EMPLOYMENT RISES, JOBLESS TOTAL STEADY

Unemployment remained steady at 2.5 million at mid-October—a time it normally declines, the Departments of Labor and Commerce reported. The total was about the same as last month, but up 400,000 from a year ago. Employment edged up 300,000 from mid-September to 66 million, about the same as a year ago. Nearly all of the October gain in employment, the joint report said, came from a recovery in the farm work force, much of which was idled by bad weather at the time of the mid-September report. (Wall St. J., 11/11 p.22)

BUSINESS INVENTORIES SLOWED IN SEPTEMBER

Business inventories at the end of September reflected the increasing caution with which businessmen—especially manufacturers—are now accumulating stocks, a Department of Commerce report indicated. The book value of manufacturing and trade inventories was up slightly—by $100 million—over August on a seasonally-adjusted basis, but this increase was only half the $200 million average gain of earlier months this year. A Department of Commerce official said the lesser increase in inventory value indicated "some liquidation" among manufacturers in response to the easing off of business. Another Department official said prices were "still a factor" in the August to September rise, but were beginning to become less of a factor. (Wall St. J., 11/11 p.5)

DECLINES INEVITABLE, MARTIN SAYS

In the same tone and in many of the same words which he has used over recent months to warn of inevitable downward adjustments in the economy, William McChesney Martin, Jr., Chairman of the Board of Governors of the Federal Reserve System, told a meeting of the American Finance Conference that "this is a loss as well as a profit economy. Declines have to occur from time to time when mistakes in judgement have been

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made... when there has been waste and extravagance." Mr. Martin emphasized that he was making no forecast of economic conditions. But he said that he had "faith" in the ability of the economy to make the necessary adjustments. (J. of Comm., 11/7 p.1)

BOOM SEEN PITFALL  Prosperity can be perilous, especially for small business. So, at least, say some economic specialists who have recently applied their microscopes to the often-overlooked business pitfalls masked by good times. This study was made over a two-year period by the University of Pittsburgh's Bureau of Business Research. "In periods of prosperity some executives tend to become complacent," warns Dr. A. M. Woodruff, director of the bureau. "The dangers are greatest in small business." Business failures, the study shows, are largely self-inflicted, stemming from management's own poor financial and sales planning, and general administrative deficiencies. Managers, Dr. Woodruff indicates, cannot expect a general economic updrift to waft their earnings steadily higher. (Wall St. J., 11/7 p.1)

BANKERS' ACCEPTANCE  Bankers' acceptance dealers cut their rates another one-eighth point—the third such cut since mid-August. The two previous reductions had been ascribed to technical factors in the market for acceptances, which are used to finance the movement of goods. But the latest cut, dealers said, reflected general easing in money rates. (Wall St. J., 11/7 p.1)

HIGH DEFENSE SPENDING WON'T HURT ECONOMY  Defense spending can be maintained at a high level over a prolonged period without disrupting the nation's economic growth. That's the consensus of more than 100 university, industry, and labor economists who submitted their views to the Joint Economic Committee of Congress. The economists indicated a general belief that the strain of big security outlays—now 55% of the $72 billion Federal budget—can continue to be absorbed without checking the rise in living standards. (Wall St. J., 11/8 p.1)

VOTERS APPROVE BOND ISSUES  Voters approached the polling booths in a generous mood on Tuesday. They approved almost 90% of the $935 million in bond proposals carried on various ballots in states and municipalities sprinkled throughout the country. Only $105 million in bond financings were turned down. The results surprised some forecasters who, on the basis of bond elections in the first part of the year, had predicted a larger percentage of turndowns. The mark chalked up in this general election is almost identical
with the 87% of bond issues approved in last November's balloting. In Ohio, where more than three-quarters of today's bond elections were decided, voters treated harshly several of the larger issues placed before them. The Buckeye State accounted for the predominance of bond elections because it traditionally reserves these contests for the November general election. (Wall St. J., 11/7 p.16)

BRITISH DOLLAR RESERVES UP

Britain's gold and dollar reserves rose by $243 million during October and stood at $2 billion by the end of the month, the Treasury announced today. This increase came in the first full month since Prime Minister Macmillan's Conservative government raised the bank rate from 5 to 7% in a move to protect the pound by halting a run abroad on sterling. Britain holds these gold and dollar reserves as banker for the sterling area. (N. Y. Herald Trib., 11/5 III p.10)

JERSEY STANDARD SETS STOCK PRICE

Standard Oil Co. (New Jersey) has set a price of $44 a share on its 6,549,124-share common offering to its stockholders. At the $44 price, the sale will bring gross proceeds of more than $288 million to the international petroleum giant. That ranks it as the second largest stock offering underwritten for an industrial company in the history of American finance. It is exceeded only by the $328 million General Motors Corp. raised through an offering to its stockholders in February 1955. Jersey Standard stockholders get rights to the huge offering in the ratio of one new share for each 30 held of record November 8. (Wall St. J., 11/8 p.14)

CONSTRUCTION OUTLAYS SET RECORD

Construction outlays this year will reach a record $47 billion despite a seasonal decline in October. This prediction was made by the Commerce and Labor Departments on the basis of ten-month building expenditures. The anticipated total for all 1957 would be about $1 billion above 1956. It would mark the twelfth straight year construction outlays have set new highs. October spending of nearly $4.5 billion was down about $100 million from September, but was still the largest in history for that month. (Wall St. J., 11/7 p.1)

COTTON CLOTH BUYING RISES

The forward buying pace in the cotton cloth market is beginning to pick up steam, with many millions of yards changing hands for first and second quarter deliveries. In addition, buyers are evidencing mounting interest in forward goods in the way of increased bidding. This bidding, however, which is sweeping virtually across the entire print cloth and broadcloth sector of the market, is mainly at lower than current levels
and is beginning to run into resistance. From a price standpoint, a good share of the new business was done below list quotations. (Lee. J. of Comm., 11/7 p.1)

'58 CEMENT SHIPMENTS For the first year since World War II, shipments of cement will dip in 1957. The decline, amounting to approximately 5 to 8%, will bring shipments to around 285 to 295 million barrels, compared with last year's record-breaking 311 million barrels. But cement manufacturers are confident that the long-term growth of the industry will continue. Much will depend on the labor outlook, however, as well as on the general level of business activity. For 1958, cement makers believe that dollar volume of construction will rise about 5%, while physical volume will be up about 2%. (Fish. J. of Comm., 11/6 p.1)

NEW POST CREATED TO STEP UP MISSILES PROGRAM President Eisenhower announced tonight he had named Dr. James R. Killian, president of the Massachusetts Institute of Technology, to advance the nation's scientific defense program. The President said that Dr. Killian had accepted appointment to the newly created post of Special Assistant to the President for Science and Technology. The announcement came in an address to the nation designed to allay public fears concerning scientific achievements by the Soviet Union. The President also disclosed: sweeping administrative changes within the Defense Department to give top priority to missile and rocket development without regard to interservice rivalries; and a plan for greatly increased scientific education, research and sharing with America's allies. (Drury. N. Y. Times, 11/8 p.1)

EUROPEAN CARS INCREASING IN U.S. Though vastly overshadowed by sales of domestic cars, of which they will total 3% at best this year, growth of the foreign entries, economy types and sports models, has been phenomenal this year. Through July, latest period for which figures are available, imports were up by more than 100% over last year. They totaled 137,000 units, valued at $156 million. Though all supplying countries have shared this import growth, their shares of the market have changed. Dollarwise, Britain has returned to first place, a position she lost to West Germany on the strength of Volkswagen's popularity; the German supplies still stand first in units. (Barovick. J. of Comm., 11/5 p.1)