

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM

# Office Correspondence

Date August 22, 1946.

To Chairman Eccles

Subject: Exports of Railroad Freight

From Mr. Knapp 

Cars.

The attached table gives details concerning exports of freight cars during the year ending June 30, 1946. Most of these exports, which are still on a relatively small scale, represent deliveries against orders placed many months ago. The French have placed an order for some 37,000 freight cars and according to information from the Civilian Production Administration, deliveries on this order should become very substantial during the next six to eight months. However, according to the same source, deliveries on newly-placed foreign orders probably cannot be expected until late next year.

Domestic needs are urgent for at least 75,000 more freight cars. However, the railroads have been placing orders cautiously in view of their uncertain financial outlook pending the grant of higher freight rates by the Interstate Commerce Commission.

Production has recently been running at no more than 2,500-3,000 per month. Domestic capacity is estimated at 10,000 per month and a sharp rise in production during the first two weeks of August (nearly 2,000 cars in the two weeks) may mark the beginning of an upward trend. Obviously, the industry would be doing very well to produce 125,000 cars in the 16 months between now and the end of 1947. However, this volume of production would cover little more than the most urgent domestic requirements plus the foreign orders (mainly French) already placed in this market.

Attachment  
JBK:mla

UNITED STATES EXPORTS OF FREIGHT CARS  
OVER 10 TON CAPACITY

	<u>Number</u>	<u>Value</u> <u>(in thousands)</u>
1945 July	853	\$ 1,906
August	1,756	3,735
September	431	897
October	1	2
November	710	1,546
December	443	1,526
1946 January	804	1,717
February	683	1,973
March	821	2,020
April	749	1,690
May	1,201	2,628
June	<u>1,074</u>	<u>2,516</u>
Total: Year ending June, 1946	9,526	\$22,157
Including:		
Mexico	2,206	\$ 5,767
Brazil	1,938	5,023
India	1,390	2,938
France	950	2,181
Yugoslavia	430	857
Poland	345	684
Czechoslovakia	290	547