MAY 1957

business review

FEDERAL RESERVE
BANK OF
PHILADELPHIA

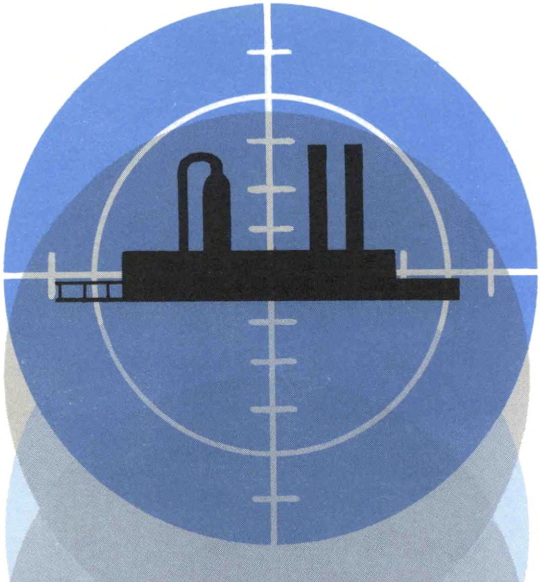
MANUFACTURERS RAISE THEIR SIGHTS

This survey of capital spending plans for Philadelphia area firms is encouraging. Manufacturers plan to spend more in 1957 than actually spent in 1956, and more than planned last fall.

BUSINESS TRENDS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

Activity continues near high levels reached last year. Areas of both strength and weakness, present in 1956, are still with us.

Additional copies of this issue are available upon request to the Department of Research, Federal Reserve Bank of Philadelphia, Philadelphia 1, Pa.



MANUFACTURERS RAISE THEIR SIGHTS

For the first few months of this year it seemed as if the gloom in some business circles was thick enough to cut with a knife. The stock market was a little shaky, there was talk of a "hair curling" depression, a late Easter distorted department-store sales statistics, and much of the business press spotlighted signs of distress in various industries.

It never quite seemed as if the facts looked as bad as some made them sound. Nonetheless, many were caught by this mood. To some extent, 1957 was written off as a "second best year."

Slowly the mood is changing. Gross National Product totals for the first quarter, if not sensational, are at least reassuring. Employment and unemployment figures generally have been behaving in a satisfactory manner. These facts and others now seem to be piercing the gloom.

The latest figures to provide reassurance are the McGraw-Hill estimates of capital expenditures at the national level. McGraw-Hill finds that in 1957, business plans to spend 12 per cent more than in 1956 for new plant and equipment. Since this is about the same as the estimate arrived at in the fall, it means that the gloomy talk didn't have any drastic impact on business-spending plans.

This conclusion is reinforced by this Bank's spring check-up of manufacturers' spending plans. The story follows:

More than heartening

A re-check on our fall survey of capital expenditures indicates that manufacturers in the Philadelphia metropolitan area plan to spend $403 million in 1957. This is 20 per cent more than they spent in 1956. If spending goes as planned, manufacturers will have increased outlays by a record amount in 1957.

Perhaps the most significant news from the re-check is that manufacturers have upped their sights since last fall. At that time, they told us they

SURVEY HIGHLIGHTS

1. Local manufacturers plan to spend $403 million in 1957, 20 per cent more than in 1956.
2. Total spending planned for 1957 is now 6 per cent higher than anticipated in our fall survey.
3. Actual employment totals in December and March were larger than projected last fall.
4. On the other hand, not as many firms as forecast they would, actually increased production over the past six months.

1957 CAPITAL EXPENDITURE EXPECTATIONS OF PHILADELPHIA METROPOLITAN AREA MANUFACTURERS

(In millions of dollars)

Industries	Spring estimate 1957 expenditures	Actual expenditures, 1956	Per cent change
All manufacturing	403.0	337.2	+20
Durables	154.0	133.4	+15
Lumber and furniture	1.5	1.6	− 6
Stone, clay, and glass	5.3	12.2	−57
Primary metals	50.7	39.0	+30
Fabricated metals	22.1	21.9	+ 1
Machinery (excluding electrical)	23.6	13.1	+80
Electrical machinery	16.8	18.1	− 7
Transportation equipment	20.1	18.1	+11
Instruments and miscellaneous	13.9	9.4	+48
Nondurables	249.0	203.8	+22
Food and tobacco	38.0	31.3	+21
Textiles	9.5	8.6	+10
Apparel	1.7	7.5	−77
Paper	15.2	18.7	−19
Printing and publishing	11.5	8.4	+37
Chemicals	79.0	47.7	+66
Petroleum and coal products	89.5	78.6	+14
Rubber and leather	4.6	3.0	+53

would spend $381 million in 1957. Despite a great deal of gloomy talk, continued tight money, and the fact that some profit margins seem to have narrowed, manufacturers say they are going to spend 6 per cent more than expected a few months ago. Our fall survey was described as "heartening"; this re-check has to be something more than that.

This year, for the first time, we surveyed as many firms in the spring re-check as we had in the fall. In this way it is hoped that the results of the survey will portray spending plans even more accurately. In the past, planned spending as revealed in our spring survey has proved a rather accurate forerunner of actual outlays. Last year, for example, this survey showed that a sizable increase over the fall projection was in prospect. That turned out to be what happened.

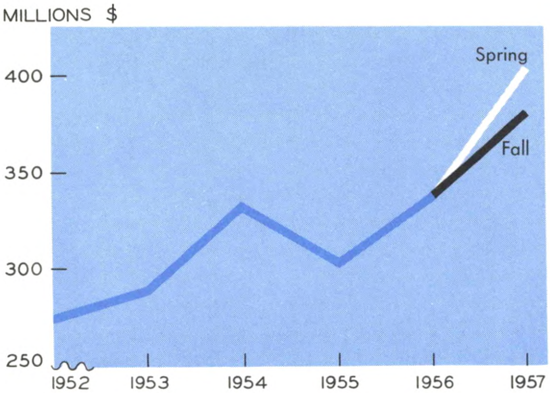
Manufacturers reporting in the survey are located in Philadelphia, Bucks, Chester, Delaware, and Montgomery counties in Pennsylvania, plus Burlington, Camden, and Gloucester counties in New Jersey. The spending is for new plant and equipment in this eight-county area.

Down-the-line strength

In the fall, we said, "Total spending is to go higher in 1957 largely because the big spenders plan it that way." Our point was that a relatively few big industry groups and a relatively few big firms within these industry groups were planning large increases in spending. The big increases by big spenders were more than counterbalancing small decreases by many industries and firms.

This is no longer the case. There is much more evidence of "down the line" strength in this sur-

CAPITAL SPENDING OF MANUFACTURERS SINCE 1952.



vey than in the fall. The spring re-check indicates that 11 of the 16 industrial classifications plan to spend more in 1957 than in 1956. In fact, this solid show of strength is offsetting some weakening in our largest spending category. Expenditures planned by the petroleum industry in this area show a $23 million decline from fall plans. (Fall plans of the petroleum industry called for a $34 million increase in spending; therefore, despite the severe cutback, spending still is to be $11 million higher than in 1956.)

Looking at it a different way, the conclusion holds that the increase in total spending planned this spring is more broad-based than last fall. In the fall, 60 per cent of the firms that planned changes in their spending programs in 1957 looked for declines. By the spring, there are as many firms planning increases as decreases from 1956 levels of spending.

Durables plan a 24 per cent rise

Industrial classifications are frequently divided into nondurable and durable groupings. This is the case in the following table. These groups show divergent trends since the fall.

Durable goods manufacturers now plan to spend about 23 per cent more than last fall. As the table shows, all industry groups in this classification except one increased their estimates considerably from the fall survey. Machinery makers account for the largest increase. The only group cutting back fall plans is stone, clay, and glass makers.

A big increase over the fall estimate is planned by lumber and furniture makers. Actually, however, expenditures of this group are small as compared with most other classifications. And although this group is spending 67 per cent more than anticipated in the fall, its spending still represents a low point since 1952. The high point was achieved in 1954, and expenditures this year are to be off 70 per cent from that peak.

FALL AND SPRING PROJECTION OF 1957 SPENDING

(In millions of dollars)

Industries	Spring estimate of 1957 expenditures	Fall (1956) estimate of 1957 expenditures	Per cent change
All manufacturing	403.0	380.6	+ 6
Durables	154.0	124.7	+23
Lumber and furniture...	1.5	0.9	+67
Stone, clay, and glass....	5.3	6.8	—22
Primary metals	50.7	41.5	+22
Fabricated metals	22.1	18.6	+19
Machinery (excl. electric)	23.6	12.9	+83
Electrical machinery	16.8	15.0	+12
Transportation equipment	20.1	17.3	+16
Instruments and misc. ...	13.9	11.7	+19
Nondurables	249.0	255.9	— 3
Food and tobacco	38.0	25.4	+50
Textiles	9.5	8.7	+ 9
Apparel	1.7	1.2	+42
Paper	15.2	16.1	— 6
Printing and publishing..	11.5	9.4	+22
Chemicals	79.0	77.8	+ 2
Petroleum and coal prod.	89.5	112.4	—20
Rubber and leather	4.6	4.9	— 6

Electrical machinery is another interesting group. A 12 per cent increase over the fall estimate is planned. In spite of this upward revision, 1957 spending by these makers will be lower than in four of five preceding years.

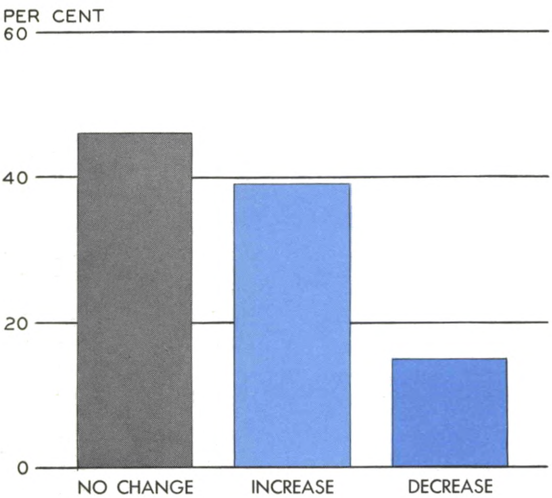
Spending totals planned by other durables makers will be at or near record highs.

A slight decline for nondurables

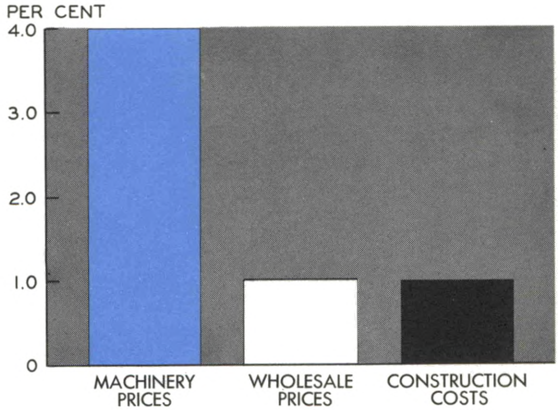
Over-all, makers of nondurables plan to spend about 3 per cent less than anticipated in the fall. But of the eight industrial classifications within the nondurables grouping, five plan increases. Food and tobacco manufacturers plan to spend half again as much as they previously announced. The large cut-back from fall estimates projected by the petroleum industry swings the balance downward.

A little perspective on some of the figures is in order. Apparel makers show a good-sized increase in their expectations as compared with the fall.

PERCENTAGE DISTRIBUTION OF MANUFACTURERS' PLANS THIS SPRING AS COMPARED WITH LAST FALL.



SELECTED PRICE CHANGES SINCE SEPTEMBER 1956.



Apparel makers, however, still plan to spend only $1,700,000 in 1957 as compared with $7,500,000 in 1956. Spending this year will be the lowest on record for this category.

On the other hand, the petroleum industry, which plans a 20 per cent decrease from the fall, still plans to spend more in 1957 than in any other year on record.

WHY THE CHANGE?

The big question that emerges from this re-check is "Why the change?" We have already said it amounts to a 6 per cent upward thrust. The chart shows that over half of the firms changed their plans since the fall. And of the firms changing plans, two-and-a-half times as many decided to increase spending as decrease. But the question that remains unanswered is, why?

It is possible to start by saying that some of the changes have come about because the figures given us in September were arrived at before end-of-the-year meetings put the stamp of approval on them. Undoubtedly, to some extent, this is the case. But this doesn't account for the preponderance of firms planning to hike spending.

It costs more now

Certainly, a part of the upward shift in spending could be purely price. All wholesale prices and construction prices are up just 1 per cent from the date of the original survey in September. Machinery and equipment prices, however, have risen by between 3 and 4 per cent.

Of course the fact that these prices have been on the rise in the recent past should be evaluated. This, it would seem, could cause some manufacturers to have assumed a certain rise in price last September when they announced their plans. It is just about impossible to tell how many did this, because this kind of an assumption can be implicit or even subconscious. But no matter what, it does seem safe to say that some part of the increase in spending is attributable to the rather rapid rise in machinery and equipment prices.

Business conditions have changed

The general business environment within which manufacturers make their spending decisions would logically be expected to exert an influence on the spending decisions. A generally more buoyant business environment than anticipated could be responsible for larger spending plans. Is business better than expected?

The answer to that one can go either way. First, let's take the affirmative.

In September, we asked manufacturers about their employment anticipations. From their replies, we constructed prospective employment totals for December and March. The table below indicates that actual employment totals in December and March exceeded expectations by a small margin. There is also some correlation between larger-than-expected employment totals and up-

ACTUAL EMPLOYMENT TOTALS EXCEED FALL EXPECTATIONS

(In thousands)

Industries	Dec. 1956 estimated	Dec. 1956 actual	March 1957 estimated	March 1957 actual
All manufacturing	549.6	554.3	553.3	555.2
Durables	265.9	269.4	269.4	266.4
Lumber and furniture	8.5	9.1	8.8	9.2
Stone, clay, and glass	13.7	13.7	13.9	13.7
Primary metals	39.1	40.6	39.1	40.3
Fabricated metals	41.7	41.0	42.4	41.6
Machinery (excluding electrical)	46.9	48.9	48.6	48.7
Electrical machinery	56.7	55.0	56.6	53.3
Transportation equipment	30.4	32.6	30.8	31.2
Instruments and miscellaneous	28.9	28.5	29.2	28.4
Nondurables	283.7	284.9	283.9	288.8
Food and tobacco	50.1	50.8	49.1	49.9
Textiles	42.5	41.6	43.0	41.9
Apparel	60.5	61.3	60.6	64.1
Paper	21.5	21.7	21.6	21.3
Printing and publishing	34.3	34.3	34.1	37.2
Chemicals	35.6	36.2	36.0	35.6
Petroleum and coal products	22.8	22.6	22.8	22.6
Rubber and leather	16.4	16.4	16.7	16.2

ward revisions in spending plans within the industrial classifications. All of this seems to indicate pretty positively that the general business environment is healthier than anticipated.

But remember, we said the answer to this one can go either way—here's the negative.

In September, we also asked manufacturers about their production plans. They told us whether they expected no change, an increase, or a decrease in their production from one quarter to the next. This spring we asked manufacturers what they actually experienced in the fourth quarter of 1956 and the first quarter of 1957. We also asked them to project production trends for the rest of 1957.

The following table tells the story. In the fourth quarter of 1956 and the first quarter of 1957, more firms looked for increases than actually experienced pluses, and fewer firms looked for declines than actually had dips. In other words, manufacturers were overly optimistic about production trends last September. This seems to say conclusively that the business environment isn't so healthy as expected.

Put together, the two seemingly conclusive answers prove inconclusive.

ANTICIPATED TRENDS IN PRODUCTION WERE MORE OPTIMISTIC THAN ACTUAL LEVELS WARRANTED

(Percentage distribution of firms)

	All manufacturing	Durables	Nondurables
Fourth quarter 1956			
Actual —			
Increase	40	47	33
No change	39	36	42
Decrease	21	17	25
Fall estimate, 1956			
Increase	48	51	45
No change	38	35	41
Decrease	14	14	14
First quarter 1957			
Actual —			
Increase	34	40	29
No change	39	33	45
Decrease	27	27	26
Fall estimate, 1957			
Increase	38	41	36
No change	47	46	47
Decrease	15	13	17

DIRECTION OF ANTICIPATED CHANGES IN PRODUCTION

(Percentage distribution of firms)

	All manufacturing	Durables	Nondurables
Second quarter 1957			
Increase	40	45	35
No change	44	38	50
Decrease	16	17	15
Third quarter 1957			
Increase	32	32	32
No change	48	44	51
Decrease	20	24	17
Fourth quarter 1957			
Increase	40	47	34
No change	44	38	50
Decrease	16	15	16

Is the outlook brighter?

Just as changes in the current business environment would be expected to change spending plans, so might changes in the business outlook. One clue as to the business outlook of manufacturers in this survey may be provided by their inventory plans.

We asked manufacturers in September if they expected to maintain, increase, or decrease their inventory by March 1958. About 63 per cent of the firms said they planned no change, but 24 per cent said they would draw down stocks and just 13 per cent said some increase was on the way.

In September when firms looked ahead for a year, 66 per cent said inventories would remain the same, and about the same number of firms (17 per cent) looked for a decrease as for an increase.

Generally speaking, when firms anticipate more buoyant business activity, they stock up. In this light, current inventory anticipations reflect less optimism in the business outlook of local manufacturers than last fall.

Another indication of the future business climate as manufacturers see it is provided by the table opposite which summarizes their production anticipations. Generally, this seems to be an optimistic report, but no more optimistic than last fall's production forecast.

All other reasons

There are any number of additional reasons why firms may have raised their spending sights since September. Competitive conditions within a given industry might have changed in such a way as to require more spending than planned. New developments and techniques of production requiring different kinds of equipment may have sparked spending in an industry. The changing nature of the Administration's defense budget with its growing emphasis on missile development could have occasioned some rise in expenditures within certain industries.

These are just a few of the changes that could affect spending plans of firms within an industry or industries. Generally speaking, this type of change is frequently thought to have offsetting consequences. Peculiar circumstances which ignite spending within one industry may tend to curtail a roughly commensurate volume of spending in some other industry, but this commensurate cutback does not necessarily follow.

Conclusions

It would be difficult to interpret this report any way but optimistically. Local manufacturers told us last September they were going to spend 13 per cent more in 1957 than they had in 1956. Now, six months and a lot of gloomy talk later they say they are going to spend 20 per cent more in 1957 than in 1956.

In addition, this spring report has a certain solidity that our September survey lacked. The increases are more widespread among industry groups and firms within an industry.

The big question that the survey provokes is, why? Why should manufacturers' capital spending plans for 1957 be larger in the spring than last fall?

We have tried to explore some reasons why this change has taken place. There seems to be little evidence to support the theory that business activity has progressed more favorably than manufacturers anticipated. Likewise, it is difficult to support the thesis that their outlook is brighter this spring than it was last fall.

Some of the increased spending is no doubt attributable to the fact that machinery and equipment prices have risen rather rapidly over the past six months. Some, too, probably comes as a result of peculiar competitive circumstances within given industries. And some comes as a result of forces so varied and diverse as to preclude explanation.

BUSINESS TRENDS IN THE PHILADELPHIA FEDERAL RESERVE DISTRICT

On the basis of first-quarter trends, 1957 looks more like a year in which Third District business activity may level off rather than continue to expand, as was the case over much of 1956.

Nevertheless, some of the elements of greatest strength that contributed to last year's high-level activity are still present. Our spring re-check of the capital spending plans of local businessmen, for example, seems to reflect even more optimism than was expressed in our initial survey last fall. Although employment has not shown many increases worthy of note, neither has it declined appreciably in any important sector. One basic industry—primary steel—has maintained above-capacity operations for many months, and productive facilities are still expanding. In an important area of consumer spending—sales of department stores—dollar volume through the Easter period made favorable comparisons with 1956.

Two main areas of weakness in this year's business picture—homebuilding and automobile sales—also were evident all through 1956. In these sectors of the Third District economy, conditions seem to have deteriorated somewhat further in recent months. For the construction industry as a whole, however, the current situation still compares favorably with a year ago. Activity in some fields of non-residential building is still expanding, while high-level operations remain in prospect in others. In automobiles, that looked-for bulge in demand has not materialized. Only the used car market shows strength.

Labor-market changes continue narrow

Relatively minor changes have occurred in Third District labor markets in the past several months. In January, an increase in unemployment in the Wilmington market changed that area's official classification from one of labor scarcity to one of small labor surplus. Most of the cutbacks came in construction, as a large refinery project neared completion, although activity also slackened in several manufacturing lines, including food processing, ordnance, apparel, and chemicals. Another unemployment rise occurred in the Lancaster area about mid-March, following layoffs in electrical machinery, fabricated metals, and textiles.

Meanwhile, employment prospects for the period ending the middle of May have improved somewhat in two other major areas and in lines that had shown weakness earlier this year. In Philadelphia, some gains appear probable in food processing, electrical machinery, and chemicals. The York area is expecting improvement in the service and household machinery line, which includes refrigeration and air conditioning equipment.

Elsewhere in our District no changes in labor-market status have occurred since the turn of the year. We still have three major areas—Atlantic City, Scranton, and Wilkes-Barre–Hazleton—where the number of job applicants substantially exceeds employment opportunities. And in seven of our small industrial areas, unemployment has remained a pressing problem for a long time. Berwick, Clearfield-DuBois, Lewistown, Lock Haven, Pottsville, Sunbury, and Bridgeton are the small labor markets where substantial percentages of the local labor forces remain unemployed.

Factory employment has leveled off

In this District as a whole, factory employment through the first quarter of 1957 continued close to the levels prevailing over much of last year. In places like Philadelphia, Harrisburg, the Lehigh Valley, and Scranton a remarkable degree of stability has persisted for some months. But only in the Harrisburg and Scranton areas were employment levels appreciably higher than in the early months of 1956. Primary metals and apparel, respectively, are the largest employers of factory labor in those areas. In Wilkes-Barre and Wilmington, employment has increased appreciably from relatively low levels prevailing last fall. Lancaster is an area where persistent weakness has been in evidence since last August. In Reading, Trenton, and York, factory employment trends have been generally downward since the turn of the year.

Average working time of production employees in Third District factories has fluctuated narrowly for several months, a little below the levels of a year earlier. Among individual industries, transportation equipment is about the only one to show a decided cutback. In fabricated metals, pretroleum, and lumber, working time showed a rising trend throughout the first quarter.

Basic steel capacity is increasing

Steelmaking in our District is continuing to expand, and in at least one of the past three years the tonnage gain was among the sharpest reported anywhere in the country. The trend seems to be continuing, with one large producer reporting an expansion program that will boost the plant's capacity almost 25 per cent. Among the sharpest increases in ingot-producing facilities over the past three years were those reported in or near such areas as Bethlehem, Harrisburg, Johnstown, Milton, and Philadelphia.

Operations at local steel mills have continued above their rated capacity in every week since last August. Moreover, production seems to have been especially well maintained over the winter. This trend contrasts sharply with the declining tendency that has been in evidence at the national level since late February. The heavy products which account for so much of the steel processed in this District seem to have been a major factor in maintaining operations at local ingot mills, while output in some other areas was declining.

Coal production shows divergent tendencies

Supported by a fairly stable demand from industry, the production of bituminous coal in Pennsylvania continues near the high levels prevailing during the first quarter of last year. Output has risen more than seasonally since December and in March was the largest for that month since 1952. In the anthracite fields of this state, however, the production trend has been largely downward since mid-January and appreciably below year-ago levels. Although new industrial uses for this fuel have increased, demand for heating purposes has continued to slacken. Last year, export demand for anthracite was an important factor in a higher level of colliery output.

Building activity shows a small gain over 1956

Supported by a relatively high level of operations in the non-residential field, building and construction in this District in the quarter ended March was slightly higher than a year earlier. In the area of homebuilding, however, recent trends offer little in the way of encouragement. According to the F. W. Dodge Corporation, the value of all contracts awarded through March was up 2 per cent from the 1956 level. All of the gain, however, was in non-residential building, which includes industrial, commercial, and educational structures. Contracts for public works and utilities showed only a small decline in this period, but residential awards were down an average of 20 per cent. On the basis of total residential awards, the homebuilding picture appeared least favorable in cities like Reading, Philadelphia, Lancaster, and Harrisburg. Among the larger city areas, Trenton alone seemed to have a much larger dollar volume of home construction in prospect this spring than last.

Mortgage money here, as almost everywhere else in the country, has continued tight for many months. Latest reports from this District seem to indicate that a somewhat easier situation may be developing. But thus far many of our local builders remain hesitant about proceeding on anything but a reduced scale of operations. This year's trend in residential starts is said to be toward houses that will sell in the higher brackets—from $15,000 and up. Rising costs of land improvement and construction seem to be a most important factor.

Department-store sales trend is encouraging

Dollar volume at Third District department stores, while somewhat disappointing in some early weeks of 1957, has improved considerably since the middle of March. A late Easter this year threw most of that holiday's business into April, consequently actual sales in March and for the first quarter as a whole trailed those of 1956 by a small margin. When allowance is made for the shift in the date of Easter, however, March sales showed a gain of 8 per cent over a year earlier. On this basis, all but two of our metropolitan areas—Lancaster and Scranton—experienced larger sales in March this year than last. Weekly sales figures for March and April, which include the Easter buying season in both years, indicate that dollar volume in Third District stores was up almost 3 per cent from the 1956 period.

Automobile registrations are disappointing

Registrations of new passenger cars in Third District counties of Pennsylvania have continued to run considerably below expectations for some weeks. Midwinter sales were generally below the levels of one and two years ago and disappointment increased in March and April, as the long-awaited spring bulge in demand failed to materialize. In these counties, first-quarter registrations were 22 per cent smaller than in 1956, when a similar year-to-year comparison showed a rise of 10 per cent. Perhaps the brightest spot in the automobile picture this spring is the continuing strength in the used-car market, where the demand for late models has been strong.

Freight-car loadings are down from 1956

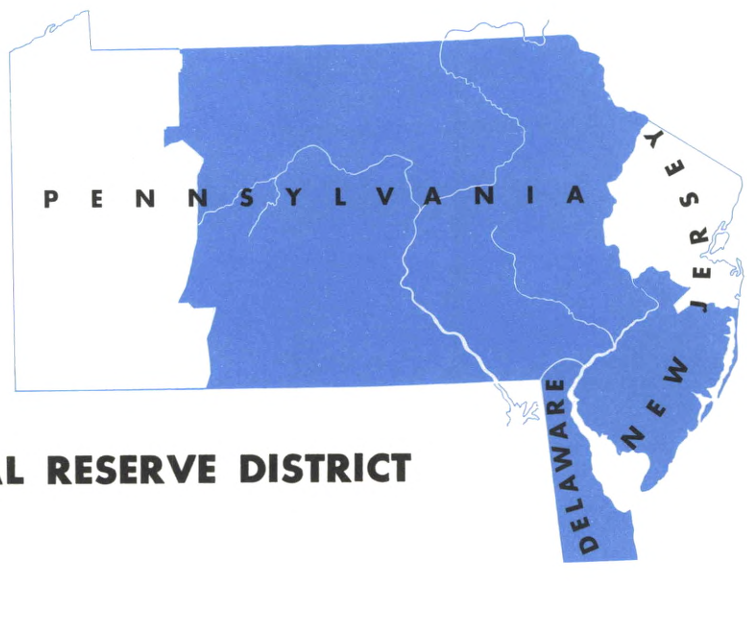
First-quarter loadings of revenue freight ran appreciably below relatively high levels prevailing a year ago. January and February totals showed large percentage declines, but in March the spread narrowed considerably. Shipments of coal, which account for a substantial proportion of the freight volume in this area, were down 8 per cent from a year ago in the three months ended March. Loadings of merchandise and miscellaneous freight, including manufactures, were off 6 per cent in this period. Forecasts of second-quarter total loadings for the Allegheny region, which includes this Federal Reserve District, indicate a rise to a level about 1 per cent above 1956.

Farm cash income is higher

Farmers in Pennsylvania, New Jersey, and Delaware received more for their marketings of crops and livestock products in 1956 than in either of the two preceding years. The sharpest increase over a year ago was in income from crops—up 7 per cent compared with a rise of only 1 per cent in cash received from livestock and livestock products. Last year's increases in farm cash income were especially pronounced in Delaware and New Jersey, where they amounted to 14 and 7 per cent, respectively. In the early months of 1957, Third District farmers were reporting slightly larger receipts from marketings than a year earlier.

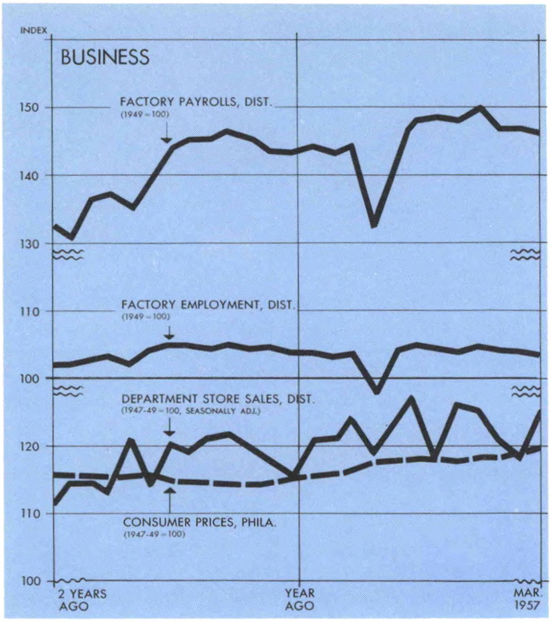
Consumer prices are still rising

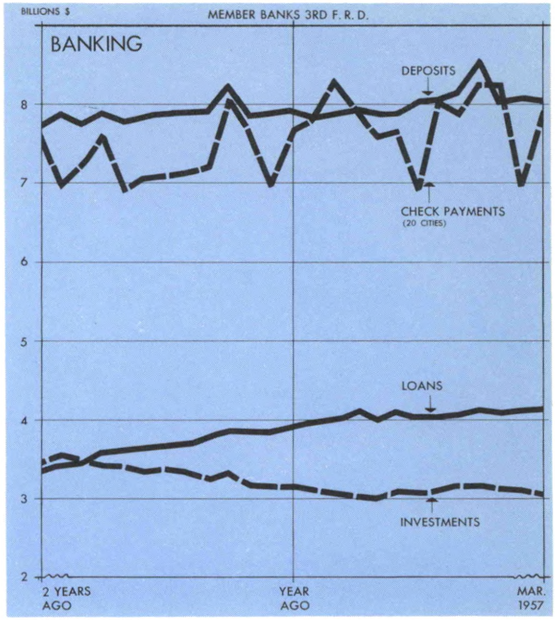
Over the past 15 months, living costs in Philadelphia have risen at a slightly faster rate than the average for the country as a whole. Between January 1956 and March of this year, the local index has gone up 4.7 per cent, as against a national increase of 3.8 per cent. This tendency persisted over much of last year and continued through the quarter ended March 1957. Food, transportation, and housing costs in Philadelphia have risen more than some other items. In the housing component, at least, it appears likely that further advances must be expected. Rents have shown little evidence that stability may be near, while land improvement and construction costs are increasing rapidly.



THIRD FEDERAL RESERVE DISTRICT

FOR THE RECORD...





SUMMARY	Third Federal Reserve District: Per cent change, March 1957 from mo. ago	Third Federal Reserve District: Per cent change, March 1957 from year ago	Third Federal Reserve District: 3 mos. 1957 from year ago	United States: Per cent change, March 1957 from mo. ago	United States: Per cent change, March 1957 from year ago	United States: 3 mos. 1957 from year ago
OUTPUT						
Manufacturing production	− 1	−3	−4	+ 1	+3	+2
Coal mining	− 2	0	−3	+ 2	+2	−3
EMPLOYMENT AND INCOME						
Factory employment (Total)	0	0	0	0	+1	+1
Factory wage income	0	+2	+2	....	....	....
TRADE**						
Department store sales	+ 5	+8	−2	+ 2	+4	−2
Department store stocks	+ 1	+4	....	+ 1	+4	....
BANKING (All member banks)						
Deposits	0	+1	+2	0	+2	+2
Loans	0	+6	+7	+ 2	+7	+8
Investments	− 2	−3	−2	− 1	−5	−5
U.S. Govt. securities	− 3	−3	−2	− 2	−6	−6
Other	+ 1	−3	−3	+ 1	−2	−3
Check payments	+13†	+4†	+4†	+11	+4	+7
PRICES						
Wholesale	....	....	....	0	+4	+4
Consumer	0‡	+4‡	+4‡	0	+4	+3

**Adjusted for seasonal variation.

†20 Cities
‡Philadelphia

LOCAL CHANGES	Factory* Employment: mo. ago	Factory* Employment: year ago	Factory* Payrolls: mo. ago	Factory* Payrolls: year ago	Department Store Sales: mo. ago	Department Store Sales: year ago	Department Store Stocks: mo. ago	Department Store Stocks: year ago	Check Payments: mo. ago	Check Payments: year ago
	Per cent change March 1957 from		Per cent change March 1957 from		Per cent change March 1957 from		Per cent change March 1957 from		Per cent change March 1957 from	
Allentown	−1	−2	+2	+ 6	....	....	....	....	+ 7	+ 7
Harrisburg	−1	+4	0	+10	....	....	....	....	+ 9	+ 4
Lancaster	0	−2	+1	+ 1	+24	−14	+ 8	+ 2	+ 8	+ 1
Philadelphia	0	+2	0	+ 7	+16	− 2	+ 7	+ 5	+13	+ 3
Reading	−1	−4	−1	0	+20	+ 5	+14	+11	+11	− 3
Scranton	−2	−1	−3	+ 3	+ 8	−12	+ 6	+ 4	+ 5	− 1
Trenton	−2	−1	−2	+ 4	+23	+ 2	+20	+ 9	+26	+26
Wilkes-Barre	0	−2	0	+ 3	+18	− 9	+ 8	+ 2	+13	+ 1
Wilmington	+1	−2	−1	+ 3	+18	+ 7	+12	+12	+19	0
York	−1	−2	−2	− 1	+28	− 1	+14	+ 1	+ 8	− 3

*Not restricted to corporate limits of cities but covers areas of one or more counties.