

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM

## Office Correspondence

Date July 10, 1939.To Chairman EcclesSubject: Industrial Production and  
New Private Security Issues  
of Selected Countries.F Lauchlin Currie*LBC*

I recently came across this extraordinarily interesting table. You will note the failure of new security issues to recover relatively to production in every country shown here. The indications are that in other countries either (a) expansion is being financed more from internal resources, (b) has taken the form more of mortgages, or (c) the increase in consumption relative to income has made less capital investment necessary.

Indexes of Industrial Production and New Private Security Issues of Selected Countries <sup>1/</sup>  
(Government, foreign and financial issues excluded)  
(1928 = 100)

	United States			Canada			Netherlands			United Kingdom			Sweden			
	Index of 2/	Index of 3/	Index of 4/	Index of 5/	Index of 6/	Index of 7/	Index of 8/	Index of 9/	Index of 10/	Index of 11/	Index of 12/	Index of 13/	Index of 14/	Index of 15/	Index of 16/	
	Industrial	New	Industrial	New	Industrial	New	Industrial	New	Industrial	New	Industrial	New	Industrial	New	Industrial	
	Production	Security	Production	Security	Production	Security	Production	Security	Production	Security	Production	Security	Production	Security	Production	
	Issues	(Millions of dollars)	Issues	(Millions of dollars)	Issues	(Millions of dollars)	Issues	(Millions of dollars)	Issues	(Millions of pounds)	Issues	(Millions of pounds)	Issues	(Millions of kroner)	Issues	
1928	100.0	100.0	5,293	100.0	100.0	570 <sup>12/</sup>	100.0	100.0	254	100.0	100.0	139	100.0 <sup>12/</sup>	100.0	470 <sup>12/</sup>	1928
1929	107.5	121.2	6,417	107.5	124.0	707	102.0	101.2	257	106.4	80.6	112	102.0	73.2	344	1929
1930	87.1	89.0	4,711	91.4	73.0	416	93.9	37.0	94	97.9	47.5	66	105.1	96.6	454	1930
1931	73.2	33.2	1,759	76.3	31.4	179	85.7	11.8	20	89.4	18.0	25	98.0	93.2	438	1931
1932	58.1	6.1	324	62.4	4.6	26	69.4	2.4	6	89.4	33.1	46	90.8	30.6	144	1932
1933	68.8	3.0	160	54.5	1.8	10	76.5	2.0	5	93.6	39.6	55	92.9	22.3	105	1933
1934	71.0	3.0	159	79.6	7.5	43	79.6	4.3	11	105.3	45.3	63	112.2	37.2	175	1934
1935	81.7	7.6	432	67.1	10.4	59 <sup>1**</sup>	76.5	.8	2	112.8	87.1 (65)*	121 (90)*	125.5	44.7	210	1935
1936	94.6	22.7	1,202	96.8	15.6	89 <sup>***</sup>	84.7	2.4	6	123.4	88.5 (70)*	123 (97)*	137.8	41.7	196	1936
1937	98.9	23.2	1,227	107.5	10.2	58 <sup>***</sup>	109.2	22.0	56	131.9	62.6 (56)*	87 (78)*	152.0	74.0 (51.2)**	348 (241)**	1937
1938	77.1	16.1	850	96.8	5.4	31 <sup>***</sup>	91.8	17.7	45 <sup>12/</sup>	123.4	43.2	60	149.0	36.2 (58.9)**	170 (277)**	1938

<sup>1/</sup> For the United States, Canada and the United Kingdom, refunding and redemption issues have been excluded and only new corporate issues are given. For the Netherlands and Sweden it has not been possible to segregate refunding and redemption issues from new corporate issues. New capital issues for these two countries are therefore overstated.

<sup>2/</sup> Federal Reserve Board Index.

<sup>3/</sup> Commercial and Financial Chronicle.

<sup>4/</sup> Dominion Bureau of Statistics.

<sup>5/</sup> Financial Post Year Book, 1929-1934, Bank of Canada, 1935-1938.

<sup>6/</sup> Central Bureau of Statistics.

<sup>7/</sup> Central Bureau of Statistics (Refunding and redemption issues included).

<sup>8/</sup> Board of Trade.

<sup>9/</sup> Midland Banks.

<sup>10/</sup> Komersekollegium (Swedish Chamber of Commerce.)

<sup>11/</sup> Aktiebolaget Svenska Handelsbanken (Refunding and redemption issues included)

<sup>12/</sup> Estimated.

<sup>\*</sup> Adjusted to correct for special Government guaranteed issues for London Passenger Transport Board.

<sup>\*\*</sup> Adjusted to correct for issues in 1937 which were made for purpose of conversions in 1938.

<sup>\*\*\*</sup> Canadian data for new stock issues are not available for the years 1935 through 1938. The figures given for these years are for bond issues alone.