# Monthly Review


FEDERAL RESERVE BANK OF SAN FRANCISCO

March 1956

# REVIEW OF BUSINESS CONDITIONS

THE economy of the Twelfth District continued to expand in the opening months of the year, at a rate somewhat greater than expected earlier. While part of this rise in general levels of business was due to the ending of protracted labor disputes, significant additional strength has become visible in several lines of industrial activity. As a result of these factors, usual seasonal declines in some sectors have been more than offset by nonseasonal expansions in other segments of the District economy.

Continuation of active markets for many goods and services nationally reflects a variety of forces. Possibly the most pervasive influence on current levels of activity is the favorable expectations apparently held by both businessmen and consumers. Favorable business expectations are evidenced by the sharp rise since the second quarter of 1955 in national business outlays for long-term fixed investment in plant and equipment. The volume of these expenditures, moreover, is expected to rise throughout the remaining quarters of the year. For the year as a whole, according to the latest survey conducted by the Securities and Exchange Commission and the Department of Commerce, plant and equipment expenditures will exceed 1955 by some 22 percent. On the consumer side, a survey conducted for the Board of Governors of the Federal Reserve System indicates that expectations held by spending units in the nation are highly favorable with respect to personal income receipts, employment prospects, and the general economic situation. In the survey, consumers also indicated a continued high level of intentions to purchase houses and most types of durable goods.

### *District employment expands to another new high level*

The total number of persons at work in the District expanded contraseasonally in January. Aggregate civilian employment, seasonally adjusted, rose by 1.5 percent in the Pacific Coast states from December to January and reached a level almost 5 percent above January 1955. Total Pacific Coast unemployment in January was nearly 18 percent below the same month last year. District insured unemployment, adjusted for seasonality, declined from January to February which suggests that employment expansion has continued.

In the District nonagricultural sector gains have been comparably vigorous and quite general. The most outstanding recent advances in seasonally adjusted employment have been in the construction and mining industries. In large part these particular gains are the direct result of the settlement of labor-management disputes. In mining, the ending of the strike in the gravel and rock industry in southern California and the settlement of a five-month strike at lead mines in northern Idaho provided the upward impetus to employment as operations were resumed. The southern California strike had halted work on a major portion of construction in progress so that the resumption of output in gravel and stone also had an immediate upward impact on employment in the building industry in that area.

With the exception of a very slight decline in the service and miscellaneous category, all other principal industrial groups showed an advance in jobs from December to January after seasonal adjustment. Unusual employment strength during this period was visible in the aircraft and nonelectrical machinery industries. In aircraft, expansion in output of civilian airplanes, combined with accelerated military requirements for models produced in this District, pushed employment to another new post-World War II high. District automobile assembly plants were affected by general cutbacks in new car output and contracted their employment rolls moderately. However, the full impact on the industry is obscured by employment data alone as a large part of the output reduction was accomplished by a shortening of the workweek and the elimination of overtime schedules in some cases.

In other nonagricultural lines of activity the over-all rise in employment was moderate. In the case of Government employment, however, the month-to-month gain was fairly large, 1.4 percent after seasonal adjustment. Continued gains in state and local government payrolls, particularly at educational institutions, offset declining trends in jobs at Federal establishments.

### *Construction shows signs of renewed vigor*

Activity in the construction industry of the District, after a period of substantial weakness in the last quarter of 1955, has generally moved ahead of year-ago levels in the first two months of this year. Preliminary estimates of building permit valuation for January and February indicate that the gain for the two-month period over a year ago was more than 7 percent. The increase from last year is due entirely to a sharp rise in nonresidential building as residential construction was moderately below the first two months of 1955. Recent data on particular types of nonresidential building are not available, but from press reports it is possible to say that commercial structures — especially in suburban shopping centers—and industrial projects are conspicuous in the realized gains. It should be mentioned that the effect of the strike in the Los Angeles area may also have played a part in this gain as backlogs created by the shutdown are now causing a temporary bulge in total permit valuations.

In the residential field the sharp declines of a major portion of the last half of 1955 appear to have halted, at least in the opening two months of the year. While permit valuation was still below year-ago levels in both January and February, the percentage declines were much smaller than in late 1955 and in the latest month (February) the loss was very slight. Again, this marked lessening in the weakness in housebuilding is to some extent the result of the strike effects in Los Angeles, but other factors are also of importance. Lengthening to 30 years of maximum maturities allowable under FHA and VA programs has had some effect on housing markets. Supplies of mortgage funds—a shortage of which was a large element in the decline in activity last year—were somewhat easier in January and February than in previous months.

### *Industrial expansion high in District*

Expansion in major District industries is apparently proceeding at a fast pace, in line with record expenditures nationally. Although it is not possible to detail the expansion in dollar terms owing to the absence of comprehensive data, public announcements of expansion plans and awards of construction contracts provide a general impression of over-all developments. A sizable number of such announcements or awards have occurred in the past several months.

Two developments in the field of fuel and power are of special significance to the Pacific Northwest area of the District economy. Foremost of the two is the scheduled completion of the natural gas pipeline from the Southwest for which contracts were awarded in mid-February. (The first large contract for utilization of the natural gas supply from this pipeline was just recently signed by a major aluminum producer. The aluminum industry has been plagued with power shortages in the recent past.) The second major development is the construction of large hydroelectric power facilities on the Snake River in Idaho, a project costing upwards of $87 million, that will further augment power supplies in the Northwest area.

In the manufacturing industries, numerous expansions are underway. These include (with approximate total cost): aircraft facilities in Washington state ($30 million); an automobile assembly plant in California ($40 million); basic steel capacity in Utah ($17 million); paper production in California ($12 million); and electronics manufacture in Arizona ($3 million).

Expansion in mining, which has undergone a sizable growth in the past two years in the nonferrous field, is highlighted by new uranium processing facilities in southern Utah to cost about $8 million.

### *District sales continue near earlier highs*

Sales at District department stores have continued strong in the opening months of the year. The cumulative value of sales through the end of February, based on preliminary data, was some 2 percent ahead of the comparable period a year ago. On a seasonally adjusted basis sales moved up in January, receded moderately in February, but in both months were ahead of the December level.

The situation in new automobile sales, however, is somewhat different. Based upon new car registrations in California, total passenger car sales in the first two months of the year were slightly lower than in the same period a year earlier, with all of the decline occurring in late February. (It should be recalled that early 1955 was an extremely active period in new car markets.) In terms of dollar volume of car sales the decline from last year may be more pronounced. This follows from the widespread and substantial discounts offered to buyers — a condition which did not appear last year until the "cleanup" preceding the introduction of the new 1956 models. However, industry sources appear confident of an active sales level in March.

*Total demand for bank credit continues strong*

The demand for bank credit continued unusually strong in the first ten weeks of the year. In fact, the expansion in outstanding loans at weekly reporting member banks was greater than during this period a year ago. The rise in the first ten weeks of this year in total loans was $119 million. There was, however, a substantial difference in the strength of particular demands. Commercial, industrial, and agricultural borrowers actually reduced their outstanding indebtedness by $11 million as compared with an increase in loans of $63 million during this period last year. Much of the decline in these loans was accounted for by the substantial repayment of bank debt by sales finance companies. Smaller credit demands were also evident in the case of wholesale and retail merchants. Heavier demands for credit were visible for other types of business borrowers.

Real estate credit demands at weekly reporting member banks were nearly twice as strong as in early 1955. The large rise in bank lending on real estate continues to reflect the near-record volume of new construction placed in process last year.

Bank holdings of consumer credit in the District expanded in January, in contrast to a national decline. Judging from the change in "other loans" (about 75 to 80 percent of which is consumer loans) at weekly reporting banks, this expansion continued in February and early March.

# Net Profits of District Banks Drop in 1955

In 1955, Twelfth District member banks reported net profits after taxes of $148.5 million, a decrease of 5 percent from the record high level of 1954. This reduction was attributable to a return to the characteristic postwar experience, which was interrupted in 1954, of losses, charge-offs, and transfers to valuation reserves on loans and securities exceeding recoveries, profits, and transfers from reserves. Each of the other two major factors affecting profits, net current earnings[1] and provision for taxes on income, were more favorable for member banks in 1955 than in 1954. Net current earnings rose $33 million above 1954 to reach a new record level. Provision for taxes on net income fell below the levels of the previous two years.

*Earnings reach record levels as earning assets rise*

Twelfth District member banks continued to increase their holdings of earning assets throughout 1955. However, because of the restrictive monetary policy followed by the Federal Reserve System during the year, the increase in these holdings was not so sharp as might otherwise have been expected in a boom year such as 1955. Because of this situation, banks found it profitable to redistribute their holdings of earning assets. They steadily reduced their United States Government portfolios in order to divert the funds to loans, which carry higher rates of interest than securities.

Member banks increased their holdings of loans and discounts by $1,707 million during the year. Of this increase, $1,161 million occurred between June and the end of December, as the seasonal increase in business demands for funds

[1] Net current earnings are the excess of total earnings over total expenditures, excluding such items as losses and recoveries on loans, profits or losses on the sales of securities, and changes in valuation reserves.

characteristic of the second half of the year was reinforced by a continued high level of demand for consumer and real estate loans.

Commercial and industrial loans increased $777 million during the entire year, rising steadily after a slight decline in the first three months. According to the reports of a selected group of larger member banks, substantial increases in borrowing for commercial and industrial purposes were made by metal and metal products manufacturers, public utilities and transportation lines, petroleum, coal, and chemicals manufacturers, food processors, retailers and wholesalers, and sales finance companies.

Real estate loans rose substantially also. More than half of the total increase of $528 million occurred in the first six months of the year. Loans to individuals, primarily consumer loans, made up most of the remainder of the increase in total loans. Led by a growth of $301 million in retail automobile paper, consumer loans rose $381 million in 1955.

Table 1

Earnings and Expenses of Twelfth District Member Banks, 1953-55

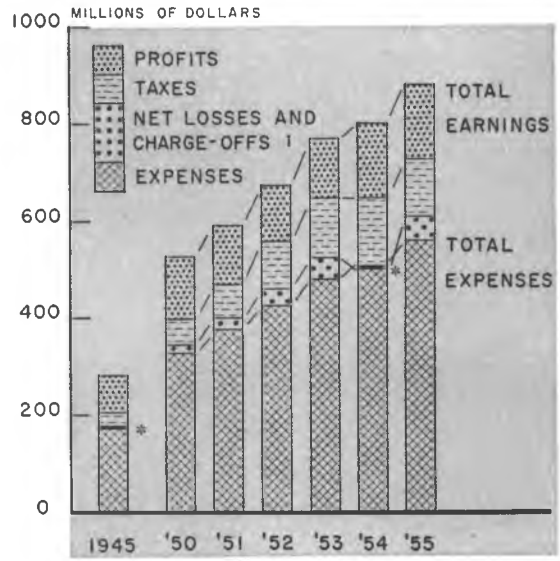
(millions of dollars)

| | 1953 | 1954r | 1955p | Percent change 1954-55 |
|---|---|---|---|---|
| Earnings on loans | 499.5 | 494.7 | 546.8 | +11 |
| Interest and dividends on Government securities | 130.7 | 144.1 | 160.0 | +11 |
| Other securities | 37.5 | 38.5 | 42.5 | +10 |
| Service charges on deposit accounts | 49.2 | 61.3 | 66.2 | + 8 |
| Trust department earnings | 20.4 | 22.2 | 25.8 | +16 |
| Other earnings | 35.2 | 39.7 | 41.8 | + 5 |
| Total earnings | 772.5 | 800.5 | 883.2 | +10 |
| Salaries and wages | 227.1 | 239.2 | 257.9 | + 8 |
| Interest on time deposits | 121.8 | 133.5 | 148.1 | +11 |
| Other expenses | 128.6 | 139.1 | 155.5 | +12 |
| Total expenses | 477.5 | 511.8 | 561.5 | +10 |
| Net current earnings | 295.0 | 288.7 | 321.7 | +11 |
| Net recoveries and profits (—losses)[1] | | | | |
| On securities | —22.4 | +28.2 | —25.9 | .... |
| On loans | —17.9 | —14.7 | —25.5 | .... |
| Other | — 4.1 | — 7.0 | — 3.4 | .... |
| Total net recoveries and profits | —44.5 | + 6.5 | —54.8 | .... |
| Net profits before income taxes | 250.5 | 295.2 | 266.9 | —10 |
| Taxes on net income | 122.1 | 139.5 | 118.4 | —15 |
| Net profits after taxes | 128.4 | 155.7 | 148.5 | — 5 |
| Cash dividends declared | 70.5 | 74.3 | 85.0 | +14 |
| Undistributed profits | 57.9 | 81.4 | 63.5 | —22 |

r revised.
p preliminary.
[1] Including transfers to (—) and from (+) valuation reserves.

Chart 1

EARNINGS, EXPENSES, AND PROFITS TWELFTH DISTRICT MEMBER BANKS




*This area represents net recoveries on loans and securities.
[1] Including transfers to valuation reserves.

The net result of the substantial growth in loans and a slight increase in the average rate of return on loans was to bring earnings on loans to a record high level of $546.8 million. This amount was 11 percent, or $52.1 million, above 1954. Earnings from this source constituted about 60 percent of total earnings.

The next largest source of earnings was United States Government securities. In 1955 earnings from these investments increased 11 percent above 1954. While member banks reduced their holdings of these securities by $70.5 million during the year, they still had larger average holdings than in 1954. This increase in average holdings accounted for almost all of the rise in earnings from United States Government securities. Since banks were selling off securities, the effect on their earnings of rising interest rates was minimized. However, there was a minor shift in the composition of their holdings toward higher interest-bearing issues. Also, although banks were reducing their acquisitions of 90-day Treasury bills, the bills which they did purchase during the year yielded higher rates. These two factors were responsible for the slight rise in the rate of return on United States Government securities.

Income from other securities rose 10 percent above 1954 as a result of a growth in holdings. These securities are primarily obligations of states and political subdivisions and constitute the third major type of earning assets held by member banks.

Member banks also received record high earnings from services performed for patrons. The largest percentage increase for any type of earnings was reported for trust department earnings which rose 16 percent over the prior year. Service charges on demand deposits rose only 8 percent. This growth reflects an increase in demand deposits of $885 million, or 6 percent. Since the rate of growth in deposits was less than that reported for earnings, other factors such as a fairly rapid rise in the number of smaller accounts and an increase in handling charges as the number of checks written by depositors rose probably accounted for part of the increase in earnings from this source.

### *Expenses also reach record levels*

Current operating expenses of Twelfth District member banks were $561.5 million in 1955, an increase of 10 percent over 1954. Among the various expense items, the highest rate of increase was in the miscellaneous expenses. This group includes such costs as rent, lights, heat, postage, taxes other than on income, publicity, and fees and commissions for nonemployees. Reflecting growth in time deposits, interest expenses on these accounts rose by 11 percent. Salaries and wages, which constitute about 46 percent of total expenses of member banks, increased by only 8 percent in 1955, a smaller rate of increase than occurred in total expenses. The 55,266 employees received wages and salaries of $182.8 million during 1955 and the 8,976 officers of member banks received salaries of $75.1 million.

TABLE 2

PERCENT CHANGES IN SELECTED EARNINGS AND EXPENSE ITEMS OF TWELFTH DISTRICT MEMBER BANKS BY SIZE GROUP, 1954-55

| | All banks | 15 largest banks | Other banks |
|---|---|---|---|
| Earnings on loans | +11 | +11 | + 8 |
| Interest and dividends on | | | |
| Government securities | +11 | +12 | + 7 |
| Other securities | +10 | +11 | + 8 |
| Service charges on deposit accounts | + 8 | + 8 | + 8 |
| Trust department earnings | +16 | +22 | — 7 |
| Total earnings | +10 | +11 | + 7 |
| Salaries and wages | + 8 | + 9 | + 3 |
| Interest on time deposits | +11 | +13 | + 4 |
| Total expenses | +10 | +11 | + 5 |
| Net current earnings | +11 | +11 | +11 |
| Profits before taxes | —10 | — 7 | —21 |
| Taxes on net income | —15 | —16 | —11 |
| Net profits after taxes | — 5 | + 2 | —28 |
| Cash dividends declared | +14 | +15 | +10 |

NOTE: Figures presented in this table for the 15 largest and the other banks are not entirely comparable, particularly for components of total earnings and expenses, because during 1955 a number of smaller banks went out of existence, some of which were consolidated with banks in the 15-largest group. Adjustments for this factor would probably have little effect on the 15-largest figures but might mean significant changes in the figures for the other banks.

### *Record high net losses, charge-offs, and transfers to valuation reserves reduced profits*

Net earnings were reduced by $54.8 million, the amount by which losses, charge-offs, and transfers to valuation reserves on loans and securities exceeded profits, recoveries, and transfers from reserves. In the previous year these accounts had resulted in a net addition to earnings of $6.5 million, owing mainly to net profits on the sale of securities.

In 1954, as the prices of United States Government securities rose in the early part of the year, member banks sold large amounts, realizing net gains on these sales of $41.3 million for the year as a whole. After deducting net transfers to valuation reserves of $13.1 million, the banks realized a net addition to profits of $28.2 million. In contrast, prices of Government securities were falling throughout 1955, and thus the sales of securities by member banks to obtain funds for expanding their loan portfolios resulted in net losses of $28.5 million. However, this reduction was, in part, offset by transfers from valuation reserves of $2.6 million.

The movement in losses, charge-offs, and changes in valuation reserves on loans followed much the same pattern as on securities. In 1954 there were net recoveries on loans of $2.9 million compared with a loss of $3.4 million in 1955. In the earlier year net transfers to valuation reserves of $17.6 million more than offset the recoveries. In 1955 net transfers to valuation reserves were larger, amounting to $22.1

million, and resulted in a net deduction from profits of $25.5 million, an increase of $10.8 million over the prior year's deduction. The substantial increase in valuation reserves during the year indicates that member banks were still in a position to take advantage of the tax allowance provisions for valuation reserves on loans which were further liberalized in 1954.

As a result of these transfers to valuation reserves and actual losses and charge-offs on securities and loans, taxes on income decreased relatively more than net income before taxes, declining 15 percent from the previous year. While this sharp drop in taxes offset, in part, the decline in net profits before taxes, profits after taxes were still down 5 percent.

### *Dividends and capital accounts*

Member banks declared dividends greater than in any previous period. They retained only 43 percent of total profits compared with 52 percent in 1954. During 1955 capital accounts rose $107 million, of which $64 million was accounted for by their retained earnings. The increase in capital accounts and the decline in profits combined to bring the ratio of net profits after taxes to capital accounts to 10.2 percent this year compared with 11.6 percent in 1954.

### *United States experience similar to that for the Twelfth District*

Preliminary figures for the United States indicate that the trend in bank earnings and expenses was much the same as for the Twelfth District. However, there were differences in the magnitudes of change. The decline in net profits after taxes was 10 percent in the nation as a whole compared with a 5 percent reduction in the District. The more rapid decline in profits, nationally, was wholly a reflection of a relatively larger change in losses and charge-offs on securities and loans, since net current earnings increased at a faster rate than in the District and taxes declined at about the same rate.

The more rapid rise in net current earnings for the nation was due to a smaller percentage increase in expenses, inasmuch as total earnings both in the District and the nation rose at the same rate. The movements in the various types of earnings, however, did vary. Earnings on loans rose 13 percent compared with 11 percent in the District, while earnings on United States Government securities rose only 5 percent in the nation as against 11 percent here. As in the past, the rate of return on loans was slightly less nationally than in the Twelfth District.

TABLE 3

RATIOS TO CAPITAL ACCOUNTS AND RATES OF RETURN ON EARNING ASSETS—TWELFTH DISTRICT MEMBER BANKS, 1953-55

| | 1953 | 1954 | 1955 |
|---|---|---|---|
| Ratios to capital accounts | | | |
| Net current earnings | | | |
| All banks | 23.8 | 21.7 | 22.1 |
| 15 largest | 24.8 | 22.3 | 22.5 |
| Other | 20.0 | 19.1 | 20.7 |
| Net profits after taxes | | | |
| All banks | 10.3 | 11.6 | 10.2 |
| 15 largest | 10.6 | 11.5 | 10.6 |
| Other | 9.4 | 12.1 | 8.7 |
| Rates of return on | | | |
| Loans | | | |
| All banks | 5.5 | 5.4 | 5.5 |
| 15 largest | 5.4 | 5.4 | 5.4 |
| Other | 5.8 | 5.8 | 5.9 |
| Government securities | | | |
| All banks | 2.1 | 2.0 | 2.1 |
| 15 largest | 2.1 | 2.0 | 2.1 |
| Other | 2.0 | 1.9 | 2.1 |

A preliminary tabulation showing the condition of Twelfth District member banks as of December 31, 1955, is now available for distribution. It includes a detailed presentation of asset, liability, and capital accounts for member banks in each state as well as in the entire District, and a table showing the classification of loans and United States Government direct obligations for the District as a whole. Requests for copies should be directed to the Federal Reserve Bank of San Francisco, 400 Sansome Street, San Francisco 20, California.

## BUSINESS INDEXES—TWELFTH DISTRICT[1]

(1947-49 average=100)

| Year and month | Industrial production (physical volume)[2] | | | | | | | Total nonagricultural employment | Total mf'g employment | Carloadings (number)[2] | Dep't store sales (value)[2] | Retail food prices[3, 4] | Waterborne foreign trade[3, 5] | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Lumber | Petroleum[3] Crude | Petroleum[3] Refined | Cement | Lead[3] | Copper[3] | Electric power | | | | | | Exports | Imports |
| 1929 | 95 | 87 | 78 | 54 | 165 | 105 | 29 | .... | .... | 102 | 30 | 64 | 190 | 124 |
| 1933 | 40 | 52 | 50 | 27 | 72 | 17 | 26 | .... | .... | 52 | 18 | 42 | 110 | 72 |
| 1939 | 71 | 67 | 63 | 56 | 93 | 80 | 40 | .... | 55 | 77 | 31 | 47 | 163 | 95 |
| 1947 | 97 | 100 | 98 | 96 | 94 | 106 | 90 | 99 | 100 | 106 | 99 | 96 | 129 | 81 |
| 1948 | 104 | 101 | 100 | 104 | 105 | 101 | 101 | 102 | 102 | 100 | 104 | 103 | 86 | 98 |
| 1949 | 100 | 99 | 103 | 100 | 101 | 93 | 108 | 99 | 97 | 94 | 98 | 100 | 85 | 121 |
| 1950 | 113 | 98 | 103 | 112 | 109 | 113 | 119 | 103 | 105 | 97 | 105 | 100 | 91 | 137 |
| 1951 | 113 | 106 | 112 | 128 | 89 | 115 | 136 | 112 | 120 | 100 | 109 | 113 | 186 | 157 |
| 1952 | 116 | 107 | 116 | 124 | 86 | 112 | 144 | 118 | 130 | 101 | 114 | 115 | 171 | 200 |
| 1953 | 118 | 109 | 122 | 130 | 74 | 111 | 161 | 121 | 137 | 100 | 115 | 113 | 140 | 308 |
| 1954 | 112 | 106 | 119 | 133 | 70 | 101 | 172 | 120 | 134 | 96 | 113 | 113 | 131 | 260 |
| 1955 | 122 | 106 | 122 | 145 | 73 | 117 | 192 | 125 | 141 | 104 | 122 | 112 | .... | .... |
| 1955 | | | | | | | | | | | | | | |
| January | 137 | 105 | 116 | 119 | 74 | 119 | 173 | 123 | 137 | 106 | 125 | 112 | 163 | 287 |
| February | 136 | 105 | 122 | 131 | 79 | 130 | 179 | 123 | 138 | 99 | 118 | 112 | 184 | 263 |
| March | 123 | 106 | 120 | 137 | 83 | 131 | 188 | 124 | 139 | 103 | 118 | 112 | 163 | 240 |
| April | 121 | 106 | 118 | 149 | 77 | 127 | 191 | 124 | 140 | 105 | 120 | 113 | 149 | 290 |
| May | 120 | 106 | 115 | 155 | 78 | 131 | 189 | 125 | 140 | 110 | 118 | 113 | 162 | 280 |
| June | 122 | 106 | 120 | 153 | 75 | 130 | 200 | 125 | 142 | 111 | 118 | 112 | 152 | 299 |
| July | 119 | 106 | 128 | 157 | 71 | 40 | 191 | 125 | 141 | 99 | 123 | 113 | 171 | 368 |
| August | 123 | 106 | 127 | 160 | 67 | 91 | 196 | 126 | 142 | 106 | 122 | 111 | 189 | 349 |
| September | 118 | 106 | 132 | 159 | 70 | 128 | 196 | 126 | 141 | 107 | 126 | 112 | 174 | 363 |
| October | 116 | 105 | 129 | 155 | 72 | 131 | 197 | 126 | 142 | 104 | 126 | 112 | 152 | 348 |
| November | 110 | 106 | 123 | 128 | 67 | 128 | 206 | 128 | 145 | 98 | 125 | 112 | 143r | 325 |
| December | 123 | 106 | 120 | 130 | 63 | 119 | 198 | 128 | 146r | 98 | 123 | 112 | .... | .... |
| 1956 | | | | | | | | | | | | | | |
| January | 129 | 106 | 130 | 135 | 72 | 134 | 199 | 133 | 146 | 107 | 129p | 112 | .... | .... |

## BANKING AND CREDIT STATISTICS—TWELFTH DISTRICT

(amounts in millions of dollars)

| Year and month | Condition items of all member banks[6] | | | | Bank rates on short-term business loans[8] | Member bank reserves and related items | | | | | Bank debits Index 31 cities[3, 12] (1947-49=100)[2] |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Loans and discounts | U.S. Gov't securities | Demand deposits adjusted[7] | Total time deposits | | Factors affecting reserves: Reserve bank credit[9] | Factors affecting reserves: Commercial[10] | Factors affecting reserves: Treasury[10] | Factors affecting reserves: Money in circulation[9] | Reserves[11] | |
| 1929 | 2,239 | 495 | 1,234 | 1,790 | ...... | − 34 | 0 | + 23 | − 6 | 175 | 42 |
| 1933 | 1,486 | 720 | 951 | 1,609 | ...... | − 2 | − 110 | + 150 | − 18 | 185 | 18 |
| 1939 | 1,967 | 1,450 | 1,983 | 2,267 | ...... | + 2 | − 192 | + 245 | + 31 | 584 | 30 |
| 1947 | 5,358 | 7,247 | 8,922 | 6,006 | ...... | − 302 | − 510 | + 698 | − 206 | 2,202 | 95 |
| 1948 | 6,032 | 6,366 | 8,655 | 6,087 | ...... | + 17 | + 472 | − 482 | − 209 | 2,420 | 103 |
| 1949 | 5,925 | 7,016 | 8,536 | 6,255 | 3.20 | + 13 | − 930 | + 378 | − 65 | 1,924 | 102 |
| 1950 | 7,093 | 6,415 | 9,254 | 6,302 | 3.35 | + 39 | −1,141 | +1,198 | − 14 | 2,026 | 115 |
| 1951 | 7,866 | 6,463 | 9,937 | 6,777 | 3.66 | − 21 | −1,582 | +1,983 | + 189 | 2,269 | 132 |
| 1952 | 8,839 | 6,619 | 10,520 | 7,502 | 3.95 | + 7 | −1,912 | +2,265 | + 132 | 2,514 | 140 |
| 1953 | 9,220 | 6,639 | 10,515 | 7,997 | 4.14 | − 14 | −3,073 | +3,158 | + 39 | 2,551 | 150 |
| 1954 | 9,418 | 7,942 | 11,196 | 8,699 | 4.09 | + 2 | −2,448 | +2,328 | − 30 | 2,505 | 168 |
| 1955 | 11,124 | 7,239 | 11,864 | 9,120 | 4.10 | + 38 | −2,685 | +2,757 | + 100 | 2,530 | 172 |
| 1955 | | | | | | | | | | | |
| February | 9,612 | 7,693 | 10,945 | 8,765 | ...... | + 15 | + 26 | − 57 | + 13 | 2,447 | 168r |
| March | 9,696 | 7,390 | 10,733 | 8,837 | 3.98 | + 10 | − 401 | + 362 | − 1 | 2,418 | 177 |
| April | 9,657 | 7,756 | 11,060 | 8,833 | ...... | + 60 | − 306 | + 261 | + 15 | 2,432 | 165 |
| May | 9,810 | 7,690 | 10,951 | 8,885 | ...... | − 55 | − 51 | + 195 | + 50 | 2,476 | 170 |
| June | 10,102 | 7,446 | 11,023 | 9,026 | 3.99 | + 27 | − 449 | + 429 | + 35 | 2,439 | 178 |
| July | 10,191 | 7,557 | 11,212 | 8,995 | ...... | + 10 | − 193 | + 217 | − 9 | 2,495 | 166 |
| August | 10,392 | 7,407 | 11,163 | 9,021 | ...... | − 23 | − 253 | + 200 | + 8 | 2,415 | 177 |
| September | 10,559 | 7,375 | 11,312 | 9,054 | 4.17 | + 17 | − 148 | + 276 | + 18 | 2,541 | 173 |
| October | 10,665 | 7,487 | 11,465 | 9,067 | ...... | − 43 | − 245 | + 174 | + 15 | 2,417 | 171 |
| November | 10,931 | 7,238 | 11,665 | 9,005 | ...... | + 46 | − 81 | + 205 | + 18 | 2,575 | 181 |
| December | 11,115 | 7,298 | 11,876 | 9,084 | 4.25 | + 8 | − 434 | + 417 | + 17 | 2,530 | 183 |
| 1956 | | | | | | | | | | | |
| January | 11,193 | 7,143 | 11,794 | 9,070 | ...... | + 84 | − 322 | + 136 | − 99 | 2,554 | 188 |
| February | 11,323 | 6,819 | 11,233 | 9,095 | ...... | − 87 | − 76 | + 95 | − 7 | 2,488 | 179 |

[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, National Lumber Manufacturers Association and U.S. Bureau of the Census; petroleum, cement, copper, and lead, U.S. Bureau of Mines; electric power, Federal Power Commission; nonagricultural and 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] Los Angeles, San Francisco, and Seattle indexes combined. [5] 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. [6] Annual figures are as of end of year, monthly figures as of last Wednesday in month. [7] Demand deposits, excluding interbank and U.S. Gov't deposits, less cash items in process of collection. Monthly data partly estimated. [8] Average rates on loans made in five major cities. [9] Changes from end of previous month or year. [10] 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. [11] End of year and end of month figures. [12] Debits to total deposits except interbank prior to 1942. Debits to demand deposits except U.S. Government and interbank deposits from 1942. p—Preliminary. r—Revised.