



BUSINESS OUTLOOK SURVEY
Summary of Returns
September 1968

This Summary of Returns reports on the September responses to the Business Outlook Survey conducted by the Federal Reserve Bank of Philadelphia. Its purpose is to provide an insight into Third District business conditions. The survey sample polls manufacturing firms with 500 or more employees.

Manufacturing executives reporting in the September Business outlook Survey have indicated that business activities will remain at present high levels through October. This short-term outlook of "no change" that has predominated the survey from its inception has become more prevalent. However, businessmen have found that activity in August exceeded their earlier estimates, and the fact that they look for increases in new orders, shipments and inventories in September suggests that this month also may show more buoyancy than anticipated.

Manufacturers have become less optimistic about the likelihood of a further increase in business during the early part of 1969. Although a substantial percentage -- one out of three -- still looks for business to increase in early 1969, at the same time, a majority of respondents continues to feel that economic activity will hold at present levels.

Inflationary sentiments still prevail, especially with respect to expectations of higher prices being paid. But a substantial shift to an outlook of "no change" for the prices they charge indicates that businessmen have less confidence that their selling prices can be raised six months hence.

BUSINESS OUTLOOK SURVEY

SUMMARY TABLE OF RETURNS

September, 1968

INDICATOR	August vs. July			September vs. August			October vs. September			Six Months From Now vs. September		
	Decrease	No Change	Increase	Decrease	No Change	Increase	Decrease	No Change	Increase	Decrease	No Change	Increase
GENERAL BUSINESS CONDITIONS												
What is your evaluation of the level of general business activity?	14	51	31	10	51	37	6	65	28	26	35	33
COMPANY BUSINESS INDICATORS												
New Orders	24	28	41	10	43	41	4	49	41	28	29	37
Shipments	22	26	51	16	33	51	8	41	51	22	31	47
Unfilled Orders	26	45	22	16	57	20	6	67	20	33	37	22
Delivery Time	20	75	2	10	78	8	4	82	10	12	77	8
Inventories	43	28	26	29	37	31	18	57	24	28	39	29
Prices Paid	0	61	37	0	69	31	2	65	33	2	33	65
Prices Received	4	69	26	6	69	26	6	73	22	4	57	39
Number of Employees	16	59	22	16	63	22	4	77	20	14	53	33
Average Employee Work Week	14	67	16	8	75	16	0	84	14	8	77	14
Capital Expenditures										12	47	26

NOTE: Items may not add to 100 per cent because of omission by respondents.