores.....	692	586	18.0	1.5
Eating and drinking places.....	3,715	3,521	5.5	8.2
General merchandise group.....	6,026	5,663	6.4	13.3
Department stores.....	3,687	3,446	7.0	8.1
Variety stores.....	1,035	976	6.0	2.3
Dry goods and general merchandise.....	762	722	5.5	1.7
Mail order (catalog sales only).....	542	519	4.5	1.2
Apparel group.....	3,422	3,259	5.0	7.5
Automotive group.....	6,930	5,544	25.0	15.2
Filling stations.....	2,907	2,822	3.0	6.4
Furniture and household.....	1,933	1,734	11.5	4.2
Lumber, building, and hardware.....	2,953	2,794	8.0	6.5
Drug stores.....	1,632	1,562	4.5	3.6
Jewelry stores.....	416	362	15.0	0.9
Other stores.....	3,461	3,275	5.4	7.6

¹ Preliminary estimates by the Bureau of Foreign and Domestic Commerce.

² Preliminary Census totals.

³ Mail-order (catalog) sales of general merchandise, estimated at 519 million dollars, have been deducted from the department-store total for 1939 released by the Bureau of the Census. It was necessary to estimate this item because the break-down of the department-store classification was not available at the time the above table went to press.

Relative increases in general-merchandise sales were roughly similar for all divisions of this group, ranging from 4.5 percent for catalog sales of mail-order houses to 7.0 percent for department stores. Since 1929 the various classes of general merchandise sales have experienced divergent trends, as figure 11 shows. This figure portrays graphically the fact that, even without correction for price declines, catalog sales of mail-order houses and sales of variety stores were higher in 1940 than in 1929. Larger mail-order (catalog) and variety sales have cut into the department-store, dry-goods, and general-merchandise group's market to some ex-

tent; the latter group accounted for 79 percent of total sales by the general-merchandise group as a whole in 1929 and 74 percent in 1940. Moreover, if sales of the retail stores belonging to mail-order houses be deducted from the department-store group (in which they are included) the relative decline in the department-store, dry-goods, and general-merchandise group is even more marked.

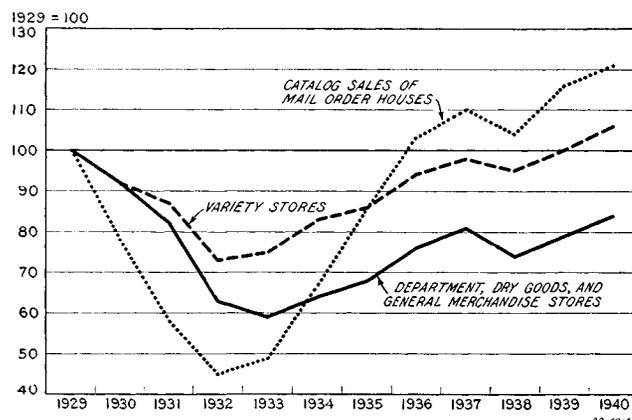


Figure 11.—Indexes of Net Retail Sales of General Merchandise, by Type of Outlet, 1929-40 (U. S. Department of Commerce).

NOTE.—Indexes of dollar values of sales for the years 1929, 1933, and 1935 are based upon actual census figures published by the U. S. Bureau of the Census. Indexes for other years are estimated by the U. S. Bureau of Foreign and Domestic Commerce on the basis of trends indicated by related currently published statistics. The series have not been adjusted to take into account the changes shown by a comparison of the census figures for 1935 and 1939.

Although retail trends within the year were somewhat mixed, with no clear-cut tendency being manifested in some months, the principal pattern was that of slight decline in the first half of the year, followed by marked expansion in the latter half. Thus, department-store sales, after adjustment for seasonal variation, averaged 3.6 percent lower in the first half of 1940 than in the last quarter of 1939, but in December 1940 were 12 percent above the average for the first 6 months. This general pattern is observable in sales by other general-merchandise stores—variety chains and mail-order houses—and such other retail divisions as apparel and furniture. As would be expected, the dollar volume of grocery and restaurant business did not recede so noticeably at the beginning or rise so much at the end of the year as did that of general-merchandise stores. On the adjusted basis, sales by certain retail divisions—conspicuously the automotive group—not only held previous gains in the opening months of the year but also scored signal advances. The Department of Commerce adjusted index of the value of passenger cars sold averaged 34 percent higher in the first quarter of 1940 than in the same period of 1939, and was above the average for any previous first-quarter except 1929 and 1937. Last-quarter sales in 1940, according to the adjusted index, were exceeded only by those of 1929 and 1936.

Consumer Credit

A contributing feature of the 1940 retail trade advance was the substantial increase in each of the two

broad classes of consumer credit—cash lending and retail credit. In recent years more than 30 percent of retail sales have been made on credit, two-thirds of which were characteristically on open account (regular charge account), the remainder being installment transactions. At the end of 1940, outstanding indebtedness on open account is estimated to have been about 2 billion dollars, most of which was to be liquidated in 60 to 90 days, being replaced, of course, by new obligations. Estimates of the total volume of open-account credit granted during the year are less accurate than estimates of installment credit, but it may be roughly put at 9 billion dollars for 1940, about 10 percent higher than in 1939.

Although the aggregate value of installment sales is smaller than that on open account, such sales exercise a greater effect on the level of business activity, giving rise to consumer debts of comparatively long duration which must be liquidated from future income. In 1940, installment sales continued the upward movement initiated last year, reaching a volume of approximately 5,000 million dollars—an increase of 20 percent over 1939 and 9 percent above the 1937 figure of 4,600 million dollars. Though 1940 installment sales had an aggregate value 23 percent below the all-time peak of 6,500 million dollars in 1929, the physical volume of goods sold in 1940 under installment plans showed a much smaller change. Actual indebtedness of consumers arising out of installment purchases was approximately 3,000 million dollars at the end of 1940. About 50 percent of this was due on automobile contracts, the largest part being with sales finance companies.

Cash Loans.

The bulk of retail sales arising from installment repayment credit is financed either by retailers themselves or by agencies specializing in sales financing. Perhaps as much as two-thirds of loans made by personal-finance companies are for purposes other than the original purchase of goods. However, small-loan agencies of various types, including personal-loan departments of commercial banks, have made steady advances into the field of retail financing through direct cash loans to consumers.

At the end of November 1940, installment-loan outstandings of regulated small-loan companies and of industrial-banking companies totaled 765 million dollars, indicating that the 1940 volume of these loans will be 12 to 15 percent above 1939. Consumer loans of industrial-banking companies and personal-finance companies are believed to represent about 50 percent of the total made by all consumer-financing agencies. Thus, consumer indebtedness on cash loans, including those extended by personal-finance and industrial-banking companies, credit unions, personal-loan departments of commercial banks, and unregulated lenders, and also

including FHA (title I) loans, was roughly estimated to be 1,600 million dollars at the close of 1940. This may be compared with 1,126 millions at the end of 1937 and 634 millions at the end of 1930, the latter being somewhat higher than the figure for 1929. The growth of consumer loans to record levels in the past decade may be attributed in some measure to the pressure of private capital seeking profitable investment in that channel, the various financial groups interested having materially aided the popularization of consumer borrowing.

Wholesale Trade

In the field of wholesale trade, 1940 data were available only for service and limited-function wholesale firms, which usually account for about two-fifths of the total business. Sales by these groups in 1940 are estimated at 26,500 million dollars, 12.5 percent more than those in the preceding year. As in the case of retailers, all groups within the service and limited-function class showed increased business, though advances in individual lines varied widely in magnitude from 3 percent for groceries and foods to 28 percent for automotive supplies, 30 percent for metal and metalwork, and 30 percent for waste materials (including scrap). Following the three last-named groups the next largest increase was in the composite group for machinery, equipment and supplies. Moreover, wholesale business in electrical goods and jewelry also rose substantially. Hence, the general increase was similar to that in retail trade, being paced by sales of durable goods. Among nondurable goods those that showed the greatest increases were coal and coke, beer, wines and liquors, and paper and paper products.

The rise in estimated wholesale trade was greater than the advance in retail sales during 1940. This may be due in part to the difference in statistical coverage of the two fields, the retail estimates representing practically the entire field of retailing, as opposed to a coverage of less than half of the wholesale field. A more likely explanation, however, is that wholesale business can be expected to fluctuate more widely, as wholesale trade reflects not only the trend of retail sales but also increases or decreases in retail inventories and (to the extent that manufacturers buy from wholesalers) increases or decreases in manufacturers' inventories.

The combined index of wholesale commodity prices of the United States Bureau of Labor Statistics averaged 2 percent higher in 1940 than in 1939—indicating that the rise in the dollar volume of wholesale trade slightly overstates the increase in the physical volume of goods sold. The estimated increase in retail sales in 1940 was likewise affected in the same direction, owing to strengthening of retail prices.

Inventories

Although the expansion of business activity during 1940 was dominated less by accumulation of inventories than had been the case in both the 1939 and 1937 up-swings, the net increase over the year was a considerable one. A general lengthening of commitments in the fall and winter months, superimposed upon the increased stocks technically required by the arms program and the expanded volume of consumption, raised inventories to an unusually high level. Much of the rise occurred in manufacturing industries, as shown in figure 12, where inventories are estimated to have increased by about 1,200 million dollars. Net accumulation by retailers and wholesalers was also substantial, stocks rising by 274 million and 120 million dollars, respectively. The value of total inventories at the end of 1940 is estimated at roughly 20,600 million dollars as against 19,300 million a year previously, a gain of 7 percent. The physical increase was somewhat smaller than this as a result of a 1 percent rise in wholesale prices.

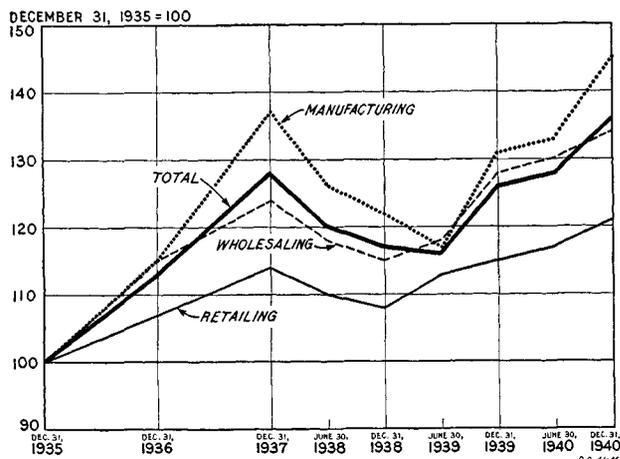


Figure 12.—Indexes of the Value of Manufacturing, Wholesaling, Retailing, and Total Inventories for Selected Dates, 1935-40 (U. S. Department of Commerce and Dun and Bradstreet, Inc.).

NOTE.—Indexes for manufacturing inventories through June 1938 and for wholesaling and retailing inventories through 1939 are Dun and Bradstreet's series. Values of the Dun and Bradstreet's index of manufacturing inventories subsequent to June 1938 were spliced with U. S. Department of Commerce "Industry Survey" figures on the basis of overlapping data for the end of 1938 and the middle and end of 1939. All index values for 1940 are U. S. Department of Commerce estimates based upon sample data.

It will be recalled that the industrial advance in the final quarter of 1939 was chiefly engendered by a wide inventory movement. Stocks valued at more than 1,100 million dollars were added by manufacturers at that time. The further delivery of orders placed during the fall buying wave continued this accumulation into the first quarter of 1940, though at a greatly reduced rate. Despite intensification of the war, the second quarter proved to be one of modest liquidation in both manufacturing and trade inventories as business viewed with less optimism the prospects of large war demand. However, even in June, when liquidation had run its course, stocks were slightly above those

at the end of 1939, and of course were much above pre-war levels.

It was in the second 6 months of 1940 that renewed accumulation developed, reaching large proportions in the final quarter when manufacturers invested about 700 million dollars in additional inventory. The basis for this accumulation in the latter part of 1940, as well as its form and its relation to the cyclical movement of business, differed markedly from the inventory upswing in late 1939. These questions have been discussed in detail in the "Introduction" to this Review, describing the cyclical development of business during the year.

The rise in manufacturing inventories during 1940 was largely attributable to the durable-goods industries. Holdings by manufacturers in nondurable-goods lines were only 3 percent higher at the end of the year than at their earlier peak in February, while holdings in the durable-goods fields—including iron and steel, machinery, automobiles, and other transportation equipment—were 13 percent higher. The largest increase in the final quarter was in the transportation-equipment group, which included important and expanding defense industries, such as shipbuilding, aircraft, and railway equipment. Expanding ordnance production, reflected initially in accumulation of stocks, was mainly responsible for the increase in the railway-equipment division.

In the retail field, year-end to year-end inventory changes ranged from a drop of 2 percent for dry-goods and general-merchandise stores to an increase of 22 percent for motor-vehicle dealers. The latter group includes some used cars and equipment, as well as new cars. New-car and truck inventory alone advanced to a much greater extent, being 50 percent higher at the end of 1940 than a year previously. This reflected a number of factors, including the earlier change-over to new models and the special situation created by the defense program, which provided automobile manufacturers with an incentive to build up stocks as quickly as possible. The net rise for the year in retail inventories, exclusive of those in the hands of motor-vehicle dealers, is estimated at 3 percent. In dollar terms this represents an accumulation of slightly more than half of the increase for all retailing, estimated at 274 million dollars.

Construction

Construction expenditures in 1940 were moderately larger than in 1939 and well above any of the annual totals from 1931 to 1938. At 9,985 million dollars, according to preliminary estimates of the Department of Commerce for total public and private operations, the amounts expended for construction in 1940 contributed significantly to the strength of the general business situation during the year. Allowing for lower construction costs now as against predepression levels, the physical volume of construction in 1940 may have

amounted to as much as seven-eighths of the annual volume during the peak years of the 1920's. Total dollar expenditures, however, were less than three-quarters as large. Annual construction estimates are presented in summary form in table 9 and shown graphically in figure 13.

Table 9.—Estimated Value of Private and Public Construction, Including New Construction, Maintenance, and Work-Relief Construction ¹

[Millions of dollars]

Item	1926-29, average	1932	1933	1937	1938	1939	1940 ²
New construction, total.....	10,702	3,561	2,307	5,470	5,189	³ 6,072	6,580
Private.....	8,363	1,767	1,091	3,443	3,072	³ 3,485	4,031
Public ⁴	2,339	1,794	1,216	2,027	2,117	³ 2,587	2,549
Non-Federal.....	2,149	1,334	707	858	1,103	³ 1,314	1,143
Federal.....	190	460	509	1,169	1,014	³ 1,273	1,406
Work-relief construction, Federal ⁵			114	775	1,202	1,032	805
Maintenance, total.....	2,960	1,752	1,543	2,579	2,502	2,567	2,600
Private.....	2,195	1,128	1,016	1,854	1,763	1,820	1,850
Public ⁴	765	624	527	725	739	747	750
Non-Federal.....	717	581	485	666	679	684	685
Federal.....	48	43	42	59	60	63	65
Total construction.....	13,662	5,313	3,964	8,224	8,893	³ 9,671	9,985
Private.....	10,558	2,895	2,107	5,297	4,835	³ 5,305	5,881
Public ⁴	3,104	2,418	1,857	3,527	4,058	³ 4,366	4,104
Non-Federal.....	2,866	1,915	1,192	1,524	1,782	³ 1,998	1,828
Federal.....	238	503	665	2,003	2,276	³ 2,368	2,276

¹ Comparable data beginning with 1915 are available in Construction Activity in the United States, 1915-37, Domestic Commerce Series No. 99, supplemented by "Estimates of Construction Activity," Survey of Current Business, September 1940, both published by the Bureau of Foreign and Domestic Commerce.

² Preliminary.

³ Revised.

⁴ The distinction between non-Federal and Federal is made on the basis of the ultimate source of funds for the work. See table 11.

⁵ Work-relief construction not elsewhere included. For a complete description, see table 5, "Estimates of Construction Activity in the United States," Survey of Current Business, September 1940.

Significant changes took place in many of the components of the construction total between 1939 and 1940, although the over-all increase amounted to only 3 percent. New private construction advanced more than one-half billion dollars—a 16-percent rise featured by a 12-percent increase in residential building and a 69-percent gain in factory construction. In 1940 both new private residential building and new factory construction were at slightly more than half of their 1926-29 averages, although the former was nearly eight times its 1934 low and the latter more than four

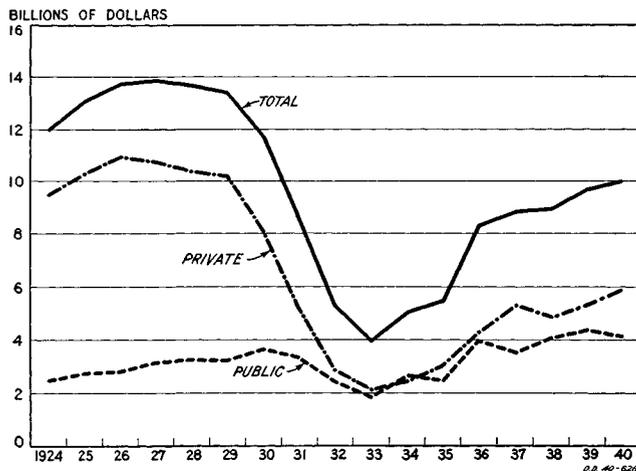


Figure 13.—Estimated Value of Total, Private, and Public Construction, 1924-40 (U. S. Department of Commerce).

times its 1932 low. Expenditures for public construction, on the other hand, were reduced by more than 200 million dollars between 1939 and 1940. The decline in the public construction total may be ascribed to curtailment of work-relief construction, since this type of activity fell off by 227 million dollars. New public construction, exclusive of work-relief, showed little change in total despite a pronounced shift in composition. The PWA program, after contributing strongly to public-work expenditures of 1939, was substantially completed in the first half of 1940, and expenditures for non-Federal construction consequently fell sharply as between 1939 and 1940. The offset was provided by the national-defense construction initiated in the second half of the year.

Table 10.—Estimated Value of New Construction Activity, by Principal Uses or Functions of Projects ¹

[Millions of dollars]

Item	1926-29, average	1932	1933	1937	1938	1939	1940 ²
New private construction:							
Residential (nonfarm).....	4,066	641	314	1,530	1,515	1,860	2,077
Nonresidential building:							
Commercial.....	1,187	263	135	386	311	319	373
Factory.....	640	78	128	391	192	200	337
All other nonresidential.....	659	220	105	185	233	266	246
Total.....	2,486	561	367	962	736	785	956
Less nonresidential building by utilities.....	73	22	10	29	24	25	31
Total private nonresidential building, excluding utility.....	2,413	539	357	933	712	760	925
Farm construction ³	468	125	175	360	345	340	360
Public-utility construction ⁴	1,416	462	245	620	500	⁵ 525	669
Total new private construction.....	8,363	1,767	1,091	3,443	3,072	³ 3,485	4,031
New public construction:							
Nonresidential.....	620	408	191	440	518	712	345
Residential.....				93	35	81	200
Military and naval.....	14	34	36	37	62	⁵ 119	475
All other.....	1,705	1,352	989	1,457	1,502	⁵ 1,675	1,529
Total new public construction.....	2,339	1,794	1,216	2,027	2,117	⁵ 2,587	2,549
Total new construction.....	10,702	3,561	2,307	5,470	5,189	³ 6,072	6,580

¹ Comparable data beginning with 1915 are available in Construction Activity in the United States, 1915-37, Domestic Commerce Series No. 99, supplemented by "Recent Developments in Construction Activity," Survey of Current Business, August 1939, and "Estimates of Construction Activity," Survey of Current Business, September 1940, all published by the Bureau of Foreign and Domestic Commerce.

² Preliminary.

³ Covers farm construction for all purposes and includes repairs; does not include labor performed by farm operators (owners or tenants) or regularly employed farm laborers.

⁴ Private ownership only. Includes nonresidential building by utilities.

⁵ Revised.

The data presented in table 10 are estimates of the annual value of construction work performed, as measured by actual expenditures for labor, materials, and other items. Construction may also be measured in terms of work initiated during the year as shown by available current series on contracts awarded or building permits granted. Monthly indexes of the value of construction contracts awarded, for total construction and residential construction and adjusted for seasonal variation, are presented in figure 14. The index of the total declined in the early months of 1940 to a low point in March 1940 which was slightly under the 1939 minimum reached in the middle of the year. Beginning

in June, however, total awards expanded sharply, and by the end of the year they had attained the highest level since 1930. The increase in the second half of 1940 corresponded in its general aspects to the rise in construction awards that occurred in the last half of

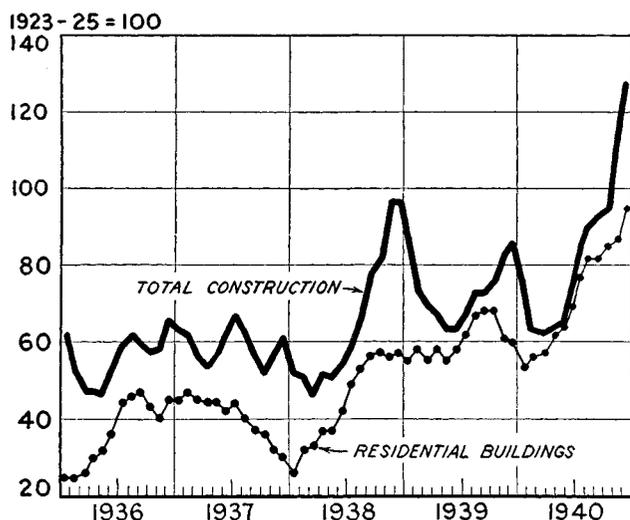


Figure 14.—Indexes of the Value of Construction Contracts Awarded in 37 States, Adjusted for Seasonal Variations, 1936-40 (Computed by the Board of Governors of the Federal Reserve System from Data Compiled by the F. W. Dodge Corporation).

NOTE.—Indexes are based upon a 3-month moving average centered at the second month.

1938. It is noteworthy, nevertheless, that the advance in the latter part of 1938 was due almost entirely to the larger volume of public construction awards under the PWA program, whereas the expansion in 1940 is attributable in considerable measure to the greater volume of public awards under the national-defense program. Increased awards for private residential, commercial, and factory building construction also contributed to the gains made in the last half of 1940.

A substantial volume of construction on which work had started was carried over into the early months of 1941. Construction placed under contract in January 1941 continued active, according to the data compiled by the F. W. Dodge Corporation, and was running well ahead of last year. Additional defense construction to be placed under contract in the early months of the year should be noted, and rising national income and increased industrial activity may be expected to stimulate the demand for private construction, both residential and nonresidential. Consequently, barring a substantial advance in costs, a considerable increase in construction volume may be anticipated in 1941, and total construction activity may well exceed 11 billion dollars.

Residential Construction

Expenditures for new residential construction in 1940 are estimated at 2,277 million dollars, an increase of nearly 17 percent over the previous year. The expansion in 1940, as shown in table 10, was made up

of a gain of 12 percent in private residential work and an increase of 147 percent in publicly owned residential construction. The increase in public residential construction reflected mainly the further expansion of the United States Housing Authority program and was largely independent of actual expenditures under the defense housing program initiated in the latter months of the year. New private residential building in 1940 continued the upward movement that carried construction expenditures of this kind from a low of 272 million dollars in 1934 to 2,077 million in 1940. The 1940 rise is explainable in part by the expanded national income total—higher than in any year since 1929—in part by the absence of a strong upward movement in residential construction costs, and in part by the continued accessibility of funds for financing home mortgages as indicated by the maintenance of low interest rates. Moreover, vacancy surveys during 1940 showed no marked increase in the proportion of vacant residential units.

Monthly residential building awards adjusted for seasonal variation, shown in figure 14, rose rapidly in the first 8 months of 1940 to a point well above the peak reached in the latter part of 1939. The rise in these awards during 1940 was almost identical with that during 1938. In both years awards rose rapidly in the first 8 or 9 months, leveling off to some extent in the closing months of the year. During 1938, however, residential awards advanced from a relatively low volume, whereas in 1940 the increase in awards began from a level approximating the highest point reached in 1938.

Work was started on approximately 545,000 new dwelling units in nonfarm areas of the United States during the year, according to estimates of the Bureau of Labor Statistics—an increase of 17 percent over the 1939 total of 465,000 units. The 1940 figures set a 12-year record and exceeded by almost 10 percent the 1929 total. The increase in the number of units started occurred mainly in privately financed residential construction. However, the volume of public residential construction started was moving upward toward the close of the year as a result of the defense housing program which was responsible for 23,000 Federally financed units under way by the end of December 1940.¹ The Federal Housing Administration considered 1940 its most active year and indicated that approximately 173,000 privately financed new homes were started under FHA inspection last year, compared with 142,000 in 1939.

The outlook for private residential building in 1941

¹ These figures for the number of dwelling units started are not comparable with the estimates of the value of work done during the year, though they serve as the basis for the value estimates for private work. The former relate to work started, the latter to the value of work done, as measured by expenditures for materials, labor, and other items. In addition, the value estimates include nonhousekeeping residential structures and additions to residential structures, which are not covered by the estimates of the number of family dwelling units on which construction was started.

is favorable, and a further rise may be expected if the factors that affect this type of activity continue their present trends. Since it is unlikely that the influence of an increased national income in 1941 will be completely offset by a general price advance sufficient to reduce the family income that is available for shelter, it is quite possible that 1941 expenditures on new private residential construction may exceed the 1930 total of nearly 2,200 million dollars. If, however, the costs of constructing residential buildings should increase sharply, perhaps because of the introduction of priorities or rationing of construction materials, the outlook for a continued rise would be less favorable.

A decided expansion in public residential construction expenditures seems likely in 1941 in view of the large appropriations already made for public housing as part of the defense program. Appropriations totaling 240 million dollars are available to Federal agencies for the construction of public housing units in this connection. An additional 10 million was advanced by the President to The RFC Mortgage Company to provide equity capital for investment in housing projects. Part of the 240 million dollars was provided in a supplemental Army and Navy appropriation bill which made 100 million available to the President for allocation to the War and Navy Departments for the construction of housing units on or near military and naval establishments, or near industrial plants engaged in defense activities. In addition, the Lanham Act (Public, No. 849, 76th Congress) made available 150 million dollars to the Federal Works Agency to provide housing for defense workers, 10 million of which was for reimbursement of funds previously advanced to the RFC Mortgage Company. The United States Housing Authority still has a substantial volume of work to be completed, and it is estimated that expenditures by local housing authorities for USHA-aided projects will be about 30 percent greater in 1941 than in the preceding year. Under special powers, this agency has been able to allocate approximately 41 million dollars of its funds for defense housing construction.

Private Nonresidential Construction

Private nonresidential construction totaled more than 950 million dollars in 1940, compared with 785 million in 1939—the sharp increase in factory construction expenditures and a moderate increase in commercial building accounting for most of the gain. Other types of private nonresidential building, such as educational, religious and memorial, hospital and institutional, and social and recreational building—the volume of which has varied little during recent years—showed little change or declined moderately.

Expenditures for new factory construction, exclusive of public projects under the national defense program, are estimated at 337 million dollars for 1940, an increase of more than 68 percent over the preceding year's total.

Despite this striking advance, private factory construction was about 14 percent below the 1937 total of 391 million dollars and was less than one-half of the 1929 peak. Further large gains are expected in 1941, since only the initial effects of higher industrial activity and defense preparations were reflected in actual expenditures for new plants during 1940.

Factory construction awards under stimulus of the national-defense program were of unusually large volume in the last half of 1940. In both November and December factory building contracts awarded in 37 States reported by the F. W. Dodge Corporation were larger than in any month since 1925 when these data were first reported. In the last 6 months of 1940 total awards for this type of construction, including public projects noted below, were three times the volume of awards in the first half of 1940. In view of the large volume of work started at the end of the year, a considerable expansion in actual construction operations is already indicated for the early months of 1941.

Commercial building operations increased 17 percent from 1939 to 1940—larger construction expenditures for store buildings, garages, and service stations being chiefly responsible for the gains in this category. Vacancies in office buildings continued high, the National Association of Building Owners and Managers reporting that 16.7 percent of office space in 111 cities was vacant on October 1, 1940. This relatively high rate affords a partial explanation of the continued low level of this type of construction activity in most areas of the country.

Public Construction

The year 1940 witnessed important developments in public construction. It marked the virtual completion of PWA projects during the first half of the year and a subsequent large-scale expansion in military and naval construction. The Federal Government for the first time embarked on extensive construction activities to provide facilities for the manufacture of essential war materials and, as already mentioned, further enlarged its housing program.

Total public construction in 1940 did not attain its 1939 peak because of declines in PWA construction expenditures and in work-relief construction. The decline in expenditures on PWA projects is evidenced by the drop in new construction expenditures for non-Federally-owned projects shown in table 11 from 2,034 million dollars in 1939 to 1,550 million in 1940. On the basis of "reported project costs," as compiled by the Public Works Administration, it is estimated that expenditures on PWA non-Federal projects were a little more than 400 million dollars in 1940, compared with more than 1 billion dollars in 1939. Work-relief construction fell from 1,032 million dollars in 1939 to 805 million in 1940.

Direct Federal construction, as a result of the growth

Table 11.—Estimated Value of New Public Construction Activity, by Ultimate Source of Funds and by Ownership¹

[Millions of dollars]							
Item	1926-29, average	1932	1933	1937	1938	1939	1940 ²
I. Ultimate source of funds:³							
Total public funds.....	2,339	1,794	1,216	2,027	2,117	2,587	2,549
Non-Federal funds.....	2,149	1,334	707	858	1,103	1,314	1,143
Federal funds.....	190	460	509	1,169	1,014	1,273	1,406
Federal projects.....	106	283	312	524	475	553	999
Federal aid to highways.....	84	177	195	289	212	180	172
PWA grants.....	-----	-----	2	236	192	430	160
Work-relief included in new public construction.....	-----	-----	-----	120	135	110	75
II. Ownership:							
Total public ownership.....	2,339	1,794	1,216	2,027	2,117	2,587	2,549
Non-Federal ownership.....	2,233	1,511	904	1,503	1,642	2,034	1,550
Federal ownership.....	106	283	312	524	475	553	999

¹ Comparable data beginning with 1915 are available in Construction Activity in the United States, 1915-37, Domestic Commerce Series No. 99, supplemented by "Recent Developments in Construction Activity," Survey of Current Business, August 1939, and "Estimates of Construction Activity," Survey of Current Business, September 1940, all published by the Bureau of Foreign and Domestic Commerce.

² Preliminary.
³ Federal funds include expenditures for Federal projects and Federal grants (but not Federal loans) to States and localities for construction purposes. Non-Federal funds include amounts raised by States and localities from current taxation and from borrowings (whether from private investors or from the Federal government).
⁴ Revised.

in defense activities, increased almost 450 million dollars in 1940, but this gain was not sufficient to offset the declines in other types of work. As may be seen from figure 15, most of the increase was in military and naval construction (including productive facilities), which totaled 475 million dollars for the year. Defense construction accounted for approximately one-half of all direct Federal construction work, whereas in the previous 8 years military and naval construction averaged only 12 percent of all direct Federal work.

In view of the volume of work remaining unfinished at the end of 1940, the value of construction to be done on defense projects, including defense housing activities, during 1941 is likely to exceed 1 billion dollars, even without additional appropriations. The National Defense Advisory Commission estimated that the enacted program for defense construction, as of November 9, totaled almost 2 billion dollars. This includes 631

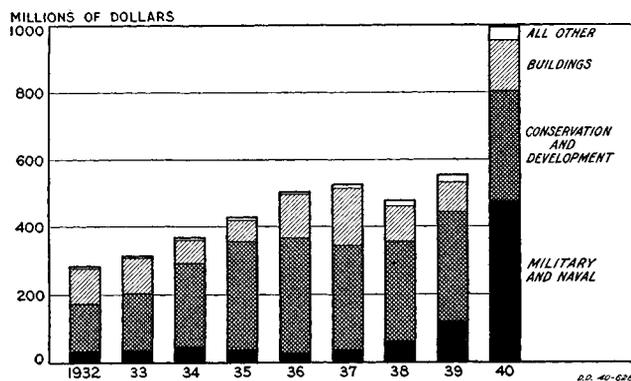


Figure 15.—Estimated Direct Federal Public Works Expenditures, 1932-40 (U. S. Department of Commerce).

NOTE.—Categories do not include Public Works Administration grants and loans for non-Federal projects, Federal-aid highway grants, United States Housing Authority projects, or work relief expenditures on local projects.

million for cantonment construction; 520 million for the construction of "productive facilities"; 337 million for air bases; 258 million for seacoast defenses and other military construction; and 240 million for defense hous-

ing. Other Government-financed construction activities related to defense will further increase the volume of construction in 1941. The Reconstruction Finance Corporation has authorized loans of 175 million to private industry for the construction and equipment of manufacturing plants, most of which have been made to firms producing aircraft and related products.

Costs of Material and Labor

While there was a fairly substantial rise in construction costs during the latter months of 1940, there was

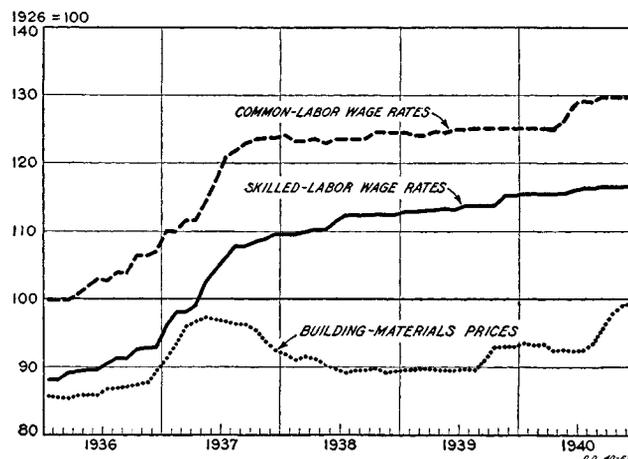


Figure 16.—Indexes of Skilled-Labor Wage Rates, Common-Labor Wage Rates, and Building-Materials Prices, 1936-40 (Wage Rates, Engineering News Record; Building-Materials Prices, U. S. Department of Labor).

little evidence that this factor was exerting a restraining influence on construction activity. Available indexes show that both material and labor costs changed very little during the first 8 months of 1940. In the remaining months, however, certain of the components rose sharply. The Bureau of Labor Statistics index of building material prices rose from 92.5 (1926=100) in July 1940 to 99.3 percent in December—the highest point attained by the index since December 1926. Nearly all of this increase was occasioned by a 25 percent rise in the wholesale price of lumber. Construction wage rates for both skilled and unskilled labor were at new highs at the end of 1940, according to the indexes of hourly rates compiled by the Engineering News-Record—though not much above the levels prevailing in recent years. Common-labor wage rates increased approximately 4 percent from April to September 1940 but leveled off at the close of the year, while skilled-labor wage rates rose slightly throughout most of the year.

Hence, it is the possible trend of costs, rather than the level at the year-end, which obscures somewhat the outlook for the construction industry in 1941. If costs do not rise so materially as to become an effective deterrent, it appears highly probable that the requirements of the defense program and the general advance in business activity will result in a volume of construction well above that of 1940.

Public Utilities

Electric Power

The electric power industry has continued to expand throughout most of the past decade, but its growth in 1940 was in most respects the greatest since 1929. Output, capacity, customers, revenue—all were the highest in the history of the industry. In the week ended December 21, output had risen to a new record of 2,911 million kilowatt-hours, 10 percent higher than the peak week in 1939. Moreover, all indications point to a similar increase in 1941. In preparation for this, a volume of new capacity comparable to that of the late twenties was under construction at the year-end.

Sales of electrical energy were about 118.5 billion kilowatt-hours, an increase of 13 billion over 1939 and the largest annual gain on record. All of the consuming groups required more energy during the year. Industry, however, accounted for about two-thirds of the increased demand and took almost 50 percent of the total energy sold. Sales to urban residential consumers advanced about 12 percent, while electricity generated or purchased by cooperatives under the Rural Electrification Administration more than doubled. Though purchases by commercial firms, which use electricity for lighting and small amounts of power, showed a 7 percent increase, the relative importance of this type of consumption declined slightly.

The advance in residential sales continued a trend in existence over the past decade, the 12 percent gain being a typical average for the latter half of this period, though larger than that in 1939. The addition of 900,000 new customers created some of the increased demand, while more widespread ownership and use of electrical appliances was responsible for the rest. This latter factor raised average consumption per household from 897 kilowatt-hours in 1939 to 952 kilowatt-hours in 1940, an increase larger than that of the

Table 12.—Revenue per Kilowatt-Hour of Electrical Energy Sold, by Consumer Classes, 1929-40

Year	[Cents]				Total
	Residential	Farm	Commercial		
			Small light and power	Large light and power	
1929	6.30	2.54	4.24	1.38	2.57
1930	6.00	2.61	4.13	1.41	2.66
1931	5.74	2.70	4.17	1.47	2.75
1932	5.57	2.98	4.14	1.53	2.85
1933	5.49	2.85	4.07	1.38	2.66
1934	5.30	2.65	3.99	1.35	2.58
1935	4.99	2.86	3.82	1.30	2.46
1936	4.65	2.77	3.60	1.19	2.27
1937 ¹	4.30	2.26	3.41	1.14	2.17
1938 ¹	4.14	2.47	3.30	1.20	2.30
1939 ¹	4.00	2.42	3.19	1.12	2.16
1940 ^{1,2}	3.81	2.47	3.06	1.04	2.04

¹ Revised figures to conform with Uniform System of Accounts prescribed by Federal Power Commission.

² 10 months actual, 2 months estimated.

Source: Edison Electric Institute.

previous year. Of major importance in load building are electric refrigerators, ranges, and water heaters, all of which are heavy consumers of electricity. Sales of these and other electric appliances were much above the previous year and in most cases were the largest in history. This was the result of the relatively high level of income and substantial price reductions, both of which created a wider market for these commodities. The larger domestic consumption in turn lowered average kilowatt-hour cost from 4.0 cents to 3.8 cents. Part of this decline was automatic because of graduated rate schedules. However, some downward adjustment of rate schedules themselves also occurred, partly induced by the increased consumption. Nevertheless, the number of such reductions was smaller than in other recent years.

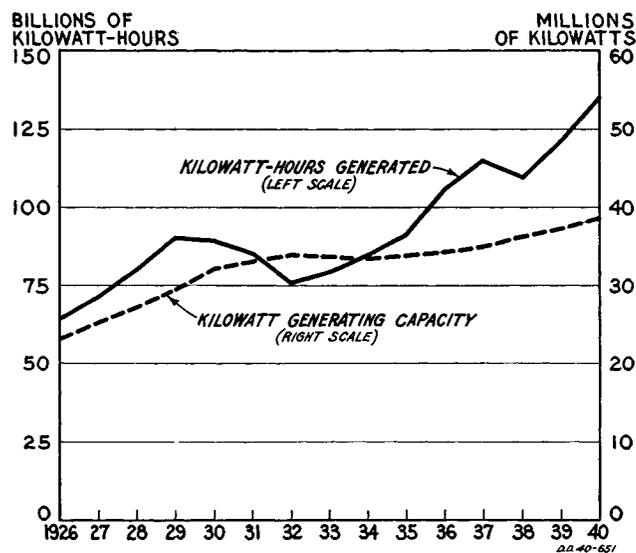


Figure 17.—Total Kilowatt-Hours Generated and Total Generating Capacity, 1926-40 (Edison Electric Institute).

NOTE.—Data represent kilowatt-hours generated during the year and the generating capacity on December 31.

The chief reason for the 17 percent rise in the consumption of electricity by industry lay in the substantial advance of industrial output. Moreover, the nature of the demand created by the defense program, with its emphasis on durable-goods production and more particularly on metals, was calculated to increase the demand for power to a greater extent than was usual in past industrial upswings.

Expansion in Capacity.

The electric power industry was materially aided in handling the heavier demand in 1940 by the addition of about 1,350,000 kilowatts to the capacity of private and municipal plants, which brought total installed capacity to 38,727,000 kilowatts. (See fig. 17.) With the exception of 1937, this was the largest installation since 1930 and represented an investment of about 596 million dollars. However, this figure is expected to be surpassed by a wide margin in both 1941 and 1942. The Electrical World estimates prospective installations on the part of private industry alone at

2,250,000 kilowatts in 1941. This is to be supplemented by an exceptionally large addition of 1,650,000 kilowatts to municipally and Federally owned generating facilities, a principal part of which is the Bonneville project in the Pacific Northwest. Of course, not all of the equipment will constitute additional capacity, some of it being needed to replace that ready for retirement. Nevertheless, the increased plant and equipment should raise capital expenditures in 1941 to around 700 million dollars, which compares favorably with the volume of such expenditures in the latter twenties.

Table 13.—New Capacity Added, Capital Expenditures, and Security Issues by the Electric Power Industry, 1936-40

Year	Net addition to generating capacity (thousands of kilowatts)	Capital expenditures	Security issues ¹	
			New capital	Total
			Millions of dollars	
1936	371.8	289.7	59.7	1,331.9
1937	700.3	455.5	82.0	645.7
1938	1,370.1	482.0	123.1	964.0
1939	1,046.4	430.0	16.2	996.3
1940	1,350.0	596.6	92.4	989.5

¹ Not including common-stock rights and warrants.

Sources: Net addition to generating capacity is based on data published by the Edison Electric Institute; capital expenditures are from the Electrical World; security issues are from the Commercial and Financial Chronicle.

Despite the large over-all increase in installed capacity scheduled for 1941, the advance expected in both defense and civilian requirements caused some concern over the adequacy of capacity in specific areas. The industry cooperated with the Federal Power Commission in an effort to review its position in this respect, the Commission dividing the country into 48 different areas and surveying the power situation in each. Though the Commission concluded that capacity is adequate for handling loads expected this year, it also revealed the need for further expansion in some areas if deficiencies were to be avoided at the peak of the defense program in 1942. Possible deficiencies were reported for nine important districts, for an aggregate of 1,500,000 kilowatts. Since 18 months to 3 years are required for provision of new generating facilities, part of the deficiency would need to be relieved in some other fashion. Thus, construction of additional high-voltage transmission lines was planned in order to interconnect adjacent areas and pool available reserves for more general use. In this way, and through construction of new capacity, it was hoped that repetition of the power shortage experienced in 1917 and 1918 could be avoided.

Railroads

For the Nation's railroads, industrial expansion in 1940 meant heavier traffic, larger revenues, and improved income. Although carloadings fell somewhat short of the 1937 total, the ton-miles of freight carried was the largest in a decade. Gross revenues, net operating income, and net income were the highest

since 1930. In comparison with 1929, as shown in table 14, however, operating revenues remained nearly one-third lower, net operating income was down more than 45 percent, and net income amounted to less than one-fifth of the 1929 figure. With nearly one-third of railway mileage in receivership, and net operating income in 1940 only about 110 percent of fixed charges, the financial position of American railroads remained far from satisfactory. The downward trend in available railroad equipment was halted during the year, new equipment about offsetting retirements. However, only a small reserve of facilities remained to accommodate the industrial expansion expected in 1941 and 1942.

Table 14.—Operating Revenues and Income, Fixed Charges, and Net Income, Class 1 Steam Railways (Excluding Switching and Terminal Companies), 1929-40

[Millions of dollars]					
Year	Gross operating revenues	Operating ratio	Net railway operating income	Fixed charges	Net income
1929	6,279.5	71.76	1,251.7	680.4	896.8
1930	5,281.2	74.43	868.9	671.0	523.9
1931	4,188.3	76.97	525.6	660.2	134.8
1932	3,126.8	76.87	326.3	654.1	^d 139.2
1933	3,095.4	72.66	474.3	665.7	^d 5.9
1934	3,271.6	74.64	462.7	653.1	^d 16.9
1935	3,451.9	75.11	499.8	648.9	7.5
1936	4,052.7	72.33	667.3	653.3	164.6
1937	4,166.1	74.87	590.2	629.0	98.1
1938	3,565.5	76.35	372.9	614.4	^d 123.5
1939	3,995.0	73.05	588.8	607.7	93.2
1940	4,296.4	71.91	677.4	693.7	¹ 170.0

^d Deficit.

¹ Estimated.

Sources: Interstate Commerce Commission and Association of American Railroads.

Traffic and Earnings.

Freight carloadings last year increased 7.2 percent, surpassing the 1939 volume in every month except October. The seasonal pattern, which usually gives rise to a traffic peak in October, was less pronounced than the year before because coal shipments were not concentrated so much in the fall months as usually. Hence, only 837,651 cars were loaded in the highest week of October 1940, compared with 856,289 carloadings at the October 1939 peak. Freight loadings for the year amounted to 36,353,609 cars, compared with the 1937 total of 37,670,464 cars. However, the railroads moved more ton-miles of freight during 1940 than in any other year since 1930, as average load per car and average length of haul have increased.

Freight revenues in 1940 increased 8.8 percent over 1939. Average freight revenue per ton-mile, however, declined from 0.973 cent in 1939 to approximately 0.94 cent in 1940, the lowest rate of record with the exception of 1937, when the average was 0.935 cent. The drop since 1929 has been more than 0.13 cent per ton-mile. Freight rates were generally maintained during 1940, the decline in average ton-mile revenue reflecting principally a shift in the composition of freight traffic toward lower revenue tonnage.

Passenger traffic in 1940 was more than 3 percent larger than the year before. However, passenger revenues were off slightly from 1939 as coach fares in the Eastern District were reduced from 2.5 to 2 cents per mile after March 24, 1940. The "grand circle" (coast to coast and return) excursion fares were continued, and special reductions were granted uniformed personnel of the armed forces at the Christmas season.

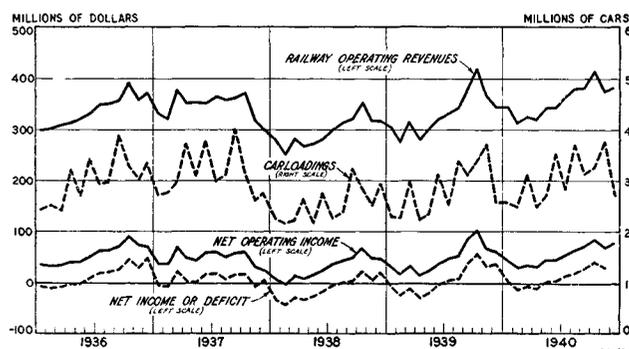


Figure 18.—Financial Operations and Carloadings of Class I Railways, 1936-40 (Financial Operations, except for December 1940, Interstate Commerce Commission; Carloadings and Financial Operations for December 1940, Association of American Railroads).

NOTE.—Data for financial operations exclude switching and terminal companies, while data for carloadings include cars loaded in switch service movement and given to Class I roads for the road haul. Data for "Net Income or deficit" for December 1940 were not available in time to include them in this chart.

Total operating revenues for the year were at the highest level since 1930, showing a gain of 7.5 percent over 1939. Net operating income was up 15.0 percent. Net income, after a small increase in income from other sources and slightly reduced fixed charges, advanced in the first 11 months by somewhat more than the gain in net operating income. Net income for this period was 138.5 million dollars, up 80.5 million dollars from returns in January–November 1939, while for the full year it probably exceeded 1936 net income of 165 million dollars by 5 to 10 million dollars. Financial results last year, however, were in sharp contrast with 1929 net income of 897 million dollars.

In 1936, and again in 1940, the railroads demonstrated close control of operating expenses, despite lower traffic levels than in 1929 and the importance of such relatively fixed costs as depreciation. The ratio of total operating expenses to gross operating revenues in 1940 improved to 71.91 percent, compared with 72.33 in 1936 and 71.76 in 1929. While increasing railway tax accruals, which approximated those of 1929, have restricted returns in recent years, the most difficult feature of the railroad situation (other than the decline in demand) has continued to be the heavy capitalization of earning power represented by fixed charges. These charges have been reduced by less than 80 million dollars since 1929, and in 1940 approximated 90 percent of net operating income. Plans of reorganization approved by the Interstate Commerce Commission, or proposed by examiners, for railroads in reorganization proceedings before the Commission, would scale down the fixed charges by 91 million dol-

lars, but this would still leave aggregate fixed charges only about one-quarter less than in 1929.

Equipment and Operations.

Though the supply of railroad equipment remained relatively unchanged this past year, the position of the railroads in this respect must be viewed in the light of the decline in supply as compared to that available a decade ago. This is illustrated, in the case of freight locomotives (steam) and cars, in table 15. The number of locomotives of all types in service in Class I railways at the end of 1940 was 28 percent less than in 1929, the number of steam freight locomotives 27 percent less, while aggregate tractive force had declined about 20 and 18 percent, respectively. The number of freight cars has dropped 28 percent, with average capacity per car increased by less than 9 percent since 1929. Reflecting the drastically curtailed rate of railroad purchases, only about 3,000 new locomotives and 355,000 new freight cars have been installed on Class I railways since 1929.

Table 15.—Equipment Expenditures and Freight Equipment, Class I Steam Railways (Excluding Switching and Terminal Companies), 1929-40

Year	Equipment expenditures		Freight equipment		
	Main-tenance	Ordered from manufacturers ¹	Steam locomotives in service Dec. 31	Cars in service Dec. 31	New cars installed
	Millions of dollars				
1929	1,202.9	397.1	33,605	2,306,804	84,894
1930	1,019.3	146.5	32,900	2,305,741	76,909
1931	817.0	28.9	32,063	2,229,845	12,662
1932	618.9	2.6	31,197	2,172,414	2,968
1933	598.7	5.9	29,935	2,061,331	1,879
1934	637.9	66.9	28,520	1,963,672	24,103
1935	681.9	35.7	27,462	1,859,945	8,903
1936	783.0	222.6	26,695	1,781,217	43,941
1937	826.7	173.3	26,517	1,766,512	75,058
1938	676.5	74.0	25,956	1,721,998	18,517
1939	765.9	188.8	25,058	1,671,712	24,528
1940	819.0	233.4	² 24,450	² 1,669,000	65,545

¹ Estimated by Railway Age.

² Estimated.

Sources: Interstate Commerce Commission, Association of American Railroads, and Railway Age.

Although the installation of new equipment has been restricted, extensive retirements of obsolete equipment have served to raise average capacity and efficiency. Another important factor affecting the utilization of freight equipment favorably during the past decade has been the substantial increase in the average length of haul. Moreover, with a heavier load per car, and more cars per freight train, the net load per train rose to 852 tons in 1940 (first 11 months) compared with 804 tons in 1929. Freight trains also have been speeded up, and move more miles per active locomotive-day. Serviceable freight cars carried 647 net ton-miles each day, on the average, in 1940 (first 11 months) compared with 582 ton-miles in 1929. Thus, as a result of improvements in average capacity and utilization, the railroads are able to transport more freight in proportion to their available equipment than they could a decade ago.

This ability to produce more freight transportation per unit of equipment than in 1929, though doubtless capable of further gradual improvement, does not, however, preclude the possibility of an equipment shortage if traffic should rise sharply above the peaks prevailing in late 1939 and in 1940. The advance of carloadings in the fall of 1939 initiated a program of car repair and equipment purchases that brought the proportion of bad-order freight cars down to 8.1 percent on October 1, 1940, and resulted in the installation by Class I railways of 65,545 new freight cars and 126 new steam locomotives during 1940. Orders for new rail-

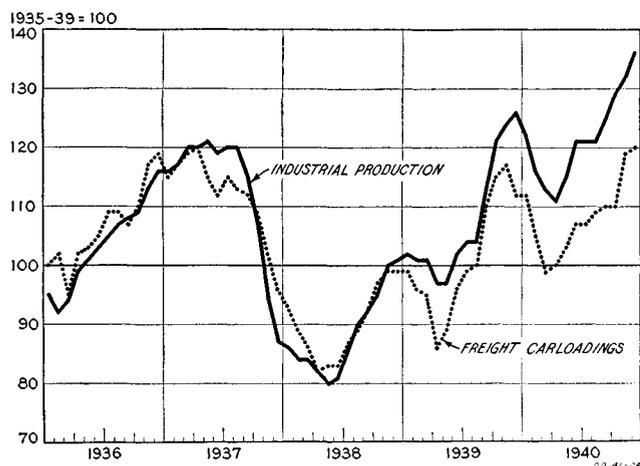


Figure 19.—Indexes of Industrial Production and Freight Carloadings, Adjusted for Seasonal Variations, 1936-40 (Board of Governors of the Federal Reserve System).

road equipment of all types last year approximated 233.4 million dollars, as estimated by Railway Age, compared with 188.8 million dollars in 1939, and at the end of 1940 Class I railways reported 115 steam locomotives and 35,702 freight cars on order. Retirements during 1940, however, were about equal to new installations, and will probably continue at a high rate by reason of the age and obsolescence of much of the existing equipment. In order to add appreciably to the inventory of freight equipment, should this be required to meet the transportation needs of the defense-stimulated industrial expansion now under way, it would be necessary for the railroads to increase their purchases substantially above the 1940 level.

Transportation Act of 1940.

Federal regulation of transportation was expanded and centralized by the Transportation Act of 1940. The Interstate Commerce Commission now has extensive powers for regulating railroads, motor carriers, and water carriers in domestic transportation, while air carriers are subject to a certain degree of regulation by the Civil Aeronautics Authority.

The outstanding provisions of the 1940 Act are meant to (1) extend and enlarge existing regulatory powers over common and contract water carriers that are most keenly competitive with other transportation agencies;

(2) establish a national transportation policy for a fair and impartial regulation of all modes of transportation subject to the Act "so administered as to recognize and preserve the inherent advantages of each"; (3) provide for a more flexible policy regarding consolidation of carriers and added protection of employees that may be adversely affected by such consolidations; and (4) authorize the establishment of a temporary board that will study the transportation problem and may make recommendations for further legislation.

Motor and Air Transportation

Motor-truck carriers continued to expand their operations in 1940 as the general rise in business activity made increasing demands upon this rapidly growing type of transport. Class I intercity carriers reported an increase of 17 percent in tonnage of revenue freight transported in the first 6 months of 1940 over the corresponding months of 1939. This was considerably larger than the 11 percent increase in railroad carloadings for the comparable periods. Half-year operating revenues for these intercity carriers were 13 percent higher in 1940 than in 1939, while local carriers reported a gain of less than 6 percent.

Class I motor carriers of passengers report a 13 percent increase in the number of passengers carried during the first 10 months of 1940 over the corresponding period of 1939. Passenger revenue, however, was only 1 percent above 1939—a reflection of the lower rates induced by the more intense competition of the railroads through the reduction of fares in 1940.

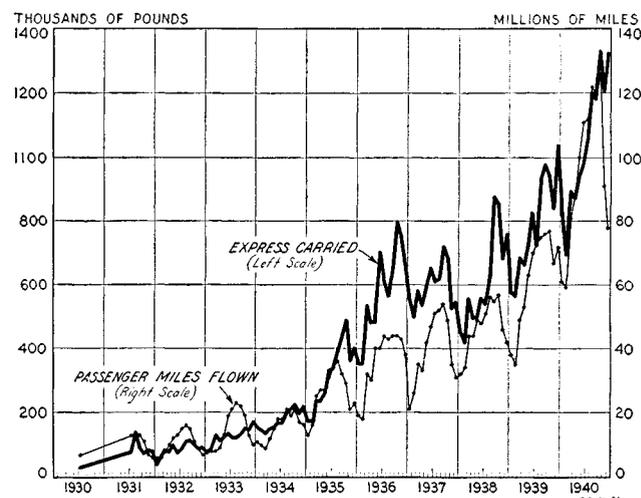


Figure 20.—Passenger Miles Flown and Express Carried by Scheduled Airlines in the Continental United States, 1930-40 (Civil Aeronautics Authority).

Air transportation evidenced even more striking gains in 1940 than motor transport, as both passenger and express traffic attained record heights. (See fig. 20.) Express carried was 31 percent above the 1939 total and reached a new record volume of 1.2 million pounds in November, while the number of passengers

carried increased more than 58 percent during the year. Passenger miles flown were about 53 percent above 1939.

Shipping

The expansion in American imports and the diversion of British, other belligerent, and neutral vessels to wartime supply and naval auxiliary uses brought a marked improvement in the revenues and operations of the American shipping industry during 1940. The gain in operations occurred in the face of a substantial rise in ocean freight rates and the barring of American vessels from a large section of the world under the Neutrality Act of November 1939.

Table 16.—Employment of American Steam and Motor Merchant Vessels of Over 1,000 Gross Tons, June 30, 1939, and September 30, 1940¹
[Thousands of gross tons]

Employment	June 30, 1939	Sept. 30, 1940	Change
Laid-up.....	1,735	1,111	-624
Coastwise.....	4,298	4,025	-273
Nearby-foreign.....	541	770	+229
Overseas foreign:			
Europe and Mediterranean.....	704	69	-635
Africa.....	82	225	+143
Orient and Far East.....	154	499	+345
Australasia and India.....	124	248	+124
South America.....	319	435	+116
Around world, etc.....	178	159	-19
Total oversea.....	1,561	1,635	+74
Total.....	8,135	7,553	-582

¹ Excludes lake and river tonnage.

² Includes 12,000 tons in Government service.

Source: U. S. Maritime Commission.

The withdrawal of American shipping from belligerent areas and increased employment elsewhere are shown in table 16, which compares the allocation of American vessels to the principal trade routes on September 30, 1940, with that at the end of June 1939, prior to the war. The effect of the Neutrality Act is shown in the heavy reduction of tonnage in service to Europe and the Mediterranean. However, American

tonnage on African and Far Eastern routes approximately tripled, and that to South America increased by one-third. The result was a slight increase in American shipping on all oversea routes over the pre-war total.

In addition to the overseas change, tonnage on nearby foreign routes also advanced, reflecting the shift of dry-cargo vessels into this service from coastwise shipping. The latter was moderately reduced, but tankers, which account for somewhat more than half of coastwise tonnage, were little affected. The above shifts yielded a net increase of 30,000 gross tons in employment of American seagoing vessels for all purposes, with another 12,000 tons transferred to Government service.

American shipping during 1940 assumed a larger share in the United States carrying trade. Clearances of American vessels from United States ports averaged 33 percent of total net register tonnage cleared in 1940, as against 26 percent in 1939.

The extraordinary wartime transportation requirements of the British Empire, in conjunction with heavy losses and the enforced disappearance of German and Italian shipping from the high seas, have curtailed effective world shipping capacity. This, plus increased operating costs, has produced a substantial advance in ocean freight rates since the outbreak of war, as illustrated for selected commodities in American export and import trade in table 17.

One other important development in American shipping during 1940 was the decline in tonnage brought about by the transfer to foreign register and the sale of American vessels. The Maritime Commission approved the sale or transfer of 1,152,000 gross tons between September 1939 and October 1940. While the major part of current merchant-ship construction in the United States is for the American Merchant Marine, the tonnage in American register may be further affected through disposal of older vessels to the British.

Table 17.—Ocean Freight Rates in United States Foreign Trade

Export shipments		Commodity	Basis	Rates (dollars)		Percent increase
Destination	Origin			August 1939	December 1940	
Buenos Aires (Argentina).....	Pacific ports.....	Canned goods.....	{ 2,000 lb. 40 cu. ft. }	18.00	20.00	11.1
Rio de Janeiro (Brazil).....	Atlantic ports.....	Automobiles (boxed).....	{ 2,240 lb. 40 cu. ft. }	9.00	12.00	33.3
Valparaiso (Chile).....	do.....	Iron and steel (bars).....	2,240 lb.	7.00	11.20	60.0
Kobe (Japan).....	Gulf ports.....	Cotton.....	100 lb.	.60	.90	50.0
Do.....	Pacific ports.....	Lumber (squares).....	1,000 ft.	12.00	18.00	50.0
Shanghai (China).....	Atlantic ports.....	Tobacco.....	2,000 lb.	17.00	25.60	50.5
Import shipments						
Origin	Destination					
Santos (Brazil).....	Atlantic ports.....	Coffee.....	Bags (60 kilograms).....	.60	.75	25.0
Porto de la Cruz (Venezuela).....	do.....	Petroleum (crude).....	Barrel.....	.13	1.43	230.8
Singapore (Straits Settlements).....	do.....	Tin.....	20 cwt.....	25.00	36.00	44.0
Soerabaya (Netherlands East Indies).....	do.....	Rubber.....	cu. m.....	10.50	15.00	42.8
Hong Kong (China).....	Pacific ports.....	Tung oil.....	2,000 lb. 40 cu. ft.	10.00	14.00	40.0
Kobe (Japan).....	Atlantic ports.....	Silk.....	100 lb.	13.00	18.00	38.4
				4.00	6.00	50.0

¹ August 1940, 20 cents per barrel.

Communications

On the basis of reports filed by large carriers with the Federal Communications Commission, the estimated number of telephones in service in the United States at the end of 1940 will approach 20 million. This increase of more than a million over the number in use last year continues the steady advance that has characterized the industry since 1933. Operating revenues of 94 major carriers for the first 11 months of 1940 amounted to 1,182 million dollars, compared with the 1939 figure of 1,118 million dollars.

The telegraph industry, although continuing to operate at an over-all deficit, also achieved a considerable improvement in its position during the year. Operating revenues of the three telegraph carriers reporting to the Federal Communications Commission amounted to \$109,395,406 for the first 11 months of 1940, compared with \$106,015,495 for the corresponding period of 1939. This increase of 3.2 percent in operating revenues resulted in an 8.4 percent increase in operating income and reduced the 11-month deficit from almost 3 million dollars in 1939 to 59 thousand dollars in 1940.

Year	Operating revenues	Operating income	Net income
	Thousands of dollars		
1936.....	122, 116	14, 921	5, 840
1937.....	123, 893	8, 509	^d 167
1938.....	112, 858	2, 915	^d 5, 672
1939.....	116, 837	5, 857	^d 2, 709
1939 ¹	106, 015	4, 980	^d 2, 944
1940 ¹	109, 395	5, 400	^d 59

^d Deficit.
¹ 11 months.

Source: Federal Communications Commission.

Operating results were still affected by duplications of facilities and the increasing competition of other forms of communication. As a remedy, the Federal Communications Commission again recommended merger of the domestic telegraph companies and, in addition, urged consolidation of international communication carriers domiciled in the United States, in the interests of defense and other national needs.

Employment and Unemployment

The total number of persons employed in the United States in the final quarter of 1940 was larger than at any other time since 1929. Average employment for the year is estimated at about 46 million persons, which was about 4 percent under the 1929 average. Employment in nonagricultural establishments began to rise in March, and gains were accentuated after the midyear as industrial production advanced to new highs under the stimulus afforded by the defense program. By the end of the year the number at work in nonagricultural pursuits was more than 37.1 millions, an increase of

about 1½ million from the previous year-end. This figure does not include the addition after June 1940 of more than 400,000 men to the military and naval personnel of the United States. Also excluded are persons employed on WPA or NYA projects, and enrollees in CCC camps. Farm employment followed its usual seasonal pattern in 1940, while continuing the downward trend shown during the recent years—an average annual decline of about 150,000. This secular movement has lowered farm employment approximately 8 percent below the 1929 average.

All branches of industry and trade participated in the expansion in employment during 1940. However, since the defense program affects manufacturing more than any other industrial segment, it is not surprising that during the last 6 months of 1940 the gain made in manufacturing was about equal to that made in all the other nonagricultural industries combined. In manufacturing establishments, employment in December 1940 totaled a million more than the 9.5 million persons employed in June.

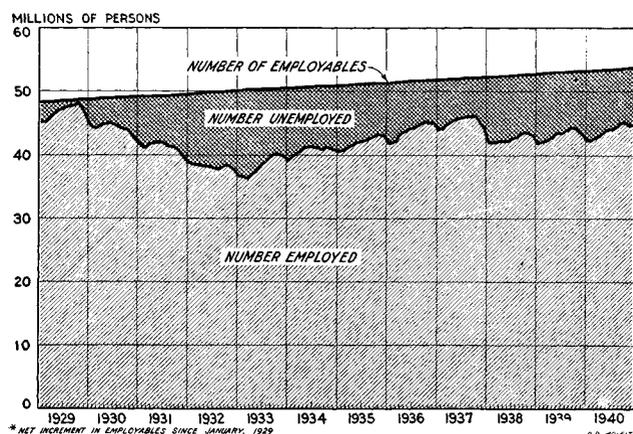


Figure 21.—Number of Persons Employed and Unemployed in the United States, 1929-40.

NOTE.—Figures are estimates originally made for the Committee on Economic Security by Robert R. Nathan and kept up to date by him.

The rising trend in employment shown during the last quarter of 1940 is expected to continue throughout 1941 as the tempo of the defense program is increased. Certain skills were already in a tight supply position by the end of 1940. Since the success of the defense program depends to a considerable extent on the availability of the necessary skilled labor, a beginning was made through the cooperation of Government, industry, and labor, to establish training programs in special fields where labor shortages are likely to occur. Meanwhile, many persons undergoing such training remained at work on Government work projects.

Widest Gains Shown in Durable-Goods Industries.

The monthly average employment in manufacturing establishments increased by more than 580,000 persons in 1940—a gain of 6.3 percent over 1939, though still below the 1937 and 1929 averages. Since the indus-

tries manufacturing durable goods were most directly affected by the defense activities, they showed the largest gains in employment. The Bureau of Labor Statistics index of factory employment for the durable-goods component advanced from an annual average of 90.2 (1923-25=100) in 1939 to 104.2 in 1940, an increase of 15.5 percent, while average employment in nondurable-goods industries rose only from 109.2 in 1939 to 110.6 in 1940. Changes during the course of the year, however, were much larger. Thus, most of the gain in the durable-goods employment was made in the final 6 months, the index of employment increasing from a low of 98.4 in July to 117.5 by the end of the year, the highest recorded figure. By the year-end the nondurable-goods index of employment had increased from a low of 105.6 in May to 114.9—somewhat above the peak reached in 1929, though still below the high point in 1937.

The defense program stimulated employment to a greater extent in those durable-goods industries directly concerned with producing war materials. In a number of war-materials industries, employment reached new highs by the year-end. The aircraft companies, for example, employed about 131,200 wage earners in December 1940, compared with less than 25,000 on the average during 1937. Shipbuilding yards engaged over one-third as many more workers as a year earlier. In other major industries stimulated by war orders, as shown in table 18, substantial increases were reported.

Table 18.—Employment in Selected Industries

Industry	Estimated wage earners, December 1940	Increase from December 1939 to December 1940	Increase December 1940 over 1937 average
Aircraft.....	131,200	72,400	107,200
Shipbuilding.....	120,400	44,600	58,100
Machine tools.....	78,100	23,700	30,900
Engines.....	67,100	28,900	34,200
Aluminum manufactures.....	31,900	5,800	8,200
Foundries.....	453,500	67,100	25,200
Electrical machinery.....	279,300	51,100	22,100
Steel.....	528,700	25,600	24,800
Chemicals.....	85,400	7,000	6,500
Brass, bronze, and copper products.....	109,400	19,800	26,300

Source: Bureau of Labor Statistics, U. S. Department of Labor.

Considerable diversity marked the gains reported in the other major industrial fields. The largest percentage increase occurred in the construction and in the mining fields. The construction industry experienced its best year of the decade, construction contractors employing 84,000 more workers on the average than in 1939. Employment in extractive industries had been lower in 1939 than at any time since 1933. During 1940 these industries increased their labor force by about 7 percent, but this still left a considerable margin from the 1937 average of 949,000. Elsewhere the percentage gains reported for 1940 were smaller. The increase of 120,000 in trade constituted a gain of less

than 2 percent; 89,000 additional employees in transportation and public utilities increased the total in those industries only 3 percent; and the 53,000 persons added to financial, service, and miscellaneous establishments raised this total little more than 1 percent.

Civil employees of Federal, State, and local governments increased by 88,000 in 1940 over 1939, or a little more than 2 percent. Many of the additional civil employees were force-account workers on construction projects vital to defense. Nevertheless, considerable expansion took place in the military and naval branches, with an average of 200,000 being added in 1940. These included additions to the regular Army, Navy, Marine Corps, and Coast Guard, as well as members of the National Guard inducted into the Federal Service by act of Congress.

The average number employed on work-relief projects of WPA in 1940 was 460,000 less than in 1939, the program furnishing employment in December for 1,809,000 persons. The NYA and CCC programs changed only slightly from 1939.

Unemployment Decreasing.

As a result of the general business expansion and the increase in Army and Navy personnel, unemployment at the end of 1940 was about 1,500,000 less than at the outset of the year. Estimates of the total unemployed varied widely, chiefly because of differences in the calculation of the available labor force—a question whose settlement awaited final tabulation of the 1940 census. There was no doubt, however, that a considerable labor supply was available for the further industrial expansion expected in 1941 and 1942.

Despite the substantial employment gain in 1940, most estimates showed a larger number of jobless than at the period of peak industrial activity in 1937, a time when the Federal Reserve Board production index was 13 percent below the December 1940 figure. Moreover, the average hours worked per week rose to 41 in 1937, whereas in 1940 they advanced only from 37 to 39. Three factors are important in accounting for the unemployment increase between 1937 and 1940. First, each year the labor supply had increased by a figure ranging from 400,000 to 600,000 persons (exact figures are not known, as their determination must await analysis of the final tabulation of the 1940 Census); secondly, employment in agriculture had continued its secular decline, reflecting both a decrease in demand and increased mechanization of the industry; and thirdly, increased productivity per worker in many industries had diminished labor requirements per unit of output. From 1939 to 1940 alone, it is estimated that production per man-hour increased approximately 4 percent in both the durable- and nondurable-goods components of the Federal Reserve index. This increase, of course, was only partly the result of technological change. Further utilization of existing plant

increases efficiency in the use of labor. Moreover, the defense program emphasizes a type of production where labor uses much capital, and hence labor productivity is greater.

Rise in Pay Rolls.

Partly as a result of lengthened hours of work, increases in wage rates, and the use of a larger number of skilled workers, especially in the armament industries, the index of factory pay rolls advanced more rapidly in the latter half of 1940 than the employment index. Average hourly earnings in durable-goods industries increased from 71 cents during the last 6 months of 1939 to 74 cents in 1940, while in nondurable-goods industries they advanced from an average of 59 cents to 61 cents. Only part of this increase represented higher wage rates, however, the remainder resulting from the employment of a larger proportion of the total labor force in skilled work receiving higher pay.

Time lost as a result of industrial disputes was cut to one-third of the total for 1939. Man-days idle for the year averaged under 500,000 monthly as compared with 1,484,352 in 1939 and 2,368,738 in 1937. No major industrial disputes, such as those in the automobile and bituminous-coal industries in 1939, occurred during the year.

Commodity Price Movements

The broad contours of commodity price movements in 1940 were shaped mainly by changes in industrial production and were much less affected by speculative reactions to war developments than was the case in the autumn of 1939. Hence the price rise that occurred in the latter part of 1940 was moderate on the whole, despite the advance in industrial production to record volumes. Except in isolated instances, the feverish price movements initiated by forward buying in the preceding September, at the outbreak of the war, were not duplicated. At the end of the year spot and wholesale commodity prices were generally no higher than at the end of 1939.

The relatively moderate price development was all the more noteworthy in that it accompanied a flow of new orders to manufacturers in a volume exceeding the peak of the 1939 inventory boom. Existence of considerable unused capacity made possible an orderly advance in most lines of production, but that condition likewise prevailed a year earlier. The difference in the two situations was a diminution of the speculative motive, attributable to a number of circumstances. There was, in the first place, a realization that the price rises of the previous period were unwarranted in view of unutilized resources, and that the history of prices in the first World War would not be repeated automatically. In the second place, the Administration's determination to prevent price maladjustments no doubt acted as a damper on an upward move-

ment. For each case where the Price Stabilization Division of the Defense Commission threatened direct intervention to prevent a price increase, there were numerous other cases where no action had to be taken. Even if not used, the power to exercise priorities proved a restraining influence. Large backlogs were allowed to accumulate in durable-goods industries without resort to price increases for cutting off some of the flow of new business.

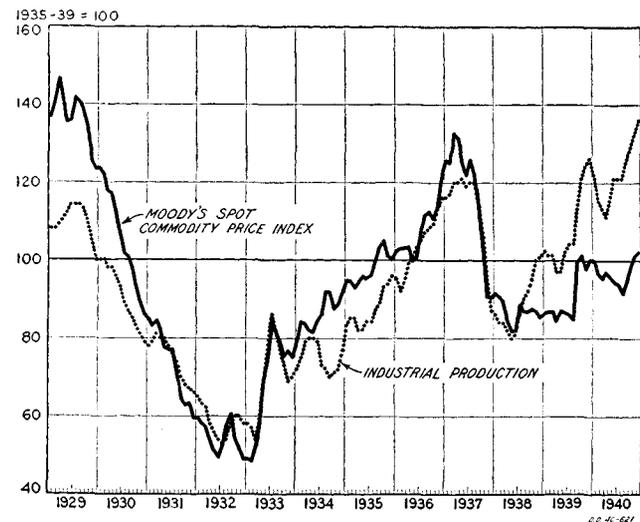


Figure 22.—Indexes of Industrial Production and Commodity Prices, 1929-40 (Board of Governors of the Federal Reserve System and Moody's Investors Service).

NOTE.—The Federal Reserve index of industrial production is adjusted for seasonal variations. The spot price index, covering 15 important commodities, published by Moody's has been recomputed, with 1935-39 as base.

While events of the last quarter of 1940 mitigated the immediate fears of sharply rising prices, it was generally realized that the price problem remained a source of danger that might increase the costs of rearmament, induce inventory buying in industries already faced with large backlogs of unfilled orders, and multiply the immediate problems as well as those of post-war adjustment. So long as industrial capacity was inadequate to meet the peak demands induced by the defense program, the danger of rising prices continued to exist. The quickening pace of defense demand made most urgent the problems of avoiding bottlenecks by creating new facilities (including necessary skilled labor) and of using our existing facilities more effectively. Meanwhile, until new facilities could be brought into activity, priority systems were to supplant price advances as the means of equilibrating demand with supply in the affected areas. The possibility of credit inflation seemed unlikely to become a problem within the year, though the situation was being watched closely and steps to meet it were planned if it threatened to become a factor in the price outlook.

Prices and Changes in Industrial Production.

That expanding industrial activity need not in itself lead to large price increases is demonstrated by the experience in 1938 as well as this year. However, as figure 22 shows, both in 1937 and 1939 the substantial

advance in production was accompanied by a considerable price rise. But in each of these instances a peculiar combination of factors was instrumental in creating such a result. Thus, in 1937 not only had two previous years of drought pushed agricultural prices upward, but a sudden spurt of consumer demand induced by payment of the soldiers' bonus and the expansion of the British rearmament program took place simultaneously with substantial wage advances in important durable-goods industries. The net result was a wave of speculative inventory buying which served to increase prices still further.

to recede though production continued to advance to the end of 1939.

The movement of prices in 1940 was smaller than the movement of industrial production—the Bureau of Labor Statistics' wholesale price index falling from 79.4 in January to 77.4 in August, then rising to 80.0 in December. This general movement, however, cloaked the divergent course taken by the prices of certain commodities particularly sensitive to supply-and-demand conditions and most directly affected by military developments abroad.

Thus, the first reaction to the spread of the war to

Table 19.—Wholesale and Other Price Indexes for Selected Periods

Item	October 1936	April 1937	August 1939	September 1939	January 1940	August 1940	December 1940	Percent change		
								August 1939-January 1940	January 1940-August 1940	August 1940-December 1940
WHOLESALE PRICE INDEXES										
(U. S. Department of Labor, 1926=100)										
Combined index, all commodities ¹	81.5	88.0	75.0	79.1	79.4	77.4	80.0	+5.9	-2.5	+3.4
Economic classes:										
Raw materials.....	82.1	88.7	66.5	72.6	73.8	69.8	73.6	+11.0	-5.4	+5.4
Semimanufactured articles.....	76.2	89.5	74.5	81.8	81.7	77.0	80.7	+9.7	-5.8	+4.8
Finished products.....	82.0	87.4	79.1	81.9	81.7	81.0	82.8	+3.3	- .9	+2.2
Farm products.....	84.0	92.2	61.0	68.7	69.1	65.6	69.7	+13.3	-5.1	+6.3
Grains.....	102.1	119.2	51.5	65.1	73.5	59.3	67.0	+42.7	-19.3	+13.0
Livestock and poultry.....	81.2	93.6	66.0	76.3	67.2	71.5	72.7	+1.8	+6.4	+1.7
All commodities other than farm products.....	80.9	86.9	77.9	81.3	81.5	79.9	82.1	+4.6	-2.0	+2.8
Foods.....	82.6	85.5	67.2	75.1	71.7	70.1	73.5	+6.7	-2.2	+4.9
Dairy products.....	87.4	78.5	67.9	74.5	81.9	74.3	84.2	+20.6	-9.3	+13.3
Meats.....	84.4	94.9	73.7	81.0	69.9	76.1	77.0	-5.2	+8.9	+1.2
All commodities other than farm products and food.....	80.1	86.5	80.1	82.1	83.9	82.0	84.1	+4.7	-2.3	+2.6
Building materials.....	87.3	96.7	89.6	90.9	93.4	93.3	99.3	+4.2	- .1	+6.4
Chemicals and drugs.....	80.1	85.0	74.2	76.6	77.7	76.7	77.7	+4.7	-1.3	+1.3
Fuel and lighting materials.....	76.8	76.8	72.6	72.8	72.7	71.1	71.7	+ .1	-2.2	+ .8
Hides and leather products.....	95.6	106.3	92.7	98.5	103.6	96.9	102.3	+11.8	-6.5	+5.6
Hides and skins.....	97.2	121.4	77.2	97.4	102.6	77.1	99.3	+32.9	-24.9	+28.8
Textile products.....	71.6	79.5	67.8	71.7	77.9	72.3	74.8	+14.9	-7.2	+3.5
Cotton goods.....	82.0	95.1	65.5	70.4	75.4	68.6	74.9	+15.1	-9.0	+9.2
Rayon.....	32.4	33.6	28.5	29.0	29.5	29.5	29.5	0	0	0
Silk.....	31.1	34.4	44.3	49.7	61.8	43.0	42.5	+39.5	-30.4	-1.2
Woolens and worsteds.....	80.5	93.5	75.5	84.0	90.4	83.7	89.0	+19.7	-7.4	+6.3
Metals and metal products.....	86.9	96.5	93.2	94.8	95.8	94.9	97.6	+2.8	- .9	+2.8
Iron and steel.....	88.8	99.6	95.1	95.5	96.3	94.8	95.4	+1.3	-1.6	+ .6
Nonferrous metals.....	71.7	97.0	74.6	84.7	82.6	79.1	83.4	+10.7	-4.2	+5.4
House-furnishing goods.....	82.0	89.0	85.6	86.6	87.9	88.5	88.9	+2.7	+ .7	+ .5
Miscellaneous.....	71.5	81.1	73.3	76.6	77.7	76.7	77.3	+6.0	-1.3	+ .8
OTHER INDEXES										
Cost of living (National Industrial Conference Board, 1923=100).....	85.2	87.3	84.0	85.4	84.6	85.1	85.8	+ .7	+ .6	+ .8
Prices received by farmers (U. S. Department of Agriculture, August 1909-July 1914=100).....	121	130	88	98	99	96	101	+12.5	-3.0	+5.2
Retail prices (U. S. Department of Labor, 1935-39=100).....	103.0	105.1	93.5	98.4	94.8	96.3	97.2	+1.4	+1.6	+ .9
Retail prices of department-store articles (Fairchild index, Dec. 31, 1930=100).....	90.0	95.2	89.5	90.2	92.3	92.9	93.9	+3.1	+ .7	+1.1

¹ Based on 784 series in 1936 and 1937, 813 in 1939, 863 in January and August 1940, and 887 in December 1940.

Again in the fall of 1939 the outbreak of war occasioned a radical change in expectations. As conditions similar to those that existed in the last war were anticipated, speculative inventory buying immediately began. In some instances, spot prices of commodities were bid up 30 to 40 percent. The Bureau of Labor Statistics' index of sensitive commodity prices rose from 100.4 (August 1939=100) on August 31 to 124.9 at the end of September, and the wholesale price index jumped from 75.0 (1926=100) in August to 79.4 in October. By the end of 1939, however, the business community had become aware of the limitations implicit in the recovery and the dangers inherent in an upward price movement. Indeed, soon after September, prices started

Scandinavia was an advance in the price of many import staples—particularly rubber, tin, burlap, cocoa, and sugar—reflecting supply considerations associated with the events of the war and its possible influence on shipping facilities. Wood pulp, a major import item from Scandinavia, also advanced markedly in price. Wholesale prices, however, generally were unaffected. Again in May with the start of the large-scale offensive on the Western Front, sensitive commodity prices moved up. After May 10 when Germany invaded the Netherlands and Belgium, practically all sensitive commodity prices dropped precipitously. The Bureau of Labor Statistics' index of 28 sensitive commodity prices declined from 118.1 to 113.9 in the week ended May

17. Pacing this downward movement of the index was the component representing agricultural prices, which receded from 123.0 to 116.1 in the same week, in anticipation of the prospective loss of foreign mar-

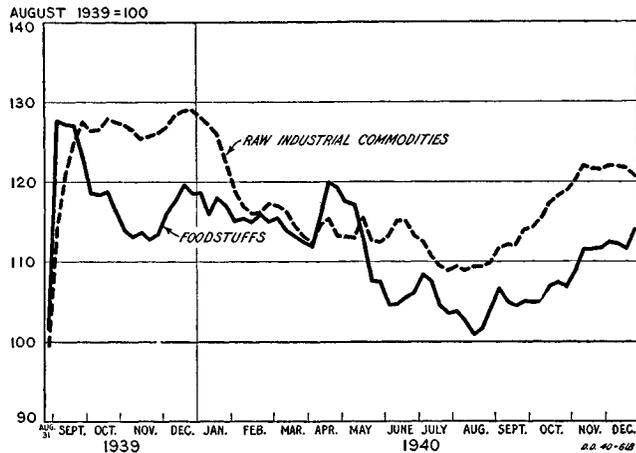


Figure 23.—Indexes of Daily Spot Market Prices of Raw Industrial Commodities and Foodstuffs, August 31, 1939–December 26, 1940 (U. S. Department of Labor).

NOTE.—Daily figures, August 1939=100. Data shown are for Thursday each week unless a holiday falls on this day, in which case Wednesday prices are shown. The index of raw industrial commodity prices is based upon 16 quotations (15 items): Flaxseed, shellac, rubber, hides, rosin, print cloth, silk, wool, burlap, steel scrap (Chicago and Philadelphia), tin, copper, lead, zinc, and cotton. The index of foodstuff prices is based upon 12 items: Wheat, barley, corn, butter, tallow, hogs, steers, lard, sugar, coffee, cocoa beans, and cottonseed oil.

kets. Spot cotton prices fell \$2.50 per bale in the week ended May 17. Wheat dropped 20 cents per bushel, and the exchanges subsequently established minimum prices for several weeks.

These sensitive prices held firm for a few weeks at the midyear, then declined sharply again as concern was felt in business centers over war prospects, the sensitive commodity index reaching a low of 105.5 in August. In all, the index dropped 15 percent in the first 7 months of the year. Late in August prices firmed and turned upward as it became apparent that a quick knockout of Britain was unlikely and as industrial production expanded rapidly in anticipation of the defense program.

From the low of 105.5 on August 16, the spot commodity index advanced 12 points to 117.5 on November 15, the major components moving up proportionately. From November 15 to the end of the year, spot prices held relatively stable. However, during this period some divergence in price movements again appeared; while raw industrial commodities tended to recede in the final 6 weeks of 1940, agricultural commodities and foodstuffs advanced more than 3 percent. Import prices reached their highest level early in December and tended to decline thereafter. At the end of the year the spot commodity index remained 4½ percent under the average prevailing at the beginning of the year. The B. L. S. wholesale price index which now includes 887 commodities, was fractionally higher in December than in January, but

relatively few components equaled their highs of the previous fall.

Changes in Price Relationships.

During 1940 the change in price relationships between broad commodity groups was more marked than in 1938 and early 1939, but it still was not of the same magnitude as that which occurred in 1936–37 (see figs. 24 and 25). While farm prices and raw industrial commodities were subject to the widest variation in the course of the year, there was no shift in their general relationship as in 1936–37. However, farm prices improved their position relative to all other commodities in 1940, though remaining substantially lower than in 1937 when 2 antecedent years of drought sharply lifted them above those of other commodities. (See fig. 24.) The decline in farm-product prices from March 1937 to August 1939 amounted to 35 percent, but when all prices rebounded in September a year ago, farm products paced the advance. From January to August 1940 agricultural commodity prices as usual showed greater sensitivity to the general recession in prices than other components in the wholesale commodity index, and in the last 4 months of 1940 they again led the upward swing. Though the loss of export markets was a depressing influence, the expansion of consumer incomes and the effect of the Government loan program offset it and kept farm prices buoyant. Prices of meat animals, dairy products, chickens and eggs, and fruits led the advance. Though grains and cotton also recovered in the final 4 months, they closed the year somewhat lower than at the end of 1939. Not only was farm money income increased by higher prices, but real income advanced even more as prices paid by farmers for commodities used in consumption and production receded from 123 (1910–14=100) in June to 122 in December.

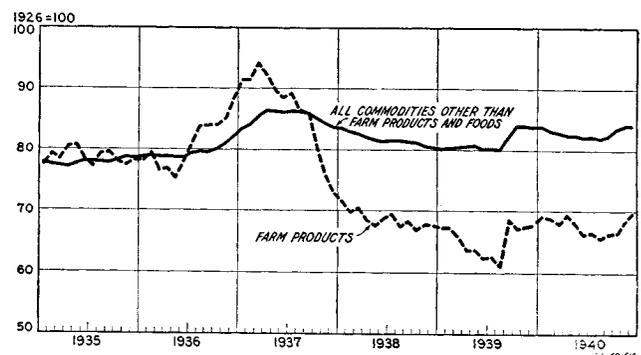


Figure 24.—Indexes of Wholesale Prices of Farm Products and All Commodities Other Than Farm Products and Foods, 1935–40 (U. S. Department of Labor).

Wholesale prices of commodities at the various stages of production showed less divergence of movement than is customary in periods of striking economic change. In the past it has been usual for general shifts to occur in the price relationships of raw materials, semimanufactured, and finished commodities. Raw-material

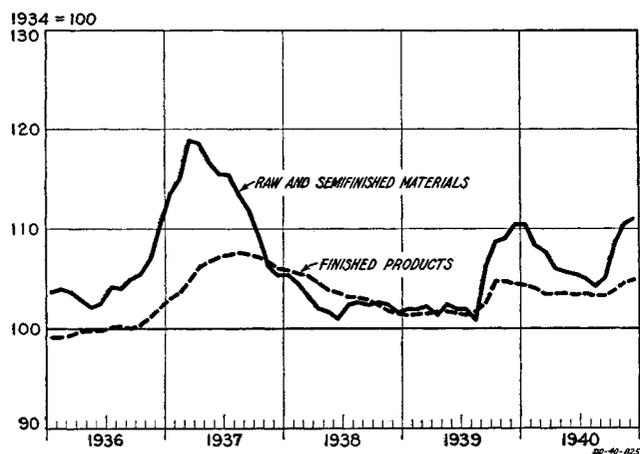


Figure 25.—Indexes of Wholesale Prices of Industrial Commodities, 1936-40.

NOTE.—Computed by the Board of Governors of the Federal Reserve System from U. S. Bureau of Labor Statistics' data; all foods and feeds, both raw and processed, are omitted.

prices usually have had the widest swings, moving above prices of manufactured goods in the prosperity peaks and falling below them in recession and depression. However, this relationship has not held in recent years. From 1937 to September 1939 raw materials declined, not rising appreciably during the period of improving business activity in the second part of 1938, and advancing no more than other prices in September 1939. During 1940 raw-material prices roughly moved parallel to those of semimanufactured products. Prices of the two groups rose about 9 percent in September 1939; then declined about 5 percent to August 1940, only to regain their December 1939 levels by the end of the

year. On the other hand, finished-goods prices as a group showed little change, closing the year at approximately the September 1939 level.

During the year, retail prices of finished goods lagged behind changes in their prices at wholesale. Thus, the finished-goods wholesale price index rose from 80.5 (1926=100) at mid-year to 82.8 in December, while wholesale and spot prices of farm products and foods also registered a net advance. But over the same period, cost-of-living indexes showed no change, though retail foodstuff prices declined very slightly.

Some Developments Among Individual Prices.

While special conditions made for sharp price increases in a limited number of specific commodities as the defense program developed in the fall months, the range of price changes for major commodity groups from the 1940 lows to the end of the year was not marked. Textile products and metals and metal products, for example, rose 3 to 4 percent in the B. L. S. wholesale price index, roughly the average for all commodities. Building materials rose, on the average, about 7 percent under the impact of the heaviest construction in the decade. With the exception of hides and leather products, a particularly sensitive group, the commodities to show the largest gains from both the 1940 lows and the pre-war levels of August 1939 were foods and farm products. The smallest rise was indicated for house furnishings, fuel, and lighting materials.

Of course, these moderate increases all relate to quoted prices. It is probable that more substantial increases in mill nets were secured during a period of such active demand as the last 4 months of 1940. Adequate data on actual realized prices, however, are not available.

Iron and steel.—Of particular significance for the defense program were the price developments in metals and metal products. After declining slightly from the 1937 peak to August 1939, metal prices almost regained their 1937 peak in the following 3 months. After a slight decline in the fore part of 1940, the metals group moved above their 1937 peak. Steel scrap declined from \$16.25 per ton in January at Chicago to \$15.25 on April 15. The demand for steel products had fallen off seriously by that time, resulting in price reductions for a few weeks in a variety of finished steel products. Following the improvement in the industrial outlook, steel-ingot production rose rapidly, and with it the price of steel scrap advanced in June to \$18.75 per ton at Chicago. As steel output was further expanded in the second half of the year, the price of heavy melting scrap rose at all principal markets, reaching \$21 by the end of the year at Chicago. Higher prices in other markets in November led to action by the Price Stabilization Division. The Iron Age composite scrap price advanced weekly from \$18.17 on August 6 to \$21 on November 26; in December the upward

Table 20.—Prices of Selected Foodstuffs and Industrial Materials

Item	1939		1940			Percent change, Aug. 16 to Dec. 31, 1940
	Aug. 31	Dec. 26	May 10	Aug. 16	Dec. 31	
FOODSTUFFS						
Wheat, No. 2, hard, Kansas City ¹ cents per bu.	67	104	105	68	83	+22.1
Corn, No. 3, yellow, Chicago, do.	45 $\frac{3}{8}$	58	70 $\frac{3}{4}$	66 $\frac{1}{4}$	64 $\frac{1}{4}$	-3.0
Rye, No. 2, c. i. f., New York, do.	58 $\frac{1}{4}$	99 $\frac{3}{8}$	85 $\frac{7}{8}$	56	66 $\frac{1}{8}$	+18.1
Sugar, 96 $\frac{1}{2}$ delivered, duty-free cents per lb.	2.92	2.95	2.90	2.62	2.90	+10.7
Coffee, Santos, No. 4, New York cents per lb.	7 $\frac{1}{4}$	7 $\frac{1}{4}$	7 $\frac{1}{4}$	6 $\frac{3}{8}$	7 $\frac{1}{2}$	+13.2
Cocoa, Acera, New York, do.	4.47	6.00	6.30	4.22	5.30	+25.6
Hogs, Chicago ¹ , dol. per cwt.	5.62	5.32	5.50	6.00	6.50	+8.3
Lard, cash, Chicago, cents per lb.	5.75	6.32	6.42	4.57	4.47	-2.2
Beef, Chicago ¹ , dol. per cwt.	8.92	9.65	9.82	10.83	11.71	+8.1
INDUSTRIAL MATERIALS						
Cotton, 10-market average cents per lb.	8.55	10.68	9.92	9.74	9.86	+1.2
Silk, New York, dol. per lb.	2.65	4.60	2.66	2.47	2.52	+2.0
Wool, territory, fine, Boston, do.	.72	1.04	.88	.87	1.08	+24.1
Hides, heavy native steers, Chicago cents per lb.	11	15	12 $\frac{1}{2}$	10 $\frac{1}{4}$	13	+26.8
Rubber, plantation, New York cents per lb.	16 $\frac{7}{8}$	20 $\frac{3}{8}$	25	19 $\frac{7}{8}$	20 $\frac{3}{4}$	+4.4
Copper, electrolytic, New York cents per lb.	10 $\frac{1}{2}$	12 $\frac{1}{2}$	11 $\frac{1}{2}$	10 $\frac{3}{4}$	12	+11.6
Lead, New York, do.	5.05	5.50	5.00	4.75	5.50	+15.8
Tin, Straits, New York, do.	49 $\frac{3}{8}$	49 $\frac{3}{8}$	53 $\frac{1}{2}$	50 $\frac{3}{4}$	50 $\frac{1}{2}$	-1.3
Zinc, New York, do.	5.14	6.39	6.14	6.89	7.65	+11.0
Steel, scrap ² , dol. per gross ton.	15.62	17.67	16.75	18.63	21.83	+17.2

¹ U. S. Department of Agriculture. Data represent averages of daily prices for week ended on nearest Saturday except when otherwise noted.

² Average price for week ended August 26.

³ Iron Age. Based on No. 1 heavy melting steel, quotations at Pittsburgh, Philadelphia, and Chicago. Figure represents average for week ended on nearest Tuesday.

Source: Journal of Commerce unless otherwise indicated.

movement in scrap was slowed until the final week of the year, when it advanced to \$21.83.

Despite the sharp advance in scrap prices, the iron-and-steel component in the Bureau of Labor Statistics' wholesale index, which is based on posted prices, for December was lower than it had been in January, and 6 percent under the 1938 peak for the decade. Structural steel and many other finished steel prices stayed the same throughout the year—unchanged, in fact, from July 1938. Consequently, the boost in metal prices for the year as a whole is traceable largely to the other metals.

Copper.—Nonferrous metals fluctuated more widely in price in the past year than the other components of the metals index. Rising from 79.1 (1926=100) in August, the index of this group of metals advanced to 83.4 in December, somewhat below the monthly averages in the fall of 1939. For the year as a whole copper prices averaged somewhat higher than in 1939, though the year-end price was lower than the 1939 high. Spot copper prices ranged from 12.3 cents per pound at the first of the year to a low of 10.4 cents in July. The prevailing price at New York for electrolytic copper in the last quarter was 12 cents, as against the 1937 high of 17 cents per pound. A restraining factor in the price situation was the purchase of 100,000 tons of foreign copper by the Metals Reserve Company, which will become available to industrial consumers by March at about the current price, if need can be shown for its use. At the same time stocks of refined copper in the United States were slowly being depleted as domestic production of refined copper held fairly steady at an average of 80,000 net tons for the first 10 months, rising to only 96,000 tons for November and December. Less than 6 weeks' supply was estimated on hand at the close of the year.

Zinc.—The position of zinc proved more stringent than that of metals which had been placed on the official strategic materials list. Prices advanced rapidly in spot markets from the early 1939 level of approximately 5 cents per pound to 6.9 cents at the end of September 1939. Receding 1 cent per pound by the end of January 1940, zinc prices advanced constantly throughout the year to reach 7.6 cents per pound. By December no more than a week's supply was available in the United States. Scrap-zinc prices began to approach the price of the virgin metal. But the fact that prices did not get entirely out of hand is to be attributed to a realization that at the moment higher prices would not bring forth larger supplies, and that the Government would intervene if prices were not held in check. As unfilled orders accumulated, refining capacity was in process of rehabilitation, new retorts were being installed for operation in the late spring, and imports of refined zinc from Canada appeared likely for reexport to Britain. The fact that zinc prices held nominally below the 1937 peak was not significant in the face of a

depletion of stocks of slab zinc at refiners from about 67,000 net tons in June to less than 13,000 tons at the end of the year.

Tin.—Prompt action by the Metals Reserve Company in negotiating an agreement with the International Tin Cartel and Bolivian producers eased the position of tin. In August 1939, before the outbreak of the war, tin averaged about 49 cents, from which level prices rose sharply to 60 cents in September. Under pressure of heavy inventory buying, nominal prices for Straits tin in New York touched 75 cents, but fell rapidly to 49 cents in December. With the change in the European and Asiatic political situation in May, prices advanced from the April low of 44.8 to 55 in May and 58 cents in June, which compared with the 1937 high of 63 cents. From this point the price declined to the year-end when it was stabilized roughly at 50 cents per pound under the agreement that provides for increased world production and the sharing with the British of all surpluses at that price. Aside from this factor, the present flow of tin from abroad is at record volume.

Lead.—Large imports tended to lighten the pressure of lead prices. While refined lead production had not increased sufficiently to prevent a decline in stocks at the year's end to less than a month's supply, foreign supplies of the metal were readily available. On the whole, lead prices fluctuated less violently than those of the other major nonferrous metals, though the December price of 5.5 cents per pound equaled the 1939 high.

Building materials.—Building-material prices provided one of the major problems in the defense construction program. The rise in the Bureau of Labor Statistics' building-materials index from 93.3 in August to 99.3 in December was, however, largely the result of a movement in a single item—lumber. While the cantonment program was reaching its peak, the bunching of defense orders caused the lumber price index to leap from 94.8 in July to 118.8 in December. This represented a 28 percent increase over the average for 1927, the peak construction year in the United States—a level higher than in any period of record except for 1919, 1920, and 1923. At the peak in the spring of 1937 the index did not rise above 107. Other building materials, such as paint, brick, and cement, while rising moderately in the late fall months, were no higher than at the first of the year.

Rubber.—As a major industrial raw material for which the United States is entirely dependent upon foreign sources, rubber was subjected to all the shocks emanating from changes in the world political situation. Virtually unchanged from August 1938 to August 1939, rubber prices advanced more than 40 percent to 24 cents a pound in the second week of September 1939. Most of this increase was lost in the subsequent general decline. But the occupation of the Netherlands caused concern over the future flow of crude rubber from the

Netherlands Indies, and spot rubber prices advanced from 19.3 cents on May 1 to 25 cents on May 10, dropping back to 20.8 cents by the end of the month. Though it again rose shortly with the defeat of France, the price settled around the 20-cent mark as it became apparent that the International Rubber Regulation Committee would raise quotas upward to 100 percent. Under the Rubber Reserve Company agreement with the International Committee, export quotas were to be raised whenever required to permit the United States to purchase 180,000 tons on the open market during 1941 at 18 to 20 cents. This tonnage was to supplement the June agreement covering 150,000 tons for 1940 and 87,000 tons under the cotton-rubber exchange with Great Britain. In the final months of 1940 crude imports were exceeding 1929 volumes.

Textile prices.—Textile prices generally receded from January to August, the combined index of wholesale prices declining from 77.9 to 72.3. However, the movement was reversed in the early fall by heavy Army purchases and the beginning of inventory buying. By the end of the year, some of the decline had been erased, the index rising to 74.8 in December. Both woolen and cotton goods shared in this advance, though neither reached the level that had existed at the beginning of the year.

The domestic wool crop in 1940 exceeded that of 1939 by only 3 percent. Though consumption in the first 8 months was lower than in the same period of 1939, heavy Government purchase of cloth after August, requiring almost half of the domestic clip, exercised a strong influence on wool prices. The index of woolen and worsted prices rose from 83.7 in August to 89 at the end of the year. Tight supply conditions in foreign markets that supply imports, contributed to the advance. The entire crop of Australia, New Zealand, and South Africa was placed under the control of the United Kingdom and prices were forced upward. A substantial part of the United States demand was diverted to South American wools, with the result that prices also rose in these markets.

In the cotton-textile industry no question arose concerning the adequacy of raw-material supplies. But new orders in the final quarter of the year were of such magnitude as to tax mill capacity, and the cotton-goods price index rose from a low of 68.6 in August to 74.9 in December—slightly under the level at the beginning of the year.

Rayon prices remained unchanged during the year, though they were fractionally higher than in the preceding 2 years. Silk prices, on the other hand, declined widely, the index falling from 61.8 in January to 42.5 in December. Most of the reduction occurred in the first half of the year. Excessive stocks in Japan, the loss of British and Canadian markets, and growing substitution of rayon in this country, all contributed to the reduction.

Domestic Banking and Finance

Banking and Credit

The war in Europe overshadowed all other influences in shaping the course of domestic financial developments during 1940. Among its effects, either direct or indirect, were to be counted an unprecedented inflow of gold, with consequent changes in bank deposits, reserves, and interest rates; security prices that fluctuated

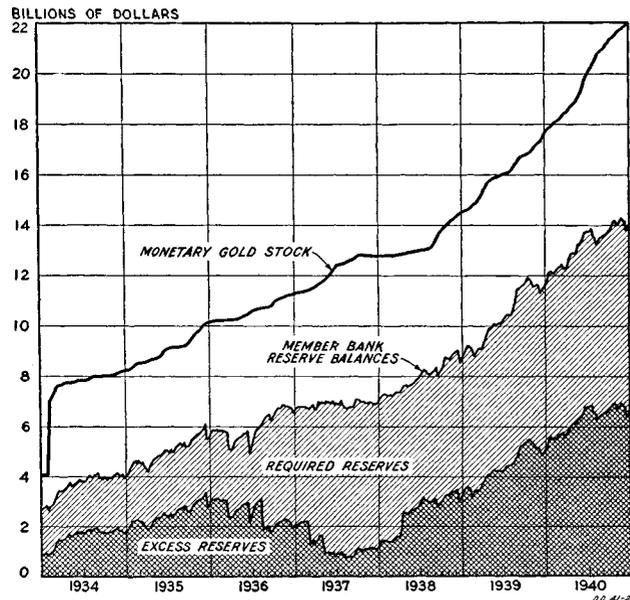


Figure 26.—Monetary Gold Stock and Member Bank Reserves, 1934-40 (Monetary Gold Stock, U. S. Treasury Department; Member Bank Reserves, Board of Governors of the Federal Reserve System).

NOTE.—Data are for Wednesday of each week.

widely with shifts in military fortunes abroad; and the initiation of the defense program, which increased loans, investments, and flotation of new capital issues.

The persistent inflow of gold was the result both of the need to finance mounting commodity purchases from this country and of a continued movement of flight capital seeking a safe haven. By the end of the year, 4,700 million dollars of gold had arrived from abroad. About 645 million of this was held under earmark, raising total earmarked gold in this country to 1,808 million dollars. The remainder, added to the 207 million dollars output from domestic and Philippine mines, increased the monetary gold stock of the country to approximately 22 billion dollars, compared with 17,643 million at the close of 1939. An addition in two years of almost 7.5 billion dollars to our monetary gold left the United States in possession of all save a small portion of the world stock.

The gold inflow was, of course, the chief reason for the substantial increase in the country's huge pool of bank credit. Through November the volume of member-bank reserves held in the Federal Reserve banks increased steadily to new highs, the maximum for the year being attained on November 27, when total reserve

balances were almost 14.3 billion dollars. In addition to the new gold, however, certain other factors (as shown in table 21) operated to increase the volume of funds at the disposal of the banking system. Of chief importance among these was the net disbursement by the Treasury of approximately 480 million dollars, from cash and deposits held in the Federal Reserve banks. Moreover, the Treasury increased its currency outstanding by some 125 million dollars.

Table 21.—Factors Affecting Total and Excess Reserves of Member Banks, 1940

[Millions of dollars]

Item	Dec. 27, 1939	Dec. 31, 1940	Net change
Factors of increase:			
Monetary gold stock.....	17,620	21,995	4,375
Treasury cash.....	2,417	2,212	205
Treasury deposits with Federal Reserve banks.....	646	1,369	277
Treasury currency outstanding.....	2,963	3,087	124
Total.....			4,981
Factors of decrease:			
Federal Reserve bank credit outstanding.....	12,569	2,274	295
Money in circulation.....	7,663	8,733	1,070
Nonmember deposits and other Federal Reserve accounts.....	933	2,016	1,083
Total.....			2,448
Member-bank reserve balances.....	11,493	14,026	2,533
Required reserves.....	6,447	7,411	964
Excess reserves.....	5,046	6,615	1,569

¹ Adjusted slightly.

Source: Weekly statements of "Condition of the Federal Reserve Banks," Board of Governors of the Federal Reserve System.

One of the largest factors to absorb part of the increased funds available for reserves was the continued rise in the amount of money in circulation, increasing during the year by the unusual amount of 1,070 million dollars. Another important factor was the 725 million dollar increase in the deposits of foreign funds (most of it since June) in the Federal Reserve banks. Finally, part of the increased funds—about 360 million dollars—represented larger deposits by nonmember banks, and as reserves of these banks, were not directly available for member banks.

Excess Reserves.

However, as the addition to reserves greatly exceeded the increase necessitated by the expansion of deposit liabilities, a further gain in excess reserves to 6,615 million dollars at the end of the year was recorded—1,569 million more than at the end of 1939. The increase in deposits, on the other hand, required only 964 million dollars more reserves than a year earlier. Much of this larger requirement came in the last quarter of the year; excess reserves actually attained their peak at the end of October, reaching a maximum of 6,960 million dollars. In addition to larger loans, member-bank purchases of the Treasury's first offering of National Defense Series Notes contributed to the reduction during the final month.

This further gain in excess reserves during 1940

magnified the problem faced by the monetary authorities in attempting to control the volume of credit with the instruments at their disposal. For the past 2 years, the principal medium of credit control has been the purchase and sale of securities by the Federal Reserve open-market committee. With the exception of relatively minor purchases in the spring and autumn of 1937, no net changes had occurred in the volume of Government securities held in the system's portfolio since the autumn of 1933. The volume again remained unchanged in 1939, but important shifts occurred in the components of the portfolio.

In the middle of 1939, the practice of maintaining a constant amount of Government securities was abandoned. At that time, rates on Treasury bills were practically on a no-yield basis, and the open-market committee decided that, whenever market conditions warranted, holdings of Treasury bills should be allowed to mature without replacement. By the end of 1939, 477 million dollars of Treasury bills had been liquidated, and since then none have been held in the System's open-market account.

This retirement of bills was offset by purchases of other securities in the fall of 1939. The outbreak of hostilities in Europe was the occasion for a break in the price of high-grade fixed-interest obligations. The Federal Reserve banks entered the market at this time and bought securities freely with a view to cushioning the decline and exerting an influence against disorganization in the capital market. This action shifted the emphasis of open-market operations from influencing the size of member-bank reserves to directly affecting conditions in the capital market.

During the past year open-market operations were directed at decreasing member-bank reserves. Holdings of Government obligations declined 305 million dollars, leaving 2,184 million in the portfolio on December 31, 1940. These holdings were only about one-third of the volume of excess reserves. To eliminate the remaining excess reserves would necessitate much higher reserve requirements than the upper limits now possible under existing law. Inasmuch as excess reserves are not distributed among the member banks in equal proportion to their deposits with the Federal Reserve system, the absorption of excess reserves by raising reserve requirements would present delicate problems of credit control.

Loans and Investments of Member Banks.

The inflow of gold caused an almost constant growth of demand deposits reported by member banks in 101 leading cities. In the absence of a sizable expansion of loans, especially during the first 9 months of the year, the growing volume of funds was partially utilized by the banks to expand their investment portfolios. Holdings of direct and fully guaranteed Government obligations and holdings of other securities were in-

creased by 1,300 million and 335 million dollars, respectively, from the end of 1939 to December 31, 1940 (see table 22). On this latter date the reporting member banks held 12,462 million dollars of Government securities and 3,675 million dollars of other securities. These securities comprised 63.2 percent of total loans and investments, an increase of one percent from December 27, 1939.

Table 22.—Loans and Investments of Weekly Reporting Member Banks, 1939-40

[Millions of dollars]			
Item	Dec. 27, 1939	Dec. 31, 1940	Net change
Commercial, industrial and agricultural loans.....	4,400	5,018	+618
Loans for purchasing and carrying securities.....	1,221	1,049	-172
Other loans.....	3,137	3,323	+186
Total loans.....	8,758	9,390	+632
Investments in U. S. Government obligations.....	11,162	12,462	+1,300
Other investments.....	3,340	3,675	+335
Total investments.....	14,502	16,137	+1,635
Total loans and investments.....	23,260	25,527	+2,267

Source: Weekly statements of "Condition of Weekly Reporting Member Banks in 101 Leading Cities," Board of Governors of the Federal Reserve System.

During the first 8 months of the year the business demand for credit evidenced only minor and irregular fluctuations—the industrial decline through April and the subsequent expansion through August exerting comparatively little influence upon the volume of bank loans to commerce, industry, and agriculture. After the beginning of September, however, the demand for business loans showed more responsiveness to the rise in general business activity, expanding approximately 555 million dollars in the last 4 months of the year. (As pointed out in previous sections of this review, forward buying became active during this period.) Nonetheless, the increase for the entire year totaled only about 620 million dollars. Reporting-member-bank loans to brokers and other loans for the purpose of carrying securities declined by 170 million dollars.

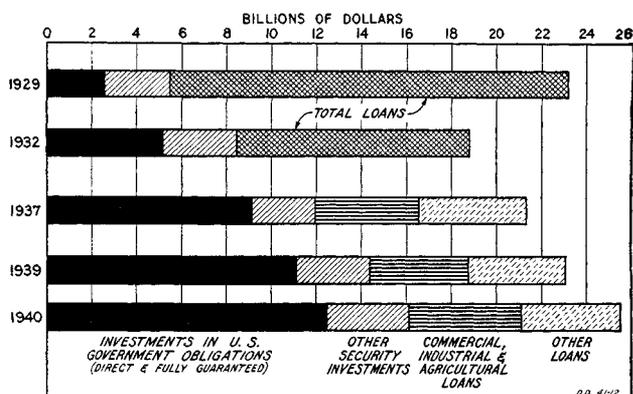


Figure 27.—Loans and Investments of Reporting Member Banks in 101 Leading Cities, 1929, 1932, 1937, 1939, and 1940 (Board of Governors of the Federal Reserve System).

NOTE.—Data are for the Wednesday nearest the end of the year. Due to changes in classification, comparable data for "Commercial, industrial, and agricultural" loans are not available separately for 1929 and 1932; therefore "Total loans" for these years are shown in this chart.

Total loans and investments of the reporting member banks at the close of 1940 exceeded the maximum attained in any previous year. Loans were only about half of those outstanding in 1929, as may be seen in figure 27, although the current volume of industrial production exceeded the best levels attained in 1929. This decrease in loans reflected both the decline of advances for purchasing or carrying securities and the continued growth of liquid surpluses available for working-capital needs in the hands of corporations—which has partially freed them from reliance upon the banking system. On the other hand, the steady growth in holdings of Government obligations, which had been characteristic of the expansion in bank portfolios since 1932, was continued during the year. These investments comprised nearly 50 percent of reporting-member-bank loans and investments at the close of 1940, as compared with 28 percent at the end of 1932 and 11 percent at the end of 1929.

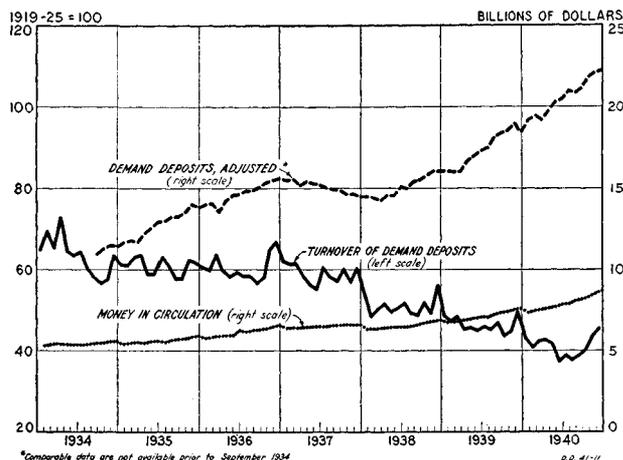


Figure 28.—Demand Deposits, Adjusted, and Index of Annual Rate of Turn-over of Demand Deposits (Adjusted for Seasonal Variations) in Reporting Member Banks in 101 Leading Cities, and Money in Circulation, 1934-40 (Demand Deposits, Adjusted, Board of Governors of the Federal Reserve System; Annual Rate of Turn-over of Demand Deposits, Federal Reserve Bank of New York; Money in Circulation, U. S. Treasury Department).

NOTE.—Data for "Demand Deposits, Adjusted," represent deposits other than inter-bank deposits and United States Government deposits, less cash items reported as on hand or in process of collection. Data for "Annual Rate of Turn-over of Demand Deposits," are based upon the relation between debits to individual accounts and demand deposits in reporting member banks in 101 leading cities. Figures for "Demand Deposits, Adjusted," are for the Wednesday nearest the end of each month, and data for "Money in Circulation" are as of the end of each month. The base period for the indexes of "Annual Rate of Turn-over of Demand Deposits" is a daily average for the years 1919 through 1925.

Deposit and Money Supplies.

Gold imports and the increase in loans and investments added 3,580 million dollars to the already swollen volume of bank deposits during the year, raising these to the record level of 22.3 billion dollars. The rate of deposit turn-over at commercial banks, however, fell further during the year as a large portion of the deposits that represented the proceeds of gold imports remained relatively inactive (see fig. 28). The rise in money in circulation carried the total well above the peak of any year to date. The increase was partly a corollary of the rapid improvement in business conditions, though it also represented the continuation of

an upward trend in the use of currency. Exports of currency to Europe during the year for hoarding and speculation fell off sharply and consequently were a negligible factor in the rise in currency in circulation.

Bank Credits and the Defense Program.

Several major financial developments during the year served to focus attention on present and prospective demands for funds with which to finance the expansion of plant and working capital required by the defense program. The developments centered primarily about reducing the risk of investment in plant and facilities producing items for which demand would be restricted after the emergency. To meet this need, the Government is using four principal methods for building and financing defense facilities:

1. The Army and Navy constructs arsenals, naval bases, etc., and the extension of existing Government properties, which are financed with Federal funds and are owned and operated by the Federal Government. In some cases actual operation of the plant may be delegated to private industry under a management-fee contract.

2. Corporations desiring plant ownership at all times may finance the expansion of plant necessary to fulfill Government contracts through their own resources, private sources, or through the Reconstruction Finance Corporation. Moreover, such a corporation may avail itself of the provision in the new excess-profits tax law that permits amortization in 5 years under certain circumstances where the plant is certified by the Government as necessary for defense.

3. Where the fulfillment of a Government contract requires too great a risk for private capital to assume alone, or where the facilities might have a future commercial use to the contractor, construction may be financed through the Emergency Plant Facilities Contract. This plan provides that the Government reimburse the contractor for the cost of the plant in 60 equal monthly installments—the corporation retaining title to the plant pending the completion of these payments, at which time title passes to the Government. The manufacturer may, however, purchase the plant from the Government at original cost, less depreciation, or at a price to be agreed upon by negotiation. The corporation may finance the construction in any manner it chooses, including any loans it may be able to secure from the Reconstruction Finance Corporation. As a means of providing security for bank credit used to finance this type of contract, a law was passed on October 9, permitting the assignment by individuals or corporations to banks or other financing institutions of payments due from the Federal Government.

4. To provide further capital for facilities which will bear large risks but which may have a future commercial use, the Reconstruction Finance Corporation created the Defense Plant Corporation. The latter

provides funds to private manufacturers, who construct the plants themselves; however, the Defense Plant Corporation takes title in its own name and leases the facilities to manufacturers at \$1 a year for a fixed term, subject to renewal and option to purchase. If at the end of the stated period the contractor wishes to exercise his option to purchase, the price is agreed upon by negotiation or is set at the original cost less depreciation.

In letters on November 18 to the Secretaries of War and Navy, the Federal Loan Administrator said: “* * * It is desirable that banks finance as much of the defense program as they can handle properly, but where credit is extended upon a definite agreement for reimbursement by the War or Navy Department, the interest rate should bear some relation to a Government-guaranteed obligation * * *.” The Administrator also stated that ample funds were still available from the 1 billion dollars by which Congress had increased the borrowing authority of the Reconstruction Finance Corporation and that that organization, either directly, or through banks, or the Defense Plant Corporation, would arrange or adjust defense financing for working capital, plant expansion, and equipment, at an interest rate of 1½ percent, where either the War or Navy Department had definitely undertaken to reimburse manufacturers over a 5-year period. In the absence of such a commitment the rate would not exceed 4 percent.

Interest Rates

One effect of the persistent accumulation of surplus funds available for investment by banks was the continued decline of bond yields. The already low short-term open-market money rates showed no change, while an exception to the general movement was to be found in firmer rates to customers on commercial loans. Declining bond yields were characteristic of the year, except in May and June, when the drop in security values following the invasion of the Lowlands and France temporarily raised yields. The average yield of Treasury bonds due in 12 or more years fell to 1.88 percent at the close of the year. This may be compared with an average return of 2.68 percent during 1937. Another illustration is afforded by the average yield on municipal bonds, which fell from 3.10 percent in 1937 to slightly above 2 percent at the end of 1940. Along with the decline in the yields of corporate bonds there has occurred since the early part of 1938 a narrowing of the spread between high-grade bond yields and those of low-grade bonds. This has reflected the decreased risk of the latter—chiefly the result of increased business activity, though materially aided in some instances by revamped capital structures.

Open-market rates in New York for 4- to 6-month commercial paper, 90-day stock-exchange time loans, and prime bankers' acceptances, were unchanged during 1940 at 0.56 percent, 1.25 percent, and 0.44 percent, respectively. These rates have showed little

change since the downturn in business activity in the latter half of 1937 induced additional measures designed to bring monetary ease. Average commercial loan rates charged to customers by banks in 19 principal cities, including New York, increased a shade during the first 9 months of the year, an average rate of 2.68 percent being charged to customers in September compared with 2.59 percent in December 1939.

Dealers' quotations for 91-day Treasury bills were at par at the opening of 1940, such investments returning no yield. Subsequently, bills were purchased to

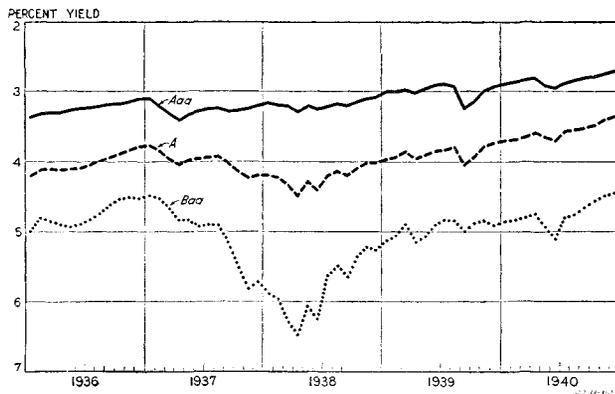


Figure 29.—Yield of Corporate Bonds, by Ratings, 1936-40 (Moody's Investors Service).

NOTE.—In the rating classification followed by Moody's Investors Service, Aaa indicates bonds which are and may be expected to remain the most conservative type of investment. Such bonds will tend to fluctuate in price with fluctuations of the prevailing long-term interest rates. Bonds rated A have distinct investment qualities, but do not have the elements of strength which would necessarily prevent their intrinsic worth from being affected by some special development; while those rated Baa have definitely less of an investment and more of a speculative character. Each group includes a representative number of bonds.

yield 0.02 percent, a rate that prevailed during the first 4 and the last 3 months of the year. Aside from hardening to 0.12 percent in June, there was little variation from this low level. Intermediary Treasury obligations with a maturity of from 3 to 5 years yielded 0.47 percent at the beginning of the year and 0.37 at the close.

Security Markets

Common-share prices failed to respond to the increased tempo of business during the year and closed the year well below the levels of the preceding year-end. It was apparent that, in determining the values of equities, investors were giving consideration to the possible tax burden, to the uncertainties of war, and to much longer term business prospects. In general, bond prices were similarly affected, but to a lesser degree.

Table 23.—Common-Stock Prices on Selected Dates, 1939-40

[1926=100]

Item	Dec. 27, 1939	May 8, 1940	June 5, 1940	Nov. 13, 1940	Dec. 25, 1940
420 stocks combined.....	91.3	91.5	69.9	84.7	79.6
350 industrials.....	107.4	107.6	80.9	99.1	93.1
40 utilities.....	86.5	87.1	71.9	80.2	77.0
30 railroads.....	28.8	28.6	21.3	29.0	25.8

Source: Standard Statistics Co., Inc.

During the first 4 months of the year, share prices fluctuated within a narrow range and evidenced little net change for the period. The sharp reaction that followed the invasion of the Lowlands (see table 23) was accompanied by an increase in the volume of trading from 4 million shares for the week ended May 4 to

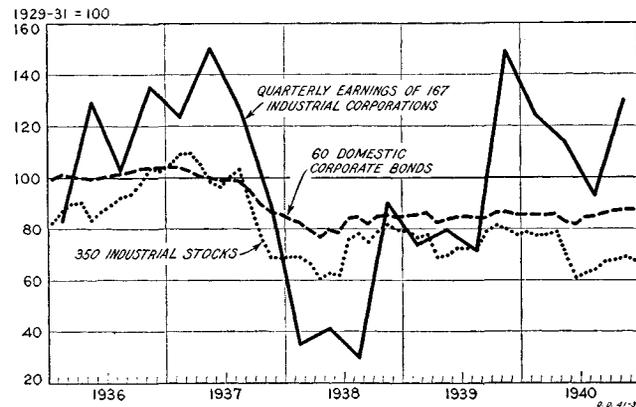


Figure 30.—Indexes of Industrial Stock Prices, Domestic Corporation Bond Prices, and Quarterly Earnings of Industrial Corporations, 1936-40 (Basic figures for stock and bond prices are from Standard Statistics Company, Inc., and quarterly earnings data are from the Federal Reserve Bank of New York, except for the fourth quarter of 1940, which was estimated by the U. S. Department of Commerce).

more than 17 million shares for the week ended May 18. In subsequent weeks the volume of trading declined to less than 2 million shares per week, and, after a brief period of additional weakness when France was invaded, average share prices evidenced hesitancy and caution although displaying a moderate upward drift until the middle of November. Thereafter they declined to the end of the year.

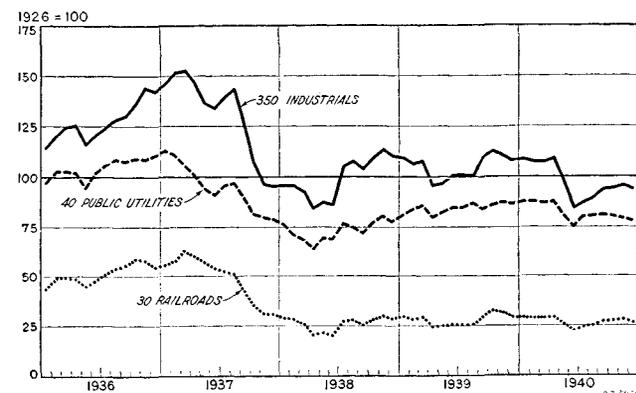


Figure 31.—Indexes of Stock Prices, by Major Groups, 1936-40 (Standard Statistics Company, Inc.).

Although corporate profits for the year exceeded 1939 corporate profits by about one-fourth (see fig. 30), the Standard Statistics index of 420 share prices declined approximately 13 percent. Average share prices of industrials fell 13 and of utilities 11 percent, while the average price of railroad shares fell 10 percent. (See fig. 31.)

Security issues representing the long-term indebtedness of industry closed the year almost unchanged from

their values of the preceding year-end. Within a more restricted range, bond prices followed the same movement of share prices, weak in May and June, touching the year's high in November. As indicated in the above discussion of bond yields, bond prices, in contrast to stocks, were higher at the end of 1940 than at the period just prior to the outbreak of the war in September 1939. Though investment demand increased, there was no stringency in the supply of investible funds.

Capital Market.

Despite expanding business activity during 1940, domestic corporate issues for new capital purposes aggregated only 724 million dollars—considerably less than the totals of 1,225 million for 1937 and 1,192 million for 1936. Including refunding securities, however, total

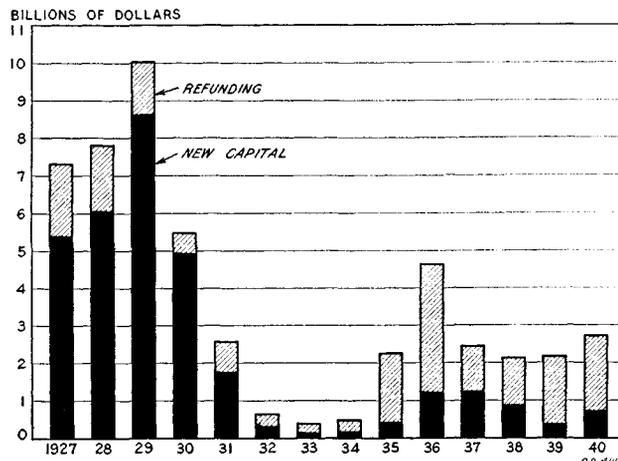


Figure 32.—Total Corporate Capital Flotations Publicly Announced, 1927-40 (Commercial and Financial Chronicle).

corporate issues of 2,721 million dollars during the year were the largest of any year since 1936 (fig. 32). The failure of new corporate issues to increase more markedly did not, of course, reflect a low rate of capital formation. Corporations have continually increased their liquid cash balances in recent years, and these have been available for expansion of productive facilities. Moreover, as pointed out above, much of the capital formation during the second half of 1940 represented new plant facilities that were financed directly by the Government or through the medium of bank loans.

Total capital flotations in the second half of 1940 rose substantially, while new issues increased in volume during each quarter of the year. In the final quarter new corporate capital aggregated 277 million dollars, 50 percent in excess of the third quarter and four times the volume in the last quarter of the previous year. This large amount was supplemented by an unusual quantity of refunding at the same time. Improved business, favorable market conditions (including low interest rates), and the low level of new financing of preceding months all contributed to increase the size and frequency with which new bond issues were offered to the public.

Among the component corporate groups, public utilities, experiencing their largest plant and equipment expansion since 1930, offered new and refunding capital issues of 267 million and 997 million dollars, respectively. Railroads were also prominent among the borrowers of new money, raising 144 million dollars, or nearly 20 percent of the total new capital. Public bodies offered fewer new money issues, though they took advantage of the strong position of the bond market and refunded a larger volume of State and municipal bonds than in previous years. The 1940 aggregate of 1,235 million dollars of municipal flotations was the largest for any year since 1931. Common and preferred stock financing increased to 328 million dollars for the year, exceeding the volume of the two preceding years, though less than half of the 1937 figure. The value of common and preferred stock flotations in 1940 was exceedingly small when compared with the total of 1,527 million dollars sold a decade ago. However, the large amount of refunding activity caused bond and note flotations of 2,393 million dollars to compare more favorably with the total of 3,431 million borrowed in 1930.

Table 24.—Capital Flotations by Major Industries, 1940
[Millions of dollars]

Industry	New capital	Refunding	Total
Railroads.....	144.5	227.8	372.2
Public utilities.....	266.7	996.9	1,263.6
Iron, steel, coal, copper, etc.....	14.7	349.6	364.2
Motors and accessories.....	4.1	1.3	5.4
Other industrial and manufacturing.....	102.1	146.4	248.5
Oil.....	12.7	105.5	118.2
Shipping.....	2.1	1.5	3.6
All other.....	177.4	167.4	344.8
Total corporate securities.....	724.3	1,996.4	2,720.7

Source: Commercial and Financial Chronicle.

Federal Financial Operations

While the fiscal situation of the Federal Government in 1940 was radically changed by military developments abroad, it was still influenced by conditions that prevailed in 1939. An upward movement of business in 1939 produced larger tax returns to the Treasury during 1940, and these were augmented by defense taxes collected during the latter half of the year. As a result, Treasury receipts were nearly a billion dollars larger than in 1939.

Expenditures increased almost as much as receipts, but with respect to these the year divides itself into two quite different periods. During the first 9 months total expenditures were little changed from those of 1939, so the increased revenues resulted in a budget deficit considerably smaller than that of the same period in 1939. During the last quarter of 1940, however, national-defense outlays were gradually increased, and their volume was largely instrumental in raising the 1940 deficit to a total almost as large as that of the year before.

Other features of the Government financial program were the tremendous increase in defense appropriations, the passage of two Revenue Acts, and the utilization of Federal corporations and credit agencies in the defense effort.

Treasury Expenditures.

Federal expenditures exceeded 10 billion dollars in 1940, an increase of nearly 900 million dollars over 1939. Largely responsible for the increase were the expanded outlays for national defense of 2,600 million dollars, compared with 1,300 million dollars in 1939—which more than offset declines centered chiefly in public works, work programs, and relief. Although national-defense expenditures have been following an upward trend for several years, the rate was greatly accelerated after the inauguration of the defense program last June. More than a billion dollars was spent for this purpose during the final quarter of 1940, the December total rising to 476 million dollars from 134 million in the first month of the year. In the course of the program thus far, Army expenditures have risen more sharply than outlays by the Navy—chiefly as a result of cantonment construction, supply purchases, and other expenses incident to the expansion of personnel under the various mobilization programs.

Expenditures for public works, work programs, and relief in 1940 were almost 600 million dollars less than in the previous year. As indicated by figure 33, outlays of this kind have been gradually declining since the beginning of 1939—the rate of decline being smaller in 1940, and a small increase marking the final quarter. It will be recalled that an expanded program of government spending along these lines was projected in 1938 following the contraction in general business that

occurred in the beginning of that year. This program had been timed so as to reach its peak at the beginning of 1939, and there has been a gradual tapering since that time. The largest reduction occurred in outlays made by the Work Projects Administration. This agency, which employed approximately 3 million workers and spent a little more than 500 million dollars during the first quarter of 1939, had reduced its rolls to about 1.8 million workers by the end of 1940 and had cut expenditures in the final quarter of that year to 330 million dollars. Inasmuch as there was little change in expenditures of the Civilian Conservation Corps and an increase in those of the National Youth Administration, the whole decrease of more than 300 million dollars in work programs and relief during 1940 was borne by the Work Projects Administration.

Public-works expenditures totaled 839 million dollars in 1940, compared with 1,057 million in 1939. As with work programs and relief, the decline reflected the tapering off of the 1938 program of the Public Works Administration. Total public-works expenditures averaged 264 million dollars per quarter in 1939, compared with 210 million in 1940, and reached a low point for the 2-year period in the second quarter of 1940 when outlays were slightly less than 200 million dollars. During the latter half of 1940 outlays increased somewhat, amounting to 230 million dollars in the final quarter of the year. This increase was partly seasonal, but it was also affected by the fact that many public-works projects related to national defense have been increased. This latter process has also been taking place in the activities of the WPA, partly explaining the maintenance of these expenditures at their present volumes. Other reasons for the slower decline in out-

Table 25.—Budget Expenditures by Major Types, Calendar Years ¹

[Millions of dollars]

Major type	1936, total ²	1937, total ²	1938, total ²	1939					1940				
				First quarter	Second quarter	Third quarter	Fourth quarter	Total	First quarter	Second quarter	Third quarter	Fourth quarter	Total
National defense ³	980	985	1,110	288	305	335	363	1,290	410	475	602	1,146	2,634
Public works ⁴	1,185	1,005	915	259	249	273	276	1,057	202	196	210	230	839
Work programs and relief.....	2,470	1,900	2,310	616	583	478	441	2,118	464	472	413	424	1,773
Retirements, pensions, and assistance.....	685	835	890	220	226	254	235	935	260	237	276	272	1,046
Agricultural programs.....	575	735	810	292	366	209	350	1,218	424	272	154	232	1,082
Departmental ^{4, 5}	475	545	625	208	199	213	209	829	208	217	234	209	869
Other.....	215	215	200	18	40	61	23	142	23	41	55	21	140
Interest.....	795	895	920	167	349	185	271	971	202	384	188	303	1,076
Debt retirement.....	120	90	50	10	23	9	10	53	51	59	16	17	144
Transfers to trust accounts.....	6 1,775	6 1,180	570	157	161	283	164	765	140	159	7 304	7 176	7 779
Total.....	9,275	8,385	8,400	2,235	2,500	2,301	2,343	9,378	2,385	2,511	7 2,455	7 3,031	7 10,382
Total, excluding debt retirement and transfers to trust accounts.....	7,380	7,115	7,780	2,068	2,316	2,009	2,169	8,561	2,195	2,293	2,134	2,838	9,460

¹ General and special accounts, basis of the Daily Statement of the U. S. Treasury; excludes budget transactions to account of Reconstruction Finance Corporation and Commodity Credit Corporation.

² Figures for these years rounded to nearest 5 millions.

³ Includes Panama Canal and items formerly classified under "Public works—National defense" in the daily Treasury statement.

⁴ Classifications revised beginning with July 1939; certain expenditures classified under "Public works" prior to this period are now classified under "Departmental" in the daily Treasury statement. Data for 1936, 1937, and 1938 are on the old basis; figures for the first two quarters of 1939 have been revised in accordance with the classification on the new basis.

⁵ Includes general expenses of Rural Electrification Administration.

⁶ Includes adjusted service certificates.

⁷ Classification revised beginning with July 1940; appropriations equal to "Social Security—Employment taxes" collected and deposited as provided under sec. 201 (a) of the Social Security Act Amendments of 1939 less reimbursements to the general fund for administrative expenses were, prior to July 1, 1940, included as expenditures under "Transfers to trust accounts." Figures for the last two quarters of 1940 are adjusted to the old classification in order to make the data comparable for the periods shown in this table.

lays for public works, work programs, and relief are that reductions are usually sharpest immediately following the termination of a major program and gradually approach a minimum of workers who can only be absorbed into other fields with difficulty, either because

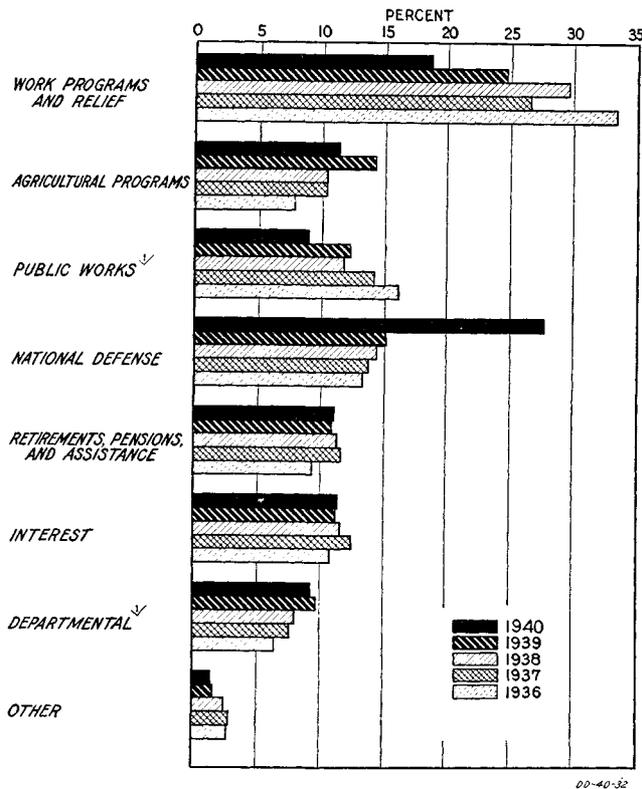


Figure 33.—Relative Importance of Major Categories of Budget Expenditures, Excluding Debt Retirement, Transfers to Trust Accounts, and Certain Governmental Corporations, 1936-40 (On Basis of Daily Statement of the U. S. Treasury).

¹ Data for 1939 and 1940 are not strictly comparable with those for earlier years. See table 25, footnote 4.

their particular skills are not demanded by industries expanding at the moment or because of geographic factors affecting the mobility of labor.

Budget expenditures for carrying out the various agricultural programs of the Government declined from 1,218 million dollars in 1939 to 1,082 million in 1940. This, however, does not indicate any curtailment of Government activity in the agricultural field, because the reduction was largely the result of excess capital funds returned to the Treasury by various farm-credit agencies. The major agricultural programs involving direct Treasury financing continued through 1940 at substantially the same volumes reached in 1939. Payments under the Soil Conservation and Domestic Allotment Act were just under 600 million dollars in both years, while payments under the Price Adjustment Act of 1938 and Parity Payments increased to 212 million dollars in 1940, compared with 201 million in the preceding year. Expenditures of the Farm Security Administration were reduced 39 million dollars in 1940 and totaled 138 million for the year, while those under the Farm Tenant Act amounted to 46 million for the

year—an increase of 13 million dollars over 1939.

Increased outlays for Retirements, Pensions, and Assistance, and for Interest in 1940, continue trends that have been upward for some years. The first reflects the gradual expansion that had been taking place in coverage and payments under the Social Security Program, and the second is the result of the expanding public debt. Transfers to trust accounts, including Old-Age and Survivors Insurance funds transferred directly from receipts since July 1, 1940, amounted to 779 million dollars during the year, compared with 765 million the year before, while departmental outlays increased 40 million over those of 1939 and totaled 869 million for the year as a whole.

The pronounced changes in the volume and direction of Government expenditures during 1940 are clearly brought out if one considers the major types of expenditures as percentages of the total. Changes in the relative percentage importance of the major categories over the past few years are shown in figure 33. National-defense outlays jumped from 15 percent of the total in 1939 to 28 percent of the total in 1940, while work programs and relief comprised less than 20 percent of the total compared with last year's 25 percent. Save for the year 1938, the relative importance of this latter type of expenditure has steadily declined since 1936, when it accounted for 30 percent of the total. Public-works outlays dropped from 12 to 9 percent of the total from 1939 to 1940, and agricultural payments declined from 14 to 11 percent over the same period. Changes in other categories were slight.

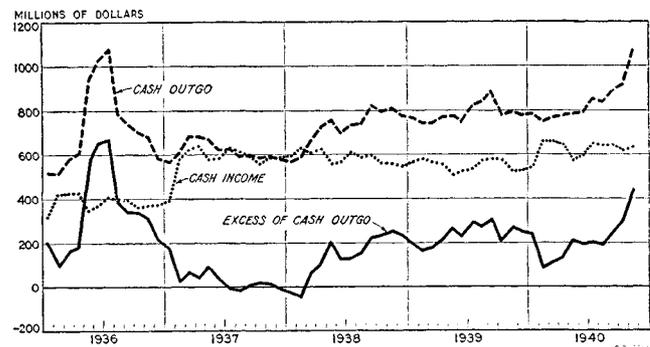


Figure 34.—Cash Income and Outgo of the Treasury, and Excess of Cash Outgo, 1936-40 (On Basis of Daily Statement of the U. S. Treasury).

NOTE.—Data are plotted on a 3-month moving average, centered at the second month. Basic figures for January 1941 were not available in time to compute the moving average figure for December 1940.

National Defense Appropriations.

Any account of Federal financial operations would be incomplete without some reference to the magnitude of appropriations for the 1941 fiscal year which were made in 1940. These had scarcely begun to exert a major influence on Government outlays by the end of the year, and even the large increases in defense expenditures during November and December were not enough to raise the Treasury's net cash outgo for 1940 (see figure 34) to the volume reached in 1939. The

drive for defense, however, resulted in tremendous appropriations and contract authorizations, and their ever increasing impact upon business volumes became the most striking economic development of the year. Indirectly the very size of the defense program was tantamount to an announcement by the Government that a fuller utilization of the Nation's economic resources than had been achieved in many years was a necessity, while the program directly expressed itself in the placement of orders with business totaling more than 11 billion dollars by the year-end. Secondary effects, apparent in the general business expansion of the autumn months, stemmed from both the larger buying power generated as industry set about filling defense orders and from expansion in other lines of business as the implications of the defense program became evident.

The first budget estimates for fiscal year 1941, which were presented to the Congress in January 1940, called for expenditures of 8.4 billion dollars. It was recognized at the time that uncertainties surrounding the effects of the war upon American economic life made these original estimates highly tentative, and major revisions were made as events developed throughout the year. With the presentation of the 1942 budget in January 1941, expenditures were estimated at 13.3 billion dollars for the 1941 fiscal year, and at 17.6 billion in the fiscal year 1942. The defense program is, of course, the reason for these increases, with the Budget estimate for defense through June 1942 as follows:

	<i>Appropriations, authorizations, and recommendations, June 1940-June 1942¹</i> [Millions of dollars]
Army.....	13,704
Navy.....	11,587
Expansion of industrial plant.....	1,902
Other defense activities.....	1,287
Total.....	28,480

¹ From Budget Message, January 1941.

Total appropriations for the 1941 fiscal year amounted to 16.3 billion dollars, excluding trust-fund accounts, and contracts were authorized to an estimated total of 4.2 billion. Some indication of the relative importance of defense in comparison with the total is conveyed by table 26, which presents appropriations and authorizations for the War and Navy Departments, together with major defense items of other agencies. This is not a complete tabulation of the defense activities of the Government, but it does contain the major budgetary items. The activities of the Government corporations, particularly of the Reconstruction Finance Corporation, are not included, nor is any attempt made to allocate arbitrarily the amounts that other Government agencies will spend as they redirect some of their activities to further the defense program. For example, the Coast Guard, the Department of Justice, the Department of Commerce, and other agencies will have

many of their activities closely geared to the defense program, but these are not included here.

Table 26.—Appropriations and Authorizations, Fiscal Year 1941¹

[Millions of dollars]	
Item	Amount
Total appropriations and authorizations.....	20,440
Total defense items.....	12,585
War Department.....	8,726
Navy Department.....	3,273
Housing for allocation by the President.....	100
Defense housing (Federal Works Agency).....	150
Training for defense workers (Federal Security Agency).....	76
Procurement of strategic materials (Treasury Department).....	60
Airport development (Department of Commerce).....	40
War risk insurance fund (Maritime Commission).....	40
Civilian pilot training (Department of Commerce).....	37
Defense activities (National Youth Administration).....	33
Defense power (Tennessee Valley Authority).....	25
Selective Service System.....	25

¹ Excludes trust-fund accounts.

Of the 11.2 billion dollars in orders placed under the defense program by the year-end, 4.5 billion was for ship construction and equipment, 2.2 billion for airplanes, engines, parts, and equipment, 1.9 billion for ordnance and ammunition, 1.4 billion for construction other than shipbuilding, and 1.2 billion for other equipment, supplies, and material.

Table 27 indicates the magnitude of the changes in current and projected defense appropriations:

Table 27.—Appropriations for War and Navy Departments, by Fiscal Years
[Millions of dollars]

Item	1940	1941	1942 ¹
Total War Department.....	926	5,709	6,075
Selected items:			
Air Corps.....	186	1,191	1,641
Ordnance Department.....	67	989	1,213
Construction at military posts.....	83	725	104
Expediting production.....	401	498
Subsistence of Army.....	35	147	222
Clothing and equipage.....	25	418	248
Total Navy Department.....	944	2,512	3,359
Selected items:			
Aviation.....	111	356	435
Ordnance.....	63	244	168
Public works, Bureau of Yards and Docks.....	64	268	260
Maintenance, Bureau of Ships.....	86	183	206
Naval vessels, alterations and repairs.....	7	116	142
Naval vessels, construction.....	282	846	1,515

¹ Estimated, Budget Message, January 1941.

The subgroups of selected items are presented to show the several directions now being taken by Government spending as our military and naval forces expand. The items are largely self-explanatory, but some mention should be made of the War Department's funds for expediting production. The 1941 appropriation for this purpose amounted to 401 million dollars, with additional contract authorizations of 303 million. The Secretary of War, upon the recommendation of the Defense Commission, may devote these funds to a wide variety of uses in connection with the production of military equipment and supplies. They are being used chiefly for the construction of Government-owned plants or Government-owned facilities at private plants

which are then operated by manufacturers on a fixed-fee basis.

The largest increases in 1941 appropriations over 1940 were in sums voted for aviation expansion and for ordnance. Other major increases were for various types of construction, and for the wide variety of materials needed for the subsistence, clothing, and equipment of a larger Army.

Treasury Receipts.

The tax revenues of the Federal Government were almost a billion dollars larger in 1940 than in the preceding year, approximately half of the increase being the result of larger yields from income taxes. While minor changes in the Revenue Act of 1939 and the passage of the Public Salary Tax in that year had a small effect on the yield, the chief reason for the larger returns from incomes was the rise in the National Income from 63.6 billion dollars in 1938 to 69.4 billion dollars in 1939. The increased income tax rates specified in the two Revenue Acts of 1940 will not be reflected in Government receipts until taxes on 1940 incomes are paid.

Returns to the Treasury from other internal revenue taxes were larger by more than 275 million dollars in 1940 than they were in 1939. These revenues are, for the most part, derived from excises levied upon commodities and services, and, in contrast to income-tax yields, these have already been affected by the Revenue Act of 1940. The 5-year defense tax increases applied to alcoholic beverages, cigarettes, admissions, and most other commodities and services carried in the excise schedules, became operative on July 1, 1940, and their effect is clearly seen in the increased revenues for the last half of the year. Furthermore, returns from taxation of this type react immediately to changes in the volume of business activity and have thus been considerably augmented by the general business advance which was just getting under way when the new rates went into effect. This combination of expanding business and higher rates since July has resulted in an increase of 240 million dollars in taxes collected, compared with the same period a year ago. In other words, almost 90 percent of the total 1940 increase in

yields of this type occurred in the final 6 months of the year.

Social-security taxes, composed mainly of pay-roll levies for the account of the Old Age and Survivors' Insurance trust fund together with similar levies for railroad retirement, amounted to 873 million dollars in 1940, compared with 783 million dollars in 1939. While this was in some measure the result of the Social Security Act amendments of 1939 which covered employees on American vessels and the employees of member banks of the Federal Reserve System, the bulk of the increase reflects the expansion in employment and pay rolls throughout industry generally. Customs receipts amounted to 330 million dollars in 1940—only 3 million dollars less than in the preceding year.

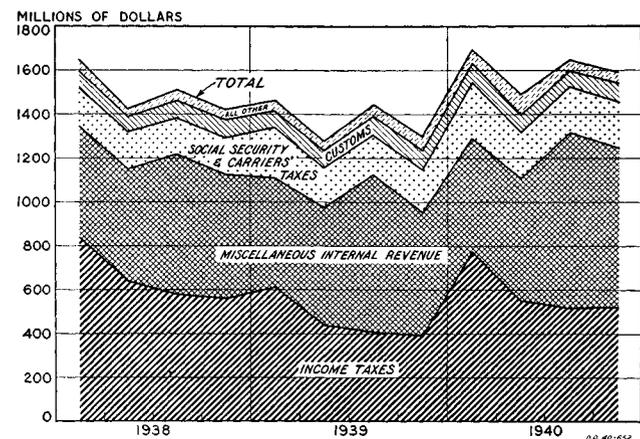


Figure 35.—Budget Receipts, by Major Categories, 1938-40 (On Basis of Daily Statement of the U. S. Treasury).

Revenue Acts of 1940.

Two revenue acts were passed by Congress during the year—the first prompted by the desire to cover increasing appropriations in part with additional revenue, and the second (mainly an excess-profits tax) prompted by a desire to restrict large and fortuitous gains that may result from the defense program.

Both the income and excise provisions of the internal revenue code were altered by the first Revenue Act of 1940. Personal exemptions were lowered by 20 percent, and the income-tax structure was further modified

Table 28.—Budget Receipts by Major Types, Calendar Years

[Millions of dollars]

Major type	1936, total	1937, total	1938, total	1939					1940				
				First quarter	Second quarter	Third quarter	Fourth quarter	Total	First quarter	Second quarter	Third quarter	Fourth quarter	Total
Income taxes (including unjust-enrichment tax)	1,578	2,617	2,619	611	440	409	391	1,851	773	552	519	522	2,366
Social security taxes ²		666	673	228	180	182	193	783	252	207	206	208	873
Other internal revenue	2,168	2,317	2,211	497	535	715	561	2,308	514	555	796	720	2,585
Customs	414	483	309	76	79	88	89	333	90	81	71	87	330
All other	213	230	180	50	44	52	64	210	63	94	52	54	263
Total	4,372	6,312	5,993	1,463	1,278	1,447	1,298	5,485	1,693	1,488	1,645	1,591	6,416

¹ General and special accounts, basis of the Daily Statement of the U. S. Treasury.

² Includes taxes on carriers and their employees.

by widening surtax classes and increasing surtax rates on surtax net income between \$6,000 and \$100,000. In addition, new defense tax rates were applied to a wide range of commodities and services in the excise field, the principal exceptions being tobacco other than cigarettes, communication facilities, and regulatory taxes. The rate of increase, generally 10 percent, varied from 8½ percent in the case of the cigarette tax to 50 percent in that of the gasoline tax. These defense tax rates are applicable for a period of 5 years, and their proceeds are earmarked for the purpose of retiring the issues of "National Defense Series" notes that were authorized as a means of financing the defense program. Similar 5-year increases of 10 percent were applied to the taxes on incomes, capital stock, adjusted declared value excess-profits, estate, and gift taxes, the proceeds being similarly earmarked.

The second Revenue Act of 1940 raised corporation taxes to 22½ percent of the normal tax net income over \$38,566. This, when added to the 5-year defense tax specified in the first Revenue Act, fixes the rate for large corporations at 24 percent of their normal tax net income. The main part of the act consists of an excess-profits tax levied at graduated rates from 25 percent on adjusted excess-profits net income less than \$20,000, to 50 percent on that portion of adjusted excess-profits net income in excess of \$500,000. Excess profits taxable under the act are measured by the difference between the excess profits normal tax net income in the taxable year and a credit which may be based on either invested capital or average earnings. If the invested-capital base is used, the credit is an amount equal to 8 percent of the invested capital of the taxable year, and if the average-earnings base is used, the credit is an amount equal to 95 percent of the average base period (1936-39) net income plus 8 percent of the net capital addition or minus 6 percent of the net capital reduction in the taxable year. A flat credit of \$5,000 is allowed in all cases.

Other provisions of the act suspended the profit-limiting regulations of the Vinson Act and of the Merchant Marine Act of 1936 for any taxable year in which the excess-profits tax is applicable, and important provisions were made for amortizing the costs of emergency facilities constructed or acquired in the interests of national defense. Emergency facilities constructed or acquired after June 10, 1940, may be amortized over a period of 60 months provided they have been certified by the Advisory Commission to the Council of National Defense and either the Secretary of War or the Secretary of the Navy as necessary in the interest of national defense during the emergency period. Provision is also made for payment by the United States of the unamortized cost of a facility under such regulations as the President may prescribe, and a final provision for the protection of the United States indicates that if the Government contracts to pay for the facility, either

directly or indirectly, no amortization deduction shall be allowed after the contract is made, unless the Advisory Commission to the Council of National Defense and either the Secretary of War or the Secretary of the Navy certify that the contract adequately protects the United States with reference to the future use and disposition of such emergency facility.

From the passage of the second Revenue Act through January 15, 1941, only 67 corporations had been issued tax "certificates of necessity," the total cost of the expansion so certified being estimated at about 120 million dollars. The majority are expanding their facilities for the manufacture of machine tools and aircraft.

Public Debt.

Although the budget deficit in 1940 was slightly smaller than that of 1939, the gross public debt increased by a little more than 3 billion dollars, compared with 2.5 billion dollars in the preceding year. This is explained by a reduction in the net cash receipts of non-budgetary accounts, together with the fact that the Treasury drew on its general-fund balance for a smaller amount in the year just closed. An expansion of the debt was thus necessary in order to provide for the deficiency in nonbudgetary receipts and to maintain the general-fund balance at the desired point. As the year closed, the gross debt had just passed the former statutory limit of 45 billion dollars.

In expanding the debt the Treasury drew upon three main sources of funds in approximately equal degrees, with the largest single amount coming from the sale of securities to the various special series accounts. These accounts, which have been taking large blocks of Government securities in recent years, are comprised, in the main, of the Old Age Reserve Account and the Unemployment Trust Fund. Net investments of the special series accounts totaled 1,138 million dollars in 1940, an increase of 63 million dollars over 1939. In percentage terms, however, the relative volume of the total increase in the gross public debt absorbed by special series accounts declined from 43 percent to 37 percent in the 2 years. This is an indication of the relative inflexibility of the volume of special series funds available for investment compared with movements in the total gross debt itself. When gross debt increases are small, a large proportion of the increase can be absorbed by special series accounts—a condition not without its drawbacks at a time when debt increases are used in an attempt to stimulate total demand in the economy. On the other hand, when larger debt increases occur, the special series accounts do not keep pace with them and more emphasis is laid upon other sources of funds. This latter condition has now become the significant one for the American economy, in view of the influence the defense program will have on the debt structure.

Deducting special-series-account purchases from the

increase in the gross public debt, therefore, it is found that the publicly offered debt increased 1,944 million dollars during the year, compared with an increase of 1,440 million dollars in 1939. Of this increase, 986 million dollars was derived from the sale of United States Savings Bonds and 958 million dollars from the sale of securities through regular financial and banking channels.

Market funds were secured from two major financing operations by the Treasury during the latter half of the year. On July 22, 681 million dollars was secured by the sale of 14-16 year bonds, carrying an interest rate of 2½ percent, 50 million dollars of this issue being sold directly to Government investment accounts. The second major offering occurred on December 18, when 531 million dollars was secured by the sale of National Defense series notes maturing in 1945. These were authorized by legislation which raised the debt limit to 49 billion dollars earlier in the year, and they were the first issue of this type of obligation. A noteworthy characteristic of this issue is that income from these notes is subject to all Federal income taxes, while their ¾ percent interest rate is no higher than that of a comparable tax-exempt issue of March 1940. This may mark the beginning of a more general departure from the practice of exempting income from Government securities from taxes now imposed upon income from other sources.

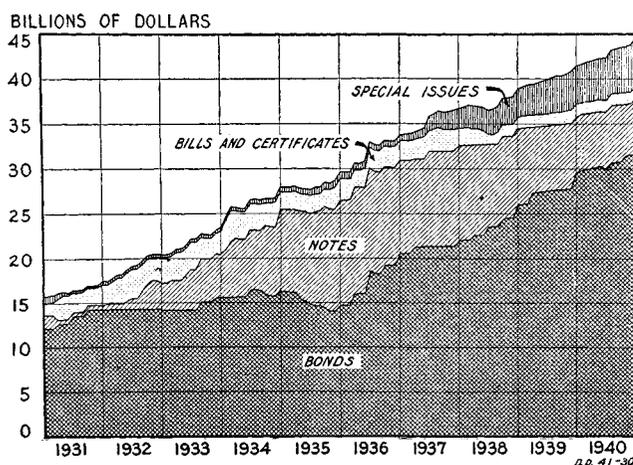


Figure 36.—Composition of Interest-Bearing Debt Outstanding, 1931-40 (On Basis of Daily Statement of the U. S. Treasury).

Table 29 presents, in summary form, changes in the gross public debt in 1940 compared with those in 1939. The most important change in cash returns from market operations came from a net increase of 434 million dollars in Treasury notes offered during the year, compared with net retirements of 59 million dollars in 1939. Exchange operations resulted in a net replacement of Treasury notes with Treasury bonds to the amount of 445 million dollars. The process of exchange-

ing Treasury notes for Treasury bonds, which took place to the extent of almost 5 billion dollars in 1938 and 1939, was thus greatly curtailed during 1940. No significant change occurred in the rate of interest paid by the Treasury during the year, the computed rate of interest on the interest-bearing public debt outstanding being 2.598 in December 1939 and 2.566 in December 1940.

Table 29.—Changes in Gross Public Debt, 1939-40

[Millions of dollars]

Item	1939	1940
Market operations:		
Cash:		
Treasury bills.....	+149	-81
Treasury notes.....	-59	+434
Treasury bonds.....	+644	+654
United States savings bonds.....	+767	+986
Other.....	-61	-49
Total cash.....	+1,440	+1,944
Exchanges:		
Treasury notes.....	-2,232	-445
Treasury bonds.....	+2,232	+445
Special series.....	+1,075	+1,138
Total gross debt.....	+2,515	+3,082

Federal Corporations and Credit Agencies.

A complete picture of Federal financial operations in any year must consider the transactions of the various Federal corporations and credit agencies that have been set up in recent years as a means of implementing Government activity in a number of economic fields. To a large extent these agencies lead financial lives of their own which are reflected in the regular budgetary transactions only as they secure capital or administrative funds from the Treasury or return excess capital funds to it. Inasmuch as these capital transfers do not give a picture of the activities of the agencies involved, tables showing the changes that have taken place in their assets and liabilities during the year are presented as an over-all summary of their loan, investment, and other transactions for the period.

Assets of Federal corporations and credit agencies amounted to 13,279 million dollars on November 30, 1940—an increase of 455 million over the preceding year. Major increases occurred in the assets of the Commodity Credit Corporation, mainly representing larger holdings of agricultural commodities plus holdings of rubber acquired under the 1939 barter agreement with Great Britain, and in assets of the Farm Security Administration and the United States Housing Authority, mainly representing increases in loans by these agencies. The largest decrease in assets occurred in those of the Home Owners' Loan Corporation, due in part to a decline in loans outstanding but in larger measure to the liquidation of property holdings.

Almost half of the 345-million-dollar increase in assets of the lending agencies consisted of an increase in net loans, while the balance represents larger amounts of cash, accounts receivable, business property, and assets held for sale. In addition to the loans of the Farm Security Administration and the United States Housing Authority previously mentioned, marked increases resulted from the expanding rural-electrification program and from the activities of the Export-Import Bank, whose wider program in connection with hemisphere defense was just getting under way as the year came to a close. It should be emphasized that comparative balance sheets present only a summary account of agency activities and are incomplete as a measure of the total influence that the agencies exert on economic life. This is particularly true in the loan field, where comparative balance sheets present only the net results of loan operations and give no indication of the total volume of loans made and repaid. Table 30 shows the volume of loans granted and repaid during the first 10 months of 1940; these data, reported to the Treasury by the several agencies, give some indication of the gross volume of their loan activities.

Table 32 shows the outstanding loans of Government

Table 30.—Loans and Repayments of Federal Credit Agencies, Jan. 1–Oct. 31, 1940

[Millions of dollars]		
Agency	Loans	Repayments
Reconstruction Finance Corporation.....	267.3	311.9
Commodity Credit Corporation.....	200.1	100.7
Export-Import Bank.....	20.8	5.7
Federal Deposit Insurance Corporation.....	73.7	30.5
Rural Electrification Administration.....	56.5	2.1
Home Owners' Loan Corporation.....	33.0	144.9
Federal home loan banks.....	101.8	101.7
United States Housing Authority.....	281.0	235.3
Federal Farm Mortgage Corporation.....	27.3	52.3
Central Bank for Cooperatives.....	34.2	25.7
Disaster Loan Corporation.....	3.9	1.9
Electric Home and Farm Authority.....	9.7	6.5
Federal National Mortgage Association.....	39.3	10.4
Reconstruction Finance Corporation Mortgage Company.....	20.2	14.4
Total (10 months).....	1,169.2	1,043.9

corporations and credit agencies by type of borrower. The largest increases during the year ended November 30, 1940, were in agricultural loans to cooperative associations and in loans on crops, livestock, and commodities, while other sizable increases were for low-cost housing and foreign trade—the latter representing the expanding activities of the Export-Import Bank. Farm-mortgage loans declined 98 million dollars and urban mortgage loans 31 million.

Table 31.—Assets of Governmental Corporations and Credit Agencies, Nov. 30, 1940

[Millions of dollars]

Agency	Loans, preferred capital stock, etc.		Investments				Total assets ¹	
	Nov. 30, 1940	Change, November 1939–November 1940	United States and United States-guaranteed securities		Other		Nov. 30, 1940	Change, November 1939–November 1940
			Nov. 30, 1940	Change, November 1939–November 1940	Nov. 30, 1940	Change, November 1939–November 1940		
LENDING AGENCIES								
Industrial, financial, etc.:								
Reconstruction Finance Corporation.....	1,522	-57	49	+1	8		1,662	-46
Export-Import Bank of Washington.....	81	+43					107	+58
United States Maritime Commission.....	37	-12			34	+23	262	+63
Rural Electrification Administration.....	244	+69					247	+70
Home mortgage and housing:								
Home Owners' Loan Corporation.....	2,163	-92					2,707	-259
Federal Home Loan Bank Board.....	186	+17	50				322	+71
The R. F. C. Mortgage Company.....	65	+9					67	+8
Federal National Mortgage Association.....	178	+35	1	+1			183	+37
Federal savings and loan associations.....	27	-13					27	-13
United States Housing Authority.....	176	+60	5	+2			369	+100
Agricultural:								
Commodity Credit Corporation.....	289	+37					927	+233
Federal Farm Mortgage Corporation.....	652	-43			763	+2	1,515	-26
Federal intermediate credit banks.....	208	+23	36	-39			273	-41
Federal land banks.....	1,856	-54	82	+2	2	+2	2,239	-71
Banks for cooperatives.....	77	+4	29	-58	22	+15	150	-36
Farm Credit Administration.....	255	-4					277	-10
Farm Security Administration.....	373	+117					402	+146
Public Works Administration.....	89	+19					89	+19
Disaster Loan Corporation.....	21	+2					23	+2
Other ²	61		41	+17	72	-30	325	+39
Total, lending agencies.....	8,559	+159	293	-74	902	+13	12,174	+345
INSURANCE AGENCIES								
Federal Deposit Insurance Corporation.....	60	+5	383	+21			531	+41
Federal Savings and Loan Insurance Corporation.....			125	+5			128	+6
Federal Housing Administration.....			26	+1			70	+20
Federal Crop Insurance Corporation.....							19	+5
Total, insurance agencies.....	60	+5	534	+27			748	+72
Tennessee Valley Authority.....							357	+38
Grand total.....	8,619	+164	827	-47	902	+13	13,279	+455

¹ Also includes cash, receivables, and property holdings.

² Including shares in State and Federal savings and loan associations.

³ Regional agricultural credit corporations, production credit corporations, war emergency corporations and agencies (in liquidation), Electric Home and Farm Authority, Federal Prison Industries, Inc., Indian loans of Interior Department, Inland Waterways Corporation, National defense corporations, Panama Railroad Co., Puerto Rico Reconstruction Administration, Tennessee Valley Associated Cooperatives, Inc., Treasury Department railroad loans, and securities received from the Reconstruction Finance Corporation under act of Feb. 24, 1938.

Government corporations and credit agencies, having been set up to deal with emergency situations in former years, were readily available as instruments for carrying out Government policies in the defense emergency. The agricultural agencies became active in cushioning the effects of shrunken export markets, and the Tennessee Valley Authority undertook to expand its power production for use by defense industries. The main agencies utilized in actively advancing the defense program to date, however, have been those connected with the defense housing program and, in particular, the special corporations established by the Reconstruction Finance Corporation to deal with special phases of defense activity.

Commitments aggregating approximately 1,100 million dollars had been made by the Reconstruction Finance Corporation and its special defense corporations by January 16, 1940. These include 190 million dollars for the acquisition of a reserve supply of raw rubber by the Rubber Reserve Company, a corporation created on June 28 with capital provided by the Reconstruction Finance Corporation. This commitment involves the purchase of 430,000 tons of crude rubber, of which 52,516 tons have been delivered, 20,139 tons are in transit, and 16,343 tons await shipment.

Also included are commitments of 377 million dollars for tin, manganese ore, copper, tungsten, and other metals, made by the Metals Reserve Company. This corporation, created by the Reconstruction Finance Corporation at the same time and in the same manner as the Rubber Reserve Company, is charged with the purchase of a reserve supply of critical and strategic

Table 32.—Loans and Capital Stock Holdings of Governmental Corporations and Credit Agencies, by Type of Borrower, Nov. 30, 1940

Type of borrower	Nov. 30, 1940	12-month change
Banks.....	658	+3
Railroads.....	515	+18
Insurance companies.....	28	-1
Building and loan associations.....	384	+1
Mortgage loan companies.....	44	-16
Cooperative associations.....	327	+69
States, Territories, etc.....	204	+19
Ship construction and reconditioning loans.....	37	-12
Urban mortgage loans (n. e. c.).....	2, 211	-31
Farm mortgage loans (n. e. c.).....	2, 508	-98
Crop, livestock, and commodity loans.....	673	+59
Low-cost housing loans.....	176	+60
Foreign-trade loans.....	81	+43
Other loans and stock.....	772	+50
Total.....	8, 618	+164

metals essential to the progress of national defense. As yet only a small proportion of the material covered by these commitments has been delivered.

Other commitments included in the Reconstruction Finance Corporation total are those of the Defense Plant Corporation, aggregating 350 million dollars, and of the Defense Supplies Corporation, aggregating 55 million. The Defense Plant Corporation is empowered to build and expand plants for the manufacture of war materials or for the production of equipment, supplies, and machinery usable in such manufacture. Plants so acquired are leased to the manufacturer, the corporation being protected by the rent received or by a contract of reimbursement from the Army or Navy. Of the total commitments made by the Corporation, 283 million dollars is for the construction of plants for the manufacture of airplanes and parts, 36 million for machine tools, and the remainder for docks, shipyards, and the manufacture of tanks, engines, ordnance, and other items.

Table 33.—Liabilities of Governmental Corporations and Credit Agencies, Nov. 30, 1940

(Millions of dollars)

Agency	Liabilities and revenues				Proprietary interest			
	Guaranteed by the United States ¹		Not guaranteed		Privately owned		Owned by United States	
	Nov. 30, 1940	Change, November 1939–November 1940	Nov. 30, 1940	Change, November 1939–November 1940	Nov. 30, 1940	Change, November 1939–November 1940	Nov. 30, 1940	Change, November 1939–November 1940
LENDING AGENCIES								
Reconstruction Finance Corporation.....	1, 100	+2	309	+214			253	-262
Home Owners' Loan Corporation.....	2, 636	-200	51	-31			21	-27
Home loan banks.....			141	+66	56	+5	125	
United States Housing Authority.....	227	+112	5	+2			138	-13
Commodity Credit Corporation.....	697	+290	130	-57			100	
Federal Farm Mortgage Corporation.....	1, 277		41	-5			197	-20
Federal intermediate credit banks.....			205	-5			69	-35
Federal land banks.....			1, 819	+15	214	+11	206	-97
Banks for cooperatives.....			3	-1	4		143	-35
Farm Credit Administration.....			193	-4			84	-6
Other ²		-1	227	+66			1, 504	+359
Total, lending agencies.....	5, 937	+203	3, 124	+260	274	+16	2, 840	-136
INSURANCE AGENCIES								
Federal Deposit Insurance Corporation.....			242	+42	139		150	
Federal Housing Administration.....	13	+10	3	+1			54	+10
Other ³			7	+1			140	+11
Total, insurance agencies.....	13	+10	252	+44	139		344	+21
Tennessee Valley Authority.....			15	-1			342	+39
Grand total.....	5, 949	+212	3, 391	+303	413	+16	3, 526	-76

¹ Including accrued interest totaling \$29,696,000 on Nov. 30, 1940.

² Regional agricultural credit corporations, Export-Import Bank of Washington, Public Works Administration, United States Maritime Commission, Rural Electrification Administration, Federal National Mortgage Association, production credit corporations, war emergency corporations and agencies (in liquidation), Disaster Loan Corporation, Electric Home and Farm Authority, Farm Security Administration, Federal Prison Industries, Inc., Indian loans of Interior Department, Inland Waterways Corporation, National defense corporations, Panama Railroad Company, Puerto Rico Reconstruction Administration, R. F. C. Mortgage Company, Tennessee Valley Association Cooperatives, Inc., and Treasury Department agencies.

³ Federal Crop Insurance Corporation and Federal Savings and Loan Insurance Corporation.

The Defense Supplies Corporation is empowered to acquire and carry a reserve supply of materials which may be necessary in the interest of defense. Of its direct commitments, 50 million dollars is for the purchase of high-test aviation gasoline and the balance for Chilean nitrate of soda. In addition it is transporting to and storing in this country 250 million pounds of Australian wool with funds to be provided from the emergency fund for the President. Finally, the Reconstruction Finance Corporation has authorized participations totaling 5 million dollars for defense loans in cooperation with private banks and has made direct authorizations aggregating 127 million dollars to 167 private manufacturers in the defense program.

International Trade and Finance

The international trade and financial position of the United States during 1940 was characterized chiefly by the following developments:

(1) Merchandise exports showed sharp increases over recent years, while imports expanded much more moderately, resulting in the largest export surplus in almost 20 years.

(2) The net inflow of capital from abroad continued in large volume, although British dollar assets were

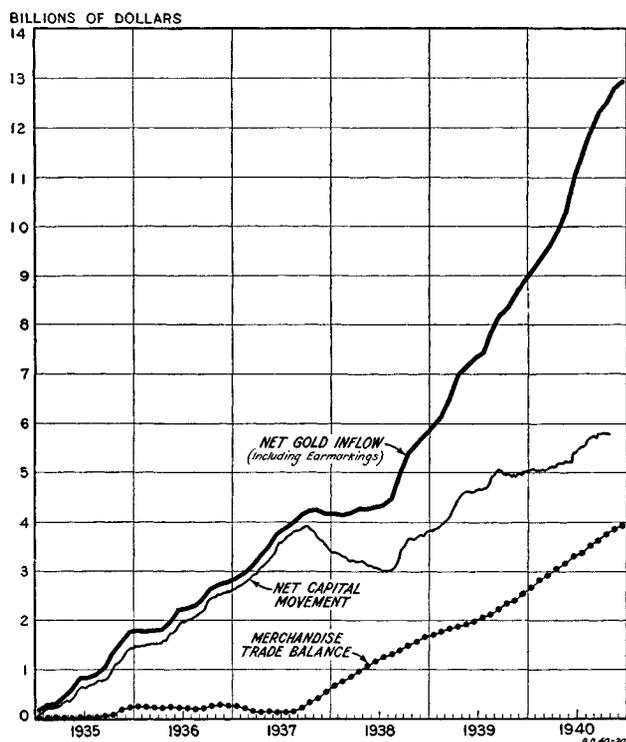


Figure 37.—Cumulative Net Movements of Gold and of Capital Between the United States and Foreign Countries, and Cumulative Excess of Merchandise Exports over Imports, Since the Beginning of 1935 (Net Gold Inflow, U. S. Department of Commerce and the Board of Governors of the Federal Reserve System; Net Capital Movement, U. S. Treasury Department; and Merchandise Trade Balance, U. S. Department of Commerce).

NOTE.—Data for "Net capital movement" are plotted weekly; other data are plotted monthly. Data for "Net capital movement" are plotted through the week ended October 30, 1940; data for subsequent weeks were not available in time to include them in this chart.

drawn down to meet war needs. A great part of the increase in foreign assets in the United States represented funds sent here by certain European countries, notably France, to cover anticipated requirements in this country, which were subsequently blocked by executive order after German occupation of the countries in question. This situation helped to explain the coexistence of a rise in foreign holdings in the United States and a shortage of dollar exchange in many foreign markets. Furthermore, a large part of British holdings had already been set aside to pay for future commitments, although still nominally under foreign ownership.

(3) Gold imports, already greatly swollen in 1939, were on an even larger scale in 1940. In each of these years net gold imports actually exceeded total merchandise exports—a situation without precedent in the history of the United States. Part of the inflow was required to pay for the export surplus, but the major portion was clearly related to capital movement.

(4) American travel expenditures overseas dropped sharply because of the war.

Merchandise Trade

The impact of the war on United States foreign trade is partly indicated by the rise in exports during 1940 to \$4,022,000,000, the highest total since 1929. The increase over 1939 was about 27 percent. Since export prices are still far below those prevailing in the 1920's, the physical quantity of exports in 1940 was probably the greatest since the end of the World War period, with the possible exception of 1929. Imports, on the other hand, lagged far behind exports. The import total was \$2,625,000,000, a rise of about 13 percent over 1939, well under the \$3,084,000,000 mark reached in 1937. As a result, the export balance in 1940 was \$1,400,000,000, the highest since 1921.

These totals, however, furnish an inadequate measure of the war's influence on our foreign trade. Behind them lie sweeping changes in the composition and direction of the trade. Broadly speaking, the export trade has come to be increasingly concentrated in supplying the materials and weapons of war to the British Empire. It is chiefly this factor, along with a substantial expansion in shipments to Latin America and the Far East, that explains the rise in the export total despite the virtual elimination of European markets and restrictions in other areas against "non-essentials" affecting many of our largest export items, notably agricultural products. Although less sharply affected than exports, the import trade also shows important shifts to the British Empire, largely reflecting heavier purchases of strategic commodities, while the shutting off of sources of supply in continental Europe is shown chiefly in lower imports of finished goods.

Shift in Destination of Exports.

Some of the changes in the composition of exports go back beyond the beginning of 1940—not merely to the outbreak of war but even earlier. Exports of aircraft and various other war-related items had already risen to some extent as a result of the Sino-Japanese hostilities and the growing tension in Europe during the late thirties. And, of course, the decline in agricultural exports has been of a far more long-term character. By contrast, the change in the geographic distribution of exports came abruptly in the second quarter of 1940, as may be seen in figure 38. Up to that time, exports to continental Europe had risen materially despite the virtual elimination of Germany and Poland from our export markets after the beginning of the conflict.

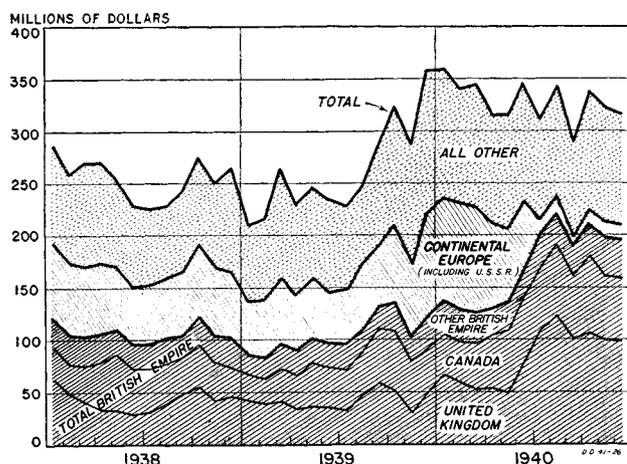


Figure 38.—Value of Exports of United States Merchandise to the British Empire, Continental Europe, and Other Areas, 1938-40 (U. S. Department of Commerce).

NOTE.—Export figures cited in the text, with the exception of those covering particular commodities or commodity groups, include reexports of foreign merchandise as well as exports of United States merchandise and are therefore slightly larger than those plotted on the above chart.

Exports to continental Europe during the first quarter of 1940 averaged \$105,500,000 per month, an increase of about \$47,800,000 over the first quarter of 1939. Exports to the United Kingdom, on the other hand, showed a monthly average of about \$59,300,000 during the first quarter of 1940, an increase of only about \$18,600,000 over the same period of 1939. This situation was drastically changed soon thereafter. In April the occupation by Germany of Denmark and Norway brought those countries under British blockade and created serious obstacles to trade with other Baltic countries. The following month, the Netherlands and Belgium were shut off from outside trade, and in June the collapse of France and the entrance of Italy into the war eliminated or severely curtailed practically all the remaining continental European markets. During the last half of 1940 exports to continental Europe averaged only about \$14,000,000 per month, including about \$7,400,000 for the U. S. S. R., which really represents trans-Pacific trade through Vladivostok.

Table 34.—Exports (Including Reexports) and General Imports, Showing Share of British Empire, Continental Europe, and Other Areas

[Value in millions of dollars]

Period	British Empire ¹		Continental Europe ²		All other areas		Total value
	Value	Per-cent of total	Value	Per-cent of total	Value	Per-cent of total	
EXPORTS							
1938—1st half.....	653.9	41.1	236.9	14.9	700.0	44.0	1,590.8
2d half.....	639.2	42.5	255.2	17.0	609.2	40.5	1,503.6
Total.....	1,293.1	41.8	492.1	15.9	1,309.2	42.3	3,094.4
1939—1st half.....	564.9	39.9	336.0	23.7	515.1	36.4	1,416.0
2d half.....	714.5	40.6	436.7	24.8	610.0	34.6	1,761.2
Total.....	1,279.4	40.3	772.7	24.3	1,125.1	35.4	3,177.2
1940—1st half.....	844.6	40.9	540.7	26.2	679.7	32.9	2,065.0
2d half.....	1,248.1	63.8	83.6	4.3	624.9	31.9	1,956.6
Total.....	2,092.7	52.0	624.3	15.5	1,304.6	32.4	4,021.6
IMPORTS							
1938—1st half.....	303.7	31.6	206.0	21.4	451.2	47.0	961.0
2d half.....	333.3	33.4	240.0	24.0	426.2	42.6	999.4
Total.....	637.0	32.5	446.0	22.8	877.4	44.8	1,960.4
1939—1st half.....	379.3	34.7	237.3	21.7	477.9	43.7	1,094.5
2d half.....	450.0	36.8	226.2	18.5	547.4	44.7	1,223.6
Total.....	829.3	35.8	463.5	20.0	1,025.3	44.2	2,318.1
1940—1st half.....	522.8	40.4	163.8	12.7	607.5	46.9	1,294.1
2d half.....	607.6	45.6	63.6	4.8	660.2	49.6	1,331.3
Total.....	1,130.4	43.1	227.4	8.7	1,267.6	48.3	2,625.4

¹ Includes all parts of the British Empire throughout the world.
² Includes U. S. S. R. but excludes Turkey, Gibraltar, United Kingdom, Ireland, Iceland, Azores and Madeira, and Malta, Gozo, and Cyprus.

The Allied defeats on the continent and the virtual closing of Europe to United States trade were immediately followed by a rush of American supplies to the United Kingdom. Exports to that country rose from \$49,788,000 in May to \$77,958,000 in June, \$109,867,000 in July, and \$126,021,000 in August. Much of this increase consisted at first of emergency shipments of firearms, ammunition, and explosives. After August, exports to the United Kingdom declined slightly but averaged over \$100,000,000 monthly for the last half of 1940, or about one-third of total exports.

Exports to other parts of the British Empire tended upward soon after the outbreak of war despite the prompt imposition in most instances of exchange and import controls restricting purchases of nonessential goods. For example, exports to Canada rose by more than 50 percent in the first half of 1940 over the same period of 1939, and the increase in exports to other areas was even larger in some instances. During the latter half of 1940 exports to the British Empire, including the United Kingdom, averaged over \$200,000,000 monthly, double the pre-war level and about 64 percent of the export total. Two countries, the United Kingdom and Canada, accounted for more than half of all exports in the latter half of 1940.

Latin American trade, which had risen swiftly after the outbreak of war interfered with European sources of supply, held up remarkably well throughout 1940 despite the exchange difficulties created by the loss of continental European markets that absorbed more than

half a billion dollars of Latin American goods in 1938. United States exports to Latin America as a whole rose by about \$144,000,000 over 1939 to \$777,000,000, thus maintaining their usual share of about 20 percent of total exports. Dollar exchange to cover this trade was provided to some extent by a rise in shipments to the United States, by continued sales of silver to the United States Treasury, and by an inflow of refugee funds lodged in dollar accounts. However, heavy shipments of gold were also necessary in certain instances. Several of the Latin American countries, notably Brazil, Chile, and Colombia, were also aided by Export-Import Bank credits.

Shipments to Japan, totaling \$227,000,000 in 1940, were only slightly below the 1939 level, although in the latter part of the year American export-control measures began to affect sharply trade in certain items, such as machine tools and scrap iron, on which Japan was more than ever dependent on the United States after the war in Europe began. Exports to China rose substantially from \$55,600,000 in 1939 to \$78,000,000, but the export statistics do not indicate how much was for "free" China, aided by Export-Import Bank credits, and how much for Shanghai and Japanese-occupied sections.

Fall in Agricultural Exports.

The varying effects of the war upon the composition of exports are indicated by figure 39, which traces the course of some of the principal export commodities. Agricultural exports have suffered greatly from the elimination of the continental European market and from the imposition of severe restrictions on "non-

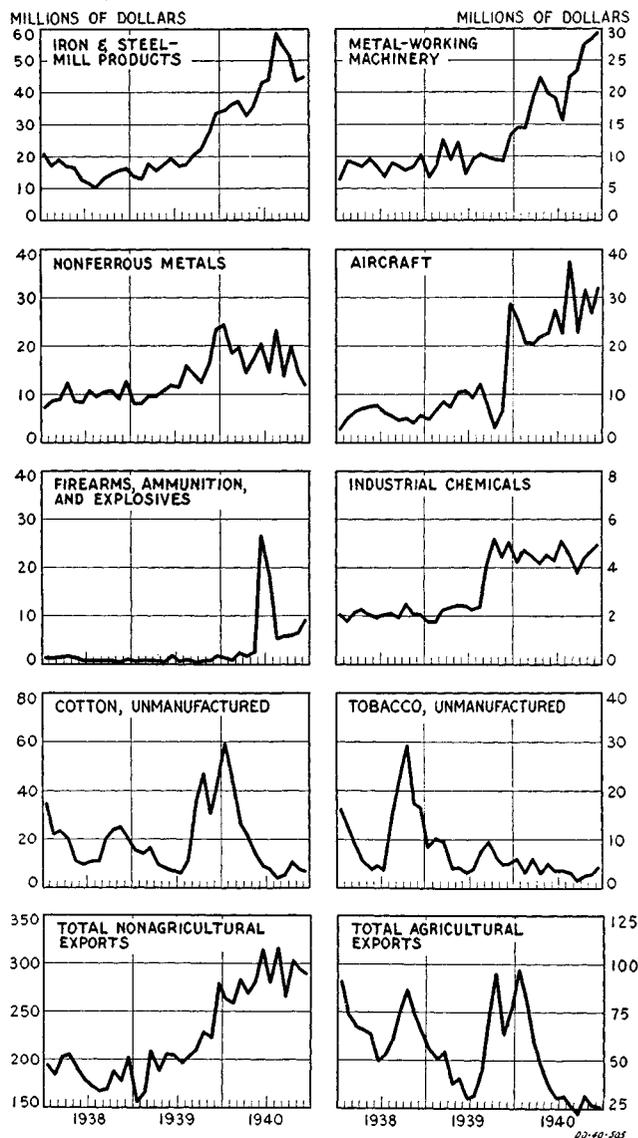


Figure 39.—Value of Exports of United States Merchandise, by Selected Commodity Groups, 1938-40 (U. S. Department of Commerce).

Table 35.—Exports of United States Merchandise—War-Related Products and Other Commodities
[Value in millions of dollars]

Period	Principal war-related products ¹	Other manufactures ²	Raw cotton	Other agricultural products	Other crude materials	Total U. S. merchandise
1938						
1st half—Value	279.3	772.4	118.9	293.9	105.6	1,570.1
Percent	17.8	49.2	7.6	18.7	6.7	100.0
2d half—Value	256.2	711.9	109.8	305.0	104.1	1,487.0
Percent	17.2	47.9	7.4	20.5	7.0	100.0
Total—Value	535.5	1,484.3	228.7	598.9	209.7	3,057.1
Percent	17.5	48.6	7.5	19.6	6.9	100.0
1939						
1st half—Value	293.6	748.9	68.5	199.7	87.0	1,397.7
Percent	21.0	53.6	4.9	14.3	6.2	100.0
2d half—Value	412.6	813.8	174.5	212.4	112.4	1,725.7
Percent	23.9	47.2	10.1	12.3	6.5	100.0
Total—Value	706.2	1,562.7	243.0	412.1	199.3	3,123.3
Percent	22.6	50.0	7.8	13.2	6.4	100.0
1940						
1st half—Value	672.9	894.7	172.4	178.6	100.3	2,018.8
Percent	33.2	44.3	8.5	8.8	5.0	100.0
2d half—Value	819.0	833.8	41.3	124.6	97.2	1,915.8
Percent	42.7	43.5	2.2	6.5	5.1	100.0
Total—Value	1,491.9	1,728.4	213.7	303.2	197.5	3,934.7
Percent	37.9	43.9	5.4	7.7	5.0	100.0

¹ Includes heavy iron and steel, nonferrous metals, metal-working machinery, aircraft and parts, firearms, and chemical products.
² Includes nonagricultural semimanufactures and finished manufactures, other than those mentioned in note 1.

essentials" by the United Kingdom, normally the largest single market for these goods. The total of \$520,000,000 for agricultural exports during 1940, while the lowest in many years, does not fully show the effects of these developments, for cotton exports during the early months of the year were relatively high. Agricultural exports during the latter half of the year failed almost completely to show the usual seasonal rise and totaled only \$170,000,000. On a quantity basis, indexes compiled by the Department of Agriculture show that the physical volume of agricultural exports during the latter part of 1940 was at the lowest point since 1869.

This development is strikingly different from the course of events during the World War, when the European demand caused an enormous expansion in production and exports of foodstuffs, although cotton exports suffered at that time also.

By contrast, exports of finished and semifinished

goods have risen sharply from \$2,282,000,000 in 1939 to \$3,238,000,000 in 1940—six war-related groups having been responsible for most of the increase. These commodities, which made up 37 percent of total exports in 1940, are metal-working machinery, heavy iron and steel products, aircraft and parts, nonferrous metals, firearms and ammunition, and chemical products. Exports of these totaled \$294,000,000 in the first half of 1939, \$413,000,000 in the second half of 1939, \$673,000,000 in the first half of 1940, and \$819,000,000 in the second half. Of the latter total, approximately 70 percent went to the United Kingdom and Canada as against 25 percent of the total for the first half of 1939.

On the other hand, exports of many other manufactured goods, such as passenger automobiles and office appliances, have been adversely affected and show considerable reductions in value.

Imports of Crude Materials Rise.

The increase in imports during 1940 was heavily concentrated in crude and semimanufactured products. This increase is reflected in the rise in imports from Asia and Latin America, where the principal sources of imported raw materials required by American industry are located.

Basic raw materials—such as crude rubber from British Malaya and the Netherlands Indies; tin from British Malaya and Bolivia; copper from Chile, Mexico, Peru, and Canada; ferro-alloys from sources in Asia, Africa, and Latin America; wool and mohair from countries in Asia, Australasia, and South America; and vegetable fibers, chiefly from Asia—were imported in sharply increased amounts to meet expanded domestic requirements and in certain cases to build up stock piles. A number of other major import items obtained principally in Asia and Latin America, including jute burlaps from India, petroleum from Venezuela, and certain

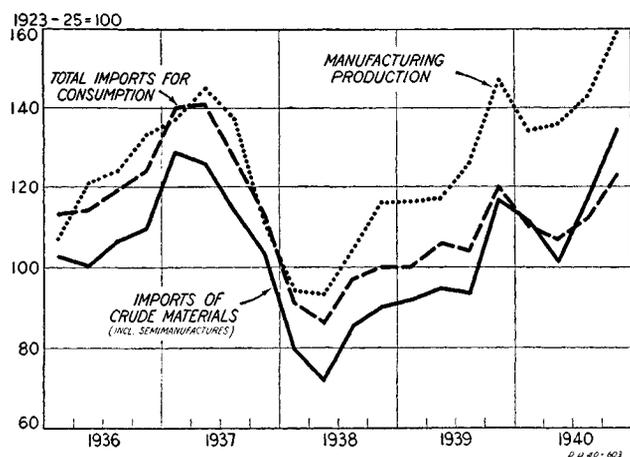


Figure 40.—Indexes of Quantity of Total Imports for Consumption, Imports of Crude Materials (including semimanufactures), and Manufacturing Production, by Quarters, 1936-40 (U. S. Department of Commerce).

NOTE.—The index of manufacturing production was recomputed, with the 1923-25 average as base, from the revised series (1935-39=100) constructed by the Board of Governors of the Federal Reserve System.

vegetable oils and oilseeds from various Asiatic and South American sources, also increased very substantially.

As indicated by figure 40, the physical volume of United States imports, which consist in large measure of industrial raw materials and semimanufactures, tends to vary with the rise and fall of manufacturing production in this country. However, the quantity of imports has lagged behind the strong rise that has occurred in manufacturing output since the outbreak of war in Europe. This lag has been due to a drop in imports of finished goods and manufactured foodstuffs and beverages. Imports in these groups from the United Kingdom have held up rather well because of that country's vigorous efforts to promote its export trade, but sources of supply on the continent of Europe have been almost entirely cut off since the middle of 1940. On the other hand, there has been a strong increase in imports of crude materials and semimanufactures. In the case of certain important commodities, however, the increase was influenced by purchases for the purpose of accumulating reserves of strategic materials.

Table 36.—Imports for Consumption, by Economic Classes

[Value in millions of dollars]

Period	Principal strategic materials ¹	Other crude materials and semimanufactures ²	Foodstuffs	Finished manufactures ³	Total imports for consumption
1938					
1st half—Value.....	144.0	368.5	289.1	140.9	942.5
Percent.....	15.3	39.1	30.7	14.9	100.0
2d half—Value.....	151.5	427.2	281.6	146.9	1,007.1
Percent.....	15.0	42.4	28.0	14.6	100.0
Total—Value.....	295.5	795.7	570.7	287.8	1,949.6
Percent.....	15.2	40.8	29.3	14.8	100.0
1939					
1st half—Value.....	171.6	455.5	290.7	153.9	1,071.7
Percent.....	16.0	42.5	27.1	14.4	100.0
2d half—Value.....	249.8	498.5	313.4	142.7	1,204.4
Percent.....	20.7	41.4	26.0	11.8	100.0
Total—Value.....	421.3	954.0	604.2	296.6	2,276.1
Percent.....	18.5	41.9	26.5	13.0	100.0
1940					
1st half—Value.....	276.5	541.8	301.3	123.6	1,243.2
Percent.....	22.2	43.6	24.2	9.9	100.0
2d half—Value.....	379.5	541.5	261.2	114.9	1,297.1
Percent.....	29.5	41.7	20.1	8.9	100.0
Total—Value.....	655.9	1,083.2	562.6	238.6	2,540.3
Percent.....	25.8	42.6	22.1	9.4	100.0

¹ Crude rubber, raw silk, tin, nickel, antimony, and ferro-alloy ores and metals.
² Includes burlaps and newsprint.
³ Excludes burlaps and newsprint.

Gold and Silver Movements

For many years gold has moved into the United States with only occasional interruption. Since the beginning of 1934 there have been only 3 months in which the net flow has been outward, and the net inward movement has exceeded a billion dollars a year. Since the fall of 1938 the flow has been greatly accelerated, with the extraordinary result that during both 1939 and 1940 the net import of gold has actually exceeded the merchandise export total. Net gold imports amounted to \$3,574,151,000 in 1939 and \$4,744,472,000

in 1940 as compared with total merchandise exports of \$3,177,176,000 and \$4,021,564,000, respectively.

As in other recent years, the major portion of this gold was shipped from British Empire countries. This portion in 1940 was \$3,627,917,000 or 76 percent of the total for the year. Despite this high degree of concentration, however, there were 14 countries outside the British Empire that sent more than \$20,000,000 each and 6 additional countries that sent more than \$10,000,000 each. By contrast, there was only one country to which gold shipments exceeded gold receipts; that country was Bolivia, to which there was a net export of \$4,714,619.

While predictions in the matter are necessarily hazardous, it appears reasonable to suppose that the huge gold movements which have occurred since the fall of 1938 must decline drastically. Shipments have been greatly in excess of production for several years. There is good reason to believe that many of the principal gold stocks have already been transferred for the most part to the United States, and in certain other cases it seems unlikely that circumstances would permit further shipments of importance. Future imports, therefore, will probably be limited more and more to current production. Nor, on the other hand, can circumstances be readily envisaged that would lead to a gold movement away from the United States on a scale comparable to imports during 1940. It is thus probable that 1940 has set a record for international gold shipments that will last for a very long time.

Table 37.—Gold and Silver Imports Into the United States and Gold and Silver Production Outside the United States, 1934-40

[Millions of dollars]				
Year	Gold imports (net)	Gold production outside United States ¹	Silver imports (net)	Silver production outside United States ¹
1934.....	1,134	862	86	76
1935.....	1,739	939	336	113
1936.....	1,117	1,021	171	86
1937.....	1,586	1,085	80	92
1938.....	1,974	1,171	223	90
1939.....	3,574	1,226	71	79
1940.....	4,745	² 1,296	55	² 86
Total.....	15,857	7,600	1,022	622

¹ Data include estimates for gold and silver produced in the Union of Soviet Socialist Republics.

² Preliminary.

Net silver imports during 1940 were \$54,760,000, the lowest since the silver-purchase program of 1934 was started. The figure was, nevertheless, large enough to bring cumulative net silver imports since the beginning of 1934 to about \$1,022,000,000.

Capital Movements

Although the merchandise export balance of \$1,400,000,000 in 1940 was the highest since 1921, it appears small in comparison with net gold imports of \$4,744,472,000 during the year. Even after deducting \$644,669,000 added to gold under earmark for foreign account

the net gold inflow for the year still exceeds the merchandise export surplus by \$2,700,000,000. So-called "service" transactions normally entail net payments by the United States to foreign countries. The principal change in these items during 1940 was a heavy decline in American outlays for oversea travel. As this decline started with the outbreak of war in the fall of 1939, it had not made its restrictive effects fully felt until 1940. Other service items, such as freight payments, interest and dividends, personal and charitable remittances, were variously affected, but the net effect of such changes was small.

Therefore, there must have been a net capital movement in the neighborhood of \$2,500,000,000 to the United States during 1940. This figure would, in principle, represent the net result of all kinds of capital transactions—for example, the rise in bank balances in this country for the account of foreigners; withdrawals by Americans of their bank balances abroad; sales of securities, either domestic or foreign, by Americans to foreigners; reductions in commercial credits granted to foreigners; advance payments for American goods; and similar transactions.

Actually, however, it is not possible to account for more than a relatively small part of this movement on the basis of recorded figures of capital transactions. Data thus far available, covering the first 9 months, show a net capital inflow of only \$784,000,000. Figures for the full year may increase this total somewhat, but it is apparent that a large unexplained balance will remain. Certain assumptions as to the nature of the unrecorded capital movement appear plausible. For one thing, funds actually owned by foreigners may be held in this country under domestic names and would thus not be included in the reported capital inflow. Furthermore, funds previously held for foreign account may be transferred to domestic addresses with, for example, the coming of refugee owners to the United

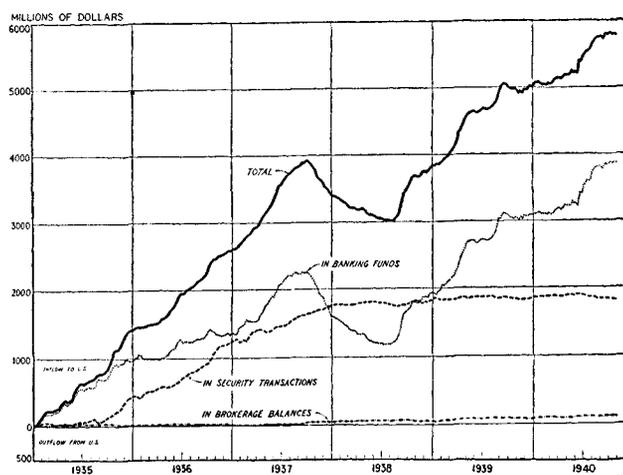


Figure 41.—Cumulative Net Capital Movements Between the United States and Foreign Countries, by Types, Beginning with January 2, 1935 (U. S. Department of Commerce).

NOTE.—Data are plotted through the week ended October 30, 1940; data for subsequent weeks were not available in time to include them in this chart.

States; such transfers might be reported as a reduction in foreign holdings, thereby tending to reduce the net recorded inward movement. Finally, payments in advance made by the British Government on war orders and for plant construction were reported at the end of 1940 to be \$720,000,000 in excess of such payments at the outbreak of war. Most of these payments undoubtedly occurred in 1940.

At this time it is possible only to speculate about the nature of the unrecorded capital movement. Detailed observations must be confined for the moment to that portion for which figures are available. As stated above, these figures show a net capital inflow of \$784,000,000 during the first 9 months of 1940. About 70 percent of the inflow occurred during the months of June, July, and August.

This net inward movement of foreign funds originated in many countries, with France, Switzerland, and Canada accounting for the major portion. A large part of this transfer of foreign capital occurred on government and central-bank account. Only the United Kingdom withdrew funds on balance from the United States, and these withdrawals were primarily the result of large dollar payments for war supplies.

As in 1938 and 1939, international capital movements in 1940 were dominated by a large net inflow of short-term funds. From January to September, inclusive, the inward movement of banking and brokerage balances exceeded \$806,000,000. By contrast, the net movement of long-term funds resulted in a net liquidation by foreigners of \$22,000,000 in domestic and foreign securities previously held abroad.

Foreign Assets in the United States.

On October 2, 1940, reported foreign banking and brokerage balances in the United States amounted to \$3,769,000,000, an increase of \$659,000,000 during the 9-month period. Most of this rise occurred in June, July, and August and was closely related to the heavy gold imports of those months. The principal gain resulted in the rise of French dollar balances by approximately \$215,000,000, the larger part of which occurred during the week ended June 19. Important increases for the accounts of other countries were as follows: Canada, \$136,000,000; Switzerland and Sweden, \$83,000,000 each. Substantial declines occurred in the British and Japanese balances.

Foreign long-term investments in the United States were reduced from January through August by the net sale of United States securities in the amount of \$89,000,000. The largest net sales were \$65,600,000 for Japanese account, \$56,900,000 for the account of the United Kingdom, and \$18,000,000 for Canadian account. The principal net purchases were made by Italy and Switzerland in the amounts of \$31,100,000 and \$20,700,000, respectively.

British Empire transactions in United States securi-

ties are of particular interest because of their relation to the war financing. The importance of British investments in such securities was recognized at the beginning of the war, and measures were soon taken to ascertain the nature and volume of these holdings and to permit the authorities to requisition them. The Government of the United Kingdom, alone among the Empire countries, has exercised these powers and requisitioned some of the security holdings of its subjects. The first requisition was made on February 17, 1940, and covered 60 United States share issues; the second was on April 14 and covered 92 share and 25 bond issues; and the third on December 15 covered 59 share and 7 bond issues. In April, Australia announced that holders of certain United States securities might have 6 months in which to sell them and turn the proceeds over to the Commonwealth Bank.

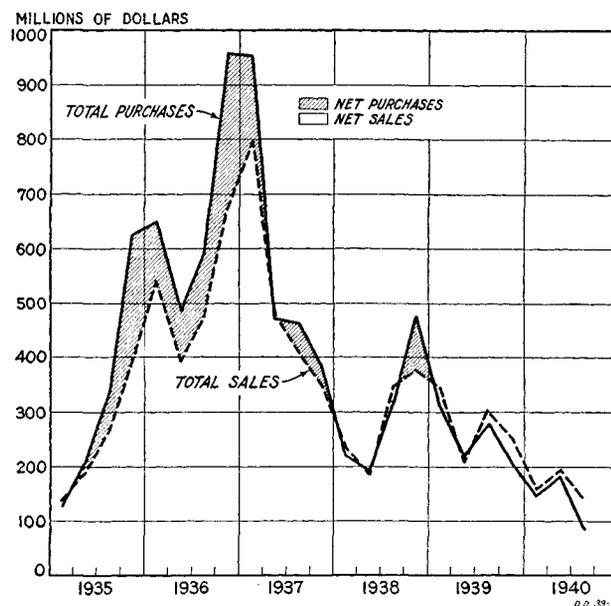


Figure 42.—Foreign Purchases and Sales, and Net Purchases or Sales of United States Domestic Securities, by Quarters, 1935-40 (U. S. Treasury Department).

NOTE.—Data include transactions executed in the United States for foreign account, executed abroad for domestic account, and transactions in joint foreign arbitrage accounts as reported by banks, brokers, and dealers in the United States. Quarterly figures in chart are totals of weekly transactions through October 2, 1940; data for subsequent weeks were not available in time to include them in this chart.

The reported sales of these and other United States securities by the United Kingdom up to October 2 amounted to \$56,900,000, only a fraction of the value of the stocks and bonds mobilized under the first two vesting orders. However, sales were also made by private negotiation and through specially organized selling syndicates, particularly during the last quarter of the year. At the end of the year it was announced that the liquidation of 57 stock and 11 bond issues had been completed, but the amount realized was not stated.

The possibility of changes in the investments of certain countries in the United States has been restricted by the action of the United States Government in

blocking the assets of certain countries under foreign occupation. This step was first taken following Germany's occupation of Denmark and Norway in April 1940, and other countries subsequently affected were Belgium, Estonia, France, Latvia, Lithuania, Luxembourg, Netherlands, and Rumania. By executive order it was required that the assets of these countries in the United States should be registered with the Treasury Department and that transactions relating to such assets should be subject to license by that Department.

United States Assets Abroad.

The foreign assets of United States banks and citizens were reduced considerably during the first 9 months of 1940, as in other recent years. The inflow of banking

and brokerage funds from abroad amounted to \$147,000,000 and brought total United States short-term investments in foreign countries down to \$412,000,000 on October 2, 1940. The largest withdrawal was from Japan. Reductions also took place in the United States banking assets in the United Kingdom, Canada, Germany, Italy, and other European countries.

Net purchases by foreigners of foreign securities in the United States during the January-September period amounted to \$68,000,000, the largest reported net purchases being made by Canada and by Latin America. Canadians apparently substituted some Canadian securities in their own portfolios for the United States securities that were sold during the period. Most of these Canadian and Latin-American net purchases were probably connected with redemptions at maturity.

Appendix

A. Summary Table: Selected Business Indicators for Specified Years and Percentage Changes

NOTE.—Available data for years prior to 1929 and data for subsequent years not included in this table, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey of Current Business unless other reference is given in the appropriate footnotes on pp. 65 to 102 of this issue.

Item	Unit or base	Year						Percentage change, 1940 compared with—				
		1929	1932	1933	1937	1939	1940	1929	1932	1933	1937	1939
INCOME												
Total income payments	Mil. of dol.	82,064	49,319	46,830	71,783	70,096	74,272	-9.5	+50.6	+58.6	+3.5	+6.6
Salaries and wages: Total	do	52,299	31,030	29,124	45,297	44,412	47,035	-10.1	+51.6	+61.5	+3.8	+5.9
Commodity producing industries	do	21,717	9,549	9,234	17,383	15,980	17,498	-19.4	+83.2	+89.5	+7	+9.5
Distributive industries	do	13,902	8,556	7,762	10,867	10,611	11,115	-20.1	+29.9	+43.2	+2.3	+4.7
Service industries	do	11,780	7,943	7,144	9,953	9,897	10,346	-12.2	+30.3	+44.8	+3.9	+4.5
Government	do	4,900	4,850	4,328	5,558	6,111	6,545	+33.6	+34.9	+51.2	+17.8	+7.1
Work-relief wages	do		132	656	1,536	1,813	1,531		+1,959.8	+133.4	-3	-15.6
Direct and other relief	do	60	326	580	837	1,067	1,068	+1,680.0	+227.6	+84.1	+27.6	+1
Social security benefits and other labor income	do	935	1,248	1,042	1,216	1,686	1,853	+98.2	+48.5	+77.8	+52.4	+9.9
Dividends and interest	do	11,851	8,393	7,351	9,794	8,983	9,623	-18.8	+14.7	+30.9	-1.8	+7.1
Entrepreneurial income and net rents and royalties	do	16,919	8,322	8,733	14,639	13,948	14,693	-13.2	+76.6	+68.2	+1.4	+5.3
Total nonagricultural income	do	73,817	46,518	43,032	64,609	63,747	67,533	-8.5	+45.2	+56.9	+4.5	+5.9
Cash income from farm marketings, crops and livestock, combined index	1924-29=100	104	44	49	82	73	78	-25.0	+77.3	+59.2	-4.9	+6.8
PRODUCTION												
Industrial production, total	1935-39=100	110	58	69	113	108	122	+10.9	+110.3	+76.8	+8.0	+13.0
Manufactures, total	do	110	57	68	113	108	123	+11.8	+115.8	+80.9	+8.8	+13.9
Durable goods, total	do	133	41	54	122	108	135	+1.5	+229.3	+150.0	+10.7	+25.0
Automobiles	do	139	36	50	125	93	116	-16.6	+222.2	+132.0	-7.2	+24.7
Iron and steel	do	135	33	55	123	114	144	+6.7	+336.4	+161.8	+17.1	+26.3
Lumber production	do	152	49	64	111	106	115	-24.4	+134.7	+79.7	+3.6	+8.5
Machinery	do	130	43	50	126	104	135	+3.8	+214.0	+170.0	+7.1	+29.8
Nondurable goods, total	do	93	70	79	106	108	113	+21.5	+61.4	+43.0	+6.6	+4.6
Meat packing	do	115	108	119	94	112	125	+8.7	+15.7	+5.0	+33.0	+11.6
Paper and products	do	85	65	76	107	114	122	+43.5	+87.7	+60.5	+14.0	+7.0
Petroleum refining	do	90	72	75	106	111	113	+25.6	+56.9	+50.7	+6.6	+1.8
Rubber products	do	100	64	77	104	113	118	+18.0	+84.4	+53.2	+13.5	+4.4
Shoes	do	89	77	86	102	105	98	+10.1	+27.3	+14.0	-3.9	-6.7
Textiles	do	94	71	88	106	112	115	+22.3	+62.0	+30.7	+8.5	+2.7
Cotton consumption	do	105	75	93	111	110	120	+14.3	+60.0	+29.0	+8.1	+9.1
Wool textiles	do	97	60	84	103	108	106	+9.3	+76.7	+26.2	+2.9	-1.9
Tobacco manufactures	do	96	79	80	103	106	109	+13.5	+38.0	+36.3	+5.8	+2.8
Minerals	do	107	66	76	112	106	117	+9.3	+77.3	+53.9	+4.5	+10.4
Bituminous coal	do	135	78	84	112	99	114	-15.6	+46.2	+35.7	+1.8	+15.2
Petroleum, crude	do	86	67	77	109	108	115	+33.7	+71.6	+49.4	+5.5	+6.5
Electric-power production	Mil. kw.-hr.	95,925	82,377	84,736	121,837	130,336	144,965	+51.1	+76.0	+71.1	+19.0	+11.2
PRICES												
Prices received by farmers	1909-14=100	146	65	70	121	93	98	-32.9	+50.8	+40.0	-19.0	+5.4
Wholesale, combined index	1926=100	95.3	64.8	65.9	86.3	77.1	78.6	-17.5	+21.3	+19.3	-8.9	+1.9
Farm products	do	104.9	48.2	51.4	86.4	65.3	67.7	-35.5	+40.5	+31.7	-21.7	+3.7
Foods	do	99.9	61.0	60.5	85.5	70.4	71.3	-28.6	+16.9	+17.9	-16.6	+1.3
Commodities other than farm products and foods	do	91.6	70.2	71.2	85.3	81.3	83.0	-9.4	+18.2	+16.6	-2.7	+2.1
Economic classes:												
Finished products	do	94.5	70.3	70.5	87.2	80.4	81.6	-13.7	+16.1	+15.7	-6.4	+1.5
Raw materials	do	97.5	55.1	56.5	84.8	70.2	71.9	-26.3	+30.5	+27.3	-15.2	+2.4
Semimanufactures	do	93.9	59.3	65.4	85.3	77.0	79.1	-15.8	+33.4	+20.9	-7.3	+2.7
Retail:												
Food (Bureau of Labor Statistics)	1935-39=100	132.5	86.4	84.1	105.3	95.2	96.6	-27.1	+11.8	+14.9	-8.3	+1.5
Department-store articles, Fairchild's	Dec. 31, 1930=100	(1)	75.8	77.5	95.1	89.9	93.0	(1)	+22.7	+20.0	-2.2	+3.4
Cost of living, combined index (N. I. C. B.)	1923=100	100.1	77.9	74.9	87.8	84.5	85.3	-14.8	+19.5	+13.9	-2.9	+1.9
TRADE												
Sales, retail:												
New passenger automobile	1929-31=100	144.1	35.5	43.3	108.0	90.7	119.5	-17.1	+236.6	+176.0	+10.6	+31.8
Chain store:												
Grocery	do	102.9	85.7	80.3	95.7	102.5	112.5	+9.3	+31.3	+40.1	+17.6	+9.8
Variety store (7 chains)	1935-39=100	108.6	81.9	83.6	103.6	103.5	107.6	-9	+31.4	+28.7	+3.9	+4.0
Department store, total	1923-25=100	111	69	67	92	90	94	-15.3	+36.2	+40.3	+2.2	+4.4
Rural general merchandise	1929-31=100	124.9	63.1	69.2	121.7	127.5	134.6	+7.8	+113.3	+94.5	+10.6	+5.6
Foreign trade:												
Exports (including reexports), total value	1923-25=100	115	35	37	73	70	88	-23.5	+151.4	+137.8	+20.5	+25.7
U. S. merchandise:												
Quantity	do	132	69	69	105	110	129	-2.3	+87.0	+87.0	+22.9	+17.3
Value	do	115	35	37	74	70	88	-23.5	+151.4	+137.8	+18.9	+25.7
Imports (general), total value	do	113	34	37	80	60	68	-39.8	+100.0	+83.8	-15.0	+13.3
Imports for consumption:												
Quantity	do	2 131	2 79	2 86	131	108	112	-14.5	+41.8	+30.2	-14.5	+3.7
Value	do	2 113	2 34	2 37	79	59	66	-41.6	+94.1	+78.4	-16.5	+11.9
CONSTRUCTION												
Construction contracts awarded, total, 37 States (F. W. Dodge Corporation)	Thous. of dol.	5,750,791	1,351,159	1,255,709	2,913,060	3,550,543	4,003,957	-30.4	+196.3	+218.9	+37.4	+12.8
Nonresidential buildings	do	2,425,308	487,622	417,462	1,156,161	965,638	1,294,640	-46.6	+165.5	+210.1	+12.0	+34.1
Residential buildings	do	1,915,729	280,069	249,264	905,293	1,334,272	1,596,944	-16.6	+470.2	+540.7	+76.4	+19.7
Utilities	do	469,616	62,380	84,525	262,948	288,951	281,069	-40.1	+350.6	+232.5	+6.9	-2.7
Public works	do	940,138	521,088	504,458	588,658	961,682	831,304	-11.6	+59.5	+64.8	+41.2	-13.6
Engineering construction contracts awarded (Engineering News Record)	do	3,950,315	1,219,309	1,068,369	2,437,623	3,002,856	3,987,243	+9	+227.0	+273.2	+63.6	+32.8
TRANSPORTATION												
Steam railways (class I):												
Freight-car loadings (F. R. index)	1923-25=100	107	55	58	78	70	76	-29.0	+38.2	+31.0	-2.6	+8.6
Operating revenues, total	Thous. of dol.	6,283,062	3,125,428	3,095,539	4,166,182	3,995,004	4,296,450	-31.6	+37.5	+38.8	+3.1	+7.5
Net railway operating income	do	1,252,297	326,392	474,268	590,221	588,829	677,427	-45.9	+107.6	+42.8	+14.8	+15.0
Operations on scheduled domestic airlines:												
Passenger-miles flown	Thous. of miles	(1)	127,039	173,492	476,603	749,787	1,147,445	(1)	+803.2	+561.4	+140.8	+53.0
Express carried	Pounds	249,634	1,033,970	1,510,215	7,127,369	9,514,300	12,506,576	+4,910.0	+1,109.6	+728.1	+75.5	+31.5

See footnotes at end of table.

A. Summary Table: Selected Business Indicators for Specified Years and Percentage Changes— Con.

Item	Unit or base	Year						Percentage change, 1940 compared with—				
		1929	1932	1933	1937	1939	1940	1929	1932	1933	1937	1939
FINANCE												
Federal Reserve reporting member banks, condition, end of year:												
Deposits:												
Demand, adjusted	Mil. of dol.	(1)	(1)	(1)	14,431	18,566	22,299	(1)	(1)	(1)	+54.5	+20.1
Time, excluding interbank	do	6,787	5,656	4,808	5,205	5,288	5,455	-19.6	-3.6	+13.5	+4.8	+3.2
Domestic interbank	do	(1)	(1)	(1)	5,090	8,190	9,065	(1)	(1)	(1)	+78.1	+10.7
Investments, total	do	5,514	8,507	8,666	12,015	14,413	16,137	+192.7	+89.7	+86.2	+34.3	+12.0
Loans, total	do	17,649	10,297	8,915	9,387	8,674	9,390	-46.8	-8.8	+5.3	(3)	+8.3
Bank debits, total	do	935,027	322,366	282,706	433,042	389,680	407,526	-56.4	+26.4		-5.9	+4.6
New York City	do	603,089	167,964	148,449	197,836	171,382	171,582	-71.6	+2.2		-13.3	+1.1
Outside New York City	do	331,938	154,401	134,257	235,206	218,298	236,943	-28.6	+53.5		-7.7	+8.5
Gold, monetary stock, United States, end of year.	do	3,997	4,226	4,036	12,760	17,644	21,995	+450.3	+420.5	+445.0	+72.4	+24.7
Currency in circulation, total, end of year.	do	4,578	5,388	5,519	6,550	7,598	8,732	+90.7	+62.1	+58.2	+33.3	+14.9
Federal debt, gross, end of year.	do	16,301	20,805	23,815	37,286	41,961	45,025	+176.2	+116.4	+89.1	+20.8	+7.3
Capital flotations, total	Thous. of dol.	11,592,164	1,730,282	1,053,712	4,001,338	5,853,078	4,765,219	-58.9	+175.4	+352.2	+19.1	-18.6
New capital, total	do	10,182,767	1,192,248	709,515	2,100,691	2,298,405	1,944,255	-80.9	+63.1	+174.0	-7.4	-15.4
Domestic, total	do	9,419,839	1,164,941	707,882	2,093,641	2,238,705	1,942,130	-79.4	+66.7	+174.4	-7.2	-13.2
Corporate	do	8,002,064	325,362	160,584	1,225,012	383,453	724,272	-90.9	+122.6	+351.0	-40.9	+88.9
Farm loan and other Government agencies	do	0	77,100	63,900	157,000	924,450	460,707		+497.5	+621.0	+193.4	-50.2
Municipal, States, etc.	do	1,417,775	762,480	483,398	711,628	930,822	757,152	-46.6	-7.7	+56.6	+6.4	-18.7
Foreign, total	do	762,928	27,307	1,633	7,050	59,700	2,125	-99.7	-92.2	+30.1	-69.9	-96.4
Refunding, total	do	1,409,398	538,034	344,197	1,900,648	3,554,673	2,820,964	+100.2	+424.3	+719.6	+48.4	-20.6
Domestic, total	do	1,387,365	498,034	282,597	1,680,073	3,465,423	2,817,764	+103.1	+465.8	+897.1	+67.7	-18.7
Corporate	do	1,374,489	318,534	219,266	1,208,680	1,733,213	1,996,402	+45.2	+526.7	+810.5	+65.2	+15.2
Farm loan and other Government agencies	do	0	92,500	26,250	280,714	1,537,130	343,597		+271.5	+1,208.9	+22.4	-77.6
Municipal, States, etc.	do	12,876	87,000	37,080	190,679	195,079	477,765	+3,610.5	+449.2	+1,188.5	+150.6	+144.9
Foreign, total	do	22,033	40,000	61,600	220,575	89,250	3,200	-85.5	-92.0	-94.8	-98.5	-96.4
Bond prices, end of year:												
Average price of all listed bonds (N. Y. S. E.)	Dollars	95.59	77.27	83.34	89.70	92.33	93.84	-1.8	+21.4	+12.6	+4.6	+1.6
Standard Statistics Co.:												
Composite (60 bonds)	Dol. per \$100 bond	98.6	67.7	73.6	82.7	82.1	84.0	-14.8	+24.1	+14.1	+1.6	+2.1
Industrials (20 bonds)	do	92.2	62.4	71.5	81.4	86.8	90.2	-2.2	+44.6	+26.2	+10.8	+3.9
Public utilities (20 bonds)	do	98.5	81.1	77.1	94.2	101.6	100.7	+2.2	+24.2	+30.6	+6.9	-9.9
Rails (20 bonds)	do	105.2	59.6	72.2	72.5	58.0	61.1	-41.9	+2.5	-15.4	-15.7	+5.3
Bond yields, end of year:												
Moody's domestic corporate	Percent	5.17	6.31	5.93	4.16	3.69	3.36	-35.0	-46.8	-43.3	-19.2	-9.0
Stock prices, end of year:												
Average price of all listed stocks (N. Y. S. E.)	Dec. 31, 1924=100	111.1	34.5	51.0	54.6	64.4	57.2	-48.5	+65.8	+12.2	+4.8	-11.2
Standard Statistics Co.:												
Combined index (420 stocks)	1926=100	153.8	47.1	70.4	82.2	91.8	80.4	-47.7	+70.7	+14.2	-2.2	-12.4
Industrials (350 stocks)	do	146.9	44.5	78.8	95.2	107.9	94.0	-36.0	+111.2	+19.3	-1.3	-12.9
Public utilities (40 stocks)	do	200.9	78.9	67.8	78.8	86.7	77.6	-61.4	-1.6	+14.5	-1.5	-10.5
Rails (30 stocks)	do	136.3	25.4	40.0	31.2	29.6	26.4	-80.6	+3.9	-34.0	-15.4	-10.8
Stock yields, end of year:												
Moody's, common, 200 stocks	Percent	4.4	5.9	3.8	6.7	4.5	5.7	+29.5	-3.4	+50.0	-14.9	+26.7
Stocks, dividend rate per share, 600 companies (weighted average), end of year.	Dollars	3.03	1.21	1.11	2.18	1.70	1.91	-37.0	+57.9	+72.1	-12.4	+12.4
Corporation earnings (Fed. Res. Bank of N. Y.)	Mil. of dol.	1,348.8	99.6	170.7	977.9	742.9	916.1	-32.1		+436.7	-6.3	+23.3
Commercial failures:												
Number		(9)	(9)	19,859	9,490	{ 11,408 }	13,619	(1)	(1)	(1)	(1)	-7.8
Liabilities	Thous. of dol.	(9)	(9)	457,520	183,253	{ 14,768 }	166,684	(1)	(1)	(1)	(1)	-8.7
						{ 168,204 }						
						{ 182,520 }						
EMPLOYMENT AND PAY ROLLS												
Employment:												
Nonagricultural employment, monthly average. ⁷	Thous. of employees.	36,448	28,035	28,222	35,560	34,383	35,450	-2.7	+26.4	+25.6	-3.3	+3.1
Factory	1923-25=100	106.0	66.3	73.4	108.6	99.9	107.5	+1.4	+62.1	+46.5	-1.0	+7.6
Durable-goods group	do	106.2	52.8	57.5	104.3	90.2	104.2	-1.9	+97.3	+81.2	-1.1	+15.5
Nondurable-goods group	do	105.9	79.2	88.5	112.7	109.2	110.6	+4.4	+39.6	+25.0	-1.9	+1.3
Selected nonmanufacturing industries:												
Mining:												
Bituminous coal	1929=100	100.0	76.3	79.9	99.3	78.6	88.1	-11.9	+15.5	+10.3	-11.3	+12.1
Metalliferous	do	100.0	36.5	34.6	76.8	62.7	69.9	-30.1	+91.5	+102.0	-9.0	+11.5
Crude petroleum producing	do	100.0	55.3	62.2	76.5	65.8	62.9	+37.1	+13.7	+1.1	-17.8	-4.4
Public utilities:												
Electric light and power	do	100.0	82.9	77.3	92.4	89.0	91.1	-8.9	+9.9	+17.9	-1.4	+2.4
Railways, class I (I. C. C.)	1923-25=100	93.0	57.8	54.4	62.4	55.3	57.5	-38.2	-5.5	+5.7	-7.9	+4.0
Telephone and telegraph	1929=100	100.0	79.1	70.6	78.9	75.8	77.9	-22.1	-1.5	+10.3	-1.3	+2.8
Trade:												
Retail	do	100.0	75.1	74.2	93.1	89.8	92.3	-7.7	+22.9	+24.4	-9.9	+2.8
Wholesale	do	100.0	76.8	76.1	92.0	89.2	90.4	-9.6	+17.7	+18.8	-1.7	+1.3
Pay rolls:												
Factory	1923-25=100	110.4	46.7	50.1	102.5	92.2	105.4	-4.5	+125.7	+110.4	+2.8	+14.3
Durable-goods group	do	111.2	33.4	36.8	102.4	86.2	107.8	-3.1	+222.8	+193.0	+5.3	+25.1
Nondurable-goods group	do	109.6	61.6	65.0	102.6	98.9	102.7	-6.3	+66.7	+58.0	+1.1	+3.8
Selected nonmanufacturing industries:												
Mining:												
Bituminous coal	1929=100	100.0	41.3	45.4	88.5	69.9	81.2	-18.8	+96.6	+78.9	-8.2	+16.2
Metalliferous	do	100.0	21.6	20.6	74.0	56.0	66.9	-33.1	+209.7	+224.8	-9.6	+19.5
Crude petroleum producing	do	100.0	44.1	44.1	68.2	61.0	58.2	-41.8	+32.0	+32.0	-14.7	-4.6
Public utilities:												
Electric light and power	do	100.0	80.6	71.8	100.6	100.4	104.8	+4.8	+30.0	+46.0	+4.2	+4.4
Telephone and telegraph	do	100.0	81.1	68.5	91.5	95.6	100.2	+2.2	+23.6	+46.3	+9.5	+4.8
Trade:												
Retail	do	100.0	61.6	55.2	82.2	80.8	84.2	-15.8	+36.7	+52.5	+2.4	+4.2
Wholesale	do	100.0	64.2	56.8	76.6	76.6	79.0	-21.0	+23.1	+39.1	+3.1	+3.1

¹ Not available.

² Indexes are based on "general" imports for 1929, 1932, and 1933.

³ Less than one-tenth of 1 percent.

⁴ Total for 11 months, January, February, and April-December.

⁵ Data comparable with figures for later years are not available.

⁶ Figures in italics are comparable with those for earlier years; other figures are revised data comparable with figures for 1940. See note on p. 31 of the March 1940 Survey regarding change in the compilations.

⁷ Estimates of U. S. Department of Labor not heretofore shown in the Survey. Includes self-employed persons, casual workers, and domestic servants.

⁸ Deficit.

B. Legislative Summary

[COMPILED IN THE DIVISION OF COMMERCIAL LAWS]

The following digest of legislation enacted by the third session of the Seventy-sixth Congress presents in summary form important laws of an economic character enacted during 1940.

Revenue Act of 1940

PUBLIC, NO. 656, APPROVED JUNE 25, 1940

"An Act to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes."

Purpose.—To provide for the expense incidental to national defense.

Administration.—Bureau of Internal Revenue (Treasury Department).

Title I contains certain permanent changes in the rates of income tax. The rates on surtax net incomes range from 4 percent on surtax net income in excess of \$4,000 and not in excess of \$6,000, to a flat tax of \$3,597,780 upon surtax net incomes of \$5,000,000 plus 75 percent of the surtax net incomes in excess of \$5,000,000. The Act increases the corporate rates by 1 percent, the general rate being advanced from 18 to 19 percent. (However, these rates were superseded by those in the Second Revenue Act, 1940.)

The rate on nonresident alien individuals not engaged in trade or business in the United States and not having an office or place of business therein is increased from 10 to 15 percent on gross fixed or determinable annual or periodical incomes up to \$24,000; but in no case will the tax be less than 15 percent of such gross income.

The rate of 10 percent for withholding at the source on remittances to nonresident alien individuals, under section 143 of the Internal Revenue Code, is changed to 15 percent.

Personal exemption is reduced from \$1,000 to \$800 for a single person and a married person not living with husband or wife, and from \$2,500 to \$2,000 for a head of a family or a married person living with husband or wife. The credit of \$400 for each dependent is unchanged.

A defense tax of 10 percent of the amount of the income tax for each taxable year is to be levied for a period of 5 years. During the period of the defense tax the rate for withholding at the source is 16½ percent. The defense tax for personal holding companies is 10 percent greater than the amount of surtax computed without reference to such defense tax.

The excise tax on capital stock is increased from \$1 to \$1.10 for each \$1,000 of the adjusted declared value of its capital stock.

In case of a decedent dying after the date of the enactment of the Revenue Act of 1940 and before the expiration of 5 years after such date, there is an addition of 10 percent to the estate tax.

An additional tax of 10 percent on gifts is to be paid in each of the calendar years 1941 to 1945, inclusive. The rate on transfers of stocks or securities is increased from 25 to 27½ percent.

Excise taxes expiring in 1941 are extended to 1945. They include taxes on issue of corporate securities, transfer of bonds, automobiles and tires, excises on importations of copper, petroleum, etc., telephone and telegraph messages, deeds, etc.

The exemption on admissions is reduced from 40 to 20 cents—admissions of less than 21 cents paying no tax. The rate is 1 cent for each 10 cents or fraction thereof.

The tax on cigarettes weighing not more than 3 pounds per thousand is increased from \$3 to \$3.25 per thousand; the tax on those in excess of this weight is increased from \$7.20 to \$7.80 per thousand.

For a period of 5 years from July 1, 1940, distilled-spirits taxes are increased, generally, by one-third. There is a floor tax as of July 1, 1940, at the rate of 75 cents a proof gallon with an allowance of 100 wine gallons on which tax is not to apply. Returns for floor taxes must be made on or before August 1, 1940. Payment of the tax may be extended to February 1, 1941, upon the filing of a bond.

The rates on wine and fermented liquors have been increased by one-fifth. The rate of tax on playing cards during the next 5 years is 11 cents.

Title III increases the statutory debt limit by \$4,000,000,000, for obligations to be designated as "National Defense Series," to be issued to provide the Treasury with funds to meet any expenditures made after June 30, 1940, for the national defense, or to reimburse the general fund of the Treasury therefor.

Reconstruction Finance Corporation

PUBLIC, NO. 664, APPROVED JUNE 25, 1940

"An Act to authorize the purchase by the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes."

Purpose.—Authorization of the purchase of Federal home-loan bank stock from and the return of capital funds or profits to the Government by the Reconstruction Finance Corporation, the return of capital funds by the Federal Farm Mortgage Corporation to the Government, the extension of certain powers of the Reconstruction Finance Corporation, and the participation of the Reconstruction Finance Corporation in the national-defense program.

Administration.—The Corporation is authorized to purchase any part of the stock of Federal home-loan banks owned by the United States, and to make payments from earnings to the Treasury in retirement of its capital stock or as dividends thereupon. This act amends the Federal Farm Mortgage Corporation Act to permit the Corporation to repay part of its capital funds to the Treasury.

Section 5d of the Reconstruction Finance Corporation Act is amended to authorize the Corporation to make loans to or, upon the approval of the Federal Loan Administrator and the President, to purchase the capital stock of, any corporation for the purposes of producing, acquiring, and carrying strategic and critical materials; and for plant construction, expansion, equipment, and working capital needed in the manufacture of equipment and supplies necessary to the national defense. The enactment further empowers the Reconstruction Finance Corporation to establish, upon the approval of the Federal Loan Administrator and the President, corporations for the purposes herein noted, and authorizes the Reconstruction Finance Corporation to make loans to such corporations or to purchase their capital stock. Such corporations are authorized to produce, acquire, and carry critical and strategic materials; to purchase, lease, build, and expand plants; to purchase and produce equipment and machinery for the manufacture of arms, ammunitions, and implements of war; to lease such plants to private corporations for operation; and if the President determines it necessary, to directly engage in such manufacture.

The functions of the Reconstruction Finance Corporation are extended to January 22, 1947.

Expedite National Defense

PUBLIC, NO. 671, APPROVED JUNE 28, 1940

"An Act to expedite national defense, and for other purposes."

Purpose.—Provide for National Defense.

Administration.—Navy Department.

Authorizes Secretary of the Navy and Secretary of the Treasury, in the case of Coast Guard contracts, to advance, from appropriations available therefor, payments to contractors in amounts not exceeding 30 percent of the contract price.

The Secretary of the Navy is authorized to negotiate contracts in connection with the construction and repair of vessels and aircraft with or without advertising or competitive bidding upon determination that the price is fair and reasonable. In the discretion of the President, deliveries of materials under all Army and Navy contracts or orders shall take priority over all deliveries for private account or for export.

The profit limitations on contractors and subcontractors for naval vessels or Army or Navy aircraft imposed by the Vinson-Trammell Act of March 27, 1934, as amended (34 U. S. C. Supp. V, Sec. 496 (b)) are reduced from 12 and 10 percent to 8 percent. Moreover, the limit of contracts to which these provisions apply is changed from \$10,000 to \$25,000. (The profit limitations of this Act and of the Vinson-Trammell Act were suspended by Sec. 401 of the Second Revenue Act of 1940, approved October 8, 1940 (Public, No. 801).)

The Act requires the Secretary of the Navy or the Secretary of War to certify to the Commissioner of Internal Revenue as to the necessity and cost of any special additional equipment and facilities acquired to facilitate the completion of any naval vessel or Army or Navy aircraft or portion thereof in private plants. The percentage of cost of such special additional equipment and facilities to be charged against the contract or sub-contract therefor also must be reported.

The limit of the cost of the vessels authorized by the Act of July 30, 1937 (50 Stat. 544), and any statutory limitations with respect to the cost of any other individual naval project of construction, are increased as may be necessary to expedite national defense.

In order to realize the purposes of this Act, the Secretary of the Navy is authorized to provide out of appropriations available to the Navy Department the necessary buildings and facilities on Government-owned land or elsewhere, and to operate them, either by means of Government personnel or otherwise.

The Secretary of the Navy is further authorized under the general direction of the President, whenever he deems any existing manufacturing plant or facility necessary for the national defense, and whenever he is unable to arrive at an agreement with the owner of any such plant or facility for its use or operation, to take over and operate such plant or facility either by Government personnel or by contract with private firms, and to fix the compensation to the owner of such plant or facility.

Existing contracts, including Coast Guard contracts, are authorized to be modified by the Secretary of the Navy and the Secretary of the Treasury in order to expedite military and naval defense.

Aliens employed by a contractor in the performance of secret, confidential, or restricted Government contracts are not to be permitted to have access to plans or specifications or the work under such contracts, or to participate in contract trials, unless the written consent of the head of the Government department concerned has first been obtained. Penalties for violation of this provision are provided.

The foregoing provisions terminate June 30, 1942.

The transfer, exchange, sale, or disposal otherwise of any military or naval weapon, ship, boat, aircraft, munitions, supplies, or equipment to which the United States has title, in whole or in part, is prohibited unless the Chief of Naval Operations in the case of naval material, and the Chief of Staff of the Army in the case of military material, shall first certify that such material is not essential to the defense of the United States.

Reports to Congress are required as to the exchange or other disposal of obsolescent or surplus naval or military equipment.

Title II authorizes the Navy and War Departments and the United States Housing Authority to cooperate in providing necessary housing for military and naval enlisted personnel with families, as well as employees of the War and Navy Departments at naval or military reservations, posts, or bases, and workers with families engaged in industries connected with and essential to the national defense program. In any localities where the President determines there is an acute shortage of housing which impedes the national defense program, and necessary housing would not otherwise be provided when needed for persons engaged in national defense activities, the United States Housing Authority may undertake the development and administration of projects to assure the availability of dwellings, or the Authority may extend financial assistance to public housing agencies for the development and administration of such projects.

War-Risk Insurance

PUBLIC, No. 677, APPROVED JUNE 29, 1940

"An Act to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance and for marine risk reinsurance, and for other purposes."

Purpose.—Protecting water-borne commerce of the United States.

Scope.—Marine insurance and reinsurance to cover loss or damage by risks of war, and reinsurance against loss or damage by marine risks.

Administration.—Maritime Commission.

The Commission may insure against loss or damage by the risks of war (1) American vessels, (2) cargoes shipped therein, except contraband, (3) disbursements and freight and passage money, and (4) personal effects of the masters, officers, and crews of such vessels. This authority extends to commercial vessels owned or controlled by the United States and to cargoes in which the Government has an insurable interest.

The Commission is authorized to provide war-risk insurance for personnel on American vessels against loss of life, personal injury, or detention.

The Commission may reinsure any company authorized to do an insurance business in any State of the United States on account of marine and marine war risks assumed by such company on any property or interest insurable by the Commission, and on account of war-risk insurance for personnel on American vessels. The Commission may reinsure with such companies war risks assumed by the Commission.

The Commission's authority to insure or reinsure under the

Act is conditioned upon the unavailability of insurance on reasonable terms and conditions from companies authorized to do business in the United States.

In the event of disagreement as to a claim for losses or the amount thereof, an action may be brought against the United States in the Federal district courts under the Suits in Admiralty Act of March 9, 1920.

The provisions of this Act are to expire by limitation March 10, 1942, or sooner upon a proclamation by the President that the extraordinary condition upon which it is predicated is passed.

Expedite Strengthening National Defense

PUBLIC, No. 703, APPROVED JULY 2, 1940

"An Act to expedite the strengthening of the national defense."

Purpose.—Strengthen national defense.

Scope.—Principal provisions of commercial interest.

Administration.—War Department.

In order to expedite the building up of the national defense, the Secretary of War is authorized out of moneys appropriated for the War Department for national-defense purposes for the fiscal year ending June 30, 1941, with or without advertising, to provide for the necessary construction, rehabilitation, conversion, and installation of plants, buildings, facilities, utilities, and appurtenances thereto (including Government-owned facilities at privately owned plants and the acquisition of such land, and the purchase or lease of such structures, as may be necessary), for the development, manufacture, maintenance, and storage of military equipment, munitions, and supplies, and for shelter, and to enter into such contracts, including those for educational orders, as the Secretary of War may deem necessary.

The cost-plus-a-percentage-of-cost system of contracting is prohibited, but the cost-plus-a-fixed-fee form of contract may be used when deemed necessary by the Secretary of War.

No contract made pursuant to the Act which otherwise would be subject to the Walsh-Healey Act (Act of June 30, 1936, 49 Stat. 2036) would be exempt from the provisions of that act solely because the contract is entered into without advertising.

When the Secretary of War deems it necessary in the interest of the national defense he may lease, sell, or otherwise dispose of any plants, buildings, facilities, utilities, appurtenances thereto, and land, acquired under the provisions of the Act without regard to the provisions of section 321 of the Act of June 30, 1942, 47 Stat. 412, relative to the leasing of Government property.

When deemed necessary, the Secretary of War is authorized from available appropriations to make advance payments for supplies or construction in amounts not exceeding 30 percent of the contract price, upon such terms and conditions and with such adequate security as he may prescribe.

The President may, by proclamation, prohibit or curtail the exportation of any military equipment or munitions, or component parts thereof, or machinery, tools, or material or supplies necessary for the manufacture, servicing, or operation thereof, except under such rules and regulations as he shall prescribe.

Investment Company Act of 1940—Investment Advisers Act of 1940

PUBLIC, No. 768, APPROVED AUGUST 22, 1940

Purpose.—Eliminate conditions adversely affecting investor.

Scope.—Registration and regulation of investment companies and advisers.

Administration.—Securities and Exchange Commission.

Title I—Investment Companies.—Act defines investment company to include all companies if engaged or proposing to engage primarily in the business of investing, reinvesting, or trading in securities. Companies owning or holding securities are also included if they acquire, to an extent exceeding 40 percent of their assets, securities other than those of majority-owned subsidiaries. Banks, insurance companies, small-loan and industrial-banking businesses, etc., are expressly excepted from the definition.

The use of the mails and instrumentalities of interstate commerce are forbidden to investment companies that are not registered. Issues of foreign investment companies are excluded from the mails, but the Commission may allow such companies to register and make a public offering if it is both legally and practically feasible effectively to enforce the provisions of the law against such company.

It shall be unlawful for any person to act in the capacity of officer, director, member of an advisory board, investment adviser, or depositor of any registered investment company, or principal underwriter for any registered open-end company, registered unit investment trust, or registered face-amount

certificate company, if within 10 years such person has been convicted of a crime or enjoined by a court for misconduct in connection with transactions in securities.

Act makes it unlawful for a registered investment company, in contravention of such rules and regulations or orders as the commission may promulgate, to purchase securities on margin, participate in any trading account in securities, effect short sales, purchase any security issued by a broker, dealer, underwriter, etc. Notwithstanding the various prohibitions, a registered company may, under certain conditions, purchase any security issued by any one corporation engaged in underwriting, furnishing capital to industry, purchasing securities of issuers for which no ready market exists, etc.

Before publicly offering securities, a registered company must have a net worth of at least \$100,000 or have had it at the time of a previous public offering.

Investment advisory and underwriting contracts, unless a written contract is in effect prior to March 15, 1940, must, after November 1, 1940, be in writing, and approved by the vote of a majority of the outstanding voting securities.

An affiliated person, promoter, or principal underwriter of a registered company shall not enter into transactions with it, such as purchasing any security or property from it, borrowing from it, etc. Exemptions may, however, be granted by the Commission upon written application.

Proxies may only be solicited in accordance with the rules of the Commission. Voting-trust certificates for securities of a registered company are forbidden. No registered investment company shall purchase any voting security in another company if cross-ownership or circular ownership will result.

Loans of money or property by any registered management company to any person are prohibited if contrary to the investment policies as stated in the registration statement, or if such person controls or is under common control with such company.

A securities association registered under Section 15A of the Securities Exchange Act of 1934 may prescribe the method for computing minimum and maximum prices at which any of its members may purchase or sell redeemable securities, etc. No registered investment company may sell any redeemable security except either to or through a principal underwriter for distribution, or at a current public offering price described in the prospectus.

Any person who solicits any proxy, consent, authorization, power of attorney, ratification, deposit, or dissent, in respect of any plan of reorganization of any registered investment company must file with the Commission a copy of such plans and any deposit agreement relating thereto. There must also be filed any proxy, consent, authorization, power of attorney, ratification, instrument of deposit, or instrument of dissent thereto. If 25 percent of the security holders of a registered investment company, or the company itself request, the Commission will give an advisory report with respect to the fairness of any proposed plan.

The act makes it unlawful for any registered face-amount certificate company to issue or sell any face-amount certificate unless such company if organized before March 15, 1940, has capital stock of \$50,000; or if organized on or after that date, has a capital stock of \$250,000, which has been bona fide subscribed and paid for in cash and maintains at all times certain minimum certificate reserves.

The act provides that every share of stock issued by a registered management company, except a common-law trust existing on August 22, 1940, shall be a voting stock.

The act prohibits any registered closed-end company from issuing any class of senior security, unless it will have the required asset coverage after the sale. This prohibition does not apply to senior securities issued pursuant to firm contract made before March 15, 1940, or to the reorganization plan or for purpose of refunding. Open-end companies are prohibited from issuing any class of senior security but may borrow from banks provided required asset and coverage is maintained.

Reconstruction Finance Corporation

PUBLIC, No. 784, APPROVED SEPTEMBER 16, 1940

"An Act to authorize the Reconstruction Finance Corporation to make loans for the development of deposits of strategic and critical minerals which in the opinion of the Corporation would be of value to the United States in time of war, and to authorize the Reconstruction Finance Corporation to make more adequate loans for mineral purposes."

Purpose.—To broaden the lending powers of the Reconstruction Finance Corporation in respect to mining development loans.

Administration.—The enactment amends Section 14 of the Act of June 19, 1934, which section authorizes the Reconstruction Finance Corporation to make loans up to \$20,000 upon sufficient security for the development of ore bodies containing gold, silver, or tin. Public 784 broadens the power of the Reconstruction Finance Corporation with respect to development loans by (1) authorizing loans for the development of ore bodies containing any strategic or critical mineral which, in the opinion of the Reconstruction Finance Corporation, would be of value to the United States in time of war; and (2) permitting the advance of an additional \$20,000 to any one borrower when the \$20,000 first advanced has been so expended as to justify additional credit.

Transportation Act of 1940

PUBLIC, No. 785, APPROVED SEPTEMBER 18, 1940

"An Act to amend the act to regulate commerce, approved February 4, 1887, as amended, so as to provide for unified regulation of carriers by railroad, motor vehicle, and water, and for other purposes."

Purpose.—To provide for fair and impartial regulation of all modes of transportation subject to the Interstate Commerce Act.

Scope.—All water, highway and rail carriers, except bulk carriers operating on the Great Lakes, exempt from regulation; and excepting foreign carriers, the regulation of which is left with the Maritime Commission.

Administration.—Interstate Commerce Commission.

The Act defines "Control" to include actual as well as legal control and also the power to exercise control.

Gives the Commission power to establish such through routes where needed in order to provide adequate or more economic transportation.

The jurisdiction of the Commission to deal with rates which result in undue preference or advantage as between persons, localities, ports, and gateways, is broadened to include regions, districts, and territories.

Declares the policy of Congress that shippers of wheat, cotton, and all other farm commodities for export shall be granted export rates on the same principles as are applicable in the case of rates on industrial products for export. Directs Commission to make investigations and issue such orders as may be necessary.

Unless specifically approved by order of the Commission it shall be unlawful for any common carrier to enter into any contract, agreement, or combination with any other such common carrier or carriers for the pooling or division of traffic, or of service, or of gross or net earnings or of any portion thereof.

In passing upon proposals of consolidations, mergers, etc., of rail carriers, the Commission must determine that there is a fair and equitable arrangement to protect the interests of the railroad employees. The Commission in its order is to include terms and conditions which will assure that for 4 years from the effective date of its order none of the employees affected will be in a worse position as regards their employment.

Title II of the Act brings under the jurisdiction of the Interstate Commerce Commission both common and contract carriers by water. Such common and contract carriers are exempt from regulation as to certain transportation of commodities in bulk, including liquid cargoes in tank vessels, the transportation of which is not competitive with any form of land transportation.

Motor vehicles operating within terminal areas in transfer, collection, or delivery service, for railroads, express companies, motor carriers, or water carriers are subject to regulation.

Title III establishes a board of investigation and research composed of three members to be appointed by the President and confirmed by the Senate. The board would make investigations concerning the relative economy and fitness of carriers by railroad, motor vehicle, and water, the extent to which right-of-way or other transportation facilities and special services are provided from public funds for the use of the different types of carriers, and the extent to which these carriers are subjected to taxation by the United States, the States, and their subdivisions.

An amendment to the Reconstruction Finance Corporation Act increases the amount of outstanding loans and commitments from \$350,000,000 to \$500,000,000. The powers of the Corporation are extended to permit the purchase or guaranty of obligations of receivers or trustees of railroads. The title of an owner of a collateral note evidencing a loan by the Corporation would not be affected by the Bankruptcy Act. The maturity of loans of the Corporation to railroads and other industries is extended from January 31, 1945, to January 31, 1955.

Export-Import Bank

PUBLIC, No. 792, APPROVED SEPTEMBER 26, 1940

"An Act to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes."

Purpose.—Development of resources, marketing of products, etc.

Scope.—Countries of Western Hemisphere.

Administration.—Export-Import Bank of Washington. To assist in the development of resources, the stabilization of the economies, and the orderly marketing of the products of the countries of the Western Hemisphere, the Export-Import Bank of Washington, upon the written request of the Federal Loan Administrator with the approval of the President, is authorized to make loans to governments, and their central banks and, with the guarantee of the government or the central bank, to make loans to government agencies and nationals.

The amount of notes, bonds, debentures, and other such obligations which the Reconstruction Finance Corporation is authorized to issue and have outstanding at any one time is increased by \$1,500,000,000.

The lending authority of the bank is increased by \$500,000,000 and the life of the bank is extended to January 22, 1947.

Second Revenue Act of 1940

PUBLIC, NO. 801, APPROVED OCTOBER 8, 1940

“An Act to provide revenue, and for other purposes.”

Purpose.—Increase the tax rate applying to corporations having normal-tax net incomes in excess of \$25,000; and imposes a tax on excess profits.

Administration.—Bureau of Internal Revenue (Treasury Department).

The Act provides for increases in the tax rates applying to corporations having normal-tax net incomes in excess of \$25,000, and imposes an excess profits tax on corporations whose excess profits net income exceeds the specific excess profits exemption of \$5,000. The amended corporate rates and the excess profits tax are applicable only with respect to taxable years beginning after December 31, 1939.

A corporation with a normal-tax net income exceeding \$25,000 is subject to a tax of 22.1 percent of the total (19 percent in first Revenue Act 1940). However, where such income is only slightly more than \$25,000 provision is made for an alternative tax of \$3,775 plus 35 percent (formerly 33 percent) of the normal-tax net income in excess of \$25,000. (This alternative tax, therefore, would not apply where the corporate income amounts to \$38,565.89 or more, since less tax would be payable by applying 22.1 percent to the total income.) In the case of foreign corporations engaged in trade or business within the United States or having an office or place of business therein, the tax is 22.1 percent (prior rate 19 percent) of the amount of the normal-tax net income, regardless of the amount, and in the case of mutual investment companies is 22.1 percent (prior rate 19 percent) of the Supplement Q net income.

The provisions of the Revenue Act of 1940, imposing for five years a defense tax of 10 percent of the amount of income tax otherwise payable by all taxpayers (except where contrary to certain treaty obligations of the United States), have been amended to provide that in the case of corporations the 10 percent additional tax will be computed without regard to the changes effected in the normal income tax rates by the Second Revenue Act of 1940. Thus in the case of a corporation subject to the general rate of 22.1 percent the defense tax would amount to 1.9 percent, making a total tax of 24 percent.

The provisions of the Revenue Act of 1940 which granted reduced rates to corporations (except foreign corporations, insurance companies, and mutual investment companies) with normal-tax net incomes of not more than \$25,000 remain unchanged and in effect. Such reduced rates are as follows: Upon net incomes not in excess of \$5,000, 13.5 percent; \$675 upon \$5,000, and 15 percent on the amount between \$5,000 and \$20,000; and \$2,925 upon \$20,000 and 17 percent on the next \$5,000. The amount of the tax payable under the foregoing rates is, of course, subject to the additional 10 percent defense tax.

The excess profits tax applies only to corporations. The first \$5,000 of excess-profits net income are exempt from tax. A corporation whose excess-profits net income does not exceed that amount is not required to file a return for excess-profits tax purposes.

Personal service corporations are accorded special treatment. In making its income-tax return for any taxable year a personal service corporation may elect to be exempt from excess-profits tax, and the shareholders will then be subject to tax under a new Supplement S added by this Act to the Internal Revenue Code. The shareholders of such a corporation as at the end of the year must include in their respective returns their pro rata share of the undistributed net income of such corporation. A personal service corporation is defined as one whose income is to be

ascribed primarily to the activities of shareholders who are regularly engaged in the active conduct of the affairs of the corporation and are the owners at all times during the taxable year of at least 70 percent in value of each class of stock, and in which capital is not a material income-producing factor. However, personal corporations do not include any foreign corporation, nor any corporation 50 percent or more of whose gross income consists of gains, profits, or income derived from trading as a principal. An individual is considered as owning stock held by a spouse, child, or any guardian or trustee representing them.

Two methods of computing excess-profits credit are provided. The first, based on income (section 713) known as the average earnings method, and the second based on “invested capital” (section 714). Any domestic corporation in existence before January 1, 1940, may elect to compute its excess-profits credit under either method, and similar election is granted to an “acquiring corporation” as defined by section 740 dealing with mergers, etc., if in existence at the beginning of its base period. A foreign corporation subject to the tax the first taxable year of which begins in 1940 and which was in existence on the date 48 months prior to such date may elect between the two methods. All other corporations, domestic and foreign, must use the “invested capital” method. In addition all corporations late in filing their return will lose the right of election and will have to use the “invested capital” method.

The excess-profits net income is determined on the same basis as normal-tax net income, subject to certain adjustments that will generally cause a reduction. The adjustments vary according to the method used in determining the excess-profits credit; i. e., whether based on average earnings or invested capital (section 711). All corporate taxes, including generally Federal income taxes for the taxable year may be deducted under either method. Among other adjustments made, dividends received from domestic corporations are excluded under either method, and in addition under the invested capital method dividends received from foreign corporations except foreign personal holding corporations are excluded. Where the average earnings method is used there are also certain adjustments to be made for each year in the base period of 1936-39 (subsection (b)).

The average base period net income computed to ascertain the tax under the “average earnings” method is to be determined as follows:

(1) By computing the aggregate of the excess profits net income for each of the taxable years beginning after December 31, 1935, and before January 1, 1940, reduced, in the case of each such taxable year in which the deductions plus the credit for dividends received exceeded the gross income, by the amount attributable to such excess under paragraph (4);

(2) By dividing the amount ascertained under paragraph (1) by the total number of months in all such taxable years; and

(3) By multiplying the amount ascertained under paragraph (2) by 12.

(4) For the purposes of paragraph (1)—

(A) In determining whether, for any taxable year, the deductions plus the credit for dividends received exceeded the gross income, and in determining the amount of such excess, the adjustments provided in section 711 (b) (1) shall be made; and

(B) The amount attributable to any taxable year in which there is such an excess shall be the amount of such excess, except that such amount shall be zero if there is only one such year, or if more than one, shall be zero for the year in which such excess is the greatest.

Where a corporation has been in existence only part of the 48 months preceding the beginning of its first taxable year under the Excess Profits Tax Act of 1940, paragraph (5) of section 713 (b) establishes a method of computing excess profits net income for the remainder of the base period.

The excess-profits credit under this method for any taxable year is 95 percent of the average base period net income plus 8 percent of the net capital addition or minus 6 percent of the net capital reduction.

In the case of a corporation using the “invested capital” method there will be no recourse to a base period in ascertaining the excess profits credit, as such credit for any taxable year will be an amount equal to 8 percent of its invested capital for the taxable year. The average invested capital for any taxable year is the aggregate of the daily invested capital for each day of the taxable year divided by the number of days therein. The Commissioner is authorized by section 715 under certain circumstances to permit, by regulations, the determination of invested capital on a basis other than a daily basis. The daily invested capital for any day of the taxable year is the sum of the equity invested capital (defined in section 718) for such day plus 50 percent of the borrowed capital (defined in section 719) for such day.

The excess-profits tax rates are applied to the adjusted excess-profits net income which is composed of the excess-profits net income minus the sum of (1) a specific exemption of \$5,000, (2) the excess-profits credit computed by either the average earning method or the invested capital method, and (3) the unused excess-profits credit. The rates are:

	<i>Percent</i>
On the first \$20,000.....	25
On the next \$30,000.....	30
On the next \$50,000.....	35
On the next \$150,000.....	40
On the next \$250,000.....	45
Excess over \$500,000.....	50

Title III of the Act inserts additional sections in the Internal Revenue Code allowing a corporation, at its election, special amortization of the adjusted basis of any emergency facility over a period of 60 months in lieu of the deduction for depreciation under section 23 (1) of the Internal Revenue Code. The 60-month period shall begin at the election of the taxpayer with the month following the month in which the facility was completed or acquired, or with the succeeding taxable year. Emergency facility means any facility, land, building, machinery, or equipment, or part thereof, the construction, reconstruction, erection, or installation of which was completed after June 10, 1940, or which was acquired after such date, and in respect to which a certificate has been made under subsection (f) of section 124 of the Internal Revenue Code as added by section 302 of the Second Revenue Act of 1940.

Title IV suspends certain of the provisions of section 3 of the Act of March 27, 1934 (Vinson Act), as amended, and also the provisions of section 2 (b) of the Act of June 23, 1940, which limit the profits which a contractor or subcontractor may make on contracts or subcontracts for complete naval vessels or for aircraft for the Navy or Army. It also suspends with respect to certain subcontracts the provisions of section 505 (b) of the Merchant Marine Act of 1936, as amended, which limit the profits on contracts and subcontracts.

Assignment of Claims Act of 1940

PUBLIC, No. 811, APPROVED OCTOBER 9, 1940

"An Act to assist in the national-defense program by amending sections 3477 and 3737 of the Revised Statutes to permit the assignment of claims under public contracts."

Purpose.—Permit assignment of contracts.

Scope.—Contracts with payments aggregating \$1,000 or more.

Amends sections 3477 (U. S. C. Title 31, Sec. 203—Assignment of Claims void) and 3737 (U. S. C. Title 41, Sec. 15—No transfer of contract) of the Revised Statutes so as to permit the assignment of any moneys due from the government in the amount of \$1,000 or more to a bank, trust company, or other financing institution, including any Federal lending agency. In case of any

contract entered into prior to October 9, 1940, consent of the head of the department or agency concerned to the assignment must be obtained. Assignments may be made to only one party and written notice must be filed with the General Accounting Office, the contracting officer or head of the department, the surety on the bond, and the disbursing officer designated in the contract. War and Navy Department contracts may provide that payments to an assignee of any claim arising under such contract shall not be subject to reduction or set-off.

Housing

PUBLIC, No. 849, APPROVED OCTOBER 14, 1940

"An Act to expedite the provision of housing in connection with national defense, and for other purposes."

Purpose.—Provide housing in connection with national defense.

Administration.—Federal Works Administration.

In order to provide housing for persons engaged in national-defense activities, in those areas in which the President finds that an acute shortage of housing exists which would impede national-defense activities, and that such housing would not be provided by private capital when needed, the Federal Works Administrator is authorized to acquire improved or unimproved lands and to make surveys, plan, design, and construct necessary buildings and community facilities on lands acquired.

The Act prohibits the use of the cost-plus-a-percentage-of-cost system of contract but permits the cost-plus-a-fixed-fee form of contract.

The cost per family dwelling unit may not exceed an average of \$3,000 for units located within the continental United States nor an average of \$4,000 for those located elsewhere, and the cost of no family dwelling unit shall exceed \$3,950 within the continental United States or \$4,750 elsewhere.

An appropriation of \$150,000,000 is authorized, of which \$3,300,000 is to be used to reimburse the emergency funds made available under the Act of June 11, 1940, and the sum of \$6,700,000 to the emergency funds made available under the Act of June 13, 1940.

When the emergency of September 8, 1939, is declared ended, the authority to construct further housing facilities would end, and property acquired would be disposed of as quickly as may be advantageous under the circumstances.

Any Federal agency having funds for the provision of housing in connection with national-defense activities may make transfer of such funds to the Federal Works Agency for expenditure under the terms of this Act.

The Administrator may enter into agreements to pay annual sums in lieu of taxes to any State with respect to any real property acquired and held by him.

Wages of laborers and mechanics are to be computed on a basic day rate of eight hours per day with one and one-half times the basic rate of pay for any excess hours employed.

Monthly Business Statistics

The data here are a continuation of the statistical series published in the 1940 Supplement to the SURVEY OF CURRENT BUSINESS. That volume contains monthly data for the years 1936 to 1939, inclusive, and monthly averages for earlier years back to 1913 insofar as available; it also provides a description of each series and references to sources of monthly figures prior to 1936. The 1940 Supplement may be secured from the Superintendent of Documents, Government Printing Office, Washington, D. C., for 40 cents per copy.

A few series have been added or revised since the 1940 Supplement went to press. These are indicated by an asterisk (*) for the new series and by a dagger (†) for the revised series. A brief footnote accompanying each of these series provides a reference to the source where historical data and the descriptive note may be found.

The terms "unadjusted" and "adjusted" used to designate index numbers refer to the adjustment for seasonal variations. Data subsequent to December will be found in the Weekly Supplement to the SURVEY.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November
BUSINESS INDEXES													
INCOME PAYMENTS†													
Index, adjusted:													
Total income payments..... 1929=100..	p 95.2	90.0	90.3	89.7	88.4	88.2	88.6	88.7	89.3	90.5	91.7	92.5	* 93.5
Salaries and wages..... do.....	p 96.0	88.9	88.2	87.5	87.0	86.2	87.3	87.9	88.8	90.4	91.5	92.2	* 93.7
Total nonagricultural income..... do.....	p 96.2	90.4	90.2	89.6	89.3	88.7	89.8	90.7	91.1	92.3	93.0	93.4	* 94.6
Total..... mil. of dol.....	p 7,367	6,904	6,903	5,604	5,987	5,965	5,689	6,238	6,103	5,790	6,467	* 6,681	* 6,237
Salaries and wages:													
Total..... do.....	p 4,268	3,908	3,767	3,742	3,784	3,784	3,838	3,871	3,766	* 3,841	4,030	* 4,178	* 4,166
Commodity-producing industries..... do.....	p 1,618	1,420	1,349	1,339	1,352	1,356	1,391	1,410	1,423	1,493	1,562	1,604	* 1,592
Distributive industries..... do.....	p 1,005	945	902	882	900	900	908	915	923	917	940	963	960
Service industries..... do.....	p 900	862	847	845	845	845	854	860	854	859	867	882	888
Government..... do.....	p 622	547	535	536	539	540	548	557	452	455	550	* 602	* 609
Work-relief wages..... do.....	p 123	134	134	140	148	143	133	120	114	117	111	* 127	117
Direct and other relief..... do.....	p 87	89	95	95	94	92	89	86	87	87	84	86	* 86
Social-security benefits and other labor income..... mil. of dol.....	p 145	137	148	151	155	152	166	166	167	164	* 150	145	144
Dividends and interest..... do.....	p 1,573	1,517	840	447	820	799	472	1,050	901	485	897	845	494
Entrepreneurial income and net rents and royalties..... mil. of dol.....	p 1,294	1,253	1,243	1,169	1,134	1,138	1,124	1,115	1,132	1,214	1,306	1,427	* 1,347
Total nonagricultural income..... do.....	p 6,774	6,321	5,533	5,108	5,519	5,479	5,211	5,821	5,562	5,232	5,818	* 5,909	* 5,567
AGRICULTURAL INCOME													
Cash income from farm marketings:													
Crops and livestock, combined index:													
Unadjusted..... 1924-29=100..	p 85.5	79.0	69.0	60.5	60.0	62.5	66.0	62.5	75.0	79.0	95.0	117.0	* 96.5
Adjusted..... do.....	p 84.0	79.0	79.0	84.0	76.0	81.5	80.0	70.0	71.0	71.0	75.5	80.5	* 79.5
Crops..... do.....	p 71.5	74.0	72.5	81.0	72.5	77.0	73.5	61.5	57.5	59.0	64.5	69.0	* 66.5
Livestock and products..... do.....	p 96.0	84.0	85.0	86.5	79.0	85.5	85.5	78.0	83.0	81.5	85.5	90.5	* 91.5
Dairy products..... do.....	p 104.5	91.5	95.0	94.0	89.5	89.5	84.5	82.0	84.0	90.0	92.0	93.5	* 99.5
Meat animals..... do.....	p 92.5	82.0	84.5	82.0	75.0	88.0	90.5	79.0	88.0	82.0	88.0	94.5	* 91.0
Poultry and eggs..... do.....	p 89.5	70.5	65.5	80.0	70.0	70.5	70.5	64.0	65.0	65.0	67.0	70.5	74.5
INDUSTRIAL PRODUCTION† (Federal Reserve)													
Unadjusted:													
Combined index..... 1935-39=100..	p 134	124	117	113	112	112	116	121	118	120	129	134	135
Manufactures..... do.....	p 139	126	118	114	112	112	116	122	118	120	130	136	* 137
Durable manufactures..... do.....	p 162	140	128	121	121	120	125	128	128	144	155	167	* 158
Iron and steel..... do.....	p 172	159	144	121	113	106	123	151	147	153	161	164	166
Lumber and products*..... do.....	p 119	111	98	101	107	109	114	116	111	123	132	132	126
Furniture*..... do.....	p 133	123	109	113	113	108	108	110	107	118	127	133	130
Lumber*..... do.....	p 114	105	93	96	104	109	117	119	112	126	134	132	* 123
Machinery*..... do.....	p 166	127	123	123	126	126	126	129	129	135	142	149	* 152
Nonferrous metals*..... do.....	p 172	156	151	* 139	* 134	129	* 129	* 130	* 131	* 141	* 154	167	* 172
Stone, clay, and glass products*..... do.....	p 117	115	90	83	101	114	129	129	127	133	* 142	142	133
Cement..... do.....	p 123	105	69	60	88	115	140	143	136	141	150	154	145
Common and face brick*..... do.....	p 119	70	50	71	103	131	146	147	150	* 161	153	146	146
Glass containers*..... do.....	p 93	107	104	109	117	116	119	117	121	124	126	118	108
Polished plate glass..... do.....	p 141	149	129	106	111	96	91	79	68	93	118	127	129
Transportation equipment*..... do.....	p 184	153	137	139	144	141	132	131	96	63	* 120	167	* 184
Aircraft*..... do.....	p 624	266	282	283	299	306	329	371	394	455	* 501	* 544	* 600
Automobiles..... do.....	p 152	150	130	130	134	130	118	114	70	23	* 89	142	* 163
Locomotives*..... do.....	p 188	102	102	103	99	98	102	106	116	124	137	152	* 163
Railroad cars*..... do.....	p 181	132	133	151	158	141	137	124	117	130	140	* 141	* 153
Shipbuilding*..... do.....	p 271	146	144	145	162	162	172	176	185	202	213	229	* 219
Nondurable manufactures..... do.....	p 120	115	109	108	105	105	109	112	110	114	119	121	121
Alcoholic beverages*..... do.....	p 93	* 87	* 81	84	94	* 106	107	120	112	89	108	108	104
Chemicals*..... do.....	p 123	114	111	111	113	114	113	110	110	112	116	120	* 120
Leather and products..... do.....	p 97	95	99	106	99	88	85	88	91	103	102	97	* 98
Shoes*..... do.....	p 91	91	97	107	* 106	89	85	88	96	113	110	101	* 96
Manufactured food products*..... do.....	p 112	107	100	99	100	101	107	116	120	131	132	125	* 115
Dairy products*..... do.....	p 73	73	* 72	* 84	95	112	143	168	164	144	144	111	88
Meat packing..... do.....	p 159	148	146	124	116	111	117	123	109	102	112	127	151
Paper and products*..... do.....	p 128	128	120	116	114	119	127	130	124	123	124	127	124
Paper and pulp*..... do.....	p 128	122	118	114	120	128	131	123	121	120	124	124	124
Petroleum and coal products*..... do.....	p 118	116	115	114	115	115	116	113	114	118	118	118	119
Coke*..... do.....	p 149	140	138	125	120	118	122	131	135	138	141	144	147
Petroleum refining..... do.....	p 115	112	113	113	114	113	114	113	109	110	114	114	115
Printing and publishing*..... do.....	p 120	120	106	109	111	114	119	119	103	102	108	113	112
Rubber products*..... do.....	p 131	118	122	117	116	114	117	115	106	109	* 122	120	129

*Revised. †Preliminary.
 †Revised series. For revised indexes of industrial production beginning 1919 (1923 for industrial groups and industries), including the new series, see table 31, pp. 12-17, of the August 1940 Survey; indexes for aircraft and rayon subsequently revised for 1939; for the former, see note marked with a "†" on p. 19 of the December 1940 Survey; revised 1939 data for rayon will be published later. For revised data on income payments beginning 1929, see table 42, pp. 17 and 18 of the October 1940 Survey.
 *New series. See note marked with a "†".

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey

	1940	1939	1940									
	December	December	January	February	March	April	May	June	July	August	September	October

BUSINESS INDEXES—Continued

INDUSTRIAL PRODUCTION†—Con. (Federal Reserve)													
Unadjusted—Continued.													
Manufactures—Continued.													
Nondurable manufactures—Con.													
Textiles and products—1935-39=100													
Cotton consumption*.....do	p 140	126	r 120	115	101	97	100	101	105	111	118	126	r 136
Rayon deliveries*.....do	p 155	r 149	r 147	141	132	127	131	134	137	138	144	r 152	
Silk deliveries*.....do	p 81	84	72	65	66	60	55	51	57	65	77	87	
Wool textile production*.....do	p 144	118	107	102	77	73	85	88	98	109	120	129	140
Tobacco products.....do	p 98	94	98	98	97	105	112	124	112	110	118	120	115
Minerals.....do	p 110	112	115	112	110	111	118	118	121	117	124	122	r 119
Fuels*.....do	p 112	115	120	116	114	113	113	111	111	109	115	112	r 115
Anthracite.....do	p 111	93	128	86	86	89	90	104	101	83	100	97	96
Bituminous coal.....do	p 125	117	132	121	104	101	103	100	107	112	124	110	r 128
Crude petroleum.....do	p 106	116	114	117	121	121	119	116	114	111	114	114	r 111
Metals*.....do	p 97	93	r 88	89	87	65	r 148	161	179	164	171	184	r 147
Copper*.....do	146	(*)	144	142	144	150	141	140	133	135	136	144	r 147
Lead.....do	146	118	114	116	115	119	122	116	112	114	112	117	114
Zinc.....do	139	134	r 121	r 132	r 130	r 127	r 119	r 116	r 121	r 118	r 127	r 131	r 135
Adjusted:													
Combined index.....do	p 137	126	122	116	113	111	115	121	121	121	125	129	132
Manufactures.....do	p 141	128	123	116	112	110	114	122	121	122	127	131	135
Durable manufactures.....do	p 164	140	135	124	118	113	119	131	132	135	146	150	r 154
Iron and steel.....do	p 181	167	147	118	106	99	118	154	156	158	164	165	166
Lumber and products*.....do	p 129	121	115	114	111	110	112	111	107	114	121	123	127
Furniture*.....do	p 128	118	117	113	112	111	115	113	115	115	121	122	p 125
Lumber*.....do	p 133	122	115	114	110	109	110	110	104	113	121	124	128
Machinery*.....do	p 165	125	127	123	123	123	124	128	133	138	145	146	152
Nonferrous metals*.....do	p 177	159	154	142	132	124	r 127	r 130	r 138	r 146	r 153	r 164	r 169
Stone, clay, and glass products*.....do	p 132	128	123	113	120	115	113	112	115	119	127	126	127
Cement.....do	154	131	125	106	117	115	115	113	110	115	125	133	139
Common and face brick*.....do	142	119	96	106	108	109	118	117	129	r 131	126	133	
Glass containers*.....do	100	115	116	118	124	116	112	111	117	114	123	114	107
Polished plate glass.....do	117	124	122	112	105	96	91	80	100	114	118	111	113
Transportation equipment*.....do	p 169	129	138	138	132	117	117	122	111	107	138	r 157	r 163
Aircraft*.....do	p 624	266	288	283	299	306	323	364	394	455	r 517	r 544	r 594
Automobiles.....do	134	121	129	129	120	103	101	106	87	76	109	130	131
Locomotives*.....do	p 176	95	102	101	101	103	102	102	113	123	140	160	r 168
Railroad cars*.....do	p 187	136	166	158	149	125	121	111	119	127	153	r 148	r 166
Shipbuilding*.....do	p 268	144	149	150	156	156	164	170	189	213	220	227	r 226
Nondurable manufactures.....do	p 123	117	113	110	106	107	110	114	112	112	112	116	r 119
Alcoholic beverages*.....do	p 101	95	98	r 97	r 97	r 104	100	113	108	91	103	103	r 96
Chemicals*.....do	p 122	112	111	109	111	114	116	117	115	114	114	116	117
Leather and products.....do	p 107	105	101	98	93	85	87	96	94	96	r 95	96	r 107
Shoes*.....do	p 112	108	101	99	94	85	86	100	99	100	99	99	r 112
Manufactured food products*.....do	p 118	112	111	113	112	111	r 111	115	110	114	109	117	r 116
Dairy products*.....do	p 112	r 114	r 110	r 115	112	112	106	111	113	109	109	111	p 109
Meat packing.....do	134	126	124	129	128	117	117	126	116	119	121	127	133
Paper and products*.....do	135	123	114	110	116	127	132	130	124	120	122	122	125
Paper and pulp*.....do	134	123	114	110	117	128	132	130	123	118	120	124	
Petroleum and coal products*.....do	119	117	116	118	115	114	115	112	113	116	116	118	
Coke*.....do	147	139	137	123	118	119	123	132	139	139	142	144	146
Petroleum refining.....do	116	114	115	117	114	113	112	108	109	112	112	114	
Printing and publishing*.....do	119	109	108	106	108	115	120	114	110	108	108	110	
Rubber products*.....do	138	123	119	119	116	115	117	115	106	109	119	120	126
Textiles and products.....do	p 139	125	118	108	100	100	104	107	113	113	116	123	134
Cotton consumption*.....do	145	127	120	115	108	107	109	114	121	124	120	126	135
Rayon deliveries*.....do	p 157	r 151	r 150	r 143	139	r 137	142	144	137	r 127	120	130	r 147
Silk deliveries*.....do	p 77	78	69	64	64	61	58	56	57	61	65	71	r 77
Wool textile production*.....do	140	115	106	93	77	79	87	89	100	106	123	132	142
Tobacco products.....do	114	109	103	106	103	111	110	115	103	106	105	115	113
Minerals.....do	p 114	115	118	114	117	119	118	118	120	114	116	113	r 117
Fuels*.....do	p 109	113	117	112	114	116	115	116	117	112	114	109	r 113
Anthracite.....do	p 105	88	111	78	84	83	82	113	129	112	105	91	94
Bituminous coal.....do	p 113	106	119	103	109	120	122	116	121	122	119	98	r 112
Crude petroleum.....do	p 109	118	116	118	120	118	116	114	108	114	115	115	r 115
Metals*.....do	p 141	124	127	130	r 133	135	135	134	139	r 124	127	135	r 144
Copper*.....do	141	(*)	147	140	144	143	143	150	144	132	r 141	r 141	r 144
Lead.....do	112	114	116	117	117	118	124	117	120	117	108	119	107
Zinc.....do	135	130	r 119	r 130	r 124	r 123	r 119	r 118	r 129	r 125	r 131	r 131	r 134
MANUFACTURERS' ORDERS, SHIPMENTS, AND INVENTORIES*													
New orders, total.....Jan. 1939=100	p 170	110.0	104.4	100.5	105.5	110.2	121.3	132.9	127.2	129.5	164	172	r 170
Durable goods.....do	p 248	114.0	106.2	103.2	112.3	118.2	141.0	156.9	158.5	162.8	211	235	234
Electrical machinery.....do	p 293	114.6	122.9	129.3	128.7	130.5	140.9	168.0	190.2	207.6	228	253	r 258
Iron and steel and their products.....do	p 213	115.2	89.5	81.1	101.1	104.1	141.4	161.3	151.2	139.8	190	211	214
Other machinery.....do	p 262	117.3	118.4	118.8	125.2	132.9	144.6	158.7	153.6	166.5	219	231	209
Other durable goods.....do	p 260	109.1	116.0	114.9	113.0	123.4	134.9	143.5	161.5	179.0	225	269	r 279
Nondurable goods.....do	p 122	106.7	103.2	98.7	101.0	105.0	108.6	117.6	107.1	108.1	133	131	129
Shipments, total.....do	p 154	128.1	118.2	118.9	121.2	119.7	122.9	125.9	117.2	123.5	145	146	148
Durable goods.....do	p 186	146.5	129.2	128.7	131.1	132.9	136.3	139.6	126.8	128.9	158	167	r 172
Automobiles and equipment.....do	p 166	135.5	124.7	122.1	124.0	127.4	117.7	107.4	75.0	41.3	100	148	r 158
Electrical machinery.....do	p 201	128.7	119.2	129.6	132.6	142.1	147.3	153.0	136.9	143.3	161	159	r 178
Iron and steel and their products.....do	p 198	165.3	137.1	133.3	125.6	120.8	132.7	152.0	146.3	162.7	180	175	176
Transportation equipment (except automobiles).....Jan. 1939=100	p 305	186.7	184.8	187.6	227.6	235.2	197.1	180.0	187.6	211.4	244	234	r 261
Other machinery.....do	p 197	143.3	122.6	131.9	142.1	150.7	154.8	156.9	147.1	149.3	165	162	r 170
Other durable goods.....do	p 168	138.8	126.1	122.3	128.4	129.1	137.6	137.2	131.8	147.0	171	173	r 172
Nondurable goods.....do	p 125	112.1	108.9	110.4	112.4	107.9	110.8	113.8	108.6	118.6	134	128	r 127
Chemicals and allied products.....do	p 124	108.9	112.0	108.0	110.6	114.5	120.5	120.6	110.0	115.8	138	r 129	130
Food and kindred products.....do	p 116	106.0	103.3	105.8	110.6	106.6	111.1	114.3	107.9	113.3	131	122	r 120
Paper and allied products.....do	p 149	119.1	118.8	119.1	118.8	124.4	137.1	142.1	134.6	129.2	137	133	r 134
Petroleum refining.....do	p 108	114.9											

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey

	1940	1939	1940									
	December	December	January	February	March	April	May	June	July	August	September	October

BUSINESS INDEXES—Continued

MANUFACTURERS' ORDERS, SHIPMENTS, AND INVENTORIES—Con.													
Inventories, total..... Dec. 31, 1938=100.....	119.3	107.3	109.3	110.0	109.8	108.9	109.1	108.6	109.2	110.9	112.2	114.4	116.5
Durable goods..... do.....	128.0	110.3	112.2	112.8	112.6	111.5	112.1	111.8	111.9	115.4	118.4	121.2	124.1
Automobiles and equipment..... do.....	136.2	117.4	118.8	116.3	112.7	109.1	105.9	95.9	86.6	112.3	128.7	130.6	130.6
Electrical machinery..... do.....	133.8	103.9	108.3	111.7	114.5	114.9	116.5	115.6	115.6	116.7	122.1	122.1	126.8
Iron and steel and their products..... do.....	129.5	111.9	112.0	111.8	111.1	110.8	113.6	116.3	119.1	120.1	121.1	123.8	126.9
Transportation equipment (except automobiles)..... Dec. 31, 1938=100.....	270.3	145.1	153.1	167.0	165.6	160.4	164.9	174.4	185.2	194.7	207.8	228.8	251.9
Other machinery..... do.....	122.4	106.1	109.5	111.9	112.4	110.9	110.6	110.0	110.8	110.7	112.2	114.8	117.6
Other durable goods..... do.....	107.3	106.2	108.1	107.8	108.7	107.8	107.0	106.7	105.7	104.5	104.1	104.9	105.9
Nondurable goods..... do.....	110.0	104.1	106.2	107.0	106.8	106.2	105.8	105.2	106.4	106.0	105.5	107.1	108.5
Chemicals and allied products..... do.....	114.2	102.8	106.0	109.8	111.1	111.5	111.1	111.3	111.7	112.4	110.7	110.1	110.5
Food and kindred products..... do.....	107.1	103.7	103.9	102.5	100.5	98.4	97.5	97.1	100.6	101.7	98.8	101.0	104.6
Paper and allied products..... do.....	112.8	102.2	105.7	107.1	108.0	106.6	104.9	104.0	104.5	107.1	108.4	110.3	110.7
Petroleum refining..... do.....	98.2	92.6	91.6	93.8	94.5	95.5	97.1	96.3	98.3	98.3	99.0	98.7	97.7
Rubber products..... do.....	128.7	111.8	113.8	118.1	119.6	120.7	122.2	116.7	120.5	124.0	125.5	124.6	124.4
Textile-mill products..... do.....	118.9	107.4	107.4	108.8	107.3	106.0	105.3	118.5	118.5	114.9	115.0	119.9	121.4
Other nondurable goods..... do.....	105.6	102.4	108.7	108.8	107.3	106.0	105.3	104.6	104.1	100.8	100.3	103.2	104.2

COMMODITY PRICES

COST OF LIVING (National Industrial Conference Board)													
Combined index†..... 1923=100.....	85.8	84.6	84.6	85.1	84.8	85.0	85.2	85.5	85.7	85.4	85.7	85.5	85.5
Clothing..... do.....	73.0	72.9	73.0	73.2	73.2	73.2	73.1	73.1	73.1	73.0	73.1	73.1	73.1
Food†..... do.....	78.2	76.4	76.3	77.8	76.0	77.4	78.1	79.1	78.4	77.4	78.2	77.4	77.2
Fuel and light..... do.....	86.5	85.0	85.8	86.0	85.8	85.4	84.1	84.2	84.5	84.8	85.3	85.9	86.3
Housing..... do.....	87.5	86.6	86.6	86.6	86.6	86.7	86.7	86.8	86.8	86.9	87.0	87.4	87.5
Sundries..... do.....	98.1	96.8	96.9	96.9	96.9	97.0	97.0	97.0	98.2	98.1	98.1	98.1	98.1
PRICES RECEIVED BY FARMERS‡ (U. S. Department of Agriculture)													
Combined index..... 1909-14=100.....	101	96	99	101	97	98	98	95	95	96	97	99	99
Chickens and eggs..... do.....	122	97	91	98	83	82	84	81	88	90	104	112	120
Cotton and cottonseed..... do.....	79	82	85	85	85	85	83	81	80	77	76	78	79
Dairy products..... do.....	128	118	119	118	114	110	106	104	105	109	111	117	121
Fruits..... do.....	75	65	66	76	73	81	88	104	89	79	73	79	71
Grains..... do.....	81	87	90	91	92	96	92	83	78	76	77	80	83
Meat animals..... do.....	111	101	103	101	102	104	108	102	110	110	114	112	112
Truck crops..... do.....	93	96	121	159	118	128	117	112	98	107	114	99	98
Miscellaneous..... do.....	102	104	113	107	101	100	101	100	98	107	95	100	96
RETAIL PRICES													
U. S. Department of Labor indexes:													
Coal:													
Anthracite..... 1923-25=100.....	77.1	77.1	77.1	77.1	81.0	78.6	78.6	78.6	78.6	81.2	81.2	81.2	81.2
Bituminous§..... do.....	89.2	89.2	89.2	89.2	89.0	85.5	85.5	85.5	85.5	86.9	86.9	86.9	86.9
Food†..... 1935-39=100.....	97.3	94.9	94.8	96.6	95.6	96.2	97.0	98.3	97.4	96.3	97.2	96.2	95.9
Fairchild's index:													
Combined index..... Dec. 31, 1930=100.....	93.9	92.0	92.3	92.6	92.8	92.8	92.8	92.9	92.9	92.9	93.2	93.5	93.7
Apparel:													
Infants'..... do.....	97.6	96.4	96.6	96.6	96.9	96.9	96.9	97.0	96.9	97.0	97.3	97.3	97.7
Men's..... do.....	89.3	88.7	88.8	88.8	88.9	88.9	88.9	89.1	89.1	89.1	89.1	89.3	89.3
Women's..... do.....	91.9	91.0	91.4	91.8	91.9	91.7	91.8	92.0	92.0	92.2	91.8	92.1	91.6
Home furnishings..... do.....	95.7	93.5	93.7	94.1	94.4	94.3	94.6	94.5	94.6	94.6	95.0	95.3	95.6
Piece goods..... do.....	87.0	85.3	85.5	85.9	86.0	86.0	86.0	86.0	86.0	86.0	86.7	86.7	86.8
WHOLESALE PRICES													
U. S. Department of Labor indexes:													
Combined index (813 quotations)¶..... 1926=100.....	80.0	79.2	79.4	78.7	78.4	78.6	78.4	77.5	77.7	77.4	78.0	78.7	79.6
Economic classes:													
Finished products..... do.....	82.8	81.7	81.7	81.4	81.1	81.2	81.3	80.5	80.9	81.0	81.5	82.1	82.6
Raw materials..... do.....	73.6	73.3	73.8	72.7	72.0	73.0	72.0	70.7	70.7	69.8	70.5	71.4	72.6
Semimanufactures..... do.....	80.7	82.0	81.7	79.9	79.7	78.2	78.3	77.9	77.8	77.0	77.6	79.4	80.7
Farm products..... do.....	69.7	67.6	69.1	68.7	67.9	69.4	67.9	66.2	66.5	65.6	66.2	66.4	68.2
Grains..... do.....	67.0	71.6	73.5	72.8	73.4	77.2	71.2	64.4	60.8	59.3	61.7	65.4	67.7
Livestock and poultry..... do.....	72.7	63.8	67.2	65.6	67.1	68.4	69.6	64.7	69.8	71.5	72.4	70.6	69.9
Commodities other than farm products*..... 1926=100.....	82.1	81.6	81.5	80.8	80.5	80.5	80.5	79.8	80.0	79.9	80.4	81.3	81.9
Foods..... do.....	75.5	71.9	71.7	71.1	70.2	71.6	71.4	70.3	70.3	70.1	71.5	71.1	72.5
Dairy products..... do.....	84.2	81.3	81.9	80.0	78.6	77.4	72.8	72.2	73.7	74.3	75.1	77.3	82.3
Fruits and vegetables..... do.....	61.2	63.0	60.3	58.7	58.7	65.7	69.2	73.9	69.0	63.2	60.8	58.9	60.4
Meats..... do.....	77.0	69.1	69.9	68.4	69.2	71.1	73.8	70.7	72.9	76.1	79.0	75.6	76.2
Commodities other than farm products and foods..... 1926=100.....	84.1	83.9	83.9	83.2	82.9	82.5	82.5	82.2	82.3	82.0	82.3	83.5	84.1
Building materials..... do.....	93.3	93.0	93.4	93.2	93.3	92.5	92.5	92.4	92.5	93.3	95.6	97.8	98.9
Brick and tile..... do.....	91.1	91.6	91.6	91.2	90.4	90.2	90.2	90.2	90.1	90.1	90.2	90.2	90.2
Cement†..... do.....	90.9	91.3	91.4	91.4	91.2	90.3	90.5	90.6	90.6	90.6	90.6	90.7	90.8
Lumber†..... do.....	118.8	99.5	98.7	97.7	97.4	96.7	96.0	94.8	94.8	98.4	107.1	114.4	117.5
Chemicals and allied products†..... do.....	77.7	77.7	77.7	77.5	77.0	76.8	76.7	77.0	77.0	76.7	76.8	76.9	77.5
Chemicals‡..... do.....	85.4	85.3	85.3	85.3	85.1	85.0	85.1	85.1	84.9	84.8	84.8	85.0	85.1
Drugs and pharmaceuticals‡..... do.....	96.2	80.3	81.3	81.3	81.4	81.8	82.0	82.2	95.9	96.2	96.0	95.8	95.9
Fertilizer materials‡..... do.....	70.0	70.9	71.3	71.0	70.6	70.7	70.8	67.4	67.3	68.0	68.1	68.1	69.9
Fuel and lighting materials..... do.....	71.7	72.8	72.7	72.4	72.2	71.8	71.7	71.4	71.1	71.1	71.0	71.7	71.9
Electricity..... do.....	77.7	77.6	78.2	77.1	77.1	76.0	73.9	74.2	73.3	72.4	73.5	71.7	71.7
Gas..... do.....	49.5	50.4	51.7	50.9	50.4	50.4	50.7	50.0	49.5	49.2	48.9	49.0	49.3
Petroleum products..... do.....	102.3	103.7	103.6	102.4	101.8	101.8	101.3	99.2	99.0	96.9	98.3	100.4	102.3
Hides and leather products..... do.....	99.3	105.2	102.6	97.0	94.3	94.8	92.2	81.9	84.6	77.1	84.0	93.8	101.2
Leather..... do.....	94.1	95.2	96.0	94.2	93.5	93.2	93.6	92.4	91.4	88.3	88.9	90.9	93.2
Shoes..... do.....	107.2	107.5	107.8	108.2	108.4	108.2	107.9	107.9	107.0	107.0	107.0	107.0	107.1
House-furnishing goods..... do.....	88.9	88.5	87.9	88.0	88.0	88.4	88.5	88.5	88.5	88.5	88.5	88.6	88.6
Furnishings..... do.....	95.1	94.4	94.0	94.2	94.2	94.5	94.8	94.9	94.8	94.8	94.8	95.0	95.0
Furniture..... do.....	82.2	82.4	81.4	81.5	81.5	81.9	81.9	81.7	81.8	81.8	81.8	81.8	81.8

* Revised. † Preliminary. ‡ Number of quotations increased to 887 in recent months. § Covers 37 cities beginning June 1940 (June index for 38 cities, 83.4).
 ¶ Data for January 15, 1941: Total 104; chickens and eggs 100; cotton and cottonseed 80; dairy products 121; fruits 78; grains 84; meat animals 128; truck crops 117; miscellaneous 104.
 † For monthly data beginning 1933, corresponding to the annual figures shown on p. 13 of the 1940 Supplement, see table 23, p. 18, of the April 1940 Survey.
 ‡ Revised series. For revised indexes of retail food prices beginning 1913, see table 51, p. 18 of the November 1940 Survey. Data for chemicals and allied products (title changed from chemicals and drugs) and the subgroups revised beginning 1926; see table 32, p. 18, of the August 1940 Survey. Index of cost of living and food component and index of wholesale prices of lumber revised beginning 1935; see tables 5 and 7, respectively, p. 18 of the January 1941 Survey.
 * New series. Indexes of prices of commodities other than farm products beginning 1913 appear in table 36, p. 18 of the September 1940 Survey. Indexes of manufacturers' inventories beginning January 1939 are available in table 3, p. 13 of the September 1940 Survey, except for textile-mill products and other nondurable goods (revised), for which see p. 21 of the November 1940 issue.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940									
	December	December	January	February	March	April	May	June	July	August	September	October

COMMODITY PRICES—Continued

WHOLESALE PRICES—Continued													
U. S. Department of Labor indexes—Con. Commodities other than farm products and foods—Continued.													
Metals and metal products.....1926=100	97.6	96.0	95.8	95.3	95.5	94.5	94.5	94.7	95.1	94.9	95.4	97.3	97.6
Iron and steel.....do	95.4	96.1	96.3	96.3	96.4	94.3	94.2	94.3	94.6	94.3	94.9	94.9	95.3
Metals, nonferrous.....do	83.4	84.6	82.6	79.2	79.7	79.2	80.3	81.2	80.8	79.1	80.7	83.6	83.9
Plumbing and heating equipment.....1926=100	80.5	79.3	79.3	79.1	81.0	80.9	80.6	80.5	80.5	80.5	80.5	80.5	80.5
Textile products.....do	74.8	78.0	77.9	75.4	74.0	72.9	72.9	72.6	72.4	72.3	72.5	73.6	74.3
Clothing.....do	85.5	84.2	84.5	84.9	85.1	84.7	85.0	85.3	85.3	85.6	85.6	85.7	85.7
Cotton goods.....do	74.9	75.2	75.4	73.6	71.8	70.2	69.4	68.4	68.8	68.6	69.2	71.5	73.6
Hosiery and underwear.....do	60.7	66.0	68.4	64.5	62.2	61.7	61.3	61.6	61.5	61.5	61.4	61.4	61.5
Rayon*.....do	29.5	29.5	29.5	29.5	29.5	29.5	29.5	29.5	29.5	29.5	29.5	29.5	29.5
Silk*.....do	42.5	66.0	61.8	51.6	49.9	45.4	47.0	46.1	43.3	43.0	42.8	44.7	42.8
Woolen and worsted goods.....do	89.0	90.3	90.4	87.2	84.5	83.8	83.4	83.7	83.9	83.7	84.2	86.3	88.8
Miscellaneous.....do	77.3	77.4	77.7	77.3	76.9	77.0	77.7	77.3	77.7	76.7	76.5	76.9	77.5
Automobile tires and tubes.....do	58.3	55.6	55.6	55.6	55.6	58.0	58.0	58.2	58.8	58.8	58.8	58.8	58.6
Paper and pulp.....do	93.1	89.0	89.8	89.5	89.0	89.5	90.7	91.7	93.5	93.5	93.2	93.2	93.1
Wholesale prices, actual. (See under respective commodities.)													
PURCHASING POWER OF THE DOLLAR													
Wholesale prices.....1923-25=100	125.9	127.2	126.8	128.0	128.5	128.1	128.5	129.9	129.6	130.1	129.1	128.0	125.6
Retail food prices.....do	130.2	133.3	133.5	130.9	132.3	131.6	130.4	128.7	129.9	131.4	130.2	131.6	131.9
Prices received by farmers.....do	145.6	153.1	148.6	145.6	151.5	149.9	149.9	154.8	154.8	153.1	151.5	148.6	148.6
Cost of living†.....do	118.5	120.2	120.2	119.5	119.9	119.6	119.3	118.9	119.0	119.5	118.8	118.9	118.9

CONSTRUCTION AND REAL ESTATE

CONTRACT AWARDS, PERMITS, AND DWELLING UNITS PROVIDED													
Value of contracts awarded (F. R. indexes):													
Total, unadjusted.....1923-25=100	103	69	61	54	63	73	78	86	93	94	93	90	99
Residential, unadjusted.....do	81	51	44	50	60	73	75	76	78	81	82	82	83
Total, adjusted.....do	128	86	75	63	62	64	64	74	85	90	93	95	111
Residential, adjusted.....do	95	60	53	56	57	62	64	69	77	82	82	85	87
F. W. Dodge Corporation (37 States):													
Total projects.....number	34,959	18,831	13,517	15,595	23,920	26,101	29,201	26,679	28,466	31,512	31,671	34,084	31,528
Total valuation.....thous. of dol.	456,189	354,098	196,191	200,574	272,178	300,504	328,914	324,726	398,673	414,941	347,651	383,069	380,347
Public ownership.....do	257,693	225,095	92,532	81,666	94,971	103,450	111,578	147,316	204,568	195,293	143,996	174,506	194,591
Private ownership.....do	198,496	129,003	103,659	118,908	177,207	197,054	217,336	177,410	194,105	219,648	203,655	208,563	185,756
Nonresidential buildings:													
Projects.....number	8,746	2,711	2,453	2,852	3,645	3,815	4,346	4,078	4,130	5,199	5,135	7,284	6,144
Floor area.....thous. of sq. ft.	42,129	11,675	9,109	12,356	14,444	16,610	16,971	18,028	23,654	23,654	23,431	34,028	33,899
Valuation.....thous. of dol.	182,618	57,757	52,532	70,565	73,735	88,821	90,164	91,995	138,954	119,189	101,295	136,405	148,367
Residential buildings, all types:													
Projects.....number	24,976	14,899	10,132	11,507	19,053	20,594	22,939	20,584	22,387	24,277	24,758	24,888	24,009
Floor area.....thous. of sq. ft.	48,183	22,585	19,082	19,107	31,078	33,459	36,312	33,537	36,227	38,987	41,630	40,778	42,151
Valuation.....thous. of dol.	159,275	88,681	77,400	74,858	121,708	135,420	145,912	135,274	140,430	152,988	152,372	148,469	152,838
Public works:													
Projects.....number	761	591	730	762	1,008	1,512	1,733	1,789	1,686	1,685	1,339	1,482	921
Valuation.....thous. of dol.	73,447	180,683	47,861	42,929	58,905	62,881	81,261	74,433	85,681	119,358	59,898	73,220	51,430
Utilities:													
Projects.....number	478	330	202	174	214	180	183	228	263	351	439	439	454
Valuation.....thous. of dol.	40,849	26,977	18,398	12,222	17,830	13,382	11,577	23,024	33,608	23,406	34,086	24,975	27,712
Families provided for and indicated expenditures for building construction (based on bldg. permits), U. S. Dept. of Labor indexes:													
Number of families provided for.....1929=100	66.2	66.3	41.7	54.6	68.2	82.7	79.6	63.0	79.5	80.4	86.2	98.0	67.4
Indicated expenditures for:													
Total building construction.....do	63.4	39.4	29.9	36.1	43.6	52.1	52.8	46.6	55.9	55.5	51.4	78.0	60.8
New residential buildings.....do	45.6	45.1	29.4	37.1	47.1	57.4	58.5	45.2	56.4	55.5	60.5	69.2	47.4
New nonresidential buildings.....do	67.4	22.9	20.5	23.1	26.4	29.5	30.4	30.9	39.5	40.8	28.1	69.8	60.3
Additions, alterations, and repairs.....do	40.2	39.7	41.2	48.1	52.4	64.4	62.1	69.1	65.8	60.4	60.5	57.0	43.5
Estimated number of new dwelling units provided in all urban areas (U. S. Dept. of Labor):													
Total.....number	29,696	18,552	24,182	30,472	37,328	36,271	28,706	35,432	35,814	37,221	37,221	37,221	37,221
1-family dwellings.....do	20,052	11,406	15,995	22,729	27,420	27,421	23,417	28,275	28,769	27,028	27,028	27,028	27,028
2-family dwellings.....do	2,111	1,094	1,721	2,215	2,674	2,967	2,967	1,991	2,862	2,922	3,720	3,720	3,720
Multifamily dwellings.....do	7,533	6,052	6,466	5,528	7,334	5,883	3,298	4,295	4,123	6,473	6,473	6,473	6,473
Engineering construction:													
Contract awards (E. N. R.)\$.....thous. of dol.	398,704	190,327	191,977	270,928	179,836	211,816	282,296	252,763	347,852	397,253	368,252	702,842	382,724
HIGHWAY CONSTRUCTION													
Concrete pavement contract awards:													
Total.....thous. sq. yd.	3,852	4,951	2,597	3,122	2,486	4,058	7,537	6,288	5,227	6,416	4,744	5,960	3,855
Roads.....do	2,262	3,260	1,730	2,297	1,827	3,170	5,496	4,575	3,406	4,049	3,170	3,673	2,197
Streets and alleys.....do	1,590	1,691	867	825	659	888	2,041	1,713	1,821	2,368	1,574	2,287	1,658
Status of highway and grade crossing projects administered by the Public Roads Administration, Federal Works Agency:													
Highways:													
Approved for construction:													
Mileage.....no. of miles	2,926	3,528	3,880	4,264	4,782	4,633	4,645	4,731	4,034	3,902	3,578	3,030	2,892
Federal funds.....thous. of dol.	36,154	40,132	45,616	46,677	47,619	46,922	50,515	50,724	43,925	41,210	37,242	32,356	33,555
Under construction:													
Mileage.....no. of miles	7,536	5,984	5,837	5,966	6,347	7,306	8,388	8,915	9,612	9,439	9,390	8,906	8,236
Federal funds.....thous. of dol.	113,922	91,429	90,220	92,864	98,452	106,063	115,864	121,248	126,761	128,737	131,614	127,250	121,566
Estimated cost.....do	228,840	184,441	180,686	185,954	196,074	211,630	230,819	242,425	253,523	257,567	264,589	256,691	244,464

* Revised. † Preliminary.
 ‡ Data for February, May, August, and October 1940 are for 5 weeks; other months, 4 weeks.
 * New series. For indexes of rayon and silk prices beginning 1926, see table 29, p. 18, of the May 1940 Survey.
 † Revised series. Revised beginning January 1935; see table 4, p. 18, of the January 1941 Survey.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November
CONSTRUCTION AND REAL ESTATE—Continued													
HIGHWAY CONSTRUCTION—Con.													
Status of highway and grade crossing proj. administered by the Pub. Rds. Adm.—Con. Grade crossings:													
Approved for construction:													
Federal funds.....thous. of dol.	10,123	11,428	12,447	12,617	12,133	9,810	10,328	10,119	9,652	9,496	9,779	9,473	9,081
Estimated cost.....do.	10,781	11,986	13,075	13,193	12,908	10,420	11,394	11,094	10,596	10,198	10,214	9,855	9,307
Under construction:													
Federal funds.....do.	32,483	30,528	30,410	31,167	31,787	34,525	36,458	37,013	37,682	38,323	35,975	35,831	34,813
Estimated cost.....do.	34,001	32,258	32,077	32,775	33,272	35,819	37,751	38,239	39,010	39,674	37,543	37,226	36,352
CONSTRUCTION COST INDEXES													
Aberthaw (industrial building).....1914=100	195	191			191			193			194		
American Appraisal Co.†													
Average, 30 cities.....1913=100	212	203	203	203	202	203	202	202	202	202	206	208	208
Atlanta.....do.	202	191	192	191	189	190	191	191	192	192	195	198	198
New York.....do.	230	221	221	221	221	221	220	220	220	220	225	227	228
San Francisco.....do.	194	185	184	184	183	183	184	184	184	184	190	191	191
St. Louis.....do.	217	210	211	211	210	210	208	208	209	209	212	214	214
Associated General Contractors (all types).....1913=100	193	188	188	187	187	187	187	188	188	189	189	191	192
E. H. Boeckh and Associates, Inc.‡													
Apartments, hotels, and office buildings:													
Brick and concrete:													
Atlanta.....U. S. av., 1926-29=100	98.3	96.0	96.0	96.0	96.5	96.6	96.7	96.5	96.6	96.8	97.3	98.0	98.0
New York.....do.	133.5	131.1	131.1	131.0	131.3	131.9	131.9	132.1	132.3	132.6	132.8	132.9	132.9
San Francisco.....do.	116.1	118.0	118.0	118.0	118.0	117.1	117.2	114.5	114.9	115.1	115.3	115.5	115.5
St. Louis.....do.	120.5	118.9	118.9	118.8	119.0	118.9	118.9	118.8	118.8	119.0	119.4	120.2	120.2
Commercial and factory buildings:													
Brick and concrete:													
Atlanta.....do.	99.3	98.2	98.2	98.1	98.1	98.2	98.3	98.2	98.2	98.4	98.7	99.1	99.1
New York.....do.	136.3	133.7	133.7	133.7	134.0	134.6	134.6	135.5	135.5	135.7	135.8	135.8	135.9
San Francisco.....do.	119.0	122.7	122.7	122.7	122.7	121.9	121.9	117.8	118.2	118.3	118.4	118.6	118.6
St. Louis.....do.	121.0	119.9	119.9	119.9	120.0	119.9	120.4	120.3	120.3	120.4	120.6	120.7	120.7
Brick and steel:													
Atlanta.....do.	99.0	96.8	96.9	96.8	96.8	97.0	97.1	96.9	96.8	97.1	97.8	98.7	98.7
New York.....do.	132.9	130.4	130.4	130.3	130.6	131.3	131.3	131.1	131.2	131.7	131.9	132.2	132.3
San Francisco.....do.	115.5	118.1	118.1	118.1	118.1	115.2	115.3	113.1	114.0	114.3	114.6	114.8	114.8
St. Louis.....do.	120.9	118.7	118.7	118.6	118.8	118.7	119.1	118.9	118.9	119.2	119.7	120.5	120.5
Residences:													
Brick:													
Atlanta.....do.	96.7	88.3	88.4	88.1	88.5	89.4	89.5	88.8	88.5	89.6	92.3	96.2	96.2
New York.....do.	130.2	125.1	125.1	124.4	124.8	125.9	125.9	125.4	126.1	126.1	127.2	127.8	128.2
San Francisco.....do.	109.9	105.8	105.8	105.8	105.8	105.8	106.2	104.3	104.4	105.8	107.0	107.8	107.9
St. Louis.....do.	118.4	110.4	110.5	109.8	110.9	110.4	110.8	110.1	110.1	111.2	113.3	117.6	117.6
Frame:													
Atlanta.....do.	96.2	85.5	85.7	85.3	85.7	86.8	87.0	86.1	85.7	87.2	90.6	95.6	95.6
New York.....do.	129.7	124.5	124.5	123.6	123.9	124.4	124.4	123.6	122.3	124.5	125.9	126.7	127.2
San Francisco.....do.	105.8	100.2	100.2	100.2	100.2	100.2	100.5	98.6	98.8	100.8	102.2	103.1	103.3
St. Louis.....do.	117.5	107.2	107.4	106.5	107.9	107.2	107.8	106.9	106.9	108.3	111.0	116.6	116.6
Engineering News Record (all types)§.....1913=100	249.7	238.3	238.3	238.3	238.3	238.9	241.6	242.2	242.2	244.1	245.0	247.2	249.1
Federal Home Loan Bank Board:													
Standard 6-room frame house:													
Combined index.....1936=100	112.5	106.6	106.4	106.5	106.4	106.2	106.2	106.2	106.0	106.2	107.0	108.7	110.6
Materials.....do.	109.1	104.5	104.4	104.5	104.5	104.3	104.4	104.4	104.3	104.4	105.0	106.5	107.8
Labor.....do.	119.2	110.6	110.2	110.3	110.3	110.0	109.9	109.7	109.5	109.7	111.0	113.3	116.3
REAL ESTATE													
Federal Housing Administration, home mortgage insurance:													
Gross mortgages accepted for insurance													
Premium-paying mortgages (cumulative)													
thous. of dol.	56,878	53,200	48,831	44,980	63,602	76,874	79,930	84,357	88,074	89,379	84,689	92,083	66,754
Estimated new mortgage loans by all savings and loan associations:													
Total loans.....thous. of dol.	88,553	83,112	66,944	71,522	90,368	108,001	114,542	106,984	114,301	117,622	111,775	114,400	94,567
Classified according to purpose:													
Mortgage loans on homes:													
Construction.....do.	30,032	26,923	19,488	20,152	26,711	33,764	36,956	35,523	39,907	42,488	39,417	41,610	32,584
Home purchase.....do.	31,465	27,779	22,039	25,389	32,168	37,821	42,049	38,402	40,658	40,567	40,947	40,771	33,875
Refinancing.....do.	14,575	15,001	13,999	14,590	16,769	20,859	18,034	17,147	17,649	17,762	15,483	16,840	14,441
Repairs and reconditioning.....do.	4,248	4,335	3,455	3,437	4,657	6,097	6,896	5,691	6,115	6,079	6,283	5,756	4,869
Loans for all other purposes.....do.	8,233	9,074	7,963	7,954	10,063	9,460	10,607	10,221	9,972	10,726	9,645	9,423	8,798
Classified according to type of association:													
Federal.....thous. of dol.	37,715	34,053	28,008	29,786	38,241	46,577	49,287	47,435	48,676	50,305	46,480	48,307	38,896
State members.....do.	36,729	33,209	25,737	28,941	36,484	43,015	45,803	42,214	45,414	46,807	45,988	46,224	40,143
Nonmembers.....do.	14,109	15,850	13,199	12,795	15,643	18,409	19,452	17,335	20,211	20,510	19,307	19,869	15,528
Loans outstanding of agencies under the Federal Home Loan Bank Board:													
Federal Savings and Loan Associations, estimated total mortgages outstanding													
thous. of dol.	1,546,270	1,271,161	1,280,200	1,296,464	1,317,975	1,348,072	1,376,700	1,405,100	1,432,100	1,461,867	1,487,974	1,515,392	1,533,246
Federal Home Loan Banks, outstanding advances to member institutions													
thous. of dol.	201,492	181,313	156,788	144,515	137,642	133,811	137,509	157,397	162,222	168,402	176,047	181,526	185,547
Home Owners' Loan Corporation, balance of loans outstanding													
thous. of dol.	1,956,268	2,038,186	2,031,341	2,026,614	2,021,951	2,020,572	2,017,395	2,012,760	2,004,737	1,996,443	1,987,611	1,980,704	1,968,816
Foreclosures:													
Nonfarm real estate.....1926=100	99	126	114	103	112	113	126	116	111	108	111	111	103
Metropolitan communities.....do.	94	121	108	99	104	108	119	108	108	105	106	106	94
Fire losses.....thous. of dol.	28,617	27,959	36,261	34,410	29,789	26,657	23,447	19,506	20,323	20,722	21,198	22,091	23,449

§Beginning with the September 1940 issue of the Survey indexes computed as of the first of the month are shown as of the end of the preceding month. The Engineering News Record Index is similarly shown in the 1940 Supplement as of the end of the preceding month.
 †Revised series. Revised indexes beginning 1913 are available in table 44, p. 13 of the November 1940 Survey.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November
DOMESTIC TRADE													
ADVERTISING													
Printers' Ink indexes (with adjustment for seasonal variations):													
Combined index.....1928-32=100	92.1	89.4	79.4	82.7	85.3	84.7	89.3	84.6	84.1	87.4	86.4	85.4	84.9
Farm papers.....do	73.9	70.9	57.8	60.7	59.0	66.4	69.1	62.5	58.5	63.0	58.3	66.1	68.7
Magazines.....do	80.7	80.4	74.8	80.0	81.8	83.0	85.1	85.8	88.4	79.9	80.9	83.0	85.3
Newspapers.....do	87.6	84.3	73.4	77.1	79.9	78.1	83.2	76.9	74.6	80.4	79.4	78.8	79.7
Outdoor.....do	84.4	88.3	78.9	77.2	83.6	87.2	86.2	82.0	86.4	89.4	87.7	78.8	62.5
Radio.....do		318.5	325.6	306.2	289.4	290.9	325.2	358.4	416.5	416.3	396.8	355.9	340.1
Radio advertising:													
Cost of facilities, total.....thous. of dol.	9,307	8,127	8,299	7,800	8,208	7,728	7,928	7,086	7,137	6,842	7,273	9,832	9,016
Automobiles and accessories.....do	857	636	683	634	670	722	728	680	498	489	506	742	724
Clothing.....do	63	41	30	32	45	33	56	54	35	33	55	50	0
Electric household equipment.....do	0	0	0	0	0	0	0	0	0	0	0	0	0
Financial.....do	97	92	85	59	62	74	92	81	94	90	87	92	01
Foods, food beverages, confections.....do	2,664	2,769	2,740	2,663	2,737	2,389	2,383	2,039	2,095	1,889	2,018	2,530	2,480
House furnishings, etc.....do	105	49	50	87	89	80	90	85	87	79	91	103	93
Soap, cleansers, etc.....do	1,001	915	942	902	931	912	963	846	977	907	874	1,011	949
Office furnishings and supplies.....do	17	0	0	0	0	0	0	0	0	0	0	2	16
Smoking materials.....do	1,376	1,134	1,219	1,119	1,190	1,190	1,283	1,157	1,193	1,224	1,169	1,302	1,281
Toilet goods, medical supplies.....do	2,626	2,225	2,328	2,084	2,210	2,126	2,109	1,926	2,002	1,897	2,058	2,609	2,365
All other.....do	503	285	221	220	274	201	224	218	158	235	385	1,390	943
Magazine advertising:													
Cost, total.....do	13,589	12,262	8,274	12,314	16,261	17,312	16,454	15,648	10,797	10,005	13,635	15,861	15,861
Automobiles and accessories.....do	1,270	1,300	1,318	1,616	2,483	2,986	2,744	2,415	1,439	1,215	1,611	2,742	2,427
Clothing.....do	745	555	271	596	1,095	1,024	925	807	231	487	1,061	1,216	878
Electric household equipment.....do	646	406	88	239	585	747	842	657	261	149	281	525	531
Financial.....do	336	318	376	365	458	481	441	504	343	283	378	452	432
Foods, food beverages, confections.....do	2,003	1,771	1,271	2,129	2,477	2,285	2,213	2,391	2,138	2,004	2,140	2,440	2,582
House furnishings, etc.....do	684	681	255	475	730	1,130	1,134	826	304	235	825	1,177	945
Soap, cleansers, etc.....do	240	269	217	478	497	468	514	546	413	382	429	441	471
Office furnishings and supplies.....do	345	303	119	166	263	192	235	150	80	188	305	219	248
Smoking materials.....do	682	647	620	598	824	663	702	863	762	698	790	776	874
Toilet goods, medical supplies.....do	2,081	2,219	1,422	2,396	2,723	2,576	2,325	2,420	1,989	1,709	2,147	2,433	2,295
All other.....do	4,558	3,794	2,317	3,256	4,124	4,759	4,378	4,069	2,857	2,656	3,068	4,367	4,180
Linage, total.....thous. of lines	1,691	1,711	1,973	2,343	2,779	2,725	2,430	2,014	1,706	1,888	2,410	2,432	2,460
Newspaper advertising:													
Linage, total (52 cities).....do	122,786	118,103	88,033	93,240	114,255	111,989	119,883	103,290	84,440	92,041	106,701	118,784	113,191
Classified.....do	21,918	20,246	19,075	19,295	22,945	23,083	23,936	23,216	21,194	21,964	22,328	22,786	21,071
Display, total.....do	100,868	97,857	68,958	73,945	91,309	88,906	95,948	80,074	63,246	70,077	84,373	95,997	92,119
Automotive.....do	4,124	3,482	3,854	4,224	5,620	7,007	7,812	5,639	3,628	3,619	5,035	6,471	4,973
Financial.....do	1,742	1,637	2,278	1,494	1,709	1,838	1,477	1,485	1,827	1,196	1,322	1,606	1,359
General.....do	13,549	14,133	12,433	15,740	17,645	17,824	19,427	17,069	15,043	12,046	14,546	18,511	16,796
Retail.....do	81,452	78,555	59,393	52,487	66,246	62,237	67,231	55,880	44,748	53,216	63,469	69,409	68,992
GOODS IN WAREHOUSES													
Space occupied in public-merchandise warehouses.....percent of total		73.9	72.3	71.7	73.0	72.1	72.2	71.7	71.0	72.5	72.1	72.6	73.2
NEW INCORPORATIONS													
Business incorporations (4 States).....number	1,792	1,901	2,361	1,966	1,998	2,250	2,087	1,619	1,710	1,627	1,537	1,632	1,470
POSTAL BUSINESS													
Air mail: Pound-mile performance.....millions		1,771	1,535	1,500	1,682	1,628	1,683	1,597	1,634	1,719			
Money orders:													
Domestic, issued (50 cities):													
Number.....thousands	4,914	4,554	4,702	4,246	4,664	4,503	4,309	4,151	4,226	4,134	3,901	4,527	4,373
Value.....thous. of dol.	45,154	41,190	41,576	39,065	42,937	41,548	40,028	38,218	40,144	39,472	39,041	42,719	41,646
Domestic, paid (50 cities):													
Number.....thousands	15,876	15,285	13,008	12,945	14,373	13,624	13,928	13,138	13,106	13,106	12,469	15,096	14,177
Value.....thous. of dol.	123,430	111,851	100,455	95,124	106,197	100,793	103,120	97,435	100,955	102,390	99,068	119,500	111,864
Foreign, issued—value.....do		3,926	1,604	1,467	1,775	1,450	1,430	1,362	1,519	1,494	1,248	1,478	1,843
Receipts, postal:													
50 selected cities.....do	45,390	42,947	30,380	29,737	32,657	31,615	32,265	28,668	27,626	28,974	30,325	35,233	33,201
50 industrial cities.....do	5,539	5,118	3,791	3,665	3,993	3,923	3,786	3,451	3,565	3,568	3,572	4,194	3,686
RETAIL TRADE													
Automobiles, value of new passenger-car sales:													
Unadjusted.....1929-31=100	135.8	110.8	95.6	100.7	133.9	145.1	131.1	143.5	118.3	70.9	67.7	140.1	147.9
Adjusted.....do	121.2	108.5	125.8	130.8	112.5	112.5	104.1	122.7	119.5	120.2	118.7	133.4	128.6
Chain-store sales, indexes:													
Chain-Store Age, combined index (20 chains) av. same month 1929-31=100	128.0	120.0	113.5	114.0	115.0	115.0	117.0	119.0	119.0	122.8	121.0	120.0	124.0
Apparel chains.....do	149.0	142.0	120.0	119.0	128.0	122.0	123.0	120.0	132.0	134.0	137.0	132.0	136.0
Grocery chain-store sales:													
Unadjusted.....1929-31=100	119.6	112.1	105.4	112.1	112.0	113.2	114.0	112.8	109.9	110.0	110.1	114.5	116.8
Adjusted.....do	116.2	108.8	108.7	111.5	110.9	109.9	112.3	111.1	112.2	114.6	112.4	113.9	116.8
Drug chain-store sales:													
Unadjusted.....1935-39=100	144.7	136.1	96.1	95.5	102.2	96.6	98.7	98.5	99.4	102.2	98.6	104.7	105.2
Adjusted.....do	107.1	101.5	100.3	98.7	102.7	99.9	102.1	104.8	103.8	107.6	102.7	103.2	105.3
Variety store sales, combined sales, 7 chains:													
Unadjusted.....1935-39=100	221.3	209.4	76.1	83.5	99.3	92.1	101.7	99.5	97.6	95.8	103.9	108.0	112.9
Adjusted.....do	109.8	104.7	104.0	105.3	105.4	103.2	105.2	104.4	106.5	109.2	108.1	109.7	109.7
Chain-store sales and stores operated:													
Variety chains:													
H. L. Green Co., Inc.†													
Sales.....thous. of dol.	7,972	7,821	2,785	2,774	3,846	3,279	3,751	3,784	3,334	3,657	3,536	3,992	4,395
Stores operated.....number	150	151	151	151	151	151	151	151	151	151	149	150	150
S. S. Kresge Co.:													
Sales.....thous. of dol.	24,683	24,406	9,042	9,543	12,206	10,498	11,815	11,643	10,458	11,757	10,870	12,626	13,290
Stores operated.....number	684	686	675	675	675	675	675	676	677	678	681	682	684
S. H. Kress & Co.:													
Sales.....thous. of dol.	15,732	15,232	5,300	5,603	6,897	6,401	6,838	6,310	6,514	6,691	6,839	7,514	7,659
Stores operated.....number	242	240	240	239	239	239	239	239	239	239	239	241	242
McCrorry Stores Corp.:													
Sales.....thous. of dol.	8,028	7,655	2,767	2,998	3,883	3,246	3,507	3,611	3,334	3,626	3,377	3,768	4,058
Stores operated.....number	204	200	201	201	203	203	203	203	203	202	202	202	202

† Revised. † Preliminary.

† Revised series. Revised indexes of variety store sales beginning

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940									
	December	December	January	February	March	April	May	June	July	August	September	October

DOMESTIC TRADE—Continued

RETAIL TRADE—Continued													
Chain store sales and stores operated—Con.													
Variety chains—Con.													
G. C. Murphy Co.:													
Sales.....thous. of dol.	9,042	8,163	3,083	3,134	4,069	3,585	4,300	4,398	3,966	4,370	3,923	4,612	4,884
Stores operated.....number	204	202	202	202	202	203	203	202	202	202	202	202	202
F. W. Woolworth Co.:													
Sales.....thous. of dol.	54,571	52,333	20,512	22,117	27,545	23,774	26,067	26,020	24,507	26,828	25,197	28,634	29,688
Stores operated.....number	2,025	2,020	2,017	2,015	2,016	2,014	2,015	2,015	2,013	2,014	2,021	2,024	2,023
Other chains:													
W. T. Grant Co.:													
Sales.....thous. of dol.	20,030	18,868	5,931	6,109	8,101	7,620	8,787	8,911	7,698	8,750	8,276	10,172	10,569
Stores operated.....number	494	494	492	492	492	492	492	492	492	493	493	494	494
J. C. Penney Co.:													
Sales.....thous. of dol.	45,716	43,216	18,292	16,032	21,469	21,181	23,599	24,737	20,882	24,492	24,791	29,584	33,765
Stores operated.....number	1,586	1,554	1,554	1,557	1,560	1,562	1,562	1,568	1,568	1,575	1,578	1,582	1,586
Department stores:													
Collections, ratio to accounts receivable:													
Instalment accounts.....percent		18.0	17.0	17.2	17.9	17.8	17.3	16.5	16.4	16.9	16.7	17.7	18.1
Open accounts.....do		44.5	48.2	44.6	45.4	46.5	46.8	45.9	45.4	44.1	42.4	47.1	48.7
Sales, total U. S., unadjusted.....1923-25=100	179	168	71	71	86	86	89	87	64	77	105	101	114
Atlanta.....do	223	206	83	100	123	104	114	98	81	107	132	125	141
Boston.....do	145	140	69	53	69	71	74	75	51	62	80	91	92
Chicago.....do	173	164	75	74	92	91	93	92	65	86	104	101	113
Cleveland.....do	178	171	70	73	86	90	94	93	67	84	107	97	116
Dallas.....do	201	195	86	91	110	99	105	90	76	94	127	111	131
Kansas City.....do	148	155	67	70	87	85	86	76	66	86	91	95	99
Minneapolis.....do	160	81	70	93	100	100	97	73	101	106	117	117	108
New York.....do	184	172	74	69	82	83	85	89	67	76	108	108	120
Philadelphia.....do	148	138	52	53	69	65	74	73	50	60	79	87	100
Richmond.....do	248	217	84	83	110	105	120	112	83	104	128	149	148
St. Louis.....do	167	156	69	73	91	90	88	82	66	78	106	101	112
San Francisco.....do	188	179	80	83	95	90	95	88	98	98	103	103	116
Sales, total U. S., adjusted.....1923-31=100	101	95	92	90	89	89	89	91	82	93	97	94	100
Atlanta.....do	129	119	108	115	120	111	115	115	118	123	122	112	129
Chicago.....do	103	98	92	92	94	92	92	94	92	107	100	92	103
Cleveland.....do	104	100	93	93	91	88	87	95	92	101	102	94	108
Dallas.....do	116	113	107	112	103	105	102	108	102	122	115	99	117
Minneapolis.....do	102	105	102	97	90	101	100	97	103	115	95	97	104
New York.....do	102	95	94	86	89	90	88	92	94	101	104	95	101
Philadelphia.....do	81	76	72	70	71	69	74	75	73	80	79	75	82
St. Louis.....do	101	94	87	85	92	88	89	95	104	99	89	96	96
San Francisco.....do	109	104	98	99	102	96	99	97	101	104	100	99	110
Instalment sales, New England dept. stores percent of total sales	7.0	6.6	11.1	11.9	10.1	9.5	9.6	7.5	10.0	15.1	11.2	11.8	10.5
Stocks, total U. S., end of month:													
Unadjusted.....1923-25=100	66	64	61	68	71	71	70	64	61	66	73	79	83
Adjusted.....do	71	68	68	71	70	69	68	67	68	69	70	71	72
Mail-order and store sales:													
Total sales, 2 companies.....thous. of dol.	166,723	148,552	70,532	71,366	89,741	102,228	111,883	106,417	88,565	101,512	111,622	133,857	127,938
Montgomery Ward & Co.....do	70,850	66,025	29,984	30,530	38,842	45,856	45,905	43,104	37,213	42,692	45,972	56,937	54,613
Sears, Roebuck & Co.....do	95,873	82,427	40,548	40,836	50,899	56,372	65,978	63,313	51,352	58,820	65,650	76,920	73,324
Rural sales of general merchandise:													
Total U. S., unadjusted.....1923-31=100	233.7	211.7	102.3	107.0	119.9	115.3	122.8	125.5	96.4	119.4	135.1	158.4	179.4
East.....do	256.2	229.2	99.2	106.0	120.0	115.2	126.3	133.1	95.7	120.4	136.7	167.1	176.0
South.....do	268.3	236.4	120.7	136.9	151.6	134.4	135.8	132.6	102.6	121.2	163.8	207.9	233.9
Middle West.....do	210.6	190.1	96.6	96.8	110.9	105.1	114.0	116.4	88.1	110.2	117.7	138.3	164.5
Far West.....do	245.2	242.8	108.4	114.8	129.2	127.0	138.4	146.7	121.9	150.5	183.5	165.9	185.5
Total U. S., adjusted.....do	146.3	132.4	134.5	129.6	136.6	135.4	133.8	137.3	145.0	146.0	139.0	122.0	137.9
East.....do	153.9	137.7	130.6	129.6	133.6	120.8	137.3	145.0	134.4	151.1	139.0	129.8	136.6
South.....do	178.7	157.4	152.6	150.1	167.9	152.5	160.1	164.9	151.1	168.1	148.4	140.3	170.3
Middle West.....do	135.0	121.9	126.3	121.8	125.1	125.5	120.4	123.3	118.4	133.6	114.9	108.9	125.5
Far West.....do	150.2	148.8	147.5	155.1	146.0	142.2	153.9	153.9	148.6	163.4	139.7	138.2	153.8

EMPLOYMENT CONDITIONS AND WAGES

EMPLOYMENT													
Factory, unadjusted (U. S. Department of Labor).....1923-25=100	116.2	107.8	105.0	105.0	104.4	103.2	102.5	103.1	103.2	107.4	111.4	113.8	114.0
Durable goods.....do	117.5	102.8	100.1	99.2	99.1	98.7	99.2	99.8	98.4	102.4	108.2	112.8	115.5
Iron and steel and their products, not including machinery.....1923-25=100	121.6	111.4	108.3	106.7	103.5	101.7	101.9	103.7	106.2	110.7	113.6	117.1	119.3
Blast furnaces, steel works, and rolling mills.....1923-25=100	129.4	123.3	120.9	117.4	111.5	108.4	109.1	114.3	119.0	122.1	123.2	125.3	127.4
Hardware.....do	112.5	105.6	103.5	101.3	98.8	98.1	95.9	81.6	82.9	95.8	101.2	105.3	109.0
Structural and ornamental metal work.....1923-25=100	91.0	75.4	73.4	71.6	70.3	70.0	71.1	73.5	76.0	79.9	83.4	85.6	86.5
Tin cans and other tinware.....do	98.7	95.4	93.6	92.7	93.7	94.8	95.6	102.8	105.9	108.1	105.2	101.4	100.2
Lumber and allied products.....do	73.4	71.1	67.3	66.7	66.8	66.9	68.0	68.3	68.2	71.3	73.4	74.4	74.4
Furniture.....do	96.8	94.8	90.3	89.0	88.7	86.4	87.3	88.1	87.7	91.0	94.6	96.8	97.0
Lumber, sawmills.....do	64.5	63.3	59.5	59.1	59.5	60.3	61.9	61.9	61.5	64.9	66.3	66.6	66.1
Machinery, excl. transp. equip.....do	135.6	113.1	112.4	113.1	113.1	113.6	113.9	115.1	116.1	119.2	123.1	127.3	131.1
Agricultural implements (including tractors).....1923-25=100	143.2	130.9	135.2	141.1	143.6	141.4	139.6	137.3	130.6	131.2	133.5	134.9	136.6
Electrical machinery, apparatus, and supplies.....1923-25=100	124.8	102.6	101.7	101.6	101.7	101.5	101.9	103.3	103.8	106.6	111.2	116.1	120.6
Engines, turbines, water wheels, and windmills.....1923-25=100	210.1	119.8	125.3	133.0	134.5	140.2	148.9	158.1	167.5	174.8	182.2	190.4	199.7
Foundry and machine-shop products.....1923-25=100	113.8	97.2	97.2	97.6	97.2	97.2	96.5	96.9	98.0	100.5	103.4	106.7	110.1
Machine tools.....do	275.7	192.2	196.8	204.8	211.0	216.3	221.1	229.1	234.8	237.5	248.0	257.8	265.9
Radios and phonographs.....do	157.8	162.3	136.4	126.3	121.7	128.3	136.5	141.0	143.4	157.1	159.5	163.6	159.4
Metals, nonferrous, and products.....do	131.1	112.9	109.8	107.2	107.1	105.6	105.3	106.6	107.0	113.8	119.8	126.1	129.8
Brass, bronze, and copper products.....do	168.6	137.7	135.7	128.3	128.7	125.8	125.5	127.1	129.6	138.2	146.6	154.9	162.4

* Revised. † Preliminary.

† Revised series. For revised index of department store sales in Atlanta district beginning 1919, see table 53, p. 16, of the December 1940 Survey. For revisions in adjusted index of United States department store sales for 1935-39, see note marked with a "†" on p. 25 of the January 1941 Survey. Employment and pay-roll indexes for all manufacturing, durable goods, and nondurable goods revised to adjust data to preliminary 1939 Census figures; revised indexes beginning July 1937 for employment, all industries and nondurable goods, and January 1938 for other series, comparable with data here shown, will appear in a subsequent issue.

* New series. For data beginning 1923, see table 39, p. 15, of the October 1940 Survey.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November
EMPLOYMENT CONDITIONS AND WAGES—Continued													
EMPLOYMENT—Continued.													
Factory, unadj. (U. S. Dept. of Labor)—Con.													
Durable goods—Continued.													
Stone, clay, and glass prod. 1923-25=100	88.7	83.6	77.7	75.5	77.7	80.5	82.0	82.9	82.4	84.5	85.8	87.5	88.9
Brick, tile, and terra cotta do	65.5	62.6	57.0	52.9	54.4	58.0	60.9	63.1	64.1	64.4	64.7	65.0	65.5
Glass do	116.6	108.5	105.6	102.5	106.2	105.3	104.4	104.9	103.3	106.9	109.3	113.2	117.0
Transportation equipment† do	149.6	117.6	116.7	116.1	118.5	116.9	116.7	114.3	99.7	105.1	126.9	139.5	146.0
Aircraft* do	4,849.7	2,100.0	2,274.6	2,302.6	2,379.4	2,474.3	2,676.4	2,913.5	3,146.6	3,478.6	3,764.3	4,115.9	4,478.1
Automobiles do	128.5	118.1	115.8	113.1	114.4	112.0	109.8	104.9	82.3	85.4	112.1	125.1	129.5
Shipbuilding* do	220.8	139.4	137.5	142.7	150.7	152.8	158.2	162.8	170.2	181.1	188.1	197.4	204.2
Nondurable goods† do	114.9	112.6	109.7	110.5	109.5	107.5	105.6	106.2	107.8	112.2	114.4	114.8	113.7
Chemical, petroleum, and coal products 1923-25=100													
Chemicals do	125.5	122.3	121.0	121.0	122.8	123.4	120.8	119.0	118.5	119.4	123.0	125.3	125.3
Paints and varnishes do	150.3	137.6	135.8	136.1	135.6	135.2	136.2	138.3	140.4	141.6	143.4	145.6	148.0
Petroleum refining do	126.2	124.2	123.5	123.2	123.5	124.4	125.9	126.4	124.6	123.5	126.1	125.1	126.0
Rayon and allied products do	119.4	122.3	121.6	120.9	121.3	121.1	121.8	123.2	122.9	122.7	122.6	121.2	120.7
Food and kindred products do	315.3	312.2	313.5	313.3	309.0	305.8	304.3	306.0	306.9	307.7	311.7	311.1	314.5
Baking do	130.9	126.0	119.5	118.8	118.8	119.7	121.7	129.7	135.4	145.8	147.4	141.3	132.5
Slaughtering and meat packing do	144.4	144.8	141.4	142.3	143.1	142.5	144.8	147.0	147.1	146.6	146.6	145.9	145.5
Leather and its manufactures do	125.1	112.1	111.8	108.6	107.4	103.6	105.7	108.2	111.1	106.8	108.0	109.6	116.2
Boots and shoes do	90.4	93.2	97.4	99.3	98.2	94.2	86.8	86.8	91.6	92.0	90.8	90.0	87.0
Paper and printing do	87.6	90.8	95.8	98.3	97.7	93.1	84.6	84.8	90.7	91.8	89.7	88.4	84.1
Paper and pulp do	119.8	118.5	115.1	114.6	114.4	113.8	115.0	114.5	114.7	115.2	116.2	117.7	118.2
Rubber products do	115.8	115.1	114.1	113.0	112.6	112.0	115.2	116.2	117.1	116.9	116.7	115.1	115.7
Rubber tires and inner tubes do	97.7	93.0	90.0	88.0	87.2	84.7	83.8	83.4	83.5	85.9	89.4	92.7	94.5
Textiles and their products† do	77.2	74.7	73.6	73.0	72.3	69.0	68.5	69.3	70.5	72.6	74.0	75.3	75.3
Fabrics† do	107.1	105.6	103.5	103.5	102.9	98.8	96.0	93.7	94.5	99.7	102.6	104.5	105.5
Wearing apparel do	100.2	98.5	95.9	95.5	90.7	88.3	87.0	85.7	88.0	90.4	92.8	96.1	98.7
Tobacco manufactures do	117.9	116.9	116.1	123.7	126.6	118.6	112.2	107.9	104.9	116.7	120.7	118.9	116.3
Factory, adjusted (Federal Reserve)† do	65.5	65.8	59.0	61.7	63.6	63.8	62.2	64.9	62.4	64.4	65.8	66.5	66.8
Durable goods† do	116.6	108.2	107.6	105.8	104.0	102.8	102.8	103.8	105.1	107.4	108.9	111.4	114.2
Iron and steel and their products, not including machinery 1923-25=100	117.4	102.7	102.4	100.2	98.6	97.7	99.9	100.4	104.3	107.4	108.9	111.2	114.6
Blast furnaces, steel works, and rolling mills 1923-25=100	122.4	112.1	110.4	107.0	102.7	100.8	101.2	103.7	107.3	111.1	112.9	116.1	118.9
Hardware do	130	124	122	117	110	107	109	115	120	123	123	125	127
Structural and ornamental metal work do	113	106	104	101	98	97	95	82	84	98	102	105	109
1923-25=100													
Tin cans and other tinware do	92	76	75	73	72	71	73	75	78	81	84	86	86
Lumber and allied products do	103	100	101	100	99	98	97	98	98	96	99	103	103
Furniture do	74.9	72.4	72.0	70.0	68.1	67.2	67.9	67.5	69.0	70.6	71.3	73.6	73.6
Lumber, sawmills do	95	93	91	91	90	90	90	89	90	91	91	93	93
Machinery, excl. transp. equip. do	67	66	65	63	61	60	61	60	60	62	64	64	66
Agricultural implements (including tractors) 1923-25=100	135.4	112.9	113.4	113.6	113.3	113.4	113.4	114.9	116.6	120.0	122.4	126.6	130.9
Electrical machinery, apparatus, and supplies 1923-25=100	143	131	133	137	136	133	136	136	133	139	141	143	140
Engines, turbines, water wheels, and windmills 1923-25=100	125	103	103	102	102	102	101	103	104	107	111	116	120
Foundry and machine-shop products 1923-25=100	218	124	133	134	132	134	142	152	165	175	181	195	210
Machine tools* do	114	97	98	98	97	97	96	97	98	101	103	107	110
Radios and phonographs do	274	191	197	204	209	215	220	228	237	247	247	257	265
Metals, nonferrous, and products do	149	153	144	144	145	153	155	144	145	145	133	134	142
Brass, bronze, and copper products do	129.4	111.3	111.7	107.5	106.6	105.9	106.0	108.2	110.7	115.7	118.6	122.3	126.3
Stone, clay, and glass products do	169	138	137	128	127	125	124	128	132	140	147	153	162
Brick, tile, and terra cotta do	90.4	85.4	85.8	80.8	80.0	79.8	78.9	79.8	81.3	81.8	83.0	84.7	88.4
Glass do	68	65	66	61	59	59	58	58	60	60	61	61	65
Transportation equipment† do	117	109	111	103	105	104	103	103	105	107	109	112	117
Aircraft* do	145.4	113.7	114.3	112.1	112.5	111.2	111.6	111.8	110.7	120.9	129.9	139.9	144.1
Automobiles do	4,899.2	2,121	2,298	2,326	2,356	2,426	2,598	2,829	3,115	3,479	3,881	4,243	4,523
Shipbuilding* do	122	112	111	107	107	106	105	102	97	107	115	125	126
Nondurable goods† 1923-25=100	220	139	140	146	148	148	154	164	175	186	187	195	204
Chemical, petroleum, and coal products 1923-25=100	115.8	113.4	112.4	111.1	109.3	107.6	107.4	108.4	109.6	110.2	110.3	111.6	113.8
Chemicals do	125.0	121.9	121.4	120.6	120.0	121.1	122.0	122.4	121.7	122.2	121.3	122.9	123.9
Paints and varnishes do	151	138	138	137	137	136	137	138	138	141	141	143	147
Petroleum refining do	128	126	127	124	124	123	121	122	124	126	127	125	127
Rayon and allied products do	119	122	122	122	123	122	122	122	122	122	121	121	120
Food and kindred products do	314	311	310	309	304	312	311	315	306	306	309	310	311
Baking do	136.1	131.4	130.7	130.8	130.3	128.8	129.1	131.9	129.0	129.8	127.0	130.1	132.4
Slaughtering and meat packing do	144	145	144	144	145	144	145	146	146	146	144	144	144
Leather and its manufactures do	121	108	108	109	110	107	107	109	111	108	109	110	114
Boots and shoes do	94.0	96.9	97.3	95.4	93.8	91.9	87.9	89.6	90.9	89.1	89.9	91.1	93.8
Paper and printing do	92	96	96	94	93	90	86	88	89	87	88	90	92
Paper and pulp do	117.6	116.4	115.5	114.7	114.8	114.3	115.3	115.7	116.4	116.4	115.7	116.2	116.4
Rubber products do	116	115	114	113	113	112	115	116	117	117	117	115	116
Rubber tires and inner tubes do	97.0	92.4	90.2	87.9	86.7	83.9	83.5	84.2	84.7	87.0	89.7	91.6	93.6
Textiles and their products† do	77	75	74	73	72	70	69	69	69	71	73	74	75
Fabrics† do	107.3	105.8	104.4	102.7	99.1	96.6	96.3	96.8	100.2	101.1	101.9	102.6	105.4
Wearing apparel do	98.5	96.9	95.0	93.1	88.6	87.8	88.0	88.0	91.3	92.6	93.5	95.2	97.7
Tobacco manufactures do	122.7	121.6	121.3	120.0	118.8	112.4	111.6	112.4	116.1	116.4	116.4	114.8	118.1
Factory, unadjusted, by States and cities:	64.4	64.7	64.2	62.7	64.3	65.0	63.2	65.2	62.8	63.0	63.7	63.3	63.4
State:													
Delaware 1923-25=100	108.2	98.4	97.1	96.1	96.9	98.5	98.9	100.9	99.3	107.7	108.9	110.2	104.9
Illinois† 1935-39=100	118.9	108.2	106.0	105.9	105.3	104.0	104.4	105.4	107.1	110.0	112.2	113.9	116.2
Iowa 1923-25=100	151.1	140.4	136.2	135.7	134.6	134.9	136.5	137.6	137.3	138.9	142.4	147.0	147.0
Maryland 1929-31=100	116.5	105.8	104.4	104.0	105.2	105.4	106.0	106.4	108.9	110.5	111.6	113.3	115.3
Massachusetts 1925-27=100	87.6	81.9	80.8	86.7	78.0	76.3	74.9	74.6	77.7	79.9	82.5	84.9	85.3
New Jersey 1923-25=100	120.5	106.2	103.4	103.5	103.7	103.1	103.8	105.6	106.0	111.3	115.4	116.6	118.0
New York 1925-27=100	102.5	91.6	89.9	91.1	91.8	89.6	88.7	88.9	89.6	93.3	97.2	99.7	101.0
Ohio 1926=100	107.0	97.8	95.										

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940									
	December	December	January	February	March	April	May	June	July	August	September	October

EMPLOYMENT CONDITIONS AND WAGES—Continued

EMPLOYMENT—Continued													
Factory, unadjusted, by States and cities—Con.													
City or industrial area—Continued.													
Detroit.....1923-25=100	121.5	112.1	104.9	110.7	110.3	108.8	102.6	96.0	64.1	93.4	111.6	120.2	122.0
Milwaukee.....1925-27=100	113.7	104.0	101.6	97.2	99.9	99.1	99.4	100.0	97.5	101.4	105.5	110.5	111.2
New York.....do	103.0	95.1	92.1	95.9	98.4	93.7	91.1	88.4	86.2	97.1	101.6	102.5	102.5
Philadelphia.....1923-25=100	97.0	86.9	85.5	86.6	84.7	83.7	82.0	83.0	84.5	87.9	91.1	93.7	95.7
Pittsburgh.....do	99.3	93.4	92.0	90.0	88.4	86.1	86.2	89.6	91.1	93.1	94.0	96.6	98.4
Wilmington.....do	99.1	90.0	89.0	88.0	88.6	90.0	89.9	89.6	87.5	88.8	90.6	93.4	95.6
Nonmanufacturing, unadjusted (U. S. Department of Labor):													
Mining:													
Anthracite.....1929=100	50.8	51.0	51.5	51.6	52.2	51.2	51.8	49.7	50.5	49.9	49.8	49.4	50.4
Bituminous coal.....do	90.0	92.6	91.8	91.7	89.7	86.2	85.1	83.8	84.9	86.6	87.7	89.2	90.0
Metalliferous.....do	72.2	67.3	66.4	66.3	66.2	67.7	69.2	70.3	71.0	71.5	72.5	72.6	72.9
Crude petroleum producing.....do	60.9	63.8	63.2	63.0	63.2	63.1	63.3	63.8	63.7	63.6	63.0	62.4	61.4
Quarrying and nonmetallic.....do	45.5	44.0	37.8	38.3	41.0	44.5	46.9	47.9	48.1	48.5	48.9	48.8	47.4
Public utilities:													
Electric light and power.....do	91.3	90.1	89.1	89.2	89.3	90.3	90.6	91.2	92.2	93.0	92.7	92.3	91.6
Street railways and busses.....do	68.4	69.0	68.8	68.7	68.2	68.3	68.4	68.5	68.4	68.4	68.5	68.7	68.6
Telephone and telegraph.....do	79.6	75.8	76.1	75.9	76.0	76.7	77.3	77.8	78.8	79.0	78.9	79.1	79.1
Services:													
Dyeing and cleaning.....do	103.2	97.4	94.0	93.7	99.5	104.5	108.7	112.6	108.2	106.7	110.0	109.4	106.2
Laundries.....do	100.2	95.6	96.0	95.8	96.2	97.2	99.1	102.1	102.5	102.8	101.9	100.2	99.5
Year-round hotels.....do	92.7	90.8	91.3	92.1	92.0	92.7	93.4	92.0	90.3	90.3	91.6	93.4	92.5
Trade:													
Retail, total.....do	107.5	104.2	87.7	87.0	91.1	89.8	91.2	91.9	89.1	88.7	92.8	94.3	96.0
General merchandising.....do	151.3	146.4	89.3	87.9	96.4	92.9	95.1	96.2	90.3	90.1	99.4	103.5	109.7
Wholesale.....do	92.7	92.2	90.6	90.2	90.5	89.3	88.9	89.6	89.2	90.1	90.9	91.0	91.9
Miscellaneous employment data:													
Construction, Ohio.....1926=100	49.1	41.3	31.6	31.1	31.2	35.7	42.9	47.6	49.4	51.9	52.1	54.8	51.4
Federal and State highways, total number	185,661	145,707	163,592	164,726	205,164	258,162	286,100	301,773	310,082	303,225	301,578	250,044	250,044
Construction (Federal and State).....do	81,845	42,960	43,267	60,417	93,726	131,970	152,049	165,528	172,379	172,304	161,252	121,545	121,545
Maintenance (State).....do	103,816	102,747	120,325	104,309	111,438	126,192	134,051	136,245	137,703	130,921	140,326	128,499	128,499
Federal civilian employees:													
United States.....do	987,857	939,066	938,975	947,427	959,146	977,990	1,014,053	1,023,552	1,038,876	1,058,639	1,086,171	1,111,530	1,111,530
District of Columbia.....do	127,502	127,525	127,783	128,642	129,677	130,937	133,856	138,453	142,821	145,557	149,479	152,603	152,603
Railway employees (class I steam railways):													
Total.....thousands	1,029	1,008	1,014	1,006	1,004	1,032	1,055	1,071	1,081	1,081	1,088	1,094	1,065
Indexes:													
Unadjusted.....1923-25=100	57.4	56.5	55.4	55.7	55.2	55.1	56.7	58.0	58.8	59.4	59.8	60.1	58.4
Adjusted.....do	58.8	57.9	57.7	57.9	56.8	55.6	56.0	56.7	57.4	57.9	58.6	58.4	58.0
LABOR CONDITIONS													
Average weekly hours per worker in factories:													
Natl. Ind. Con. Bd. (25 industries).....hours	40.1	39.1	38.7	38.0	37.7	37.6	37.5	38.0	38.1	38.5	39.0	39.9	39.6
U. S. Dept. of Labor (90 industries).....do	38.6	38.6	37.4	37.3	37.5	37.2	37.2	37.5	37.3	38.4	38.8	39.3	38.6
Industrial disputes (strikes and lockouts):													
Beginning in month.....number	160	106	119	153	162	209	220	185	206	201	211	218	200
In progress during month.....do	295	222	213	246	273	310	333	292	323	324	328	342	340
Workers involved in strikes:													
Beginning in month.....thousands	40	12	27	29	22	39	52	61	60	66	68	63	63
In progress during month.....do	65	37	41	37	43	52	76	53	79	87	103	98	98
Man-days idle during month.....do	400	384	244	285	382	434	654	460	554	681	771	887	660
Employment security operations (Sec. Sec. Bd.):													
Placement activities:													
Applications:													
Active file.....thousands	4,780	5,746	6,079	5,920	5,025	5,682	5,724	5,734	5,565	5,211	4,911	4,619	4,568
New and renewed.....do	1,495	1,290	1,601	1,304	1,351	1,515	1,328	1,318	1,401	1,274	1,207	1,391	1,334
Placements, total.....do	378	265	221	203	243	295	350	330	308	331	353	407	365
Private.....do	298	235	196	184	218	259	304	288	260	280	305	339	295
Unemployment compensation activities:													
Continued claims.....thousands	3,983	4,204	6,063	5,825	5,670	6,614	7,253	6,525	7,292	5,881	4,268	4,006	3,622
Benefit payments:													
Individuals receiving payments.....do	666	658	877	985	1,095	961	1,201	1,269	1,220	1,125	875	698	676
Amount of payments.....thous. of dol.	30,886	30,471	40,996	44,328	47,130	42,286	54,879	53,618	55,741	51,695	36,594	32,231	29,561
Labor turnover in mfg. establishments:													
Accession rate, mo. rate per 100 employees	4.11	2.84	3.74	2.98	2.94	3.05	3.36	4.76	4.77	6.63	6.21	5.52	4.65
Separation rate, total.....do	3.16	3.46	3.43	3.56	3.46	3.66	3.78	3.36	3.35	3.00	3.22	3.23	3.06
Discharges.....do	.16	.12	.14	.16	.15	.13	.13	.14	.14	.16	.16	.19	.18
Lay-offs.....do	1.86	2.65	2.55	2.67	2.53	2.78	2.32	2.25	1.63	1.48	1.48	1.53	1.60
Quits and miscellaneous.....do	1.14	.69	.74	.73	.78	.84	.87	.90	.96	1.21	1.58	1.51	1.28
PAY ROLLS													
Factory, unadjusted (U. S. Department of Labor):													
Durable goods.....1923-25=100	122.8	105.4	99.8	99.3	99.8	97.9	97.8	99.5	98.2	105.5	111.6	116.2	116.5
Iron and steel and their products, not including machinery.....1923-25=100	132.2	105.8	99.3	97.8	98.7	98.4	98.7	101.4	97.4	106.5	115.1	123.4	125.2
Blast furnaces, steel works, and rolling mills.....1923-25=100	133.3	115.3	106.2	100.9	96.5	94.9	97.2	102.8	104.3	113.5	118.1	123.6	125.8
Hardware.....1923-25=100	142.6	129.2	119.3	110.2	101.8	98.6	103.1	113.9	116.2	124.8	128.2	131.3	134.9
Structural and ornamental metal work.....1923-25=100	128.0	117.0	108.9	100.9	104.7	104.0	101.9	85.8	85.7	106.5	113.5	118.8	122.3
Tin cans and other tinware.....do	86.5	67.2	62.6	60.3	59.5	61.2	61.7	64.8	67.6	72.9	74.8	79.6	78.7
Lumber and allied products.....do	113.1	100.4	96.9	93.0	99.6	101.0	100.9	113.5	113.4	121.9	116.8	113.1	104.1
Furniture.....do	71.9	65.2	58.8	60.0	61.0	61.4	63.3	63.6	60.7	68.3	71.2	73.7	70.9
Machinery, excl. transp. equip.....do	91.9	85.5	74.6	76.8	77.7	74.2	74.8	75.9	74.3	81.7	87.4	91.3	90.4
Agricultural implements (including tractors).....1923-25=100	61.3	55.4	51.1	52.0	53.3	55.4	58.3	58.1	53.9	62.2	63.8	65.1	60.9
Electrical machinery, apparatus, and supplies.....1923-25=100	162.6	122.1	119.1	119.3	121.5	121.6	122.3	125.1	125.7	131.0	137.9	145.3	149.3
Engines, turbines, water wheels, and windmills.....1923-25=100	171.3	151.5	155.8	163.8	167.9	166.1	164.0	157.8	148.9	152.0	156.2	158.8	160.4
Foundry and machine-shop products.....1923-25=100	157.9	114.2	112.4	111.6	113.8	112.7	114.3	118.3	118.1	123.7	131.4	138.2	145.0
Machine tools.....do	299.2	156.6	161.8	171.6	175.7	183.1	193.8	210.7	223.8	238.5	249.4	263.4	273.2
Machine tools*.....do	126.4	98.6	95.2	94.2	95.7	95.4	94.6	95.8	96.3	101.3	105.4	111.7	114.8
Radios and phonographs.....do	392.4	256.2	258.5	270.7	281.6	287.1	289.7	302.9	307.8	302.9	332.3	351.7	354.7

* Revised. † Preliminary. ‡ Designation changed from "quit" as separations such as deaths, permanent disabilities, retirements on pensions, etc., are included.
 § Beginning 1940 data are a weekly average of the number receiving benefits, based on an average of the weeks of unemployment compensated during weeks ended within the month.
 ¶ Revised series. Telephone and telegraph employment indexes revised beginning 1932, other indicated employment series beginning 1929; see table 19, p. 17, of the April 1940 Survey; subsequent revisions in indexes for street railways and busses beginning 1932, superseding those shown in the April Survey, appear in table 27, p. 17, of the May 1940 issue. For revisions in pay-roll indexes for all manufacturing and durable goods see note marked with a "†" on p. 71.
 New series. See note marked with an "" on p. 72.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940		1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November

EMPLOYMENT CONDITIONS AND WAGES—Continued

PAY ROLLS—Continued													
Factory, unadj. (U. S. Dept. of Labor)—Con.													
Durable goods—Continued.													
Metals, nonferrous, and prod. 1923-25=100	150.7	116.5	108.7	103.4	104.8	103.1	103.6	105.8	105.9	117.0	128.0	136.3	* 141.4
Brass, bronze, and copper products. do	222.3	158.9	150.3	136.4	137.2	133.0	134.2	140.8	146.2	160.7	177.6	190.0	* 201.7
Stone, clay, and glass products. do	85.4	76.4	66.9	65.3	68.3	72.2	74.6	73.4	71.1	76.7	* 79.7	* 83.0	* 82.0
Brick, tile, and terra cotta. do	57.3	51.6	43.4	39.6	41.5	45.2	49.2	51.1	51.8	53.6	54.0	55.1	* 54.4
Glass. do	136.5	118.9	113.1	108.3	112.8	114.2	112.0	111.0	105.2	116.0	120.7	129.8	* 130.8
Transportation equipment†. do	172.0	125.4	119.8	120.1	125.9	124.3	118.5	121.0	98.9	115.8	141.5	163.3	* 166.9
Aircraft*. do	5,381.2	2,046.5	2,197.0	2,183.9	2,344.3	2,415.0	2,601.5	2,968.2	3,124.6	3,272.4	4,211.9	* 4,639.4	* 5,175.3
Automobiles. do	147.4	127.9	119.9	119.1	122.9	121.2	111.0	112.0	80.5	96.1	* 125.2	* 149.3	* 150.5
Shipbuilding*. do	294.7	152.0	148.0	149.9	169.3	169.4	180.4	185.8	193.4	211.6	227.5	244.3	* 239.0
Nondurable goods†. do	112.2	105.0	100.4	101.0	101.0	97.3	96.8	97.4	99.1	104.4	* 107.7	108.1	* 106.8
Chemical, petroleum, and coal products													
1923-25=100	143.7	133.4	131.0	131.4	132.5	133.4	133.6	133.2	133.0	134.4	138.2	139.3	* 139.6
Chemicals. do	188.1	162.3	159.8	159.7	159.3	159.6	161.9	165.2	167.2	169.3	170.9	176.2	* 181.7
Paints and varnishes. do	138.4	130.5	128.5	128.3	130.5	131.9	136.3	136.2	132.4	132.1	135.6	135.8	* 135.8
Petroleum refining. do	138.1	137.6	133.5	134.4	135.8	136.9	136.8	137.1	136.6	137.4	139.3	136.3	* 133.6
Rayon and allied products. do	335.1	314.0	320.4	321.3	316.0	311.1	311.4	314.3	314.7	318.0	327.7	322.6	* 331.4
Food and kindred products. do	132.5	124.4	117.0	115.5	117.1	117.7	121.5	129.0	131.3	139.0	* 138.5	* 134.2	128.7
Baking. do	138.4	134.1	131.1	132.4	134.4	134.3	137.8	140.8	142.1	140.1	140.8	139.2	* 138.3
Slaughtering and meat packing. do	137.2	121.5	118.9	110.9	111.5	109.5	110.4	114.7	117.6	112.3	112.6	115.8	* 118.9
Leather and its manufactures. do	78.7	75.4	82.3	82.6	80.3	70.7	63.6	67.0	76.4	77.0	74.6	73.4	* 68.5
Boots and shoes. do	73.7	70.2	79.1	80.2	78.2	66.6	58.1	62.7	74.6	75.0	72.0	69.1	* 62.5
Paper and printing. do	121.1	116.8	110.0	108.6	110.0	109.7	113.1	112.3	111.2	110.9	113.4	115.2	* 115.4
Paper and pulp. do	128.3	122.5	117.6	116.9	115.1	115.4	124.2	126.2	126.3	124.8	124.2	123.8	* 123.8
Rubber products. do	111.6	100.5	94.1	88.3	88.3	86.5	87.1	86.4	85.2	87.7	86.7	* 89.6	102.7
Rubber tires and inner tubes. do	97.6	89.9	85.6	80.6	79.0	78.1	79.9	77.5	77.4	76.3	84.6	86.7	* 90.7
Textiles and their products†. do	97.7	91.6	87.5	91.3	89.5	81.4	77.9	75.4	77.7	87.4	92.6	93.2	* 92.3
Fabrics†. do	95.1	89.5	84.8	84.2	78.5	75.2	73.9	72.5	77.7	80.9	84.8	89.5	* 90.9
Wearing apparel. do	96.8	90.2	87.5	99.8	105.7	88.7	81.0	76.6	75.7	94.9	102.5	94.9	* 89.6
Tobacco manufactures. do	67.6	62.3	52.9	54.0	58.1	58.7	60.7	66.9	62.3	62.3	65.9	66.5	* 66.4
Factory, unadjusted, by States and cities:													
State:													
Delaware. 1923-25=100	115.5	94.9	91.1	91.6	93.9	98.1	97.0	98.6	97.0	100.6	104.7	108.7	* 105.3
Illinois†. 1935-39=100	137.3	119.3	114.2	114.3	113.4	111.9	112.8	115.2	116.4	120.8	124.4	128.0	129.4
Maryland. 1929-31=100	150.5	127.7	123.8	122.1	124.7	124.1	126.3	128.7	131.4	133.7	138.0	141.3	* 145.1
Massachusetts. 1925-27=100	91.2	78.7	76.8	74.4	73.9	70.9	70.3	70.7	75.4	77.7	82.5	84.5	83.9
New Jersey. 1923-25=100	134.8	105.7	100.6	100.0	102.2	101.8	103.9	107.5	106.6	113.2	121.2	123.3	124.9
New York. 1925-27=100	106.7	89.6	86.5	87.0	89.5	85.3	85.4	86.7	87.6	92.8	98.2	100.5	101.5
Pennsylvania. 1923-25=100	102.3	* 90.2	84.4	81.8	80.7	79.2	79.0	82.5	83.5	88.7	91.9	* 96.2	* 96.9
Wisconsin†. 1925-27=100	127.7	106.6	101.0	100.9	103.8	102.8	104.7	106.0	102.0	106.9	111.5	119.4	122.1
City or industrial area:													
Baltimore. 1929-31=100	152.0	128.1	124.2	122.8	126.6	127.0	127.4	129.6	132.7	135.5	139.3	142.9	* 147.0
Chicago†. 1935-39=100	136.9	118.5	114.2	112.9	112.0	110.3	112.0	114.9	117.0	120.0	123.5	126.0	128.5
Milwaukee. 1925-27=100	131.3	110.6	104.3	100.1	104.2	104.1	105.9	106.0	101.7	108.7	112.2	122.2	126.6
New York. do	101.3	88.7	84.5	87.8	94.9	86.5	84.5	82.2	80.8	93.9	101.6	98.8	97.6
Philadelphia. 1923-25=100	106.0	86.0	83.8	83.1	83.1	81.8	80.7	84.0	85.2	87.4	94.7	98.0	* 100.1
Pittsburgh. do	111.9	98.7	92.3	87.3	85.3	83.7	85.2	89.3	89.7	96.0	98.0	103.8	* 105.4
Wilmington. do	104.6	85.7	82.4	82.6	84.7	88.6	87.1	87.5	85.8	86.1	89.7	93.9	94.9
Nonmanufacturing, unadjusted (U. S. Department of Labor):													
Mining:													
Anthracite. 1929=100	42.7	26.6	52.5	32.9	38.4	36.3	40.0	40.6	36.5	33.1	39.3	* 32.3	37.6
Bituminous coal. do	91.3	84.3	87.0	87.0	78.3	72.2	75.3	73.9	75.2	82.5	83.2	* 83.6	84.6
Metalliferous. do	73.3	65.0	63.6	64.2	63.2	63.5	65.7	65.4	68.5	69.5	69.5	* 71.4	70.8
Crude petroleum producing. do	55.8	59.2	58.4	59.0	58.4	59.0	58.7	58.8	59.1	59.0	58.2	* 57.6	56.5
Quarrying and nonmetallic. do	42.8	39.2	29.6	30.8	34.1	38.1	42.7	43.9	49.5	45.2	46.2	* 46.7	42.6
Public utilities:													
Electric light and power†. do	106.4	102.4	101.6	102.2	102.3	103.3	104.2	104.8	105.8	108.1	105.8	* 107.0	106.0
Street railways and busses†. do	73.2	69.8	69.0	71.5	69.5	69.2	69.2	70.5	70.0	70.4	71.5	* 70.7	70.2
Telephone and telegraph†. do	104.9	97.4	97.4	96.9	98.1	98.7	98.8	100.0	101.3	100.4	101.8	* 102.2	101.8
Services:													
Dyeing and cleaning. do	75.8	69.9	65.5	64.4	72.7	79.6	85.4	89.6	80.0	78.9	85.6	* 82.4	78.0
Laundries. do	89.0	83.7	83.4	83.1	84.1	85.6	88.5	92.4	90.0	90.5	89.9	88.0	87.3
Year-round hotels. do	84.4	81.1	81.1	82.7	81.8	83.2	83.0	82.0	80.5	81.7	81.8	* 84.2	83.7
Trade:													
Retail, total†. do	96.4	91.8	80.8	79.1	82.0	82.3	83.4	84.8	82.6	81.5	85.1	85.8	86.9
General merchandising†. do	131.0	125.8	82.7	80.8	85.9	85.0	86.6	89.3	84.0	82.3	90.5	* 92.3	96.2
Wholesale. do	84.0	79.1	77.2	77.1	77.8	77.4	77.4	78.4	78.3	78.7	81.1	* 80.2	80.6
WAGES													
Factory average weekly earnings:													
National Industrial Conference Board (25 industries) dollars.	30.21	28.49	28.09	27.61	27.61	27.66	27.67	28.23	28.16	28.58	28.99	29.84	* 29.73
U. S. Dept. of Labor (90 industries) do		26.26	25.51	25.20	25.46	25.33	25.43	25.79	25.25	26.10	26.54	27.13	* 26.93
Durable goods. do		30.04	28.96	28.60	28.90	28.92	28.80	29.48	28.52	29.98	30.57	31.42	31.11
Iron and steel and their products, not including machinery. dollars.		30.71	29.07	27.95	27.47	27.50	28.16	29.30	28.89	30.24	30.60	30.97	31.01
Blast furnaces, steel works, and rolling mills. do		33.19	31.25	29.69	28.88	28.73	29.87	31.53	30.75	32.25	32.93	33.04	33.43
Hardware. do		27.44	26.01	24.65	26.15	26.13	26.14	25.85	25.45	27.29	27.53	27.74	27.56
Structural and ornamental metal work. dollars.		28.74	27.65	27.27	27.39	28.42	28.13	28.56	28.87	29.51	28.99	30.02	29.26
Tin cans and other tinware. do		23.82	23.46	22.82	24.15	24.20	24.04	25.04	24.38	25.61	25.01	* 25.16	23.47
Lumber and allied products. do		20.18	19.10	19.69	19.91	20.00	20.22	20.17	19.37	20.81	21.06	21.49	20.75
Furniture. do		21.87	19.95	20.91	21.15	20.70	20.59	20.67	20.28	21.39	22.07	22.49	22.23
Lumber, sawmills. do		18.11	17.73	18.19	18.49	18.93	19.43	19.32	18.02	19.79	19.85	20.23	19.06
Machinery, excl. transp. equip. do		30.25	29.74	29.67	30.15	29.97	30.11	30.41	30.29	30.67	31.22	31.71	31.65
Agricultural implements (including tractors) dollars.		31.07	30.										

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940									
	December	December	January	February	March	April	May	June	July	August	September	October

EMPLOYMENT CONDITIONS AND WAGES—Continued

WAGES—Continued													
Factory average weekly earnings—Continued.													
U. S. Department of Labor—Continued.													
Durable goods—Continued.													
Metals, nonferrous, and prod.	dollars	28.67	27.37	26.65	26.96	26.76	27.02	27.25	27.12	28.18	29.38	30.00	30.02
Brass, bronze, and copper prod.	do	31.63	30.28	28.96	29.01	28.74	29.00	29.95	30.73	31.55	32.97	33.37	33.98
Stone, clay, and glass products	do	25.01	25.58	23.71	24.03	24.49	24.79	24.20	23.49	24.81	25.27	25.75	25.17
Brick, tile, and terra cotta	do	21.18	19.52	19.30	19.55	19.97	20.65	20.97	20.95	21.49	21.62	21.87	21.47
Glass	do	26.78	26.20	25.89	26.02	26.49	26.18	25.89	24.91	26.50	26.90	27.90	27.26
Transportation equipment	do	34.51	33.23	33.47	34.39	34.40	32.83	34.21	31.88	35.41	35.60	37.39	36.39
Automobiles	do	35.81	34.28	34.80	35.53	35.78	33.47	35.28	32.26	37.13	36.67	39.24	38.11
Nondurable goods	do	22.30	21.87	21.73	21.86	21.49	21.72	21.81	21.87	22.10	22.20	22.28	22.08
Chemical, petroleum, and coal products													
Chemicals	dollars	29.61	29.22	29.31	29.14	28.99	29.73	30.08	30.12	30.16	30.08	29.96	29.87
Paints and varnishes	do	32.07	31.82	31.79	31.72	31.83	32.09	32.23	31.95	32.18	31.80	32.39	32.72
Petroleum refining	do	28.75	28.44	28.43	28.93	29.02	29.62	29.55	29.13	29.28	29.40	29.60	29.35
Rayon and allied products	do	35.27	34.42	34.78	34.96	35.34	35.14	34.84	34.73	34.94	35.20	34.93	34.28
Food and kindred products	do	25.82	26.24	26.33	26.26	26.12	26.27	26.36	26.32	26.53	26.99	26.53	26.95
Baking	do	25.48	25.32	25.00	25.25	25.17	25.64	25.54	24.33	24.17	23.48	23.82	24.43
Slaughtering and meat packing	do	25.83	25.84	25.84	26.12	26.22	26.46	26.57	26.69	26.40	26.60	26.31	26.20
Leather and its manufactures	do	28.51	27.94	26.88	27.26	27.76	27.43	27.82	27.76	27.57	27.38	27.64	26.82
Boots and shoes	do	19.09	19.89	19.61	19.23	17.68	17.26	18.17	19.80	19.86	19.37	19.28	18.59
Paper and printing	do	17.62	18.78	18.59	18.20	16.30	15.65	17.00	18.92	18.94	18.32	17.93	17.03
Paper and pulp	do	29.51	28.66	28.37	28.67	28.70	29.38	29.27	29.00	28.73	29.18	29.20	29.35
Rubber products	do	26.19	25.35	25.42	25.17	25.35	26.52	26.70	26.47	26.14	26.12	26.45	26.55
Rubber tires and inner tubes	do	29.50	28.54	27.40	27.66	27.98	28.39	28.27	27.76	27.81	29.15	29.31	29.45
Textiles and their products	do	35.11	33.96	32.29	31.98	32.77	33.88	33.11	32.66	31.64	34.08	34.37	35.32
Fabrics	do	17.72	17.26	17.48	17.45	16.74	16.52	16.43	16.85	17.64	18.09	18.10	17.80
Wearing apparel	do	17.54	17.07	16.98	16.62	16.40	16.35	16.24	16.71	17.15	17.57	17.95	17.71
Tobacco manufactures	do	18.26	17.85	18.86	19.54	17.63	16.97	16.96	17.26	18.95	19.51	18.53	18.05
Factory average hourly earnings:		17.47	16.52	16.25	16.88	17.07	18.02	18.98	18.36	17.79	18.42	18.25	18.14
National Industrial Conference Board (25 industries)													
U. S. Dept. of Labor (90 industries)	dollars	.752	.729	.728	.731	.734	.737	.740	.740	.741	.742	.744	.747
Durable goods	do	.662	.663	.663	.665	.665	.669	.672	.668	.671	.673	.673	.678
Iron and steel and their products, not including machinery	dollars	.727	.727	.726	.728	.729	.730	.732	.727	.731	.737	.739	.744
Blast furnaces, steel works, and rolling mills	do	.772	.766	.764	.763	.764	.767	.774	.777	.779	.779	.778	.781
Hardware	do	.851	.841	.838	.838	.842	.849	.847	.848	.857	.855	.859	.859
Structural and ornamental metal work	do	.680	.670	.671	.681	.685	.692	.680	.683	.697	.691	.684	.683
Tin cans and other tinware	dollars	.731	.730	.732	.735	.737	.741	.741	.738	.736	.735	.733	.732
Lumber and allied products	do	.619	.619	.620	.626	.624	.624	.632	.627	.633	.634	.632	.635
Furniture	do	.513	.512	.513	.515	.518	.521	.523	.519	.526	.525	.524	.526
Lumber, sawmills	do	.544	.538	.539	.547	.546	.546	.548	.550	.546	.546	.547	.555
Machinery, excl. trans. equip.	do	.489	.491	.492	.497	.497	.503	.505	.496	.507	.507	.506	.505
Agricultural implements (including tractors)	dollars	.732	.735	.737	.739	.739	.741	.743	.744	.745	.746	.749	.752
Electrical machinery, apparatus, and supplies	do	.793	.796	.797	.797	.801	.799	.798	.795	.801	.799	.802	.806
Engines, turbines, water wheels, and windmills	dollars	.742	.749	.753	.755	.756	.757	.764	.762	.756	.757	.752	.757
Foundry and machine-shop products	do	.805	.804	.813	.807	.803	.797	.803	.803	.813	.805	.822	.834
Radio and phonographs	dollars	.727	.726	.723	.725	.726	.730	.728	.730	.733	.734	.740	.745
Metals, nonferrous, and products	do	.590	.595	.606	.614	.611	.606	.614	.621	.621	.621	.618	.618
Brass, bronze, and copper products	dollars	.703	.701	.696	.697	.700	.701	.702	.701	.703	.710	.712	.727
Stone, clay, and glass products	do	.758	.749	.743	.748	.749	.750	.755	.762	.765	.775	.774	.799
Brick, tile, and terra cotta	do	.660	.664	.662	.664	.664	.664	.665	.668	.672	.672	.671	.671
Glass	do	.558	.558	.554	.553	.551	.551	.564	.566	.568	.565	.566	.572
Transportation equipment	do	.737	.746	.738	.741	.739	.739	.740	.742	.743	.750	.747	.746
Automobiles	do	.901	.894	.896	.900	.902	.902	.905	.891	.897	.900	.898	.902
Nondurable goods	do	.940	.934	.938	.944	.945	.947	.954	.949	.958	.950	.949	.955
Chemical, petroleum, and coal products	dollars	.605	.607	.608	.610	.609	.615	.617	.615	.613	.611	.609	.613
Chemicals	do	.751	.756	.756	.746	.742	.760	.777	.783	.778	.773	.757	.765
Paints and varnishes	do	.796	.800	.803	.800	.803	.803	.802	.798	.799	.799	.798	.801
Petroleum refining	do	.714	.718	.719	.718	.717	.716	.717	.721	.720	.722	.720	.731
Rayon and allied products	do	.972	.974	.975	.971	.974	.975	.983	.986	.977	.983	.972	.976
Food and kindred products	do	.665	.676	.674	.672	.672	.673	.675	.676	.672	.682	.685	.690
Baking	do	.633	.641	.639	.641	.643	.647	.641	.625	.615	.603	.610	.632
Slaughtering and meat packing	do	.633	.635	.631	.630	.636	.637	.639	.640	.643	.641	.635	.640
Leather and its manufactures	do	.678	.677	.680	.681	.689	.688	.691	.689	.691	.691	.684	.686
Boots and shoes	do	.537	.534	.537	.541	.543	.555	.553	.553	.554	.558	.557	.559
Paper and printing	do	.511	.508	.514	.519	.521	.533	.531	.532	.533	.537	.533	.534
Paper and pulp	do	.783	.783	.783	.789	.793	.794	.797	.791	.789	.792	.792	.795
Rubber products	do	.631	.635	.638	.637	.637	.638	.644	.649	.648	.654	.654	.656
Rubber tires and inner tubes	do	.776	.776	.777	.779	.779	.778	.780	.785	.779	.780	.774	.781
Textiles and their products	do	.974	.965	.964	.963	.966	.967	.971	.960	.971	.960	.961	.971
Fabrics	do	.497	.499	.505	.505	.495	.496	.496	.502	.512	.514	.509	.504
Wearing apparel	do	.479	.481	.484	.482	.482	.484	.484	.486	.486	.487	.487	.487
Tobacco manufactures	do	.533	.534	.544	.543	.519	.518	.518	.534	.558	.563	.552	.559
Factory average weekly earnings, by States:		.489	.496	.491	.490	.493	.497	.502	.502	.487	.487	.484	.486
Delaware 1923-25=100		93.3	90.7	92.1	93.4	96.3	94.9	94.6	94.6	90.4	93.1	95.4	97.7
Illinois 1935-39=100		111.2	108.7	108.8	108.6	108.2	108.7	110.3	109.6	111.0	112.0	113.5	112.4
Massachusetts 1925-27=100		100.0	98.9	95.9	98.6	96.7	97.6	98.7	101.1	101.3	104.2	103.8	102.7
New Jersey 1923-25=100		120.0	117.2	116.4	118.6	118.7	120.4	122.6	121.3	122.6	126.6	127.5	127.6
New York 1925-27=100		104.1	97.7	95.4	97.4	95.1	96.2	97.5	99.4	101.0	100.8	100.4	100.4
Pennsylvania 1923-25=100		111.9	107.8	105.2	106.3	105.9	107.0	108.9	107.9	111.8	113.6	115.8	115.3
Wisconsin† 1925-27=100		109.8	106.1	107.8	109.0	109.1	111.1	111.0	107.4	110.3	111.4	114.6	116.0
Miscellaneous wage data:													
Construction wage rates (E. N. R.):‡													
Common labor	dol. per hour	.711	.685	.685	.685	.685	.690	.703	.707	.707	.711	.711	.711
Skilled labor	do	1.43	1.46	1.47	1.47	1.47	1.47	1.47	1.48	1.48	1.48	1.48	1.48
Farm wages without board (quarterly)	dol. per month		35.27				36.41		37.18				

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940		1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November
EMPLOYMENT CONDITIONS AND WAGES—Continued													
WAGES—Continued													
Miscellaneous wage data—Continued.													
Road-building wages, common labor:													
United States, average..... dol. per hour	0.44	0.42	0.41	0.43	0.41	0.42	0.45	0.46	0.47	0.47	0.47	0.48	0.48
East North Central..... do	.63	.63	.59	.62	.69	.66	.64	.63	.61	.62	.61	.63	.63
East South Central..... do	.33	.35	.31	.33	.33	.33	.33	.33	.35	.35	.34	.35	.34
Middle Atlantic..... do	.58	.56	.57	.62	.59	.57	.52	.54	.53	.54	.53	.54	.56
Mountain..... do	.53	.56	.55	.59	.55	.55	.56	.56	.56	.56	.55	.54	.54
New England..... do	.58	.48	.50	.50	.53	.58	.53	.49	.49	.50	.50	.51	.56
Pacific..... do	.71	.66	.71	.72	.70	.74	.67	.68	.68	.68	.68	.70	.72
South Atlantic..... do	.34	.32	.32	.32	.32	.33	.33	.33	.32	.34	.33	.34	.35
West North Central..... do	.48	.44	.52	.50	.45	.45	.45	.46	.47	.47	.48	.49	.49
West South Central..... do	.38	.38	.39	.39	.39	.38	.38	.39	.38	.38	.38	.38	.37
ALL PUBLIC ASSISTANCE													
Total, exclusive of cost of administration, material, etc. \$..... mil. of dol.		274	269	273	279	278	273	255	251	257	250	* 272	281
Obligations incurred for:													
Special types of public assistance..... do		49	50	51	51	51	51	52	53	53	53	54	55
Old-age assistance..... do		37	38	39	38	38	39	39	40	40	40	41	41
General relief..... do		39	42	40	39	37	34	31	32	32	29	29	29
Subsistence payments certified by the Farm Security Administration..... mil. of dol.		2	2	2	3	3	2	2	1	1	1	1	* 1
Earnings of persons employed under Federal work programs:													
Civilian Conservation Corps..... mil. of dol.		18	19	20	17	18	18	16	18	19	17	18	* 19
National Youth Administration:													
Student aid..... do		3	3	3	3	3	3	2	0	0	(*) 5	2	* 3
Work projects..... do		5	6	6	6	6	6	6	3	5	5	5	5
Work Projects Administration..... do		112	110	115	124	120	114	100	97	97	94	102	* 93
Other Federal work and construction projects..... mil. of dol.		47	37	35	35	40	44	46	47	50	52	* 60	* 7

FINANCE

BANKING													
Acceptances and com'l paper outstanding:													
Bankers' acceptances, total..... mil. of dol.	209	233	229	233	230	223	214	206	188	182	177	187	197
Held by Federal Reserve banks..... do	0	0	0	0	0	0	0	0	0	0	0	0	0
Held by accepting banks, total..... do	167	175	179	188	184	178	171	166	152	148	142	149	159
Own bills..... do	100	105	111	123	121	118	113	112	103	103	100	96	99
Bills bought..... do	67	70	68	65	63	61	58	54	49	44	42	53	60
Held by others..... do	42	57	50	45	46	45	43	40	36	34	35	38	38
Commercial paper outstanding..... do	218	210	219	226	233	239	234	224	232	245	251	252	232
Agricultural loans outstanding of agencies supervised by the Farm Credit Adm.:													
Total, excl. joint-stock land bks.† mil. of dol.	2,973	3,058	3,046	3,047	3,053	3,059	3,058	3,060	3,056	3,050	3,035	3,008	2,986
Farm mortgage loans, total..... do	2,500	2,596	2,588	2,580	2,568	2,560	2,553	2,549	2,540	2,534	2,526	2,517	2,508
Federal land banks..... do	1,851	1,905	1,900	1,897	1,890	1,886	1,883	1,880	1,875	1,871	1,867	1,862	1,856
Land Bank Commissioner..... do	648	691	687	684	678	674	671	669	665	663	659	655	652
Loans to cooperatives, total..... do	93	99	95	94	91	88	83	81	82	83	89	96	96
Banks for cooperatives, incl. central bank..... mil. of dol.	75	76	73	72	69	67	64	62	65	67	73	79	77
Agri. Mktg. Act revolving fund..... do	16	21	20	20	20	19	18	18	15	15	16	17	17
Short term credit, total..... do	381	364	363	373	394	412	422	429	434	433	420	394	383
Federal intermediate credit banks, loans to and discounts for:													
Regional agricultural credit corps, prod. credit ass'ns, and banks for cooperatives..... mil. of dol.	187	165	162	165	176	185	191	196	199	203	197	191	188
Other financing institutions..... do	34	33	34	35	36	38	38	40	42	42	41	35	34
Production credit associations..... do	172	154	154	160	174	186	195	200	204	203	195	180	173
Regional agr. credit corporations..... do	6	8	8	8	8	8	8	8	8	7	7	6	6
Emergency crop loans..... do	118	116	116	118	124	128	129	130	129	128	127	122	119
Drought relief loans..... do	50	53	52	52	52	52	52	52	52	52	51	51	51
Joint-stock land banks, in liquidation..... do	48	66	63	62	61	58	56	55	54	53	52	51	51
Bank debits, total (41 cities)..... do	42,953	40,019	34,717	29,482	34,738	34,769	34,195	31,960	31,845	29,918	30,861	36,317	35,771
New York City..... do	18,626	17,633	14,739	12,138	15,201	15,519	14,536	13,110	13,612	11,604	12,594	14,952	14,952
Outside New York City..... do	24,327	22,386	19,978	17,344	19,537	19,250	19,659	18,850	19,233	18,314	18,267	21,365	20,819
Federal Reserve banks, condition, end of mo.:													
Assets, total..... mil. of dol.	23,262	19,027	19,223	19,497	19,677	20,042	20,585	21,408	21,801	22,176	22,440	22,865	23,017
Reserve bank credit outstanding, total..... mil. of dol.	2,195	2,593	2,503	2,547	2,529	2,518	2,519	2,531	2,484	2,516	2,485	2,412	2,304
Bills bought..... do	0	0	0	0	0	0	0	0	0	0	0	0	0
Bills discounted..... do	3	7	7	7	4	3	3	2	4	4	5	4	4
United States securities..... do	2,184	2,484	2,477	2,477	2,475	2,467	2,477	2,466	2,448	2,436	2,434	2,333	2,199
Reserves, total..... do	20,036	15,524	15,975	16,181	16,451	16,809	17,346	18,120	18,579	18,959	19,272	19,632	19,881
Gold certificates..... do	19,751	15,209	15,561	15,813	16,076	16,428	16,994	17,754	18,202	18,618	18,940	19,289	19,586
Liabilities, total..... do	23,262	19,027	19,223	19,497	19,677	20,042	20,585	21,408	21,801	22,176	22,440	22,865	23,017
Deposits, total..... do	16,127	12,941	13,422	13,630	13,815	14,152	14,575	15,213	15,575	15,867	16,063	16,218	16,191
Member bank reserve balances, total..... mil. of dol.	14,026	11,653	12,150	12,328	12,423	12,919	13,237	13,781	13,498	13,541	13,727	14,205	14,215
Excess reserves (estimated)..... do	6,615	5,209	5,559	5,692	5,828	6,149	6,385	6,857	6,514	6,525	6,655	6,960	6,849
Federal Reserve notes in circulation..... do	5,931	4,959	4,832	4,872	4,931	4,941	5,057	5,199	5,248	5,370	5,450	5,577	5,743
Reserve ratio..... percent.	90.8	86.7	87.5	87.5	87.8	88.0	88.4	88.8	89.2	89.3	89.6	90.1	90.6
Federal Reserve reporting member banks, condition, Wednesday nearest end of month:													
Deposits:													
Demand, adjusted..... mil. of dol.	22,299	18,566	19,199	19,414	19,175	19,696	20,287	20,510	20,984	20,901	21,152	21,858	22,187
Demand, except interbank:													
Individuals, partnerships, and corporations..... mil. of dol.	22,324	18,474	19,843	18,929	18,743	19,253	19,696	20,167	20,499	20,415	20,741	21,266	21,771
States and political subdivisions..... do	1,595	1,227	1,332	1,432	1,351	1,594	1,578	1,434	1,497	1,440	1,463	1,651	1,495
United States Government..... do	451	574	561	559	562	560	560	515	505	509	508	506	509

* Revised

† Preliminary

* Less than \$500,000.

† To avoid duplication these loans are excluded from the totals.

‡ Figures for special types of public assistance and general relief exclude the cost of hospitalization and burial. The cost of medical care is also excluded beginning September 1940; this item is included in all earlier data on general relief and in figures for July 1937–August 1940 on special types of assistance.

§ Combined figures for projects operated by W. P. A. and other Federal agencies; data not reported separately since February 1940.

¶ Revised series. A constant, \$1,052,450, has been added to all data on emergency crop loans published in the Survey through the August 1940 issue to include 1918–1919 farmers' seed loans, and totals adjusted accordingly.

* New series. For data beginning 1933, see table 56, p. 17 of the December 1940 Survey. Other special types of public assistance, included in the total but not shown separately, are aid to dependent children and aid to the blind.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November
FINANCE—Continued													
BANKING—Continued													
Fed. Res. reporting member banks, condition, Wednesday nearest end of month—Con.													
Deposits—Continued.													
Time, except interbank, total mil. of dol.	5,455	5,288	5,269	5,302	5,373	5,323	5,333	5,352	5,341	5,380	5,381	5,371	5,397
Individuals, partnerships, and corporations mil. of dol.	5,234	5,072	5,047	5,085	5,165	5,121	5,120	5,146	5,144	5,174	5,187	5,171	5,180
States and political subdivisions do.	196	199	205	201	188	183	191	183	175	182	170	175	192
Interbank, domestic do.	9,065	8,190	8,029	8,085	8,424	8,460	8,431	8,577	8,239	8,505	8,734	8,707	8,843
Investments, total do.	16,137	14,413	14,075	14,740	14,666	14,881	15,049	15,124	15,461	15,622	15,544	15,693	15,774
U. S. Govt. direct obligations, total do.	9,719	8,703	8,877	8,851	8,848	8,960	9,081	9,202	9,457	9,361	9,280	9,374	9,543
Bills do.	611	595	648	647	509	593	627	757	791	705	628	736	784
Bonds do.	6,979	6,353	6,482	6,469	6,518	6,496	6,528	6,382	6,567	6,573	6,540	6,804	6,898
Notes do.	2,129	1,755	1,747	1,735	1,821	1,871	1,926	2,063	2,099	2,095	2,112	1,834	1,861
Obligations fully guaranteed by U. S. Government mil. of dol.	2,733	2,412	2,414	2,421	2,380	2,427	2,399	2,405	2,418	2,584	2,582	2,627	2,707
Other securities do.	3,675	3,298	3,384	3,468	3,438	3,494	3,569	3,517	3,586	3,665	3,682	3,692	3,624
Loans, total do.	9,390	8,774	8,499	8,528	8,649	8,661	8,475	8,462	8,517	8,566	8,785	8,909	9,128
Commercial, industrial, and agricultural loans mil. of dol.	5,018	4,353	4,295	4,324	4,414	4,409	4,367	4,438	4,441	4,480	4,630	4,773	4,911
Open market paper do.	301	315	321	332	337	326	322	301	291	294	297	304	299
To brokers and dealers in securities do.	584	700	614	609	625	626	478	380	419	390	446	410	467
Other loans for purchasing or carrying securities mil. of dol.	465	504	485	478	476	474	481	471	474	463	460	455	460
Real estate loans do.	1,230	1,188	1,183	1,185	1,185	1,187	1,189	1,199	1,210	1,219	1,220	1,222	1,228
Loans to banks do.	37	50	54	52	51	52	46	40	40	48	41	36	39
Other loans do.	1,755	1,564	1,547	1,548	1,561	1,587	1,592	1,633	1,642	1,672	1,691	1,709	1,724
Instalment loans to consumers:*													
By industrial banking companies:													
Loans made do.		47.0	40.9	39.9	46.4	47.8	48.2	47.0	45.3	42.6	41.0	44.4	43.7
Repayments do.		42.5	40.1	38.4	41.7	43.1	42.6	42.6	44.2	42.0	38.5	43.8	43.1
Amount outstanding, end of month do.		256.6	257.4	268.9	263.6	268.3	273.9	278.3	279.4	280.0	282.5	283.1	283.7
Money and interest rates:													
Bank rates to customers:													
In New York City percent.	2.00	1.96			2.03			2.00			2.14		
In 7 other northern and eastern cities percent.	2.53	2.59			2.67			2.49			2.56		
In 11 southern and western cities do.	3.36	3.32			3.35			3.38			3.43		
Bond yields (Moody's):													
Aaa do.	2.71	2.94	2.88	2.86	2.84	2.82	2.93	2.96	2.88	2.85	2.82	2.79	2.75
Baa do.	4.45	4.92	4.86	4.83	4.80	4.74	4.94	5.11	4.80	4.76	4.66	4.56	4.48
Discount rate (N. Y. F. R. Bank) do.	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Federal land bank loans do.	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Federal intermediate credit banks loans do.	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Open market rates, N. Y. C.:													
Prevailing rate:													
Acceptances, prime, bankers, 90 days percent.	$\frac{7}{16}$												
Com'l paper, prime, 4-6 months do.	$\frac{1}{2}-\frac{5}{8}$												
Time loans, 90 days (N. Y. S. E.) do.	$\frac{1}{4}$												
Average rate:													
Call loans, renewal (N. Y. S. E.) do.	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
U. S. Treasury bills, 91 days do.	.02	.04	.01	.02	.02	.02	.06	.10	.05	.04	.05	.02	.02
Average yield, U. S. Treasury notes, 3-5 years percent.	.35	.51	.47	.46	.42	.45	.65	.76	.57	.58	.48	.43	.34
Savings deposits:													
Savings banks in New York State:													
Amount due depositors mil. of dol.	5,683	5,599	5,616	5,632	5,676	5,660	5,644	5,670	5,631	5,629	5,657	5,635	5,639
U. S. Postal Savings:													
Balance to credit of depositors do.	1,304	1,279	1,290	1,297	1,301	1,303	1,299	1,293	1,297	1,298	1,296	1,296	1,298
Balance on deposit in banks do.	38	53	50	48	45	44	43	43	42	41	40	40	40
COMMERCIAL FAILURES†													
Grand total number	1,086	1,153	1,237	1,042	1,197	1,291	1,238	1,114	1,175	1,128	976	1,111	1,024
Commercial service, total do.	48	57	44	48	55	72	46	48	50	49	49	44	40
Construction, total do.	57	59	69	66	63	78	70	61	65	49	58	71	53
Manufacturing, total do.	200	239	223	204	216	261	263	226	216	209	187	214	202
Chemicals and drugs do.	15	8	8	7	12	6	6	8	8	10	8	8	16
Foods do.	42	37	52	56	49	70	51	48	40	34	36	54	35
Forest products do.	15	16	17	17	22	31	26	25	24	24	24	21	19
Fuels do.	7	6	4	4	10	5	6	9	5	6	6	8	17
Iron and steel do.	7	16	11	6	11	14	10	9	15	8	7	7	14
Leather and leather products do.	9	4	11	13	8	6	13	8	4	9	8	6	6
Machinery do.	6	14	8	8	7	14	13	14	14	14	7	13	12
Paper, printing, and publishing do.	11	24	14	19	19	31	27	20	12	23	20	21	19
Stone, clay, glass, and products do.	3	7	5	6	7	12	5	4	3	4	3	2	12
Textiles do.	53	63	56	38	36	52	52	57	54	47	40	50	40
Transportation equipment do.	1	3	4	1	6	4	3	5	5	4	7	3	5
Miscellaneous do.	31	40	36	26	28	27	36	22	19	27	21	21	27
Retail trade, total do.	679	690	789	622	740	766	739	666	728	719	574	667	640
Wholesale trade, total do.	102	108	112	102	123	114	120	113	116	102	108	115	89
Liabilities, grand total thous. of dol.	13,309	13,243	15,279	13,472	11,681	16,247	13,668	13,734	16,213	12,997	11,397	12,715	16,572
Commercial service, total do.	665	760	614	575	752	911	570	1,100	594	562	541	574	596
Construction, total do.	1,043	1,094	1,509	1,655	668	1,547	1,201	984	847	1,272	893	854	838
Manufacturing, total do.	5,995	5,129	4,942	4,939	4,336	6,925	4,588	5,039	7,117	4,459	4,779	5,329	9,137
Chemicals and drugs do.	498	78	76	290	342	33	90	253	37	195	195	432	453
Foods do.	2,414	1,481	2,142	1,167	911	1,718	832	1,088	686	843	311	1,156	1,559
Forest products do.	218	167	208	427	659	739	508	287	774	866	311	330	330
Fuels do.	156	304	5	249	107	426	194	434	2,523	272	1,295	435	3,073
Iron and steel do.	718	162	105	30	477	307	432	158	266	133	49	92	369
Leather and leather products do.	154	26	204	247	242	175	194	246	64	197	72	100	67
Machinery do.	72	859	40	548	54	92	214	312	918	325	146	132	186
Paper, printing, and publishing do.	259	310	335	856	267	1,318	278	226	272	284	399	894	250
Stone, clay, glass, and products do.	422	279	75	112	93	639	76	93	161	101	162	65	71
Textiles do.	797	969	595	453	620	587	820	1,018	1,455	1,166	697	1,388	786
Transportation equipment do.	15	168	157	214	190	251	87	572	72	40	260	47	1,417
Miscellaneous do.	272	326	1,000	346	374	844	600	294	160	287	327	361	576
Retail trade, total do.	4,030	4,940	5,617	4,440	4,585	5,198	5,063	5,228	5,897	4,983	3,524	4,112	4,

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November

FINANCE—Continued

LIFE INSURANCE													
<i>(Association of Life Insurance Presidents)</i>													
Assets, admitted, total..... mil. of dol.		23,917	24,042	24,130	24,240	24,339	24,420	24,494	24,623	24,719	24,569	24,963	25,076
Mortgage loans, total..... do		4,528	4,533	4,543	4,552	4,555	4,573	4,591	4,608	4,621	4,650	4,670	4,694
Farm..... do		660	658	659	661	661	662	663	663	663	663	666	664
Other..... do		3,868	3,875	3,884	3,891	3,894	3,911	3,928	3,945	3,958	3,987	4,004	4,030
Real estate holdings..... do		1,720	1,722	1,720	1,711	1,718	1,716	1,714	1,714	1,716	1,710	1,707	1,701
Policy loans and premium notes..... do		2,520	2,507	2,496	2,484	2,472	2,467	2,463	2,453	2,445	2,436	2,425	2,413
Bonds and stocks held (book value), total..... mil. of dol.		13,906	13,928	13,986	14,035	14,218	14,325	14,347	14,527	14,624	14,692	14,769	14,851
Government (domestic and foreign):..... do		6,353	6,370	6,373	6,396	6,529	6,517	6,520	6,651	6,738	6,811	6,819	6,866
U. S. Government..... do		4,611	4,623	4,624	4,624	4,756	4,735	4,721	4,852	4,929	4,991	4,983	5,010
Public utility..... do		3,428	3,449	3,464	3,481	3,504	3,509	3,545	3,572	3,579	3,598	3,622	3,619
Railroad..... do		2,642	2,644	2,655	2,659	2,668	2,717	2,708	2,699	2,694	2,717	2,731	2,745
Other..... do		1,483	1,465	1,494	1,499	1,517	1,582	1,574	1,605	1,613	1,566	1,597	1,621
Cash..... do		763	890	921	983	906	875	952	888	922	933	933	955
Other admitted assets..... do		480	462	464	475	470	464	427	424	425	459	459	462
Insurance written:⊗													
Policies and certificates, total number..... thousands		800	728	659	697	770	766	793	714	697	683	691	721
Group..... do		67	59	32	25	26	30	42	35	33	28	28	28
Industrial..... do		494	443	400	439	483	472	494	446	428	426	443	506
Ordinary..... do		238	225	226	232	262	263	256	233	235	225	220	256
Value, total..... thous. of dol.		694,740	646,550	653,156	661,638	616,085	624,770	626,357	597,450	605,326	579,283	549,955	648,903
Group..... do		108,003	105,300	134,507	38,120	37,556	39,800	44,869	48,946	43,520	53,757	40,720	55,244
Industrial..... do		142,371	124,662	113,111	125,226	138,545	135,852	141,921	128,232	124,192	123,111	127,974	146,465
Ordinary..... do		444,366	416,888	405,538	398,292	439,984	449,118	439,567	420,272	437,614	402,415	381,261	447,194
Premium collections, total⊙													
Annuities..... do		50,082	42,185	25,562	27,248	24,971	24,750	25,473	35,043	22,854	25,938	21,941	28,454
Group..... do		13,270	15,848	12,451	12,960	12,239	12,583	11,594	12,812	12,339	12,303	12,368	11,844
Industrial..... do		106,662	63,512	56,154	62,337	69,543	57,252	57,112	55,547	55,451	60,409	51,766	56,278
Ordinary..... do		185,969	165,389	168,910	174,894	162,113	171,845	162,429	164,312	155,610	150,174	160,328	154,932
<i>(Life Insurance Sales Research Bureau)</i>													
Insurance written, ordinary, total..... thous. of dol.		596,534	567,212	517,622	506,212	567,872	574,453	571,625	553,086	566,061	528,330	503,427	573,504
New England..... do		40,072	39,378	41,323	39,633	43,149	43,976	42,416	41,727	40,743	39,632	38,056	44,112
Middle Atlantic..... do		159,584	148,888	151,309	144,717	159,172	158,874	167,222	146,613	151,409	133,296	129,066	158,087
East North Central..... do		137,459	126,840	121,339	120,473	132,728	132,454	131,230	123,270	129,284	119,572	113,821	130,687
West North Central..... do		58,527	59,043	47,560	46,661	53,070	54,293	58,864	54,290	58,097	54,877	50,238	56,173
South Atlantic..... do		61,072	56,672	48,294	47,164	53,054	57,784	55,897	58,094	57,633	52,751	51,668	56,987
East South Central..... do		25,230	24,223	17,829	17,657	21,969	20,752	21,857	24,711	22,218	20,882	20,913	21,624
West South Central..... do		46,644	45,996	38,470	36,141	42,665	42,825	41,550	44,595	45,349	42,674	42,647	41,778
Mountain..... do		16,370	17,347	12,496	12,761	14,730	15,754	15,154	14,956	14,893	15,994	12,758	14,747
Pacific..... do		51,576	48,825	39,002	41,005	47,335	47,741	47,435	44,830	46,435	48,652	44,280	49,309
Lapse rates..... 1925-26=100			91						91				
MONETARY STATISTICS													
Foreign exchange rates:													
Argentina..... dol. per paper peso		.298	.298	.298	.298	.298	.298	.298	.298	.298	.298	.298	.298
Belgium..... dol. per belga	(2)	.168	.168	.169	.170	.169	.169	1.167	(2)	(2)	(2)	(2)	(2)
Brazil, official..... dol. per milreis		.061	.061	.061	.061	.061	.061	.060	.061	.061	.061	.061	.061
British India..... dol. per rupee		.302	.301	.302	.302	.302	.302	.301	.301	.301	.302	.302	.302
Canada..... dol. per Canadian dol.		.866	.876	.880	.867	.829	.842	.810	.801	.869	.869	.855	.863
Chile..... dol. per peso		.052	.052	.052	.052	.052	.052	.052	.052	.052	.052	.052	.052
Colombia..... do		.571	.570	.572	.573	.571	.570	.570	.572	.571	.570	.570	.570
France..... dol. per franc	(2)	.022	.022	.022	.021	.020	.019	.020	(2)	(2)	(2)	(2)	(2)
Germany..... dol. per reichsmark		.400	.401	.401	.401	.401	.401	.400	.400	.400	.399	.400	.400
Italy..... dol. per lira		.050	.050	.050	.050	.050	.050	.050	.050	.050	.050	.050	.050
Japan..... dol. per yen		.234	.234	.234	.234	.234	.234	.234	.234	.234	.234	.234	.234
Mexico..... dol. per peso		.204	.182	.167	.167	.167	.167	.184	.199	.200	.199	.203	.204
Netherlands..... dol. per guilder	(2)	.531	.532	.531	.531	.531	.531	1.531	(2)	(2)	(2)	(2)	(2)
Sweden..... dol. per krona		.238	.238	.238	.238	.237	.238	.238	.238	.238	.238	.238	.238
United Kingdom..... dol. per £		4.035	3.930	3.964	3.963	3.759	3.526	3.274	3.602	3.805	3.979	4.034	4.033
Gold:													
Monetary stock, U. S..... mil. of dol.		21,995	17,644	17,931	18,177	18,433	18,770	19,209	19,963	20,463	20,913	21,244	21,506
Movement, foreign:													
Net release from earmark†..... thous. of dol.		7,417	-200,811	40,034	36,954	-213,447	67,162	-36,652	-437,234	-55,064	66,976	36,628	-117,947
Exports..... do		3	11	22	53	18	33	3,563	1,249	8	10	13	17
Imports..... do		137,178	451,183	236,413	201,475	459,845	249,885	438,695	1,164,224	519,983	351,863	334,113	325,981
Production, estimated world total, outside U. S. S. R..... thous. of dol.		101,438	104,636	97,605	104,067	106,589	106,384	104,326	110,107	109,670	107,050	114,655	111,737
Reported monthly, totals⊗													
Africa..... do		85,102	88,793	81,362	88,075	91,137	90,651	94,111	93,810	93,810	90,943	98,569	95,775
Canada..... do		44,162	45,562	44,311	46,006	47,516	48,471	47,000	48,481	48,704	47,565	49,026	48,284
United States..... do		15,209	14,853	14,188	15,045	14,652	15,488	15,795	15,982	16,318	15,416	16,360	16,360
United States..... do		15,936	16,972	13,317	16,217	16,408	16,500	14,862	15,866	16,052	17,082	21,761	19,710
Receipts at mint, domestic (unrefined)..... fine ounces		338,006	241,879	257,116	179,559	259,423	240,003	233,901	231,486	368,330	307,780	341,402	447,526
Currency in circulation, total..... mil. of dol.		8,732	7,598	7,376	7,459	7,511	7,559	7,710	7,848	7,883	8,059	8,151	8,300
Silver:													
Exports..... thous. of dol.		123	887	452	298	657	594	177	884	15	180	139	87
Imports..... do		4,690	3,795	5,799	4,070	5,724	5,170	4,589	4,673	5,378	4,107	4,656	4,721
Price at New York..... dol. per fine oz.		.348	.350	.348	.348	.348	.348	.349	.348	.348	.348	.348	.348
Production, world..... thous. of fine oz.		22,494	23,452	22,088	22,501	24,785	22,269	23,423	23,091	22,836			
Canada..... do		1,920	1,653	1,690	1,786	1,770	1,997	3,096	2,042	1,791	1,795	1,673	
Mexico..... do		6,210	8,128	6,785	5,723	8,140	5,619	6,511	6,861	8,120	7,990	7,090	
United States..... do		5,716	4,852	5,611	5,744	6,120	5,840	5,373	5,530	4,419	5,049	5,009	6,367
Stocks, refinery, end of month:													
United States..... do		3,533	2,469	2,295	2,447	1,385	1,870	3,424	3,997	1,605	1,557	1,522	2,107

* Revised.

† Average for May 1-9.

‡ No quotation.

⊙ Preliminary.

⊠ 137 companies having 82 percent of total assets of all United States legal reserve companies.

⊡ 40 companies having 82 percent of total life insurance outstanding in all United States legal reserve companies.

† Or increase in earmarked gold (-).

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940		1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November
FINANCE—Continued													
CORPORATION PROFITS (Quarterly)													
Federal Reserve Bank of New York:													
Industrial corporations, total (168 cos.)†		296.2			246.6			226.0			184.8		
Autos, parts, and accessories (28 cos.) do.		91.7			92.9			72.3			19.4		
Chemicals (13 cos.) do.		45.7			37.1			32.9			30.1		
Food and beverages (19 cos.) do.		23.2			17.1			21.0			17.7		
Machinery and machine manufacturing (17 cos.) do.		10.7			9.0			9.0			8.2		
Metals and mining (12 cos.) do.		6.2			4.5			3.9			4.7		
Petroleum (13 cos.) do.		16.3			15.9			12.1			8.8		
Steel (11 cos.) do.		57.7			35.1			38.1			58.9		
Miscellaneous (55 cos.)† do.		44.7			35.0			36.7			37.0		
Public utilities, except steam railways and telephone companies (net income) (52 cos.) do.		54.4			61.4			52.0			44.2		
Federal Communications Commission:													
Telephones (net op. income) (91 cos.) do.		61.8			62.5			61.9			55.9		
Interstate Commerce Commission:													
Railways, class I (net income) do.		126.1			12.8			1.6			68.5		
Standard Statistics Co., Inc. (earnings):													
Combined index, unadjusted 1926=100	111.4	114.5			92.6			87.2			78.4		
Industrials (119 cos.) do.	115.4	118.8			102.5			95.1			79.9		
Railroads (class I) do.	71.2	74.2			47.7			0.9			40.7		
Utilities (13 cos.) do.	105.0	135.9			147.2			136.4			109.5		
PUBLIC FINANCE (FEDERAL)													
Debt, gross, end of mo. mil. of dol.	45,025	41,961	42,128	42,375	42,559	42,663	42,810	42,971	43,774	43,909	44,075	44,137	44,273
Public issues:													
Interest bearing do.	39,089	37,234	37,364	37,493	37,531	37,625	37,671	37,605	38,337	38,386	38,419	38,459	38,493
Noninterest bearing do.	566	496	509	526	557	541	555	591	584	589	593	577	566
Special issues to government agencies and trust funds do.	5,370	4,231	4,256	4,356	4,471	4,496	4,585	4,775	4,853	4,934	5,063	5,102	5,209
Obligations fully guaranteed by U. S. Gov't:													
Total amount outstanding do.	5,917	5,703	5,699	5,673	5,663	5,656	5,535	5,528	5,526	5,811	5,808	5,810	5,919
By agencies:													
Federal Farm Mortgage Corp. do.	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269
Home Owners' Loan Corporation do.	2,615	2,813	2,809	2,783	2,770	2,763	2,641	2,634	2,631	2,626	2,623	2,621	2,618
Reconstruction Finance Corp. do.	1,097	1,096	1,096	1,096	1,096	1,096	1,096	1,096	1,096	1,096	1,097	1,097	1,097
Expenditures, total, including recovery and relief:	1,187,277	841,329	712,994	668,376	671,554	792,288	648,814	933,880	830,599	708,382	760,286	870,241	817,888
General (including recovery and relief) do.	1,172,540	822,858	713,225	654,170	654,170	756,975	642,330	883,092	699,794	693,620	757,536	873,936	819,821
Revolving funds, net do.	-486	-543	3,979	3,812	5,633	5,988	975	3,425	5,072	-13,009	-8,954	-4,939	-22,726
Transfers to trust accounts† do.	0	10,000	-5,000	10,000	0	20,000	3,500	0	113,520	25,195	0	0	20,000
Debt retirements do.	15,223	9,013	7,990	394	49,958	9,325	2,010	47,363	12,212	2,576	1,704	1,244	792
Receipts, total do.	740,929	569,136	314,549	443,830	934,208	304,203	399,598	784,218	367,064	566,358	711,124	365,351	484,796
Receipts, net* do.	740,226	521,136	314,549	443,830	799,391	304,203	399,598	648,323	331,221	447,196	710,584	333,258	362,078
Customs do.	29,783	27,814	35,788	25,651	28,702	26,479	26,251	28,101	25,225	23,630	22,627	29,371	27,923
Internal revenue, total do.	692,937	517,924	257,969	394,688	886,370	261,772	356,508	694,932	326,141	522,813	672,540	318,578	438,484
Income taxes do.	428,722	319,143	45,338	62,663	665,487	47,621	40,197	463,786	49,655	37,645	431,669	44,039	48,906
Social security taxes do.	34,498	29,225	45,263	177,756	30,481	39,194	137,299	31,749	39,098	139,131	29,437	37,614	138,013
Taxes from:													
Admissions to theaters, etc. do.	2,208	1,975	1,487	1,853	2,391	2,001	1,791	1,646	1,633	1,734	1,684	2,021	2,194
Capital stock transfers, etc. do.	1,306	1,012	1,087	1,043	784	1,593	1,833	669	488	486	772	887	858
Governmental corporations and credit agencies:													
Assets, except interagency, total mil. of dol.	12,062	12,064	12,078	12,116	12,116	12,176	12,085	12,021	12,092	12,410	12,371	12,398	12,518
Loans and preferred stock, total do.	8,951	8,920	8,888	8,914	8,930	8,922	8,470	8,513	8,623	8,583	8,613	8,680	8,680
Loans to financial institutions (incl. preferred stock) mil. of dol.	1,260	1,232	1,196	1,180	1,198	1,170	1,212	1,202	1,189	1,194	1,198	1,208	1,208
Loans to railroads do.	500	504	509	517	521	515	524	552	553	513	512	515	515
Home and housing mortgage loans do.	2,365	2,376	2,365	2,377	2,347	2,355	2,323	2,342	2,336	2,348	2,387	2,387	2,387
Farm mortgage and other agricultural loans mil. of dol.	3,726	3,709	3,700	3,699	3,705	3,700	3,224	3,233	3,349	3,328	3,302	3,280	3,280
All other do.	1,100	1,100	1,118	1,140	1,160	1,183	1,187	1,185	1,197	1,200	1,214	1,291	1,291
U. S. obligations, direct and fully guaranteed:													
Business property do.	888	900	895	895	891	893	879	871	846	824	834	827	827
Property held for sale do.	549	553	552	555	558	559	562	567	569	570	597	601	601
All other assets do.	661	652	644	629	610	608	1,067	1,061	1,061	1,051	1,094	1,113	1,113
Liabilities, other than interagency, total do.	1,013	1,038	1,100	1,123	1,187	1,103	1,043	1,075	1,312	1,313	1,260	1,296	1,296
Bonds, notes, and debentures:													
Guaranteed by the U. S. do.	8,048	8,059	8,053	8,052	8,053	7,977	7,842	8,400	8,403	8,403	8,406	8,406	8,579
Other do.	5,704	5,700	5,675	5,664	5,657	5,535	5,529	5,526	5,811	5,809	5,808	5,919	5,919
Other liabilities including reserves do.	1,348	1,340	1,321	1,323	1,327	1,337	1,343	1,351	1,354	1,356	1,354	1,422	1,422
Privately owned interests do.	995	1,019	1,057	1,065	1,069	1,039	1,105	964	1,234	1,238	1,243	1,237	1,237
Proprietary interests of the U. S. Government mil. of dol.	397	398	400	400	400	403	404	405	406	407	410	412	413
Reconstruction Finance Corporation, loans outstanding, end of month: †	3,617	3,607	4,025	3,663	3,719	3,770	3,639	3,844	3,603	3,558	3,580	3,526	3,526
Grand totals‡ thous. of dol.	1,712,764	1,609,856	1,596,231	1,620,764	1,625,200	1,620,643	1,614,836	1,635,255	1,651,829	1,651,615	1,621,602	1,648,746	1,698,511
Section 5 as amended, total do.	763,653	697,205	703,038	708,458	715,979	718,030	712,328	720,085	749,921	753,087	715,778	720,324	751,498
Banks and trust companies, including receivers do.	115,028	100,007	96,477	94,872	93,128	90,613	89,008	87,761	86,303	85,226	83,898	83,110	109,214
Building and loan associations do.	4,268	3,342	3,606	3,647	3,480	3,637	4,138	4,347	4,270	4,625	4,597	4,690	4,581
Insurance companies do.	1,998	2,506	2,478	2,457	2,433	2,389	2,354	2,331	2,313	2,188	2,176	2,105	2,077
Mortgage loan companies do.	165,118	138,595	142,464	142,876	145,436	146,243	146,846	145,951	146,637	149,737	151,456	157,094	159,534
Railroads, including receivers do.	473,881	448,792	454,194	458,841	467,887	471,747	466,093	475,856	506,623	507,627	470,039	469,769	472,596
All other under Section 5 do.	3,360	3,963	3,919	3,765	3,615	3,401	3,889	3,839	3,775	3,684	3,612	3,554	3,498
Emergency Relief and Construction Act, as amended:													
Self-liquidating projects (including financing repairs) do.	19,511	38,258	38,232	38,230	37,870	38,540	40,010	19,915	19,784	20,509	21,262	31,785	19,581
Financing of exports of agricultural surpluses do.	47	105	47	47	47	47	47	47	47	47	47	47	47
Financing of agricultural commodities and livestock do.	443	751	751	747	747	675	625	525	521	520	520	445	445

* Revised. † Deficit. ‡ Number of companies varies slightly. § See note marked with a "\$" on p. 80 of this issue. ¶ Preliminary.
 † The total includes guaranteed debentures of certain Federal agencies not shown separately. ‡ Includes repayments unallocated, pending advices, at end of month.
 † Revised series. Data on total expenditures and transfers to trust accounts revised beginning 1937 and on income taxes beginning September 1936; see table 50, p. 18, of the November 1940 Survey.
 * New series. For data beginning January 1937, see table 50, p. 18 of the November 1940 Survey.
 † A merger during the second quarter of 1940 reduced the number of corporations in the miscellaneous group to 54 and the total to 167.
 ‡ Excludes collections from national defense taxes under Revenue Act of 1940.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1939		1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November

FINANCE—Continued

PUBLIC FINANCE (FEDERAL)—Con.														
R. F. C., loans outstanding, end of month—Con.														
Direct loans to business enterprises (including participations).....thous. of dol.	121,678	130,625	130,377	131,919	130,704	130,466	130,566	130,732	129,945	129,371	128,676	127,906	126,008	
Loans for National Defense under the Act of June 25, 1940*.....thous. of dol.	38,387								10	55	4,844	14,316	50,864	
Total Bank Conservation Act, as amended.....thous. of dol.	556,711	530,936	535,376	554,240	550,091	552,184	548,669	574,558	570,778	563,561	564,516	564,744	559,420	
Drainage, levee, irrigation, etc.....do	83,460	83,998	83,814	83,874	83,966	83,723	83,740	83,596	83,299	83,223	83,360	83,409	83,507	
Other loans and authorizations\$.....do	128,875	118,978	104,596	105,249	105,796	97,028	98,851	105,797	97,524	101,242	102,599	105,772	107,141	
CAPITAL FLOTATIONS														
Security Registrations†														
(Securities and Exchange Commission)														
Total securities effective under the Securities Act of 1933.....thous. of dol.	322,618	166,571	146,482	249,933	70,996	245,723	102,761	82,577	200,313	123,242	130,581	287,456	161,748	
Substitute securities*.....do	0	8,100	1,300	1,225	6,516	8,753	3,022	5,694	457	422	15,405	5,743	2,862	
Registered for account of others.....do	4,859	3,640	1,300	1,088	5,752	25,382	2,469	418	4,140	32,246	5,851	3,369	4,758	
Registered for account of issuers, exclusive of substitute securities.....thous. of dol.	317,760	154,830	143,882	247,620	58,727	211,587	97,270	76,464	195,715	90,574	109,324	278,345	154,128	
Not proposed for sale.....do	25,594	5,288	41,507	16,307	11,798	78,522	0	20,225	429	16,717	14,162	22,219	46,931	
Proposed for sale:														
Issuing and distributing expense:														
Compensation to underwriters, agents, etc.....thous. of dol.	6,882	3,414	4,027	5,547	2,091	4,632	3,126	1,959	4,523	3,410	3,248	4,874	3,747	
Other.....do	1,626	1,190	702	1,454	457	1,042	511	358	1,182	374	657	1,233	695	
Net proceeds to be used for:														
Total.....do	283,658	144,938	97,645	224,312	44,381	127,391	93,632	53,923	189,581	70,074	91,257	250,019	102,755	
New money.....do	33,863	8,480	17,133	17,125	11,291	43,361	8,252	4,293	22,984	31,996	45,432	14,899	9,309	
Purchase of:														
Securities for investment.....do	4,612	0	2,370	10,832	10,232	3,943	2,556	9,030	2,016	18,039	4,363	0	13,381	
Securities for affiliation.....do	249	200	25	0	0	0	0	279	0	537	152	13	82	
Other assets.....do	173	190	0	0	1,384	0	0	0	200	60	20	0	0	
Repayment of bonds and notes.....do	223,900	126,208	73,002	180,555	8,454	53,532	76,621	38,155	161,423	19,181	37,342	233,624	69,825	
Repayment of other debt.....do	1,934	6,461	4,558	5,420	646	7,818	6,105	8	997	60	2,604	697	681	
Retirement of preferred stock.....do	18,256	3,391	0	10,249	12,248	18,318	99	2,139	1,909	0	1,123	512	9,427	
Organization expense.....do	0	(*)	2	(*)	0	28	0	0	1	5	(*)	4	10	
Miscellaneous.....do	672	8	555	132	132	393	0	18	52	196	132	270	40	
Gross amount of securities less securities reserved for conversion or substitution, total.....thous. of dol.	318,856	153,367	143,542	241,143	60,474	225,510	99,739	76,882	199,591	116,780	115,167	273,307	158,886	
Type of security:														
Secured bonds.....do	147,045	125,681	47,289	153,522	13,477	44,217	3,200	58,144	105,148	6,650	39,541	230,483	70,607	
Unsecured bonds.....do	107,318	10,900	31,270	46,506	0	52,866	75,000	0	72,000	24,878	22,598	11,429	1,766	
Preferred stock.....do	48,907	8,710	40,679	17,209	19,366	84,509	5,039	2,254	11,040	16,465	16,016	23,869	24,263	
Common stock.....do	15,552	8,076	24,303	23,369	19,409	38,424	14,119	6,799	9,209	57,917	19,375	7,397	26,578	
Certificates of participation, etc.....do	35	0	0	536	8,223	4,493	2,381	9,685	2,194	10,870	17,637	130	35,672	
Type of registrant:														
Extractive industries.....do	250	6,160	323	2,375	1,957	10,819	4,864	75	3,974	28	12,750	3,177	1,731	
Manufacturing industries.....do	115,944	23,517	26,293	122,320	21,567	61,839	86,112	5,726	81,396	55,205	38,158	70,097	18,243	
Financial and investment.....do	19,353	224	4,999	12,282	16,768	14,374	2,745	9,835	2,186	19,407	6,815	1,779	49,926	
Transportation and communications.....do	209	1,401	2,184	18,504	9,210	705	3,768	4,337	0	500	0	7,722	200	
Electric light, power, heat, gas and water.....thous. of dol.	171,360	119,176	107,300	85,413	824	84,018	0	54,700	111,676	13,319	50,386	189,833	78,052	
Other.....do	11,740	2,891	2,444	250	10,150	53,755	2,250	2,210	359	28,323	7,058	700	10,734	
Securities Issued														
(Commercial and Financial Chronicle)														
Securities issued, by type of security, total (new capital and refunding).....thous. of dol.	605,791	335,311	287,877	451,787	242,239	344,874	251,390	227,182	691,472	282,476	229,314	710,551	440,266	
New capital, total.....do	189,899	98,671	95,015	104,167	71,388	117,587	122,020	82,728	397,300	129,776	113,550	257,391	263,436	
Domestic, total.....do	189,899	98,671	94,140	104,167	70,638	117,587	122,020	82,728	397,300	129,276	113,550	257,391	263,436	
Corporate, total.....do	61,132	30,778	35,470	46,004	30,527	53,925	89,287	9,771	46,233	67,938	68,006	47,278	168,699	
Bonds and notes:														
Long term.....do	48,783	21,623	19,548	32,746	15,957	31,025	79,680	7,307	43,787	52,612	63,728	21,080	165,756	
Short term.....do	1,000	0	0	10,000	0	100	0	910	0	0	0	0	0	
Preferred stocks.....do	9,703	3,545	2,284	2,190	3,700	15,253	0	65	1,096	13,427	2,720	9,877	864	
Common stocks.....do	6,645	5,611	13,638	1,069	10,870	7,547	9,607	1,489	1,350	1,899	1,558	16,321	2,079	
Farm loan and other Government agencies.....thous. of dol.	0	0	0	800	5,600	5,500	3,000	2,250	289,458	0	0	112,099	42,000	
Municipal, State, etc.....do	128,767	67,893	58,670	57,363	34,511	58,162	29,733	70,707	61,608	61,338	45,544	98,014	52,737	
Foreign, total.....do	0	0	0	0	0	0	0	0	0	0	0	0	0	
Corporate.....do	0	0	0	0	0	0	0	0	0	0	0	0	0	
Government.....do	0	0	0	0	0	0	0	0	0	0	0	0	0	
United States possessions.....do	0	0	0	0	0	0	0	0	0	0	0	0	0	
Refunding, total.....do	415,893	236,640	192,862	347,620	170,850	227,287	129,370	144,455	294,173	152,700	115,764	453,160	176,830	
Domestic, total.....do	415,893	236,640	192,862	347,620	170,850	227,287	129,370	144,455	294,173	152,700	115,764	453,160	176,830	
Corporate, total.....do	328,212	195,817	137,995	211,342	103,799	192,353	83,810	101,476	225,623	111,494	62,465	345,347	92,487	
Bonds and notes:														
Long term.....do	285,649	189,307	102,433	196,870	87,049	154,191	83,810	96,147	223,116	107,047	60,449	331,651	64,475	
Short term.....do	0	0	0	0	3,000	0	0	5,000	0	0	836	0	2,000	
Preferred stocks.....do	38,702	4,900	35,562	14,472	13,750	37,546	0	0	257	4,421	1,180	13,651	25,595	
Common stocks.....do	3,861	1,610	0	0	0	617	0	329	2,250	26	0	45	416	
Farm loan and other Government agencies.....thous. of dol.	14,300	18,600	28,500	21,695	17,992	17,350	25,150	28,570	48,400	27,525	26,000	28,050	59,465	
Municipal, State, etc.....do	73,381	22,223	26,067	114,583	49,059	17,584	20,409	14,108	20,150	13,681	24,099	79,764	24,879	
Foreign, total.....do	0	0	0	0	0	0	0	0	0	0	0	0	0	
Corporate.....do	0	0	0	0	0	0	0	0	0	0	0	0	0	
Government.....do	0	0	0	0	0	0	0	0	0	0	0	0	0	
United States possessions.....do	0	0	0	0	0	0	0	0	0	0	3,200	0	0	

*Less than \$500. †Revised.

†Revised series. Data on security registrations revised beginning January 1938, see table 47, p. 15 of the November 1940 Survey.

*New series. For data beginning 1938 for substitute securities, see table 47, p. 15 of the November 1940 issue.

\$Data revised beginning January 1937 to exclude a loan to the Rural Electrification Administration advanced in varying amounts during 1937-39, now classified under allocations. Revisions not shown in the October 1940 Survey were comparatively small with the exception of July 1939 for which revised figures are as follows: Grand total, \$1,619,724,000; other loans and authorizations, \$104,758,000.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940		1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November

FINANCE—Continued

CAPITAL FLOTATIONS—Continued													
Securities Issued—Continued													
<i>(Commercial and Financial Chronicle)</i>													
Securities issued by type of corporate borrower, total.....thous. of dol.													
New capital, total.....do	389,343	226,595	173,465	257,346	134,327	246,279	173,097	111,248	271,856	179,432	130,471	92,625	261,186
Industrial.....do	61,132	30,778	35,470	46,004	30,527	53,925	89,287	9,771	46,233	67,938	68,006	47,278	168,699
Investment trusts, trading, and holding companies, etc.....thous. of dol.	18,557	14,088	13,913	5,249	1,201	22,598	6,094	2,826	4,772	23,124	17,544	16,268	2,834
Land, buildings, etc.....do	0	0	0	1,000	0	350	0	0	0	0	0	0	0
Public utilities.....do	0	32	0	450	0	0	280	0	0	90	40	148	25
Railroads.....do	4,944	5,760	18,249	7,615	8,407	16,767	0	4,217	11,256	30,232	18,521	5,444	141,091
Shipping and miscellaneous.....do	12,030	5,998	31	960	7,750	8,114	19,400	2,000	15,205	14,292	25,576	15,258	23,840
Refunding, total.....do	25,601	4,900	3,277	30,730	13,169	6,096	63,513	728	15,000	200	6,325	10,160	909
Industrial.....do	328,212	195,817	137,995	211,342	103,799	192,353	83,810	101,476	225,623	111,494	62,465	345,347	92,487
Investment trusts, trading, and holding companies, etc.....thous. of dol.	29,575	15,215	0	115,000	24,250	50,943	79,350	1,700	93,628	60,776	7,275	86,660	53,586
Land, buildings, etc.....do	4,000	0	0	0	0	0	0	0	0	0	0	0	0
Public utilities.....do	1,202	386	0	575	780	1,000	2,960	427	829	77	490	367	3,592
Railroads.....do	220,231	119,200	101,903	90,397	32,269	41,236	1,500	94,020	117,466	23,811	43,300	207,334	23,438
Shipping and miscellaneous.....do	0	60,000	20,494	0	35,000	82,252	0	5,000	0	25,300	7,900	50,558	1,329
Domestic issues for productive uses (Moody's)*.....mil. of dol.	73,204	1,016	15,598	5,370	11,500	16,923	0	329	13,700	1,530	3,500	428	10,541
Corporate.....do	139	56	37	28	45	67	52	36	82	100	103	67	211
Municipal, State, etc.....do	28	20	12	9	26	22	25	7	39	53	63	40	165
<i>(Bond Buyer)</i>													
State and municipal issues:													
Permanent (long term).....thous. of dol.	197,592	103,871	61,589	174,916	87,006	66,583	51,033	54,946	75,979	75,122	74,662	177,552	71,872
Temporary (short term).....do	95,986	64,025	156,777	118,888	134,808	122,245	224,706	75,692	234,366	77,354	100,957	117,406	167,225
COMMODITY MARKETS													
Volume of trading in grain futures:													
Wheat.....mil. of bu.	283	1,054	731	649	743	901	921	432	495	451	360	360	406
Corn.....do	68	170	94	50	35	112	134	70	92	81	62	66	91
SECURITY MARKETS													
Brokers' Balances (N. Y. S. E. members carrying margin accounts)													
Customers' debit balances (net).....mil. of dol.	677	906	886	893	886	910	702	653	642	631	635	653	666
Cash on hand and in banks.....do	204	207	198	195	186	192	239	223	213	215	218	203	214
Money borrowed.....do	427	637	602	616	615	626	459	376	376	368	370	381	283
Customers' free credit balances.....do	281	266	262	253	247	252	251	267	261	256	268	269	280
Bonds													
Prices:													
Average price of all listed bonds (N. Y. S. E.) dollars:													
Domestic.....do	93.84	92.33	92.02	91.97	92.86	92.48	87.87	90.14	90.96	91.33	92.08	92.84	93.58
Foreign.....do	98.10	96.02	95.70	95.68	96.55	96.51	92.47	94.93	95.62	95.72	96.56	97.03	97.78
Standard Statistics Co., Inc.:	45.07	52.23	52.00	51.58	52.77	48.86	38.38	39.09	40.64	43.28	43.07	44.86	45.60
Composite (60 bonds).....dol. per \$100 bond	84.0	82.1	82.4	82.2	82.1	82.5	79.4	78.5	81.2	81.5	82.7	83.6	83.9
Industrials (20 bonds).....do	90.2	86.8	87.3	87.3	87.3	87.5	85.3	84.7	86.3	86.8	87.8	89.2	90.3
Public utilities (20 bonds).....do	100.7	101.6	101.8	101.6	101.8	101.7	99.3	98.7	100.2	100.2	100.6	100.6	100.5
Rails (20 bonds).....do	61.1	58.0	58.2	57.8	57.2	58.2	53.5	52.0	57.1	57.5	59.7	61.0	60.9
Domestic municipals (15 bonds).....do	129.3	119.9	120.2	119.1	119.7	119.8	115.3	114.6	120.4	121.2	122.3	124.6	127.3
U. S. Treasury bonds.....do	111.8	105.3	106.0	105.7	106.7	106.7	104.9	104.8	106.3	106.7	107.7	108.8	110.7
Sales (Securities and Exchange Commission):													
Total on all registered exchanges:													
Market value.....thous. of dol.	125,383	125,631	134,462	103,351	102,858	135,784	149,103	90,317	81,388	67,057	94,701	114,881	114,606
Face value.....do	248,906	206,047	208,518	153,589	163,222	210,816	219,740	134,697	121,857	99,101	148,956	185,154	186,432
On New York Stock Exchange:													
Market value.....do	103,243	98,662	101,179	81,807	81,857	108,459	115,226	74,484	65,530	53,571	78,398	93,532	95,500
Face value.....do	221,473	173,971	166,112	127,344	135,832	176,936	179,936	114,651	102,228	82,424	129,205	159,704	164,080
Exclusive of stopped sales (N. Y. S. E.):													
face value, total.....thous. of dol.	211,237	176,100	144,917	120,384	135,239	165,116	176,105	102,663	98,120	79,705	125,965	150,981	159,006
U. S. Government.....do	2,206	4,322	3,760	2,365	3,285	4,323	8,250	3,677	2,131	2,337	1,597	2,496	2,422
Other than U. S. Govt., total.....do	209,031	171,778	141,157	118,019	131,954	160,793	167,855	98,986	95,989	77,368	124,368	148,485	156,584
Domestic.....do	190,149	146,192	120,903	99,176	110,849	139,547	144,924	81,058	82,680	66,566	109,915	129,460	139,191
Foreign.....do	18,882	25,586	20,254	18,843	21,105	21,246	22,931	17,928	13,309	10,802	14,453	19,025	17,393
Value, issues listed on N. Y. S. E.:													
Face value, all issues.....mil. of dol.	54,169	54,067	53,988	53,937	53,853	53,646	53,414	52,879	53,431	53,914	53,913	54,329	54,237
Domestic issues.....do	49,820	49,512	49,440	49,400	49,313	49,108	48,879	48,347	48,903	49,399	49,400	49,966	49,877
Foreign issues.....do	4,349	4,554	4,548	4,537	4,540	4,538	4,535	4,532	4,528	4,515	4,514	4,363	4,360
Market value, all issues.....do	50,831	49,920	49,679	49,605	50,006	49,612	46,937	47,666	48,602	49,239	49,643	50,438	50,756
Domestic issues.....do	48,871	47,541	47,314	47,265	47,611	47,305	45,197	45,894	46,762	47,285	47,699	48,481	48,768
Foreign issues.....do	1,961	2,379	2,365	2,340	2,396	2,217	1,740	1,771	1,840	1,954	1,944	1,957	1,988
Yields:													
Bond Buyer:													
Domestic municipals (20 cities).....percent.	2.14	2.59	2.63	2.70	2.62	2.59	3.00	2.67	2.53	2.52	2.39	2.32	2.18
Moody's:													
Domestic corporate.....do	3.36	3.69	3.63	3.60	3.58	3.54	3.65	3.72	3.57	3.55	3.50	3.46	3.40
By ratings:													
Aaa.....do	2.71	2.94	2.88	2.86	2.84	2.82	2.93	2.96	2.88	2.85	2.82	2.79	2.75
Aa.....do	2.92	3.14	3.08	3.05	3.04	2.99	3.08	3.10	3.01	3.03	3.01	3.01	2.96
A.....do	3.36	3.74	3.69	3.68	3.65	3.59	3.65	3.70	3.57	3.55	3.52	3.48	3.40
Baa.....do	4.45	4.92	4.86	4.83	4.80	4.74	4.94	5.11	4.80	4.76	4.66	4.56	4.48
By groups:													
Industrials.....do	2.93	3.21	3.14	3.12	3.09	3.05	3.20	3.25	3.15	3.12	3.10	3.06	2.98
Public utilities.....do	3.13	3.38	3.35	3.33	3.29	3.24	3.30	3.33	3.23	3.23	3.19	3.18	3.14
Rails.....do	4.03	4.47	4.39	4.37	4.37	4.33	4.46	4.57	4.32	4.30	4.23	4.15	4.07
Standard Statistics Co., Inc.:													
Domestic municipals (15 bonds).....do	2.07	2.56	2.54	2.60	2.58	2.56	2.81	2.85	2.54	2.49	2.44	2.32	2.18
U. S. Treasury bonds.....do	1.89	2.35	2.30	2.32	2.25	2.25	2.38	2.39	2.25	2.25	2.18	2.10	1.97

*Revised.

*New series. For data on domestic issues for productive uses beginning 1921, see table 34, p. 17, of the September 1940 Survey.

†Revised series. For data beginning 1931, see table 55, p. 17 of the December 1940 survey.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940		1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November
FINANCE—Continued													
SECURITY MARKETS—Continued													
Stocks													
Cash dividend payments and rates (Moody's):													
Total annual payments at current rates (600 companies).....mil. of dol.	1,792.84	1,589.37	1,597.25	1,618.60	1,631.30	1,643.66	1,680.36	1,690.37	1,694.82	1,713.08	1,711.42	1,738.04	1,781.52
Number of shares, adjusted.....millions	936.43	936.43	936.43	936.43	936.43	936.43	936.43	936.43	936.43	936.43	936.43	936.43	936.43
Dividend rate per share (weighted average) (600 cos.).....dollars	1.91	1.70	1.71	1.73	1.74	1.76	1.79	1.81	1.81	1.83	1.83	1.86	1.90
Banks (21 cos.).....do	3.01	3.01	3.01	3.01	3.01	3.01	3.01	3.01	3.01	3.01	3.01	3.01	3.01
Industrials (492 cos.).....do	1.89	1.63	1.63	1.67	1.68	1.70	1.75	1.77	1.77	1.79	1.79	1.83	1.88
Insurance (21 cos.).....do	2.54	2.53	2.64	2.64	2.64	2.64	2.44	2.44	2.54	2.54	2.54	2.54	2.54
Public utilities (30 cos.).....do	1.97	1.95	1.95	1.95	1.95	1.96	1.96	1.96	1.96	1.96	1.96	1.96	1.97
Rails (36 cos.).....do	1.53	1.25	1.26	1.26	1.26	1.27	1.27	1.29	1.29	1.36	1.36	1.36	1.47
Dividend declarations (N. Y. Times):													
Total.....thous. of dol.	331,721	330,592	231,651	338,366	216,350	180,341	449,981	239,426	194,824	365,553	209,482	221,404	685,574
Industrials and miscellaneous.....do	305,652	311,996	215,588	323,201	213,822	176,637	420,278	223,372	182,232	347,331	207,354	213,843	635,110
Railroads.....do	26,069	18,596	16,064	15,165	2,528	3,704	29,703	16,055	12,592	18,222	2,128	7,561	50,463
Prices:													
Average price of all listed shares (N. Y. S. E.) Dec. 31, 1924=100.....	57.2	64.4	63.0	63.6	64.3	64.3	50.2	53.1	54.6	55.6	56.7	58.4	57.0
Dow-Jones & Co., Inc. (65 stocks) dol. per share.....	43.39	50.01	49.72	49.44	49.15	49.92	43.48	39.99	41.64	42.50	44.40	44.72	45.04
Industrials (30 stocks).....do	130.45	148.54	147.60	147.29	147.13	148.91	130.76	119.46	122.23	125.32	131.46	132.39	133.90
Public utilities (15 stocks).....do	19.91	25.00	25.44	24.87	24.26	25.09	21.45	20.15	22.42	22.22	22.18	22.07	21.22
Rails (20 stocks).....do	27.61	31.63	31.09	30.83	30.45	31.00	26.52	24.66	26.43	26.83	28.43	28.83	29.36
New York Times (50 stocks).....do	93.68	109.01	107.40	107.83	107.66	109.17	95.20	89.17	90.46	92.21	96.27	97.29	95.86
Industrials (25 stocks).....do	167.16	194.21	191.78	192.67	192.71	195.13	170.95	159.61	161.49	164.48	171.50	173.26	170.32
Railroads (25 stocks).....do	20.21	23.82	23.03	22.98	22.61	23.22	19.46	18.72	19.43	19.94	21.05	21.34	21.40
Standard Statistics Co., Inc.:													
Combined index (420 stocks).....1926=100.....	80.4	91.8	92.7	91.5	91.5	92.9	83.0	73.3	76.1	77.5	80.9	81.4	82.1
Industrials (350 stocks).....do	94.0	107.9	108.8	107.3	107.5	109.2	97.3	84.8	87.2	89.1	93.7	94.6	95.8
Capital goods (107 stocks).....do	118.7	133.8	132.7	130.1	130.9	132.8	118.1	104.1	105.9	109.5	116.5	119.5	120.2
Consumer's goods (194 stocks).....do	87.3	100.6	102.5	102.2	102.7	104.4	92.7	80.0	84.2	85.8	89.6	90.1	89.9
Public utilities (40 stocks).....do	77.6	86.7	88.4	87.6	87.1	87.8	80.6	75.1	80.1	80.3	81.0	80.2	79.0
Rails (30 stocks).....do	26.4	29.6	29.6	28.7	28.9	29.1	25.4	22.7	24.4	24.9	27.0	27.4	27.8
Other issues:													
Banks, N. Y. C. (19 stocks).....do	55.8	58.3	59.3	59.3	59.2	58.9	52.0	48.8	51.4	50.4	51.0	53.6	55.6
Fire and marine insurance (18 stocks).....do	94.3	94.0	95.3	96.4	94.5	94.3	83.8	78.7	84.0	84.3	87.4	90.0	93.9
Sales (Securities and Exchange Commission):													
Total on all registered exchanges:													
Market value.....thous. of dol.	706,231	767,158	774,470	583,619	632,092	1,134,339	1,438,199	560,463	320,860	320,913	472,741	591,703	991,382
Shares sold.....thousands.....	33,003	31,446	31,710	26,093	28,718	51,103	69,493	25,451	15,191	14,214	20,728	24,006	37,022
On New York Stock Exchange:													
Market value.....thous. of dol.	596,806	648,912	652,915	487,929	527,777	964,608	1,242,999	487,116	264,352	270,471	406,925	505,193	763,481
Shares sold.....thousands.....	23,744	23,175	24,141	19,367	20,568	37,599	54,517	20,107	10,828	10,420	16,206	18,522	29,040
Exclusive of odd lot and stopped sales (N. Y. Times).....thousands.....	18,400	17,769	15,991	13,465	16,269	26,696	38,969	15,573	7,307	7,616	11,941	14,484	20,893
Shares listed, N. Y. S. E.:													
Market value, all listed shares.....mil. of dol.	41,891	46,463	45,637	46,058	46,695	46,769	36,547	38,775	39,992	40,706	41,492	42,674	41,848
Number of shares listed.....millions.....	1,455	1,435	1,441	1,441	1,444	1,446	1,447	1,450	1,454	1,454	1,453	1,453	1,457
Yields:													
Common stocks (200), Moody's.....percent.....	5.7	4.5	4.6	4.6	4.6	4.6	6.1	5.7	5.6	5.6	5.5	5.4	5.6
Banks (15 stocks).....do	4.3	4.2	4.1	4.0	4.1	4.1	5.2	4.8	4.7	4.7	4.7	4.3	4.3
Industrials (125 stocks).....do	5.7	4.3	4.4	4.5	4.5	4.5	6.1	5.9	5.7	5.6	5.5	5.5	5.7
Insurance (10 stocks).....do	4.2	4.1	4.3	4.3	4.3	4.3	4.9	4.5	4.5	4.8	4.4	4.2	4.1
Public utilities (25 stocks).....do	5.9	5.3	5.3	5.3	5.2	5.3	6.3	5.7	5.7	5.7	5.8	5.7	6.0
Rails (25 stocks).....do	6.2	4.5	4.8	4.7	4.7	4.8	6.3	5.7	5.5	5.6	5.5	5.3	5.8
Preferred stocks, Standard Statistics Co., Inc.:													
Industrials, high-grade (20 stocks) percent.....		4.95	4.90	4.90	4.94	4.92	5.07	5.26	5.11	5.10	5.04	4.99	4.94
Stockholders (Common Stock)													
American Tel. & Tel. Co., total.....number.....		636,884				635,286					631,343		
Foreign.....do		6,787				6,674					6,451		
Pennsylvania Railroad Co., total.....do		205,883				208,705					206,907		
Foreign.....do		2,724				2,712					2,742		
U. S. Steel Corporation, total.....do		164,822				163,972					164,553		
Foreign.....do		3,191				3,020					2,706		
Shares held by brokers.....percent of total.....		28.03				28.31					27.48		

FOREIGN TRADE

INDEXES													
Exports:	1923-25=100	1923-25=100	1923-25=100	1923-25=100	1923-25=100	1923-25=100	1923-25=100	1923-25=100	1923-25=100	1923-25=100	1923-25=100	1923-25=100	1923-25=100
Total: Value, unadjusted.....do	85	97	97	91	92	85	91	92	83	92	78	91	86
Value, adjusted.....do	80	91	96	100	91	90	91	104	95	100	74	74	75
U. S. merchandise, unadjusted:													
Quantity.....do	126	140	137	130	132	123	124	136	126	135	115	136	127
Value.....do	85	96	97	91	92	85	85	92	84	92	77	90	86
Unit value.....do	67	69	71	70	70	69	69	68	67	68	68	67	68
Imports:													
Total: Value, unadjusted.....do	78	76	75	62	67	66	65	65	72	68	60	64	69
Value, adjusted.....do	79	77	74	63	60	61	64	69	78	71	63	63	69
Imports for consumption, unadjusted:													
Quantity.....do	130	127	124	99	106	105	106	109	115	114	106	117	120
Value.....do	75	73	73	59	65	64	64	68	67	61	67	67	68
Unit value.....do	57	58	59	60	61	61	60	69	59	59	58	57	57
Exports of agricultural products, quantity:													
Total:													
Unadjusted.....1910-14=100.....do	25	95	118	96	67	52	39	34	34	26	23	37	29
Adjusted.....do	20	75	105	104	68	61	47	44	47	32	22	27	22
Total, excluding cotton:													
Unadjusted.....do	36	63	71	71	66	51	43	48	52	47	37	48	38
Adjusted.....do	33	58	70	77	66	55	45	53	57	48	34	42	35

* Revised.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November

FOREIGN TRADE—Continued

VALUE	1940	1939	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940
Exports, total, incl. reexports.....thous. of dol.	322,257	367,819	368,584	346,779	352,272	324,008	325,306	350,458	317,015	349,928	295,245	343,485	327,685	
By grand divisions and countries:														
Africa.....do	16,024	11,342	11,276	10,789	11,727	13,944	12,545	12,325	12,243	12,615	14,094	15,613	16,945	
Asia and Oceania.....do	60,405	78,120	76,061	61,520	59,299	53,220	57,898	53,755	59,146	59,734	48,405	66,957	55,894	
Japan.....do	19,343	27,556	28,247	15,193	17,800	15,271	13,721	15,421	15,888	17,778	25,188	26,195	16,443	
Europe.....do	116,329	157,340	172,640	165,741	160,050	140,240	124,527	144,813	122,837	143,754	113,523	122,003	118,695	
France.....do	36,645	36,645	38,508	39,277	42,034	45,990	39,350	47,237	206	89	72	8	(e)	
Germany.....do	2	1	(a)	4	44	35	70	0	(e)	(e)	0	0	(e)	
Italy.....do	9	8,623	8,300	9,598	10,083	9,240	13,234	1,603	16	6	90	12	3	
United Kingdom.....do	101,253	50,395	67,143	58,534	51,890	53,839	49,822	77,868	108,368	125,309	103,361	107,597	102,375	
North America, northern.....do	63,206	44,477	42,282	43,671	49,700	55,136	62,738	67,679	64,486	71,800	64,626	77,886	65,609	
Canada.....do	62,439	43,878	41,647	43,131	48,855	54,373	61,877	66,796	63,494	70,707	63,252	76,682	64,262	
North America, southern.....do	33,807	32,311	27,758	28,065	29,167	25,249	27,265	26,924	24,163	27,888	25,673	31,556	33,792	
Mexico.....do	10,554	9,926	8,046	7,522	8,394	6,624	7,472	6,536	7,110	7,198	7,697	10,061	9,772	
South America.....do	31,824	44,227	38,566	36,993	42,328	36,219	40,332	44,961	34,139	34,137	28,923	29,471	36,749	
Argentina.....do	4,734	10,791	10,157	9,147	10,821	8,326	10,770	14,759	10,650	10,170	6,267	5,151	5,920	
Brazil.....do	10,046	10,483	9,216	10,116	10,368	10,360	10,384	10,641	7,205	7,522	6,753	7,176	10,807	
Chile.....do	3,360	3,908	3,259	3,418	4,364	3,066	3,694	4,244	3,110	3,543	2,976	3,389	4,081	
U. S. merchandise, by economic classes:														
Total.....thous. of dol.	315,323	357,450	359,093	338,639	344,559	316,520	318,051	344,444	312,337	341,924	288,270	336,165	321,275	
Crude materials.....do	20,453	64,264	82,193	61,113	46,752	40,886	40,277	33,589	31,987	24,161	22,724	29,188	24,600	
Cotton, unmanufactured.....do	6,417	43,741	59,884	44,223	26,583	21,086	13,526	8,295	7,861	3,640	5,138	10,541	7,703	
Foodstuffs, total.....do	13,719	24,342	27,705	31,282	25,881	22,058	14,965	17,758	20,407	19,170	15,331	18,360	14,650	
Crude foodstuffs.....do	3,488	7,784	7,257	8,752	8,026	6,314	4,005	6,480	7,706	5,819	4,974	7,528	3,603	
Mfd. foodstuffs and beverages.....do	10,231	16,558	20,448	22,470	17,855	15,744	10,960	11,278	12,701	13,351	10,357	10,832	11,047	
Fruits and preparations.....do	2,638	4,099	4,316	5,554	4,087	3,927	1,608	2,209	1,538	2,386	1,813	2,362	1,974	
Meats and fats.....do	1,837	5,133	7,154	6,889	3,240	2,622	2,056	1,764	3,151	1,710	1,729	1,754	1,859	
Wheat and flour.....do	1,686	1,978	2,259	3,350	5,752	3,381	1,993	1,536	2,593	2,237	2,153	2,946	2,703	
Semimanufactures.....do	67,154	75,661	75,362	71,355	73,508	65,810	74,490	76,310	75,545	96,863	78,575	81,421	70,651	
Finished manufactures.....do	213,997	193,183	173,838	174,900	198,418	187,766	188,319	216,787	184,398	201,730	171,639	207,195	211,373	
Autos and parts.....do	24,470	24,826	23,736	23,835	29,326	19,493	21,337	17,661	13,964	15,645	15,735	22,531	26,828	
Gasoline.....do	5,950	9,638	6,412	5,534	5,387	5,364	6,110	6,332	3,966	4,365	4,422	5,827	6,897	
Machinery.....do	63,327	48,100	44,173	45,235	59,726	62,864	58,422	54,496	48,292	56,813	52,658	61,046	62,873	
General imports, by grand divisions and countries:														
Total.....thous. of dol.	253,099	246,903	241,897	199,775	216,732	212,240	211,382	211,390	232,258	220,217	194,928	207,141	223,430	
Africa.....do	13,663	9,955	8,030	10,481	7,522	7,958	8,052	9,209	14,849	11,901	12,581	9,714	13,191	
Asia and Oceania.....do	105,823	91,005	100,107	65,789	76,041	77,883	70,057	72,720	86,645	90,795	86,220	89,843	93,250	
Japan.....do	14,033	18,915	22,196	7,998	9,335	8,760	9,283	8,972	13,362	13,277	11,124	18,361	21,676	
Europe.....do	26,187	57,333	52,024	38,039	41,160	40,883	38,215	35,876	32,303	26,666	15,762	18,330	24,600	
France.....do	1,301	5,303	7,313	4,786	5,170	4,220	5,351	3,222	1,751	655	267	415	1,870	
Germany.....do	183	3,383	1,691	924	392	357	231	251	201	183	231	231	576	
Italy.....do	84	3,895	2,563	2,613	3,968	4,953	4,210	4,053	802	158	116	74	23	
United Kingdom.....do	13,610	15,719	14,191	8,945	14,973	12,748	12,115	15,426	20,299	13,280	9,263	9,873	10,428	
North America, northern.....do	43,619	33,215	30,164	26,963	26,401	30,475	36,917	37,802	39,852	41,029	40,569	39,163	44,122	
Canada.....do	41,913	32,012	28,877	26,279	26,089	29,778	36,180	37,164	37,976	39,467	39,197	38,050	42,533	
North America, southern.....do	15,782	17,111	20,002	23,270	26,987	25,998	25,797	28,491	24,585	19,571	14,722	16,440	14,884	
Mexico.....do	5,769	5,912	5,958	6,733	6,402	6,652	6,889	10,330	6,986	6,330	3,876	5,105	4,811	
South America.....do	48,024	38,285	31,570	35,234	34,850	29,048	32,344	27,292	34,024	30,355	25,075	33,650	33,383	
Argentina.....do	11,613	8,363	9,663	10,819	10,466	5,084	5,067	4,743	5,175	5,170	3,648	5,010	6,902	
Brazil.....do	12,711	10,215	7,871	8,067	8,122	7,079	9,282	7,579	9,004	8,396	7,122	9,904	9,340	
Chile.....do	6,709	7,879	2,480	4,593	4,134	7,012	6,143	3,590	8,583	6,372	5,164	6,378	4,435	
Imports for consumption, by economic classes:														
Total.....thous. of dol.	238,275	232,738	234,634	189,824	206,719	202,974	203,702	205,397	217,828	214,106	196,312	213,133	217,175	
Crude materials.....do	110,375	86,770	95,714	70,420	77,880	70,866	70,511	70,511	85,231	88,495	80,113	88,904	93,838	
Crude foodstuffs.....do	25,931	25,665	24,793	23,838	25,636	25,052	26,095	23,642	24,924	21,515	18,098	22,625	22,695	
Mfd. foodstuffs and beverages.....do	19,435	29,786	23,316	23,138	22,812	24,539	27,215	31,275	22,567	20,588	19,026	21,176	22,444	
Semimanufactures.....do	52,009	55,619	53,732	42,860	46,596	42,447	43,337	45,146	45,414	50,342	46,510	46,045	44,383	
Finished manufactures.....do	30,524	34,898	37,079	29,567	33,794	32,810	36,189	34,823	39,691	33,166	32,565	34,383	33,816	

TRANSPORTATION AND COMMUNICATIONS

TRANSPORTATION	1940	1939	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940
Express Operations													
Operating revenue.....thous. of dol.		11,007	9,167	9,281	9,586	9,588	9,837	9,528	9,415	9,632	10,055	10,624	
Operating income.....do		74	80	76	84	75	61	71	77	69	87	82	
Local Transit Lines													
Fares, average, cash rate.....cents.	7,8253	7,8336	7,8336	7,8336	7,8253	7,8253	7,8253	7,8253	7,8253	7,8253	7,8253	7,8253	7,8253
Passengers carried.....thousands.	863,069	825,903	811,787	767,688	823,167	798,945	813,615	755,312	724,709	726,760	763,114	831,810	808,421
Operating revenues.....thous. of dol.		60,649	58,950	56,545	59,974	57,872	59,139	55,935	53,574	54,097	58,452	60,542	58,489
Class I Steam Railways													
Freight-carloadings (Federal Reserve):													
Combined index, unadjusted.....1923-25=100	77	73	72	68	67	67	71	75	77	78	86	86	84
Coal.....do	83	79	95	80	70	63	67	69	70	75	83	72	83
Coke.....do	108	101	106	88	73	62	70	85	89	88	94	97	104
Forest products.....do	50	44	41	43	44	44	47	48	46	51	56	57	55
Grains and grain products.....do	66	75	66	69	69	70	66	73	110	89	89	81	73
Livestock.....do	39	39	38	33	31	34	34	31	31	38	54	63	52
Merchandise, l. c. l.....do	61	60	58	59	60	60	60	60	60	61	64	64	63
Ore.....do	33	29	25	26	26	42							

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey

TRANSPORTATION AND COMMUNICATIONS—Continued

	1940		1939		1940								
	December	December	January	February	March	April	May	June	July	August	September	October	November
TRANSPORTATION—Continued													
Class 1 Steam Railways—Continued													
Freight-carloadings (A. A. R.):†													
Total cars..... thousands.....	2,720	2,562	2,555	2,487	3,123	2,494	2,713	3,535	2,826	3,718	3,135	3,269	3,780
Coal..... do.....	560	525	643	571	624	444	470	600	474	657	562	505	695
Coke..... do.....	50	48	50	43	45	30	33	50	41	54	44	47	61
Forest products..... do.....	141	121	115	121	160	129	134	171	127	186	157	167	193
Grains and grain products..... do.....	119	133	117	123	163	131	126	164	203	208	160	154	166
Livestock..... do.....	50	50	50	43	53	45	47	52	41	62	69	86	86
Merchandise, l. c. l..... do.....	578	566	554	571	741	595	597	725	570	755	606	636	752
Ore..... do.....	49	43	38	39	51	59	195	326	275	347	279	274	213
Miscellaneous..... do.....	1,173	1,076	989	974	1,284	1,062	1,112	1,446	1,095	1,449	1,260	1,400	1,614
Freight-car surplus, total..... do.....	129	160	126	178	188	163	154	126	133	104	75	88	96
Box cars..... do.....	45	58	59	69	70	67	69	54	57	51	33	27	33
Coal cars..... do.....	57	69	36	75	85	66	56	43	47	30	24	45	42
Financial operations:													
Operating revenues, total..... thous. of dol.....	381,792	345,180	345,498	313,475	327,009	321,439	343,362	344,813	366,078	381,427	382,603	413,590	375,364
Freight..... do.....	276,272	283,107	257,630	266,721	265,246	284,634	280,660	300,658	310,645	316,125	348,169	315,204	
Passenger..... do.....	37,816	36,079	31,945	33,262	29,956	29,742	35,936	37,732	40,974	36,094	33,465	31,244	
Operating expenses..... do.....	266,134	249,007	257,341	240,519	248,594	245,818	252,803	252,462	261,999	267,505	260,179	259,455	
Taxes, joint facility and equip. rents*..... do.....	36,867	35,192	42,591	40,338	41,681	41,799	43,483	44,932	46,974	47,907	48,231	49,885	
Net railway operating income..... do.....	78,791	60,981	45,567	32,618	36,734	33,822	47,077	47,419	57,104	66,015	70,193	86,988	
Net income..... do.....		36,622	2,927	4,761	4,955	4,261	3,843	7,050	16,042	21,725	30,733	42,654	
Operating results:													
Freight carried 1 mile..... mil. of tons.....	31,460	32,502	29,655	31,116	29,903	33,086	32,908	33,713	33,398	37,058	38,614	35,949	
Revenue per ton-mile..... cents.....	.961	.952	.947	.944	.964	.927	.930	.926	.926	.926	.965		
Passengers carried 1 mile..... millions.....	2,020	1,932	1,709	1,803	1,691	1,699	2,060	2,244	2,480	2,144	1,922		
Financial operations, adjusted*:													
Operating revenues, total..... mil. of dol.....	359.8	357.6	339.2	328.7	328.3	341.8	359.8	356.3	364.8	376.9	363.0	379.0	
Freight..... do.....	296.6	294.1	278.3	289.2	269.9	281.4	297.2	293.8	298.4	312.9	298.3	314.3	
Passenger..... do.....	34.7	34.8	33.9	35.6	32.4	32.5	34.8	33.8	36.7	34.6	35.0	34.9	
Railway expenses..... do.....	295.4	301.3	290.3	289.9	289.0	290.4	299.5	302.7	307.6	309.5	311.5	311.7	
Net railway operating income..... do.....	64.4	56.3	48.9	38.8	39.3	51.3	60.2	53.6	57.2	67.4	51.5	67.3	
Net income..... do.....	21.3	15.3	8.4	1.7	1.9	9.5	18.4	11.9	14.9				
Waterway Traffic													
Canals:													
Cape Cod..... thous. of short tons.....	(1)	661	566	434	631	572	(1)	(1)	(1)	(1)	(1)	(1)	(1)
New York State..... do.....	0	0	0	0	0	665	647	779	625	648	804	599	
Panama, total..... thous. of long tons.....	2,129	2,461	2,338	2,124	2,279	2,081	2,319	1,789	2,285	2,418	2,418	2,062	
In U. S. vessels..... do.....	1,134	1,047	1,066	1,022	1,073	1,042	1,358	898	1,075	1,202	1,133	1,227	
St. Lawrence..... thous. of short tons.....	13	33	0	0	0	268	1,057	1,055	1,123	1,008	992	1,070	
Sault St. Marie..... do.....	704	953	0	0	0	1,278	12,250	13,455	13,842	13,713	13,003	12,971	
Welland..... do.....	210	404	0	0	0	449	2,051	1,913	1,832	1,820	1,616	1,491	
Rivers:													
Allegheny..... do.....	211	214	60	125	207	302	475	469	399	501	423	437	
Mississippi (Government barges only)..... do.....	115	128	83	79	153	164	246	204	198	212	192	183	
Monongahela..... do.....	2,969	2,658	1,281	1,615	2,288	1,984	2,603	2,687	2,681	2,679	2,585	2,792	
Ohio (Pittsburgh district)..... do.....	1,545	1,443	315	836	1,135	1,208	1,560	1,552	1,474	1,412	1,396	1,603	
Clearances, vessels in foreign trade:													
Total U. S. ports..... thous. of net tons.....	3,840	4,536	4,356	4,250	4,597	4,759	5,845	6,335	6,340	6,331	5,415	5,433	
Foreign..... do.....	2,544	3,215	3,034	3,014	3,198	3,078	3,751	4,230	4,241	4,307	3,727	3,679	
United States..... do.....	1,296	1,321	1,322	1,237	1,399	1,680	2,094	2,105	2,099	2,024	1,688	1,753	
Travel													
Operations on scheduled airlines:													
Miles flown..... thous. of miles.....	9,142	7,733	7,271	6,673	7,930	8,332	9,267	9,549	10,121	10,223	10,084	10,635	
Express carried..... pounds.....	1,323,615	1,035,278	817,633	697,385	894,581	871,317	941,810	981,884	1,056,999	1,201,999	1,184,249	1,329,843	
Passengers carried..... number.....	202,859	175,263	150,102	139,816	195,062	224,852	258,451	286,272	296,539	320,990	310,293	334,386	
Passenger-miles flown..... thous. of miles.....	78,389	71,530	61,355	58,937	80,686	88,062	100,044	110,840	112,377	121,602	118,534	125,924	
Hotels:													
Average sale per occupied room..... dollars.....	3.26	3.29	3.21	3.25	3.18	3.40	3.10	3.27	3.19	3.39	3.35	3.39	
Rooms occupied..... percent of total.....	57	54	66	66	65	66	66	62	60	64	67	70	
Restaurant sales index..... 1929=100.....	95	90	92	91	89	104	108	95	88	100	96	100	
Foreign travel:													
U. S. citizens, arrivals..... number.....	11,565	13,367	21,049	22,822	16,067	12,905	16,603	17,254	15,692	11,308	8,422	8,546	
U. S. citizens, departures..... do.....	7,099	15,785	14,125	25,113	16,410	11,948	8,688	12,354	10,960	15,569	9,692	6,862	
Emigrants, total..... do.....	1,714	1,530	1,248	1,459	1,192	1,310	993	1,189	1,110	1,317	1,641	1,648	
Immigrants..... do.....	7,673	3,876	7,025	6,373	6,923	6,186	4,125	4,298	4,812	4,861	4,824	3,833	
Passports issued..... do.....	1,820	1,663	1,870	2,070	2,109	2,604	2,926	2,848	2,435	1,913	1,628	1,503	
National Parks:													
Visitors..... do.....	63,486	68,774	77,122	117,430	124,864	259,368	539,769	927,757	933,783	497,149	252,788	92,746	
Automobiles..... do.....	19,740	19,470	21,189	32,967	38,580	77,869	166,667	257,109	258,128	149,214	79,194	28,997	
Pullman Co.:													
Revenue passenger-miles..... thousands.....	675,284	795,095	671,769	735,316	635,802	570,836	685,427	702,186	718,140	702,104	684,932	578,257	
Passenger revenues..... thous. of dol.....	4,367	5,254	4,558	4,871	4,170	4,749	4,277	4,263	4,402	4,381	4,235	3,738	
COMMUNICATIONS													
Telephone carriers:													
Operating revenues..... thous. of dol.....	105,125	106,144	102,999	106,094	107,155	108,603	106,063	106,593	107,350	107,852	113,087	110,544	
Station revenues..... do.....	69,026	70,023	68,674	69,716	70,469	71,007	69,741	68,972	68,749	70,117	73,025	72,148	
Tolls, message..... do.....	27,188	27,322	25,512	27,573	27,859	28,693	27,424	28,636	29,722	28,781	31,034	29,313	
Operating expenses..... do.....	70,568	70,329	67,868	69,675	69,342	71,950	68,995	71,850	70,885	69,711	72,841	77,106	
Net operating income..... do.....	20,119	20,973	20,365	21,172	22,135	21,391	18,404	19,204	20,560	16,174	23,004	17,933	
Phones in service, end of month..... thousands.....	18,537	18,710	18,802	18,896	18,992	19,089	19,108	19,138	19,211	19,334	19,446	19,547	
Telegraph and cable carriers:†													
Operating revenues, total..... thous. of dol.....	11,925	10,445	10,020	10,868	10,661	11,586	11,116	10,773	10,969	10,648	11,442	10,642	
Telegraph carriers, total..... do.....	10,822	9,451	9,094	9,932	9,687	10,565	10,198	9,906	10,188	9,882	10,622	9,872	
Western Union Telegraph Co., revenues from cable operations..... thous. of dol.....	658	599	566	591	594	661	569	543	433	415	441	424	
Cable carriers..... do.....	1,103	994	926	936	973	1,022	918	877	781	766	821	770	
Operating expenses..... do.....	10,008	9,408	8,892	9,554	9,321	9,816	9,621	9,783	9,783	9,409	9,695	9,498	
Operating income..... do.....	1,212	332	443	626	641	1,035	759	204	443	503	1,012	465	
Net income..... do.....	331	460	486	123	145	397	466	4293	61	94	536	383	
Radiotelegraph carriers, operating revenues..... thous. of dol.....	1,258	1,109	1,028	1,072	1,116	1,239	1,177	1,149	1,083	1,110	1,267	1,179	

† Revised. † Deficit. † Data temporarily discontinued by reporting source. † Data for March, June, August, and November, 1940 are for 5 weeks; other months, 4 weeks. * New series. A adjusted data on financial operations of railways beginning 1921 appear in table 33, p. 16, of the September 1940 issue. The new series on taxes and joint facility and equipment rents is shown to provide figures for obtaining total railway expenses as given in the adjusted figures of financial operations; earlier data may be obtained by deducting operating expenses and net railway operating income from operating revenues. † Revised to exclude data for radiotelegraph carriers; for revised data beginning 1934, see table 48, p. 16 of the November 1940 Survey.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November

CHEMICALS AND ALLIED PRODUCTS

CHEMICALS													
Alcohol, denatured:													
Consumption.....thous. of wine gal.	12,441	11,450	10,146	8,505	9,494	9,791	10,037	9,625	9,497	11,195	14,157	15,566	13,544
Production.....do.	12,215	11,145	10,398	8,460	9,524	9,994	10,037	9,707	10,443	11,510	13,694	15,098	13,158
Stocks, end of month.....do.	1,360	1,170	1,417	1,366	1,392	1,591	1,586	1,662	2,605	2,919	2,445	1,975	1,586
Alcohol, ethyl:													
Production.....thous. of proof gal.	23,762	22,080	20,652	20,381	20,983	20,218	20,948	21,423	22,457	24,094	21,559	23,350	23,354
Stocks, warehoused, end of month.....do.	9,503	14,614	15,279	18,773	20,677	20,957	21,921	21,799	22,393	23,645	18,480	13,471	10,027
Withdrawn for denaturing.....do.	22,056	19,525	18,386	14,697	16,730	17,610	17,752	17,490	19,621	20,918	24,218	25,552	23,110
Withdrawn, tax paid.....do.	2,128	1,729	1,504	1,640	2,012	2,035	1,782	3,380	2,020	1,424	2,045	2,357	2,959
Methanol:													
Exports, refined.....gallons	267,077	368,246	369,290	228,357	326,149	35,725	21,932	53,341	74,295	228,961	198,332	162,302	191,739
Price, refined, wholesale (N. Y.).....dol. per gal.	.34	.36	.36	.36	.36	.34	.34	.34	.34	.34	.34	.34	.34
Production:													
Crude (wood distilled).....thous. of gal.	484	434	457	447	507	442	437	426	390	408	366	463	468
Synthetic.....do.	3,913	4,184	3,453	3,782	3,463	3,486	3,409	3,426	3,852	3,788	3,549	4,408	4,440
Explosives, shipments.....thous. of lb.	33,461	30,580	34,690	31,035	30,189	32,204	34,475	32,877	33,340	35,036	37,180	37,740	34,444
Sulphur production (quarterly):													
Louisiana.....long tons	103,675	126,650			121,820			149,995			137,445		
Texas.....do.	567,698	530,047			546,558			625,157			573,421		
Sulphuric acid (fertilizer manufacturers):													
Consumed in production of fertilizer short tons.....		172,332	182,160	158,592	149,303	140,272	143,742	137,321	134,050	153,215	140,444	169,878	179,677
Price, wholesale, 66°, at works dol. per short ton.....	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50
Production.....short tons.....		219,838	235,023	212,719	196,290	192,846	191,643	176,846	180,553	194,664	193,243	222,476	216,290
Purchases:													
From fertilizer manufacturers.....do.		32,885	26,699	19,724	19,383	11,991	15,092	18,013	24,133	30,782	33,813	38,361	33,220
From others.....do.		36,889	26,826	23,685	23,416	27,618	27,330	36,029	32,517	31,476	27,163	25,518	36,184
Shipments:													
To fertilizer manufacturers.....do.		47,623	39,636	40,309	34,685	32,533	37,371	34,534	44,063	45,680	42,582	48,635	43,014
To others.....do.		59,870	58,335	55,650	55,002	58,061	59,090	57,344	55,433	60,923	59,393	65,817	57,475
Stocks, end of month.....do.		83,814	92,040	93,132	93,231	94,820	89,282	90,971	94,628	91,732	103,532	105,557	110,939
FERTILIZERS													
Consumption, Southern States													
thous. of short tons.....	182	187	379	675	1,536	1,125	329	122	72	142	189	105	
Exports, total.....long tons.....	136,581	70,905	56,602	53,398	60,332	65,798	108,207	90,061	122,837	178,474	144,348	148,135	116,416
Nitrogenous.....do.	16,486	18,629	27,164	28,902	14,847	20,053	20,485	15,379	21,021	30,321	29,729	15,773	15,891
Phosphate materials.....do.	112,063	43,474	27,099	19,717	43,311	43,167	80,484	66,619	86,672	128,907	100,713	111,936	88,409
Prepared fertilizers.....do.	330	489	278	800	722	748	544	372	630	881	536	1,003	428
Imports, total.....do.	62,706	126,952	146,012	140,544	178,782	144,702	146,797	99,002	117,250	89,891	71,038	68,208	63,852
Nitrogenous, total.....do.	50,245	106,510	103,281	73,792	135,839	118,515	97,020	83,707	109,618	75,542	61,456	63,090	56,362
Nitrate of soda.....do.	27,718	59,518	56,627	25,506	86,039	89,679	79,299	62,698	82,342	52,703	37,610	34,822	28,478
Phosphates.....do.	3,179	705	693	406	476	600	1,228	3,386	9	3,136	3,64	3,394	637
Potash.....do.	7,903	18,161	41,798	65,496	40,094	19,553	30,197	10,349	7,441	8,829	7,787	3	5,625
Price, wholesale, nitrate of soda, 95 percent (N. Y.).....dol. per cwt.	1.470	1.450	1.450	1.450	1.450	1.450	1.450	1.450	1.450	1.450	1.450	1.470	1.470
Potash deliveries.....short tons.....		62,635	54,944	10,106	5,412	3,511	4,711	23,363	35,817	34,534	48,018	42,752	48,282
Superphosphate (bulk):													
Production.....do.		405,199	430,820	358,758	351,009	338,482	339,736	327,169	323,567	361,387	327,117	404,467	398,341
Shipments to consumers.....do.		24,368	39,335	52,741	158,717	221,376	133,372	61,120	27,584	45,389	130,823	98,210	45,649
Stocks, end of month.....do.		1,233,297	1,256,690	1,250,521	1,115,331	834,900	906,650	945,712	1,010,047	1,091,183	1,135,178	1,201,715	1,244,655
NAVAL STORES													
Rosin, gum:													
Price, wholesale "H" (Savannah), bulk † dol. per 100 lb.	1.72	2.25	2.31	2.35	2.38	2.13	1.96	1.76	1.42	1.69	1.61	1.67	1.87
Receipts, net, 3 ports.....bbl. (500 lb.)	34,098	51,932	11,630	6,764	7,710	26,679	37,792	43,411	46,132	48,389	40,190	39,820	35,018
Stocks, 3 ports, end of month.....do.	561,241	642,234	605,046	570,403	544,281	522,133	516,741	529,416	519,556	524,212	522,181	528,065	542,091
Turpentine, gum, spirits of:													
Price, wholesale (Savannah).....dol. per gal.	.44	.27	.30	.33	.37	.35	.34	.32	.33	.34	.37	.41	.45
Receipts, net, 3 ports.....bbl. (50 gal.)	6,986	10,202	1,487	611	1,202	6,584	9,429	11,302	12,340	11,496	9,762	8,364	7,793
Stocks, 3 ports, end of month.....do.	40,016	94,677	76,664	66,532	58,369	51,215	50,704	53,345	54,488	55,809	51,053	44,961	44,488
OILS, FATS, AND BYPRODUCTS													
Animal Fats and Byproducts and Fish Oils (Quarterly)													
Animal fats:													
Consumption, factory.....thous. of lb.	269,361	256,378			229,509			231,581			235,774		
Production.....do.	672,886	629,499			688,427			610,030			508,543		
Stocks, end of quarter.....do.	600,347	417,673			560,537			633,821			557,921		
Greases:													
Consumption, factory.....do.	98,639	61,061			85,454			89,978			82,409		
Production.....do.	126,451	107,304			112,203			109,979			104,520		
Stocks, end of quarter.....do.	134,002	60,375			110,851			122,330			121,217		
Shortenings and compounds:													
Production.....do.	332,320	330,816			273,119			287,998			296,179		
Stocks, end of quarter.....do.	53,700	56,621			57,250			52,880			48,144		
Fish oils:													
Consumption, factory.....do.	51,818	80,026			63,129			47,402			43,958		
Production.....do.	91,722	129,743			34,015			5,843			42,816		
Stocks, end of quarter.....do.	199,458	245,150			203,521			166,507			174,462		
Vegetable Oils and Products													
Vegetable oils, total:													
Consumption, crude, factory (quarterly) mil. of lb.	1,012	1,019			914			756			622		
Exports.....thous. of lb.	9,318	17,436	10,499	12,091	15,057	9,178	8,804	8,648	10,245	11,695	9,680	13,383	7,290
Imports, total.....do.	68,389	80,975	80,711	66,579	67,011	66,051	71,149	78,214	96,629	74,854	57,977	64,460	54,366
Paint oils.....do.	1,625	16,733	20,527	7,580	9,107	1,388	11,944	15,791	19,533	10,839	2,745	6,027	1,300
All other vegetable oils.....do.	66,764	64,242	60,183	58,999	57,904	64,663	59,205	62,424	77,096	64,015	55,232	58,433	53,066
Production (quarterly) mil. of lb.	1,184	1,069			910			558			540		
Stocks, end of quarter:													
Crude.....do.	935	784			861			713			737		
Refined.....do.	576	654			754			684			452		

†Revised.

†Revised series. Data beginning 1919 are shown in table 3, p. 17 of the January 1941 Survey.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940		1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November
CHEMICALS AND ALLIED PRODUCTS—Continued													
OILS, FATS, AND BYPRODUCTS—Con.													
Vegetable Oils and Products—Con.													
Copra:													
Consumption, factory (quarterly).....short tons	69,664	55,240			78,834			70,217				57,579	
Imports.....do	27,606	28,658	48,863	22,449	35,633	18,932	27,606	17,454	19,137	20,578	11,980	26,861	30,584
Stocks, end of quarter.....do	34,797	35,084			45,756			46,933			29,293		
Coconut or copra oil:													
Consumption, factory:													
Crude (quarterly).....thous. of lb.	150,410	150,523			149,761			146,156			148,245		
Refined (quarterly).....do	52,296	58,424			55,086			58,492			56,248		
In oleomargarine.....do	1,528	1,972	2,051	1,841	2,464	3,084	2,527	1,575	1,261	1,180	1,142	1,464	1,664
Imports.....do	40,224	26,686	34,899	26,240	34,266	34,977	18,150	26,729	36,659	26,286	21,684	36,157	34,412
Production (quarterly):													
Crude.....do	87,883	69,478			98,519			87,781			73,038		
Refined.....do	73,938	73,725			70,920			69,451			75,920		
Stocks, end of quarter:													
Crude.....do	242,973	178,383			196,940			202,239			209,674		
Refined.....do	14,123	11,881			13,407			15,083			13,772		
Cottonseed:													
Consumption (crush).....thous. of short tons:													
Receipts at mills.....do	657	378	525	424	293	173	101	57	42	77	353	700	644
Stocks at mills, end of month.....do	1,276	1,165	798	521	317	172	97	63	40	86	333	1,407	1,162
Cottonseed cake and meal:													
Exports.....short tons	185	343	216	141	112	116	52	31	1	140	40	140	138
Production.....do	239,375	226,764	236,596	196,194	135,993	83,402	47,227	26,165	19,566	36,303	155,320	312,138	286,890
Stocks at mills, end of month.....do	175,700	219,412	217,083	200,275	175,993	151,995	129,173	110,909	79,501	57,539	95,884	130,714	153,465
Cottonseed oil, crude:													
Production.....thous. of lb.	174,151	159,229	167,475	138,692	98,075	61,574	36,438	19,396	14,123	23,158	110,592	224,625	205,192
Stocks, end of month.....do	176,626	181,801	202,274	201,407	186,292	142,833	98,843	66,134	37,352	24,267	80,274	148,288	182,533
Cottonseed oil, refined:													
Consumption, factory (quarterly).....do													
In oleomargarine.....do	13,107	8,779	10,077	10,200	9,021	8,188	8,468	7,392	8,526	8,275	9,956	11,827	10,908
Price, wholesale, summer, yellow, prime (N. Y.).....dol. per lb.	.059	.069	.069	.069	.067	.068	.064	.060	.060	.056	.056	.054	.057
Production.....thous. of lb.	168,517	155,781	141,503	125,824	114,712	97,318	79,498	51,091	45,862	34,262	46,171	134,368	158,418
Stocks, end of month.....do	458,335	553,702	588,641	628,632	645,875	640,916	600,480	553,395	493,658	412,564	348,042	356,104	400,259
Flaxseed:													
Imports.....thous. of bu.	769	623	1,058	1,763	1,972	1,199	1,434	521	661	628	24	704	1,093
Minneapolis:													
Receipts.....do	407	269	153	139	127	176	209	161	42	7,307	5,813	1,226	388
Shipments.....do	251	104	130	119	88	132	172	123	38	1,180	347	234	452
Stocks.....do	5,410	3,616	2,720	2,151	1,751	1,237	701	519	248	2,816	7,073	7,363	6,232
Duluth:													
Receipts.....do	61	145	26	2	2	56	170	53	63	1,566	2,293	517	537
Shipments.....do	220	1,178	35	12	1	0	180	0	183	244	1,691	674	2,042
Stocks.....do	118	51	42	31	32	88	78	130	10	1,333	1,935	1,778	277
Oil mills (quarterly):													
Consumption.....do	10,083	8,736			7,892			6,637			6,943		
Stocks, end of quarter.....do	7,077	4,866			3,356			3,148			7,038		
Price, wholesale, No 1 (Mpls.).....dol. per bu.	1.64	2.07	2.18	2.14	2.08	2.11	1.97	1.78	1.58	1.50	1.48	1.47	1.59
Production (crop est.).....thous. of bu.	31,127	20,152											
Linseed cake and meal:													
Exports.....do	2	52,765	18,453	50,068	35,688	66,237	21,538	1,926	56	1,021	159	629	282
Shipments from Minneapolis.....do	42,920	21,320	21,440	14,200	14,960	15,280	13,760	10,440	18,560	22,760	29,440	34,960	32,440
Linseed oil:													
Consumption, factory (quarterly).....do													
Price, wholesale (N. Y.).....dol. per lb.	.088	.102	.107	.102	.106	.108	.105	.099	.092	.087	.084	.083	.086
Production (quarterly).....thous. of lb.	192,185	166,150			150,197			128,383			135,389		
Shipments from Minneapolis.....do	10,850	8,820	10,380	10,800	12,960	13,020	14,000	14,450	14,350	14,550	16,600	16,600	13,250
Stocks at factory, end of quarter.....do	153,820	142,457			172,800			132,881			115,135		
Oleomargarine:													
Consumption (tax-paid withdrawals).....do	31,118	25,737	29,409	28,474	26,828	27,580	24,123	19,495	22,066	22,498	25,719	29,489	30,854
Price, wholesale, standard, uncolored (Chicago).....dol. per lb.	.115	.120	.120	.120	.120	.120	.120	.120	.120	.118	.115	.115	.115
Production.....thous. of lb.	32,457	25,587	29,354	29,477	26,641	27,408	24,676	19,852	22,021	21,664	26,542	30,160	30,002
Vegetable shortenings:													
Price, wholesale, tierces (Chi.).....dol. per lb.	.088	.099	.100	.100	.099	.096	.098	.095	.095	.093	.090	.086	.087
PAINT SALES													
Calcimines, plastic and cold-water paints:													
Calcimines.....thous. of dol.	150	203	205	186	215	272	302	247	193	202	213	218	140
Plastic paints.....do	44	32	34	43	54	54	56	43	47	49	50	48	40
Cold-water paints:													
In dry form.....do	138	159	140	133	186	234	242	207	199	183	193	181	158
In paste form.....do	259	277	252	264	320	382	413	316	251	295	311	302	273
Paint, varnish, lacquer, and fillers:													
Total.....do	27,326	25,934	27,665	25,536	30,370	36,206	41,722	36,271	34,056	34,991	33,937	37,748	30,795
Classified, total.....do	20,472	19,333	20,456	18,806	22,610	26,552	29,744	25,828	24,278	24,973	24,101	27,347	22,819
Industrial.....do	10,785	9,409	9,991	8,920	10,080	10,972	11,051	9,776	9,895	10,619	10,502	12,594	11,336
Trade.....do	9,686	9,924	10,465	9,887	12,531	15,580	18,693	16,052	14,383	14,354	13,589	14,753	11,483
Unclassified.....do	6,854	6,602	7,210	6,729	7,759	9,654	11,978	10,443	9,779	10,018	9,836	10,401	7,976
CELLULOSE PLASTIC PRODUCTS													
Nitro-cellulose, sheets, rods, and tubes:													
Consumption.....thous. of lb.	183	271	271	186	212	174	171	212	168	168	280	247	207
Production.....do	1,109	1,089	1,239	1,016	1,090	852	800	770	899	890	1,093	1,096	1,061
Shipments ¹do	1,068	1,199	1,081	918	925	848	926	850	955	970	1,113	1,136	1,131
Cellulose-acetate sheets, rods, and tubes:													
Consumption.....thous. of lb.	8	9	9	7	12	18	10	6	8	7	8	9	5
Production.....do	867	987	857	637	550	588	702	634	565	773	826	983	934
Shipments ²do	733	1,030	751	655	589	490	649	562	408	784	755	944	1,037
Moulding composition:													
Production.....do	1,435	1,183	1,177	972	1,104	951	893	871	897	1,423	1,709	1,926	1,606
Shipments ³do	1,317	1,135	1,024	878	1,022	904	837	682	777	1,501	1,501	1,783	1,410

¹ December 1 estimate.

² Revised estimate.

³ Includes consumption in reporting company plants.

⁴ Excludes consumption in reporting company plants.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940									
	December	December	January	February	March	April	May	June	July	August	September	October

CHEMICALS AND ALLIED PRODUCTS—Continued

ROOFING														
Asphalt prepared roofing, shipments:														
Total.....thous. of squares.....	1,546	1,137	2,105	2,068	2,286	2,924	2,707	2,982	3,484	3,947	4,254			
Grit roll.....do.....	408	314	488	490	588	761	734	827	1,012	1,138	1,147			
Shingles (all types).....do.....	447	285	625	670	921	1,184	1,076	1,166	1,293	1,358	1,370			
Smooth roll.....do.....	691	538	992	908	776	980	897	989	1,179	1,451	1,737			

ELECTRIC POWER AND GAS

ELECTRIC POWER													
Production, total.....mil. of kw.-hr.....	13,456	12,077	12,252	11,104	11,514	11,193	11,609	11,485	12,091	12,450	11,977	13,063	12,771
By source:													
Fuel.....do.....	9,061	8,891	9,065	7,914	7,583	6,645	7,006	7,270	7,931	8,482	8,124	9,404	8,737
Water power.....do.....	4,395	3,187	3,186	3,190	3,931	4,548	4,603	4,215	4,159	3,968	3,853	3,659	4,034
By type of producer:													
Privately and municipally owned electric utilities.....mil. of kw.-hr.....	12,115	11,074	11,260	10,258	10,557	10,277	10,616	10,402	10,937	11,239	10,678	11,706	11,431
Other producers.....do.....	1,341	1,003	992	846	957	916	869	1,083	1,154	1,211	1,299	1,357	1,340
Sales to ultimate customers, total† (Edison Electric Institute).....mil. of kw.-hr.....			10,067	9,495	9,327	9,270	9,369	9,474	9,610	10,099	10,057	10,402	
Residential or domestic.....do.....			2,186	2,037	1,921	1,856	1,787	1,798	1,769	1,828	1,890	1,922	
Rural (distinct rural rates).....do.....			98	83	93	124	153	208	261	288	260	180	
Commercial and industrial:													
Small light and power.....do.....			1,921	1,833	1,770	1,758	1,742	1,799	1,820	1,915	1,926	1,886	
Large light and power.....do.....			4,767	4,541	4,537	4,611	4,709	4,827	4,908	5,186	5,117	5,447	
Street and highway lighting.....do.....			208	183	174	155	143	130	136	149	165	189	
Other public authorities.....do.....			235	232	226	221	215	215	212	224	222	233	
Railways and railroads.....do.....			584	520	538	482	468	439	444	451	442	488	
Interdepartmental.....do.....			68	66	68	63	62	58	61	58	35	58	
Revenue from sales to ultimate customers† (Edison Electric Institute).....thous. of dol.....			213,096	203,265	197,365	194,415	193,288	195,746	195,556	201,936	204,421	207,034	
GAS†													
Manufactured gas:													
Customers, total.....thousands.....	10,110	10,040	10,071	10,052	10,025	10,119	10,134	10,154	10,175	10,252	10,273	10,245	
Domestic.....do.....	9,384	9,328	9,351	9,334	9,296	9,383	9,412	9,442	9,461	9,520	9,518	9,486	
House heating.....do.....	266	247	257	246	256	263	252	242	244	265	285	297	
Industrial and commercial.....do.....	450	456	454	460	461	460	458	459	458	458	459	453	
Sales to consumers, total.....mil. of cu. ft.....	35,028	38,521	37,307	35,873	34,182	32,075	29,009	26,792	25,310	27,892	30,939	34,114	
Domestic.....do.....	15,713	17,693	17,446	17,167	16,091	15,909	16,995	16,107	14,780	16,791	17,422	15,631	
House heating.....do.....	8,821	10,444	10,071	8,522	7,255	5,584	2,205	1,246	937	1,251	2,863	7,355	
Industrial and commercial.....do.....	10,269	10,156	9,568	9,971	10,648	10,414	9,669	9,268	9,463	9,701	10,464	10,916	
Revenue from sales to consumers, total.....thous. of dol.....	33,598	35,968	35,236	33,728	32,159	31,650	30,250	28,387	27,075	29,609	31,689	33,106	
Domestic.....do.....	21,625	22,491	21,675	21,182	20,906	21,943	22,422	21,425	20,265	22,204	22,788	21,859	
House heating.....do.....	5,136	6,565	6,718	5,795	4,518	3,102	1,621	985	802	1,119	2,183	4,200	
Industrial and commercial.....do.....	6,703	6,772	6,708	6,615	6,598	6,493	6,122	5,893	5,911	6,192	6,597	6,912	
Natural gas:													
Customers, total.....thousands.....	7,479	7,435	7,442	7,480	7,459	7,477	7,443	7,422	7,462	7,524	7,596	7,714	
Domestic.....do.....	6,892	6,861	6,873	6,902	6,886	6,920	6,896	6,912	6,896	6,941	6,997	7,044	
Industrial and commercial.....do.....	584	572	567	575	571	555	529	524	520	525	551	590	
Sales to consumers, total.....mil. of cu. ft.....	129,923	149,148	158,466	136,886	121,805	108,434	95,843	93,287	95,559	100,181	109,818	125,664	
Domestic.....do.....	41,519	57,402	63,519	49,721	40,069	30,698	21,403	17,775	16,141	17,363	22,192	33,874	
Indl., coml., and elec. generation.....do.....	87,106	90,392	93,189	85,604	81,494	76,522	73,187	74,355	77,741	80,980	85,726	89,790	
Revenues from sales to consumers, total.....thous. of dol.....	45,626	56,879	59,677	50,136	43,311	36,722	30,517	28,190	27,910	29,104	33,296	41,144	
Domestic.....do.....	26,748	36,003	38,437	31,239	26,299	21,293	16,372	14,093	13,118	13,656	16,521	22,708	
Indl., coml., and elec. generation.....do.....	18,659	20,638	20,938	18,609	16,890	15,226	13,957	13,897	14,582	15,226	16,541	18,168	

FOODSTUFFS AND TOBACCO

ALCOHOLIC BEVERAGES													
Fermented malt liquors:													
Production.....thous. of bbl.....	3,606	3,612	3,788	3,477	4,385	5,124	5,485	5,597	5,851	5,074	4,001	3,915	3,396
Tax-paid withdrawals.....do.....	3,934	3,777	3,928	3,238	3,811	4,187	4,884	5,856	5,320	5,393	4,300	4,194	3,765
Stocks.....do.....	7,001	7,223	7,920	8,000	8,393	9,127	8,509	9,019	9,324	8,776	8,314	7,840	7,325
Distilled spirits:													
Production.....thous. of tax gal.....	15,712	11,586	12,955	12,125	13,232	13,949	13,926	10,658	7,581	6,742	16,701	21,487	17,567
Tax-paid withdrawals.....do.....	8,958	9,380	6,541	7,928	8,398	7,793	7,522	10,862	7,634	4,850	8,176	11,494	13,173
Imports.....thous. of proof gal.....	1,386	1,501	716	623	748	775	866	1,824	702	504	770	1,084	1,240
Stocks.....thous. of tax gal.....	522,699	507,266	512,398	514,490	517,589	522,515	525,441	525,395	523,596	521,601	519,017	518,638	518,358
Whisky:													
Production.....do.....	12,265	8,060	10,435	9,878	10,588	11,233	11,492	8,187	5,200	3,252	6,762	10,303	11,761
Tax-paid withdrawals.....do.....	7,331	7,683	5,487	6,616	6,461	5,773	5,827	8,331	5,475	3,617	6,354	8,982	10,529
Imports.....thous. of proof gal.....	1,270	1,298	582	534	645	674	752	1,570	589	413	661	930	1,096
Stocks.....thous. of tax gal.....	479,102	465,025	469,017	470,514	473,278	477,873	480,599	480,938	479,189	477,484	476,980	476,298	475,611
Rectified spirits and wines, production, total.....thous. of proof gal.....													
Whisky.....do.....	4,563	4,002	2,679	3,402	3,480	3,721	3,466	5,239	4,392	2,389	4,182	6,114	6,749
Indicated consumption for beverage purposes:													
All spirits.....thous. of proof gal.....	12,293	12,369	8,402	9,889	10,514	10,186	9,720	14,691	10,142	6,413	10,501	14,525	16,856
Whisky.....do.....	10,894	10,849	7,230	8,903	8,663	8,136	8,221	12,637	8,348	5,003	9,060	13,074	15,232
Still wines:													
Production.....thous. of wine gal.....	8,134	2,822	2,066	1,932	1,831	1,712	2,019	3,303	22,108	100,105	105,647	35,602	
Tax-paid withdrawals.....do.....	9,118	5,914	6,393	6,332	6,071	5,782	10,429	3,385	4,730	6,435	8,781	10,273	
Imports.....do.....	257	424	304	233	247	252	306	665	196	102	136	251	
Stocks.....do.....	133,891	127,975	121,876	116,342	110,706	105,340	93,245	91,237	93,969	132,148	170,183	172,258	
Sparkling wines:													
Production.....do.....	48	31	18	46	45	90	83	28	34	50	54	78	
Tax-paid withdrawals.....do.....	101	25	14	17	18	24	34	18	20	52	84	125	
Imports.....do.....	130	34	24	20	26	39	101	29	18	32	54	36	
Stocks.....do.....	511	513	506	532	556	619	660	669	680	678	643	589	

† Revised.
 † Revised series. Data on manufactured gas revised beginning January 1938 and natural gas beginning January 1937; see tables 24 and 25, pp. 16 and 17, of the May 1940 Survey. Electric power sales and revenues from sales will be revised beginning 1937. At present, revised data comparable with the 1940 figures shown above are available only for January to October 1939.
 † For monthly data beginning January 1920 corresponding to averages shown on p. 97 of the 1940 Supplement, see table 58, pp. 17 and 18 of the December 1940 Survey.

Monthly statistics through December 1938, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940									
	December	December	January	February	March	April	May	June	July	August	September	October

FOODSTUFFS AND TOBACCO—Continued

GRAINS AND GRAIN PRODUCTS—Con.

Rice—Continued.

Southern States (La., Tex., Ark., and Tenn.):														
Receipts, rough, at mills	1,519	679	866	982	967	919	844	366	283	280	970	2,896	2,379	
Shipments from mills, milled rice	1,371	857	1,129	1,108	1,041	1,080	1,135	954	748	772	1,019	1,558	1,413	
Stocks, domestic, rough and cleaned (in terms of cleaned rice), end of month	4,012	3,282	3,079	3,017	2,994	2,890	2,632	2,084	1,647	1,170	1,183	2,667	3,746	
California:														
Receipts, domestic, rough—bags (100 lb.)	289,627	89,892	97,273	154,940	293,569	328,769	387,539	231,879	319,168	473,827	488,847	376,624	203,870	
Shipments from mills, milled rice—do	211,149	68,417	140,976	91,480	97,009	141,744	167,697	196,394	148,390	160,879	370,380	126,523	167,276	
Stocks, rough and cleaned (in terms of cleaned rice), end of month—bags (100 lb.)	380,200	545,331	458,505	437,830	445,605	455,143	455,525	358,843	367,777	473,481	400,797	491,976	429,129	
Rye:														
Exports, including flour—thous. of bu.	2	85	88	79	272	90	112	4	1	(1)	239	2	(1)	
Price, wholesale, No. 2 (Mpls.)—dol. per bu.	.50	.67	.70	.67	.67	.70	.59	.45	.44	.41	.44	.48	.50	
Production (crop estimate)—thous. of bu.	40,601	39,049												
Receipts, principal markets—do	713	2,070	1,768	1,455	1,478	1,448	1,324	695	687	1,732	1,520	1,467	1,078	
Stocks, commercial, end of month—do	6,640	10,540	10,212	10,120	10,138	10,048	9,912	9,506	9,037	9,142	8,520	8,112	7,658	
Wheat:														
Disappearance—do		178,935			176,936						208,213			
Exports:														
Wheat, including flour—do	2,206	2,485	2,650	3,816	6,728	3,837	2,239	1,835	3,686	2,976	3,344	4,431	4,069	
Wheat only—do	301	597	608	1,430	3,704	1,833	227	632	1,876	934	988	1,293	549	
Prices, wholesale:														
No. 1, Dark Northern Spring (Minneapolis)—dol. per bu.	.88	1.03	1.05	1.04	1.04	1.08	1.01	.82	.79	.74	.82	.88	.89	
No. 2, Red Winter (St. Louis)—do	.91	1.04	1.05	1.06	1.06	1.11	1.04	.87	.76	.77	.83	.90	.92	
No. 2, Hard Winter (K. C.)—do	.83	.98	1.01	.99	1.02	1.06	.95	.76	.71	.69	.76	.82	.85	
Weighted av., 6 markets, all grades—do	.85	1.00	1.02	1.01	1.01	1.06	.97	.78	.72	.73	.78	.85	.87	
Production (crop est.), total—thous. of bu.	816,698	751,435												
Spring wheat—do	227,547	181,694												
Winter wheat—do	589,151	569,741												
Shipments, principal markets—do	9,652	13,086	8,834	7,403	8,659	9,459	18,525	12,780	29,319	21,442	17,925	15,284	16,210	
Stocks, end of month:														
Canada (Canadian wheat)—do	440,293	310,855	301,434	292,090	288,391	280,625	258,939	257,131	255,175	272,360	352,982	409,356	415,340	
United States, total—do		607,328			437,968			297,542			868,207			
Commercial—do	169,776	132,842	119,001	110,761	105,401	105,595	97,670	87,327	160,150	180,052	186,524	176,390	166,587	
Country mills and elevators—do	105,167	125,741			80,817			33,730			188,618			
Merchant mills—do		114,231			94,266			90,964			133,319			
On farms—do	283,882	234,514			157,484			85,521			359,746			
Wheat flour:														
Disappearance (Russell-Pearsall)—thous. of bbl.		6,074	9,284	8,233	8,338	8,227	5,778	5,756	9,443	8,902	9,377	9,117	9,889	
Exports—do	405	402	434	508	643	427	428	256	385	435	437	668	749	
Grindings of wheat—thous. of bu.	37,078	36,848	39,323	36,400	37,812	37,632	38,694	35,079	33,921	40,474	42,268	45,319	39,707	
Prices, wholesale:														
Standard patents (Mpls.)—dol. per bbl.	4.52	6.17	6.02	5.66	5.70	5.77	5.32	4.64	4.48	4.17	4.34	4.62	4.66	
Winter, straight (Kansas City)—do	4.16	5.01	4.80	4.73	4.79	4.86	4.55	4.19	3.84	3.71	3.88	4.01	4.24	
Production:														
Flour, actual (Census)—thous. of bbl.	8,166	8,119	8,649	8,025	8,320	8,269	8,514	7,882	8,504	8,881	9,288	9,960	8,737	
Operations, percent of capacity—do	55.6	55.0	56.3	56.4	54.1	53.7	55.2	51.7	55.1	55.6	65.5	62.6	59.1	
Flour (Russell-Pearsall)—thous. of bbl.		8,523	9,243	8,441	8,581	8,454	9,603	7,872	9,528	9,587	10,264	9,535	10,713	
Offal (Census)—thous. of lb.	639,306	635,415	682,637	630,066	657,156	656,277	673,073	614,992	681,823	705,137	735,441	785,828	687,760	
Stocks, total, end of month (Russell-Pearsall)—thous. of bbl.		6,475	6,000	5,700	5,300	5,100	5,350	5,500	5,200	5,450	5,900	5,750	5,825	
Held by mills (Census)—do		5,165			3,998			4,193		4,601				

LIVESTOCK

Cattle and calves:													
Receipts, principal markets—thous. of animals	1,604	1,404	1,565	1,247	1,359	1,554	1,576	1,462	1,737	1,785	2,175	2,427	1,868
Disposition:													
Local slaughter—do	976	833	997	810	825	974	936	858	991	939	1,033	1,110	977
Shipments, total—do	624	572	548	433	516	568	631	594	723	833	1,083	1,324	892
Stock and feeder—do	290	273	200	163	215	244	263	216	307	401	603	808	496
Prices, wholesale (Chicago):													
Beef steers—dol. per 100 lb.	11.85	9.59	9.46	9.08	9.31	9.46	9.83	9.69	10.44	11.00	11.50	11.87	12.06
Steers, corn fed—do	12.61	10.00	10.44	10.53	11.34	11.22	10.89	10.33	11.02	11.33	11.47	12.09	12.21
Calves, vealers—do	10.58	9.66	11.50	10.47	10.69	9.93	11.31	9.59	9.85	10.41	11.53	10.97	10.50
Hogs:													
Receipts, principal markets—thous. of animals	3,787	3,331	3,772	2,922	2,710	2,595	2,674	2,650	2,259	2,177	2,302	3,113	3,595
Disposition:													
Local slaughter—do	2,823	2,482	2,753	2,074	1,964	1,868	2,005	1,927	1,598	1,497	1,692	2,371	2,682
Shipments, total—do	960	849	1,007	841	749	713	666	718	649	677	601	730	905
Stock and feeder—do	40	46	47	43	49	43	48	33	33	37	36	42	47
Prices:													
Wholesale, heavy (Chi.)—dol. per 100 lb.	6.42	5.15	5.25	4.93	4.94	5.46	5.66	5.04	5.99	6.23	6.59	6.41	6.24
Hog-corn ratio													
bu. of corn per cwt. of live hogs	10.3	10.0	9.7	9.1	8.7	8.4	8.4	7.6	9.2	9.2	9.9	9.8	9.9
Sheep and lambs:													
Receipts, principal markets—thous. of animals	1,597	1,514	1,728	1,424	1,440	1,876	2,002	1,687	1,894	2,068	2,523	2,737	1,776
Disposition:													
Local slaughter—do	917	886	1,071	863	824	1,046	1,077	915	972	876	954	1,085	908
Shipments, total—do	688	633	653	559	620	828	917	779	921	1,188	1,530	1,669	883
Stock and feeder—do	154	141	119	84	89	156	169	132	214	353	610	890	320
Prices, wholesale (Chicago):													
Ewes—dol. per 100 lb.	4.10	4.33	4.60	5.09	5.53	5.10	4.16	3.84	3.45	3.50	3.83	4.01	4.03
Lambs—do	9.06	8.38	8.60	8.60	9.64	9.67	9.63	10.16	9.14	8.75	8.54	8.88	8.88

* Revised.
 † Less than 500 bushels.
 ‡ Revised estimate.
 § December 1 estimate.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940		1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November
FOODSTUFFS AND TOBACCO—Continued													
MEATS													
Total meats:													
Consumption, apparent.....mil. of lb.	1,202	1,156	1,273	1,054	1,132	1,167	1,200	1,144	1,152	1,228	1,167	1,365	1,289
Exports.....do	18	42	64	61	30	28	21	19	35	17	16	17	17
Production (inspected slaughter).....do	1,550	1,410	1,482	1,214	1,165	1,133	1,200	1,177	1,122	1,068	1,051	1,349	1,442
Stocks, cold storage, end of month.....do	1,162	803	977	1,093	1,100	1,031	1,010	1,034	974	796	662	632	788
Miscellaneous meats.....do	101	95	104	107	101	87	77	79	77	67	58	53	66
Beef and veal:													
Consumption, apparent.....thous. of lb.	439,723	438,167	481,410	424,174	425,409	467,480	484,143	441,163	479,493	480,723	456,800	524,736	463,355
Exports.....do	1,181	1,531	1,325	1,767	1,325	1,491	1,366	1,323	1,076	1,403	1,280	1,508	1,609
Price, wholesale, beef, fresh, native steers (Chicago).....dol. per lb.	.193	.160	.162	.150	.159	.166	.170	.165	.176	.183	.192	.186	.190
Production (inspected slaughter).....thous. of lb.	469,265	445,234	475,578	415,207	419,498	453,508	467,179	429,851	471,496	469,808	453,073	532,165	483,045
Stocks, beef, cold storage, end of month.....do	106,315	76,974	78,573	74,708	72,560	62,020	53,193	45,972	42,004	35,663	36,303	48,245	71,508
Lamb and mutton:													
Consumption, apparent.....do	58,321	56,791	67,388	56,124	54,871	57,305	56,647	52,427	54,886	57,579	57,848	69,164	58,705
Production (inspected slaughter).....do	59,026	57,555	67,132	56,281	54,677	56,657	56,567	52,245	55,019	57,457	57,921	69,618	59,332
Stocks, cold storage, end of month.....do	5,112	4,803	4,412	4,488	4,257	3,580	3,463	3,254	3,192	3,411	3,411	3,817	4,427
Pork (including lard):													
Consumption, apparent.....do	703,918	660,957	723,992	573,246	651,336	642,696	659,459	650,297	617,900	689,594	651,872	771,486	776,548
Exports, total.....do	15,034	36,398	56,576	52,515	25,356	23,806	18,664	15,826	31,472	14,158	13,854	14,053	13,555
Lard.....do	12,302	18,917	27,988	25,133	20,654	18,849	14,889	12,697	28,239	10,181	9,956	10,198	10,228
Prices, wholesale:													
Hams, smoked (Chicago).....dol. per lb.	.183	.176	.171	.173	.168	.168	.171	.173	.175	.178	.183	.183	.183
Lard, in tierces:													
Prime, contract (N. Y.).....do	.050	.070	.066	.067	.063	.066	.060	.060	.064	.055	.055	.052	.053
Refined (Chicago).....do	.068	.077	.073	.072	.070	.072	.070	.065	.069	.066	.071	.068	.069
Production (inspected slaughter), total.....thous. of lb.	1,021,219	906,801	939,102	742,054	690,346	622,544	675,942	694,535	595,749	541,180	540,486	747,045	899,321
Lard.....do	162,927	172,131	178,395	140,979	130,199	113,315	121,956	121,511	103,983	90,525	84,310	114,789	129,549
Stocks, cold storage, end of month.....do	949,294	631,564	790,776	907,293	921,510	878,008	876,512	905,296	851,896	689,854	564,904	526,878	646,492
Fresh and cured.....do	655,517	469,459	588,601	650,653	652,733	611,956	592,575	598,522	417,564	417,564	329,214	303,712	408,900
Lard.....do	293,777	162,105	202,175	256,640	268,777	266,052	283,937	306,774	303,208	272,290	235,690	223,166	237,592
POULTRY AND EGGS													
Poultry:													
Receipts, 5 markets.....thous. of lb.	88,005	77,806	32,937	22,671	22,054	19,889	26,042	28,212	26,892	32,987	34,087	44,248	89,802
Stocks, cold storage, end of month.....do	208,234	167,643	166,962	144,759	115,442	86,226	76,904	82,336	82,415	82,178	90,842	114,257	159,110
Eggs:													
Receipts, 5 markets.....thous. of cases	734	803	954	1,017	1,734	2,238	2,369	1,682	1,274	943	799	727	682
Stocks, cold storage, end of month.....do													
Shell.....thous. of cases	618	532	57	81	854	3,341	5,980	7,513	7,784	7,241	6,040	4,144	1,969
Frozen.....thous. of lb.	72,756	72,279	56,249	38,070	44,199	79,454	123,793	150,366	154,947	145,653	130,787	111,815	91,273
TROPICAL PRODUCTS													
Cocoa:													
Imports.....long tons	40,548	17,032	22,951	30,917	14,865	11,886	20,119	22,288	41,185	35,396	24,935	30,052	30,082
Price, spot, Accra (N. Y.).....dol. per lb.	.0534	.0588	.0561	.0538	.0556	.0600	.0553	.0495	.0466	.0426	.0451	.0452	.0489
Coffee:													
Clearances from Brazil, total.....thous. of bags	1,306	990	1,156	1,384	1,162	926	1,342	703	733	847	804	1,050	1,094
To United States.....do	1,149	485	573	668	717	539	944	571	606	650	708	912	896
Imports into United States.....do	1,605	1,511	1,225	1,228	1,443	1,274	1,339	1,226	1,393	1,148	994	1,247	1,386
Price, wholesale, Rio No. 7 (N. Y.).....dol. per lb.	.053	.052	.055	.056	.056	.055	.053	.053	.053	.051	.051	.051	.052
Receipts at ports, Brazil.....thous. of bags	(1)	1,265	949	1,319	963	777	760	972	860	567	549	1,414	(1)
Visible supply, total, excluding interior of Brazil.....thous. of bags	(1)	8,059	7,662	7,644	7,251	6,740	6,029	(1)	(1)	(1)	(1)	(1)	(1)
United States.....do	1,157	1,213	994	944	1,053	895	1,018	997	992	975	1,044	997	1,099
Sugar:													
Raw sugar:													
Cuban stocks, end of month.....thous. of Spanish tons	1,181	624	526	1,183	2,226	2,501	2,260	2,021	1,776	1,650	1,568	1,473	1,216
United States:													
Meltings, 8 ports.....long tons	305,978	244,604	276,474	289,291	333,186	339,755	351,629	336,579	380,198	318,357	368,346	303,215	350,401
Price, wholesale, 96° centrifugal (N. Y.).....dol. per lb.	.029	.030	.029	.029	.028	.028	.028	.027	.027	.027	.027	.028	.029
Receipts: From Hawaii and Puerto Rico.....long tons		91,612	29,892	117,576	129,878	156,155	148,904	64,831	100,932	123,983	125,256	127,822	136,764
Imports, total.....do	113,186	232,646	156,259	208,959	211,027	207,784	222,532	232,048	221,696	198,490	143,034	145,042	175,548
From Cuba.....do	51,607	204,824	121,883	121,604	157,045	143,329	129,006	148,833	155,545	98,623	90,986	73,155	91,442
From Philippine Islands.....do	45,955	13,397	34,055	71,107	49,971	60,535	93,447	79,824	66,140	99,852	52,041	71,884	79,097
Stocks at refineries, end of month.....do	277,946	378,089	413,074	445,039	501,547	500,912	557,928	557,564	487,637	474,426	412,105	315,501	295,661
Refined sugar (United States):													
Exports.....do	2,996	17,627	14,213	13,631	15,132	19,001	18,392	38,636	2,034	10,977	7,420	3,995	6,305
Price, retail, gran. (N. Y.).....dol. per lb.	.050	.054	.052	.051	.051	.051	.050	.050	.050	.050	.050	.050	.050
Price, wholesale, gran. (N. Y.).....do	.043	.046	.045	.044	.044	.044	.044	.044	.044	.043	.043	.043	.043
Receipts:													
From Hawaii and Puerto Rico.....long tons		8,499	15,418	25,790	28,710	26,245	29,115	13,755	3,991	271	1,109	1,406	1,654
Imports, total.....do	904	63,229	13,968	24,452	35,073	53,878	45,750	37,488	40,129	43,668	35,298	25,983	10,076
From Cuba.....do	241	62,175	13,072	22,275	31,278	45,689	38,471	35,273	32,048	37,562	29,711	24,904	6,155
From Philippine Islands.....do	479	915	893	2,176	3,794	8,178	7,261	2,187	8,066	6,023	5,571	960	1,362
Stocks, end of month.....thous. of lb.	9,385	11,954	11,927	8,863	8,056	8,630	4,921	6,510	7,316	7,176	7,783	9,030	9,364
MISCELLANEOUS FOOD PRODUCTS													
Candy, sales by manufacturers.....thous. of dol.	22,709	20,297	18,612	19,338	18,216	16,212	15,953	12,268	12,820	15,679	23,409	24,111	24,159
Fish:													
Landings, fresh fish, prin. ports.....thous. of lb.	31,518	32,193	26,166	28,380	25,298	20,344	26,603	35,583	55,715	51,461	44,624	40,836	36,070
Salmon, canned, shipments.....cases		190,787	346,185	399,199	198,816	603,249	86,061	204,827	375,008	880,148	794,289	817,370	463,549
Stocks, cold storage, total, 15th of month.....thous. of lb.	98,338	92,431	78,563	62,622	45,592	34,835	33,756	45,473	62,062	76,479	86,321	94,006	95,531
Gelatin, edible:													
Monthly report for 7 companies:													
Production.....do	1,856	1,811	1,976	1,924	1,949	2,029	1,688	1,587	1,229	1,150	1,160	1,397	1,625
Shipments.....do	1,775	1,531	1,559	1,571	1,618	1,737	1,711	1,622	1,715	1,674	1,399	1,595	1,636
Stocks.....do	5,574	5,616	6,033	6,385	6,716	7,009	6,985	6,950	6,464	5,940	5,701	5,503	5,492
Quarterly report for 11 companies:													
Production.....do		6,356			7,515			6,971			4,700		
Stocks.....do		8,844			10,287			10,362			8,600		

† Revised. † Not available.

† Revised series; revisions beginning January 1937 appear in table 8, p. 18, of the January 1941 Survey; see also note marked "\$" which applies to both production and stocks.

† Monthly figures beginning 1913, corresponding to the monthly averages shown on p. 113 of the 1940 Supplement, will appear in a subsequent issue.

‡ In accordance with new definitions effective November 1, 1940, fats rendered from hog carcasses formerly reported as "lard" are now reported as "lard" and "rendered pork fat." The two are here combined to have figures comparable with the earlier data.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940		1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November

FOODSTUFFS AND TOBACCO—Continued

TOBACCO														
Leaf:														
Exports.....	thous. of lb.	18,947	31,260	36,687	18,408	32,550	15,912	32,616	20,965	15,533	14,360	7,644	11,526	11,836
Imports, including scrap.....	do.	7,091	9,478	6,174	5,285	5,159	5,790	6,770	6,425	7,780	7,329	6,239	6,734	5,365
Production (crop estimate).....	mil. of lb.	1,376	1,858											
Stocks, dealers and manufacturers, total, end of quarter.....	mil. of lb.		3,130			3,329			3,031			3,123		
Domestic:														
Cigar leaf.....	do.		310			402			378			357		
Fire-cured and dark air-cured.....	do.		184			268			227			207		
Flue-cured and light air-cured.....	do.		2,501			2,519			2,290			2,431		
Miscellaneous domestic.....	do.		3			3			3			3		
Foreign grown:														
Cigar leaf.....	do.		16			18			19			18		
Cigarette tobacco.....	do.		117			119			112			106		
Manufactured products:														
Consumption (tax-paid withdrawals):														
Small cigarettes.....	millions.	13,815	12,803	14,568	13,163	13,021	14,820	16,275	17,565	15,913	15,840	14,890	16,448	14,347
Large cigars.....	thousands.	349,780	331,204	388,085	375,824	397,490	425,140	469,313	435,029	460,523	487,641	475,725	583,508	507,349
Manufactured tobacco and snuff.....	thous. of lb.	24,758	24,057	26,742	26,857	27,550	28,481	29,924	27,660	29,333	28,849	28,729	34,718	28,596
Exports, cigarettes.....	thousands.	597,390	607,719	616,661	576,914	537,206	509,420	803,312	604,312	406,076	639,101	285,106	533,455	472,923
Prices, wholesale (list price, destination):														
Cigarettes, composite price.....	dol. per 1,000		5.513	5.513	5.513	5.513	5.513	5.513	5.700	5.700	5.760	5.760	5.700	5.700
Cigars, composite price.....	do.		46.056	46.056	46.056	46.056	46.056	46.056	46.056	46.056	46.056	46.056	46.056	46.056
Production, manufactured tobacco:														
Total.....	thous. of lb.		22,152	22,970	24,049	24,045	25,554	26,889	24,167	26,887	25,933	26,300	31,133	25,704
Fine cut chewing.....	do.		323	330	300	335	362	512	367	432	456	398	443	421
Plug.....	do.		3,763	3,484	4,035	3,806	4,278	4,351	4,115	4,521	4,225	4,145	4,165	3,942
Scrap chewing.....	do.		3,196	3,591	3,397	3,363	3,507	3,539	3,187	3,985	3,807	3,525	4,009	3,256
Smoking.....	do.		14,421	15,165	15,836	16,087	16,949	18,004	16,082	17,460	16,949	17,762	21,950	17,642
Twist.....	do.		449	399	481	454	458	503	416	489	497	470	536	442

FUELS AND BYPRODUCTS

COAL														
Anthracite:														
Exports.....	thous. of long tons.	153	104	149	114	121	121	282	363	329	222	221	167	141
Prices, composite, chestnut:														
Retail.....	dol. per short ton.		10.83			11.37			11.04			11.41		
Wholesale.....	do.	9.793	9.156	9.501	9.576	9.584	9.388	9.278	9.333	9.462	9.558	9.636	9.769	9.775
Production.....	thous. of short tons.	4,699	3,914	5,622	3,546	3,773	3,746	3,957	4,367	4,408	3,775	4,056	4,234	3,869
Stocks, end of month:														
In producers' storage yards.....	do.		994	647	372	128	91	137	606	953	1,164	1,279	1,112	1,112
In selected retail dealers' yards.....	do.													
number of days' supply.....	do.		37	25	23	17	24	37	40	46	56	51	49	57
Bituminous:														
Exports.....	thous. of long tons.	518	614	512	510	602	1,231	2,081	1,948	1,849	1,806	1,488	1,091	1,065
Industrial consumption, total														
thous. of short tons.....	do.	32,712	31,031	33,183	28,780	28,538	26,072	25,741	24,988	25,877	27,079	26,783	30,333	30,961
Beehive coke ovens.....	do.	736	489	372	242	211	160	166	240	367	442	432	577	626
Byproduct coke ovens.....	do.	6,999	6,668	6,654	5,676	5,830	5,632	6,000	6,184	6,603	6,703	6,624	6,928	6,799
Cement mills.....	do.	507	425	308	246	337	418	513	542	519	534	543	578	556
Coal-gas retorts.....	do.	267	146	155	141	143	205	131	124	123	136	139	139	139
Electric power utilities.....	do.	4,737	4,683	4,902	4,217	4,029	3,561	3,696	3,839	4,079	4,341	4,177	4,812	4,582
Railways (class I).....	do.	8,069	7,461	8,436	7,328	7,288	6,721	6,534	6,199	6,391	6,612	6,606	7,349	7,594
Steel and rolling mills.....	do.	957	1,029	1,106	900	870	725	751	690	715	791	752	870	895
Other industrial.....	do.	10,440	10,130	11,250	10,030	9,830	8,650	7,950	7,170	7,080	7,520	7,510	9,080	9,770
Other consumption:														
Vessels (bunker).....	thous. of long tons.	89	111	129	110	105	93	128	100	102	112	102	105	107
Coal mine fuel.....	thous. of short tons.	290	255	308	268	241	226	243	231	258	281	276	277	286
Prices:														
Retail, composite, 38 cities.....	dol. per short ton.		8.68			8.65			8.36			8.54		
Wholesale:														
Mine run, composite.....	do.	4.393	4.322	4.320	4.318	4.296	4.275	4.265	4.264	4.251	4.256	4.277	4.403	4.393
Prepared sizes, composite.....	do.	4.618	4.404	4.425	4.457	4.395	4.297	4.230	4.231	4.276	4.314	4.354	4.602	4.619
Production.....	thous. of short tons.	40,600	38,066	44,976	39,277	35,244	32,790	34,896	32,400	35,890	39,010	38,650	38,700	40,012
Stocks, industrial and retail dealers, end of month, total	thous. of short tons.	50,958	44,571	40,222	39,077	35,108	35,721	39,203	41,563	45,438	48,111	51,122	51,564	51,872
Industrial, total	do.	42,938	37,121	33,592	32,577	30,208	30,521	32,403	34,563	37,538	39,611	42,122	42,464	42,922
Byproduct coke ovens.....	do.	10,184	7,993	6,496	5,875	5,305	5,150	5,956	6,507	7,448	7,832	8,861	9,712	10,091
Cement mills.....	do.	436	444	425	444	408	463	456	507	494	551	578	515	476
Coal-gas retorts.....	do.	284	264	239	218	200	243	248	284	292	291	287	285	273
Electric power utilities.....	do.	11,336	9,119	9,069	9,128	9,257	9,514	9,798	10,241	10,559	11,003	11,337	11,309	11,413
Railways (class I).....	do.	5,928	5,529	4,992	5,272	4,660	4,526	4,602	4,644	5,240	5,693	5,679	5,493	5,748
Steel and rolling mills.....	do.	780	692	651	650	578	565	533	541	605	661	690	660	691
Other industrial.....	do.	13,990	13,080	11,720	10,990	9,800	10,060	10,780	11,840	12,900	13,580	14,690	14,490	14,230
Retail dealers, total.....	do.	8,020	7,450	6,630	6,500	4,900	5,200	6,800	7,000	7,900	8,500	9,000	9,100	8,950
COKE														
Exports.....	thous. of long tons.	51	37	28	39	46	42	52	77	74	90	79	76	62
Price, beehive, Connellsville (furnace).....	dol. per short ton.	5.000	5.000	4.813	4.550	4.475	4.475	4.475	4.475	4.475	4.475	4.475	4.475	4.555
Production:														
Beehive.....	thous. of short tons.	463	329	238	155	135	102	106	151	231	278	272	363	394
Byproduct.....	do.	4,890	4,718	4,707	4,017	4,125	3,984	4,244	4,375	4,619	4,682	4,627	4,840	4,750
Petroleum coke.....	do.		155	116	131	130	139	152	149	121	123	119	131	88
Stocks, end of month:														
Byproduct plants, total.....	do.	1,901	2,561	2,008	1,706	1,638	2,016	2,056	1,803	1,915	2,027	2,058	2,029	1,997
At furnace plants.....	do.	736	896	842	784	800	931	955	877	846	807	776	740	713
At merchant plants.....	do.	1,165	1,665	1,166	922	838	1,085	1,101	926	1,069	1,219	1,281	1,290	1,284
Petroleum coke.....	do.		666	628	628	624	663	681	697	678	647	617	581	527

* Revised.

† December 1 estimate.

‡ Revised estimate.

§ Data for 1938 revised. See p. 45 of the August 1940 Survey.

¶ Composite price for 37 cities beginning June 1940. The June 1940 price for 38 cities, comparable with earlier data, was \$8.15.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November
FUELS AND BYPRODUCTS—Continued													
PETROLEUM AND PRODUCTS													
Crude petroleum:													
Consumption (runs to stills).....thous. of bbl.....		105,835	106,530	101,766	110,079	106,979	111,817	108,237	107,902	108,756	107,756	109,394	105,364
Imports.....do.....	4,744	2,651	1,948	2,244	2,866	3,368	4,266	3,658	3,771	4,150	4,059	3,910	4,023
Price (Kansas-Okla.) at wells.....dol. per bbl.....	.960	.960	.960	.960	.960	.960	.960	.960	.960	.960	.960	.960	.960
Production.....thous. of bbl.....	115,120	113,140	108,668	120,075	116,045	118,283	111,690	113,244	110,523	109,337	113,418	106,904	106,904
Refinery operations.....pct. of capacity.....		81	81	81	81	82	83	84	80	81	83	82	82
Stocks, end of month:													
California:													
Heavy crude and fuel.....thous. of bbl.....		80,223	79,380	79,047	78,440	78,866	78,359	78,443	77,550	76,373	75,392	74,124	73,011
Light crude.....do.....		35,478	35,567	36,110	35,943	36,000	35,782	35,368	36,182	36,493	35,460	35,422	35,043
East of California, total.....do.....		196,100	196,407	200,704	207,407	214,321	218,492	218,998	219,796	220,234	220,197	220,896	220,645
Refineries.....do.....		40,033	39,162	40,212	40,871	42,119	45,183	47,525	47,959	47,950	44,778	44,774	44,873
Tank farms and pipe lines.....do.....		156,067	157,245	160,492	166,536	172,202	173,309	171,473	171,837	172,284	175,419	176,122	175,772
Wells completed.....number.....		1,708	1,578	1,655	1,677	1,853	2,083	2,021	1,860	1,788	1,555	1,856	1,533
Refined petroleum products:													
Gas and fuel oils:													
Consumption:													
Electric power plants.....thous. of bbl.....		1,755	1,950	1,446	1,261	979	1,016	1,234	1,503	1,503	1,425	1,678	1,470
Railways (class I).....do.....		4,328	4,502	4,100	4,281	4,164	4,130	4,166	4,293	4,334	4,334	4,474	4,805
Vessels (bunker).....do.....		3,406	3,497	3,082	3,350	2,930	3,242	2,926	3,009	2,661	2,293	2,721	-----
Price, fuel oil (Pennsylvania)*.....dol. per gal.....	.040	.039	.039	.039	.039	.039	.039	.039	.039	.039	.040	.040	.040
Production:													
Residual fuel oil.....thous. of bbl.....		26,944	28,082	24,680	26,870	25,372	26,548	25,469	25,248	26,451	25,504	27,944	26,125
Gas oil and distillate fuels, total.....do.....		14,433	16,548	16,262	16,346	15,260	14,541	14,154	14,439	14,957	14,735	14,351	15,073
Stocks, end of month:													
Residual fuel oil, east of California.....thous. of bbl.....		20,881	18,764	19,130	19,160	18,475	19,116	20,339	21,909	24,042	25,015	26,539	24,580
Gas oil and distillate fuels, total.....do.....		26,374	21,057	19,615	18,541	20,310	23,112	26,412	30,134	33,964	37,166	37,709	35,885
Motor fuel:													
Demand, domestic.....thous. of bbl.....		43,807	40,370	37,557	44,607	47,683	52,946	55,459	53,865	55,346	52,297	53,807	49,074
Exports.....do.....	1,786	2,987	2,001	1,848	2,021	1,730	1,766	2,177	1,460	1,686	1,699	1,662	1,904
Prices, gasoline:													
Wholesale, tank wagon (N. Y.).....dol. per gal.....	.123	.137	.137	.137	.134	.133	.128	.127	.130	.128	.124	.122	.120
Wholesale, refining (Okla.).....do.....	.045	.050	.047	.044	.044	.046	.048	.048	.048	.046	.046	.045	.045
Retail, service stations, 50 cities.....do.....	.122	.135	.133	.132	.130	.128	.126	.126	.125	.127	.123	.120	.122
Production, total.....thous. of bbl.....		52,464	50,243	47,596	51,230	50,625	52,183	51,325	51,879	52,658	52,313	52,907	50,892
Benzol.....do.....		281	272	231	237	228	247	263	279	271	263	290	282
Straight run gasoline.....do.....		22,017	21,709	20,409	21,774	23,082	22,526	22,422	22,420	22,120	22,254	21,602	21,053
Cracked gasoline.....do.....		25,589	23,991	22,777	24,730	22,901	24,823	24,239	24,496	25,587	25,090	25,968	24,716
Natural gasoline.....do.....		4,577	4,271	4,179	4,489	4,414	4,587	4,401	4,684	4,680	4,706	5,047	4,841
Natural gasoline blended.....do.....		4,168	3,285	3,067	2,986	2,783	3,075	2,600	2,744	3,081	3,744	4,156	4,026
Retail distribution.....mil. of gal.....		1,850	1,646	1,543	1,812	1,936	2,033	2,267	2,126	2,319	2,134	2,190	1,911
Stocks, gasoline, end of month:													
Finished gasoline, total.....thous. of bbl.....		77,301	84,863	92,721	96,467	96,615	93,474	86,276	82,025	77,134	75,915	73,338	73,429
At refineries.....do.....		51,920	60,420	68,227	70,274	69,407	65,871	59,708	54,414	50,566	49,040	47,162	46,695
Natural gasoline.....do.....		4,421	4,476	4,757	6,112	6,514	7,000	7,584	7,702	7,038	6,569	6,102	6,102
Kerosene:													
Consumption, domestic.....do.....		6,613	7,642	6,263	6,273	5,621	5,297	3,952	4,257	4,114	5,173	5,608	6,768
Exports.....do.....	113	631	356	279	463	375	377	299	213	196	173	120	175
Price, wholesale, water white, 47 $\frac{1}{2}$ refinery (Pennsylvania).....dol. per gal.....	.052	.048	.048	.050	.050	.050	.051	.051	.050	.049	.049	.049	.050
Production.....thous. of bbl.....		5,822	5,375	5,945	6,570	6,257	6,641	5,785	5,797	5,629	6,062	6,496	6,431
Stocks, refinery, end of month.....do.....		7,576	4,918	4,302	4,114	4,351	5,309	6,810	8,191	9,476	10,254	11,000	10,473
Lubricants:													
Consumption, domestic.....do.....		1,825	2,054	1,522	1,883	2,138	2,063	2,146	1,871	2,024	2,150	2,443	2,449
Price, wholesale, cylinder, refinery (Pennsylvania).....dol. per gal.....	.090	.184	.208	.193	.170	.161	.150	.143	.118	.103	.094	.090	.090
Production.....thous. of bbl.....		3,478	3,308	3,108	3,335	3,280	3,341	3,212	3,024	2,635	2,682	2,954	3,021
Stocks, refinery, end of month.....do.....		7,142	7,328	7,825	8,084	8,065	8,170	8,161	8,573	8,457	8,596	8,464	8,365
Asphalt:													
Imports.....short tons.....	18,504	8,622	4,619	1,876	896	417	230	260	9,761	21,028	1,447	39,993	377
Production.....do.....		303,600	207,200	219,600	324,200	400,000	487,600	527,300	606,600	638,000	604,700	608,400	396,900
Stocks, refinery, end of month.....do.....		550,000	593,000	647,000	699,000	768,000	759,000	681,000	623,000	588,000	490,000	469,000	526,000
Wax:													
Production.....thous. of lb.....		48,440	48,440	49,560	47,320	42,560	44,240	39,760	37,520	33,320	39,760	43,120	43,960
Stocks, refinery, end of month.....do.....		75,648	74,575	82,631	90,373	96,910	103,289	110,346	113,978	112,359	110,028	113,827	120,212

LEATHER AND PRODUCTS

HIDES AND SKINS													
Imports, total hides and skins.....thous. of lb.....	42,542	33,197	30,383	32,421	23,855	22,767	23,716	28,521	28,863	33,123	28,111	29,627	38,459
Calf and kip skins.....do.....	1,489	1,461	1,348	1,055	1,005	623	1,118	1,085	2,108	1,152	1,253	1,999	3,365
Cattle hides.....do.....	26,925	16,828	14,178	16,221	9,669	9,068	7,756	16,401	14,305	20,685	16,170	18,922	22,004
Goatskins.....do.....	4,990	5,821	6,094	9,017	6,836	5,906	5,729	5,576	5,295	6,065	3,661	4,379	5,368
Sheep and lamb skins.....do.....	5,357	5,114	5,153	4,071	3,997	4,933	7,293	3,919	5,199	3,786	5,458	2,904	5,882
Livestock (federally inspected slaughter):													
Calves.....thous. of animals.....	437	381	416	378	440	480	501	437	457	432	417	507	462
Cattle.....do.....	858	773	827	715	721	774	796	738	822	842	812	968	884
Hogs.....do.....	6,063	5,236	5,356	4,277	3,981	3,610	3,890	3,886	3,219	3,045	3,168	4,483	5,419
Sheep and lambs.....do.....	1,416	1,889	1,598	1,313	1,266	1,355	1,420	1,378	1,448	1,489	1,469	1,734	1,462
Prices, wholesale (Chicago):													
Hides, packers', heavy, native steers.....dol. per lb.....	.133	.144	.140	.129	.126	.127	.123	.105	.114	.102	.123	.140	.146
Calfskins, packers', 8 to 15 lb.....do.....	.213	.222	.223	.214	.216	.212	.214	.187	.188	.153	.166	.203	.218
LEATHER													
Exports:													
Sole leather.....thous. of lb.....	2,209	274	259	773	643	354	456	92	37	33	18	15	4,000
Upper leather.....thous. of sq. ft.....	2,776	4,109	3,685	3,214	4,456	3,842	2,902	2,701	2,031	2,256	1,971	2,752	2,626
Production:													
Calf and kip.....thous. of skins.....		955	1,094	954	868	888	991	936	953	996	844	977	917
Cattle hides.....thous. of hides.....		1,858	1,970	1,892	1,700	1,566	1,590	1,534	1,739	1,739	1,597	1,977	1,944
Goat and kid.....thous. of skins.....		3,167	3,682	3,246	3,226	3,411	3,247	3,074	3,096	3,026	2,823	3,089	2,665
Sheep and lamb.....do.....													

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November

LEATHER AND PRODUCTS—Continued

LEATHER—Continued														
Prices, wholesale:														
Sole, oak, scoured backs (Boston)	dol. per lb.	0.345	0.355	0.358	0.348	0.345	0.345	0.344	0.340	0.325	0.305	0.300	0.312	0.343
Chrome, calf, B grade, black, composite	dol. per sq. ft.	.478	.452	.456	.455	.457	.466	.469	.455	.453	.442	.440	.453	.466
Stocks of cattle hides and leather, end of month:														
Total	thous. of equiv. hides	12,997	13,029	12,887	12,578	12,529	12,508	12,737	12,621	12,566	12,740	13,176	13,529	
In process and finished	do	9,276	9,357	9,203	8,911	8,730	8,812	8,891	8,743	8,629	8,708	8,935	8,130	
Raw	do	3,721	3,672	3,684	3,667	3,799	3,696	3,846	3,878	3,937	4,032	4,241	4,399	
LEATHER MANUFACTURES														
Gloves and mittens:														
Production (cut), total	dozen pairs	(1)	144,489	125,954	154,325	155,402	146,345	169,671	179,972	(1)	(1)	(1)	(1)	(1)
Dress and semidress	do	(1)	81,484	70,321	88,956	88,333	81,355	100,717	108,674	(1)	(1)	(1)	(1)	(1)
Work	do	(1)	63,005	55,633	65,369	67,069	64,990	68,954	71,298	(1)	(1)	(1)	(1)	(1)
Boots, shoes, and slippers:														
Exports	thous. of pairs	108	161	196	316	220	177	142	129	105	202	206	168	170
Prices, wholesale, factory:														
Men's black calf blucher	dol. per pair	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Men's black calf oxford, corded tip	do	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25
Women's colored, elk blucher	do	3.30	3.15	3.21	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30
Production, boots, shoes, and slippers:														
Total	thous. of pairs	31,193	28,690	33,885	35,651	34,551	31,056	29,479	27,905	33,590	39,315	34,992	36,746	30,402
Athletic	do	485	323	274	285	311	349	343	371	323	359	389	508	517
All fabric (satin, canvas, etc.)	do	331	277	414	529	824	915	965	302	310	319	311	297	297
Part fabric and part leather	do	1,603	873	1,291	1,299	1,048	692	424	303	370	519	474	834	842
High and low cut, leather, total	do	25,058	23,694	30,298	31,324	29,538	25,556	23,801	22,668	28,113	32,837	28,208	28,566	22,409
Boys' and youths'	do	1,312	1,106	1,169	1,178	1,067	1,017	1,161	1,230	1,391	1,624	1,366	1,533	1,281
Infants'	do	1,873	1,628	1,838	1,894	1,821	1,703	1,575	1,600	1,710	1,790	1,791	2,132	1,823
Misses' and children's	do	3,211	3,357	3,903	3,816	3,614	2,825	2,601	2,950	3,357	3,669	3,342	3,468	2,881
Men's	do	8,606	7,939	8,985	9,094	8,337	7,588	7,419	6,925	8,018	9,622	8,679	10,112	8,618
Women's	do	10,055	9,663	14,403	15,343	14,700	12,424	11,045	9,963	13,638	16,132	13,030	11,321	7,806
Slippers and moccasins for housewear	thous. of pairs	4,071	3,285	1,253	1,870	2,288	2,880	3,127	3,184	4,005	4,946	5,413	6,283	6,134
All other footwear	do	245	239	355	345	542	663	819	687	476	353	189	244	203

LUMBER AND MANUFACTURES

LUMBER—ALL TYPES														
Exports, total sawmill products	M bd. ft.	61,960	84,832	77,513	59,734	62,458	79,880	99,098	91,180	108,059	98,296	89,940	72,862	73,911
Sawed timber	do	6,443	17,063	18,278	13,217	14,909	19,934	26,859	14,892	14,880	11,155	12,271	10,342	10,085
Boards, planks, scantlings, etc.	do	36,434	62,104	49,416	41,197	43,500	52,469	65,731	62,509	81,099	68,262	69,356	56,499	53,023
Imports, total sawmill products	do	71,202	53,253	53,650	45,373	44,088	45,357	71,006	60,725	65,714	64,704	71,374	74,975	71,548
National Lumber Mfrs. Assn.:														
Production, total	mil. bd. ft.	2,221	2,002	1,817	1,845	2,051	2,199	2,342	2,262	2,237	2,540	2,474	2,647	2,333
Hardwoods	do	346	359	338	354	339	341	344	298	281	318	359	421	378
Softwoods	do	1,875	1,642	1,480	1,491	1,712	1,858	1,998	1,963	1,956	2,222	2,115	2,226	1,955
Shipments, total	do	2,394	1,848	1,846	1,864	2,099	2,211	2,395	2,224	2,364	2,655	2,737	2,955	2,568
Hardwoods	do	377	306	329	348	339	338	355	348	359	390	410	463	420
Softwoods	do	2,017	1,542	1,516	1,516	1,760	1,874	2,040	1,875	2,005	2,266	2,327	2,471	2,148
Stocks, gross, end of month, total	do	6,532	7,665	7,610	7,621	7,565	7,553	7,513	7,577	7,483	7,377	7,161	6,902	6,686
Hardwoods	do	1,487	1,807	1,817	1,823	1,825	1,825	1,812	1,768	1,699	1,634	1,588	1,546	1,514
Softwoods	do	5,065	5,858	5,793	5,798	5,741	5,728	5,700	5,810	5,784	5,743	5,573	5,356	5,171
FLOORING														
Maple, beech, and birch:														
Orders, new	M bd. ft.	5,750	4,800	5,800	6,200	6,350	6,350	6,550	7,000	9,350	10,725	8,700	9,900	6,450
Orders, unfilled, end of month	do	10,100	11,575	11,125	11,250	10,625	9,900	9,360	8,900	9,375	10,800	11,150	11,600	11,150
Production	do	7,660	7,000	7,150	6,600	6,350	6,850	6,420	6,450	7,450	8,175	7,500	9,200	7,100
Shipments	do	6,600	6,000	6,050	6,100	7,025	6,950	7,270	7,400	8,750	9,350	8,400	9,600	7,000
Stocks, end of month	do	17,500	19,125	20,125	20,700	20,035	19,700	19,060	18,400	17,350	16,600	16,000	15,500	16,200
Oak:														
Orders, new	do	25,942	25,692	44,622	42,338	39,658	34,438	45,935	33,357	49,587	65,836	51,344	47,571	31,588
Orders, unfilled, end of month	do	46,695	42,285	56,980	66,205	68,068	61,242	61,461	52,512	59,380	72,557	73,818	68,765	55,519
Production	do	44,254	36,046	35,252	33,435	35,266	41,190	43,865	38,015	41,658	46,148	46,916	51,988	48,413
Shipments	do	36,664	30,599	29,850	33,312	37,696	41,264	45,716	43,127	44,412	52,655	50,083	52,624	44,642
Stocks, end of month	do	62,788	77,066	81,295	81,012	78,471	79,397	75,139	70,027	65,317	57,879	52,712	51,426	55,197
SOFTWOODS														
Douglas Fir:														
Exports, total sawmill products	M bd. ft.	14,285	38,971	34,959	25,704	31,103	33,243	45,288	29,078	38,014	37,625	26,888	32,170	30,752
Sawed timber	do	4,157	12,619	14,556	8,424	11,849	13,603	21,375	10,180	10,771	9,595	9,385	9,130	8,890
Boards, planks, scantlings, etc.	do	10,128	26,352	20,403	17,280	19,254	19,640	23,913	18,898	27,243	28,030	17,503	23,040	22,362
Prices, wholesale:														
No. 1, common boards	dol. per M bd. ft.	24.990	21.070	20.482	20.090	20.090	19.698	19.600	19.600	19.600	20.825	23.030	23.030	23.765
Flooring, 1 x 4, "B" and better, V. G.	dol. per M bd. ft.	44.100	42.140	40.964	39.690	39.200	38.220	37.485	36.260	36.260	37.975	42.140	42.140	43.120
Southern Pine:														
Exports, total sawmill products	M bd. ft.	11,293	19,063	15,144	14,747	12,838	18,348	25,928	28,209	27,689	15,990	22,224	10,964	11,581
Sawed timber	do	1,868	4,017	3,489	4,518	2,697	5,838	4,866	4,341	3,597	948	2,368	989	1,215
Boards, planks, scantlings, etc.	do	9,425	15,046	11,655	10,229	10,141	12,510	21,062	23,868	24,092	15,042	19,856	9,975	10,366
Orders, new	mil. bd. ft.	640	495	525	516	587	677	658	623	799	948	905	949	763
Orders, unfilled, end of month	do	498	306	334	357	331	348	324	350	440	570	603	600	550
Price, wholesale, flooring, 1 x 4	dol. per M bd. ft.	50.868	41.875	41.500	41.798	41.873	41.662	41.783	40.865	41.536	43.045	46.010	48.676	50.585
Production	mil. bd. ft.	718	626	527	555	636	651	675	602	625	720	739	827	734
Shipments	do	692	532	497	493	613	660	712	597	625	818	872	952	813
Stocks, end of month	do	1,503	1,919	1,949	2,014	2,037	2,028	1,991	1,996	1,912	1,814	1,681	1,556	1,477
Western Pine:														
Orders, new	do	397	329	325	300	354	400	457	421	495	653	629	546	441
Orders, unfilled, end of month	do	380	262	279	282	285	287	304	300	326	442	532	486	433
Price, wholesale, Ponderosa pine, 1 x 8, No. 2, common (f. o. b. mills)	dol. per M bd. ft.	33.58	28.99	28.77	28.86	29.30	29.09	29.02	28.49	28.01	28.17	29.71	31.73	33.04
Production	mil. bd. ft.	344	291	215	212	279	389	522	541	570	618	549	544	414
Shipments	do	446	321	309	297	351	397	441	425	469	537	539	392	494
Stocks, end of month	do	1,812	1,923	1,829	1,744	1,672	1,664	1,745	1,861	1,962	2,043	2,051	1,997	1,917

Revised. † Discontinued by compiling agency. ‡ Data for 1939 revised on the basis of Census figures. Revisions not shown on p. 47 of the January 1941 Survey will appear in a subsequent issue.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940									
	December	December	January	February	March	April	May	June	July	August	September	October

LUMBER AND MANUFACTURES—Continued

SOFTWOODS—Continued													
West Coast Woods:													
Orders, new.....mil. bd. ft.	552	463	656	522	546	556	667	531	811	726	655	788	574
Orders, unfilled, end of month.....do.	693	452	507	513	520	517	425	383	510	623	647	681	726
Production.....do.	586	516	535	529	601	612	596	610	549	655	607	626	732
Shipments.....do.	641	487	521	538	594	606	662	638	593	664	672	653	574
Stocks, end of month.....do.	851	930	953	961	976	981	928	920	900	892	865	860	867
Redwood, California:													
Orders, new.....M bd. ft.	40,469	17,749	25,331	21,544	29,704	31,450	29,263	29,500	27,536	35,963	32,836	47,674	36,581
Orders, unfilled, end of month.....do.	51,877	28,678	26,517	26,416	32,472	31,371	26,555	27,468	25,901	32,173	35,545	42,855	42,849
Production.....do.	29,761	27,883	27,239	29,105	28,727	31,207	31,310	29,293	28,477	30,156	31,533	36,059	31,468
Shipments.....do.	31,476	20,802	23,793	21,957	27,237	31,562	33,391	28,016	29,365	31,290	29,024	38,245	36,318
Stocks, end of month.....do.	270,158	297,976	296,026	301,176	299,227	298,317	294,231	292,640	289,079	283,907	286,622	282,098	273,402
FURNITURE													
All districts:													
Plant operations.....percent of normal..	74.0	65.0	60.0	63.0	63.0	62.0	62.0	63.0	60.0	65.0	71.0	76.0	77.0
Grand Rapids district:													
Orders:													
Cancelled.....percent of new orders..	8.0	8.0	5.0	8.0	6.0	10.0	7.0	4.0	3.0	3.0	4.0	3.0	5.0
New.....no. of days' production..	17	13	23	16	15	15	14	14	23	24	28	29	21
Unfilled, end of month.....do.	33	26	33	30	25	23	22	25	32	38	43	46	40
Plant operations.....percent of normal..	75.0	67.0	63.0	65.0	58.0	61.0	62.0	62.0	57.0	64.0	69.0	75.0	74.0
Shipments.....no. of days' production..	20	16	16	16	16	14	14	12	15	18	21	25	23
Prices, wholesale:													
Beds, wooden.....1926=100..	77.9	77.9	77.9	77.9	77.9	77.9	77.9	77.9	77.9	77.9	77.9	77.9	77.9
Dining-room chairs, set of 6.....do.	102.3	102.3	102.3	102.3	102.3	102.3	102.3	102.3	102.3	102.3	102.3	102.3	102.3
Kitchen cabinets.....do.	88.1	88.1	88.1	88.1	88.1	88.1	88.1	88.1	88.1	88.1	88.1	88.1	88.1
Living-room davenport.....do.	87.2	87.2	87.2	87.2	87.2	87.2	87.2	87.2	87.2	87.2	87.2	87.2	87.2
Steel furniture (see Iron and Steel Section).													

METALS AND MANUFACTURES

IRON AND STEEL													
Foreign trade:													
Exports (domestic), total.....long tons..	805,158	600,437	583,521	671,301	663,980	612,906	783,964	936,047	1,034,938	1,402,075	1,221,052	1,105,510	788,176
Scrap.....do.	69,980	206,402	187,457	234,716	206,928	221,152	312,483	318,369	327,129	355,991	255,608	258,926	74,349
Imports, total.....do.	4,064	14,709	8,274	6,740	5,096	6,674	7,759	5,505	3,542	2,105	2,508	3,966	980
Scrap.....do.	48	1,267	442	273	29	482	33	1	152	16	56	242	252
Price, wholesale, iron and steel, composite													
Ore.....dol. per long ton..	38.30	37.18	37.09	36.97	36.83	36.69	37.33	37.69	37.63	37.70	37.92	38.07	38.08
Iron ore:													
Lake Superior district:													
Consumption by furnaces													
.....thous. of long tons..	6,173	5,538	5,289	4,242	4,088	3,935	4,566	5,213	5,524	5,701	5,672	6,051	5,973
Shipments from upper lake ports.....do.	9	0	0	0	0	465	7,245	9,487	10,353	10,480	9,935	10,069	5,341
Stocks, end of month, total.....do.	36,973	35,440	30,189	25,967	21,862	18,106	19,603	23,516	28,244	32,935	37,090	41,125	41,712
At furnaces.....do.	31,792	30,805	25,901	22,087	18,412	15,155	16,717	20,428	24,608	28,708	32,432	36,280	36,925
On Lake Erie docks.....do.	4,281	4,635	4,288	3,880	3,450	2,951	2,886	3,088	3,636	4,227	4,658	4,846	4,787
Imports, total.....do.	174	163	209	237	167	257	175	162	249	194	164	265	229
Manganese ore, imports (manganese content)													
.....thous. of long tons..	59	54	39	43	42	36	63	51	39	98	49	40	61
Pig Iron and Iron Manufactures													
Castings, malleable:													
Orders, new.....short tons..	66,665	45,978	40,438	34,901	35,730	35,290	35,563	36,503	45,025	52,994	53,079	71,129	64,612
Production.....do.	60,155	53,663	53,372	42,163	39,881	40,529	37,511	34,700	38,872	48,926	49,804	62,293	57,717
Percent of capacity.....do.	74.2	65.2	64.2	51.7	48.7	50.1	45.2	42.7	46.7	58.8	61.4	75.0	71.2
Shipments.....short tons..	60,127	53,753	52,088	43,935	42,975	41,975	40,919	33,323	34,226	43,216	45,943	61,161	56,321
Furnaces in blast, end of month:													
Capacity.....short tons per day..	142,480	136,702	123,990	106,040	104,675	106,395	119,905	131,360	131,760	137,500	140,620	144,290	148,000
Number.....do.	202	191	177	157	152	157	172	182	187	190	193	196	201
Prices, wholesale:													
Basic (valley furnace).....dol. per long ton..	22.90	22.50	22.50	22.50	22.50	22.50	22.50	22.50	22.50	22.50	22.50	22.50	22.50
Composite.....do.	23.15	23.15	23.15	23.15	23.15	23.15	23.15	23.15	23.15	23.15	23.15	23.15	23.15
Foundry, No. 2, northern (Pitts.).....do.	25.29	24.89	24.89	24.89	24.89	24.89	24.89	24.89	24.89	24.89	24.89	24.89	24.89
Production.....thous. of short tons..	4,415	4,221	4,032	3,311	3,270	3,137	3,514	3,819	4,054	4,238	4,177	4,446	4,403
Boilers and radiators, cast-iron:													
Boilers, round:													
Production.....thous. of lb.	1,934	1,418	1,456	1,648	1,602	2,292	2,754	1,697	1,449	1,848	2,371	3,598	2,416
Shipments.....do.	1,884	1,740	2,117	1,207	1,079	1,177	1,334	1,613	1,698	2,732	3,851	5,145	2,451
Stocks, end of month.....do.	11,021	12,002	11,487	11,935	12,454	13,565	14,923	15,009	13,477	13,873	12,513	10,750	10,622
Boilers, square:													
Production.....do.	18,964	14,816	16,525	20,616	18,790	17,900	20,922	18,698	17,352	26,185	26,340	32,701	23,788
Shipments.....do.	18,547	16,227	15,443	11,214	9,253	10,933	12,024	14,776	22,916	31,100	40,342	43,767	26,059
Stocks, end of month.....do.	80,564	77,878	79,128	88,593	98,121	105,043	114,032	117,975	112,369	107,267	93,029	82,205	80,064
Radiators:													
Convection type:													
Sales, incl. heating elements, cabinets, and grilles.....thous. sq. ft. heating surface.	(1)	701	566	390	505	431	691	768	(1)	(1)	(1)	(1)	(1)
Ordinary type:													
Production.....do.	6,245	4,474	4,735	5,530	5,701	5,670	6,579	5,697	4,817	7,147	6,415	8,454	8,042
Shipments.....do.	6,537	5,166	4,173	3,135	3,195	3,626	4,539	4,670	6,486	8,193	9,436	8,952	8,952
Stocks, end of month.....do.	21,831	21,653	21,767	24,222	26,829	28,896	30,971	31,913	30,108	29,168	26,087	22,865	22,103
Boilers, range, galvanized:													
Orders, new, net.....number of boilers..	70,989	72,380	69,407	55,026	55,339	51,062	72,725	75,427	85,139	64,881	73,821	106,716	75,369
Orders, unfilled, end of month.....do.	38,795	44,213	36,086	24,532	19,161	18,507	23,048	31,158	38,194	27,315	32,119	42,094	35,220
Production.....do.	72,245	81,252	79,565	66,039	59,319	51,012	68,816	70,452	77,879	76,467	68,522	92,266	80,371
Shipments.....do.	67,414	77,166	77,534	66,580	60,710	51,716	68,184	67,317	78,103	75,710	69,017	96,741	82,243
Stocks, end of month.....do.	41,447	34,763	36,794	36,253	34,862	34,158	34,790	37,925	37,701	38,458	37,963	38,488	36,616

1 Temporarily discontinued by reporting source.
 † Revised series. Data on pig iron have been converted from a long to a short tonnage basis; data for production beginning 1913 are shown in table 38, p. 14 of the October 1940 issue.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940									
	December	December	January	February	March	April	May	June	July	August	September	October

METALS AND MANUFACTURES—Continued

IRON AND STEEL—Continued												
Steel, Crude and Semimanufactured												
Castings, steel:												
Orders, new, total..... short tons.....	64,143	43,121	40,913	36,612	41,353	50,346	59,661	67,035	71,734	83,545	112,327	94,929
Percent of capacity.....	54.8	36.8	35.0	31.3	35.3	43.0	51.0	57.3	61.3	71.4	96.0	81.1
Railway specialties..... short tons.....	28,262	8,302	10,472	7,182	8,849	12,967	20,764	20,770	26,873	28,018	49,349	27,718
Production, total..... do.....	79,732	80,146	67,454	58,404	52,078	50,034	50,651	57,763	66,355	64,122	83,938	81,192
Percent of capacity.....	68.1	68.5	57.6	49.9	44.5	42.8	42.5	49.4	56.7	54.8	71.7	69.4
Railway specialties..... short tons.....	33,146	34,019	23,506	22,847	17,017	15,137	14,483	17,993	21,292	21,152	31,811	32,066
Ingots, steel:												
Production..... thous. of short tons.....	6,301	5,822	5,655	4,409	4,265	3,975	4,841	5,533	5,595	6,033	5,895	6,283
Percent of capacity.....	99	91	82	69	64	60	71	87	85	88	93	95
Bars, steel, cold-finished, carbon, shipments												
..... short tons.....	61,591	57,232	46,277	45,405	44,621	43,654	44,474	52,999	57,791			
Prices, wholesale:												
Composite, finished steel..... dol. per lb.....	.0265	.0265	.0265	.0265	.0265	.0262	.0265	.0265	.0265	.0265	.0265	.0265
Steel billets, rerolling (Pittsburgh)..... dol. per long ton.....	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00
Structural steel (Pittsburgh)..... dol. per lb.....	.0210	.0210	.0210	.0210	.0210	.0210	.0210	.0210	.0210	.0210	.0210	.0210
Steel scrap (Chicago)..... dol. per gross ton.....	20.60	16.56	16.38	15.75	15.69	15.33	16.88	18.19	17.35	18.03	19.22	20.06
U. S. Steel Corporation:												
Shipments of rolled and finished steel products..... thous. of short tons.....	1,545	1,444	1,146	1,009	932	908	1,084	1,210	1,297	1,456	1,393	1,425
Steel, Manufactured Products												
Barrels and drums, steel, heavy types:												
Orders, unfilled, end of month..... thousands.....	486	768	450	335	243	292	377	350	436	700	431	402
Production..... do.....	1,452	1,469	1,138	803	852	951	930	1,098	958	1,305	1,520	1,457
Percent of capacity.....	77.8	82.9	65.4	46.2	49.0	54.7	53.5	63.1	55.1	75.1	87.4	78.9
Shipments..... thousands.....	1,442	1,457	1,158	809	854	949	916	1,102	1,075	964	1,298	1,455
Stocks, end of month..... do.....	52	61	42	36	34	37	51	47	53	47	54	42
Boilers, steel, new orders:												
Area..... thous. of sq. ft.....	1,563	554	534	558	761	878	1,066	1,761	1,680	1,275	3,726	1,708
Quantity..... number.....	835	477	489	411	526	630	809	1,007	1,214	1,098	1,557	1,622
Furniture, steel:												
Office furniture:												
Orders, new..... thous. of dol.....	4,357	2,095	2,367	2,200	2,097	2,219	2,236	2,373	2,240	2,601	3,323	3,336
Orders, unfilled, end of month..... do.....	2,983	1,247	1,350	1,286	958	1,169	1,186	1,262	1,286	1,495	1,728	2,181
Shipments..... do.....	3,583	2,160	2,264	2,264	2,424	2,008	2,102	2,160	2,249	2,339	3,090	2,884
Shelving:												
Orders, new..... do.....	844	540	504	481	475	494	594	547	602	541	639	797
Orders, unfilled, end of month..... do.....	658	494	443	444	368	363	447	472	497	493	599	618
Shipments..... do.....	790	534	556	470	552	499	510	522	577	545	634	665
Plate, fabricated steel, new orders:												
Total..... short tons.....	(³)	23,627	33,804	25,824	35,435	36,213	40,408	48,639	(³)	(³)	(³)	(³)
Oil storage tanks..... do.....	(³)	6,665	9,781	5,254	12,282	6,643	15,590	10,100	(³)	(³)	(³)	(³)
Plumbing and heating equipment (8 items), wholesale price..... dollars.....	237.31	236.40	236.26	234.38	236.57	236.86	236.78	236.75	236.75	237.28	237.14	237.27
Porcelain enameled products, shipments												
..... thous. of dol.....	3,472	2,632	2,731	2,746	2,776	2,947	2,895	2,538	2,803	3,247	3,352	3,296
Spring washers, shipments..... do.....	248	221	241	173	188	170	173	158	174	195	196	233
Steel products, production for sale: ¹												
Total..... thous. of short tons.....	4,619	112,092		19,886	2,814	3,287	3,550	3,964	4,415	4,213	4,670	4,480
Merchant bars..... do.....	437	11,187		7,959	266	326	367	387	455	423	475	444
Pipe and tube..... do.....	384	11,184		1,846	256	295	325	347	347	371	401	377
I lates..... do.....	443	11,045		1,870	245	281	317	359	355	368	430	430
Rails..... do.....	131	1,316		1,527	165	146	131	128	130	93	79	114
Sheets, total..... do.....	1,050	12,945		12,324	580	716	749	812	915	919	1,069	1,047
Percent of capacity.....	95.1	95.5		71.8	54.3	65.9	71.2	73.9	82.3	86.3	96.8	97.4
Strip:												
Cold rolled..... thous. of short tons.....	89	1,248		1,177	52	45	56	60	72	70	86	83
Hot rolled..... do.....	139	1,451		1,309	77	99	110	104	110	121	147	138
Structural shapes, heavy..... do.....	331	1,869		1,537	174	210	234	286	331	311	362	374
Tin plate..... do.....	203	1,809		1,699	235	248	244	239	244	193	189	200
Wire and wire products..... do.....	374	1,013		1,793	236	274	300	328	353	339	382	350
Track work, shipments..... short tons.....	7,151	6,768	6,762	6,898	8,446	7,654	7,276	6,075	6,063	6,480	5,505	5,733
NONFERROUS METALS AND PRODUCTS												
Metals												
Aluminum:												
Imports, bauxite..... long tons.....	97,668	68,826	50,456	54,651	53,024	33,449	43,110	44,923	45,117	56,789	46,850	53,357
Price, wholesale, scrap, castings (N. Y.)..... dol. per lb.....	.0970	.0950	.0948	.0925	.0913	.0863	.0865	.0860	.0902	.0838	.0855	.0894
Bearing metal (white-base antifriction):												
Consumption and shipments, total												
..... thous. of lb.....	2,296	2,034	2,322	1,749	1,955	1,664	1,923	1,966	2,238	2,348	2,118	2,691
Consumed in own plants..... do.....	614	634	672	429	514	475	475	505	620	876	560	643
Shipments..... do.....	1,682	1,400	1,650	1,321	1,442	1,188	1,561	1,460	1,619	1,472	1,558	1,751
Copper:												
Exports, refined and manufactures												
..... short tons.....	13,395	62,505	63,775	40,745	39,273	25,494	35,422	36,236	38,512	62,393	15,658	38,829
Imports, total..... do.....	25,945	29,545	31,558	30,538	22,554	30,350	28,532	23,041	22,635	35,159	40,710	43,044
For smelting, refining and export..... do.....	12,648	27,672	29,869	28,698	22,485	28,134	27,953	14,335	17,969	26,446	27,498	24,610
Product of Cuba and Philippine Islands..... short tons.....	2,014	1,395	1,688	1,026	66	2,101	10	1,197	481	214	25	1,415
All other..... do.....	11,283	478	1	814	2	314	569	7,509	4,185	8,499	13,187	17,019
Price, wholesale, electrolytic (N. Y.)..... dol. per lb.....	.1180	.1228	.1195	.1115	.1116	.1109	.1108	.1113	.1056	.1071	.1130	.1183
Production:												
Mine or smelter (incl. custom intake)												
..... short tons.....	84,937	2408,775	89,598	76,145	85,796	84,366	82,682	79,845	79,327	79,967	78,238	86,911
Refinery..... do.....	97,035	2,379,841	80,501	82,761	86,295	80,964	86,029	86,077	90,995	80,851	82,843	83,076
Deliveries, refined, total..... do.....	112,681	2,536,899	104,545	72,809	71,893	71,639	76,485	65,155	74,758	97,719	96,485	103,771
Domestic..... do.....	112,671	2,457,315	91,428	63,215	64,376	68,665	69,467	61,716	71,226	96,383	96,485	103,771
Export..... do.....	10	79,584	13,117	9,594	7,517	2,974	7,018	3,439	3,532	1,336		102,483
Stocks, refined, end of month..... do.....	142,772	159,485	135,441	145,393	159,795	169,120	178,664	199,586	215,823	198,955	185,313	164,618

¹ Revised. ² Quarterly data; monthly reports initiated April 1940. ³ Total for August-December.
⁴ Temporarily suspended by reporting source. ⁵ Monthly data beginning 1929, corresponding to the monthly averages on p. 132 of the 1940 Supplement, appear on p. 18 of the April 1940 Survey.
⁶ Data are for 6 manufacturers beginning January 1940.
⁷ Revised series. Steel ingot production and steel products, production for sale, have been converted from a long to a short tonnage basis; data beginning 1913 for steel ingot production are shown in table 26, p. 17, of the May 1940 Survey; data beginning 1933 for steel products appear in table 45, p. 14, of the November 1940 issue.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November

METALS AND MANUFACTURES—Continued

NONFERROUS METALS AND PRODUCTS—Continued													
Metals—Continued													
Lead:													
Imports, total, except manufactures (lead content)..... short tons.....	19,205	4,164	4,496	2,958	4,787	2,866	7,404	4,723	16,581	10,230	10,739	27,739	19,084
Ore:													
Receipts, lead content of domestic ore..... do.....	38,847	38,835	37,649	35,937	37,949	37,963	40,196	36,957	36,988	37,759	35,916	38,641	36,400
Shipments, Joplin district..... do.....	4,079	4,234	3,710	3,110	3,892	3,705	4,474	3,538	4,393	2,878	3,688	4,485	3,446
Refined:													
Price, wholesale, pig, desilverized (N. Y.)..... dol. per lb.....	.0550	.0550	.0547	.0508	.0519	.0571	.0502	.0500	.0500	.0485	.0493	.0531	.0573
Production from domestic ore..... short tons.....	47,208	42,547	47,149	40,564	44,783	31,192	37,918	34,041	35,343	36,851	41,528	39,228	45,089
Shipments (reported)..... do.....	56,755	44,851	39,875	39,176	46,353	46,496	46,919	49,904	52,560	51,643	53,456	62,496	57,510
Stocks, end of month..... do.....	40,926	58,777	68,539	72,658	74,692	63,610	62,955	55,343	47,360	43,321	41,292	35,386	35,791
Tin:													
Consumption of primary tin in manufactures..... long tons.....		6,940	6,680	5,610	5,540	5,960	6,360	6,420	6,370	6,650	5,800	6,230	6,220
Deliveries..... do.....	9,358	11,366	9,780	6,600	9,244	7,855	7,905	9,225	7,325	12,470	11,410	11,820	12,505
Imports, bars, blocks, etc..... do.....	14,504	12,515	8,851	6,499	10,334	7,886	7,982	11,611	9,185	12,926	14,604	10,116	10,237
Price, wholesale, Straits (N. Y.)..... dol. per lb.....	.5011	.5064	.4672	.4594	.4709	.4682	.5148	5.454	.5159	.5118	.5032	.5149	.5056
Visible supply, world, end of mo..... long tons.....	44,678	38,280	35,373	33,148	32,339	32,149	30,562	31,869	38,736	38,040	39,450	40,631	40,046
United States (excluding float)..... do.....	9,179	3,302	1,749	2,078	2,635	2,964	3,677	5,300	6,567	6,583	9,438	6,623	4,362
Zinc:													
Ore, Joplin district:†													
Shipments..... short tons.....	40,975	28,163	35,611	28,026	29,393	31,424	41,183	33,530	44,323	35,116	34,250	43,269	29,538
Stocks, end of month..... do.....	3,900	13,548	4,097	3,551	4,798	5,454	5,851	9,201	7,098	8,842	10,452	11,553	17,045
Price, wholesale, prime, western (St. L.)..... dol. per lb.....	.0725	.0598	.0564	.0553	.0575	.0575	.0580	.0624	.0625	.0639	.0692	.0725	.0725
Production, slab, at primary smelters..... short tons.....	59,883	57,941	52,399	53,387	56,184	51,457	48,213	52,098	52,098	51,010	52,869	56,372	56,459
Retorts in operation, end of mo..... number.....	55,288	48,159	47,287	47,188	49,744	49,805	48,989	46,577	47,545	50,715	53,164	53,979	55,288
Shipments, total..... short tons.....	65,385	53,468	54,862	51,050	49,909	46,803	57,224	53,935	57,606	64,065	67,650	65,713	62,295
Stocks, refinery, end of mo..... do.....	12,884	65,995	63,532	65,869	72,144	78,396	72,629	66,907	61,399	48,344	33,563	24,222	18,386
Miscellaneous Products													
Brass and bronze (ingots and billets):													
Deliveries..... short tons.....	10,567	5,521	5,851	5,799	6,184	6,735	7,056	7,181	6,898	8,076	8,706	10,093	10,232
Orders, unfilled, end of month..... do.....	29,432	11,436	8,214	17,500	14,018	14,034	21,475	22,287	21,695	17,823	31,365	34,221	32,017
Plumbing fixtures, brass, shipments..... thous. of pieces.....	(2)	1,514	1,668	1,735	1,799	1,582	1,647	1,697	(2)	(2)	(2)	(2)	(2)
Radiators, convection type, sales:													
Heating elements only, without cabinets or grilles..... thous. of sq. ft. heating surface.....	(3)	75	45	30	43	67	103	112	(3)	(3)	(3)	(3)	(3)
Including heating elements, cabinets, and grilles..... thous. of sq. ft. heating surface.....	(3)	591	450	392	297	520	487	531	(3)	(3)	(3)	(3)	(3)
Sheets, brass, wholesale price, mill..... dol. per lb.....	.193	.193	.191	.183	.183	.183	.183	.185	.186	.183	.187	.192	.192
Wire cloth (brass, bronze, and alloy):													
Orders, new..... thous. of sq. ft.....	433	343	391	363	350	382	541	606	469	521	435	570	456
Orders, unfilled, end of month..... do.....	973	1,593	1,343	1,216	1,073	1,005	1,041	1,124	1,099	1,033	1,039	1,094	1,066
Shipments..... do.....	513	567	637	476	489	445	496	516	489	536	423	516	482
Stocks, end of month..... do.....	763	616	585	627	621	695	716	693	709	694	751	793	804
MACHINERY AND APPARATUS													
Air-conditioning (circulating, cooling, heating, and purifying) equipment, new orders:†													
Air-conditioning systems and equipment for summer and year-round use..... thous. of dol.....		1,594	1,263	1,411	1,545	2,425	2,675						
Blowers and fans..... do.....		3,979			3,261			4,910			5,836		
Unit heaters..... do.....		3,687			2,013			2,346			3,845		
Warm-air furnaces, winter air-conditioning systems, and equipment..... thous. of dol.....		10,312			4,265			6,791			14,494		
Electric overhead cranes:													
Orders, new..... do.....	4,172	414	400	250	534	467	520	761	499	957	798	1,657	1,497
Orders, unfilled, end of month..... do.....	8,563	2,368	2,172	1,743	1,683	1,640	1,769	2,196	2,430	2,744	3,271	4,109	5,087
Shipments..... do.....	825	435	506	679	594	515	391	334	264	643	282	629	615
Exports, machinery. (See Foreign trade.)													
Foundry equipment:†													
New orders, total..... 1937-39=100.....	257.8	124.5	149.0	135.7	183.2	145.2	129.1	164.9	194.4	165.4	161.2	264.0	254.2
New equipment..... do.....	276.1						127.5	174.2	209.8	167.2	162.0	284.8	278.8
Repairs..... do.....	203.2						133.9	138.3	147.8	160.0	158.6	201.8	188.7
Fuel equipment:													
Oil burners:													
Orders, new, net..... number.....	17,016	12,566	13,108	11,239	12,883	15,889	18,154	19,672	23,008	32,772	41,895	41,029	22,705
Orders, unfilled, end of month..... do.....	8,043	2,905	3,050	2,767	2,880	4,375	4,700	5,985	6,974	8,202	8,607	9,056	7,562
Shipments..... do.....	16,535	13,300	12,963	11,522	12,770	14,394	17,829	18,387	22,019	31,544	41,490	40,580	24,199
Stocks, end of month..... do.....	16,860	16,764	17,144	15,672	16,755	16,656	19,239	19,367	23,400	22,870	19,617	18,060	18,415
Pulverizers, orders, new..... do.....	44	6	11	20	25	33	36	25	47	38	54	30	52
Mechanical stokers, sales:													
Classes 1, 2, and 3..... do.....	6,103	4,762	3,996	3,654	4,342	6,490	8,254	9,769	16,565	23,117	30,951	25,153	10,596
Classes 4 and 5:													
Number..... do.....	254	207	128	149	111	125	161	217	275	352	386	407	249
Horsepower..... do.....	51,671	39,038	25,515	28,591	30,177	29,677	42,332	38,408	58,426	58,411	80,837	80,264	45,456
Machine tool activity*..... percent of capacity.....	96.8	93.3	93.3	92.9	93.4	93.4	92.5	92.3	88.3	93.3	94.9	96.8	95.4
Pumps and water systems, domestic, shipments:													
Pitcher, other hand, and windmill pumps..... units.....	20,806	29,441	40,421	38,540	37,977	33,236	35,245	41,419	38,476	38,409	33,637	32,634	30,134
Power pumps, horizontal type..... do.....	989	976	1,396	662	1,214	829	804	928	853	247	905	874	906
Water systems, incl. pumps..... do.....	11,511	13,389	17,594	14,718	16,060	20,971	22,099	20,415	19,113	21,503	18,657	18,688	15,477
Pumps, measuring and dispensing, shipments:													
Gasoline:													
Hand-operated..... units.....	(2)	612	776	1,070	1,685	2,201	2,330	1,574	(2)	(2)	(2)	(2)	(2)
Power..... do.....	(2)	8,693	5,775	6,304	7,613	11,578	12,577	11,072	(2)	(2)	(2)	(2)	(2)
Oil, grease, and other:													
Hand-operated..... do.....	(2)	14,417	9,659	10,578	14,466	18,579	20,081	17,968	(2)	(2)	(2)	(2)	(2)
Power..... do.....	(2)	1,349	3,244	3,106	3,462	2,591	2,676	2,454	(2)	(2)	(2)	(2)	(2)

†Data for January, May, July, and October, 1940, are for 5 weeks; other months, 4 weeks.
 † Discontinued by reporting source. † Reports temporarily suspended.
 * New series. For data on machine tool activity beginning January 1939, see last paragraph of footnote 6 to p. 139 of the 1940 Supplement.
 † Revised series. Data on air-conditioning equipment compiled on a revised basis beginning January 1939. For description of series and earlier data, see p. 50 of the September 1940 Survey. Index of total foundry equipment new orders beginning January 1940 is based on average sales to metal-working industries during 1937-39; earlier data are based on the old new orders index (1922-24 base) converted to the new base by dividing by 1.328; index for new equipment and repairs available only beginning May 1940.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940									
	December	December	January	February	March	April	May	June	July	August	September	October

METALS AND MANUFACTURES—Continued

MACHINERY AND APPARATUS—Con.												
Pumps, steam, power, centrifugal, and rotary: Orders, new.....thous. of dol.	1,049	1,011	1,147	1,457	1,178	1,809	1,963	2,437	2,556	2,878	2,952	3,025
Water-softening apparatus: Shipments, domestic.....units	(1)	1,201	1,154	1,159	1,556	1,364	1,623	1,237	(1)	(1)	(1)	(1)
ELECTRICAL EQUIPMENT												
Battery shipments (automotive replacement only): Unadjusted.....1934-36=100	99	180	101	55	67	73	91	130	186	207	208	198
Adjusted.....do.	87	227	159	90	123	132	133	135	139	133	123	142
Electrical products: Industrial materials, sales billed.....1936=100	121.9	124.8	110.4	113.7	112.8	112.7	107.6	113.8	126.5	123.9	147.7	148.2
Motors and generators, new orders.....do.	161.7	97.3	97.9	115.9	107.1	117.2	160.9	155.0	146.6	161.3	254.3	223.9
Transmission and distribution equipment, new orders.....1936=100	123.6	121.3	132.8	133.8	127.7	126.0	181.9	170.2	159.6	119.6	230.7	210.8
Furnaces, electric, industrial, sales: Unit.....kilowatts	31,866	9,587	2,084	5,634	7,802	4,697	4,905	5,381	5,241	5,137	18,847	16,965
Value.....thous. of dol.	1,766	480	167	324	557	314	407	476	421	372	1,049	1,341
Electrical goods, new orders (quarterly).....thous. of dol.	514,816	254,302	238,846	238,846	238,846	238,846	268,120	268,120	411,595	411,595	23,282	18,925
Ironers, household, shipments.....units	23,191	11,854	10,183	12,048	11,984	10,500	8,571	11,464	13,848	21,007	23,282	18,925
Laminated products, shipments.....thous. of dol.	2,023	1,306	1,257	1,173	1,306	1,320	1,308	1,325	1,313	1,408	1,454	1,812
Motors (1-200 hp.): Billings (shipments), A. C.....do.	3,103	2,733	2,686	2,693	2,857	3,126	3,000	3,083	3,280	3,207	3,703	3,524
Billings (shipments), D. C.....do.	797	582	775	860	815	890	866	914	915	1,008	1,212	1,297
New orders, A. C.....do.	3,472	2,417	2,679	2,958	3,013	3,039	3,186	3,345	3,536	3,693	4,731	4,628
New orders, D. C.....do.	1,867	813	622	803	692	946	1,763	1,437	1,240	1,371	2,674	2,209
Power cable, paper insulated, shipments: Unit.....thous. of ft.	998	655	554	561	564	628	728	758	757	1,253	1,154	891
Value.....thous. of dol.	1,167	731	721	641	720	813	902	836	998	1,463	1,163	739
Ranges, billed sales*.....number	24,626	13,429	36,395	32,998	39,643	43,308	42,983	33,403	29,626	29,128	32,167	25,248
Refrigerators, household, sales.....do.	115,214	92,479	234,662	280,980	298,238	339,693	385,688	328,950	248,538	206,418	112,309	88,187
Vacuum cleaners, shipments: Floor.....do.	125,037	118,730	92,806	116,049	147,120	139,768	143,836	120,200	74,565	87,820	108,564	114,699
Hand-type.....do.	36,274	36,471	27,362	28,324	31,009	30,441	30,060	24,037	20,045	23,047	30,359	38,270
Vulcanized fiber: Consumption of fiber paper.....thous. of lb.	2,981	2,492	2,808	2,358	2,368	2,556	2,205	1,999	2,449	2,443	2,373	2,582
Shipments.....thous. of dol.	805	654	660	589	539	537	554	458	556	681	599	714
Washers, household, shipments.....units	92,474	77,270	119,228	142,318	149,730	135,179	118,987	112,134	116,422	147,878	149,002	168,527

PAPER AND PRINTING

WOOD PULP												
Consumption and shipments: Total, all grades.....short tons	719,200	669,400	690,800	645,100	664,200	700,000	752,900	733,100	729,200	734,600	673,500	743,500
Chemical: Sulphate, total.....do.	321,100	301,700	302,000	271,800	278,600	290,700	318,800	317,300	310,600	318,300	301,600	339,300
Unbleached.....do.	271,300	260,600	261,700	234,200	238,800	248,900	275,100	267,200	264,200	269,900	252,400	285,300
Sulphite, total.....do.	212,200	198,900	199,300	197,000	203,200	220,300	228,800	218,300	226,300	220,200	203,700	206,300
Bleached.....do.	126,700	124,300	125,700	126,200	125,600	142,400	143,000	137,600	140,700	134,800	123,500	125,300
Soda.....do.	44,700	46,300	44,600	38,600	40,900	41,800	50,500	47,900	45,100	42,200	36,900	42,600
Groundwood.....do.	141,200	128,300	144,900	137,700	141,500	147,200	154,800	149,600	147,200	153,900	131,300	155,300
Exports, total, all grades*.....do.	36,627	18,537	15,713	27,333	30,694	37,417	57,923	40,864	64,702	60,379	32,256	39,359
Imports, total, all grades*.....do.	70,686	235,419	262,171	158,827	73,915	109,986	81,345	93,358	86,426	83,640	65,554	68,112
Chemical: Sulphate, total*.....do.	14,438	89,859	101,363	47,197	21,030	30,856	11,815	17,817	11,385	17,920	11,253	10,869
Unbleached*.....do.	8,414	78,493	79,358	38,750	13,408	24,889	6,669	13,058	5,546	12,036	7,062	6,515
Sulphite, total*.....do.	44,520	113,814	140,279	96,109	44,172	65,035	50,045	53,349	54,882	55,318	40,188	43,509
Bleached*.....do.	23,603	46,204	48,887	33,610	22,836	34,068	26,822	30,294	27,662	31,376	21,247	25,112
Unbleached*.....do.	20,917	67,610	91,392	62,499	21,336	30,967	23,223	23,055	27,220	23,942	18,941	18,397
Groundwood.....do.	11,030	30,465	19,199	14,723	7,964	13,403	18,446	21,138	9,557	13,187	12,903	10,745
Production: Total, all grades.....do.	727,400	670,400	706,300	649,200	677,300	706,100	762,700	733,000	703,600	736,800	668,500	755,100
Chemical: Sulphate, total.....do.	324,000	297,182	300,375	273,137	277,575	290,946	319,980	312,782	309,000	329,400	309,000	341,900
Unbleached.....do.	275,000	258,560	258,000	233,655	238,075	249,800	275,685	265,885	263,500	280,000	260,000	288,200
Sulphite, total.....do.	206,000	198,575	209,460	195,482	210,780	207,656	224,485	218,970	212,859	227,671	202,000	220,200
Bleached.....do.	121,000	124,353	133,353	124,548	133,590	132,417	141,097	138,269	131,459	139,671	122,500	133,200
Soda.....do.	45,400	46,300	45,900	39,800	40,900	41,700	48,100	48,400	45,700	42,700	37,100	44,000
Groundwood.....do.	152,000	134,125	150,460	140,870	148,000	165,855	170,128	152,841	136,000	137,000	120,400	149,000
Stocks, end of month: Total, all grades.....do.	176,700	124,100	139,600	143,700	156,800	162,900	172,700	172,600	147,000	149,200	144,200	155,800
Chemical: Sulphate, total.....do.	34,900	18,900	17,200	18,500	17,500	17,700	18,900	14,400	12,800	23,900	31,300	33,900
Unbleached.....do.	31,000	14,800	11,000	10,400	9,700	10,600	11,200	9,900	9,200	19,300	26,900	29,800
Sulphite, total.....do.	77,900	77,600	87,200	85,600	93,200	80,500	76,200	76,900	63,500	71,000	69,300	83,200
Bleached.....do.	42,900	47,600	54,800	53,100	61,100	51,100	49,200	49,900	40,700	45,600	44,600	52,500
Soda.....do.	8,900	4,000	5,300	6,500	6,500	6,400	4,000	4,500	5,100	5,600	5,800	7,200
Groundwood.....do.	55,000	24,300	29,900	33,100	39,600	58,300	73,600	76,800	65,600	48,700	37,800	31,500
Price, sulphite, unbleached.....dol. per 100 lb.	3.46	2.51	2.83	2.85	2.85	2.96	3.18	3.34	3.46	3.46	3.46	3.46
PAPER												
Total paper, incl. newsprint and paperboard: Production.....short tons	899,798	971,482	974,568	895,059	897,889	937,032	1,039,708	980,385	958,374	979,631	867,691	1,001,690
Paper, excl. newsprint and paperboard: Orders, new.....short tons	411,422	416,102	395,874	369,670	398,896	489,923	514,683	471,457	398,861	390,325	379,447	432,683
Production.....do.	411,332	464,540	459,547	413,634	405,824	433,189	479,257	454,898	446,234	440,264	387,255	440,329
Shipments.....do.	409,229	463,241	439,603	393,352	397,553	421,506	484,801	472,531	448,043	428,306	386,431	430,228

* Revised.

* Estimated.

† Discontinued by reporting source.

• Domestic pulp used in producing mills and shipments to market.

* New series. Data beginning 1913 for wood pulp are shown on p. 13 of the October 1940 issue. For data beginning 1931 on unit sales of electric ranges, see table 52, p. 18 of the November 1940 issue; the note with regard to the coverage of the industry has been revised as follows: The Association believes the coverage for 1936-40 was between 90 and 95 percent. No data are available for coverage prior to 1936.

† Revised series. For revised data on "total paper" and "paper, excluding newsprint and paperboard" beginning 1934, see table 43, pp. 12 and 13 of the November 1940 issue.

§ For certain revisions in 1939 data see note marked with a "§" on p. 51 of the December 1940 Survey. Other 1939 revisions will be shown in a subsequent issue.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940		1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November
PAPER AND PRINTING—Continued													
PAPER—Continued													
Book paper: ♂													
Coated paper:													
Orders, new.....short tons	16,968	14,532	14,998	15,105	14,594	19,231	21,195	20,359	15,321	14,896	13,520	18,334	15,990
Orders, unfilled, end of month.....do	6,174	4,154	3,757	4,084	3,975	6,624	7,807	8,618	5,561	4,852	4,845	5,108	5,264
Production.....do	17,726	20,938	16,227	14,925	14,101	17,560	20,928	19,717	19,487	17,333	13,672	18,163	16,045
Percent of standard capacity.....do	65.9	80.9	56.4	55.5	55.3	64.6	72.1	74.0	69.7	59.7	57.5	62.5	58.0
Shipments.....short tons	15,967	20,898	16,136	15,667	15,479	16,693	20,107	20,695	19,615	17,038	13,570	19,431	16,424
Stocks, end of month.....do	15,326	16,151	16,665	15,966	13,949	15,076	16,110	15,089	14,927	15,331	15,024	14,158	13,633
Uncoated paper:													
Orders, new.....do	98,679	102,430	91,400	85,546	98,783	106,471	123,379	119,300	90,251	94,183	80,059	101,660	97,667
Orders, unfilled, end of month.....do	48,845	61,368	47,479	41,760	41,804	48,031	61,758	66,165	54,432	46,206	43,337	41,331	45,775
Price, wholesale, "B" grade, English finish, white, f. o. b. mill.....dol. per 100 lb.	6.30	5.89	5.95	5.95	5.95	5.95	5.95	5.95	6.23	6.30	6.30	6.30	6.30
Production.....short tons	96,229	110,731	109,936	100,090	98,186	101,422	115,351	109,905	106,715	106,091	89,512	106,482	99,298
Percent of standard capacity.....do	78.8	91.9	84.4	83.1	79.6	82.8	88.5	91.7	84.1	78.8	77.8	80.9	77.3
Shipments.....short tons	96,378	110,950	103,999	95,403	90,065	100,687	109,723	114,727	106,572	103,839	91,937	103,493	95,074
Stocks, end of month.....do	66,574	51,783	55,249	64,988	88,483	58,375	62,972	59,511	60,424	63,505	69,686	63,160	68,555
Fine paper: †													
Orders, new.....do	40,309	35,057	38,245	35,977	38,150	48,209	52,921	49,831	36,180	34,687	35,130	41,643	42,808
Orders, unfilled, end of month.....do	17,751	22,011	16,292	15,620	15,697	20,611	26,224	30,335	24,388	18,817	17,893	16,534	18,696
Production.....do	42,004	44,856	45,429	39,959	39,756	42,260	46,065	43,489	43,418	43,418	37,399	44,751	42,997
Shipments.....do	41,444	42,757	43,308	37,807	39,095	41,455	47,504	45,770	43,086	41,412	36,373	43,433	42,375
Stocks, end of month.....do	67,178	61,110	67,765	64,988	64,730	64,913	63,797	61,901	60,750	62,294	60,424	64,093	64,936
Wrapping paper: †													
Orders, new.....do	156,576	150,064	147,507	131,901	140,035	205,323	197,542	163,646	152,619	144,640	133,381	165,209	158,156
Orders, unfilled, end of month.....do	84,749	93,528	77,850	65,994	62,586	111,026	120,053	115,997	102,149	81,622	73,354	76,590	77,967
Production.....do	154,819	165,575	173,923	149,600	148,805	159,001	178,472	164,077	168,567	166,125	140,464	162,492	157,204
Shipments.....do	149,794	168,365	163,769	142,975	145,044	155,651	188,088	168,415	167,708	164,852	141,373	159,429	156,992
Stocks, end of month.....do	86,875	78,219	86,656	90,903	91,935	92,309	83,505	79,929	80,961	81,774	80,398	81,508	81,870
Newsprint:													
Exports.....do	263,450	255,259	225,752	187,990	205,655	263,884	301,209	320,655	318,841	301,654	301,293	275,822	276,586
Production.....do	252,897	240,656	251,032	231,823	251,279	268,947	323,563	315,343	332,689	316,607	282,322	309,957	282,344
Shipments from mills.....do	276,457	264,620	244,273	211,822	235,304	267,134	334,441	338,446	337,508	332,234	284,133	287,943	286,739
Stocks, at mills, end of month.....do	152,371	169,502	176,261	196,762	212,737	214,550	203,672	180,569	175,750	160,123	158,312	180,326	175,931
United States:													
Consumption by publishers.....do	256,036	254,781	218,488	216,095	251,269	244,181	257,565	241,639	206,913	213,105	238,176	261,028	251,457
Imports.....do	217,323	230,094	198,760	181,344	176,887	224,401	262,983	254,920	261,727	258,055	239,679	229,561	257,020
Price, rolls (N. Y.).....dol. per short ton	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
Production.....short tons	80,837	77,836	84,126	81,455	85,143	86,277	90,207	84,762	82,579	86,633	77,888	88,192	85,338
Shipments from mills.....do	84,037	78,283	80,959	79,972	86,930	85,412	88,912	85,194	86,229	81,714	77,470	88,774	87,331
Stocks, end of month:													
At mills.....do	13,455	12,952	16,119	17,602	15,815	16,680	17,975	17,543	13,893	18,812	19,230	18,648	16,655
At publishers.....do	308,880	284,283	285,776	278,306	246,228	238,670	247,206	257,567	318,609	361,179	364,207	339,211	327,913
In transit to publishers.....do	47,592	43,948	42,760	38,061	38,727	42,329	43,312	47,435	44,679	46,245	45,919	42,039	39,188
Paperboard:													
Consumption, waste paper.....do	275,353	283,228	280,033	265,066	279,402	291,285	338,241	324,448	299,781	317,909	283,660	333,739	322,991
Orders, new.....do	393,026	393,123	398,125	367,897	392,794	480,250	517,221	437,874	398,191	414,966	399,133	486,181	426,614
Orders, unfilled, end of month.....do	115,143	173,212	140,269	115,256	110,039	166,830	204,249	195,037	160,541	131,890	131,242	140,027	128,222
Production.....do	407,629	429,106	430,895	399,970	406,922	417,566	470,244	440,725	429,561	452,604	402,548	473,169	443,274
Percent of capacity.....do	70.7	72.6	72.1	70.8	69.1	70.9	77.1	77.8	73.9	77.8	71.2	77.8	75.7
Waste paper stocks, at mills.....short tons	269,755	247,393	237,490	241,242	241,674	225,577	235,706	240,039	251,825	245,378	245,655	249,860	260,320
PAPER PRODUCTS													
Coated abrasive paper and cloth:													
Shipments.....reams	90,670	74,389	90,003	86,712	95,362	91,707	95,478	84,253	82,324	98,135	101,125	111,106	101,925
Paperboard shipping boxes:													
Shipments, total.....mil. of sq. ft.		2,552	2,615	2,403	2,524	2,618	2,909						
Corrugated.....do		2,370	2,444	2,266	2,380	2,467	2,821						
Solid fiber.....do		183	171	137	144	151	178						
PRINTING													
Book publication, total.....no. of editions	1,122	952	681	1,023	1,379	953	746	949	717	921	722	988	1,027
New books.....do	889	810	569	805	1,126	807	655	812	608	745	651	822	916
New editions.....do	233	133	112	218	253	146	91	137	109	176	71	166	111
Continuous form stationery, new orders													
thous. of sets.....do	183,392	134,664	140,463	129,162	128,245	137,820	142,780	163,493	139,161	137,202	162,347	170,828	157,474
Operations (productive activity).....1923=100		86	84	86	80	78	80	75	79	79	79	79	75
Sales books, new orders.....thous. of books	17,481	15,596	18,361	15,910	17,399	17,387	18,537	17,999	18,203	18,740	16,940	18,559	17,465

RUBBER AND PRODUCTS

CRUDE AND SCRAP RUBBER													
Crude rubber:													
Consumption, total.....long tons	56,539	49,636	54,978	49,832	50,192	50,103	51,619	46,506	47,011	50,234	50,206	56,477	54,652
For tires and tubes (quarterly).....do		115,695			110,234			108,156			103,744		
Imports, total, including latex.....do	97,984	71,631	72,496	43,088	59,257	70,700	51,431	53,889	69,474	73,028	78,972	74,696	72,901
Price, smoked sheets (N. Y.).....dol. per lb.	2.08	2.00	1.96	1.88	1.85	1.92	2.12	2.22	2.11	1.96	1.93	2.03	2.16
Shipments, world.....long tons	88,349	108,883	113,863	112,221	88,329	123,047	110,348	127,215	120,719	133,715	126,228	99,649	
Stocks, world, end of month.....do	379,000	434,000	430,000	444,000	465,000	471,000	501,000	548,000	584,000	630,000	630,000	660,000	
Afloat, total.....do	152,000	175,000	193,000	211,000	188,000	210,000	210,000	235,000	250,000	255,000	265,000	265,000	
For United States.....do	145,950	91,095	90,285	112,257	113,619	102,557	109,364	119,138	139,629	141,286	137,033	166,837	158,065
London and Liverpool.....do		31,000	20,000	16,000	18,000	22,000	21,000	19,500	26,500	36,000	50,000		
British Malaya.....do		70,214	96,478	86,223	72,054	92,895	78,485	78,029	80,600	80,375	73,799		
United States.....do	318,486	125,800	142,387	134,352	142,462	162,494	161,455	168,245	190,608	213,002	241,358	259,140	270,943
Reclaimed rubber:													
Consumption.....do	17,109	14,317	16,070	15,370	15,931	16,298	15,719	15,844	14,298	14,179	14,589	16,528	16,042
Production.....do	19,297	18,009	19,297	17,992	17,234	16,568	17,552	16,631	14,342	17,213	16,428	19,358	17,689
Stocks, end of month.....do	34,701	25,250	27,418	28,602	28,488	27,558	28,397	28,397	28,058	29,832	30,287	32,118	33,143
Scrap rubber consumption.....do		47,649			43,037			39,844			35,735		

† Revised.
 ‡ For monthly data beginning 1913 corresponding to the monthly averages on p. 148 of the 1940 Supplement, see table 28, p. 18, of the May 1940 Survey.
 § In recent months the number of companies reporting has fluctuated to such an extent that tonnage figures are not comparable from month to month.
 ¶ Beginning with the January 1941 Survey, data for world shipments of crude rubber are from the *Statistical Bulletin of the International Rubber Regulations Committee*; earlier data from this source have been in close agreement with data compiled by the Bureau of Foreign and Domestic Commerce, shown in previous issues of the Survey.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940									
	December	December	January	February	March	April	May	June	July	August	September	October

RUBBER AND PRODUCTS—Continued

TIRES AND TUBES													
Pneumatic casings:													
Production.....thousands.....	4,999	4,469	4,954	4,888	5,007	5,106	5,415	5,148	4,675	4,703	4,495	5,082	4,838
Shipments, total.....do.....	4,972	4,727	4,270	4,112	4,346	5,010	5,720	6,927	4,284	4,245	4,572	5,561	5,137
Original equipment.....do.....	2,626	2,613	1,805	1,974	2,050	2,095	1,999	1,925	858	705	1,465	2,322	2,438
Replacement equipment.....do.....	2,227	1,979	2,360	2,037	2,203	2,827	3,626	4,905	3,316	3,425	3,001	3,081	2,569
Exports.....do.....	118	135	105	101	93	87	96	96	110	115	106	158	130
Stocks, end of month.....do.....	9,179	8,665	9,348	10,124	10,747	10,881	10,576	8,881	9,299	9,732	9,890	9,448	9,118
Inner tubes:													
Production.....do.....	4,665	3,784	4,287	4,211	4,400	4,618	4,739	4,359	4,028	4,327	4,115	4,557	4,111
Shipments, total.....do.....	4,646	4,394	3,827	3,810	4,114	4,543	4,739	5,721	3,797	3,615	3,991	4,878	4,692
Exports.....do.....	87	92	76	71	60	57	78	74	89	96	84	124	106
Stocks, end of month.....do.....	7,014	7,036	7,634	7,897	8,183	8,258	8,243	6,841	7,094	7,802	7,950	7,647	7,055
Raw material consumed:													
Crude rubber. (See Crude rubber.)													
Fabrics (quarterly).....thous. of lb.....		75,799			71,957			70,972			66,849		
RUBBER AND CANVAS FOOTWEAR													
Production, total.....thous. of pairs.....	5,369	5,376	5,044	5,062	4,869	5,128	5,075	4,528	3,323	4,583	4,046	5,105	5,146
Shipments, total.....do.....	6,118	4,185	6,389	4,761	4,532	3,902	3,862	3,737	4,567	5,808	6,200	5,971	6,633
Stocks, total, end of month.....do.....	11,129	16,888	15,018	15,319	15,656	16,881	18,095	18,886	17,641	16,386	14,232	13,365	11,875

STONE, CLAY, AND GLASS PRODUCTS

PORTLAND CEMENT													
Production.....thous. of bbl.....	11,147	9,488	6,205	5,041	7,918	10,043	12,633	12,490	12,290	12,712	13,105	13,935	12,725
Percent of capacity.....do.....	50.9	42.9	28.6	24.8	36.3	47.5	58.0	58.9	56.0	57.8	61.8	63.7	60.1
Shipments.....thous. of bbl.....	8,192	6,785	3,893	4,907	7,716	10,829	13,206	13,223	13,442	14,018	14,741	15,776	10,372
Stocks, finished, end of month.....do.....	23,305	23,453	25,759	25,894	26,118	25,348	24,758	24,010	2,2855	21,549	19,921	18,008	20,350
Stocks, clinker, end of month.....do.....	4,905	5,165	5,617	6,304	6,487	6,606	6,071	5,907	5,559	5,158	4,829	4,470	4,562
CLAY PRODUCTS													
Bathroom accessories:													
Production.....thous. of pieces.....	(1)	1,043	833	749	783	726	790	992	(1)	(1)	(1)	(1)	(1)
Shipments.....do.....	(1)	877	788	710	781	743	788	929	(1)	(1)	(1)	(1)	(1)
Stocks, end of month.....do.....	(1)	268	281	271	285	282	284	282	(1)	(1)	(1)	(1)	(1)
Common brick:													
Price, wholesale, composite, f. o. b. plant	12.195	12.080	12.112	12.126	12.124	12.132	12.164	12.116	12.101	12.094	12.121	12.147	12.148
Shipments.....thous. of brick.....	120,252	58,914	84,238	120,174	176,786	197,021	186,472	193,479	187,648	182,785	213,800	163,330	163,330
Stocks, end of month.....do.....	483,173	503,967	482,690	449,425	408,147	392,975	397,336	402,159	422,005	436,436	445,304	473,445	473,445
Face brick:													
Shipments.....do.....	37,645	15,399	23,373	36,592	52,495	66,190	61,195	62,330	64,400	60,977	70,864	46,243	46,243
Stocks, end of month.....do.....	257,469	282,992	281,311	279,900	273,526	262,463	253,326	250,730	248,531	250,617	242,100	250,184	250,184
Floor and wall tile shipments:													
Quantity.....thous. of sq. ft.....	4,271	4,028	3,658	4,781	5,428	5,719	5,003	5,846	6,549	5,674	5,864	5,183	5,183
Value.....thous. of dol.....	1,173	1,092	945	1,165	1,341	1,399	1,255	1,452	1,641	1,445	1,469	1,343	1,343
Hollow building tile:													
Shipments.....short tons.....	67,659	38,582	49,606	60,993	79,089	86,062	84,339	89,810	94,442	85,767	90,359	64,926	64,926
Stocks, end of month.....do.....	362,492	366,680	355,041	351,726	361,660	361,648	361,759	357,266	357,421	382,066	382,092	394,175	394,175
Vitrified paving brick:													
Shipments.....thous. of brick.....	2,654	1,089	2,096	2,525	2,897	5,153	5,081	6,148	8,383	7,094	7,365	5,769	5,769
Stocks, end of month.....do.....	43,384	42,374	42,159	42,953	43,914	43,627	44,049	43,383	37,425	34,738	34,510	32,031	32,031
GLASS PRODUCTS													
Glass containers:													
Production.....thous. of gross.....	4,203	4,046	4,263	4,123	4,606	4,584	4,701	4,429	4,780	5,070	4,289	4,864	4,352
Percent of capacity.....do.....	65.6	65.0	61.6	64.3	69.1	68.8	70.5	69.1	71.7	73.3	69.7	70.3	67.9
Shipments, total.....thous. of gross.....	3,532	3,076	3,726	3,831	4,229	4,339	4,763	5,230	4,532	4,653	4,565	4,816	4,078
Narrow neck, food*.....do.....	138	104	160	179	199	211	248	281	315	657	820	423	170
Wide mouth, food*.....do.....	686	552	796	791	872	883	955	932	953	1,016	879	950	808
Pressed food ware*.....do.....	33	28	38	45	37	37	41	31	28	34	32	40	31
Pressure and non-pressure*.....do.....	189	119	143	205	356	510	637	640	466	304	145	106	126
Beer bottles*.....do.....	154	129	125	143	206	295	397	781	358	186	91	105	102
Liquor ware*.....do.....	803	736	560	646	689	637	617	842	624	456	726	1,028	1,137
Medicine and toilet*.....do.....	1,041	995	1,412	1,368	1,360	1,254	1,269	1,131	1,129	1,363	1,284	1,608	1,230
General purpose*.....do.....	269	215	293	274	319	306	317	273	285	304	313	323	258
Milk bottles*.....do.....	198	182	182	168	170	171	200	200	207	208	208	201	197
Fruit jars and jelly glasses*.....do.....	3	3	3	2	6	18	59	102	149	106	49	14	5
Stocks, end of month.....do.....	9,988	9,234	9,601	9,807	10,078	10,234	10,078	9,180	9,331	9,655	9,292	9,247	9,432
Other glassware, machine-made:													
Tumblers:													
Production.....thous. of doz.....	3,199	2,652	3,695	3,429	3,931	3,995	3,877	3,648	3,354	3,841	3,450	3,887	3,056
Shipments.....do.....	2,876	2,627	2,985	3,660	3,809	3,974	4,048	3,628	3,598	3,813	3,331	3,642	2,804
Stocks.....do.....	8,455	7,396	7,805	7,569	7,688	7,708	7,537	7,560	7,572	7,597	7,737	7,991	8,160
Table, kitchen and householdware, shipments	2,456	2,663	2,779	3,047	2,883	2,745	2,668	2,185	2,088	3,325	2,647	3,763	3,006
Plate glass, polished, production.....thous. of sq. ft.....	17,491	18,477	17,257	13,175	14,302	12,367	11,721	9,783	8,522	12,533	14,091	17,070	16,059
Window glass:													
Production.....thous. of boxes.....	1,458	1,189	1,413	1,099	1,107	1,023	1,068	908	994	993	1,002	1,349	1,264
Percent of capacity.....do.....	89.8	73.2	87.1	67.7	68.2	63.1	65.8	55.9	61.1	61.1	61.7	83.1	78.0
GYPSUM AND PRODUCTS													
Crude:													
Imports.....short tons.....		530,089			172,869			313,340			531,032		
Production.....do.....		813,129			584,627			917,234			1,128,862		
Calcined, production.....do.....		688,986			577,799			869,174			969,578		
Gypsum products sold or used:													
Uncalcined.....do.....		230,207			131,547			263,028			250,080		
Calcined:													
Building plasters.....do.....		394,592			344,553			509,602			556,560		
For mfg. and industrial uses.....do.....		30,898			29,951			30,444			29,850		
Keene's cement.....do.....		5,955			5,819			7,303			7,393		
Board and tile, total.....thous. of sq. ft.....		396,580			335,530			519,787			591,878		
Lath.....do.....		290,358			235,890			384,195			453,124		
Tile.....do.....		7,335			6,296			8,329			8,475		
Wallboard.....do.....		98,887			93,344			127,243			130,279		

* Revised. ¹ Series discontinued by reporting source.
 *New series. Data for glass containers beginning January 1934 are shown in table 49, pp. 16 and 17, of the November 1940 issue; earlier data on glassware other than containers are shown in table 2, p. 17, of the January 1941 Survey

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November
TEXTILE PRODUCTS													
CLOTHING													
Hosiery:													
Production.....thous. of dozen pairs	11,279	10,411	11,702	11,334	11,097	10,679	10,660	9,711	9,418	11,174	11,257	13,586	12,579
Shipments.....do	11,536	10,259	11,149	11,422	11,465	10,133	10,108	8,835	9,244	12,396	12,762	14,109	12,975
Stocks, end of month.....do	22,654	24,658	25,212	25,124	24,756	25,302	25,854	26,730	26,558	25,335	23,830	23,307	22,912
COTTON													
Consumption.....bales	775,472	650,123	731,793	661,771	627,194	623,098	641,636	565,416	622,723	654,503	639,252	770,702	744,088
Exports (excluding linters).....do	107,375	806,720	1,035,416	746,680	433,842	344,609	226,469	133,530	136,751	64,743	90,555	194,251	144,710
Imports (excluding linters).....do	5,906	9,667	8,717	36,613	9,504	11,096	14,292	12,374	18,254	10,153	3,991	15,926	12,026
Prices received by farmers.....dol. per lb.	.093	.097	.101	.100	.100	.100	.098	.095	.095	.092	.092	.094	.094
Price, wholesale, middling (New York).....do	.102	.110	.111	.111	.109	.109	.102	.107	.104	.098	.097	.096	.100
Production:													
Ginnings (running bales).....thous. of bales	11,433	11,276	11,412		11,481					32	606	3,924	9,084
Crop estimate, equivalent 500-lb. bales.....do	12,686				11,816								10,870
Stocks, domestic cotton in the United States, total.....thous. of bales	18,924	18,103	16,356	15,002	13,907	12,940	12,094	11,400	10,619	22,316	21,638	20,842	19,808
On farms and in transit.....do	2,137	1,739	1,454	1,192	982	821	773	620	551	12,551	10,203	5,719	3,488
Warehouses.....do	15,014	14,552	13,173	12,150	11,378	10,699	10,058	9,545	9,086	9,085	10,703	13,826	14,697
Mills.....do	1,773	1,812	1,729	1,660	1,547	1,420	1,263	1,102	913	680	732	1,297	1,623
COTTON MANUFACTURES													
Cotton cloth:													
Exports.....thous. of sq. yd.	27,734	37,899	33,311	33,346	34,865	34,943	28,470	24,627	26,288	24,409	24,413	26,709	29,954
Imports.....do	7,581	16,322	10,332	9,415	4,808	5,813	6,608	6,329	4,767	5,216	6,919	5,136	11,420
Prices, wholesale:													
Mill margins.....cents per lb.	14.50	r 13.72	13.36	12.25	11.59	11.40	11.37	10.68	11.00	11.23	12.26	13.31	14.24
Print cloth, 64 x 60.....dol. per yd.	.054	.053	.504	.051	.049	.050	.047	.046	.047	.048	.050	.052	.054
Sheeting, unbleached, 4 x 4.....do	.066	.066	.065	.062	.058	.059	.058	.057	.058	.058	.059	.062	.065
Finished cotton cloth:													
Production:													
Bleached, plain.....thous. of yd.		152,215	139,289	129,174	127,278	127,614	126,968	109,278	120,709	129,250	129,912	154,479	164,079
Dyed, colors.....do		109,419	101,511	100,707	103,328	97,199	89,204	78,468	92,116	102,085	108,029	126,610	129,878
Dyed, black.....do		5,524	4,597	4,581	5,060	4,776	4,889	4,612	6,491	6,786	5,924	8,238	6,535
Printed.....do		113,100	111,666	106,916	110,882	103,563	98,336	80,744	88,482	100,752	104,345	110,657	105,468
Spindle activity:													
Active spindles.....thousands	22,818	22,880	22,880	22,801	22,553	22,289	22,213	21,955	21,919	22,078	22,278	22,457	22,686
Active spindle hrs., total.....mil. of hrs.	8,657	8,040	9,245	8,267	7,920	7,995	8,035	6,960	7,548	7,872	7,867	9,276	8,614
Average per spindle in place.....hours	353	322	370	331	318	321	324	r 281	305	318	320	378	352
Operations.....pct. of capacity	105.0	100.7	102.8	99.7	94.6	92.0	89.4	87.9	86.6	90.4	96.7	103.3	105.9
Cotton yarn, wholesale prices:													
22/1, cones (factory).....dol. per lb.	.268	.274	.272	.255	.248	.228	.222	.219	.227	.227	.227	.257	.267
40/s, southern, single, carded, Boston.....do	.403	.378	.375	.350	.344	.338	.338	.321	.325	.325	.325	.355	.377
RAYON AND SILK													
Rayon:													
Deliveries (consumption), yarn*.....mil. of lb.	34.5	32.0	31.8	29.8	29.8	31.1	32.2	31.4	32.1	34.0	30.9	r 36.7	r 34.8
Imports.....thous. of lb.	2,466	6,750	5,104	2,607	1,279	1,962	571	669	391	441	224	386	1,576
Price, wholesale, 150 denier, first quality (N. Y.).....dol. per lb.	.53	.53	.53	.53	.53	.53	.53	.53	.53	.53	.53	.53	.53
Stocks, yarn, end of mo.†.....mil. of lb.	5.3	6.4	7.0	8.3	10.4	11.7	12.5	12.8	11.1	9.9	8.3	r 6.9	r 6.7
Silk:													
Deliveries (consumption).....bales	23,113	21,128	29,506	22,485	21,685	21,740	18,997	17,307	22,766	30,189	28,828	39,877	36,374
Imports, raw.....thous. of lb.	4,429	5,322	4,972	2,175	2,213	2,494	2,925	2,356	3,827	4,761	3,739	6,490	7,219
Price, wholesale, raw, Japanese, 13-15 (N. Y.).....dol. per lb.	2.562	3.921	3.683	3.061	2.951	2.681	2.794	2.724	2.540	2.529	2.561	2.698	2.585
Stocks, end of month:													
Total visible stocks.....bales	225,248	109,110	87,025	83,306	87,087	85,798	92,485	90,122	115,111	151,698	172,254	184,797	195,330
United States (warehouses).....do	72,248	55,610	59,225	50,306	45,887	42,698	43,285	41,822	43,211	46,898	44,454	48,297	60,330
WOOL													
Imports (unmanufactured).....thous. of lb.	56,313	26,035	45,082	37,212	38,529	22,065	18,466	18,666	17,502	16,099	21,831	33,981	34,631
Consumption (scoured basis):‡													
Apparel class.....do	33,440	22,378	28,189	21,302	17,709	17,471	17,065	19,373	28,431	24,799	28,609	39,240	33,821
Carpet class.....do	9,058	7,665	9,703	8,658	7,340	8,544	6,524	5,798	6,061	7,571	7,941	11,387	8,969
Machinery activity (weekly average):‡													
Looms:													
Woolen and worsted:													
Broad.....thous. of active hours	2,240	2,046	1,853	1,587	1,129	1,088	1,209	1,407	1,558	1,694	1,744	1,884	2,148
Narrow.....do	68	78	69	80	58	52	58	70	67	63	60	78	72
Carpet and rug.....do	200	197	200	195	186	183	152	149	125	166	177	206	198
Spinning spindles:													
Woolen.....do	92,525	74,381	73,328	70,764	55,888	54,658	60,724	68,147	72,506	80,359	83,665	88,027	90,421
Worsted.....do	107,110	84,179	71,344	67,472	51,750	51,173	61,167	66,718	72,934	85,527	88,005	104,332	103,556
Worsted combs.....do	188	133	137	127	100	87	94	137	143	146	158	182	179
Prices, wholesale:													
Raw, territory, fine, scoured.....dol. per lb.	1.10	1.06	1.02	.93	.90	.89	.86	.88	.87	.89	.92	1.05	1.10
Raw, Ohio and Penn., fleeces.....do	.46	.46	.43	.39	.36	.35	.37	.39	.39	.39	.40	.44	.46
Suiting, unfinished worsted, 13 oz. (at mill).....dol. per yd.	1.931	2.178	2.178	2.116	1.931	1.931	1.931	1.931	1.931	1.931	1.918	1.931	1.931
Women's dress goods, French serge, 54" (at mill).....dol. per yd.	1.213	1.163	1.188	1.188	1.188	1.158	1.114	1.114	1.114	1.114	1.114	1.153	1.213
Worsted yarn, 2/32's, crossbred stock (Boston).....dol. per lb.	1.450	1.450	1.415	1.338	1.300	1.300	1.294	1.250	1.290	1.256	1.288	1.395	1.488
Receipts at Boston, total.....thous. of lb.	49,597	(3)	(3)	(3)	(3)	13,553	31,759	44,896	52,905	30,278	29,961	47,060	36,123
Domestic.....do	6,298	4,678	4,040	3,247	5,342	8,104	25,214	41,790	44,472	22,540	22,912	30,393	16,328
Foreign.....do	43,299	(3)	(3)	(3)	(3)	5,449	8,545	3,106	8,433	7,738	7,049	16,667	19,795
Stocks, scoured basis, end of quarter, total.....thous. of lb.	140,628	109,533			98,860			128,585			r 127,546		
Domestic.....do	47,128	44,286			41,815			47,508			r 41,338		
Foreign.....do	20,334	31,102			28,151			35,183			r 29,450		
Worsted wools, total.....do	93,500	65,247			13,634			12,325			r 11,888		
Domestic.....do	28,890	29,776			57,045			81,077			r 86,208		
Foreign.....do	64,610	35,471			34,220			59,436			r 57,219		

r Revised.

• Total ginnings to end of month indicated.

† Total ginnings of 1939 crop.

‡ December 1 estimate of 1940 crop.

§ Not available.

¶ Data for January, April July, and October, 1940, are for 5 weeks; other months, 4 weeks.

* Monthly data beginning January 1930, corresponding to monthly averages shown on p. 155 of the 1940 Supplement, appear on p. 18 of the April 1940 Survey.

* New series. For monthly data on rayon yarn deliveries beginning 1923, see table 41, p. 15 of the October 1940 issue.

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940	1939	1940									
	December	December	January	February	March	April	May	June	July	August	September	October

TEXTILE PRODUCTS—Continued

MISCELLANEOUS PRODUCTS													
Buttons, fresh-water pearl:													
Production..... pct. of capacity.....		30.4	35.7	34.9	38.8	41.0	40.5	28.8	30.4	44.6	50.7		
Stocks, end of month..... thous. of gross.....		6,014	6,403	6,431	6,498	6,539	6,541	6,437	6,304	6,400	6,499		
Fur, sales by dealers..... thous. of dol.....	2,387	1,334	3,275	4,447	4,237	3,813	4,263	2,403	3,377	4,273	3,734	1,831	2,047
Pyroxylin-coated textiles (cotton fabrics):													
Orders, unfilled, end of mo..... thous. linear yd.....	3,694	2,797	2,886	2,398	2,227	2,118	2,040	2,244	2,807	2,499	2,860	3,012	3,801
Pyroxylin spread..... thous. of lb.....	5,329	5,038	5,131	4,930	4,769	4,772	4,102	3,931	4,435	5,366	5,128	5,851	5,776
Shipments, billed..... thous. linear yd.....	5,606	5,148	5,053	4,844	4,978	5,003	4,504	4,030	4,430	5,353	5,106	5,842	5,776

TRANSPORTATION EQUIPMENT

AIRPLANES													
Production, domestic civil aircraft §..... number.....		271	236	228	323	430	477	599	662	800	788		
Exports..... do.....	366	294	206	170	191	233	295	372	235	383	284	334	287
AUTOMOBILES													
Exports:													
Canada:													
Assembled, total..... number.....	13,276	4,901	4,980	4,776	4,782	730	4,265	6,299	8,774	9,877	9,005	8,859	8,449
Passenger cars..... do.....	611	1,947	2,258	2,611	2,797	443	1,521	1,382	3,523	1,558	1,096	132	93
United States:													
Assembled, total..... do.....	18,017	22,688	23,032	20,145	26,497	15,793	17,183	14,609	11,263	6,539	5,753	16,857	19,943
Passenger cars..... do.....	7,782	11,885	13,476	9,837	10,863	8,184	9,307	6,463	3,727	2,339	2,591	7,071	9,525
Trucks..... do.....	10,235	10,803	9,556	10,308	15,634	7,609	7,876	8,146	7,536	4,200	3,162	9,786	10,418
Financing:													
Retail purchasers, total..... thous. of dol.....	119,637	105,277	110,371	143,483	165,304	170,151	166,922	166,034	137,961	109,962	151,899	152,009	
New cars..... do.....	69,705	59,160	60,395	83,064	96,272	96,518	95,038	92,744	71,574	55,797	89,475	88,575	
Used cars..... do.....	49,408	45,617	49,487	59,879	68,386	72,980	71,241	72,626	65,774	53,711	61,933	62,928	
Unclassified..... do.....	1,324	500	489	550	646	654	642	664	613	454	492	507	
Wholesalers (mfrs. to dealers)..... do.....	179,930	189,184	187,466	212,331	216,818	201,068	162,101	141,977	42,111	114,874	221,253	220,941	
Fire-extinguishing equipment, shipments:													
Motor apparatus..... number.....	(1)	76	59	74	68	65	79	71	(1)	(1)	(1)	(1)	(1)
Hand extinguishers..... do.....	(1)	37,869	31,824	30,600	35,358	34,135	37,619	37,762	(1)	(1)	(1)	(1)	(1)
Production:													
Automobiles:													
Canada, total..... do.....	23,364	16,976	17,213	18,193	16,612	19,687	21,277	17,930	14,468	13,993	15,475	21,151	23,621
Passenger cars..... do.....	11,653	11,054	12,579	12,779	12,025	13,487	12,677	8,739	3,397	1,510	3,410	7,056	10,814
United States (factory sales), total..... do.....	483,567	452,142	432,279	404,032	423,620	432,746	391,215	344,636	231,703	75,873	269,108	493,223	487,352
Passenger cars..... do.....	396,531	373,804	362,897	337,756	352,922	362,139	325,676	286,040	168,769	46,823	224,470	421,214	407,091
Trucks..... do.....	87,036	78,338	69,382	66,276	70,698	70,607	65,539	58,596	62,934	29,050	44,638	72,009	80,261
Automobile rims..... thous. of rims.....	1,790	2,071	2,164	1,850	1,918	1,823	1,744	1,266	825	1,075	1,356	1,759	1,808
Registrations:													
New passenger cars..... number.....	334,073	246,544	260,216	224,625	312,371	353,239	345,748	318,615	315,246	211,031	148,000	290,495	301,430
New commercial cars..... do.....	31,095	37,460	46,650	41,336	53,093	55,982	51,553	43,504	50,913	48,980	39,224	48,356	46,618
Sales (General Motors Corporation):													
World sales:													
By U. S. and Canadian plants..... do.....	223,611	207,637	181,088	174,572	193,522	196,747	185,548	167,310	110,659	24,019	124,692	226,169	217,406
United States sales:													
To dealers..... do.....	204,473	188,839	164,925	160,458	181,066	183,900	171,024	151,661	99,664	21,154	116,031	207,934	198,064
To consumers..... do.....	174,610	156,008	120,809	123,874	174,625	183,481	165,820	173,212	145,064	100,782	97,527	186,016	181,421
Accessories and parts, shipments:													
Combined index..... Jan. 1925=100.....	179	143	178	156	164	170	157	140	126	151	178	190	183
Original equipment to vehicle manufacturers..... Jan. 1925=100.....	228	177	201	167	174	178	162	139	101	147	185	235	231
Accessories to wholesalers..... do.....	122	101	91	86	82	91	89	86	93	98	132	149	125
Service parts to wholesalers..... do.....	180	127	141	145	158	174	172	165	172	196	200	199	180
Service equipment to wholesalers..... do.....	143	87	104	118	139	140	131	117	120	126	139	142	156
RAILWAY EQUIPMENT													
(Association of American Railroads)													
Freight cars, end of mo.:													
Number owned..... thousands.....	1,640	1,638	1,640	1,643	1,645	1,648	1,649	1,645	1,642	1,641	1,642	1,638	1,638
Undergoing or awaiting classified repairs..... thousands.....	109	154	155	155	155	160	164	153	144	138	131	117	114
Percent of total on line.....	6.8	9.6	9.6	9.6	9.6	9.9	10.2	9.5	9.0	8.6	8.1	7.3	7.1
Orders, unfilled..... cars.....	34,202	37,049	34,509	28,112	21,112	17,460	15,039	16,933	19,765	18,456	16,892	27,459	30,184
Equipment manufacturers..... do.....	25,866	27,412	24,652	19,159	13,546	11,051	9,772	9,974	13,477	12,278	9,010	18,700	22,738
Railroad shops..... do.....	8,336	9,637	9,857	8,953	7,566	6,409	5,267	6,959	6,288	6,178	7,882	8,759	7,446
Locomotives, steam, end of mo.:													
Undergoing or awaiting classified repairs..... number.....	5,914	6,507	6,324	6,496	6,604	6,675	6,781	6,653	6,506	6,226	6,276	6,155	6,076
Percent of total on line.....	14.9	15.9	15.5	16.0	16.2	16.4	16.8	16.5	16.2	15.5	15.7	15.4	15.2
Orders, unfilled..... number.....	115	51	77	70	59	54	88	97	115	114	130	131	116
Equipment manufacturers..... do.....	102	17	36	30	29	32	70	84	106	108	118	122	103
Railroad shops..... do.....	13	34	41	40	30	22	18	13	9	6	12	9	13
(U. S. Bureau of the Census)													
Locomotives, railroad:													
Orders, unfilled, end of mo., total..... number.....	353	155	158	146	139	170	152	146	232	277	272	268	284
Domestic, total..... do.....	314	113	119	112	108	144	126	124	209	252	251	242	243
Steam..... do.....	115	21	40	35	28	72	70	81	87	109	126	125	122
Other..... do.....	199	92	79	77	80	72	56	43	122	143	125	117	121
Shipments, domestic, total..... do.....	68	39	24	32	39	44	37	35	30	54	40	53	73
Steam..... do.....	22	6	1	5	7	6	2	5	7	8	0	8	24
Other..... do.....	46	33	23	27	32	38	35	30	23	46	40	45	49

1 Temporarily discontinued by reporting source.
 § Designation changed from "commercial licensed" or "civil aircraft" (1940 Supplement).

Monthly statistics through December 1939, together with explanatory notes and references to the sources of the data, may be found in the 1940 Supplement to the Survey	1940		1940										
	December	December	January	February	March	April	May	June	July	August	September	October	November
TRANSPORTATION EQUIPMENT—Continued													
RAILWAY EQUIPMENT—Continued (U. S. Bureau of the Census)													
Locomotives, electric, mining, and industrial (quarterly):§													
Shipments, total..... number.....		88			80				79			67	
For mining use..... do.....		87			67				76			67	
(American Railway Car Institute)													
Shipments:													
Freight cars, total..... number.....	4,624	4,366	r 5,161	5,242	r 6,048	5,900	r 3,262	r 1,588	r 1,543	r 2,356	r 2,888	3,704	4,134
Domestic..... do.....	4,301	4,136	r 5,084	5,142	r 6,548	5,400	r 3,061	1,478	r 1,543	r 2,356	r 2,836	3,586	3,981
Passenger cars, total..... do.....	54	36	0	14	4	1	6	5	28	12	10	10	8
Domestic..... do.....	54	36	0	14	4	1	6	5	0	12	10	10	8
(U. S. Bureau of Foreign and Domestic Commerce)													
Exports of locomotives, total..... number.....	4	11	4	13	16	26	20	14	14	16	13	19	
Electric..... do.....	3	10	3	8	10	9	18	13	12	13	9	14	11
Steam..... do.....	1	1	1	5	6	17	2	1	2	3	4	5	10
INDUSTRIAL ELECTRIC TRUCKS AND TRACTORS													
Shipments, total..... number.....	(1)	152	131	125	132	109	147	135	(1)	(1)	(1)	(1)	(1)
Domestic..... do.....	(1)	118	112	119	119	98	137	121	(1)	(1)	(1)	(1)	(1)
Exports..... do.....	(1)	34	19	6	13	11	10	14	(1)	(1)	(1)	(1)	(1)

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Physical volume of business, adjusted:														
Combined index ¹ 1926=100.....	133.3	138.6	131.2	123.0	151.0	140.6	141.3	144.5	152.5	155.4	156.7	157.4		
Industrial production:														
Combined index ² do.....	138.2	145.2	136.2	127.0	159.8	146.9	147.6	151.1	161.6	167.0	168.2	168.8		
Construction..... do.....	61.7	52.1	61.6	61.2	97.4	76.0	83.9	70.8	90.7	127.0	81.0	150.6		
Electric power..... do.....	239.2	243.4	239.8	239.0	247.1	269.7	274.2	279.3	262.9	248.0	235.9	240.7		
Manufacturing ³ do.....	136.9	146.8	134.2	123.3	142.4	139.8	132.9	141.7	151.7	159.7	174.2	157.2		
Forestry ⁴ do.....	127.6	142.4	125.4	119.0	142.5	160.0	163.1	159.3	159.3	156.6	148.2	146.7		
Mining ⁵ do.....	202.4	215.6	200.9	185.7	318.7	229.9	269.2	263.7	274.3	228.0	215.5	231.0		
Distribution:														
Combined index..... do.....	119.1	119.7	116.8	111.5	125.7	122.6	123.2	125.5	126.5	122.2	123.6	124.5		
Carloadings..... do.....	82.6	86.7	83.1	73.4	84.6	89.5	87.8	96.9	91.7	81.9	83.1	87.7		
Exports (volume) ⁶ do.....	123.7	130.5	106.3	96.8	169.5	141.0	152.8	138.0	152.0	134.3	118.2	130.2		
Imports (volume) ⁶ do.....	108.1	109.7	107.4	83.5	136.6	107.6	106.6	111.8	121.0	109.8	127.3	116.6		
Trade employment..... do.....	141.8	139.3	139.6	141.7	140.4	142.1	142.9	143.1	143.9	146.2	146.8	146.5		
Agricultural marketings, adjusted:														
Combined index..... do.....	101.3	101.3	134.8	36.7	60.4	114.7	91.7	131.6	101.8	60.3	52.8	82.0		
Grain..... do.....	107.1	105.7	148.0	29.2	53.4	122.7	93.9	136.6	102.2	52.0	41.8	78.7		
Livestock..... do.....	75.2	81.9	75.6	70.1	91.7	79.0	81.4	108.9	100.0	97.7	101.8	96.3		
Commodity prices:														
Cost of living ⁷ 1935-39=100.....	108.0	103.8	103.8	104.6	104.6	104.9	104.9	105.6	105.9	106.4	107.0	107.8		
Wholesale prices..... 1926=100.....	84.2	81.7	82.6	83.2	83.1	82.1	81.6	82.4	82.7	83.1	83.3	84.0		
Employment (first of month, unadjusted):														
Combined index..... do.....	139.1	122.7	116.2	114.4	113.5	111.9	114.3	120.9	124.7	127.9	131.6	136.2	139.2	
Construction and maintenance..... do.....	105.9	93.8	68.8	58.1	55.4	59.6	68.4	90.5	105.0	114.3	121.1	121.1	120.5	
Manufacturing..... do.....	144.7	122.2	118.2	120.5	122.6	123.4	125.7	129.2	130.3	134.4	138.4	143.8	144.6	
Mining..... do.....	172.6	171.3	164.7	168.4	167.1	164.4	164.5	166.7	167.2	168.1	170.2	172.3	174.0	
Service..... do.....	147.8	132.9	133.7	131.8	132.6	133.4	138.2	142.5	149.2	155.4	157.1	147.3	148.8	
Trade..... do.....	154.4	144.7	149.9	136.4	134.9	137.6	138.3	140.7	142.8	141.4	142.9	146.8	148.9	
Transportation..... do.....	92.5	89.7	84.5	83.3	83.0	82.8	88.8	90.3	94.7	94.8	94.6	94.3	93.5	
Finance:														
Bank debits..... mil. of dol.....	3,057	2,674	2,955	2,413	2,938	3,340	2,682	2,623	2,458	2,571	3,527	3,049		
Commercial failures..... number.....	95	120	136	105	111	98	100	91	99	86	66	79	92	
Life-insurance sales, new paid for ordinary ⁸ thous. of dol.....	33,727	34,759	33,726	31,820	30,265	32,248	31,779	28,530	28,159	24,698	26,156	31,210	32,890	
Security issues and prices:														
New bond issues, total..... do.....	330,167	r 76,043	r 222,941	r 116,577	95,067	80,109	r 480,819	r 75,793	r 83,162	r 84,698	404,627	r 108,976	r 108,576	
Bond yields..... 1926=100.....	69.8	75.1	74.4	73.4	72.4	71.8	71.0	72.8	72.0	71.3	71.0	70.5		
Common stock prices..... do.....	101.2	99.7	99.0	99.1	97.0	80.4	71.0	72.5	76.0	83.2	81.4	81.7		
Foreign trade: ⁹														
Exports, total..... thous. of dol.....	98,711	101,973	90,854	72,314	83,465	84,693	110,764	111,622	101,463	111,360	102,778	106,791	118,404	
Wheat..... thous. of bu.....	11,762	34,412	10,358	6,598	8,628	5,082	23,466	13,570	11,868	11,401	9,500	9,659	17,278	
Wheat flour..... thous. of bbl.....	903	903	725	559	716	520	723	509	314	576	551	750	683	
Imports..... thous. of dol.....	102,290	72,109	71,104	71,042	76,734	85,980	100,537	90,705	89,496	96,836	86,287	108,645	102,284	
Railways:														
Carloadings..... thous. of cars.....	200	210	199	195	219	237	240	248	256	252	281	259		
Financial results:														
Operating revenues..... thous. of dol.....	33,232	30,495	30,000	30,145	29,916	34,630	36,914	38,398	37,409	37,319	40,504			
Operating expenses..... do.....	24,552	25,855	25,422	25,643	25,569	27,303	27,557	30,402	30,240	29,463	28,573			
Operating income..... do.....	8,199	3,373	3,335	3,271	3,077	5,760	7,657	6,042	5,166	6,248	10,257			
Operating results:														
Revenue freight carried 1 mile..... mil. of tons.....	2,976	2,791	2,757	2,559	2,785	2,930	3,504	3,260	2,987	3,385	3,547			
Passengers carried 1 mile..... mil. of pass.....	196	144	134	168	124	141	180	219	248	190	172			
Production:														
Electric power, central stations..... mil. of kw.-hr.....	2,535	2,526	2,367	2,426	2,399	2,672	2,579	2,615	2,500	2,400	2,487	2,525		
Pig iron..... thous. of long tons.....	110	95	105	87	92	84	93	89	96	89	105	109	110	
Steel ingots and castings..... do.....	185	150	166	140	157	153	174	166	170	172	165	185	176	
Wheat flour..... thous. of bbl.....	1,600	1,266	1,247	1,257	1,344	1,283	1,170	1,223	1,291	1,636	1,873	1,588		

¹ Discontinued by reporting source. ² Revised.

³ Series covers only straight electric types (trolley or third-rail and storage battery); data are available beginning 1939 also for Diesel-electric, Diesel-mechanical, and gas-line-mechanical or steam locomotives. Data for 1940 are not comparable with those for earlier years which include some units of only partial United States manufacture.

⁴ Prior to 1940, the Canadian foreign trade year ended in March and the period for closing returns for this month was extended beyond the normal period in an attempt to include wind-up items in the figures, making March figures high and April figures low. This practice was discontinued in 1940, when a foreign trade year coinciding with the calendar year was adopted; therefore, March 1940 trade figures show a considerable artificial reduction and April figures a considerable artificial increase as compared with previous years. The business indexes to which this note is appended are similarly affected since exports and imports of certain commodities are component factors.

⁵ Data on life insurance sales revised beginning September 1936. For revisions, see p. 56 of the September 1940 Survey. Index of cost of living revised and computed on a 1935-39 base; revised data beginning 1913 will be shown in a subsequent issue. New bond issues revised beginning January 1939; revisions not shown above will be published in a subsequent Survey.

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