

SEPTEMBER 1964

survey of

**CURRENT**  
**BUSINESS**



**U.S. DEPARTMENT OF COMMERCE**  
**OFFICE OF BUSINESS ECONOMICS**

# SURVEY OF CURRENT BUSINESS

SEPTEMBER 1964

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U.S. Department of Commerce

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# The Business Situation



**E**CONOMIC conditions continue to improve and businessmen continue to view prospects in a favorable light. The improvement in activity and purchasing power during August was evident in further increases in retail trade, personal income, and industrial production. Expectations of improved business were apparent in the latest quarterly survey of plant and equipment expenditures, which is reported on page 3. The August survey showed not only higher investment outlays for the third and fourth quarters but also a small upward revision in spending programs. Manufacturing companies, moreover, anticipate a moderate step-up in inventory accumulation during the second half, as well as some further increase in their sales.

## Corporate profits up

Business decisions to undertake new investment have been influenced by the sustained rise in corporate earnings. The most recent figures for the second quarter show that corporate profits before taxes, including the inventory valuation adjustment, rose \$1½ billion to reach a record \$58 billion.

By industry, the second quarter increase centered in nondurable goods manufacturing, mainly in the petroleum, printing, textile, and tobacco industries. Among durable goods manufacturers, substantial gains over the preceding quarter were scored by producers of motor vehicles and other transportation equipment, primary metals, and electrical machinery. These were partially offset by small declines in lumber, fabricated metals, the stone, clay, and glass group, and furniture and fixtures.

Revised second quarter data on profits and national income appear on page 18.

## Personal income higher

Personal income rose in August to a record \$494 billion rate, an increase of \$2½ billion over the revised July total. More than \$2 billion of the increase was

in wages and salaries, almost half of it in government payrolls. Federal workers received larger paychecks last month because of a pay raise, the effect of which was accentuated by the payment of retroactive increases to July 1, the start of the new fiscal year. Private wages and salaries moved moderately higher, mainly as a result of some rise, after seasonal allowance, in average hours per week and in rates of pay.

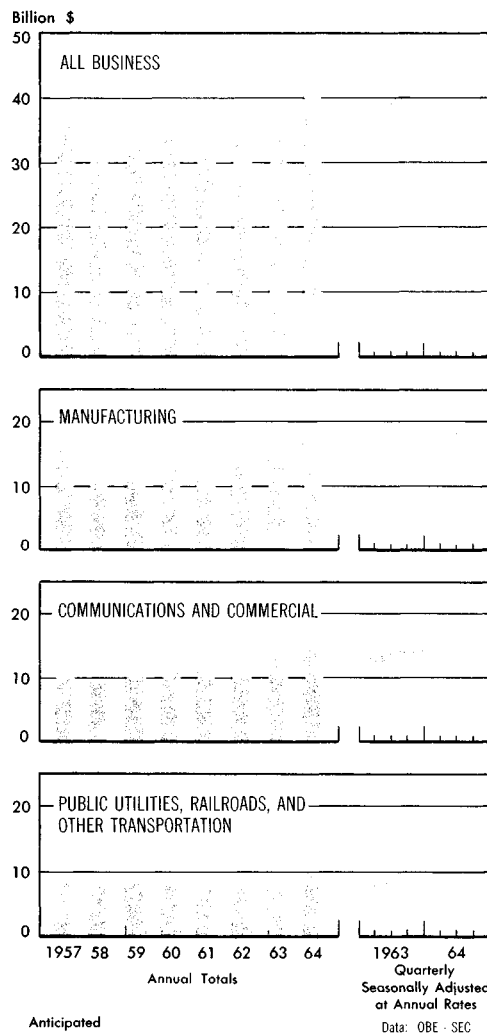
Employment in nonfarm establishments seemed to show little improvement in August. Although the unadjusted rise over July was 240,000, the seasonally adjusted gain was only 15,000, by far the smallest of the year, and attributable almost wholly to increased State and local government employment. In the private sector a drop in manufacturing of about 50,000 was offset by a similar increase in non-manufacturing. Much of the adjusted decline in manufacturing last month was in the auto industry, which closed down for model changeovers at an earlier-than-normal date. Because seasonal adjustments are especially hard to make in the summer months, a clearer assessment of employment changes must await developments in the autumn.

In August the seasonally adjusted unemployment rate edged up to 5.1 percent, the same as the average from May through July. Monthly movements in the rate are erratic; over the year as a whole there has been a clear improvement in the unemployment situation.

## Retail sales high

Consumer spending has been buoyant all year, and especially in the past few months. According to the advance report for August, retail sales were up almost 1 percent over July, with most

*With strong increases programmed for the second half, outlays this year are expected to exceed \$44 billion. \$5 billion more than 1963*



of the gain attributable to automobiles. With August retail sales nearly 2 percent above the average for the second quarter, it is expected that third quarter consumption expenditures will show a substantial increase.

Dealer sales of new automobiles were exceptionally high in August. The 570,000 domestically produced units that were sold represented a seasonally adjusted annual rate of about 8½ million, as compared with a rate of some 7½ million in July. The August

performance undoubtedly was a reaction to the trucking strike, which lasted 4 weeks, from late June to late July. A combination of June, July, and August would yield a rate of about 7¾ million units, not much different from the first and second quarter rates.

At the end of August, dealers held more than 850,000 cars in inventory, of which somewhat less than 700,000 were 1964 models. Throughout the summer auto inventories have been high as a matter of policy on the part of producers. Late in the model years of 1962 and 1963, sales were held down by low stocks.

### Wholesale prices little changed

The continued rise in business activity has had little effect on overall industrial prices this summer. The August index of wholesale prices of commodities other than farm and food products was unchanged over the month, and from the second quarter average. Mainly because of lower prices for farm products, the total index fell fractionally in August to a level slightly above the April-June average.

Among industrial prices, changes from July to August were again mixed. Gasoline, lumber, and automotive product prices fell, but quotations were higher for beverages, hides, metals, textiles, and nonmetallic mineral products. There was a sharp rise in the iron and steel group. Steel scrap prices increased on the average but were lower toward the end of the month; basic steel mill product prices continued about unchanged. Higher quotations for primary lead, certain fabricated copper products, and nonferrous scrap were responsible for another large advance in the nonferrous metals, which are now 6 percent above year-ago levels.

### Consumer prices up slightly

The consumer price index rose 0.3 percent in July mainly because of larger-than-seasonal gains in the prices of meat, fruits, and vegetables. The July index was somewhat more than 1 percent above its year-ago level—an annual rate of increase about in line with advances over the past few years.

Retail prices of beef and pork showed their largest increases of the year in

July, reflecting the stronger tone in wholesale markets for cattle and hogs. Despite the rise, meat prices are still below the level of early 1964, if seasonal factors are taken into account, and are also under year-ago figures. The recent increases may be temporary since overall supplies at the farm level are comparatively high relative to demand at current prices.

Price changes of items other than food were mixed from June to July, but were unchanged on balance, and have continued so since last autumn. Apparel and fuel costs declined a bit over the month, new car and household durable goods prices held steady, and service costs continued to edge up.

### Expansion in consumer credit

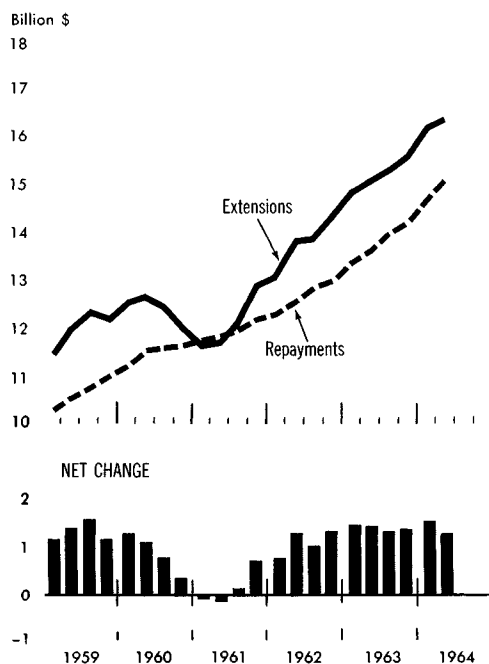
Consumer purchasing this year continues to be bolstered by extensive use of consumer credit. Net additions to credit—installment and noninstallment—averaged close to \$600 million per month in the first quarter and \$580 million in the second quarter, after seasonal adjustment. During July the net increase totaled \$675 million. Over the first 7 months of the year, net additions have exceeded an annual rate of \$7 billion, as compared with the \$6½ billion record in 1963.

Installment debt, which accounts for about three-fourths of total consumer credit outstanding, increased sharply during the first quarter, particularly in February, when retail sales spurted. Apparently consumers took on new commitments with the expectation that the passage of the tax-cut bill would ease the repayment burden of the new debt. Second quarter gains in installment credit were more moderate, well below the first quarter average; additions to noninstallment debt, however, were at a very high rate.

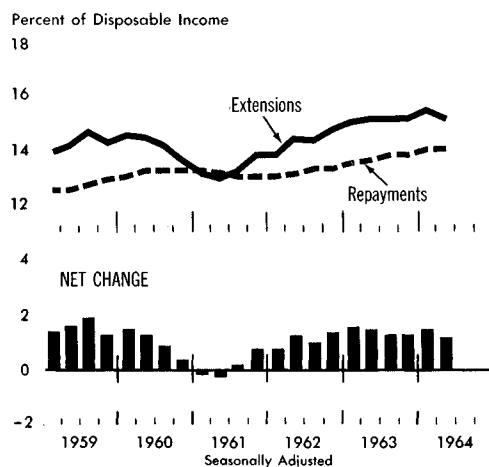
A comparison with the flow of income provides a rough measure for gaging credit use. In these terms credit use does not appear to be abnormally high in the recent period. For example, at the end of June 1964, installment credit outstanding amounted to 13 percent of disposable personal income. Although this ratio is historically high, its rise over the past year is about in line with the long-term trend over the past

(Continued on page 20)

Extensions have exceeded repayments for three years . . .



But have shown little change relative to income since 1962



## Capital Investment Continues Strong Rise

BUSINESSMEN expect to increase their expenditures for new plant and equipment throughout the second half of 1964, according to the survey of investment intentions conducted during August by the Department of Commerce and the Securities and Exchange Commission. After increasing in the second quarter capital outlays are expected to rise about \$1 billion in the third quarter and another \$1½ billion in the fourth quarter, to reach a seasonally adjusted annual rate above \$46 billion.

The \$43½ billion rate actually spent for new plant and equipment during the spring quarter exceeded outlays anticipated in the survey taken 3 months ago. Current anticipations for the second half also represent an upward revision. Expected expenditures for the full year 1964 would total \$44.2 billion, a \$5 billion or 13 percent advance over 1963. Three months ago the projected annual increase was 12 percent and in the February survey it was 10 percent.

While most lines of business have

**Table 1.—Carryover of Plant and Equipment Projects, Manufacturing and Public Utilities<sup>1</sup>**

[Billions of dollars]

	1962		1963				1964	
	December	March	June	September	December	March	June	
	End of period							
<b>Manufacturing</b> .....	7.21	8.61	9.00	9.18	9.08	10.38	11.26	
Durable goods <sup>2</sup> .....	3.99	4.84	5.15	5.25	5.05	5.61	5.95	
Primary metals.....	1.66	1.97	2.08	2.27	2.23	2.30	2.56	
Electrical machinery.....	.33	.37	.36	.33	.32	.33	.37	
Machinery excluding electrical.....	.25	.56	.48	.40	.31	.53	.48	
Transportation equipment.....	.87	1.10	1.40	1.37	1.36	1.48	1.63	
Stone, clay and glass.....	.31	.32	.30	.32	.29	.33	.38	
<b>Nondurable goods<sup>2</sup>.....</b>	3.23	3.78	3.85	3.94	4.03	4.78	5.31	
Food and beverage.....	.34	.42	.41	.36	.41	.42	.40	
Textile.....	.17	.16	.15	.14	.20	.26	.28	
Paper.....	.36	.52	.56	.61	.59	.61	.78	
Chemical.....	1.03	1.01	1.01	1.11	1.03	1.26	1.39	
Petroleum.....	1.02	1.32	1.40	1.41	1.51	1.91	2.10	
Public utilities.....	5.07	6.13	6.40	5.58	5.46	6.20	6.17	

1. Carryover refers to expenditures yet to be incurred on plant and equipment projects already underway.  
2. Includes industries not shown separately.

Sources: U.S. Department of Commerce, Office of Business Economics, and Securities and Exchange Commission.

raised their investment programs in recent months, the largest relative revisions have been made by railroads and other transportation firms. Manufacturers of nondurable goods have reduced their planned expenditures from schedules reported in the previous survey. (See chart.)

### Outlays up three-eighths since trough

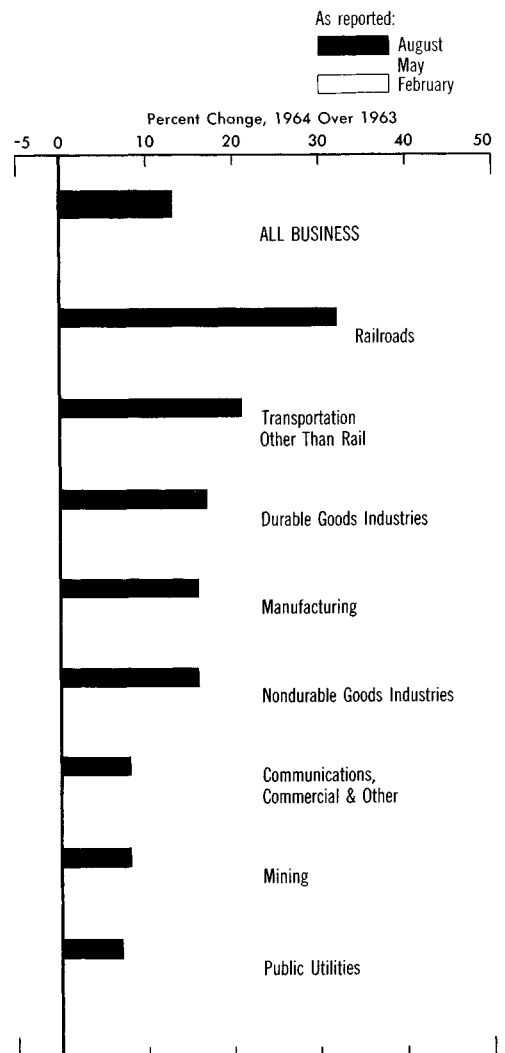
If current plans are carried out, capital expenditures in the closing quarter of 1964 will have risen 38 percent over the 14-quarter interval since the spring of 1961. Though the overall increase is substantial, the pace of the investment rise in this period of general expansion has been comparatively moderate. In the 10 quarters from early 1955 to the third quarter of 1957, for example, current dollar plant and equipment expenditures rose 47 percent. That upsurge, unlike the present one, was marked by strong pressures on capital goods prices. And even though 1964 capital outlays are setting a new record, they still constitute (after price correction) only 6.8 percent of GNP, as against 7.8 percent in 1957.

Business developments in recent months have been particularly favorable to capital investment. A record flow of before-tax profits has bolstered business confidence. Enlarged internal sources, boosted by rising depreciation allowances and lower tax rates, have provided business with new funds to finance additional investment. Rising sales and output have undoubtedly raised capacity utilization in many areas, though the relative stability in overall wholesale industrial prices suggests the existence of a margin of capacity over current production requirements. Businessmen continue to be alert to the need to modernize their equipment in order to maintain and improve their competitive position in domestic and foreign markets.

### Manufacturing programs buoyant

Manufacturing investment continues to be strong, accounting for \$3 billion of the \$5 billion total increase over 1963. The trend through the year is steadily upward, to a record \$19 billion rate in the fourth quarter. Projected capital expenditures for the second half exceed first half actual outlays by 7 percent.

According to current programs the rising trend in expenditures for the remainder of the year extends to both durable and nondurable goods industries. Within the durable goods group the best advances within 1964 are reported by the nonelectrical machinery and the motor vehicle industries. Iron



Data: OBE - SEC

and steel producers' investment is programed to increase more than one-fourth this year, with a fairly steady quarterly pattern of spending. Both electrical machinery and nonautomotive transportation equipment producers are reducing capital expenditures this year as compared with 1963.

The downward revision in the investment programs of the nondurable goods producers from plans of 3 months ago has centered in the petroleum and textile industries. Still, current schedules call for increases of about one-sixth over 1963 outlays. Chemical and paper firms have revised upward current year outlays with sizable increases programed for the second half.

### Manufacturers' carryover of uncompleted projects rises

The increase in manufacturing investment programs is apparent in the latest data on the backlog of uncompleted projects. Manufacturers estimated that as of the end of June, \$11¼ billion

remained to be spent on investment projects already underway. This total represented an increase of \$2¼ billion over the corresponding total as of June 1963; the March-to-March increase was \$1¼ billion. The June 1964 carryover was 60 percent of expenditures expected for the second half of the year, as compared with a corresponding ratio of 56 percent a year ago.

Of the \$2¼ billion rise in carryover from June 1963, about two-thirds was accounted for by the nondurable goods industries and one-third by durable goods producers. All of the nondurable goods groups, except food, reported substantial increases over the year in the amounts yet to be expended on projects already underway. Within the durable goods group the bulk of the rise in carryover was accounted for by iron and steel producers.

Estimates of the value of new projects started during a quarter may be derived by adding the change in carryover over the quarter to expenditures during the quarter. "Starts" rose from

**Table 2.—Starts of New Plant and Equipment Projects Manufacturing and Public Utilities**<sup>1</sup>

[Billions of dollars]

	Quarterly, unadjusted					
	1963				1964	
	I	II	III	IV	I	II
<b>Manufacturing</b> .....	4.68	4.30	4.13	4.42	5.10	5.41
Durable goods <sup>2</sup> .....	2.47	2.27	2.06	2.12	2.48	2.65
Primary iron and steel.....	.63	.51	.64	.46	.50	.77
Electrical machinery.....	.20	.17	.14	.18	.16	.20
Machinery excluding electrical.....	.59	.22	.21	.30	.55	.36
Transportation equipment.....	.55	.70	.39	.45	.49	.63
Stone, clay and glass.....	.14	.14	.17	.14	.19	.22
Nondurable goods <sup>2</sup> .....	2.20	2.03	2.07	2.30	2.61	2.76
Food and beverage.....	.30	.25	.20	.29	.26	.24
Textile.....	.14	.17	.14	.23	.20	.19
Paper.....	.30	.21	.24	.20	.19	.40
Chemical.....	.34	.39	.49	.38	.59	.60
Petroleum.....	.89	.78	.77	.96	1.10	1.03
Public utilities.....	2.10	1.67	.78	1.48	1.92	1.54

1. Starts are estimated by adding changes in carryover to expenditures during the given period.

2. Includes industries not shown separately.

Sources: U.S. Department of Commerce, Office of Business Economics, and Securities and Exchange Commission.

the first to the second quarter this year, whereas they declined in the corresponding period of 1963. This overall pattern characterized both the durable and nondurable goods groups.

**Table 3.—Expenditures for New Plant and Equipment by U.S. Business,<sup>1</sup> 1962-64**

[Billions of dollars]

	Annual			Quarterly, unadjusted												Quarterly, seasonally adjusted at annual rates												
				1962				1963				1964				1962				1963				1964				
	1962	1963	1964 <sup>2</sup>	I	II	III	IV	I	II	III	IV	I	II	III <sup>2</sup>	IV <sup>2</sup>	I	II	III	IV	I	II	III <sup>2</sup>	IV <sup>2</sup>					
<b>ALL INDUSTRIES</b> .....	37.31	39.22	44.21	8.02	9.50	9.62	10.18	8.25	9.74	10.14	11.09	9.40	11.11	11.28	12.43	35.70	36.95	38.35	37.95	36.95	38.05	40.00	41.20	42.55	43.50	44.55	46.15	
<b>Manufacturing industries</b> .....	14.68	15.69	18.27	3.14	3.69	3.72	4.13	3.27	3.92	3.95	4.56	3.79	4.53	4.64	5.30	14.20	14.45	15.05	15.00	14.85	15.30	15.95	16.45	17.40	17.80	18.70	19.05	
<b>Durable goods industries</b> .....	7.03	7.85	9.19	1.44	1.77	1.79	2.03	1.62	1.96	1.96	2.31	1.93	2.30	2.31	2.66	6.55	6.95	7.25	7.30	7.35	7.65	8.00	8.30	8.85	9.00	9.35	9.50	
Primary iron and steel.....	1.10	1.24	1.59	.22	.28	.29	.31	.23	.30	.33	.39	.34	.40	.40	.46	1.00	1.10	1.20	1.10	1.05	1.15	1.30	1.40	1.60	1.60	1.55	1.60	
Primary nonferrous metal.....	.31	.41	.46	.06	.07	.08	.10	.09	.10	.12	.11	.09	.11	.12	.14	.25	.30	.30	.35	.40	.40	.45	.40	.45	.50	.50	.50	
Electrical machinery and equipment.....	.68	.69	.67	.14	.16	.17	.21	.15	.18	.16	.20	.14	.16	.17	.20	.70	.65	.65	.70	.75	.75	.65	.65	.70	.65	.70	.70	
Machinery, except electrical.....	1.27	1.24	1.53	.27	.33	.32	.35	.27	.30	.28	.39	.33	.40	.35	.45	1.15	1.30	1.30	1.25	1.20	1.15	1.20	1.40	1.45	1.55	1.50		
Motor vehicles and parts.....	.83	1.06	1.41	.17	.22	.22	.22	.19	.28	.29	.30	.25	.37	.39	.40	.80	.85	.80	.85	.90	1.05	1.10	1.10	1.25	1.35	1.50	1.50	
Transportation equipment, excluding motor vehicles.....	.47	.53	.48	.09	.11	.13	.15	.12	.13	.13	.16	.11	.12	.12	.14	.40	.40	.50	.55	.50	.55	.50	.55	.50	.45	.50		
Stone, clay and glass.....	.58	.61	.68	.12	.16	.14	.16	.13	.16	.15	.17	.14	.17	.18	.19	.17	.18	.19	.18	.18	.18	.18	.18	.18	.18	.18	.18	
Other durable goods <sup>3</sup> .....	1.79	2.05	2.36	.38	.44	.44	.53	.44	.51	.51	.60	.51	.58	.58	.68	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
<b>Nondurable goods industries</b> .....	7.65	7.84	9.08	1.69	1.92	1.93	2.10	1.65	1.95	1.99	2.25	1.87	2.23	2.33	2.64	7.60	7.50	7.80	7.70	7.50	7.65	8.00	8.15	8.55	8.80	9.35	9.55	
Food and beverage.....	.99	.97	1.02	.22	.26	.24	.26	.22	.26	.25	.24	.24	.27	.26	.24	.95	1.00	1.00	.95	.95	1.00	.95	1.00	.95	1.05	1.00	1.05	
Textile.....	.61	.64	.76	.13	.16	.15	.17	.15	.18	.15	.17	.14	.18	.21	.24	.55	.60	.65	.65	.65	.65	.60	.65	.60	.65	.85	.90	
Paper.....	.72	.72	.93	.15	.18	.18	.20	.14	.18	.19	.21	.18	.22	.25	.28	.70	.70	.75	.65	.70	.75	.80	.80	.80	.90	1.00	1.00	
Chemical.....	1.56	1.61	1.86	.37	.40	.37	.43	.36	.40	.39	.47	.37	.47	.45	.58	1.70	1.55	1.50	1.50	1.60	1.55	1.60	1.65	1.65	1.80	1.85	2.05	
Petroleum.....	2.88	2.92	3.44	.62	.69	.76	.80	.59	.70	.76	.87	.70	.84	.89	1.01	2.85	2.70	3.10	2.85	2.80	2.80	3.00	3.05	3.30	3.35	3.50	3.55	
Rubber.....	.23	.24	.26	.05	.06	.06	.06	.05	.06	.07	.07	.06	.06	.07	.07	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
Other nondurable goods <sup>4</sup> .....	.66	.73	.81	.14	.18	.16	.18	.15	.19	.18	.22	.18	.20	.20	.23	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
<b>Mining</b> .....	1.08	1.04	1.12	.26	.27	.28	.27	.24	.26	.27	.28	.26	.29	.29	.28	1.15	1.05	1.10	1.00	1.05	1.00	1.05	1.05	1.05	1.15	1.15	1.15	1.10
<b>Railroads</b> .....	.85	1.10	1.46	.16	.26	.24	.20	.21	.28	.29	.33	.32	.36	.34	.44	.70	.95	1.00	.80	.90	1.00	1.20	1.35	1.40	1.25	1.40	1.90	
<b>Transportation, other than rail</b> .....	2.07	1.92	2.31	.47	.60	.50	.39	.54	.45	.54	.51	.63	.56	.61	2.05	2.25	2.00	1.90	1.70	2.05	1.85	2.10	2.30	2.25	2.25	2.45		
<b>Public utilities</b> .....	5.48	5.65	6.07	1.06	1.37	1.54	1.52	1.04	1.40	1.60	1.61	1.18	1.58	1.63	1.69	5.15	5.40	5.75	5.45	5.20	5.45	5.90	5.80	5.95	6.30	6.00	6.00	
<b>Communication</b> .....	3.63	3.79	4.14	.88	.93	.87	.95	.85	.95	.93	1.06	.97	1.10	1.10	3.70	3.65	3.60	3.60	3.55	3.65	3.85	4.05	4.05	4.30	4.30	4.30	4.30	
<b>Commercial and other<sup>5</sup></b> .....	9.52	10.03	11.98	2.06	2.37	2.48	2.60	2.26	2.41	2.64	2.72	2.37	2.61	2.61	3.81	4.11	8.75	9.25	9.85	10.20	9.65	9.65	10.20	10.45	10.25	10.45	15.10	15.60

1. Data exclude expenditures of agricultural business and outlays charged to current account.

2. Estimates are based on anticipated capital expenditures reported by business in August 1964. The estimates for 1964 have been adjusted when necessary for systematic tendencies in anticipatory data.

3. Includes fabricated metal, lumber, furniture, instrument, ordnance, and miscellaneous industries.

4. Includes apparel, tobacco, leather, and printing-publishing.

5. Includes trade, service, finance, and construction.

NOTE: Details may not add to totals due to rounding. Data for earlier years were published in the June 1956, March 1958, 1960, 1961, 1962, and 1963 SURVEY OF CURRENT BUSINESS.

Sources: U.S. Department of Commerce, Office of Business Economics, and Securities and Exchange Commission.

**Transportation outlays rise sharply**

Transportation companies' expenditures for new plant and equipment, comprising a relatively small part of total investment, are noteworthy for their sharp expansion this year. Increases of one-third and one-fifth over 1963 are now programed by the rail and nonrail groups, respectively.

Railroads spent somewhat less in the second quarter than in the first, but are now projecting sharply rising expenditures in the second half; fourth quarter outlays are expected to reach a record \$1.9 billion. The expansion centers in equipment purchases.

Nonrail transportation firms are also programing rising expenditures, to a record \$2½ billion in the last quarter of this year. The second half ex-

pansion—as well as the upward revision in capital budgets for the group as a whole since the last survey—stems primarily from the trucking industry.

**Commercial investment high**

Communications and commercial firms are projecting a record expenditure of \$15 billion for 1964, 8 percent above 1963. Second half outlays are expected to be well above those of the first half, with retail trade programs especially strong.

Expenditures by public utilities are also moving up to record levels after several years of little change. Outlays are expected to reach \$6 billion this year—7 percent above 1963—with not much change anticipated from the first to the second half.

## Manufacturers Expect Higher Inventories and Sales in Second Half of 1964

MANUFACTURERS look for continued inventory accumulation and rising sales through the end of 1964, according to the regular quarterly survey of manufacturers' anticipations, conducted in August by the Office of Business

Economics. Factory stocks are expected to rise over \$1 billion in the second half of this year after increasing about one-quarter billion dollars in the first half. Fourth quarter sales are expected to be 2 percent above the

**Table 2.—Manufacturers' Evaluation of the Condition of Their Inventories<sup>1</sup>**

[Percentage distribution]

	Total			Durables			Nondurables		
	High	About right	Low	High	About right	Low	High	About right	Low
1959									
March 31.....	15	80	5	18	77	5	11	84	5
June 30.....	20	72	8	26	65	9	11	83	6
Sept. 30.....	16	72	12	19	66	15	12	80	8
Dec. 31.....	20	75	5	24	70	6	15	82	3
1960									
March 31.....	26	72	2	33	65	2	15	83	2
June 30.....	29	69	2	34	65	1	22	76	2
Sept. 30.....	24	75	1	30	69	1	15	83	2
Dec. 31.....	24	75	1	27	72	1	17	81	2
1961									
March 31.....	18	81	1	20	79	1	16	83	1
June 30.....	14	85	1	15	84	1	13	85	2
Sept. 30.....	10	88	2	11	87	2	9	88	3
Dec. 31.....	10	88	2	10	88	2	9	89	2
1962									
March 31.....	14	84	2	19	80	1	8	89	3
June 30.....	14	84	2	17	82	1	9	89	2
Sept. 30.....	15	83	2	18	81	1	11	86	3
Dec. 31.....	14	84	2	17	82	1	11	86	3
1963									
March 31.....	15	82	3	17	81	2	12	85	3
June 30.....	15	83	2	18	80	2	10	88	2
Sept. 30.....	17	81	2	19	80	1	14	83	3
Dec. 31.....	13	85	2	14	84	2	10	87	3
1964									
March 31.....	16	82	2	17	81	2	14	84	2
June 30.....	13	84	3	16	81	3	9	88	3

1. Condition of actual inventories relative to sales and unfilled orders position as viewed by reporting companies. Percent distribution of inventory book values according to company's classification of inventory condition.

Source: U.S. Department of Commerce, Office of Business Economics.

second quarter rate. If these anticipations are realized, the ratio of stocks to sales at yearend would be little changed from midyear levels.

**Sales up**

Manufacturers' sales, at \$111 billion in the second quarter, were 2 percent higher than in the first quarter—about in line with the increase projected in the anticipations survey taken 3 months ago. The current survey projects sales at \$113 billion in the third quarter and \$113½ billion in the closing quarter. The anticipated 2 percent sales rise for the summer quarter, the same as projected in the May survey, is also about equal to the actual quarterly increase in the first half of this year.

Manufacturers of both durable and nondurable goods anticipate moderate increases in the summer quarter, followed by little further advance in the fourth quarter. The projected 2½ percent advance in hard goods sales in the current quarter is slightly larger than the average quarterly increase during the first half. All major durable goods industries are expecting advances.

**Table 1.—Manufacturers' Inventories and Sales: Actual and Anticipated**

[Billions of dollars]

	1961				1962				1963				1964			
	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III <sup>1</sup>	IV <sup>1</sup>
<b>Inventories, end of quarter</b>																
<b>Unadjusted</b>																
All manufacturing.....	53.7	53.7	53.7	54.8	56.3	56.6	57.1	57.4	58.4	59.0	58.8	59.7	60.7	60.7	60.5	61.3
Durables.....	31.9	31.7	31.6	32.2	33.7	34.1	34.0	33.9	34.9	35.5	35.4	35.6	36.4	36.8	36.6	36.8
Nondurables.....	21.8	22.0	22.0	22.5	22.6	22.5	23.1	23.5	23.5	23.5	23.5	24.2	24.3	23.9	23.9	24.5
<b>Seasonally adjusted</b>																
All manufacturing.....	53.5	53.4	53.9	55.1	56.0	56.7	57.3	57.8	58.1	58.7	59.1	60.1	60.3	60.4	60.8	61.5
Durables.....	31.6	31.4	31.8	32.6	33.4	33.8	34.1	34.3	34.6	35.2	35.5	36.0	36.1	36.5	36.8	37.2
Nondurables.....	21.9	22.0	22.1	22.4	22.6	22.9	23.2	23.4	23.5	23.6	23.6	24.1	24.2	23.9	24.0	24.3
<b>Sales, total for quarter</b>																
<b>Unadjusted</b>																
All manufacturing.....	87.9	93.5	92.0	97.2	98.8	102.5	97.8	100.6	101.0	107.0	102.5	106.8	108.0	114.2	110.3	113.8
Durables.....	43.2	48.2	45.3	49.7	51.1	54.3	49.1	51.7	51.9	57.0	52.2	55.8	56.3	60.6	55.9	59.3
Nondurables.....	44.8	45.3	46.7	47.5	47.7	48.2	48.7	49.0	49.1	50.0	50.4	51.0	51.7	53.6	54.4	54.5
<b>Seasonally adjusted</b>																
All manufacturing.....	88.6	91.5	93.7	96.5	99.6	100.2	100.0	99.9	101.9	104.4	105.0	106.2	109.1	111.1	113.1	113.5
Durables.....	43.7	46.1	47.3	49.1	51.7	51.8	51.5	51.1	52.6	54.2	54.8	55.3	57.1	57.5	58.9	59.0
Nondurables.....	44.9	45.4	46.4	47.4	47.9	48.3	48.5	48.7	49.3	50.1	50.2	50.9	52.1	53.6	54.2	54.5

<sup>1</sup> Anticipations reported by manufacturers' in August 1964. Inventories have been corrected for systematic tendencies in anticipatory data.

Sources: U.S. Department of Commerce. Anticipations, Office of Business Economics; actuals, Bureau of the Census.

Nondurable goods producers now project a 1 percent sales rise in the third quarter—less than the quarterly increase during the first half. Sales are then expected to increase one-half of 1 percent in the closing 3 months of the year to a new high of about \$55 billion.

Actual sales in the first two quarters plus current projections for the third and fourth quarters yield a 1964 total that is 7 percent above 1963. Sales projections by manufacturers reported in the Plant and Equipment Expenditures Survey in February placed the expected rise for the year at 6 percent.

Durable goods sales are about 1 percent above the earlier expectations and nondurables about 2 percent.

#### *Moderate inventory accumulation anticipated*

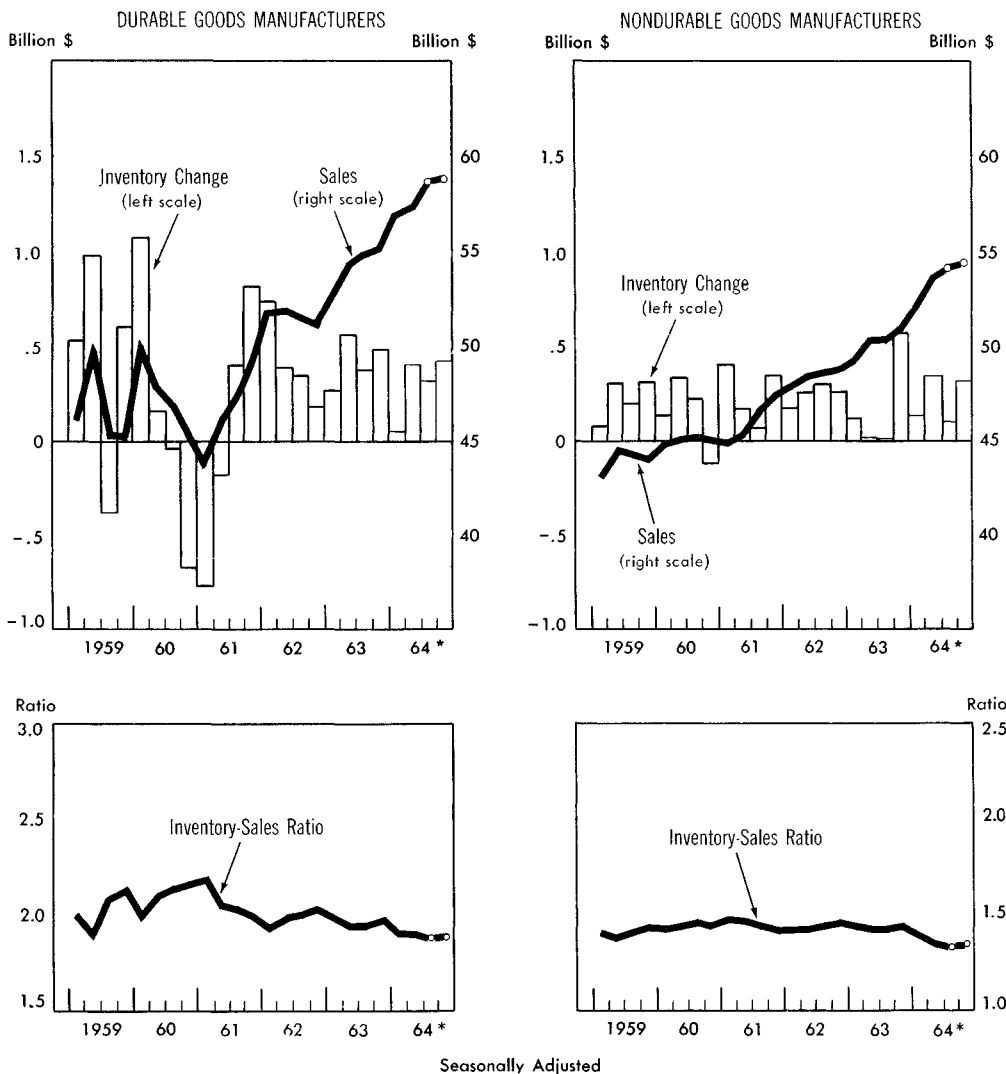
Manufacturers plan to add \$400 million to their inventories in the third quarter and an additional \$700 million in the fourth quarter, after seasonal adjustment. The projected additions would be substantially larger than the January–June average quarterly increase of a little over \$100 million. By yearend manufacturers' inventories are

expected to reach \$61½ billion. The \$1.4 billion rise for the year compares with additions of about \$2½ billion in both 1962 and 1963.

Durable goods producers are projecting inventory increases of almost equal magnitude in the third and fourth quarters—\$300 million and \$400 million, respectively; during the second quarter durable goods stocks rose about \$400 million. Yearend inventories of \$37¼ billion would be equivalent to 1.9 months of sales, a ratio that is somewhat lower than the corresponding figure a year ago.

Nondurable goods producers expect to add \$100 million to their inventories between June and September and an additional \$300 million by yearend. At midyear nondurable goods inventories were a little lower than they were at the end of 1963. Thus, if current expectations are realized, stocks at the end of 1964 will be only slightly higher than they were a year earlier. The expected yearend stock-sales ratio is about 1.35, compared to about 1.40 in December 1963.

#### *Inventories and sales expected to rise to yearend with little change in stock-sales ratios*



\* 3d and 4th quarters are anticipated / Note: - Inventories, end of quarter; sales, total for quarter  
U.S. Department of Commerce, Office of Business Economics

#### *Current inventory condition*

Manufacturers considered their stocks at the end of June to be in somewhat better shape than they were at the end of March. The June figures showed a significant drop from March in the proportion of inventories regarded as "high;" this proportion was the same as was reported for the end of last December.

Manufacturers holding 13 percent of total factory stocks classified their June inventories as "high" in relation to sales and unfilled orders. Firms accounting for 84 percent of stocks characterized their inventories as "about right," while the remainder designated their inventories as "low."

Manufacturers holding 16 percent of durable goods inventories judged their stocks as "high," slightly below the March ratio and close to the average ratio for 1963. Only 9 percent of nondurable goods manufacturers' inventories were classified as "high," the lowest ratio since early 1962.



# The Balance of Payments During the Second Quarter of 1964

**DURING** the second quarter the international reserves of the monetary authorities of the United States declined by \$303 million. Gold reserves increased by \$73 million—the first rise during a quarterly period since the second quarter of 1961. Holdings of convertible foreign currencies declined by \$258 million, however, and the gold tranche position of the United States in the International Monetary Fund was reduced by \$118 million, mainly because of our drawings of \$125 million. The gold tranche position represents nearly automatic drawing rights on the IMF for convertible foreign currencies. At the end of June these drawing rights amounted to \$786 million.

Liquid liabilities to foreigners, consisting of their deposits in U.S. banks, their holdings of marketable time deposit certificates, marketable Government securities and privately issued short-term obligations, increased by \$199 million (revised from \$245 million shown in the preliminary estimate released last month). Foreign holdings of nonmarketable medium-term Government securities convertible into cash at short notice rose by \$122 million.

Thus, the balance on our international transactions during the second quarter, measured by changes in U.S. official monetary reserves and in liquid liabilities to foreigners, was adverse by \$624 million if foreign holdings of convertible medium-term Government securities are included among the liquid liabilities. If they are excluded and considered long-term foreign investments in the United States, the balance was \$502 million (table I, lines C1a and C2a).

Seasonal factors improved the balance by about \$110 million. Payments on imports, tourist expenditures, Government grants and capital outflows, and

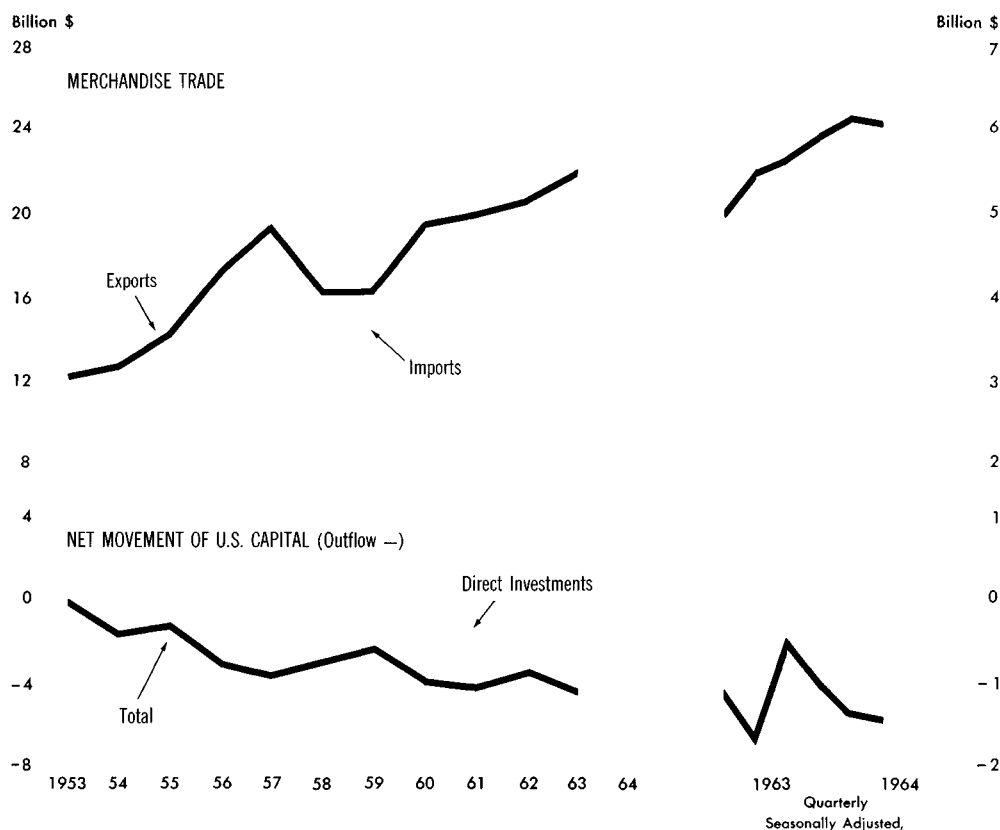
private capital outflows are seasonally high during the second quarter, but the seasonal effects on these transactions are more than compensated by the seasonal rise in merchandise exports. After adjustment of the various types of transactions for seasonal changes the balance including the convertible medium-term Government securities was \$733 million; excluding these securities it was \$611 million (table I, lines C1 and C2). Both of these balances correspond to a balance of \$85 million in the first quarter when foreign holdings of convertible nonmarketable medium-term Government securities did not change. For the full year 1963

the corresponding balances were \$2,644 and \$1,942 million respectively.

## *Special Government transactions shift to net payment*

A major factor in the increase of the negative balance from the first to the second quarter was the change in "special" Government transactions (other than the convertible medium-term, nonmarketable securities), particularly advance payments on military sales.

During the first quarter, cash receipts on military contracts exceeded deliveries by about \$150 million; in the second quarter cash receipts fell



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short of deliveries by about \$75 million (table 1, line B2). (These figures are still based on uncertain information and are subject to revision.) As other "special" Government transactions were offsetting in the first quarter and were relatively small in the second (table 1, lines 1 and 3), the balance on all "special" transactions changed from net credits of \$148 million in the first quarter to net debits of \$51 million in the second, thus accounting for about \$200 million of the shift in the over-all balance.

**Erratic movements**

Apart from these special types of Government transactions the seasonally adjusted balance on the other ("regular") types of transactions thus changed from net debits of \$230 million in the first quarter to about \$680 million in the second.

To a large extent this was not unexpected. As had been pointed out in the June issue of the *Survey*, the balance in the first quarter was favorably affected by transactions or conditions of very short run significance. Some

of these continued into the second quarter, but their effect on the balance had become smaller. Most important were the large shipments of foodstuffs to Western Europe and the Soviet bloc in consequence of exceptionally bad 1963 harvests.

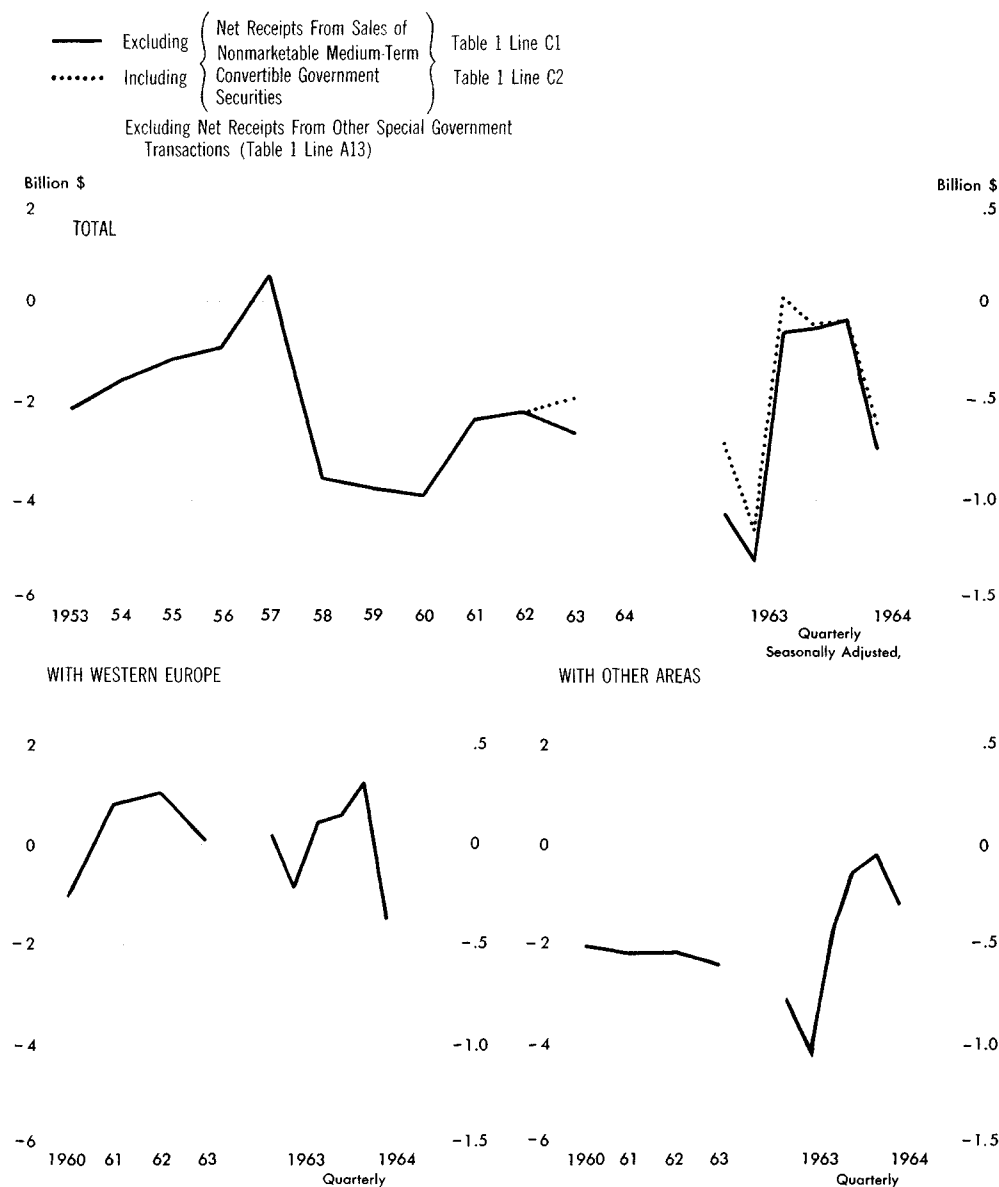
Other developments or transactions with an erratic effect on the movement of the over-all balance appear to have been relatively small in the second quarter, and partly offsetting. Major outflows of corporate funds during April for short-term investment abroad (not included in direct investments), which contributed to a relatively large adverse balance in that month, apparently were followed by reductions in such investments during the following 2 months. The outstanding amounts of such investments—after seasonal adjustment—did not change significantly during the quarter as a whole.

Short-term capital outflows reported by banks for June included a major increase in dollar and foreign currency deposits abroad, a large part of which appear to have been repatriated in July. Direct investments were also affected by several unique or temporary transactions, but largely with an offsetting effect.

A rough estimate of these erratic types of capital movements, to the extent that they are known, would suggest that they may have worsened the balance during the second quarter by perhaps \$100 to \$150 million. This would in part have been compensated, however, by the extraordinary exports continued from the first quarter. The net adverse effect of these very short term or erratic influences on the balance may not have been more than \$50 million. This would compare with favorable net effects of such developments in the first quarter in the general magnitude of \$200 to \$300 million, so that their quarter to quarter change may account for as much as \$300 million of the decline in the balance.

**Changes in foreign and domestic economies**

Perhaps a smaller, but in the longer run more significant, part of the change of the balance from the first to the second quarter may be attributed to



the economic developments in the United States and in the major foreign countries. In the United States, final demand—particularly for durable goods—continued to expand and inventory accumulations exceeded those in the first quarter. Orders for machinery and equipment accelerated, and with new orders exceeding shipments, delivery periods have lengthened. At the same time financial resources of corporations as well as of the banking system remained high.

In contrast, in many of the major countries in Western Europe, and in Canada and Japan, the rise in business activity during the second quarter appears to have been slower than earlier in the year or in 1963. In Western Europe and Japan this change was the result of various measures curtailing business liquidity in order to dampen inflationary pressures and to prevent deteriorations in the balance of payments. The changes in foreign business activity do not have to be interpreted as a major cyclical change, however, but rather as attempts to avoid distortions in continuing economic expansions.

The combination of these domestic and foreign business developments, as could be expected on the basis of past experience, had a dampening effect on U.S. exports and stimulated imports. At least in the early stages of such developments—as long as investment opportunities abroad are not seriously affected by a decline in the utilization of foreign productive capacity and in investment incomes—they also could be expected to stimulate capital outflows, as foreign demand for capital is diverted from internal to foreign sources.

### Merchandise exports

The \$70 million decline during the April-June period in merchandise exports after seasonal adjustment interrupted a continuous quarter-by-quarter rise which had begun early in 1963. The decline, however, was due mainly to a temporary dip in exports during June. Exports moved up in July by a margin wide enough to offset the June dip. Averaging the June and July figures, the monthly trend in exports has been almost flat since December 1963. Exports financed by Govern-

ment grants and capital outflows increased during the second quarter by about \$100 million.

Major developments in exports during the second quarter included (1) a reduction in shipments of agricultural

**Table 1.—Analysis of U.S. Balance of Payments, Seasonally Adjusted, Excluding Military Grant Aid**  
[Millions of dollars]

	Calendar year		1963 <sup>r</sup>				1964	
	1962	1963	I	II	III	IV	I <sup>r</sup>	II <sup>p</sup>
<b>Transactions other than changes in official monetary assets and in liquid liabilities (including nonmarketable medium-term convertible Government securities)</b>								
<b>I. U.S. PAYMENTS (DEBITS) RECORDED</b>	<b>33,486</b>	<b>35,990</b>	<b>8,724</b>	<b>9,713</b>	<b>8,482</b>	<b>9,071</b>	<b>9,219</b>	<b>9,742</b>
1. Imports of goods and services	25,021	26,335	6,327	6,531	6,733	6,744	6,745	7,009
2. Merchandise	16,134	16,996	4,037	4,212	4,368	4,379	4,396	4,576
3. Military expenditures	3,044	2,897	747	731	711	703	717	731
4. Other services	5,843	6,442	1,543	1,588	1,654	1,657	1,662	1,702
5. Remittances and pensions	738	826	209	209	206	202	197	208
6. Government grants and capital outflows	4,293	4,522	1,060	1,336	1,009	1,117	923	1,130
7. (Transactions involving no direct dollar outflows from the United States)	3,220	3,635	809	1,081	815	980	776	929
8. (Dollar payments to foreign countries and international institutions)	1,073	887	251	255	194	187	147	201
9. U.S. private capital	3,434	4,307	1,128	1,637	534	1,008	1,354	1,395
10. Direct investments	1,654	1,888	618	477	235	558	517	513
11. Long-term portfolio	1,227	1,685	546	598	303	238	227	261
12. Short-term	553	734	-36	562	-4	212	610	621
<b>II. U.S. RECEIPTS (CREDITS) RECORDED</b>	<b>32,394</b>	<b>33,685</b>	<b>7,780</b>	<b>8,429</b>	<b>8,596</b>	<b>8,880</b>	<b>9,326</b>	<b>9,040</b>
1. Exports of goods and services	30,084	32,020	7,535	7,977	8,037	8,471	8,997	8,798
2. Merchandise	20,576	21,989	4,990	5,472	5,610	5,917	6,112	6,042
3. (Financed by Government grants and capital)	2,363	2,720	593	827	627	671	632	733
4. Military sales	656	659	181	206	117	155	210	142
5. Income on investments, private	3,850	3,969	1,036	969	963	1,001	1,227	1,190
6. Income on investments, Government	471	498	123	124	125	126	128	129
7. Other services	4,531	4,905	1,205	1,208	1,222	1,272	1,320	1,295
8. Repayments on U.S. Government loans, scheduled	599	643	141	156	183	163	164	155
9. Repayments and selloffs, nonscheduled	681	326	25	34	241	26	52	33
10. Foreign private capital other than liquid funds	166	310	-24	266	113	-45	22	103
11. Government liabilities	864	386	103	-4	22	265	91	-49
<b>SELECTED BALANCES (NET CREDITS + DEBITS)</b>								
<b>A. Regular types of transactions, seasonally adjusted:</b>								
1. Merchandise trade, excluding military	4,442	4,993	953	1,260	1,242	1,538	1,746	1,466
2. Military sales and expenditures	-2,388	-2,238	-566	-525	-594	-553	-507	-589
3. Incomes on investments	3,326	3,273	884	814	780	795	1,040	1,005
4. Other services	-317	-343	-63	-103	-124	-53	-27	-93
5. Goods and services	5,063	5,685	1,208	1,446	1,304	1,727	2,252	1,789
6. (Excluding exports of goods and services financed by Government grants and capital outflows)	2,155	2,347	462	441	543	901	1,495	911
7. Remittances and pensions	-738	-826	-209	-209	-206	-202	-197	-208
8. Government grants and capital outflows, less changes in associated liabilities, less scheduled loan repayments	-3,547	-3,785	-899	-1,170	-791	-925	-768	-940
9. Domestic and foreign private capital:								
10. Direct and long-term portfolio	-2,609	-3,244	-1,159	-876	-442	-767	-731	-696
11. Short-term	-659	-753	7	-495	2	-286	-601	-596
12. Miscellaneous Government non-liquid liabilities	-4	1	( <sup>r</sup> )	1	2	-2	4	-
13. Errors and unrecorded transactions	-1,111	-339	-118	-11	-267	57	-192	-31
13. Balance on regular types of transactions (seasonally adjusted)	-3,605	-3,261	-1,170	-1,314	-379	-398	-233	-682
14. Less: Net seasonal adjustments			-357	-102	441	18	-302	-109
15. Balance on regular types of transactions before adjustment	-3,605	-3,261	-813	-1,212	-820	-416	69	-573
<b>B. Special Government transactions (not seasonally adjusted)</b>								
1. Non-scheduled receipts on Government loans	681	326	25	34	241	26	52	33
2. Advances on military exports	470	334	20	-5	80	239	151	-76
3. Sales of non-marketable, medium-term, non-convertible securities	251	-43	63	-10	-95	-1	-55	-8
4. Dollar securities <sup>1</sup>		31	5	19	-45	-1	-5	-8
5. Foreign currency securities	251	-74	5	-29	-50	-	-50	( <sup>r</sup> )
6. Sales of non-marketable, medium-term, convertible securities		702	350	152	175	25	-	122
7. Dollar securities		150	125	-	25	-	-	-
8. Foreign currency securities		552	225	152	150	25	-	122
<b>C.1. Balance A+B excluding net receipts from sales of nonmarketable, medium-term, convertible Government securities (including seasonal adjustment of items in A)</b>	<b>-2,203</b>	<b>-2,644</b>	<b>-1,062</b>	<b>-1,295</b>	<b>-153</b>	<b>-134</b>	<b>-85</b>	<b>-733</b>
1a. Excluding seasonal adjustment (equals line 52, table 3)	-2,203	-2,644	-705	-1,193	-594	-152	217	-624
2. Balance A+B including net receipts from sales of non-marketable, medium-term, convertible Government securities (including seasonal adjustment of items in A)	-2,203	-1,942	-712	-1,143	22	-109	-85	-611
2a. Excluding seasonal adjustment (equals line 52a, table 3)	-2,203	-1,942	-355	-1,041	-419	-127	217	-502
<b>D. Increase in short-term official and banking liabilities and in foreign holdings of marketable U.S. Government bonds and notes (decrease -)</b>	<b>670</b>	<b>1,564</b>	<b>323</b>	<b>917</b>	<b>192</b>	<b>132</b>	<b>-166</b>	<b>199</b>
1. Foreign holders other than official (lines II-2, 3, 4, table 6)	213	594	397	144	47	6	233	114
2. Foreign official holders (line II-1, table 6)	457	970	-74	773	145	126	-399	85
<b>E. Decrease in U.S. monetary reserve assets (increase -)</b>	<b>1,533</b>	<b>378</b>	<b>32</b>	<b>124</b>	<b>227</b>	<b>-5</b>	<b>-51</b>	<b>303</b>
1. IMF gold tranche position	626	30	-46	2	59	15	131	118
2. Convertible currencies	17	-113	-33	6	-28	-58	-228	258
3. Gold	890	461	111	116	196	38	46	-73

<sup>r</sup> Revised. <sup>p</sup> Preliminary. <sup>z</sup> Less than \$500,000.  
1. Includes certificates sold abroad by Export-Import Bank.

products from the record rate of the January-March period, and (2) a tapering off of the rise in exports of nonagricultural goods.

About \$60 million of the \$100 million seasonally adjusted decrease in agricultural products during the second quarter was due to the decline in special grain shipments to the Soviet Bloc as deliveries under existing contracts with the Soviet Union were virtually completed in May. Excluding the extraordinary sales to the Soviet Bloc, agricultural exports during the second quarter were at a seasonally adjusted annual rate of \$5.9 billion. In view of

the substantial increases anticipated in foreign crops which compete with U.S. exports, it is somewhat questionable that this rate can be sustained during the remainder of the year.

The gain in exports of nonagricultural products during the April-June period was only a very minor one, especially when compared to the substantial increases occurring in the two preceding quarters. Although exports to Mexico, Venezuela, the Philippines, Australia, the Union of South Africa, and some aid-recipient countries such as India and Pakistan, moved significantly higher, sales to the major industrial

Table 2.—U.S. Balance of Payments by Major Components,<sup>1</sup> Seasonally Adjusted

	Calendar year 1963 <sup>r</sup>	1963 <sup>r</sup>				1964	
		I	II	III	IV	I <sup>r</sup>	II <sup>p</sup>
<b>Goods and Services, Government Assistance and Long-Term Capital Accounts<sup>2</sup></b>							
A. 1. Nonmilitary merchandise exports.....	21,989	4,990	5,472	5,610	5,917	6,112	6,042
2. Less: Those financed by Government grants and capital.....	2,720	595	827	627	671	632	733
3. Merchandise exports, other than those financed by Government grants and capital.....	19,269	4,395	4,645	4,983	5,246	5,480	5,309
4. Nonmilitary merchandise imports.....	-16,996	-4,037	-4,212	-4,368	-4,379	-4,366	-4,576
5. <b>Balance on trade excluding exports financed by Government grants and capital.....</b>	<b>2,273</b>	<b>358</b>	<b>433</b>	<b>615</b>	<b>867</b>	<b>1,114</b>	<b>733</b>
6. Nonmilitary service exports.....	9,372	2,364	2,299	2,310	2,399	2,675	2,614
7. Less: Those financed by Government grants and capital.....	601	153	168	129	151	135	145
8. Service exports other than those financed by Government grants and capital.....	8,771	2,211	2,131	2,181	2,248	2,540	2,469
9. Nonmilitary service imports.....	-6,442	-1,543	-1,588	-1,654	-1,657	-1,662	-1,702
10. <b>Balance on services other than those rendered under Government grants and capital.....</b>	<b>2,329</b>	<b>668</b>	<b>543</b>	<b>527</b>	<b>591</b>	<b>878</b>	<b>767</b>
11. <b>Balance.....</b>	<b>4,602</b>	<b>1,026</b>	<b>976</b>	<b>1,142</b>	<b>1,458</b>	<b>1,992</b>	<b>1,500</b>
B. Other major transactions:							
1. Military expenditures.....	-2,897	-747	-731	-711	-708	-717	-731
2. Military cash receipts.....	982	204	195	193	390	371	66
3. Government grants and capital-dollar payments to foreign countries and international institutions.....	-887	-251	-255	-194	-187	-147	-201
4. Repayments on U.S. Government loans excluding fundings by new loans and repayments on military credits.....	793	122	153	404	114	188	172
5. U.S. direct and long-term portfolio investments abroad.....	-3,573	-1,164	-1,075	-538	-796	-744	-774
6. Foreign direct and long-term portfolio investments in the United States.....	329	5	199	96	29	13	78
7. Remittances and pensions.....	-826	-209	-209	-206	-202	-197	-208
8. Sales of nonmarketable, medium-term, nonconvertible securities <sup>3</sup> .....	-43	63	-10	-95	-1	-55	-8
9. Miscellaneous Government nonliquid liabilities.....	1	( <sup>e</sup> )	1	2	-2	4	( <sup>e</sup> )
10. <b>Balance.....</b>	<b>-6,121</b>	<b>-1,977</b>	<b>-1,732</b>	<b>-1,049</b>	<b>-1,363</b>	<b>-1,284</b>	<b>-1,606</b>
C. <b>Balance on Goods and Services, Government Assistance and Long-Term Capital Accounts.....</b>	<b>-1,519</b>	<b>-951</b>	<b>-756</b>	<b>93</b>	<b>95</b>	<b>708</b>	<b>-106</b>
D. Recorded U.S. private short-term capital outflow less foreign short-term credits to the United States (excluding foreign liquid dollar holdings).....	-786	7	-528	21	-286	-601	-596
E. Unrecorded transactions.....	-339	-118	-11	-267	57	-192	-31
F. Sales of nonmarketable, medium-term, convertible Government securities.....	702	350	152	175	25	.....	122
G. <b>Balance C+D+E.....</b>	<b>-2,644</b>	<b>-1,062</b>	<b>-1,295</b>	<b>-153</b>	<b>-134</b>	<b>-85</b>	<b>-733</b>
H. <b>Balance C+D+E+F.....</b>	<b>-1,942</b>	<b>-712</b>	<b>-1,143</b>	<b>22</b>	<b>-109</b>	<b>-85</b>	<b>-611</b>
Memorandum item: Reconciliation of "Military cash receipts" (line B-2) with Table 1. <sup>4</sup>							
1. Military sales (table 1, line II-4).....	659	181	206	117	155	210	142
2. Less: Military sales financed by credits (table 4, line 25).....	17	-2	10	5	4	-10	( <sup>e</sup> )
3. Plus: Principal collections on military credits.....	6	1	4	1	( <sup>e</sup> )	( <sup>e</sup> )	( <sup>e</sup> )
4. Change in liability for advances on military exports (table 1, line B-2).....	334	20	-5	80	239	151	-76
5. Equals: Military cash receipts (line B-2, above).....	982	204	195	193	390	371	66

<sup>r</sup> Revised. <sup>a</sup> Preliminary. <sup>e</sup> Less than 500,000. NOTE.—See note to table 1.

1. Excludes military transfers under grants.  
2. Short-term capital movements between parent companies and their foreign affiliates are reported as part of direct investment.  
3. Includes portfolio fund certificates sold abroad by Export-Import Bank.  
4. The entries for the 4 quarters of fiscal year 1964 for military transactions are estimates based upon incomplete reports.

### U.S. Agricultural Exports,<sup>1</sup> by Quarters

[Millions of dollars]

	I	II	III	IV	January-June
<b>Total, all areas:</b>					
1962.....	1,228	1,351	1,159	1,300	2,579
1963.....	1,212	1,414	1,255	1,704	2,626
1964.....	1,608	1,501	.....	.....	3,109
<b>Western Europe:</b>					
1962.....	530	623	508	573	1,153
1963.....	514	558	498	760	1,072
1964.....	626	555	.....	.....	1,181
<b>Canada:</b>					
1962.....	93	126	90	118	219
1963.....	96	119	101	128	215
1964.....	102	136	.....	.....	238
<b>Japan:</b>					
1962.....	143	112	85	145	255
1963.....	149	135	147	228	284
1964.....	223	150	.....	.....	373
<b>Soviet Bloc in Europe (excluding Poland):</b>					
1962.....	3	7	5	3	10
1963.....	6	4	4	24	10
1964.....	110	51	.....	.....	161
<b>Other:</b>					
1962.....	459	483	471	461	942
1963.....	447	598	505	564	1,045
1964.....	547	609	.....	.....	1,156

1. Export data as published by the Census Bureau have been adjusted for changes in U.S.-owned stocks of grain held in Canada, and for transshipments of U.S. grain via Canada to Western Europe, Japan and other destinations.

Source: Office of Business Economics from basic data of Bureau of the Census.

countries were down from the first quarter rate.

The interruption of the uptrend in nonagricultural exports to Western Europe and Japan during the second quarter may be associated with (1) the leveling off of the rise in industrial production in each of these areas, and (2) the rising claims of U.S. domestic business on the resources of our economy.

### U.S. Nonagricultural Exports to Major Industrialized Countries (Excluding Special Category Goods and Aircraft)

[Million of dollars, seasonally adjusted]

	Canada	Western Europe	Japan
<b>1963</b>			
1st quarter.....	793	1,030	233
2d quarter.....	842	1,189	238
3d quarter.....	892	1,166	269
4th quarter.....	955	1,203	275
<b>1964</b>			
1st quarter.....	1,011	1,314	290
2d quarter.....	978	1,301	270

Source: Office of Business Economics based on data collected by the Bureau of the Census.

The decline during the April-June period in the seasonally adjusted non-cultural exports to Canada reflected two developments. The lifting in March of 1963 of the temporary import restrictions which had been imposed at the time of the Canadian exchange

crisis in the late spring of 1962, resulted in a bulge in Canadian demand to replenish the depleted stocks of U.S. produced goods. This demand probably declined during the latter part of 1963 and the first half of 1964.

At the same time the rise in Canadian business activity and particularly investments in productive facilities raised the demand for U.S. commodities, particularly capital goods and certain industrial materials such as steel. The high farm incomes resulting from good harvests and large wheat exports to the Soviet Bloc and other countries late in 1963 and the first half of 1964 also increased Canadian demand for farm equipment.

Through the first quarter of 1964 these developments resulted in rising exports from the United States. During the second quarter, however, the rise in the Canadian demand for industrial and agricultural investment goods slowed down and did not com-

pensate anymore for the decline in the demand for the replenishment of inventories of imported goods which had been depleted after the exchange crisis.

Nearly three-fourths of the \$1.25 billion year-to-year rise in nonagricultural exports in January-June 1964 was accounted for by gains in shipments of industrial materials (excluding fuel) and machinery. Autos and parts contributed most of the remaining rise. Exports of manufactured consumer goods (excluding passenger cars) in the first half of 1964 were up by about \$75 million from the first half of 1963. Although this gain was relatively smaller than the rise in exports of industrial materials and machinery, it was considerably larger than the \$16 million rise in the corresponding period a year earlier.

About three-fifths of the total rise in machinery exports during the first half of 1964 as compared with the same period of 1963 reflected stepped-up deliveries to Canada and Western Europe, with the balance of the increase made up of shipments to the less-developed areas of the world.

With reference to our exports of machinery, it is significant that unfilled exports orders continued to rise through July.

### Merchandise Imports

The second quarter import rate of \$18.3 billion was nearly reached in March and continued without significant change through July. (June imports were somewhat below that rate, but this shortfall was compensated for in July.) The 5 months plateau followed an earlier period with little change from July 1963 through February 1964.

This movement in total imports resulted from rather different developments in the broad import categories. Imports of capital and consumer goods, including automobiles, have been rising steadily since the beginning of 1963 and accelerated from the first to the second quarter of 1964. These commodities—which comprise about 20 to 25 percent of total imports—accounted for nearly half of the second quarter gain. Imports of industrial materials rose relatively sharply in the middle

quarters of 1963, remained relatively steady through the early months of this year, and accelerated again in the second quarter of this year. Foodstuffs moved more erratically, being affected by changing prices for sugar and coffee, and by a decline in the import demand for meat, and in various periods offset the movements in other imports. There was no change from the first to the second quarter of this year.

Overall imports appear to have been lower during the first quarter of this year than might have been expected on the basis of various factors which appear to have determined import values over the last 10 years. The

### U.S. Nonagricultural Exports,<sup>1</sup> by End-Use Categories, by Quarters

(Millions of dollars)

	I	II	III	IV	Jan- uary- June
<b>Total, all categories:</b>					
1962	3,546	3,842	3,488	3,610	7,388
1963	3,477	4,048	3,752	4,152	7,525
1964	4,252	4,527			8,779
<b>Fuels:</b>					
1962	168	217	231	210	385
1963	197	252	269	257	449
1964	207	242			449
<b>Other industrial materials:</b>					
1962	1,224	1,275	1,260	1,213	2,499
1963	1,204	1,386	1,374	1,407	2,590
1964	1,476	1,580			3,056
<b>Machinery:</b>					
1962	1,186	1,346	1,174	1,241	2,532
1963	1,181	1,401	1,233	1,379	2,582
1964	1,466	1,549			3,015
<b>Autos and parts:</b>					
1962	432	479	397	484	911
1963	429	507	423	606	936
1964	572	598			1,170
<b>Aircraft and parts:</b>					
1962	134	93	48	63	227
1963	96	65	44	51	161
1964	89	81			170
<b>Manufactured consumer goods (excluding passenger cars):</b>					
1962	273	291	271	274	564
1963	263	317	281	317	580
1964	318	335			653
<b>Other and unclassified:</b>					
1962	129	141	107	125	270
1963	107	120	128	135	227
1964	124	142			266

1. Excluding special category commodities.

Source: U.S. Department of Commerce, Office of Business Economics, based on data collected by the Bureau of the Census.

### Changes in U.S. Imports—by Commodity Group

Commodity categories	Average weight in total imports 1960-63	Change from 1st to 2d quarter, 1964	
		Seasonally adjusted	
		Millions of dollars	Percent of total change
<b>Total imports<sup>1</sup></b>	(100)	+207	100.0
Industrial supplies and materials, total <sup>1</sup>	(51)	+113	54.6
Steel	(3)	+12	5.8
Petroleum	(11)	+41	19.8
Other materials <sup>1</sup>	(37)	+60	29.0
Consumer goods (nonfood), total	(16)	+71	34.3
Passenger cars, new and used	(3)	+18	8.7
Other consumer goods	(13)	+53	25.6
Capital equipment, total	(5)	+22	10.6
Machinery	(4)	+21	10.1
Commercial transportation and other equipment	(1)	+1	0.5
Food and beverages, total	(22)	+3	1.4
Coffee	(7)		
Sugar	(3)	+24	11.6
Other food and beverages	(12)	-21	(-)10.2
All other and unclassified (including military equipment)	(6)	-2	(-)0.9

1. Based on general imports excluding uranium as published by Bureau of the Census.

Source: U.S. Department of Commerce, Office of Business Economics, from basic data of Bureau of Census.

### Area Changes in U.S. Imports<sup>1</sup>

[1st half 1963 to 1st half 1964]

	Average weight in total imports 1960-63	Change from 1st half 1963 to 1st half 1964	
		Millions of dollars	Percent of total change
<b>Total, all areas</b>	(100)	+793	100.0
Canada	(21)	+206	26.0
20 American republics	(22)	+54	6.8
Western Europe	(28)	+274	34.5
Japan	(8)	+94	11.9
All other	(21)	+165	20.8

1. Imports as adjusted to balance of payments basis.









most important factors exerting a positive influence on imports over that period seem to have been the demand for final goods and for inventory accumulations in the United States, while increases in business activity in other industrialized countries appear to have had a negative effect. Changes in overall import prices generally have caused imports to move in the same direction.

Most of the first quarter lag in imports was overcome during the second quarter as imports moved closer to the point that could be expected on the basis of these historic relationships. This explains a part of the import rise. The other part of the rise can be attributed to the increase in final demand in the United States, the acceleration in inventory accumulations and the slowdown in demand and production abroad. Overall import prices remained stable.

The changes by type of commodity were reflected in the area composition of imports. Most of the increase came from the countries exporting chiefly manufactured goods: Western Europe and Japan. Imports from Canada, consisting partly of manufactures, and partly of industrial materials, also expanded more than proportionally.

The rise in imports from Latin America was much smaller. Although the value of coffee imports was higher due to the recent increase in prices, other foodstuff imports, such as meat and sugar, fell off. Imports from other developing countries held their previous share, partly because their products, particularly coffee, were substituted for some of those previously obtained from Latin America.

The trade balance declined from the first to the second quarter by \$280 million after seasonal adjustment; if exports financed by Government grants and capital outflows are omitted the decline was \$380 million. This change thus accounts for the largest share of the deterioration by about \$450 million in the seasonally adjusted balance on regular transactions.

#### Services and capital transactions

Transactions in services and investment incomes were also less favorable than in the first quarter, as tourist

expenditures and related payments for transportation continued to move up while receipts from foreign investments declined. The latter had been exceptionally high in the previous quarter. Some deterioration also occurred in military transactions, mainly because of a decline in deliveries on outstanding orders. A higher cash outflow under foreign assistance programs followed a relatively low outflow earlier in the year, and does not indicate a change in the longer run trend.

The outflow of U.S. private capital which in the first quarter was already

high by recent experience advanced still further after seasonal adjustment, although only by the moderate amount of \$40 million, and reached about \$1.4 billion.

Second quarter direct investments which continued at the first quarter rate of more than \$500 million include a \$50 million purchase by an American corporation of a European enterprise and two major liquidations of investments in Canada totaling \$75 million. One of the latter transactions, involving \$40 million, represented a shift from direct to other long-term investments

Table 4.—Analysis of Government Grants (Excluding Military) and Capital Outflows and Changes in Government Liabilities

[Millions of dollars]								
Line	Item	Total	1963				1964	
			I	II	III	IV	I	II P
Not adjusted for seasonal variations								
	<b>Government grants and capital outflows:</b>							
1	Under farm products disposal programs.....	1,668	382	575	323	388	399	495
2	Under Foreign Assistance Act and related programs.....	2,145	510	588	495	552	442	524
3	Under Export-Import Bank Act.....	509	105	178	83	143	88	106
4	Subscriptions to IDA and IDB.....	62				62		50
5	Other assistance programs.....	97	27	24	21	25	31	40
	Foreign currency claims acquired in the collection of—							
6	Principal.....	94	31	29	19	15	23	19
7	Interest.....	148	33	41	33	41	38	46
8	Less: Foreign currencies used for U.S. Government uses other than grants or loans.....	231	65	57	59	50	88	101
9	Advances under Exchange Stabilization Fund agreements, net.....	25	29	7	2	-13	-12	-4
10	Other, net (including changes in administrative cash holdings).....	5	1	-4	12	-4	-15	-4
11	<b>Total, Government grants and capital outflows (not seasonally adjusted) (table 3, lines 23+39+42).....</b>	<b>4,522</b>	<b>1,053</b>	<b>1,381</b>	<b>929</b>	<b>1,159</b>	<b>906</b>	<b>1,175</b>
	<b>Changes in Government liabilities other than interest-bearing securities:</b>							
12	Associated with Government grants and capital outflows.....	94	17	-15	32	60	-12	10
13	Non-interest-bearing securities issued to IDA.....	14		-22		36		-22
14	Non-interest-bearing securities issued to IDB.....							25
15	Non-interest-bearing securities issued to UN for special programs.....	43				43	-1	23
16	Foreign funds retained in Government accounts, to be used for purchases in the United States.....	36	18	13	21	-16	-5	-15
17	Other.....	1	-1	-6	11	-3	-6	-1
18	Associated with military exports <sup>1</sup> .....	334	20	-5	80	239	151	-76
19	Miscellaneous Government nonliquid liabilities (deposit and trust accounts).....	1	( <sup>+</sup> )	1	2	-2	4	( <sup>+</sup> )
20	<b>Total, changes in Government liabilities other than interest-bearing securities (table 3, line 47).....</b>	<b>429</b>	<b>37</b>	<b>-19</b>	<b>114</b>	<b>297</b>	<b>143</b>	<b>-66</b>
Adjusted for seasonal variations								
21	<b>Total, Government grants and capital outflows (seasonally adjusted) (table 1, line 1-6).....</b>	<b>4,522</b>	<b>1,060</b>	<b>1,336</b>	<b>1,009</b>	<b>1,117</b>	<b>923</b>	<b>1,130</b>
22	<b>Less: Estimated transactions involving no direct dollar outflows from the United States.....</b>	<b>3,635</b>	<b>809</b>	<b>1,081</b>	<b>815</b>	<b>930</b>	<b>776</b>	<b>929</b>
23	Expenditures on merchandise in the United States.....	2,720	595	827	627	671	632	733
24	Expenditures on services in the United States.....	601	153	168	129	151	135	145
25	Military sales financed by credits (including short-term, net) <sup>1</sup> .....	17	-2	10	5	4	-10	( <sup>+</sup> )
26	Refunding of Government loans.....	170	43	33	19	75	28	16
27	Government loans to repay private credits.....	33		33				
28	Increase in Government liabilities associated with Government grants and capital (including changes in retained accounts).....	94	20	10	35	29	-9	35
29	<b>Equals: Estimated dollar payments to foreign countries and international institutions through Government grants and capital operations.....</b>	<b>887</b>	<b>251</b>	<b>255</b>	<b>194</b>	<b>187</b>	<b>147</b>	<b>201</b>
30	<b>Total, changes in Government liabilities other than interest-bearing securities (seasonally adjusted).....</b>	<b>429</b>	<b>40</b>	<b>6</b>	<b>117</b>	<b>266</b>	<b>146</b>	<b>-41</b>
31	Change in liabilities associated with Government grants and capital outflows (line 28, above).....	94	20	10	35	29	-9	35
32	Change in liabilities for advances on military exports (table 1, line B-2 and table 2, memorandum line 4).....	334	20	-5	80	239	151	-76
33	Change in miscellaneous Government nonliquid liabilities (table 1, line A-11 and table 2, line B-9).....	1	( <sup>+</sup> )	1	2	-2	4	( <sup>+</sup> )

<sup>+</sup> Preliminary. <sup>-</sup> Less than \$500,000.

1. The entries for the four quarters of fiscal year 1964 for military transactions are based upon incomplete reports. Source: U.S. Department of Commerce, Office of Business Economics.

which are included as debits in line 36 of table 3 and line I11 in table 1.

The direct investment outflow of Europe accounted for about 60 percent of the total. About half of that (including the \$50 million mentioned above) was invested in manufacturing companies and large amounts were also reported by oil companies.

The large capital outflow of \$140 million to the less-developed countries of Asia and Africa shown in table 3 represent in part long-term investments by oil companies but may include also the financing of receivables of their foreign affiliates. Some of these capital outflows, therefore, may have provided temporary funds to oil consuming countries, presumably mostly in Europe. Although some of this outflow of capital through direct investments has a short-term character, this

was offset by inflows, particularly from Canada, which also seem to be of that type.

Several large investments in foreign companies have been announced recently. In view of these developments it does not seem that the direct investment outflow during the first half of the year has been out of line with what can be expected in the near future.

Purchases of new issues of foreign securities placed in the United States increased from \$127 million in the first quarter to \$286 million in the second. About \$100 million of the \$160 million increase were Canadian. Of the remainder, \$50 million were bonds sold by the Inter-American Development Bank. Purchases of Canadian new issues, totaling \$187 million, included \$50 million representing the last portion of a \$300 million issue negotiated early in 1963. The same amount of that

issue had also been purchased in the first quarter. Most of the other securities were issued by public authorities or local governments.

After seasonal adjustment total new foreign issues were about \$250 million. While this is the largest amount since the interest equalization tax was proposed, it was not much more than half of the average amount purchased during the three quarters preceding that proposal. The balance of payments effects of these changes should be evaluated not only on the basis of the decline in new issues since that time, but also by taking into consideration that funds transferred to Canada are more likely to return to the United States than those transferred elsewhere.

Transactions in other foreign securities changed to net liquidations after the interest equalization tax was proposed, and these reached a peak in the first quarter. In the second quarter net sales have declined, but compared with the first half of 1963 the effect of the tax on such transactions would still be well over \$100 million.

The net outflow of funds through long-term bank loans was only \$67 million as against \$230 million in the first quarter, and \$320 million (omitting a large transfer of receivable by banks from a commercial enterprise) in the last quarter of 1963. After adjustment for seasonal variations the decline was even greater, but the outflow of short-term funds reported by banks nearly compensated for this decline.

The composition of this short-term outflow was somewhat different than in previous quarters. While formerly most of the short-term capital outflow reported by banks was in the form of loans and acceptance credits, the second quarter outflow of \$537 million (before seasonal adjustment) included only an increase of about \$190 million in that form. About \$200 million was in other forms of U.S.-dollar claims including U.S.-dollar deposits, and nearly \$150 million in foreign currency assets such as deposits and other liquid investments. A large part of these types of assets reported by banks are held by them for their domestic customers.

The largest part of the rise in dollar

Table 5.—U.S. Short-Term Private Capital, 1963 and 1st Half 1964, by Country and Type  
[Millions of dollars]

	Amount outstanding end of June 1964	Changes <sup>1</sup> (decreases (-))						
		Calendar year 1963 <sup>2</sup>	1963 <sup>2</sup>				1964	
			I	II	III	IV	I <sup>2</sup>	II <sup>2</sup>
<b>Total short-term capital outflow (table 3, line 37, p. 12)</b>	9,286	734	-61	532	-99	362	585	591
Seasonally adjusted (table 1 line I-12)			-36	562	-4	212	610	621
<b>Total reported by U.S. banks<sup>2</sup></b>	6,799	742	-77	402	-74	491	414	537
Seasonally adjusted			-62	492	41	271	429	627
<b>Major financial centers, total</b>	1,670	61	-46	207	-177	77	69	350
United Kingdom	341	4	-24	-9	7	30	-35	151
EEC and Switzerland	495	-28	-43	108	-84	-9	23	56
Canada	834	85	21	108	-100	56	81	143
By type:								
Commercial and financial claims payable in dollars	1,053	36	-28	97	-82	49	25	222
Foreign currency deposits and claims	617	25	-18	110	-95	28	44	128
<b>Other countries, total</b>	5,129	681	-31	195	103	414	345	187
Japan	2,469	431	11	120	19	281	228	69
Latin American Republics	1,722	97	-72	38	89	42	53	80
Other	938	153	30	37	-5	91	64	38
By type:								
Commercial and financial claims payable in dollars	5,013	662	-37	195	97	407	343	166
Foreign currency deposits and claims	116	19	6	( <sup>2</sup> )	6	7	2	21
<b>Total reported by nonfinancial concerns</b>	2,487	-8	16	130	-25	-129	171	54
Seasonally adjusted			26	70	-45	-59	181	-6
<b>Claims of commercial enterprises<sup>3</sup></b>	2,374	-31	16	118	-25	-140	171	49
<b>Major financial centers, total</b>	1,400	-120	-9	97	-13	-195	141	14
United Kingdom	262	-15	-46	5	18	8	-2	39
EEC and Switzerland	332	5	( <sup>2</sup> )	4	( <sup>2</sup> )	1	4	-10
Canada	806	-110	37	88	-31	-204	139	-15
Claims payable in dollars	n.a.	-82	21	116	-34	-185	79	n.a.
Foreign currency deposits and claims	n.a.	-38	-30	-19	21	-10	62	n.a.
<b>Other countries, total</b>	974	89	25	21	-12	55	30	35
Claims payable in dollars	n.a.	94	24	3	-13	80	-11	n.a.
Foreign currency deposits and claims	n.a.	-5	1	18	1	-25	41	n.a.
<b>Claims of brokerage concerns</b>	113	23		12		11		5

<sup>1</sup> Revised. <sup>2</sup> Preliminary. n.a. Not available. <sup>3</sup> Less than \$500,000.

1. Changes adjusted for variations in coverage and therefore do not necessarily correspond to changes computed from reported amounts outstanding.

2. Excludes Exchange Stabilization Fund holdings.

3. 2d quarter 1964 estimated on the basis of partial preliminary reports; amount outstanding at the end of June 1964 estimated on the basis of figures for the end of March 1964 plus the preliminary data on movements during the 2d quarter of 1964.

and foreign currency deposits occurred in June, and much of that was reversed again in July. The total reduction during July in short-term assets reported by banks was over \$170 million, which would support the supposition that a large part of the second quarter outflow of bank-reported capital was for very short-term purposes, perhaps associated with financial reports of the borrowers due at the end of June, or with a temporary increase in financial stringencies abroad.

The moderate second quarter rise in U.S. capital outflow was roughly equal to an increase in capital inflows resulting from higher net purchases by foreigners of U.S. securities, but the latter change may be interpreted as a return from an exceptional situation in the first quarter (when special transactions resulted in relatively large foreign sales), rather than a basic change in these transactions.

### Major changes in area balances

The economic developments here and abroad affected mainly our transactions with Western Europe. A large part of the adverse change in the balance with Western Europe was in transactions in goods and services. There was also a considerable increase in the outflow of private capital, particularly of short-term funds, but some of these have returned in July. Omitting these movements of short-term funds and the "special types" of Government transactions, the second quarter balance on the remaining transactions with Western Europe approximately equalled that for the second quarter of 1963. The balance in the first quarter of 1964 (partly because of various temporarily favorable conditions) was considerably better than a year earlier.

Some deterioration occurred also in the transactions with the less developed countries. These changes were partly offset, however, by an improvement in our balances with Canada, with Australia, New Zealand and South Africa (viewed as one area), and with Japan.

As a result of parallel changes in transactions both with the United

States and with other countries, the total of Western Europe's official monetary reserves (including convertible special government securities and net of convertible currency holdings of U.S. monetary authorities) and of privately held liquid dollar assets increased in the second quarter by about \$800 million, not much less than in the corresponding period of 1963. This was a considerable change from the first quarter of 1964 when Western Europe had net losses of nearly \$200 million compared with gains of close to \$400 million a year earlier. All of the rise in European liquid assets was in official reserves, as those attributed by U.S. banks to foreign private holders remained virtually unchanged.

Gold and dollar gains of the less developed countries in Latin America, Asia and Africa continued, and were slightly more than in the corresponding period a year earlier.

Thus, the second quarter change in the international payments pattern was again characterized by large net payments by the United States and corresponding net receipts by Western Europe. This would indicate that the balance of payments problem, while

less severe than in previous years, continues to require serious attention.

The sharp rise during the second quarter in official reserve position of European countries did not result in increased demands for gold from the United States. The transfer of funds to Europe was accomplished partly through the use by U.S. monetary authorities of convertible currencies. Some of these had been previously accumulated and some were newly drawn from the IMF. In addition, European countries made further net purchases of U.S. convertible, non-marketable medium-term Government securities. A major element in the limited European demand for U.S. gold was also the very large sale of gold by the Soviet Union to finance its purchases of grain. Most of that gold was added to European official gold reserves, which rose during that period by nearly \$400 million. This corresponds to about half of the net gain in the European official reserve position. As a result of these transactions, European holdings of U.S. bank balances and of U.S. money-market securities did not increase during the quarter.

**Table 6.—Changes in Short-Term Official and Banking Liabilities and in Foreign Holdings of Marketable U.S. Government Bonds and Notes**

[Millions of dollars]

	Amount outstanding end of June 1964	Calendar year 1963	Changes during period					
			1963				1964	
			I	II	III	IV	I*	II <sup>†</sup>
<b>I Total (decrease -) (line 50, p. 12) 1</b> .....	25,623	1,564	323	917	192	132	-166	199
<b>II By foreign holders:</b>								
1. Foreign central banks and governments, total	13,337	970	-74	773	145	126	-399	85
a. As reported by U.S. banks.....	12,095	504	-178	592	15	75	-452	80
b. Other.....	1,242	466	104	181	130	51	53	5
2. Foreign commercial banks 2.....	6,053	438	386	75	-31	8	294	86
3. International and regional institutions 1.....	2,655	-238	-65	-46	-15	-112	-85	-26
4. Other foreigners and undetermined.....	3,378	394	76	115	93	110	34	54
<b>III By type of liabilities:</b>								
1. Deposits in U.S. banks.....	12,016	1,131	428	451	56	196	308	1
2. U.S. Government obligations:								
a. Bills and certificates payable in dollars.....	7,941	-641	-422	212	-153	-278	-582	-167
b. Bonds and notes (marketable).....	2,664	671	128	240	215	88	-2	-76
c. Nonmarketable certificates payable in foreign currencies.....	30	-18	-	-23	-25	30	-	-
3. Time deposit certificates, bankers acceptances, commercial paper, and other liabilities.....	2,879	412	189	31	92	100	132	430
4. Other banking liabilities payable in foreign currencies.....	93	9	-	6	7	-4	-22	11

\* Revised. † Preliminary. ‡ Less than \$500,000.

1. Excludes dollar holdings of the IMF except for those acquired by the IMF through gold sales to the U.S. with the option to reverse the transaction. These transactions amounted to \$200 million in 1956, \$300 million in 1959 and \$300 million in 1960; and the corresponding liabilities of \$800 million at the end of 1963 are included in the total liabilities and in those shown to international and regional institutions. Other dollar assets of the IMF at the end of June 1964 were \$3,339 million.

2. Includes banking liabilities to foreign official institutions held through foreign branches of U.S. banks and through foreign commercial banks.



## GNP by Major Industries, 1963

NEW data on gross product originating by industry indicate that the increase in the Nation's total output from 1962 to 1963 was widespread. Relative advances in output of the component industries were generally within a range of 2 to 5 percent.

The latest figures, as well as revised statistics for 1961 and 1962, are shown in Tables 1 and 2. These tables, together with those appearing in the October 1962 SURVEY,<sup>1</sup> provide a continuous annual series on gross product by industry starting with 1947.

Gross product originating in an industry represents the contribution of that industry to total GNP. Industry gross product may be measured as the amount by which the total value of output of an industry exceeds the value of materials and services it buys on current account from other industries. The industry's contribution to GNP may also be derived by summing the respective factor payments (employee compensation, profits, net interest, etc.) and the nonfactor costs of production (indirect business taxes, depreciation,

etc.). Concepts and methods underlying the industry gross product series were described in the October 1962 SURVEY; an explanatory note is available upon request to the Office of Business Economics.

Total GNP, as measured in current dollars, in 1963 rose to \$583.9 billion, 5 percent above 1962. The 1962-63 gains in the goods producing industries—agriculture, mining, construction, and manufacturing—and in transportation and public utilities were below average, while the relative increases for all other industries were larger than for total GNP.

Measured in terms of physical volume, the 1962-63 increase in national output amounted to about 3½ percent, since prices rose about 1½ percent. The relative changes in real product for the industry groups ranged from 2.3 to 5.2 percent—except for contract construction, which rose less than 2 percent, and for communications and public utilities, both of which advanced more than 7 percent.

The 1962-63 increase in total GNP prices is the resultant price changes by industry that were mixed both in direc-

tion and in amount. Continuing their postwar trend, prices for construction, services and government showed the largest relative increases from 1962 to 1963.<sup>2</sup> On the other hand, prices declined in agriculture, mining, transportation, communications, and public utilities.

**Percent Change in GNP, Current and Constant (1954) Dollars, By Industry, 1962-63**

	Current dollars	Constant dollars	Implicit deflator
<b>All industries, total GNP</b> .....	<b>5.0</b>	<b>3.4</b>	<b>1.5</b>
Agriculture, forestry, and fisheries.....	1.3	3.5	-2.2
Mining.....	.8	2.7	-1.8
Contract construction.....	4.2	1.6	2.6
Manufacturing.....	4.5	3.3	1.1
Wholesale and retail trade.....	5.2	4.1	1.1
Finance, insurance and real estate.....	5.4	5.2	.2
Transportation.....	2.9	4.8	-1.8
Communications.....	5.1	7.3	-2.1
Public utilities.....	4.1	7.7	-3.3
Services.....	6.6	3.7	2.8
Government and Government enterprise.....	7.8	2.3	5.3

The revised 1961 and 1962 figures reflect the new national income and gross national product totals which were published in the July 1964 SURVEY, as well as more comprehensive statistical information now available for measuring output by industries. The new information includes the Census Bureau's *Annual Survey of Manufac-*

<sup>2</sup> The qualifications regarding implicit deflators generally, and for these industries particularly, were discussed in the October 1962 SURVEY.

<sup>1</sup> "GNP by Major Industries," SURVEY OF CURRENT BUSINESS, October 1962, pp. 6-18.

**Table 1.—Gross Product in Constant Dollars, by Industry**

	Billions of 1954 dollars						Indexes of gross product in 1954 dollars (1954=100)						Implicit price deflators, index numbers (1954=100) <sup>1</sup>					
	1958	1959	1960	1961	1962	1963	1958	1959	1960	1961	1962	1963	1958	1959	1960	1961	1962	1963
<b>All industries, total (GNP)</b> .....	<b>401.3</b>	<b>428.6</b>	<b>439.9</b>	<b>447.9</b>	<b>476.4</b>	<b>492.6</b>	<b>110.5</b>	<b>118.0</b>	<b>121.2</b>	<b>123.4</b>	<b>131.2</b>	<b>135.7</b>	<b>110.8</b>	<b>112.6</b>	<b>114.2</b>	<b>115.8</b>	<b>116.7</b>	<b>118.5</b>
Agriculture, forestry, and fisheries.....	21.8	21.7	22.8	22.8	22.8	23.6	102.3	101.9	107.0	107.0	107.0	110.8	103.2	97.2	97.4	99.1	100.9	98.7
Farms.....	20.9	20.8	21.8	21.8	21.8	22.6	103.0	102.5	107.4	107.4	107.4	111.3	101.9	96.2	95.9	97.2	98.6	96.0
Mining.....	10.2	10.6	10.8	11.0	11.2	11.5	106.3	110.4	112.5	114.6	116.7	119.8	103.9	104.7	105.6	104.5	105.4	103.5
Contract construction.....	18.4	19.5	19.0	18.6	18.7	19.0	106.4	112.7	109.8	107.5	108.1	109.8	117.4	120.0	124.7	130.6	138.5	142.1
Manufacturing.....	109.7	121.8	122.0	122.0	134.1	138.5	105.7	117.3	117.5	117.5	129.2	133.4	110.2	112.5	114.5	114.7	114.5	115.8
Durable goods industries.....	58.3	66.6	66.9	65.8	74.1	n.a.	97.8	111.7	112.2	110.4	124.3	n.a.	116.3	118.3	119.1	119.5	119.0	n.a.
Nondurable goods industries.....	51.4	55.2	55.1	56.1	60.0	n.a.	116.3	124.8	124.7	126.9	135.7	n.a.	103.3	105.4	108.9	109.3	108.8	n.a.
Wholesale and retail trade.....	71.3	77.1	77.6	78.0	82.6	86.0	109.7	118.6	119.4	120.0	127.1	132.3	110.9	112.1	114.7	117.3	118.4	119.7
Finance, insurance, and real estate.....	50.0	52.2	54.7	56.8	59.5	62.6	121.1	126.4	132.4	137.5	144.1	151.6	107.4	110.3	112.1	114.3	115.0	115.2
Finance and insurance.....	14.4	15.2	16.1	16.4	17.2	n.a.	122.0	128.8	136.4	139.0	145.8	n.a.	106.3	111.2	111.8	115.2	112.2	n.a.
Transportation.....	19.3	21.1	21.6	21.5	22.7	23.8	107.2	117.2	120.0	119.4	126.1	132.2	107.8	103.3	102.8	104.2	104.8	102.9
Railroads.....	8.3	8.6	8.6	8.4	8.8	n.a.	102.5	106.2	106.2	103.7	108.6	n.a.	101.2	96.5	94.2	94.0	92.0	n.a.
Communications.....	8.6	9.2	9.8	10.2	10.9	11.7	132.3	141.5	150.8	156.9	167.7	180.0	102.3	104.3	105.1	106.9	107.3	105.1
Public utilities.....	11.6	12.9	13.8	14.6	15.6	16.8	139.8	155.4	166.3	175.9	188.0	202.4	95.7	93.8	94.9	94.5	93.6	90.5
Services.....	40.4	42.6	44.7	46.4	48.5	50.3	119.2	125.7	131.9	136.9	143.1	148.4	115.1	119.5	121.5	124.1	127.6	131.2
Households and institutions.....	14.5	15.1	16.1	16.7	17.3	18.2	128.3	133.6	142.5	147.8	153.1	161.1	112.4	115.9	120.5	122.8	126.0	129.1
Government and Government enterprises.....	38.0	38.6	39.7	40.7	42.7	43.7	103.8	105.5	108.5	111.2	116.7	119.4	123.2	128.0	133.2	138.3	141.7	149.2
General government.....	33.4	33.8	34.7	35.5	37.3	38.1	103.4	104.6	107.4	109.9	115.5	118.0	125.7	130.5	136.3	142.8	146.1	152.8
Rest of the world.....	2.2	2.3	2.3	3.0	3.3	3.3	137.5	143.8	143.8	187.5	206.3	206.3	95.5	95.7	100.0	96.7	97.0	97.0
Residual <sup>2</sup> .....	-2	-1.0	1.1	2.3	3.7	1.7												

1. Calculated by dividing the total gross product in current dollars by the corresponding gross product in constant (1954) dollars; due to rounding may differ from deflators hitherto published for farms, households and institutions, and general government.

2. Represents GNP measured as sum of final products minus real GNP measured as sum of

industry products. Does not include the statistical discrepancy, as shown in the published GNP accounts, since industry real product has been calculated using industry totals adjusted to include a proportional share of the discrepancy.



# Patterns of Output Growth

THIS is the fifth in a series of articles dealing with patterns of growth rates in a large number of individual products and services.<sup>1</sup> Its purpose is to illustrate the wide variation in production trends of both new and established products during the past 15 years. It brings up to date a similar analysis that appeared just 3 years ago, and expands the list of items to almost 375—approximately 70 more than appeared in the previous tabulation. While the expanded list is by no means all inclusive, it represents a broad spectrum of products and industries.

On a weighted basis the coverage of the present list is substantial. The manufacturing and mining products in-

<sup>1</sup> Earlier articles appeared in the following issues of the SURVEY: January 1953, April 1957, May 1959, and September 1961.

**Table 1.—Frequency Distribution of Average Annual Growth Rates for 339 Products, Based on Change from 1948 to 1963**

	Number of products	Percent of total
<b>Fast growing:</b>		
25 percent and over.....	6	
20 to 24.9 percent.....	7	
15 to 19.9 percent.....	10	
10 to 14.9 percent.....	27	
7.5 to 9.9 percent.....	20	
<b>Total.....</b>	<b>70</b>	<b>20</b>
<b>Moderately growing:</b>		
6 to 7.4 percent.....	19	
5 to 5.9 percent.....	13	
3.5 to 4.9 percent.....	39	
<b>Subtotal.....</b>	<b>71</b>	<b>21</b>
2 to 3.4 percent.....	50	
1 to 1.9 percent.....	38	
0 to 0.9 percent.....	26	
<b>Subtotal.....</b>	<b>114</b>	<b>34</b>
<b>Total.....</b>	<b>185</b>	<b>55</b>
<b>Declining:</b>		
0 to 1.9 percent.....	33	
2 to 4.9 percent.....	24	
5 to 6.9 percent.....	11	
7 to 9.9 percent.....	11	
10 percent and over.....	5	
<b>Total.....</b>	<b>84</b>	<b>25</b>
<b>Grand total.....</b>	<b>339</b>	<b>100</b>

cluded in table A on page 24 account for roughly two-thirds of the total weight of the Federal Reserve Board's index of industrial production. Except for instruments and miscellaneous manufacturing, products from all of the two-digit SIC manufacturing industries are included.

Some important qualifications noted in the earlier articles bear repeating. The list represents only a small fraction of the total number of products in the economy. For the most part it is limited to items for which consistent annual production data, measured in physical units, are readily available from trade and Government sources.<sup>2</sup> Notably lacking from this compilation are those products, like machinery, where output cannot be easily measured on a physical basis unless highly detailed specifications are used. The list also tends to exclude data for very new products because of the lag in the collection of such statistics. Furthermore there is no consistency regarding classification detail among the 374 products: certain products are very narrowly defined, e.g., food disposals; others are given in terms of a broad classification, e.g., finished steel products.

It is important to keep in mind that while a simple count of physical units is very useful for many purposes, production changes may also come about from changes in product mix and in quality. Shifts of the kind that affect average price per physical unit are reflected in changes in the GNP, even when the number of units produced remains constant.

### Basis of classification

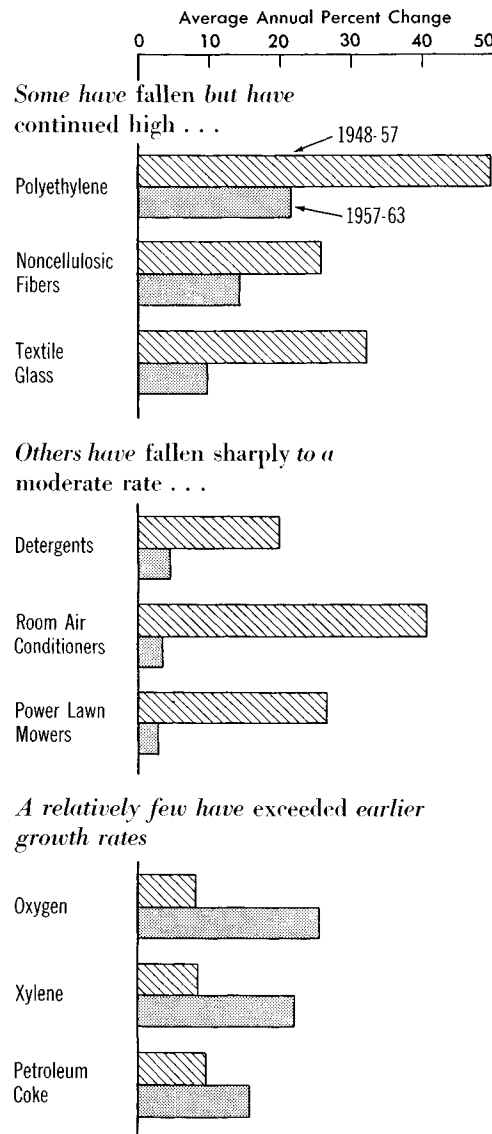
Table A divides the total list into two main groups. The basic list con-

<sup>2</sup> Where production figures are not available data are given for sales or consumption.

tains 339 products for which production data are available for all years from 1948 to 1963. A supplementary list

### Growth Rate Patterns

*Of the products that grew rapidly from 1948 to 1957, the great majority slowed down from 1957 to 1963*



Data: Government and Private Agencies

includes an additional 35 products, mostly new, for which output figures became available at various dates after 1948.

The basic table provides production data for 1948 and for each year from 1960 through 1963. It shows average annual rates of growth for the entire period 1948-63, and also for the following subperiods: 1948-53, 1953-57, 1948-57, 1957-60, 1960-63, and 1957-63. Each of the above terminal years represents a business cycle peak. The products are arrayed according to the size of the average annual growth rate for the period 1948-63, as shown in the sixth column.

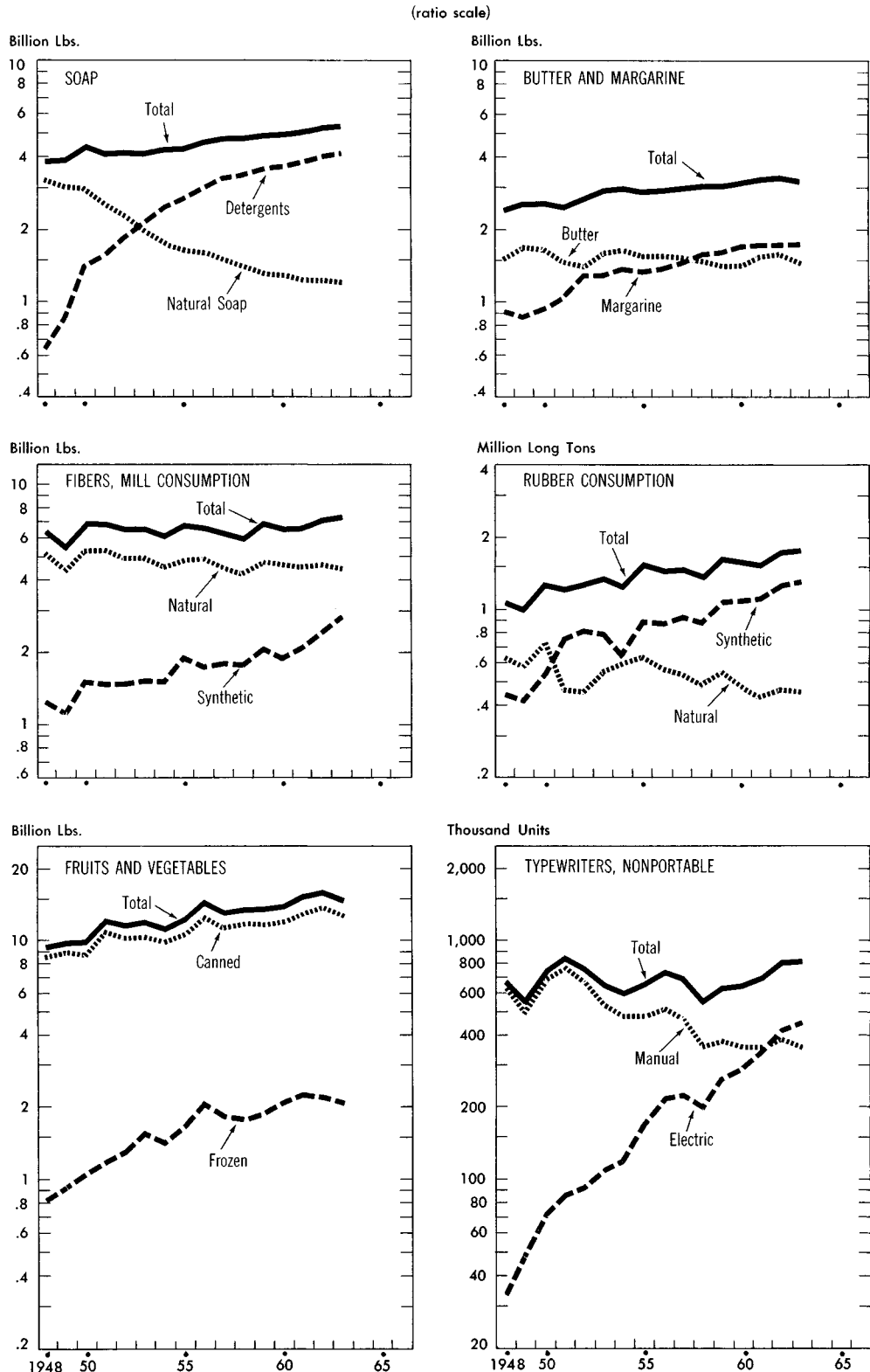
The basic list has been further classified into three broad groups: fast-growing, moderately-growing, and declining. Fast-growing items in table A are those with a growth rate of 7½ percent or more per year (based on 1948-63), that is, with a growth rate approximately twice as large (or more) as that of national output measured by real GNP. The 7½ percent dividing line between fast growing and moderately growing has been employed in previous articles in this series. It is a useful standard but it is obviously arbitrary.

**Growth rate patterns, 1948-63**

Approximately one-fifth of all items are classified as fast growing; more than half are in the moderately-growing group, and one-fourth show negative growth rates. A frequency distribution of average annual rates appears in table 1. For all items combined, the average (mean) growth rate from 1948 to 1963 was 3.7 percent per year, about the same as the expansion in real GNP.

The 70 items in the rapidly expanding group increased at an average rate of 15 percent in the 1948-63 period; nearly three-fourths of them exceeded 10 percent per year. The fast-growing group includes old established lines as well as relatively newly-developed products introduced in the period from the mid-30's to the mid-40's. As might be expected, the newer products in this group experienced the higher rates of growth, averaging close to 20 percent per year,

**Output Growth of New Products in Postwar Period Has Often Been at the Expense of Older Established Lines**





as compared with about 10 percent for the older items.

Practically all of the products within the moderately-growing group are well established, and they represent a high proportion of U.S. industrial output.

For a relatively large number of products, a reduction in output is revealed, despite the substantial expansion in total production since the early postwar period. Most of the products in the declining group are still being produced in large volume, and for some the decreases in output were from abnormally high production levels in 1948. This is particularly true of items where output was earlier discontinued or sharply curtailed because of conversion to war production—such as refrigerators, washing machines, men's suits and overcoats, and some types of farm machinery. But the development of substitutes has also adversely affected production of many products such as wool, coal, soap, and butter, to mention a few.

The growth of supplies from foreign sources has affected domestic output for some products. Thus, although domestic consumption of iron ore has increased substantially, the importation of large quantities of this raw material is associated with a declining trend in domestic iron ore output.

#### Impact of new products on established lines

Most "new" products are substitutes for older, established lines. The rapid growth of output of many of the prod-

**Table 2.—Distribution of Average Annual Growth Rates for 339 Products, 1948-57 Compared with 1957-63**

	1948-57		1957-63				
	Number of products	Percent of total	Fast		Moderate		Declining
			7.5 percent and over	3.5 to 7.4 percent	0 to 3.4 percent		
			Number of products				
Fast: 7.5 percent and over.....	81	24	35	26	9	11	
Moderate: 3.5 to 7.4 percent. 0 to 3.4 percent....	71 97	21 29	9 3	28 25	23 47	11 22	
Declining.....	90	26	3	12	21	54	
<b>Total.....</b>	<b>339</b>	<b>100</b>	<b>50</b>	<b>91</b>	<b>100</b>	<b>98</b>	
Percent of total.....		100	15	27	29	29	

ucts introduced into the market in the past two decades or so has frequently been accompanied by a decline in products that have been on the market for a long time. The chart on page 22 provides some examples of these contrasting trends.

The net expansion of the new and old products together is frequently small. For the six combinations shown in the chart, average annual growth rates ranged from 0.8 percent for fibers (-0.9 for natural fibers and 5.6 percent for synthetics) to 3.4 percent for rubber (-2.1 percent for natural rubber and 7.5 percent for synthetic rubber). It is important to keep in mind that these combined rates are unweighted. When average unit values of old and new products are widely different (as with manual and electric typewriters, for example), the combined output change computed with unit value weights may show a marked departure from the unweighted change.

#### Rates have varied over time

Within the 15-year span from 1948 to 1963 growth rates of individual commodities and services have, for a number of reasons, varied considerably. The decline in the growth of real GNP, from an average of 3.8 percent per year from 1948 to 1957 to 3.2 percent from 1957 to 1963, was reflected in a general lowering of rates for individual products. Moreover, final demand patterns shifted, causing shifts in the production of final products and materials used in their manufacture. Growth of many new products that had found very wide acceptance in the earlier years diminished. Some of these shifts are summarized in table 2, which provides a cross-tabulation of growth rates for 339 items for the period 1948-57 and for 1957-63.

The proportion of items classified as fast growing drops from 24 percent in the 1948-57 period to 15 percent in the period from 1957 to 1963. The group showing declines, which was 26 percent in the early period, was 29 percent in the later period. Although it is not shown in the table, 55 percent of the 339 items grew more slowly or declined more rapidly from 1957 to 1963 than in the postwar and Korean periods.

Of the 81 items classified as fast growing in the 1948-57 period, only 35 remained in this group in the more recent period, and of this number, only 12 exceeded earlier output rates. Among the latter were oxygen, helium, toluene, formaldehyde, plastic and resin materials, electric blankets, blenders, and air freight transportation. There were 46 items earlier classified as fast growing, based on 1948-57 change, that do not appear in this category on the basis of 1957-63 performance. Of these, 35 had lower positive rates and 11 products had negative rates. Illustrations of these shifts are given in the chart on page 21.

On the other hand, of the 90 items showing 1948-57 declines, only 54 continued to show negative rates for the later period. The remainder in this category had positive growth rates from 1957 to 1963, with a few shifting to the fast-growing group.

#### Acceleration in rates since 1960

Because the national growth rate has shown an acceleration since 1960, it is of some interest to divide the 6-year span from 1957 to 1963 into two sub-periods: 1957-60 and 1960-63. A 3-year span, of course, is very short for growth rate calculations. Moreover, under these circumstances the use of 1960 as a dividing point is not entirely satisfactory, since the entire second half of 1960 was a period of declining output, and some cyclical elements are undoubtedly present in the comparisons

**Table 3.—Distribution of Average Annual Growth Rates for 339 Products, 1957-60 Compared With 1960-63**

	1957-60		1960-63				
	Number of products	Percent of total	Fast		Moderate		Declining
			7.5 percent and over	3.5 to 7.4 percent	0 to 3.4 percent		
			Number of products				
Fast: 7.5 percent and over.....	54	16	31	13	4	6	
Moderate: 3.5 to 7.4 percent. 0 to 3.4 percent....	72 89	21 26	10 12	37 25	22 35	3 17	
Declining.....	124	37	17	25	37	45	
<b>Total.....</b>	<b>339</b>	<b>100</b>	<b>70</b>	<b>100</b>	<b>98</b>	<b>71</b>	
Percent of total.....		100	21	29	29	21	





Table A.—Production of Selected Products and Services, 1948, and 1960-63, and Average Annual Rates of Growth for Specified Time Periods<sup>1</sup>—Continued

Main data table with columns: Product or service, Unit of measure, Production (1948, 1960, 1961, 1962, 1963), and Average annual rates of growth (1948-63, 1948-53, 1953-57, 1957-60, 1960-63, 1948-57, 1957-63). Includes a sub-section header 'Moderately growing—Increases at an average annual rate of 0 to 7.4 percent 1948-63—Continued'.

Showing declining trends, 1948-63

Continuation of Table A, showing products with declining trends. Columns are identical to the main table, listing products like Railroad revenue freight ton-miles, Lead, refined, production, etc.

















Table header with columns for years 1962, 1963, and 1964, and months July, Aug., Sept., Oct., Nov., Dec., Jan., Feb., Mar., Apr., May, June, July, Aug.

GENERAL BUSINESS INDICATORS—Continued

Main data table with 16 columns and rows categorized by industry (Manufacturers' Sales, Inventories, and Orders) and market category (Home goods, consumer staples, etc.).

\* Revised. † Monthly average. ‡ Advance estimate. § Data for total and components (incl. market categories) are monthly averages based on new orders not seasonally adjusted. ¶ See corresponding note on p. S-5. ¶ Includes data for items not shown separately. ⊕ Includes textile mill products, leather and products, paper and allied products, and printing and publishing industries; unfilled orders for other nondurable goods industries are zero. ¶ For these industries (food and kindred products, tobacco products, apparel and related products, petroleum and coal products, chemicals and allied products, and rubber and plastics products) sales are considered equal to new orders.

























Table with columns for years 1962, 1963, 1964 (Jan-Aug) and rows for Consumer Credit (Total outstanding, Unadjusted, Seasonally adjusted), Federal Government Finance (Net cash transactions, Budget receipts and expenditures, Public debt and guaranteed obligations), and Life Insurance (Assets, Stocks, Mortgage loans, Payments to policyholders).

Revised, Preliminary, End of year; assets of life insurance companies are annual statement values. See similar note on p. S-17. Other than borrowing. Data for net receipts and total expenditures reflect exclusion of certain interfund transactions. Revisions available upon request are as follows: Net cash transactions with the public (seas. adj.), 1962-1st qtr. 1963; assets all life insurance cos., Jan.-May 1963.



Unless otherwise stated, statistics through 1962 and descriptive notes are shown in the 1963 edition of BUSINESS STATISTICS	1962	1963	1963						1964						
	Monthly average		July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July

FINANCE—Continued

LIFE INSURANCE—Continued																
Life Insurance Agency Management Association: Insurance written (new paid-for insurance): †																
Value, estimated total.....mil. \$.	6,631	7,455	7,179	7,082	7,361	8,406	7,537	9,281	6,932	7,563	8,553	9,090	7,987	8,917	7,695	-----
Ordinary.....do.....	4,686	5,284	5,192	5,149	5,099	5,996	5,548	6,096	5,070	5,336	6,124	6,908	5,913	6,155	5,836	-----
Group and wholesale.....do.....	1,358	1,574	1,417	1,339	1,662	1,764	1,388	2,651	1,350	1,609	1,798	2,174	1,427	2,140	1,286	-----
Industrial.....do.....	587	596	570	594	600	646	601	534	512	618	631	608	647	622	573	-----
Premiums collected:																
Total life insurance premiums.....do.....	1,052	1,125	1,127	1,127	1,066	1,154	1,065	1,351	1,168	1,152	1,179	1,157	1,135	1,174	-----	-----
Ordinary.....do.....	778	842	853	847	799	876	811	929	889	878	867	879	856	883	-----	-----
Group and wholesale.....do.....	155	167	166	174	160	170	150	205	173	164	177	176	172	190	-----	-----
Industrial.....do.....	120	116	108	106	106	108	105	217	106	110	105	102	107	100	-----	-----
MONETARY STATISTICS																
Gold and silver:																
Gold:																
Monetary stock, U.S. (end of yr. or mo.).....mil. \$.	115,978	115,513	15,633	15,582	15,582	15,583	15,582	15,513	15,512	15,462	15,461	15,462	15,463	15,461	15,462	15,461
Net release from earmark †.....do.....	-66	-21	-169	-44	-3	107	-23	94	55	15	109	49	-21	-48	43	-----
Exports.....thous. \$.	31,747	18,982	189	83	56,286	28,139	28,416	28,142	56,294	84,438	28,334	56,307	28,155	4	28,146	-----
Imports.....do.....	12,578	3,701	9,769	7,566	1,321	1,749	2,094	2,489	2,404	2,011	2,357	1,813	1,855	2,379	2,082	-----
Production, world total.....mil. \$.																
South Africa.....do.....	74.4	80.0	81.6	81.7	80.9	82.0	81.6	78.6	78.7	79.9	84.9	82.3	-----	-----	-----	-----
Canada.....do.....	12.1	11.6	10.9	11.7	11.5	12.2	11.7	10.8	10.7	9.8	10.3	11.6	10.7	-----	-----	-----
United States.....do.....	4.5	4.3	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Silver:																
Exports.....thous. \$.	1,262	3,480	265	1,624	2,945	5,756	11,439	3,780	5,230	7,010	4,623	11,310	3,883	4,672	6,341	-----
Imports.....do.....	6,208	5,910	6,013	4,865	6,798	7,178	4,658	6,433	6,638	6,189	6,007	3,097	7,168	5,010	6,707	-----
Price at New York.....dol. per fine oz.	1.084	1.279	1.290	1.288	1.293	1.293	1.293	1.293	1.293	1.293	1.293	1.293	1.293	1.293	1.293	1.293
Production:																
Canada.....thous. fine oz.	2,556	2,487	2,216	2,908	2,285	2,707	2,890	2,263	2,550	1,986	2,224	2,372	2,673	-----	-----	-----
Mexico.....do.....	3,437	3,286	3,587	3,350	3,245	2,542	3,489	3,373	3,321	3,924	3,049	3,444	-----	-----	-----	-----
United States.....do.....	3,029	3,843	3,806	3,328	3,707	3,218	3,682	3,593	3,000	4,150	3,776	3,996	3,974	4,879	-----	-----
Currency in circulation, end of yr. or mo.....bil. \$.	135.3	137.7	35.7	35.8	35.9	36.2	37.2	37.7	36.2	36.3	36.8	36.9	37.2	37.7	37.8	-----
Money supply and related data (avg. of daily fig.): ‡																
Unadjusted for seas. variation:																
Total money supply.....bil. \$.	146.2	150.6	149.5	149.2	150.6	152.5	154.8	157.2	157.8	153.8	152.9	155.0	152.4	153.6	155.2	155.1
Currency outside banks.....do.....	30.1	31.5	31.8	31.9	31.9	32.1	32.6	33.1	32.4	32.3	32.6	32.7	33.0	33.3	33.7	33.8
Demand deposits.....do.....	116.1	119.0	117.7	117.3	118.6	120.4	122.1	124.1	125.4	121.5	120.3	122.3	119.4	120.3	121.5	121.3
Time deposits adjusted †.....do.....	91.1	105.5	106.2	107.5	108.3	109.5	110.2	111.0	113.2	114.6	115.7	116.7	118.1	119.2	120.1	121.1
U.S. Government deposits.....do.....	5.9	5.9	7.8	6.3	6.6	5.3	4.4	5.2	4.2	4.8	6.1	4.2	6.9	7.8	7.0	6.4
Adjusted for seas. variation:																
Total money supply.....do.....	-----	-----	151.0	151.2	151.6	152.3	153.5	153.2	153.8	153.8	154.2	154.5	154.5	155.6	156.7	157.2
Currency outside banks.....do.....	-----	-----	31.6	31.8	31.9	32.0	32.4	32.6	32.6	32.7	32.9	33.0	33.3	33.4	33.5	33.7
Demand deposits.....do.....	-----	-----	119.4	119.5	119.7	120.3	121.2	120.7	121.2	121.1	121.3	121.5	121.3	122.1	123.3	123.5
Time deposits adjusted †.....do.....	-----	-----	105.6	107.1	108.1	109.3	111.1	112.3	113.9	115.1	115.7	116.4	117.4	118.5	119.4	120.6
Turnover of demand deposits except interbank and U.S. Govt., annual rates, seas. adjusted:																
Total (344 centers).....ratio of debits to deposits.	41.5	44.3	45.8	44.9	46.8	46.2	43.6	46.3	47.1	44.8	46.7	49.1	46.8	47.5	50.3	47.6
New York City.....do.....	77.8	84.8	85.1	88.9	96.9	87.2	80.7	89.0	92.1	86.2	91.6	95.5	90.9	94.5	103.8	96.0
6 other centers*.....do.....	41.2	44.6	46.8	44.2	46.7	48.4	46.0	47.5	47.8	45.4	46.9	49.3	47.6	47.1	49.1	47.1
337 other reporting centers.....do.....	27.7	29.0	30.3	29.5	29.9	30.1	29.0	29.8	30.6	29.5	30.1	31.6	30.4	30.5	31.2	30.5
PROFITS AND DIVIDENDS (QTRLY.)																
Manufacturing corps. (Fed. Trade and SEC):																
Net profit after taxes, all industries.....mil. \$.	4,430	4,871	-----	4,785	-----	-----	-----	5,461	-----	5,121	-----	6,121	-----	-----	-----	-----
Food and kindred products.....do.....	342	362	-----	417	-----	-----	-----	397	-----	341	-----	400	-----	-----	-----	-----
Textile mill products.....do.....	88	88	-----	97	-----	-----	-----	103	-----	85	-----	108	-----	-----	-----	-----
Lumber and wood products (except furniture).....mil. \$.	41	62	-----	96	-----	-----	-----	55	-----	61	-----	93	-----	-----	-----	-----
Paper and allied products.....do.....	157	158	-----	153	-----	-----	-----	194	-----	162	-----	194	-----	-----	-----	-----
Chemicals and allied products.....do.....	560	607	-----	606	-----	-----	-----	636	-----	630	-----	765	-----	-----	-----	-----
Petroleum refining.....do.....	809	958	-----	938	-----	-----	-----	1,117	-----	1,022	-----	960	-----	-----	-----	-----
Stone, clay, and glass products.....do.....	145	148	-----	204	-----	-----	-----	145	-----	70	-----	217	-----	-----	-----	-----
Primary nonferrous metal.....do.....	133	141	-----	129	-----	-----	-----	160	-----	174	-----	200	-----	-----	-----	-----
Primary iron and steel.....do.....	180	234	-----	184	-----	-----	-----	265	-----	262	-----	325	-----	-----	-----	-----
Fabricated metal products (except ordnance, machinery, and transport. equip.).....mil. \$.	152	167	-----	202	-----	-----	-----	171	-----	152	-----	227	-----	-----	-----	-----
Machinery (except electrical).....do.....	327	358	-----	362	-----	-----	-----	363	-----	416	-----	553	-----	-----	-----	-----
Elec. machinery, equip., and supplies.....do.....	305	325	-----	312	-----	-----	-----	370	-----	323	-----	361	-----	-----	-----	-----
Transportation equipment (except motor vehicles, etc.).....mil. \$.	110	111	-----	114	-----	-----	-----	109	-----	111	-----	150	-----	-----	-----	-----
Motor vehicles and equipment.....do.....	572	640	-----	365	-----	-----	-----	807	-----	822	-----	945	-----	-----	-----	-----
All other manufacturing industries.....do.....	508	510	-----	607	-----	-----	-----	570	-----	489	-----	622	-----	-----	-----	-----
Dividends paid (cash), all industries.....do.....	2,320	2,467	-----	2,164	-----	-----	-----	3,131	-----	2,410	-----	2,600	-----	-----	-----	-----
Electric utilities, profits after taxes (Federal Reserve) †.....mil. \$.	516	546	-----	529	-----	-----	-----	532	-----	660	-----	542	-----	-----	-----	-----
Transportation and communications (see pp. S-23 and S-24).....do.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
SECURITIES ISSUED																
Securities and Exchange Commission: ‡																
Estimated gross proceeds, total.....mil. \$.	2,496	2,635	2,089	1,980	1,673	2,977	2,117	2,312	2,482	2,022	2,121	4,930	2,267	3,056	2,486	-----
By type of security:																
Bonds and notes, total.....do.....	2,352	2,521	1,989	1,880	1,586	2,852	1,958	2,229	2,360	1,933	2,031	3,559	2,119	2,686	2,261	-----
Corporate.....do.....	747	906	710	656	784	992	732	1,376	863	621	714	863	1,008	1,091	668	-----
Common stock.....do.....	109	85	65	61	81	91	106	53	95	80	87	1,349	98	289	167	-----
Preferred stock.....do.....	35	29	35	39	5	34	54	30	27	8	3	23	50	82	57	-----

† Revised. ‡ End of year. § Estimated; excludes U.S.S.R., other Eastern European countries, China (mainland, and North Korea. ¶ Effective Aug. 1962 for silver in commercial bar form (priced 1/4 cent higher than on former basis; 3/10 cent higher effective Nov. 15, 1962). \*\* Based on refinery production (U.S. Bu. of Mint data); not comparable with later figures shown, which are from Amer. Bu. of Metal Statistics. †† Average of daily figures. ††† Quarterly average. †††† Corrected.

† Revisions will be shown later as follows: Insurance written for Jan.-Apr. 1963 (all series) and 1962 (total and ordinary); profits of electric utilities, 1962; securities issued, 1961-62. Revisions back to 1947 for money supply and related data are available in the June 1964 Fed. Res. Bulletin; these revisions result from adjustments to new benchmarks and from revisions of seasonal factors beginning 1955. § Or increase in earmarked gold (-). ¶ Time deposits at all commercial banks other than those due to domestic commercial banks and the U.S. Govt. †† Includes Boston, Philadelphia, Chicago, Detroit, San Francisco, and Los Angeles.

Unless otherwise stated, statistics through 1962 and descriptive notes are shown in the 1963 edition of BUSINESS STATISTICS	1962	1963	1963						1964							
	Monthly average		July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
<b>FINANCE—Continued</b>																
<b>SECURITIES ISSUED—Continued</b>																
<b>Securities and Exchange Commission—Continued</b>																
Estimated gross proceeds—Continued																
By type of issuer:																
Corporate, total $\phi$ .....mil. \$..	892	1,020	810	756	871	1,116	891	1,459	985	710	805	2,234	1,155	1,461	892	-----
Manufacturing.....do.....	271	295	330	279	287	247	226	531	166	128	165	195	217	374	225	-----
Extractive (mining).....do.....	17	18	4	13	6	18	17	2	54	10	30	45	14	20	8	-----
Public utility.....do.....	235	222	191	124	79	278	174	203	137	161	195	174	501	271	227	-----
Railroad.....do.....	19	36	26	8	51	17	27	44	30	35	24	48	25	22	54	-----
Communication.....do.....	109	91	92	97	40	46	16	65	159	84	36	1,385	27	269	24	-----
Financial and real estate.....do.....	158	260	93	161	358	453	345	426	335	113	329	270	232	459	285	-----
Noncorporate, total $\phi$ .....do.....	1,604	1,615	1,279	1,224	802	1,861	1,226	853	1,497	1,312	1,316	2,696	1,112	1,595	1,593	-----
U.S. Government.....do.....	716	601	413	398	347	394	333	357	474	413	399	1,444	367	383	387	-----
State and municipal.....do.....	713	842	789	726	452	1,282	688	483	1,006	810	844	1,204	660	900	922	-----
New corporate security issues:																
Estimated net proceeds, total.....do.....	875	1,007	797	745	862	1,101	879	1,444	972	702	796	2,215	1,141	1,441	877	-----
Proposed uses of proceeds:																
New money, total.....do.....	687	749	588	566	730	912	606	1,098	845	523	677	2,094	953	1,292	716	-----
Plant and equipment.....do.....	471	450	374	269	373	368	354	674	473	330	341	1,788	662	720	455	-----
Working capital.....do.....	216	299	214	297	357	544	252	424	372	193	336	306	292	572	262	-----
Retirement of securities.....do.....	63	127	121	107	67	88	61	30	43	17	42	37	72	63	81	-----
Other purposes.....do.....	126	130	89	71	65	100	212	316	85	162	77	83	116	86	80	-----
State and municipal issues (Bond Buyer):																
Long-term.....do.....	713	842	789	726	452	1,282	688	483	1,006	810	844	1,204	660	900	922	742
Short-term.....do.....	397	457	392	567	283	427	613	259	267	470	593	869	515	393	222	455
<b>SECURITY MARKETS</b>																
<b>Brokers' Balances (N.Y.S.E. Members Carrying Margin Accounts)</b>																
Cash on hand and in banks.....mil. \$..	1,405	1,461	423	406	431	423	478	461	464	465	474	458	448	466	451	-----
Customers' debit balances (net).....do.....	14,149	15,541	4,920	5,057	5,356	5,524	5,621	5,541	5,546	5,405	5,387	5,531	5,458	5,388	5,314	-----
Customers' free credit balances (net).....do.....	11,216	11,210	1,126	1,093	1,180	1,176	1,211	1,210	1,262	1,199	1,231	1,165	1,138	1,146	1,114	-----
Money borrowed.....do.....	2,820	4,481	3,865	3,956	4,169	4,251	4,485	4,481	4,251	4,191	4,156	4,428	4,475	4,431	4,395	4,281
<b>Bonds</b>																
Prices:																
Standard & Poor's Corporation:																
Industrial, utility, and railroad (A1+ issues):																
Composite (19 bonds) $\phi$ .....dol. per \$100 bond..	96.2	96.8	96.6	96.5	95.9	95.9	95.9	95.4	95.3	95.7	95.2	94.6	94.7	94.9	95.2	95.3
Domestic municipal (15 bonds).....do.....	112.1	111.3	110.3	111.4	110.7	109.9	108.5	109.5	111.2	112.3	109.9	110.3	111.6	111.8	112.1	111.8
U.S. Treasury bonds, taxable $\phi$ .....do.....	86.94	86.31	86.16	86.45	85.77	85.50	85.03	84.64	84.42	84.60	84.10	83.84	84.38	84.70	84.70	84.59
Sales:																
Total, excl. U.S. Government bonds (SEC):																
All registered exchanges:																
Market value.....mil. \$..	144.14	145.04	116.30	128.95	120.86	131.47	162.77	322.41	286.79	230.97	253.06	288.43	257.85	242.25	247.56	-----
Face value.....do.....	148.83	137.82	113.84	120.99	113.87	121.30	158.36	240.58	253.71	213.65	240.93	228.37	236.45	229.17	227.28	-----
New York Stock Exchange:																
Market value.....do.....	138.80	138.94	110.37	123.41	113.14	122.60	158.16	317.40	280.62	226.21	244.06	282.05	252.29	235.66	238.63	-----
Face value.....do.....	143.27	132.17	109.00	116.29	107.96	114.33	153.92	235.87	248.73	209.23	232.30	222.06	231.22	221.26	218.63	-----
New York Stock Exchange, exclusive of some stopped sales, face value, total.....mil. \$..	121.21	123.61	95.87	106.74	94.41	107.04	173.13	234.32	284.85	226.12	212.95	226.94	200.45	215.15	190.12	166.90
Yields:																
Domestic corporate (Moody's).....percent..	4.62	4.50	4.49	4.50	4.52	4.52	4.54	4.55	4.56	4.55	4.56	4.58	4.59	4.59	4.58	4.57
By ratings:																
Aaa.....do.....	4.33	4.26	4.26	4.29	4.31	4.32	4.33	4.35	4.37	4.36	4.38	4.40	4.41	4.41	4.40	4.41
Aa.....do.....	4.47	4.39	4.39	4.40	4.41	4.43	4.44	4.46	4.49	4.46	4.47	4.49	4.50	4.51	4.50	4.49
A.....do.....	4.65	4.48	4.47	4.48	4.50	4.51	4.54	4.54	4.56	4.56	4.56	4.59	4.60	4.60	4.58	4.57
Baa.....do.....	5.02	4.86	4.84	4.83	4.84	4.83	4.84	4.85	4.83	4.83	4.83	4.85	4.85	4.85	4.83	4.82
By groups:																
Industrial.....do.....	4.47	4.42	4.43	4.45	4.46	4.47	4.47	4.48	4.50	4.48	4.49	4.53	4.54	4.54	4.52	4.52
Public utility.....do.....	4.51	4.41	4.42	4.42	4.44	4.44	4.45	4.49	4.51	4.51	4.51	4.53	4.53	4.55	4.54	4.54
Railroad.....do.....	4.86	4.65	4.62	4.63	4.65	4.66	4.68	4.68	4.68	4.67	4.67	4.69	4.69	4.70	4.68	4.65
Domestic municipal:																
Bond Buyer (20 bonds).....do.....	3.14	3.18	3.12	3.15	3.19	3.24	3.31	3.26	3.13	3.17	3.32	3.26	3.16	3.20	3.19	3.19
Standard & Poor's Corp. (15 bonds).....do.....	3.18	3.23	3.29	3.22	3.27	3.32	3.41	3.34	3.23	3.17	3.32	3.29	3.21	3.20	3.18	3.20
U.S. Treasury bonds, taxable $\phi$ .....do.....	3.95	4.00	4.01	3.99	4.04	4.07	4.10	4.14	4.15	4.14	4.18	4.20	4.16	4.13	4.13	4.14
<b>Stocks</b>																
Cash dividend payments publicly reported:																
Total dividend payments.....mil. \$..	215,076	216,188	1,081.5	454.3	2,230.6	1,071.4	480.7	3,316.7	1,187.5	594.7	2,377.0	1,131.1	454.2	2,566.0	1,157.8	475.3
Finance.....do.....	2,360	2,487	220.7	96.0	233.1	216.9	124.8	449.2	305.1	209.3	240.2	221.2	104.0	229.3	241.1	115.5
Manufacturing.....do.....	7,823	8,510	355.5	170.1	1,406.0	358.4	165.6	2,164.8	346.2	170.8	1,542.9	353.3	164.5	1,722.5	362.1	166.2
Mining.....do.....	549	582	15.5	2.8	110.0	15.1	3.4	175.1	18.1	2.2	110.6	18.2	3.9	112.3	16.6	4.1
Public utilities:																
Communications.....do.....	1,411	1,456	258.4	3.0	120.1	244.5	3.2	124.2	247.0	3.0	109.6	289.4	3.5	111.6	288.7	3.2
Electric and gas.....do.....	1,773	1,900	133.9	131.9	215.1	134.9	136.7	216.8	135.0	140.1	223.8	140.1	137.5	225.8	141.1	139.7
Railroads.....do.....	353	377	16.7	8.7	56.4	21.2	6.2	87.6	26.4	8.8	62.4	23.8	5.7	63.9	21.1	8.9
Trade.....do.....	606	642	64.2	32.2	62.1	62.9	30.4	62.4	90.2	47.7	57.4	66.7	23.7	65.6	70.3	26.2
Miscellaneous.....do.....	201	232	16.6	9.6	27.8	17.5	10.4	36.6	19.5	12.8	30.1	18.4	11.4	35.0	16.8	11.5
Dividend rates and prices, common stocks (Moody's):																
Dividends per share, annual rate (200 stocks)																
dollars.....do.....	5.99	6.42	6.41	6.41	6.41	6.51	6.80	6.82	6.89	6.91	6.93	6.95	6.97	6.98	7.03	7.05
Industrial (125 stocks).....do.....	6.43	6.98	6.97	6.97	6.97	7.10	7.39	7.41	7.52	7.55	7.56	7.58	7.61	7.61	7.68	7.69
Public utility (24 stocks).....do.....	2.97	3.21	3.21	3.23	3.30	3.30	3.32	3.33	3.33	3.34	3.38	3.38	3.38	3.38	3.39	3.46
Railroad (25 stocks).....do.....	3.36	3.50	3.48	3.48	3.49	3.60	3.60	3.67	3.67	3.70	3.72	3.72	3.72	3.76	3.76	3.76
Bank (15 stocks).....do.....	4.30	4.46	4.45	4.45	4.45	4.45	4.51	4.51	4.54	4.55	4.55	4.55	4.55	4.55	4.55	4.55
Fire insurance (10 stocks).....do.....	5.31	5.84	5.84	5.86	5.86	5.86	5.86	5.86	5.86	5.90	5.90	5.90	5.90	5.90	5.90	6.08
Price per share, end of mo. (200 stocks) $\phi$ .....do.....																
Industrial (125 stocks).....do.....	177.87	202.32	198.29	207.81	206.58	214.67	211.74	216.57	222.47	225.21	227.79	229.62	232.35	236.24	240.48	236.88
Public utility (24 stocks).....do.....	189.95	218.24	214.19	225.11	223.69	234.19	228.76	234.99	241.38	246.19	250.46	251.53	255.45	257.62	263.49	260.03
Public utility (24 stocks).....do.....	91.50	102.79	102.44	107.57	105.14	102.53	100.82	102.31	103.69	104.23	103.13	104.00	104.11	105.40	110.76	110.86
Railroad (25 stocks).....do.....	63.39	78.49	78.81	82.73	79.11	78.73	80.68	84.06	84.81	87.99	88.26	88.66	94.99	99.52	100.64	94.14

$\phi$  Revised.  $\phi$  End of year.  $\phi$  Annual total.  
 $\phi$  Revisions for 1961-62 will be shown later.  $\phi$  Includes data not shown separately.  
 $\phi$  Number of bonds represent number currently used; the change in the number does not affect the continuity of series.

Unless otherwise stated, statistics through 1962 and descriptive notes are shown in the 1963 edition of BUSINESS STATISTICS	1962	1963	1963						1964							
	Monthly average		July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
<b>FINANCE—Continued</b>																
<b>SECURITY MARKETS—Continued</b>																
<b>Stocks—Continued</b>																
<b>Dividend yields and earnings, common stocks (Moody's):</b>																
Yield (200 stocks).....percent..	3.37	3.17	3.23	3.08	3.10	3.03	3.21	3.15	3.10	3.07	3.04	3.03	3.00	2.95	2.92	2.98
Industrial (125 stocks).....do....	3.39	3.20	3.25	3.10	3.12	3.03	3.23	3.15	3.12	3.07	3.02	3.01	2.98	2.95	2.91	2.96
Public utility (24 stocks).....do....	3.25	3.12	3.13	3.00	3.14	3.22	3.29	3.25	3.21	3.20	3.28	3.25	3.25	3.21	3.06	3.12
Railroad (25 stocks).....do....	5.30	4.46	4.42	4.21	4.41	4.57	4.46	4.37	4.33	4.21	4.21	4.20	3.92	3.78	3.74	3.99
Bank (15 stocks).....do....	3.31	3.15	3.12	3.02	3.12	3.08	3.25	3.17	3.13	3.14	3.02	2.99	2.94	2.98	2.95	2.90
Fire insurance (10 stocks).....do....	2.48	2.51	2.54	2.48	2.57	2.52	2.61	2.57	2.52	2.48	2.49	2.46	2.45	2.45	2.39	2.47
<b>Earnings per share (indust., qtrly. at ann. rate; pub. util. and RR., for 12 mo. ending each qtr.):</b>																
Industrial (125 stocks).....dollars..	<sup>1</sup> 11.10	<sup>1</sup> 12.43	-----	-----	11.05	-----	-----	14.45	-----	-----	13.85	-----	-----	<sup>1</sup> 15.15	-----	-----
Public utility (24 stocks).....do....	<sup>2</sup> 4.73	<sup>2</sup> 4.99	-----	-----	4.91	-----	-----	4.99	-----	-----	5.02	-----	-----	5.13	-----	-----
Railroad (25 stocks).....do....	<sup>2</sup> 5.73	<sup>2</sup> 6.29	-----	-----	6.37	-----	-----	6.29	-----	-----	6.81	-----	-----	<sup>1</sup> 6.97	-----	-----
<b>Dividend yields, preferred stocks, 14 high-grade (Standard &amp; Poor's Corp.).....percent..</b>																
	4.50	4.30	4.34	4.30	4.30	4.26	4.28	4.32	4.31	4.31	4.34	4.37	4.41	4.41	4.37	4.29
<b>Prices:</b>																
Dow-Jones averages (65 stocks).....	221.07	253.67	252.72	257.69	262.53	262.16	261.09	266.33	272.31	276.74	282.93	286.09	289.33	290.08	302.02	298.13
Industrial (30 stocks).....do....	639.76	714.81	700.75	714.15	738.52	747.52	743.24	759.94	776.62	793.03	812.18	820.94	823.12	817.63	844.24	835.30
Public utility (15 stocks).....do....	121.75	138.36	138.73	142.83	142.74	138.68	137.59	137.77	140.19	140.09	139.25	139.02	140.86	141.56	147.37	149.24
Railroad (20 stocks).....do....	132.61	165.30	170.62	172.93	172.71	170.41	171.16	176.16	180.93	184.55	191.97	196.15	202.08	206.59	218.78	211.25
<b>Standard &amp; Poor's Corporation:<sup>3</sup></b>																
<b>Industrial, public utility, and railroad:</b>																
Combined index (500 stocks)....1941-43=100..	62.38	69.87	69.07	70.98	72.85	73.03	72.62	74.17	76.45	77.39	78.80	79.94	80.72	80.24	83.22	82.00
<b>Industrial, total (425 stocks) <sup>4</sup>.....do....</b>																
	65.54	73.39	72.45	74.43	76.63	77.09	76.69	78.38	80.85	81.96	83.64	84.92	85.79	85.13	88.19	86.70
<b>Capital goods (122 stocks).....do....</b>																
	58.15	63.30	61.82	63.30	64.96	65.57	66.45	68.54	71.89	72.92	75.48	76.52	76.50	75.85	77.76	75.91
<b>Consumers' goods (188 stocks).....do....</b>																
	54.96	62.28	61.41	63.45	66.45	67.09	66.44	66.38	67.36	68.11	70.15	70.93	72.67	72.42	75.47	75.40
<b>Public utility (50 stocks).....do....</b>																
	59.16	64.99	64.47	66.57	67.09	65.55	64.81	65.64	67.26	67.20	66.78	67.30	67.29	67.46	70.35	71.17
<b>Railroad (25 stocks).....do....</b>																
	30.56	37.58	38.75	39.22	39.00	38.31	38.60	39.92	41.00	41.54	42.88	43.27	44.86	46.29	48.93	47.17
<b>Banks:</b>																
<b>New York City (10 stocks).....do....</b>																
	33.75	36.75	36.87	37.76	38.33	37.04	36.67	36.29	37.60	37.06	38.49	39.20	39.88	38.91	39.78	39.71
<b>Outside New York City (16 stocks).....do....</b>																
	66.19	74.81	75.29	76.82	77.31	76.05	75.24	75.37	77.39	76.90	77.17	77.66	76.69	76.98	76.98	76.58
<b>Fire and casualty insurance (22 stocks).....do....</b>																
	57.43	63.38	62.58	63.61	64.96	63.79	63.00	63.73	65.46	66.19	67.06	67.07	67.62	66.96	68.31	68.27
<b>Sales (Securities and Exchange Commission):</b>																
<b>Total on all registered exchanges:</b>																
Market value.....mil. \$..	4,561	5,359	4,533	5,033	6,093	7,049	6,003	6,156	7,649	5,317	6,401	6,982	6,072	5,683	6,181	-----
Shares sold.....millions..	139	153	132	144	170	184	149	169	200	140	185	210	168	155	170	-----
<b>On New York Stock Exchange:</b>																
Market value.....mil. \$..	3,945	4,574	3,827	4,215	5,161	5,943	5,082	5,154	6,149	4,280	5,325	5,933	5,196	4,745	5,266	-----
Shares sold (cleared or settled).....millions..	99	113	96	102	123	136	111	123	145	102	137	156	125	114	125	-----
<b>Exclusive of odd-lot and stopped stock sales (N.Y. S.E.; sales effected).....millions..</b>																
	80	96	76	92	107	122	94	99	117	88	114	124	99	96	103	82
<b>Shares listed, N.Y. Stock Exchange, end of mo.:</b>																
Market value, all listed shares.....bil. \$..	339.29	386.63	382.21	400.96	396.24	407.24	401.60	411.32	422.51	428.42	436.79	441.72	447.62	455.01	464.54	458.12
Number of shares listed.....millions..	7,464	7,906	7,952	7,972	8,010	8,029	8,042	8,108	8,183	8,214	8,301	8,378	8,480	8,841	8,941	8,981

**FOREIGN TRADE OF THE UNITED STATES**

<b>FOREIGN TRADE</b>																
<b>Value<sup>†</sup></b>																
Exports (mdse.), incl. reexports, total <sup>1</sup> .....mil. \$..	1,806.0	1,934.0	1,818.0	1,903.2	1,823.5	2,079.8	2,104.5	2,155.4	2,117.5	2,091.5	2,179.3	2,206.7	2,256.6	2,099.1	2,114.1	-----
Excl. Dept. of Defense shipments.....do....	1,745.4	1,857.3	1,713.6	1,810.7	1,765.5	2,023.0	2,028.5	2,092.3	2,025.0	1,994.5	2,127.2	2,120.4	2,204.3	2,031.1	2,039.3	-----
Seasonally adjusted.....do....	-----	-----	1,823.0	1,894.6	1,979.6	1,946.4	1,944.6	2,049.4	2,037.3	2,028.7	2,077.5	2,046.0	2,052.1	2,004.3	2,111.4	-----
<b>By geographic regions:<sup>Δ</sup></b>																
Africa.....do....	81.8	82.4	87.4	78.6	79.1	79.3	92.6	95.6	86.2	95.6	93.2	99.1	115.2	103.9	98.7	-----
Asia.....do....	343.7	398.1	395.2	401.7	381.2	442.4	438.0	489.7	449.4	420.1	406.8	410.4	450.6	372.3	439.1	-----
Australia and Oceania.....do....	39.8	43.6	41.6	42.3	40.7	44.8	55.8	52.7	48.6	47.4	54.0	48.7	59.0	58.8	60.9	-----
Europe.....do....	543.5	589.0	494.7	561.3	544.8	658.8	671.6	678.9	695.1	702.0	738.2	692.3	695.5	622.3	626.5	-----
Northern North America.....do....	319.4	343.2	329.9	328.7	349.1	405.9	350.2	355.4	339.6	341.6	407.2	426.2	425.5	417.3	365.8	-----
Southern North America.....do....	130.7	142.2	136.3	140.2	142.9	154.5	152.6	147.1	149.4	149.7	161.2	167.0	164.6	179.4	168.3	-----
South America.....do....	167.7	152.6	141.8	156.2	131.1	149.9	171.9	170.5	156.2	147.3	161.3	161.7	186.6	179.5	166.9	-----
<b>By leading countries:</b>																
<b>Africa:</b>																
United Arab Republic (Egypt Reg.).....do....	19.6	17.5	15.1	13.8	16.0	16.2	13.6	17.7	13.4	22.8	21.1	23.5	29.6	24.2	14.8	-----
Republic of South Africa.....do....	18.6	23.0	22.6	23.9	24.8	24.5	26.4	29.8	26.1	29.7	30.5	28.2	37.3	33.7	32.8	-----
<b>Asia; Australia and Oceania:</b>																
Australia, including New Guinea.....do....	34.2	36.5	33.5	34.1	32.2	37.7	50.0	45.4	37.6	40.8	47.6	40.6	49.7	49.8	50.9	-----
India.....do....	55.8	67.0	70.7	62.1	60.6	72.8	76.5	98.7	80.2	70.2	67.5	76.1	97.8	55.1	87.6	-----
Pakistan.....do....	23.7	32.3	24.5	37.3	36.9	47.8	25.6	45.5	25.5	21.3	15.7	20.0	30.6	38.4	40.4	-----
Malaysia <sup>⊙</sup> .....do....	-----	-----	-----	-----	-----	-----	-----	-----	6.2	5.8	6.1	6.0	6.4	6.1	7.5	-----
Indonesia.....do....	9.9	8.8	6.0	4.8	10.9	7.8	12.8	7.9	12.8	6.7	4.0	2.2	3.2	*3.3	5.7	-----
Philippines.....do....	22.4	26.9	25.7	26.2	24.1	35.5	29.9	29.3	30.2	29.9	29.3	31.3	32.6	30.4	28.6	-----
Japan.....do....	117.9	141.5	136.8	144.7	139.4	152.7	173.9	168.8	184.6	166.0	174.6	153.4	145.4	128.3	146.8	-----
<b>Europe:</b>																
France.....do....	48.9	56.5	38.3	52.7	51.1	63.5	64.1	64.7	84.2	66.0	71.4	65.9	71.3	61.5	59.0	-----
East Germany.....do....	1	5	2	(3)	(8)	1	1.9	2.3	3.2	3.5	1.8	5	4.6	1.1	3	-----
West Germany.....do....	90.0	92.0	75.8	90.9	88.4	98.2	103.9	103.0	97.6	97.8	112.3	116.6	111.7	96.3	97.2	-----
Italy.....do....	64.1	73.4	70.9	80.5	68.6	72.9	74.4	80.9	70.8	75.2	73.9	74.5	61.0	54.5	67.7	-----
Union of Soviet Socialist Republics.....do....	1.3	1.7	2.8	2.2	6	3.6	1.6	1.7	8.3	29.3	55.3	22.2	13.8	1.8	7.3	-----
United Kingdom.....do....	89.6	96.8	80.4	87.1	104.3	130.7	125.6	114.5	122.9	121.7	107.4	111.2	107.9	108.0	-----	

<sup>1</sup> Revised. <sup>2</sup> Preliminary. <sup>3</sup> Quarterly average at annual rate. <sup>4</sup> For 12 months ending Dec. <sup>5</sup> Less than \$50,000. <sup>Δ</sup> Revisions for various periods prior to Feb. 1963 will be shown later. <sup>†</sup> Includes grant aid shipments under the Dept. of Defense Military Assistance Program, as well as economic aid shipments under other programs. <sup>⊙</sup> Excludes "special category" shipments. <sup>⊙</sup> Country designation established Jan. 1964.

Unless otherwise stated, statistics through 1962 and descriptive notes are shown in the 1963 edition of BUSINESS STATISTICS	1962	1963	1963						1964						
		Monthly average	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July

FOREIGN TRADE OF THE UNITED STATES—Continued

FOREIGN TRADE—Continued																
Value—Continued†																
Exports (mdse.), incl. reexports—Continued																
By leading countries—Continued																
North and South America:																
Canada.....	ml. \$.	319.4	343.2	329.8	328.7	349.1	405.9	359.1	355.4	339.6	341.6	407.1	426.2	425.5	417.3	365.8
Latin American Republics, total ♀.....	do.	270.3	262.8	249.6	263.9	241.1	267.9	286.2	278.5	269.8	261.7	285.3	292.8	314.4	325.1	300.3
Argentina.....	do.	31.6	15.7	15.6	14.4	10.3	15.2	17.2	18.8	15.1	19.5	17.3	16.7	19.2	18.8	23.2
Brazil.....	do.	35.4	31.4	27.7	29.0	20.5	21.7	30.9	29.3	32.4	23.1	26.5	31.3	31.6	32.5	26.6
Chile.....	do.	14.2	13.5	14.2	14.5	12.6	13.0	15.1	14.4	13.1	12.2	13.0	12.6	16.7	14.2	13.1
Colombia.....	do.	18.9	20.0	21.0	22.6	18.4	22.6	21.7	24.6	20.4	19.8	20.6	17.1	24.5	21.1	19.2
Cuba.....	do.	1.1	3.0	3.7	(1)	(1)	(1)	0	(1)	(1)	(1)	(1)	(1)	(1)	0	(1)
Mexico.....	do.	67.1	68.9	66.4	70.7	78.1	78.3	69.4	72.5	76.6	78.2	91.0	81.8	103.3	88.4	88.4
Venezuela.....	do.	39.2	42.3	34.9	44.1	41.2	46.5	48.3	49.7	43.6	40.5	48.7	47.1	57.4	55.8	50.5
Exports of U.S. merchandise, total.....	do.	1,783.6	1,910.1	1,797.1	1,879.2	1,801.8	2,055.6	2,079.1	2,131.6	2,090.6	2,063.0	2,151.3	2,170.3	2,225.4	2,067.4	2,088.1
By economic classes:																
Crude materials.....	do.	186.2	214.7	182.6	212.2	222.9	272.7	281.6	284.9	247.4	237.9	215.5	207.6	219.1	217.9	252.8
Crude foodstuffs.....	do.	167.5	189.4	181.0	158.8	166.7	221.4	227.6	232.6	227.4	209.7	228.3	232.5	233.1	182.1	177.6
Manufactured foodstuffs and beverages.....	do.	113.8	124.8	113.2	124.0	122.2	132.6	135.1	131.9	127.7	137.3	135.8	134.9	144.8	125.9	116.3
Semimanufactures <sup>♂</sup> .....	do.	253.4	273.6	272.3	300.2	270.0	296.5	285.0	297.1	300.7	289.5	326.4	323.4	333.3	330.9	333.1
Finished manufactures <sup>♂</sup> .....	do.	1,062.7	1,107.6	1,048.0	1,084.1	1,020.1	1,132.3	1,149.9	1,185.1	1,187.4	1,188.5	1,245.3	1,271.8	1,295.2	1,210.6	1,208.3
By principal commodities:																
Agricultural products, total ♀.....	do.	419.5	465.4	410.6	408.7	433.7	552.6	574.5	588.1	542.2	525.3	530.8	521.1	528.9	459.1	479.3
Animal and vegetable oils and fats*.....	do.	26.1	26.6	26.0	26.4	32.1	28.9	20.7	25.4	26.6	27.8	33.1	20.9	36.1	32.9	40.0
Cotton, unmanufactured.....	do.	44.8	48.9	25.9	36.7	41.9	50.9	67.8	86.1	79.0	74.9	64.4	51.7	49.5	50.7	91.5
Fruits, vegetables, and preparations.....	do.	35.8	37.2	37.6	33.9	37.0	50.0	40.0	37.4	32.2	33.7	33.3	28.4	34.5	37.8	32.5
Grains and preparations†.....	do.	171.4	191.7	179.7	156.3	162.3	211.2	220.9	247.7	234.1	226.3	238.2	245.0	238.4	180.3	171.1
Meat and meat preparations*.....	do.	11.8	12.3	10.6	11.7	13.0	16.4	17.3	13.8	16.8	16.0	14.5	12.6	16.7	14.9	13.0
Tobacco and manufactures <sup>Δ</sup> .....	do.	40.9	43.6	35.0	44.7	64.2	73.0	60.1	55.4	38.0	37.0	30.0	30.5	33.5	41.2	37.0
Nonagricultural products, total ♀.....	do.	1,364.1	1,444.7	1,386.6	1,470.5	1,368.1	1,503.1	1,504.6	1,543.5	1,548.3	1,537.6	1,620.5	1,649.1	1,696.6	1,608.3	1,608.8
Automobiles, parts, and accessories.....	do.	115.2	125.5	107.1	112.7	115.3	146.1	165.3	159.7	148.2	151.6	149.0	148.7	156.5	144.6	111.6
Chemicals and related products‡.....	do.	149.3	161.9	163.1	176.3	162.1	175.0	169.9	165.4	171.1	172.3	191.9	149.4	187.4	183.5	199.4
Coal and related fuels.....	do.	32.0	40.2	37.0	53.8	53.3	50.5	46.0	37.8	33.9	31.6	30.5	34.3	44.9	45.6	39.8
Iron and steel prod. (excl. adv. mfs.).....	do.	50.9	57.4	61.6	62.6	56.5	64.0	60.6	64.8	63.1	61.8	67.2	68.7	*81.7	83.4	82.5
Machinery, total‡ ♀.....	do.	435.1	453.4	431.0	446.0	411.1	462.7	477.1	491.7	486.8	510.4	542.7	521.5	575.2	512.8	517.2
Agricultural.....	do.	13.2	15.2	18.4	16.6	10.6	11.7	11.4	12.7	15.8	20.1	23.9	23.8	22.6	19.7	20.8
Tractors, parts, and accessories.....	do.	30.3	35.2	33.0	36.5	31.2	41.1	36.9	39.6	39.2	36.5	45.5	49.8	53.7	50.2	48.4
Electrical.....	do.	105.9	113.4	104.2	111.7	108.9	114.0	124.2	122.5	125.6	132.7	123.0	122.6	133.2	119.9	116.9
Metalworking§.....	do.	44.5	37.0	31.2	29.0	34.6	38.1	37.5	42.2	39.1	42.1	44.4	39.8	46.4	39.7	45.9
Other industrial.....	do.	208.1	216.5	211.2	212.9	192.4	218.0	228.4	236.8	226.2	238.4	264.2	246.1	274.8	240.3	241.1
Petroleum and products.....	do.	36.8	41.0	42.6	41.5	41.0	41.1	39.4	41.9	37.7	35.1	38.4	41.8	35.8	39.4	43.3
Textiles and manufactures.....	do.	57.3	57.8	53.3	57.8	55.2	65.0	63.2	62.8	59.6	61.5	70.9	68.2	71.0	68.2	59.7
General imports, total ○.....	do.	1,365.8	1,428.5	1,502.6	1,458.3	1,398.5	1,591.3	1,425.1	1,529.9	1,446.7	1,337.7	1,592.3	1,562.3	1,457.9	1,595.5	1,612.4
Seasonally adjusted ○.....	do.	1,365.8	1,428.5	1,457.5	1,508.3	1,450.4	1,458.8	1,465.3	1,477.7	1,421.8	1,445.3	1,522.9	1,542.1	1,548.1	1,505.5	1,589.6
By geographic regions: ○																
Africa.....	do.	62.8	64.8	61.4	67.6	58.4	74.0	59.5	71.0	67.6	71.4	89.8	86.9	83.7	67.5	65.8
Asia.....	do.	246.7	266.1	283.3	306.4	267.6	297.8	265.2	252.1	283.0	203.7	282.9	276.5	278.3	317.2	334.7
Australia and Oceania.....	do.	36.6	41.8	53.2	48.6	52.9	48.1	31.6	43.2	35.7	30.5	38.3	33.4	36.1	45.6	32.5
Europe.....	do.	385.0	400.8	441.8	370.9	378.7	466.1	445.1	427.6	400.9	394.6	456.1	449.3	411.5	446.7	461.5
Northern North America.....	do.	305.2	319.4	339.2	334.6	301.4	354.2	312.0	351.1	307.4	301.9	337.4	341.4	337.4	381.6	372.9
Southern North America.....	do.	123.1	127.4	128.9	109.1	102.4	115.7	114.2	140.9	150.4	142.2	152.0	162.2	143.4	137.0	140.0
South America.....	do.	204.2	207.7	194.7	220.9	236.6	235.1	197.5	243.0	199.8	192.7	234.9	211.3	166.6	198.8	202.7
By leading countries: ○																
Africa:																
United Arab Republic (Egypt Reg.).....	do.	2.1	1.7	1.2	.5	1.1	5.0	.5	1.1	1.0	1.0	3.8	2.0	2.5	1.0	1.9
Republic of South Africa.....	do.	21.4	21.6	23.3	31.4	17.8	18.9	17.4	25.8	24.1	20.3	21.1	21.3	19.9	19.3	16.2
Asia; Australia and Oceania:																
Australia, including New Guinea.....	do.	24.4	26.6	28.0	30.9	34.2	36.8	20.7	29.0	27.7	19.2	24.8	18.5	16.1	32.2	17.8
India.....	do.	21.3	24.5	26.7	25.6	21.7	25.8	22.9	21.0	22.3	18.0	24.0	28.1	25.7	28.4	19.8
Pakistan.....	do.	3.5	3.8	2.9	3.3	3.2	4.0	3.7	3.7	4.3	2.6	3.2	3.9	3.5	3.7	3.0
Malaysia <sup>⊕</sup> .....	do.									14.3	9.9	14.8	10.6	12.2	10.9	13.3
Indonesia.....	do.	11.2	9.4	8.5	10.5	8.4	9.8	9.7	8.0	13.4	10.0	15.0	11.7	15.2	15.8	15.2
Philippines.....	do.	26.9	29.7	35.8	44.9	32.5	36.9	18.0	29.9	32.2	15.1	34.9	19.8	34.6	31.3	44.1
Japan.....	do.	113.2	124.8	143.3	145.6	124.9	139.8	134.7	118.0	130.6	100.6	133.3	143.5	121.7	155.1	167.2
Europe:																
France.....	do.	35.7	35.8	44.6	35.8	31.5	45.5	42.0	37.1	35.9	35.0	39.5	43.9	41.5	42.8	45.5
East Germany.....	do.	.3	.3	.3	.2	.2	.3	.2	.1	.3	.8	.7	.5	.4	.6	.4
West Germany.....	do.	80.1	83.6	92.3	75.1	81.1	92.1	94.9	92.2	92.0	78.7	106.1	97.9	87.8	99.7	102.7
Italy.....	do.	37.7	41.1	47.0	46.1	34.7	50.2	46.4	43.5	36.3	33.7	40.3	41.2	35.2	45.1	47.7
United Kingdom.....	do.	1.3	1.7	1.5	1.8	4.5	1.8	1.2	.9	1.2	2.0	1.0	.9	1.3	2.4	2.1
United Kingdom.....	do.	83.8	89.9	100.9	89.8	83.8	106.0	100.6	91.6	83.5	85.3	90.8	94.0	91.1	100.7	101.5
North and South America:																
Canada.....	do.	305.0	319.1	338.6	334.3	300.9	354.0	311.7	350.9	307.2	301.8	337.3	341.3	337.2	381.3	372.6
Latin American Republics, total ♀.....	do.	282														

Unless otherwise stated, statistics through 1962 and descriptive notes are shown in the 1963 edition of BUSINESS STATISTICS	1962	1963	1963						1964						
	Monthly average		July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July

FOREIGN TRADE OF THE UNITED STATES—Continued

FOREIGN TRADE—Continued																
Value—Continued <sup>1</sup>																
Imports for consumption, total.....mil. \$.	1,354.3	1,417.8	1,505.3	1,479.1	1,375.1	1,578.3	1,427.8	1,511.6	1,464.9	1,322.3	1,567.3	1,555.3	1,433.8	1,576.8	1,615.2	
By economic classes:																
Crude materials.....do.....	278.2	274.0	281.0	314.3	260.2	273.3	238.0	284.5	274.3	246.8	274.1	267.8	270.4	291.5	325.0	
Crude foodstuffs.....do.....	148.0	143.8	128.9	126.6	140.2	168.7	153.3	158.7	160.8	161.5	202.4	199.2	147.4	140.4	145.0	
Manufactured foodstuffs and beverages.....do.....	149.3	166.5	184.4	177.3	183.1	198.2	163.0	197.4	133.5	105.5	150.7	142.6	149.2	163.0	148.8	
Semi-manufactures.....do.....	282.4	300.4	317.5	313.6	285.7	326.4	300.4	315.0	343.0	314.1	339.0	343.1	311.1	340.1	333.9	
Finished manufactures.....do.....	496.3	533.2	593.5	547.2	505.8	611.8	573.0	556.0	553.4	494.5	601.1	602.7	555.7	641.8	662.4	
By principal commodities:																
Agricultural products, total ♀.....do.....	322.3	334.8	333.6	345.2	345.4	377.5	319.8	369.4	332.7	295.4	383.1	362.7	329.9	316.1	318.6	
Cocoa (cacao) beans, incl. shells.....do.....	11.0	11.3	7.5	8.4	9.7	9.4	7.2	11.1	14.4	12.5	15.2	8.2	8.1	10.3	8.5	
Coffee.....do.....	82.4	79.7	78.4	76.7	89.3	100.9	88.8	90.1	87.4	94.0	125.7	131.8	84.5	73.2	84.7	
Rubber, crude (incl. latex and guayule).....do.....	19.0	16.4	13.3	16.5	13.5	15.0	13.6	14.0	19.4	13.2	19.4	13.3	20.2	13.9	17.1	
Sugar (cane or beet).....do.....	42.0	50.9	64.3	62.5	59.7	53.4	31.8	68.8	26.3	16.5	37.2	32.1	47.8	38.9	49.7	
Wool and mohair, unmanufactured.....do.....	17.4	18.8	22.1	17.2	12.7	16.7	11.9	22.9	19.7	20.6	17.4	18.3	17.6	14.1	16.0	
Nonagricultural products, total ♀.....do.....	1,031.9	1,083.1	1,171.7	1,133.8	1,029.6	1,200.8	1,108.0	1,142.2	1,132.2	1,026.8	1,184.2	1,192.7	1,103.9	1,260.7	1,296.5	
Furs and manufactures.....do.....	9.7	110.9	7.0	5.7	110.1	7.9	6.1	26.3	116.1	13.6	15.8	12.0	9.1	8.1	6.2	
Iron and steel prod. (excl. adv. mfs.).....do.....	47.3	59.4	75.3	71.0	59.1	70.4	65.3	54.0	60.7	54.1	59.7	62.5	68.6	77.5	74.8	
Nonferrous ores, metals, etc.:																
Bauxite, crude*.....do.....	10.1	9.5	10.5	11.7	9.8	8.8	8.2	9.4	9.6	11.2	9.5	12.2	8.8	10.0	12.9	
Aluminum semifms. (incl. calcined bauxite)*.....do.....	14.7	16.9	24.0	18.7	17.8	17.0	17.9	17.7	17.1	14.8	17.6	17.6	17.8	18.9	20.5	
Copper, crude and semifms.*.....do.....	20.8	121.6	20.2	28.3	126.1	26.1	23.3	25.1	26.1	29.5	29.8	26.1	23.7	26.6	25.4	
Tin, including ore.....do.....	9.7	9.1	8.5	11.1	6.4	9.2	8.7	8.2	9.8	7.3	10.7	7.8	7.6	7.9	10.2	
Paper base stocks.....do.....	30.0	30.1	30.5	31.9	28.7	34.6	31.1	32.0	31.7	35.4	31.9	30.4	34.9	32.3	34.3	
Newsprint.....do.....	58.0	57.3	62.5	57.7	57.9	66.5	58.1	68.0	56.8	52.4	58.7	61.2	59.6	65.2	64.8	
Petroleum and products.....do.....	147.1	149.1	146.4	146.5	132.3	149.0	135.9	164.9	193.3	154.3	159.5	156.7	137.1	144.8	165.4	
Indexes																
Exports of U.S. merchandise:																
Quantity.....1957-59=100.....	112	120	113	119	114	130	131	135	131	134	137	140	143	130		
Value.....do.....	115	123	116	121	116	132	134	137	135	133	139	140	143	133		
Unit value.....do.....	102	102	102	102	101	102	102	101	103	103	103	102	102	102		
Imports for consumption:																
Quantity.....do.....	123	127	135	132	123	141	127	132	128	116	136	134	125	137		
Value.....do.....	117	122	130	127	118	136	122	130	127	114	135	134	123	136		
Unit value.....do.....	95	96	96	97	96	96	96	98	98	98	99	100	98	99		
Shipping Weight and Value																
Waterborne trade:																
Exports (incl. reexports):																
Shipping weight.....thous. sh. tons.....	11,215	13,010	13,573	14,846	14,368	15,070	14,796	13,887	13,167	12,034	12,673					
Value.....mil. \$.....	1,165.6	1,232.7	1,164.7	1,219.2	1,164.3	1,375.6	1,408.6	1,450.0	1,348.6	1,334.8	1,384.3					
General imports:																
Shipping weight.....thous. sh. tons.....	17,552	17,712	19,493	19,996	18,394	19,076	17,066	17,639	17,697	16,415	17,213					
Value.....mil. \$.....	983.6	1,033.2	1,116.0	1,089.0	1,049.0	1,163.9	1,032.0	1,077.9	1,036.8	929.9	1,109.8					
Airborne trade:																
Exports (incl. reexports):																
Shipping weight.....thous. sh. tons.....	9.1	10.4	9.6	9.9	10.2	11.5	10.9	11.3	11.9	11.9	12.9	12.9	12.9	12.9		
Value.....mil. \$.....	124.3	136.5	119.8	120.3	126.3	140.4	131.5	141.9	150.3	157.2	150.9	153.5	149.6			
General imports:																
Shipping weight.....thous. sh. tons.....	4.1	4.7	4.5	4.3	4.3	5.4	5.3	5.3	4.3	4.0	4.7	4.6	3.9			
Value.....mil. \$.....	59.7	67.9	66.5	57.4	67.9	81.3	82.8	89.0	70.4	70.7	79.4	76.0	66.8			

TRANSPORTATION AND COMMUNICATIONS

TRANSPORTATION																
Air Carriers																
Scheduled domestic trunk carriers:																
Financial operations (qtrly. avg. or total):																
Operating revenues, total ♀.....mil. \$.	570.7	621.9			653.3				634.4					646.8		
Transport, total ♀.....do.....	566.0	617.1			648.7				628.3					640.8		
Passenger.....do.....	509.8	557.0			587.3				561.9					579.4		
Property.....do.....	37.1	40.3			41.0				44.0					42.0		
U.S. mail.....do.....	14.4	15.0			14.2				16.7					15.5		
Operating expenses (incl. depreciation).....do.....	551.4	585.5			592.8				596.0					613.7		
Net income (after taxes).....do.....	1.9	8.4			27.6				1.1					11.0		
Operating results:																
Miles flown (revenue).....thous.....	59,409	63,828	66,502	67,333	64,335	66,676	62,455	65,581	66,274	62,863	67,481	65,407	68,022	68,852		
Express and freight ton-miles flown.....do.....	45,296	49,195	46,151	51,894	52,766	57,797	51,397	55,581	50,710	50,212	54,522	56,472	59,014	58,871		
Mall ton-miles flown.....do.....	13,575	14,167	13,002	13,617	13,043	15,033	13,376	19,401	14,547	14,051	15,488	15,091	14,823	14,345		
Passengers originated (revenue).....do.....	3,990	4,548	4,648	5,151	4,639	4,917	4,446	4,732	4,801	4,458	5,008	5,003	5,030	5,545		
Passenger-miles flown (revenue).....mil.....	2,667	3,048	3,251	3,588	3,119	3,165	2,861	3,221	3,245	4,949	3,316	3,287	3,322	3,910		
Express Operations																
Transportation revenues.....mil. \$.	95.9	95.9			96.3				105.4					96.8		
Express privilege payments.....do.....	29.2	28.6			29.9				31.3					27.1		
Local Transit Lines																
Fares, average cash rate.....cents.....	20.1	20.5	20.5	20.5	20.5	20.6	20.7	20.7	20.8	20.8	20.8	21.0	21.2	21.2	21.3	
Passengers carried (revenue).....mil.....	594	576	533	534	560	630	563	590	581	552	585	600	596	564	531	
Operating revenues (qtrly. avg. or total).....mil. \$.	350.9	347.5			330.3				366.8					341.1		
Motor Carriers (Intercity)																
Carriers of property, class I (qtrly. avg. or total):																
Number of reporting carriers.....do.....	954		1,017													
Operating revenues, total.....mil. \$.	1,343		1,326													
Expenses, total.....do.....	1,286		1,304													
Freight carried (revenue).....mil. tons.....	87		80													

<sup>1</sup> Revised. <sup>2</sup> Preliminary. <sup>3</sup> Effective Sept. 1963, data reflect adoption of U.S. Tariff Schedules and are not entirely comparable with earlier figures; also, beginning Jan. 1964, data for furs and mfs. and petroleum and products reflect further changes in USTS. <sup>4</sup> Quarterly average. <sup>5</sup> Number of carriers filing complete reports for 1962. <sup>6</sup> Reflects substitution of data for one or two intra-Alaskan carriers. <sup>7</sup> For 1st qtr. 1963. <sup>8</sup> See similar note on p. S-21. <sup>9</sup> Includes data not shown separately. <sup>10</sup> New series. Data prior to Dec. 1962 may be obtained from Bu. of Census reports. <sup>11</sup> Excludes "special category" shipments and all commodities exported under foreign-aid programs as Department of Defense controlled cargo. <sup>12</sup> See similar note on p. S-21.

Unless otherwise stated, statistics through 1962 and descriptive notes are shown in the 1963 edition of BUSINESS STATISTICS	1962	1963	1963						1964							
	Monthly average		July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.

TRANSPORTATION AND COMMUNICATIONS—Continued

TRANSPORTATION—Continued																
Motor Carriers (Intercity)—Continued																
Freight carried, qtrly. index of volume, class I and II (ATA)..... average same period, 1957-59=100.....	120.3	126.3			124.0					127.8			128.6			134.1
Carriers of passengers, class I (qtrly. avg. or total):																
Number of reporting carriers.....	2 138	2 138			138					138						
Operating revenues, total..... mil. \$	131.4	136.4			165.7					130.7						
Expenses, total..... do.	112.0	116.4			128.8					114.0						
Passengers carried (revenue)..... mil.	57.2	56.6			62.9					55.3						
Class I Railroads																
Freight carloadings (AAR):																
Total cars..... thous.	2,394	2,406	2,137	2,874	2,307	2,518	2,859	1,972	2,045	2,645	2,105	2,202	2,913	2,403	2,114	2,926
Coal..... do.	439	461	300	582	464	474	561	417	415	512	393	407	542	476	293	578
Coke..... do.	30	32	30	34	28	27	35	29	31	41	34	35	45	38	35	48
Forest products..... do.	158	156	135	190	147	155	183	130	136	196	154	151	190	154	147	198
Grain and grain products..... do.	231	234	228	270	200	258	303	197	227	267	186	177	208	205	197	243
Livestock..... do.	17	14	8	13	15	25	25	10	10	10	10	10	12	7	8	13
Ore..... do.	144	147	212	260	205	183	157	55	50	75	66	114	271	224	223	268
Merchandise, l.c.l..... do.	97	72	63	81	64	65	73	53	51	70	54	53	65	50	48	63
Miscellaneous..... do.	1,277	1,289	1,161	1,444	1,185	1,331	1,523	1,081	1,125	1,473	1,207	1,254	1,581	1,248	1,163	1,514
Freight carloadings, seas. adj. indexes (Fed. R.):†																
Total..... 1957-59=100.....	92	93	94	91	91	93	92	94	97	97	94	95	96	94	95	93
Coal..... do.	90	95	100	99	97	94	94	90	91	89	90	93	100	100	100	98
Coke..... do.	81	88	104	90	84	75	78	84	89	90	92	100	111	118	128	128
Forest products..... do.	97	96	94	93	95	98	96	97	99	106	103	99	102	98	102	97
Grain and grain products..... do.	101	102	86	97	101	112	105	109	111	104	93	92	89	91	75	88
Livestock..... do.	67	52	51	51	43	48	56	50	50	51	50	42	42	46	50	56
Ore..... do.	83	84	83	81	87	81	104	91	89	93	88	123	104	85	87	84
Merchandise, l.c.l..... do.	49	36	36	34	34	33	31	33	31	31	28	28	29	27	28	26
Miscellaneous..... do.	94	96	97	91	92	93	92	96	101	100	98	97	99	96	98	96
Financial operations (qtrly. avg. or total):																
Operating revenues, total \$	2,360.1	2,389.9			2,398.0			2,446.6		2,362.4			2,481.4			
Freight..... do.	1,997.8	2,036.5			2,035.0			2,084.2		2,033.8			2,133.8			
Passenger..... do.	154.8	147.0			157.1			138.6		134.7			146.3			
Operating expenses..... do.	1,854.3	1,862.9			1,874.1			1,893.5		1,852.3						
Tax accruals and rents..... do.	324.1	325.6			326.8			304.4		327.6						
Net railway operating income..... do.	181.6	201.4			197.1			248.7		182.5			233.0			
Net income (after taxes)..... do.	143.0	162.9			156.1			225.1		144.2						
Operating results:																
Freight carried 1 mile (qtrly.)..... bil. ton-miles.	151.6	158.9			158.2			163.4		165.3						
Revenue per ton-mile (qtrly. avg.)..... cents.	1,349	1,310			1,312			1,300		1,284						
Passengers carried 1 mile, revenue (qtrly.)..... mil.	4,976	4,624			5,225			4,315		4,110						
Waterway Traffic																
Clearances, vessels in foreign trade:																
Total U.S. ports..... thous. net tons.	14,913	15,628	17,087	17,485	16,341	16,531	16,686	15,454	15,204	14,503	14,960					
Foreign vessels..... do.	12,066	12,786	13,875	14,337	13,486	13,433	13,618	12,573	12,540	12,054	12,319					
United States vessels..... do.	2,847	2,842	3,212	3,148	2,855	3,098	3,068	2,881	2,664	2,449	2,641					
Panama Canal:																
Total..... thous. lg. tons.	5,490	5,454	5,924	5,641	5,702	5,925	5,399	5,691	5,832	6,187	6,269	5,912	6,166	5,902	6,062	
In United States vessels..... do.	855	780	862	837	1,000	968	722	708	613	906	965	866	1,022	1,100	877	
Travel																
Hotels:																
Average sale per occupied room..... dollars.	9.35	9.37	8.75	9.60	9.56	10.24	9.82	8.90	9.09	9.26	8.87	9.86	9.18	9.83	9.10	969
Rooms occupied..... % of total.	61	60	56	59	63	68	58	47	57	60	59	67	62	64	59	62
Restaurant sales index..... same mo. 1951=100.....	112	109	107	104	107	109	101	107	105	109	108	116	119	113	112	107
Foreign travel:																
U.S. citizens: Arrivals..... thous.	195	218	295	391	271	219	174	158	173	179	218	211	226	271		
Departures..... do.	191	216	333	283	207	186	146	161	172	193	206	214	253			
Aliens: Arrivals..... do.	125	130	155	169	173	144	118	112	112	102	123	148	161	172		
Departures..... do.	103	110	131	140	134	123	103	116	87	88	101	104	151			
Passports issued and renewed..... do.	76	88	100	78	65	56	40	47	71	81	121	147	135	147	112	86
National parks, visits..... do.	2,737	2,779	7,504	7,705	3,278	2,331	1,104	661	686	790	1,000	1,276	2,267	5,056	8,067	
Pullman Co. (qtrly. avg. or total):																
Passenger-miles (revenue)..... mil.	726	629			598			600		608			556			
Passenger revenues..... thous. \$	12,076	10,477			10,065			9,288		10,457			9,500			
COMMUNICATIONS																
Telephone carriers:																
Operating revenues \$	792.6	845.6	849.5	861.4	844.2	870.0	856.8	881.8	881.1	862.2	892.1	898.8	903.1	912.3		
Station revenues..... do.	440.0	465.4	463.1	465.6	468.0	477.3	475.2	480.0	481.7	480.6	485.5	489.4	490.0	494.6		
Tolls, message..... do.	270.4	289.7	295.1	304.4	283.2	309.1	286.3	308.7	305.3	311.2	311.2	313.0	315.7	318.9		
Operating expenses (before taxes)..... do.	468.2	495.7	486.8	495.1	489.8	523.4	500.5	539.8	520.2	501.7	530.9	532.3	525.0	531.3		
Net operating income..... do.	139.6	152.3	164.2	158.1	158.2	156.1	155.4	150.1	154.9	163.4	156.0	165.9	167.4	169.2		
Phones in service, end of year or mo..... mil.	70.8	73.7	72.3	72.5	72.9	73.2	73.4	73.7	74.0	74.2	74.5	74.9	75.1	75.3		
Telegraph, cable, and radiotelegraph carriers:																
Wire-telegraph:																
Operating revenues..... thous. \$	22,010	23,902	23,834	24,964	24,378	25,452	23,676	25,550	24,449	23,283	25,181	24,876	24,708	26,020		
Operating expenses, incl. depreciation..... do.	20,197	21,094	21,264	21,275	20,700	21,527	20,603	21,324	22,213	21,020	21,715	21,812	22,181	22,799		
Net operating revenues..... do.	582	1,680	1,348	2,590	2,597	2,983	2,368	3,663	834	872	2,075	1,697	1,085	1,886		
Ocean-cable:																
Operating revenues..... do.	3,013	3,065	3,201	3,064	2,949	3,424	2,859	2,950	3,138	2,814	3,106	3,012	3,080	3,172		
Operating expenses, incl. depreciation..... do.	2,542	2,495	2,575	2,627	2,330	2,560	2,186	2,271	2,403	2,284	2,286	2,403	2,317	2,381		
Net operating revenues..... do.	153	219	245	99	291	509	370	156	361	98	825	245	328	427		
Radiotelegraph:																
Operating revenues..... do.	4,675	5,077	5,117	5,034	5,069	5,546	5,525	5,654	5,901	5,505	5,752	5,831	5,774	5,961		
Operating expenses, incl. depreciation..... do.	3,676	3,882	3,926	3,721	3,822	4,028	4,158	4,339	4,448	4,274	4,336	4,251	4,379	4,598		
Net operating revenues..... do.	816	982	974	1,096	1,015	1,333	1,195	1,054	1,222	998	1,192	1,345	1,167	1,152		

† Revised. 1 Annual index. 2 Number of carriers filing complete reports for 1962 and 1963. 3 Data cover 5 weeks; other periods, 4 weeks. 4 Based on unadjusted data. 5 Quarterly average.

† Revisions for 1962 are in the Aug. 19

Unless otherwise stated, statistics through 1962 and descriptive notes are shown in the 1963 edition of BUSINESS STATISTICS

1962	1963	1963						1964						
		Monthly average	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June

## CHEMICALS AND ALLIED PRODUCTS

CHEMICALS															
<b>Inorganic chemicals, production:</b>															
Acetylene.....mil. cu. ft.	1,103	1,148	1,123	1,145	1,126	1,208	1,197	1,216	1,154	1,120	1,252	1,233	1,271	1,204	1,196
Ammonia, synthetic anhydrous (commercial).....thous. sh. tons	484.1	553.8	537.3	528.4	528.4	548.5	586.9	607.5	614.8	583.8	650.7	636.8	659.7	636.7	620.2
Carbon dioxide, liquid, gas, and solid.....do	85.3	88.7	108.5	107.7	90.5	93.9	80.5	79.2	79.0	76.0	82.8	85.0	94.9	108.9	116.0
Chlorine, gas (100% Cl <sub>2</sub> ).....do	428.6	454.0	452.2	469.0	454.4	470.9	469.0	482.0	466.8	456.0	488.6	480.6	501.1	482.0	483.4
Hydrochloric acid (100% HCl).....do	87.7	87.3	87.2	88.4	85.5	92.8	88.4	87.2	91.2	94.8	104.1	104.4	106.0	100.8	96.6
Nitric acid (100% HNO <sub>3</sub> ).....do	280.8	349.7	304.0	325.5	336.4	372.7	405.9	414.6	402.6	420.5	420.5	375.1	349.5	306.5	341.0
Oxygen (high purity).....mil. cu. ft.	8,661	10,768	10,685	10,140	10,439	10,960	10,892	11,744	12,011	12,201	13,367	13,107	13,402	12,538	12,741
Phosphoric acid (100% P <sub>2</sub> O <sub>5</sub> ).....thous. sh. tons	203.9	241.7	204.4	229.5	238.6	261.7	253.3	253.7	287.9	273.5	284.8	286.5	280.3	259.5	248.5
Sodium carbonate (soda ash), synthetic (68% Na <sub>2</sub> O).....thous. sh. tons	383.9	390.1	392.6	399.3	375.2	418.9	400.0	388.0	381.2	394.5	419.1	415.3	435.1	419.5	394.4
Sodium bichromate and chromate.....do	10.6	10.9	10.7	11.0	8.9	10.9	11.5	11.3	9.3	10.5	11.4	11.7	12.3	11.2	11.4
Sodium hydroxide (100% NaOH).....do	453.6	474.7	476.8	495.5	472.4	497.8	487.9	497.3	490.2	484.2	514.3	507.3	534.4	503.7	508.9
Sodium silicate (soluble silicate glass), anhydrous.....thous. sh. tons	46.1	46.0	42.6	36.7	45.3	51.0	52.6	42.5	41.4	40.9	53.1	53.7	52.3	44.5	36.4
Sodium sulfates (anhydrous, refined; Glauber's salt; crude salt cake).....thous. sh. tons	99.5	100.5	100.2	102.6	95.4	106.5	107.7	106.1	106.3	103.2	108.3	109.2	116.1	107.8	102.9
Sulfuric acid (100% H <sub>2</sub> SO <sub>4</sub> ).....do	1,641.8	1,744.7	1,597.0	1,687.3	1,666.2	1,836.7	1,788.4	1,853.1	1,868.4	1,853.7	1,983.5	2,016.2	1,980.9	1,859.1	1,750.2
<b>Organic chemicals, production:♂</b>															
Acetic acid (synthetic and natural).....mil. lb.	82.2	87.4	83.1	84.7	72.6	95.4	89.5	90.9	92.3	94.0	93.4	82.9	88.5	87.5	96.2
Acetic anhydride.....do	103.5	105.8	107.0	103.7	111.6	104.6	106.1	121.0	111.8	101.6	125.4	109.2	115.2	106.5	111.6
Acetylsalicylic acid (aspirin).....do	2.3	2.4	2.2	2.1	2.3	2.6	2.6	2.6	2.8	2.6	2.7	2.7	2.1	2.5	2.1
Creosote oil.....mil. gal.	7.6	8.2	7.4	8.8	9.2	8.6	8.1	8.8	8.2	7.1	8.4	9.1	10.6	9.8	10.7
DDT.....mil. lb.	13.9	14.9	17.7	14.8	14.3	14.2	11.4	9.4	11.4	12.8	13.3	11.3	13.0	12.1	11.0
Ethyl acetate (85%).....do	8.5	9.2	7.9	9.6	8.7	10.0	7.3	9.4	8.8	10.8	9.4	7.4	8.0	11.9	5.5
Ethylene glycol.....do	119.5	121.0	118.0	127.8	121.4	132.2	123.1	123.4	121.8	109.1	138.8	129.3	116.9	155.3	154.1
Formaldehyde (37% HCHO).....do	199.8	212.7	190.7	218.3	216.4	234.3	226.4	220.4	207.0	203.0	219.5	237.7	225.2	229.5	211.4
<b>Glycerin, refined, all grades:</b>															
Production.....do	20.8	24.8	21.5	25.9	26.8	30.2	22.6	30.0	29.1	26.3	28.5	28.5	23.7	28.0	22.9
Stocks, end of month.....do	32.7	23.8	20.8	19.1	15.9	16.1	20.5	22.2	22.3	25.4	27.6	26.5	27.7	31.5	32.0
<b>Methanol:</b>															
Natural.....mil. gal.	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Synthetic.....do	28.0	29.3	26.3	31.7	28.7	31.4	28.5	30.8	29.6	29.9	30.3	33.9	34.4	31.1	32.8
Phthalic anhydride.....mil. lb.	35.6	39.5	35.6	37.1	41.4	45.3	40.9	39.5	37.4	36.7	44.9	49.2	49.9	48.5	44.4
<b>ALCOHOL</b>															
<b>Ethyl alcohol and spirits:</b>															
Production.....mil. tax gal.	52.4	57.7	58.1	49.7	61.7	73.5	58.7	58.9	60.5	56.1	53.8	54.0	53.3	50.3	50.3
Stocks, end of month.....do	151.4	171.5	175.7	177.2	181.7	180.3	169.8	177.3	179.5	183.0	188.9	189.3	184.9	183.4	183.4
Used for denaturation.....do	42.4	44.4	42.8	44.0	40.7	47.5	43.9	45.5	49.5	44.0	43.9	46.7	45.3	44.8	44.8
Taxable withdrawals.....do	5.3	5.3	4.8	5.0	5.8	7.5	5.8	4.3	4.9	4.7	5.4	5.7	5.5	5.6	5.6
<b>Denatured alcohol:</b>															
Production.....mil. wine gal.	22.9	23.9	23.1	23.8	22.0	25.6	23.6	24.5	26.6	23.7	23.9	25.1	23.8	24.2	24.2
Consumption (withdrawals).....do	23.0	24.0	23.4	24.3	22.0	25.6	24.5	23.8	26.4	23.1	24.7	24.8	23.5	24.4	24.4
Stocks, end of month.....do	3.9	3.0	3.3	2.8	2.8	2.8	2.0	3.3	3.2	3.7	2.9	3.1	3.4	3.6	3.6
<b>FERTILIZERS</b>															
<b>Exports, total ♀.....thous. sh. tons</b>															
Nitrogenous materials.....do	602	625	720	668	696	670	701	693	622	668	704	584	684	827	779
Phosphate materials.....do	67	55	40	60	43	81	64	66	28	39	68	55	63	47	39
Potash materials.....do	448	487	547	513	557	487	517	524	458	534	495	468	529	660	592
Potash materials.....do	71	59	76	64	81	83	88	66	100	59	94	33	50	60	75
<b>Imports, total semimanufactures* ♀.....do</b>															
Ammonium nitrate.....do	166	205	127	232	207	244	188	200	255	253	292	376	173	180	124
Ammonium sulfate.....do	18	21	12	18	19	21	27	20	20	16	17	19	17	11	14
Potassium chloride.....do	20	20	13	6	21	27	11	11	14	29	36	43	11	7	4
Sodium nitrate.....do	39	73	58	75	111	98	52	65	117	93	126	150	65	34	42
Potash deliveries (K <sub>2</sub> O).....do	36	34	13	46	14	31	35	39	32	30	22	63	22	50	18
<b>Potash deliveries (K<sub>2</sub>O).....do</b>															
Superphosphate and other phosphatic fertilizers (100% P <sub>2</sub> O <sub>5</sub> ):	197	227	150	290	161	258	162	189	374	233	369	424	254	66	151
Production.....thous. sh. tons	235	269	205	246	247	291	282	294	304	327	336	337	307	272	247
Stocks, end of month.....do	425	419	428	456	441	446	462	490	452	443	383	249	249	349	408
<b>MISCELLANEOUS PRODUCTS</b>															
<b>Explosives (industrial), shipments, quarterly:</b>															
Black blasting powder.....thous. lb.	1,306	1,284	1,301	1,301	1,301	1,301	1,301	1,301	1,301	1,301	1,301	1,301	1,301	1,301	1,301
High explosives.....do	277,199	301,665	321,379	321,379	321,379	321,379	321,379	321,379	321,379	321,379	321,379	321,379	321,379	321,379	321,379
<b>Paints, varnish, and lacquer, factory shipments:</b>															
Total shipments.....mil. \$	152.7	157.5	177.0	176.6	160.3	171.1	138.9	117.7	138.8	142.5	165.2	186.0	188.5	197.8	183.1
Trade products.....do	89.8	93.8	111.8	112.2	97.1	100.2	77.0	61.0	75.5	80.6	97.1	112.2	115.0	119.5	115.6
Industrial finishes.....do	62.9	63.7	65.2	64.4	63.2	70.9	61.9	56.7	63.3	61.9	68.1	73.8	73.5	78.3	67.5
<b>Sulfur, native (Frasch) and recovered:</b>															
Production.....thous. lg. tons	490	486	490	476	473	491	484	495	500	499	499	513	531	505	505
Stocks (producers'), end of month.....do	4,832	4,875	4,931	4,880	4,844	4,743	4,763	4,760	4,780	4,786	4,720	4,686	4,676	4,614	4,614
<b>PLASTICS AND RESIN MATERIALS</b>															
<b>Production:</b>															
Cellulose plastic materials.....mil. lb.	13.2	12.7	10.9	12.1	12.8	14.0	13.8	12.1	11.6	13.0	15.2	13.9	12.4	13.7	13.7
<b>Thermosetting resins:</b>															
Alkyd resins.....do	45.7	46.5	46.8	47.7	43.3	47.2	40.5	37.7	44.4	44.0	48.5	49.0	48.0	49.8	49.8
Coumarone-indene and petroleum polymer resins.....mil. lb.	29.0	25.8	21.2	27.0	25.5	30.2	24.9	25.9	26.0	25.0	27.6	29.8	26.2	27.1	27.1
Polyester resins.....do	17.7	21.3	19.6	21.6	21.2	23.9	21.2	20.4	22.7	23.9	25.4	27.2	27.0	26.7	26.7
Phenolic and other tar acid resins.....do	57.5	61.0	50.0	63.0	62.8	69.6	62.0	61.7	66.3	64.0	72.6	71.5	67.3	65.5	65.5
Urea and melamine resins.....do	40.7	42.2	35.0	41.2	42.2	48.5	41.5	38.0	42.8	39.6	43.1	45.9	43.4	43.1	43.1
<b>Thermoplastic resins:</b>															
<b>Styrene-type plastic materials (polystyrene):</b>															
Vinyl resins (resin content basis).....mil. lb.	106.2	124.3	114.3	126.6	130.1	136.5	133.2	127.8	132.3	136.6	146.3	144.7	149.7	147.5	147.5
Polyethylene.....do	130.5	149.3	134.0	153.7	156.5	168.3	160.5	153.0	150.5	158.3	173.3	174.4	176.7	170.9	170.9
Polyethylene.....do	168.0	188.2	189.8	189.3	183.3	202.4	200.0	210.1	210.8	208.7	210.1	217.8	226.6	215.9	215.9

♂ Revised. ♀ Quarterly average. ♂ Beginning Jan. 1963, the estimated totals are based on a new and larger sample and reflect improved estimating methods, which affect comparability with data for earlier periods; Oct.-Dec. 1962 estimated totals on the new basis appear on p. S-25 of the Feb. 1964 SURVEY. ♂ Based on annual total containing revisions not distributed by months.

♂ Data are reported on the basis of 100% content of the specified material unless otherwise indicated. ♀ Includes data not shown separately.

\*New series. Data exclude some materials (chiefly crudes) shown in the former series. Monthly data prior to Jan. 1963 may be obtained from Bu. of Census reports.

Unless otherwise stated, statistics through 1962 and descriptive notes are shown in the 1963 edition of BUSINESS STATISTICS	1962	1963	1963						1964						
	Monthly average		July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July

## ELECTRIC POWER AND GAS

ELECTRIC POWER																
Production (utility and industrial), total $\ominus$																
Electric utilities, total..... mil. kw.-hr.	78,624	83,991	88,703	89,861	82,892	84,845	82,437	90,302	90,642	84,613	87,987	84,534	87,226	90,585	95,724	
By fuels..... do	71,026	76,167	81,060	81,973	75,156	76,712	74,474	82,260	82,328	76,701	79,595	76,392	78,894	82,294	87,606	
By waterpower..... do	57,003	62,379	66,827	68,440	63,144	64,491	61,769	67,653	67,534	62,906	63,652	60,092	63,031	68,341	73,343	
Privately and municipally owned util. do	14,024	13,788	14,173	13,533	12,012	12,222	12,705	14,607	14,495	13,795	13,942	16,301	15,863	13,953	14,263	
Other producers (publicly owned)..... do	57,725	62,095	66,287	67,161	61,769	63,181	60,837	66,459	67,024	62,143	64,596	62,204	64,155	67,960	72,645	
Industrial establishments, total..... do	13,391	14,073	14,713	14,812	13,387	13,531	13,637	15,802	15,304	14,558	14,999	14,188	14,739	14,334	14,961	
By fuels..... do	7,597	7,824	7,703	7,887	7,735	8,133	7,963	8,042	8,313	7,912	8,392	8,142	8,332	8,292	8,118	
By waterpower..... do	7,313	7,565	7,474	7,665	7,533	7,917	7,722	7,770	8,019	7,621	8,075	7,807	8,027	8,045	7,892	
Other producers (publicly owned)..... do	284	270	229	222	202	215	241	272	294	291	317	335	305	246	226	
Sales to ultimate customers, total (EEI)..... do	64,674	69,234	70,509	73,018	72,079	69,516	68,309	71,364	75,196	72,724	72,692	71,549	71,065	72,775		
Commercial and industrial:																
Small light and power..... do	12,008	13,387	14,938	15,639	15,097	13,706	13,095	14,093	14,165	14,061	14,121	14,034	14,327	15,551		
Large light and power..... do	31,160	32,856	33,081	33,871	33,790	34,279	33,463	32,593	32,993	32,330	33,330	33,643	34,459	34,675		
Railways and railroads..... do	393	389	351	358	348	373	378	452	439	436	409	384	368	366		
Residential or domestic..... do	18,868	20,141	19,752	20,690	20,356	18,553	18,793	21,630	24,932	23,295	22,301	20,982	19,431	19,639		
Street and highway lighting..... do	612	646	651	591	631	691	735	773	780	711	693	641	613	589		
Other public authorities..... do	1,529	1,683	1,673	1,707	1,706	1,776	1,719	1,716	1,769	1,774	1,707	1,721	1,712	1,780		
Interdepartmental..... do	104	133	163	161	152	138	126	108	118	118	130	143	156	174		
Revenue from sales to ultimate customers (Edison Electric Institute)..... mil. \$	1,085.4	1,141.4	1,167.3	1,200.7	1,187.8	1,136.2	1,119.0	1,161.7	1,217.2	1,184.5	1,169.0	1,153.0	1,145.9	1,178.5		
GAS																
Manufactured and mixed gas (quarterly): $\text{†}$																
Customers, end of quarter, total $\text{‡}$ ..... thous.	1,922	1,533			1,197			1,196			1,197					
Residential..... do	1,800	1,432			1,114			1,111			1,112					
Industrial and commercial..... do	122	100			83			84			84					
Sales to consumers, total $\text{‡}$ ..... mil. therms.	530	502			214			424			667					
Residential..... do	370	346			100			277			480					
Industrial and commercial..... do	157	153			112			145			184					
Revenue from sales to consumers, total $\text{‡}$ ..... mil. \$	67.3	60.9			26.6			47.8			75.3					
Residential..... do	51.3	46.1			16.9			34.7			57.0					
Industrial and commercial..... do	15.7	14.6			9.6			12.9			17.9					
Natural gas (quarterly): $\text{†}$																
Customers, end of quarter, total $\text{‡}$ ..... thous.	32,674	33,893			33,989			34,799			35,104					
Residential..... do	30,014	31,128			31,286			31,929			32,201					
Industrial and commercial..... do	2,624	2,727			2,666			2,832			2,866					
Sales to consumers, total $\text{‡}$ ..... mil. therms.	25,045	26,321			19,504			25,866			37,972					
Residential..... do	8,466	8,748			2,966			8,097			17,093					
Industrial and commercial..... do	15,321	16,263			15,297			16,465			19,082					
Revenue from sales to consumers, total $\text{‡}$ ..... mil. \$	1,541.3	1,613.2			1,002.5			1,596.5			2,533.0					
Residential..... do	847.7	880.3			401.7			848.6			1,563.0					
Industrial and commercial..... do	651.0	687.5			561.8			702.5			907.2					

## FOOD AND KINDRED PRODUCTS; TOBACCO

ALCOHOLIC BEVERAGES															
Beer:															
Production..... mil. bbl.	8.07	8.39	10.83	9.38	7.42	7.93	6.85	7.31	7.63	7.50	8.95	9.63	9.28	10.31	
Taxable withdrawals..... do	7.60	7.82	10.22	9.26	7.37	7.95	6.73	7.05	6.74	6.42	7.80	8.49	8.73	9.48	
Stocks, end of month..... do	10.46	10.76	11.70	11.18	10.72	10.19	9.85	9.67	10.08	10.68	11.30	11.82	11.77	11.93	
Distilled spirits (total):															
Production..... mil. tax gal.	12.90	12.50	6.82	8.52	9.42	15.99	13.39	14.18	13.89	13.51	14.06	14.51	13.38	12.79	
Consumption, apparent, for beverage purposes															
Taxable withdrawals..... mil. wine gal.	21.14	21.58	19.98	20.12	19.46	24.45	25.89	30.92	18.49	18.43	21.84	21.08	22.27	22.03	
Stocks, end of month..... mil. tax gal.	10.27	10.34	9.25	10.02	11.11	14.57	11.36	8.56	9.34	9.53	10.51	11.46	10.91	10.98	
Imports..... mil. proof gal.	882.72	876.90	878.48	874.49	869.81	867.44	865.87	870.00	871.77	873.19	874.44	874.54	874.27	873.92	
Whisky:															
Production..... mil. proof gal.	3.60	3.82	3.49	3.35	3.94	5.71	5.37	4.87	3.03	3.07	3.62	3.84	3.71	4.16	3.27
Whisky:															
Production..... mil. tax gal.	9.41	8.74	3.40	5.06	5.80	10.13	8.49	9.99	10.38	10.27	10.36	10.95	9.44	8.46	
Taxable withdrawals..... do	7.18	7.08	5.63	6.46	8.02	10.85	8.38	5.91	6.46	6.73	7.05	7.50	7.05	6.56	
Stocks, end of month..... do	859.13	852.54	855.34	851.80	846.88	843.02	840.03	842.40	844.01	854.14	846.10	846.91	846.76	846.81	
Imports..... mil. proof gal.	3.18	3.35	2.99	2.92	3.38	5.04	4.83	4.19	1.57	1.77	3.23	3.42	1.48	3.71	2.85
Rectified spirits and wines, production, total															
Whisky..... mil. proof gal.	7.20	7.24	6.23	6.73	7.74	10.88	8.15	5.87	6.35	6.27	7.24	7.85	7.38	7.27	
Wines and distilling materials:															
Effervescent wines:															
Production..... mil. wine gal.	.37	.40	.21	.36	.34	.45	.37	.44	.43	.48	.63	.53	.38	.68	
Taxable withdrawals..... do	.32	.35	.22	.31	.39	.54	.57	.59	.34	.27	.34	.33	.36	.43	
Stocks, end of month..... do	2.79	3.00	3.28	3.29	3.21	3.07	2.86	2.65	2.71	2.88	3.14	3.31	3.30	3.49	
Imports..... do	.09	.09	.05	.05	.09	.18	.14	.15	.06	.06	.08	.08	.09	.09	.07
Still wines:															
Production..... do	15.78	16.85	2.01	3.04	45.43	108.68	21.47	4.76	2.73	2.97	3.40	2.19	1.84	1.92	
Taxable withdrawals..... do	12.52	13.11	9.57	12.84	12.52	15.56	14.07	13.71	13.57	13.76	15.96	13.80	12.86	13.25	
Stocks, end of month..... do	178.86	185.04	134.11	120.84	155.87	246.45	249.05	229.08	213.89	201.61	185.83	175.68	164.18	150.88	
Imports..... do	1.08	1.11	1.00	.97	1.07	1.92	1.47	1.18	.79	1.57	1.10	.90	1.16	1.21	1.02
Distilling materials produced at wineries..... do	31.27	39.39	8.38	9.98	118.07	202.64	70.11	18.48	5.10	8.38	6.15	1.79	1.51	.86	

$\text{†}$  Revised.  $\text{‡}$  Not directly comparable with data through 1963. Comparable figures for Jan.-June 1963, respectively (mil. kw.-hr.): Small light and power—12,609; 12,535; 12,617; 12,577; 12,889; 14,084; large—31,105; 30,442; 31,440; 31,753; 32,496; 32,723.  
 $\text{‡}$  Revisions for Jan.-Dec. 1962 appear on p. 24 of the Mar. 1964 SURVEY.

$\text{†}$ The averages shown for gas are quarterly averages.  
 $\text{‡}$  Revised data for 1st and 2d qtrs. of 1962 appear in the Sept. 1963 SURVEY.  
 $\text{‡}$  Includes data not shown separately.

















Table with columns for years 1962, 1963, 1963 (Monthly average), 1963 (July-Aug-Sept-Oct-Nov-Dec), and 1964 (Jan-Aug). Rows are categorized into: NONFERROUS METALS AND PROD.—Con., HEATING EQUIPMENT, EXC. ELECTRIC, MACHINERY AND APPARATUS, and ELECTRICAL EQUIPMENT.

\*Revised. 1 Quarterly average. 2 For month shown. 3 Data cover 5 weeks; other months, 4 weeks. 4 Data cover 6 weeks. 5 Includes data not shown separately. 6 Producers' stocks, elsewhere, end of Aug. 1964, 22,400 tons. \*New series. Shipments (from The Institute of Boiler and Radiator Manufacturers) represent the following approximate percentages of total industry shipments: Convectors, 90 to 95%; radiators and baseboards, 80 to 85%. cIncludes data for built-in gas fired oven-broiler units; shipments of cooking tops, not included in figures above, totaled 36,200 units in June 1964.

















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