MONTHLY REVIEW

TWELFTH FEDERAL RESERVE DISTRICT

APRIL 1951 — FEDERAL RESERVE BANK OF SAN FRANCISCO

WHITHER INFLATION?

The easing in consumer demand which started in late February and has continued since then has contributed not only to a substantial increase in retail and wholesale inventories but has also removed the pressure from some prices. Though these developments have created a considerable problem for some retailers, they have had the effect of injecting a somewhat more stabilizing influence into the economy as a whole, at least for the present and immediate future. They indicate that until military production becomes much larger, civilian supplies will be adequate. Moreover, these developments are likely to make businessmen more cautious with inventory and price practices and consumers more realistic concerning the likelihood of shortages. Such a change in attitudes can help considerably to lessen inflationary pressures.

It is extremely difficult to predict, however, how long this new attitude may prevail. Certainly it cannot be taken for granted. The days since the outbreak of war in Korea have demonstrated perhaps more clearly than ever before how volatile consumer demand can be. It has fluctuated widely during that period in response to changing international tension.

Consumers were motivated last July and again in December and January by the expectation that the supply of goods might shrink suddenly and precipitously and that prices would rise sharply. Acting on these expectations, they hurried to buy all types of goods which were scarce during World War II. They were willing to spend a higher than usual proportion of their income, go into debt, and draw upon some of their liquid assets not only to hedge against shortages but also to act before the purchasing power of their cash assets dropped sharply.

Retailers also had expected severe shortages in many lines and proceeded to order heavily. This motivation was strongly reinforced by the behavior of consumers who seemed bent on clearing the shelves of stores. To the surprise of retailers, their orders were filled very promptly and inventories at retail increased steadily throughout the heavy buying periods. The interlude of more moderate buying during September, October, and November of last year did not convince retailers, wholesalers, or manufacturers that supplies of goods were apt to outrun consumer demand. Events in December and January, when consumers again raided the retail larder, reinforced the motives of producers to get goods produced in record volume and of retailers and wholesalers to stock up. The sharp March decline in sales resulted in very rapid inventory accumulation in many retail lines and stocks have backed up at the wholesale level as well. The inventory position of manufacturers, however, was more moderate at the end of March, except in some nondurable lines such as clothing and textiles. Available data indicate a continued slowness in sales in April and a further building up of inventories.

Industrial activity remains at high level

Despite the recent slackening in consumer demand, over-all production and employment have remained at high levels. Although the volume of industrial production remained virtually unchanged during the first four months of this year, it was about 20 percent higher than a year ago. Total nonagricultural employment has been rising moderately, however, and about 3 million more persons were employed in March than a year ago.

Employment in the Twelfth District has followed a similar trend. Manufacturing employment has risen considerably more than total nonagricultural employment and is about 20 percent above the level of a year ago.

Among the factors sustaining the level of industrial production and of employment, despite the decline in retail sales, are the continued growth in business inventories, the large volume of private expenditures on plant and equipment and of public expenditures by states and municipalities on roads, schools, and other facilities, the growing volume of military expenditures, and the continued high level of commercial and residential construction. Business firms throughout the country are planning to spend on new plant and equipment in 1951 nearly $24 billion, which is 29 percent more than last year and 24 percent above the previous peak in 1948. Owing primarily to rising military orders, the volume of unfilled orders in the hands of manufacturers has grown continuously during the past year and at the end of March totaled $51 billion. Residential and commercial construction have remained at high levels so far this year, although the evidence suggests that they are beginning to taper off in both the Twelfth District and the nation.

Strong inflationary pressures still exist

These facts suggest that strong inflationary pressures still underlie our economy even though they have been tempered in recent weeks by a slackening in consumer demand. As the months go by, military orders will be placed at an accelerating rate. The Government has placed orders for equipment, facilities, and supplies totalling over $26 billion since June 1950. Over $58 billion more in orders are to be placed before the end of June 1952, according to President Truman. This means that actual military output will absorb an increasing proportion of industrial production and gross national product in the months to come. Government purchases of goods and services for national defense took only 8 percent of our gross national product in the first quarter of this year. As this proportion rises, relatively less will be available in the form of civilian supplies.

Consumer goods overstocked

Lagging sales are currently indicating a saturation of markets for some types of consumer goods and many merchants selling these goods are overstocked and overcommitted. The sales lag is attributed mainly to the unusually large purchases made in the months since Korea. This is the case especially for various types of consumer durable goods, of which television sets are the most notable example. Inventories of new and used automobiles have also been rising to rather high levels as a consequence of the decline in sales in March and April.

The tapering off in retail sales and the accumulation of inventories at the retail and wholesale levels has become a source of concern to some merchants. It seems unlikely, however, that the present slowness in the market can persist indefinitely in view of the strong sustaining factors in our economy already mentioned. These factors will maintain consumer income at a high level. This, in addition to the large amounts of liquid assets still held by consumers, should provide a good market for consumer goods over the longer run, even though there may well be a period of adjustment while consumers "catch up" with their large volume of forward buying that has characterized their purchases since the outbreak of war in Korea.

Other restraints upon inflation

Numerous factors in addition to the decline in consumer demand have contributed to the recent levelling off in the inflationary spiral. Price and wage controls, restrictions upon the use of certain scarce materials for civilian purposes, some let-ups in the Government's stockpiling program, some tightening in the availability of credit, and a substantial Government surplus so far this fiscal year—all these have served to lessen inflationary pressures.

In the banking field, the most important factor has been the change in the open market policy of the Federal Reserve System that accompanied the Treasury-Federal Reserve System agreement on debt management and monetary policies announced early in March. The exchange offering by the Treasury of a new 2¾ percent long-term nonmarketable bond facilitated a change in Federal Reserve open market policy that has resulted in the abandonment of the support of long-term Government bonds at par or above. As a consequence, both medium- and long-term Government bonds restricted as to eligibility for bank investment have declined approximately 3 points below par, and yields have therefore risen. Bank-eligible bonds have declined to around par. Banks and other institutional lenders have been less willing to convert Government securities into funds for private loans as a consequence of the decline in the prices of Government securities. The effect has been most noticeable, perhaps, with respect to their willingness to make VA and FHA real estate loans on which the rates of interest are fixed by administrative authority.

Bank loans continue to rise, however, despite the lower prices for Government securities and the higher reserve requirements which became effective in January. Most of the increase has been in commercial and industrial loans. Total loans of all member banks in the Twelfth District increased by nearly $210 million between December 31, 1950 and April 9, 1951, the latest call report date. Commercial and industrial loans increased nearly 7 percent and accounted for three-fourths of the gain in total loans. In the corresponding period last year they declined about 4 percent. Commercial, industrial, and agricultural loans of weekly reporting member banks continued to rise in April in the Twelfth District, in contrast to a slight decline in such loans in the country as a whole.

This recent decline in commercial and industrial loans on a national basis may be an indication that business borrowing is becoming more difficult. Should this be the case, it is possible that corporations will sell at least part of their large holdings of Government securities to help finance the proposed large 1951 expansion of plant and equipment amounting to about $24 billion. To the extent that this happens, inflationary pressures will be increased.

In the Twelfth District, real estate loans of weekly reporting member banks have grown somewhat more rapidly during the first four months of this year than in the corresponding period of 1950, whereas in the country as a whole the rate of growth has been somewhat less this year than last.

Total consumer loans held by all Twelfth District member banks declined slightly between the end of 1950 and

April 9. Most of the decline occurred in instalment paper covering automobiles and other types of consumer durable goods. Instalment cash loans increased, however.

Voluntary credit restraint program

A program of voluntary credit restraint to be participated in by major lenders throughout the country was officially announced early in March. President Truman delegated to the Board of Governors of the Federal Reserve System the authority given him by the Defense Production Act of 1950 to encourage financial institutions to enter into voluntary agreements to restrain credit provided those will further the objectives of that Act.

By agreement with the Attorney General, actions requested under this voluntary program will be exempt from the provisions of the anti-trust laws.

The program is administered by a series of national and regional committees established for major types of lending institutions, including commercial banks, investment banks, and insurance companies. It is contemplated that committees for other types of lenders may also be established.

Under the program, lenders are requested to screen loan applications very carefully and to reject those that do not result in a commensurate increase in the production, processing, and distribution of essential goods and services. An individual lender may reject a particular loan application with less risk than formerly that the applicant may obtain the loan from a competitor.

It is too early to tell how effective the program will be. However, the fact that many lenders are nearly "loaned up" to the limits they consider prudent will help to reinforce the operation of the program.

PROSPECTIVE CROP PLANTINGS FOR 1951

In contemplating plantings for 1951, the farmers in the Twelfth District, as well as throughout the nation, are facing a situation completely opposite from conditions which prevailed a year ago. In 1950, mounting surpluses had resulted in the Government imposition of acreage allotments on a number of agricultural commodities. Planting cuts called for the diversion of approximately 30 million United States acres to crops not under restrictions. District cuts amounted to 2.3 million acres. Largely as a result, cotton production in the United States was reduced by 39 percent from the record 1949 crop, while output in the Twelfth District was down 24 percent. District farmers in 1950 also cut sharply their output of rice, dry beans, and potatoes.

The combination of circumstances which in late 1950 influenced the Government to call for all-out food and fibre production eliminated the need for a continuation of acreage allotments. During 1951, therefore, farmers are free to plant whatever crops they choose. Apparently, they are choosing to expand production of cotton, wheat, corn, and rice—previously restricted crops.

Reports on growers' planting intentions indicate an 18 percent increase in spring wheat seeding. Should these indications be realized on the national level, the number of seeded acres would be slightly higher than the Government's suggested planting guides for 1951. Plantings short of the production requested in some of the North Central states are expected to be overbalanced by larger plantings in Montana, South Dakota, Idaho, and Washington. Weather in the next two months will be an important factor in the final wheat output. Severe drought in the southern Great Plains region, aided by insects, has already decreased production prospects on acres planted last fall to winter wheat. Despite the expected increase in the spring wheat harvest, the diminished output of winter wheat may result in a total wheat crop of a little less than one billion bushels—slightly below 1950 production.

At this date, the national increase in corn plantings is expected to be only slightly above last year. Though Corn Belt farmers will plant about 6 percent more corn in 1951 than last season, growers in the South Central states have indicated intentions to reduce plantings 7 percent. Many southern farmers have adjusted their agricultural production in the postwar years to encompass the growing of pasture grasses and livestock. This changeover is based on a long-range program, and, where it has occurred, operators are reluctant to abandon their plans for any temporary advantage offered by other crops.

Acreage in both sorghums and soybeans will be lower this year than last. The reduction in sorghums, estimated at 24 percent below 1950, is a result of a diversion to previously controlled crops—particularly wheat and cotton. Efforts are being made to replant drought-stricken wheat areas to grain sorghums. The anticipated drop in soybean plantings is a reflection of the increased acreage that will be planted to corn in the North Central states. Seeding of oats and barley also will very likely be below 1950 levels. With the relatively small increase in corn planting over the nation as a whole and a decrease in sorghums, oats, and barley, prospects for feed grains appear to be 6 percent below 1950. However, the hay crop, weather permitting, will be about equal to last year's production and slightly above the 1940-49 average.

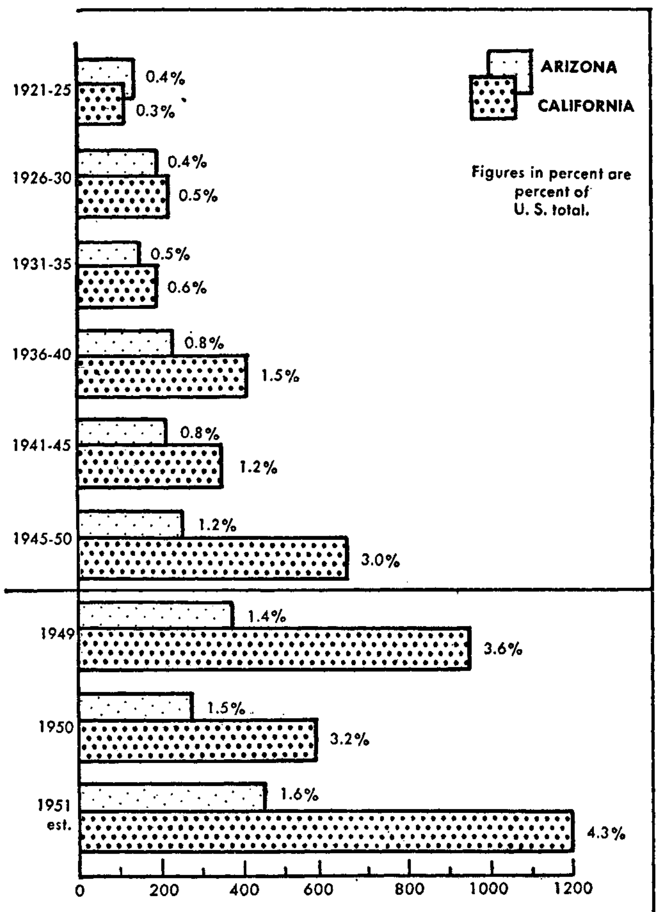
Shifts in District crop production

Twelfth District farmers are also contemplating sharp shifts in 1951 from the patterns of 1950 plantings. Sugar beets and feed grains were grown last year on acres which had been taken out of cotton, wheat, and rice because of allotment programs. With the removal of restrictions, an increase is expected in District cotton, wheat, and rice output, accompanied by a sharp curtailment in the production of sugar beets and feed grains.

Record plantings of rice are in prospect in California and are expected to be about 30 percent above last year, and 37 percent above the 1940-49 average. In the Pacific Northwest, acreage planted to winter wheat was 6 percent above a year ago. Approximately 15 percent more spring wheat will be seeded this year, the major increase occurring in Idaho and Oregon. This should result in a total District wheat crop about 7 percent above 1950 and 20 percent above the 1940-49 average.

Perhaps no crop in the Twelfth District will be so sharply influenced by the current economic and political situation as cotton. Planting restrictions resulted in a decline of 26 percent in the California crop in 1950 and 20 percent in Arizona. As a result of the lifting of restrictions, drastically reduced national stocks, and the expectation that gin prices for cotton will be considerably above the relatively high level of support prices, District cotton growers are expected to double their plantings during the current year. The Government has called upon the nation's growers to jump 1951 production to 16 million bales—or 62 percent above last season. Since Cotton Belt farmers are unlikely to meet their proportionate share of this needed output, most of the increase will have to come from western and southwestern fields. The irrigated areas

COTTON ACREAGE HARVESTED IN ARIZONA AND CALIFORNIA, 1921-25—1945-50, and 1949-51 est.
(in thousands of acres)



Source: United States Department of Agriculture, Bureau of Agricultural Economics.

Indicated Plantings of Field Crops as of March 1—Twelfth District and United States

	12th District 1951 (000 acres)	Percentage change 1950-51 12th District	United States
Barley	3,192	—14	—14
Beans, dry edible	549	+13	+ 2
Corn	209	—10	+ 2
Flaxseed	71	— 8	— 4
Hay, all	6,254	— 4	0
Oats	1,420	—11	— 5
Peas, dry field	211	+ 2	+ 2
Potatoes	308	—20	—15
Rice	1,931	+19	+19
Sorghums	151	—38	—24
Sugar beets	293	—18	—12
Wheat, spring	1,545	+15	+21
Wheat, winter	5,190	+ 5	+ 6
Wheat, total	6,735	+ 7	+ 9
Total	21,324	— 2	0

Source: United States Department of Agriculture, Bureau of Agricultural Economics, *Crop Production*, March 19, 1951.

of California and Arizona will have to supply a large share of the increase asked of the nation's farmers.

Weather conditions, of course, will be a significant factor in determining how successful District farmers will be in increasing production. Some District farm areas are already feeling the results of a dry spring season. Late rains in the Pacific Northwest finally broke one of the longest dry spells in April history. Drought conditions prevail over a large portion of northern Arizona. In California, water and power in the Sacramento Valley will probably be adequate to see farmers through the season, but a light snow pack in the mountains will require the judicious use of available irrigation water. Water conditions in the San Joaquin Valley are still less favorable, particularly in the King and Kern County areas. In southern California, however, the situation is much more serious. Underground water tables are at extremely low levels and reservoirs much below capacity.

District citrus output

The District citrus area suffered no damaging weather this past winter, in contrast to the previous two seasons. Present conditions indicate that the over-all District citrus crop will be slightly larger than last year. California orange growers will probably produce about the same amount of fruit as in the previous season. The Navel harvest in central California counties is practically completed and has progressed rapidly in the southern area. Though the Navel crop is somewhat smaller than last season, a larger harvest of Valencias will make the total orange crop about equal to 1950—but about 12 percent below the 1940-49 average. The size of California oranges is larger this year than in any year in the past five years. California's lemon crop will be about 12 percent larger than last year. Arizona's output of grapefruit, however, is anticipated to be about 12 percent below the 1950 harvest.

District ranges and livestock

Prospective range and summer feed conditions are widely varied in the District. On the southern ranges of

Utah and Nevada, moisture for grass growth has been seriously lacking, and in many areas a shortage of stock water has existed. Considerable feeding of hay or supplements has been required. Poor range feed conditions prevail in northern Arizona. Many cattle have had to be shipped from the area as the outlook for feed and stock water grew worse. Much of this stock has gone to Montana for pasture. Conditions of southern Arizona ranges are somewhat better, varying from fair to good, but additional moisture is needed. In Idaho, Oregon, and Washington, on the other hand, range feed is in from fair to good condition, but it will mature later than usual in some sections. Northern California livestock ranches received plentiful rains through the early winter and grass made rapid growth. During the last 30 days, however, range feed in this area has suffered noticeably from lack of spring moisture and from dry winds. Pasture in the central part of the state is maturing early but the grass is short. Southern California received only sporadic rains throughout the entire season and ranges are considerably below average conditions.

Twelfth District sheep numbers, which increased in 1950 for the first time in nearly a decade, are expected to increase again during the current year. The demand for breeding ewes is strong throughout the range area. The outlook for continuing high prices of both wool and lambs will encourage District sheepmen to expand their operations once again. The movement of Arizona lambs is well on its way with shipments going primarily to mid-western and eastern centers. Lambs from this area are expected to average lighter than last season. In California, spring lambs are being marketed and the bulk of the crop will be shipped during the next 30 days. Average weights of lambs will be slightly less than in 1950, though their general finish is reported to be the best in a number of years.

A larger share of District meat supplies will be produced within the area in 1951. As contrasted to a year ago, when cattle on feed were considerably fewer than in the previous season, record numbers of cattle are now being finished in District feed lots. Up to the present, the cattle feeding situation has been favorable. Feed costs were satisfactory in relation to rising slaughter prices. Particularly sharp increases in the number of cattle on feed are noticeable in Arizona and California dry lots. It is yet too early to tell what effect the recent meat price regulations will have on the number of cattle District feeders will plan to fatten in the future. The announced rollback on live cattle prices was not to go into effect until May 20 and the new price ceilings on beef at wholesale levels on May 9. The announcement of beef price ceilings was quickly followed by a downward movement of livestock prices at terminal markets, which was most pronounced in the lower grades. Current prices, however, have firmed since the initial flurry and some of the price drop has been regained. It is likely that some fed cattle will be marketed before reaching their best marketable weights in order to realize on them before any future rollbacks materialize.

Poultry

On March 1, 1951, poultry growers expressed intentions of purchasing 4 percent fewer chicks for flock replacements than last year. In addition, the number of potential layers on farms at the beginning of this year was 3 percent less than on January 1, 1950. This, combined with the record low stocks of shelled eggs and a small supply of frozen eggs, indicated at that time a smaller supply of eggs for 1951. Subsequent events have changed the picture. The rate of lay so far this year has been 2.5 percent higher than last year, which should help to offset the smaller size of the present laying flock. Further augmenting the supply of eggs for immediate consumption has been the absence of the Government price support program which diverted over 6.5 million cases of eggs from commercial distribution in the first half of 1950.

Although feed prices have risen, egg prices have advanced faster in the past few months, making for a favorable egg-feed price ratio. In response to these favorable prices, producers placed larger orders for chicks for March and April delivery than they had originally intended. Incubators had 10 percent more eggs on March 1 than last year, and hatcheries had 24 percent more orders for April. These increased orders will be reflected in larger laying flocks this fall. The high chick orders in January and February were mainly for broiler flocks. It is expected that a record supply of broiler meat will be available. It seems unlikely that total egg production will differ significantly from 1950.

On the basis of currently high red meat prices and anticipation of increasing consumer demand, turkey producers in the nation have indicated intentions of increasing slightly the number of birds they will raise. This, plus the 3 percent increase in breeding hens on hand, promises a record supply of turkey meat for 1951. The increase in actual meat output, however, will not be so great as this might suggest, owing to the increasing proportion of small breed turkeys being raised. Twelfth District growers, however, remembering their 1950 experience of relatively high feed costs and low prices, are planning a 5 percent decrease in production.

Dairy production

Milk production in the United States was at an annual rate of 121.5 billion pounds during the early months of this year, compared with 123 billion pounds for the comparable period in 1950. Production is expected to increase seasonally in the next few months, but no expansion of dairy herds is envisioned. The number of cows and heifers two years old and over kept for milk was essentially unchanged during 1950. Dairy product prices are low relative to beef and hog prices. In addition, rising feed grain prices, expanded markets for cash crops, and a probable tightening of the supply of skilled labor are all unfavorable to expansion of dairy herds. Milk production for 1951 as a whole will perhaps be slightly below that of 1950.

BUSINESS INDEXES—TWELFTH DISTRICT[1]

(1935-39 average = 100)

Year and month	Industrial production (physical volume)[2] Lumber	Petroleum[3] Crude	Petroleum[3] Refined	Cement	Lead[3]	Copper[3]	Wheat flour[3]	Electric power	Total mf'g employment[4]	Carloadings (number)[2]	Dep't store sales (value)[2]	Retail food prices[3,5]	Waterborne foreign trade[3,6] Exports	Imports
1929	148	129	127	110	171	160	106	83	....	135	112	132.0	124	118
1931	77	83	90	74	104	75	101	82	....	91	92	104.0	90	76
1933	62	76	81	54	75	26	88	73	....	70	66	86.8	72	69
1934	67	77	81	70	79	36	95	79	....	81	74	93.2	86	74
1935	83	92	91	68	89	57	94	85	88	88	86	99.6	88	103
1936	106	94	98	117	100	98	96	96	100	103	99	100.3	86	110
1937	113	105	105	112	118	135	99	105	112	109	106	104.5	112	114
1938	88	110	103	92	96	88	96	102	96	96	101	99.0	108	82
1939	110	99	103	114	97	122	107	112	104	104	109	96.9	107	90
1940	120	98	103	124	112	144	103	122	118	110	119	97.6	86	96
1941	142	102	110	164	113	163	103	136	155	128	139	107.9	...	...
1942	141	110	116	194	118	188	104	167	230	137	171	130.9	...	...
1943	137	125	135	160	104	192	115	214	306	133	203	143.4	...	...
1944	136	137	151	128	93	171	119	231	295	141	223	142.1	...	...
1945	109	144	160	131	81	137	132	219	229	134	247	146.3	...	...
1946	130	139	148	165	73	109	128	219	181	136	305	167.4	58	55
1947	147	147	159	193	98	163	133	256	187	142	330	200.3	85	78
1948	159	149	162	211	109	154	116	284	191	134	353	216.1	57	93
1949	151	147	167	202	105	142	104	303	183	126	331	209.6	55	115
1950	171	144	168	227	113	176	94	333	196	131	353	209.8	59	130
1950														
January	129	140	161	178	121	166	104	322	175	96	314r	206.4	44	103
February	141	139	157	179	119	162	91	313	179	108	322	204.3	54	123
March	160	138	151	201	125	168	91	299	184	125	321	204.0	65	106
April	174	138	159	217	124	172	87	325	187r	135	333	205.3	57	108
May	207	140	162	240	132	180	95	341	194r	141	336	205.2	61	107
June	181	142	170	244	118	172	105	331	195r	148	342	205.9	66	150
July	184	142	170	245	87	167	113	341	198	125	454	209.4	59	110
August	186	145	178	251	96	177	112	340	205	135	374	212.5	48	141
September	176	148	177	248	104	175	105	339	207	140	368	211.0	58	134
October	187	153	177	252	106	176	99	352	210r	131	343	214.1	62	148
November	167	154	179	229	111	195	97	353	208	131	345	216.0	68	167
December	168	154	173	229	118	195	120	345	208	152	376	222.9	70	163
1951														
January	187	154	176	239	101r	181	134	361	212	130	420r	230.8	75	146
February	171	155	187	255	112	178	121	361	218	124	375	230.2	...	...

BANKING AND CREDIT STATISTICS—TWELFTH DISTRICT

(amounts in millions of dollars)

Year and month	Condition items of all member banks[7] Loans and discounts	U.S. Gov't securities	Demand deposits adjusted[8]	Total time deposits	Bank rates on short-term business loans[9]	Member bank reserves and related items[10] Reserve bank credit[11]	Commercial operations[12]	Treasury operations[12]	Coin and currency in circulation[11]	Reserves	Bank debits index 31 cities[3,13] (1935-39=100)[2]
1929	2,239	495	1,234	1,790	......	− 34	0	+ 23	− 6	175	146
1931	1,898	547	984	1,727	......	+ 21	− 154	+ 154	+ 48	147	97
1933	1,486	720	951	1,609	......	− 2	− 110	+ 150	− 18	185	63
1934	1,469	1,064	1,201	1,875	......	− 7	− 198	+ 257	+ 4	242	72
1935	1,537	1,275	1,389	2,064	......	+ 2	− 163	+ 219	+ 14	287	87
1936	1,682	1,334	1,791	2,101	......	+ 6	− 227	+ 454	+ 38	479	102
1937	1,871	1,270	1,740	2,187	......	− 1	− 90	+ 157	− 3	549	111
1938	1,869	1,323	1,781	2,221	......	− 3	− 240	+ 276	+ 20	565	98
1939	1,967	1,450	1,983	2,267	......	+ 2	− 192	+ 245	+ 31	584	102
1940	2,130	1,482	2,390	2,360	......	+ 2	− 148	+ 420	+ 96	754	110
1941	2,451	1,738	2,893	2,425	......	+ 4	− 596	+1,000	+ 227	930	134
1942	2,170	3,630	4,356	2,609	......	+ 107	−1,980	+2,826	+ 643	1,232	165
1943	2,106	6,235	5,998	3,226	......	+ 214	−3,751	+4,486	+ 708	1,462	211
1944	2,254	8,263	6,950	4,144	......	+ 98	−3,534	+4,483	+ 789	1,706	237
1945	2,663	10,450	8,203	5,211	......	− 76	−3,743	+4,682	+ 545	2,033	260
1946	4,068	8,426	8,821	5,797	......	+ 9	−1,607	+1,329	− 326	2,094	298
1947	5,358	7,247	8,922	6,006	......	− 302	− 510	+ 698	− 206	2,202	326
1948	6,032	6,366	8,655	6,087	......	+ 17	+ 472	− 482	− 209	2,420	355
1949	5,925	7,016	8,536	6,255	3.20	+ 13	− 930	+ 378	− 65	1,924	350
1950	7,093	6,381	9,254	6,251	3.35	+ 39	−1,141	+1,198	− 14	2,026	395
1950											
February	5,893	6,999	8,311	6,262	......	+ 5	− 34	− 7	+ 10	1,848	360
March	5,946	6,923	8,167	6,303	3.36	− 2	− 223	+ 204	− 16	1,842	374
April	5,914	6,896	8,307	6,282	......	+ 28	− 126	+ 106	+ 4	1,821	361
May	6,005	6,932	8,354	6,275	......	− 14	− 199	+ 170	+ 8	1,802	371
June	6,034	6,905	8,289	6,315	3.37	− 10	+ 23	+ 32	+ 5	1,836	389
July	6,162	6,810	8,458	6,250	......	+ 3	− 149	+ 169	0	1,858	382
August	6,418	6,699	8,627	6,210	......	− 2	− 102	+ 125	+ 18	1,863	421
September	6,664	6,495	8,754	6,213	3.29	+ 62	− 45	+ 72	+ 9	1,893	417
October	6,810	6,452	8,871	6,239	......	− 56	− 93	+ 150	+ 10	1,930	428
November	6,963	6,319	9,018	6,194	......	+ 24	− 21	+ 42	− 3	1,983	425
December	7,093	6,381	9,254	6,251	3.37	+ 48	− 80	+ 131	+ 4	2,026	464
1951											
January	7,152	6,071	9,190	6,337	......	+ 30	− 59	+ 168	− 68	2,284	455
February	7,184	5,811	8,834	6,352	......	− 32	− 38	+ 6	+ 21	2,206	444
March	7,293	5,734	8,819	6,338	3.48	− 3	− 124	+ 130	− 8	2,186	461

[1] Adjusted for seasonal variation, except where indicated. Except for department store statistics, all indexes are based upon data from outside sources, as follows: lumber, various lumber trade associations; petroleum, cement, copper, and lead, U.S. Bureau of Mines; wheat flour, U.S. Bureau of the Census; electric power, Federal Power Commission; manufacturing employment, U.S. Bureau of Labor Statistics and cooperating state agencies; retail food prices, U.S. Bureau of Labor Statistics; carloadings, various railroads and railroad associations; and foreign trade, U.S. Bureau of the Census. [2] Daily average. [3] Not adjusted for seasonal variation. [4] Excludes fish, fruit, and vegetable canning. [5] Los Angeles, San Francisco, and Seattle indexes combined. [6] Commercial cargo only, in physical volume, for Los Angeles, San Francisco, San Diego, Oregon, and Washington customs districts; starting with July 1950, "special category" exports are excluded because of security reasons. [7] Annual figures are as of end of year, monthly figures as of last Wednesday in month or, where applicable, as of call report date. [8] Demand deposits, excluding interbank and U.S. Gov't deposits, less cash items in process of collection. Monthly data partly estimated. [9] Average rates on loans made in five major cities during the first 15 days of the month. [10] End of year and end of month figures. [11] Changes from end of previous month or year. [12] Minus sign indicates flow of funds out of the District in the case of commercial operations, and excess of receipts over disbursements in the case of Treasury operations. [13] Debits to total deposit accounts, excluding interbank deposits. *r*—revised.