HOUSING STARTS The Department of Labor reported that housing starts turned upward at last in April. The 95,000 starts in that month represented an annual rate, seasonally adjusted, of 950,000. The level was 890,000 in February and March. (Dale, Jr. N.Y. Times, 5/10 p.1)

RETAIL SALES The Department of Commerce reported that retail sales IMPROVE in April, based on the preliminary "flash" report, rose over March. The dollar total of sales was $16.1 billion. After allowance for seasonal factors, this meant an increase of 2% over March--the first increase in retail sales this year. Sales of both durable and nondurable goods increased. (Dale, Jr. N.Y. Times, 5/10 p.1)

AUTO SALES April sales of new autos fell short of both the January and March totals. They were ahead of February. The nation's dealers delivered 362,800 cars in the month for an average of 13,950 cars in each of the 26 selling days. This was a decline of 29.7% from the average daily sales of cars in April 1957. The one bright spot in the auto sales picture is the depletion of dealers' inventories of unsold new cars. On May 1, such stocks amounted to 809,000 cars--a drop of about 56,000 from April 1. (Wall St. J., 5/9 p.20)

VA APPRAISAL REQUESTS RISE IN APRIL The Veterans' Administration reported appraisal requests for proposed GI homes in April jumped 195% from March to a total of 24,800. The Federal Housing Administration said applications for mortgage insurance on new homes, also an indication of builders' plans, totaled 31,610 in April, the highest since April 1955, up 26% from March and

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89% from April 1957. April's record 47,860 applications for mort-
gages on existing houses brought the F.H.A.'s total applications for
the month to 79,471, the second highest monthly total in the Agency's
history. (Wall St. J., 5/12 p.3)

OREGON LOAN BOOSTS
JOBLESS PAY FUNDS
Oregon, hard hit by a lumber industry slump for
over two years, has obtained a $14 million non-
interest loan from the Federal Government to
build up its unemployment compensation reserves. This is believed to
be the first time a state has obtained Federal aid for this purpose,
although Alaska has tapped special Federal loan funds twice. In three
more states--Rhode Island, Pennsylvania, and Michigan--jobless pay
reserves have fallen to levels that state officials consider low, if
not actually "dangerous." Oregon tapped a special $200 million Fed­
eral loan fund, which was established in 1954 under the Reed Act.
(Wall St. J., 5/8 p.3)

LONDON BUSMEN STRIKE,
TEST OF WAGE POLICY
The first general bus strike in London since
1937 began at midnight May 4. It is expected
to have far-reaching effects on the country's
industrial labor relations, for it is widely regarded as a showdown
between the Government and the trade union movement on the issue of
wage increases. As a part of its anti-inflationary fight, the Govern­
ment has been pressing for wage restraint. But it has disclaimed
any desire to provoke a showdown. The London busmen have on occasion
staged wildcat strikes that were partly effective. But the present
walkout is the first full-scale one since 1937, and that one failed.
Many other unions are pressing wage demands, and their attitude toward
strike action may be determined by what happens to the busmen.
(Ronan. N.Y. Times, 5/5 p.1)

U.S. STEEL EXPECTS
AN EARLY UPTURN
Market studies by the United States Steel Corpor­
ation point to an improvement in its business in
the months ahead, stockholders of the nation's
largest steel producer were told. "This improvement, as it comes,
will be a reflection of depleted inventories and the rebuilding of
those inventories by our customers, together with what must come
sooner or later, a general improvement in the state of our economy,"
Roger M. Blough, chairman, said. He added that, despite present dif­
ficulties, "one can speak of the future with a good deal of assur­
ance." The company's studies indicate that just to meet the contin­
ued average expansion rate the nation has experienced, 30 million to
40 million tons of new ingot steel capacity will be needed in the
next ten years. United States Steel, as of March 31, had authorized
capital projects totaling $640 million. (Ryan. N.Y. Times, 5/6
p.51)
STOCK PRICES UP, EARNINGS DOWN

Price-earnings ratios are rising sharply. Stock prices have crept into new high ground for the year despite the substantially smaller profits being reported for the first quarter from most industries. Seldom has the equity market proved so resistant to the impact of such a considerable decline in profits as has been disclosed. The major motive for the current buying of stocks is evidently an expected early and substantial recovery in both business and profits. (J.I.B. J. of Comm., 5/6 p.1)

RISE IN EXPORTS PREDICTED

Commercial exports apparently edged upwards in March, but remained well below the comparable 1957 month, the Department of Commerce reported. In its first quick estimate of March exports, the Government agency figured commercial shipments at $1.5 billion. That compares with $1.2 billion in February and the $2 billion shipped in March 1957, the best export month on record. As usual, the Department's estimate gave no indication of why March shipments rose above February. (Wall St. J., 5/9 p.4)

WOOL PRICES AT VERY LOW LEVEL

Wool prices are in the midst of their worst decline since 1951. Since last August, fine wool prices have declined from $1.85 per pound to the current level of $1.05. This reflects a drop of over 40% in a market that had already declined over 50% from its earlier high made in January 1951, when fine wools soared to the $4.00 per pound mark. Two factors seem to remain as depressants in the present market: the domestic clip, and the general recession. This year's domestic wool clip is estimated at 130 million clean pounds. This represents 5-1/2 months' consumption of wool at the current rate. (Cossaboom. J. of Comm., 5/8 p.7)

ROOFING MAKERS HIKE PRICES

Burgeoning activity in the construction industry, which has had fairly firm underpinnings throughout the recessionary period so far, brought a 10% to 15% rise in the price of roofing. Manufacturers who made the change hope it will stick. To some degree they are betting on measures designed to stimulate housing. About half of roofing shipments are estimated to go into modernization work. (J. of Comm., 5/6 p.1)

U.S. FUNDS ASKED FOR "EURATOM"

"Euratom" will turn to the U.S. for up to $100 million of the cost of the $350 million nuclear power program it has tentatively planned for its six member countries. The European atomic agency is expected to get a loan for most of the $100 million from the Export-Import Bank. Private U.S. and European financiers may participate. (J. of Comm., 5/9 p.4)
BANK OF SWEDEN  The Bank of Sweden has cut its discount rate from 5% to 4-1/2%, and Swedish commercial banks have followed suit by lowering interest rates the same amount.

P.V. Asbrink, governor of the bank, said the measure was a conservative and natural adjustment to a deteriorating economic situation.
(N.Y. Times, 5/7 p.57)

GRAND CENTRAL CITY  Plans were announced for the construction of a fifty-story skyscraper at the rear of Grand Central Terminal. When completed in 1961, the $100 million structure will have larger capacity than any commercial office building in existence. Its floor area of more than 3 million square feet will be almost half again as great as the floor space in the Empire State Building, and its massiveness will be second only to that of the Pentagon. The new structure will be known as Grand Central City. It will replace the six-story Grand Central Terminal Office Building, which now stands on the site. There will be a parking garage with a capacity of 2,000 cars on four levels within the building. (Fowler. N.Y. Times, 5/8 p.1)