

## Regional Wrap-up '74: Doldrums Descend On District Economy

*By Howard Keen, Jr.*

Residents of the Third Federal Reserve District,<sup>1</sup> along with their counterparts in the U.S., had little economic news to cheer about in 1974. Prices were climbing at a near-record pace, and real output of goods and services was stalling. Despite this one-two punch, the region did have a few relative bright spots: The total number of jobs available increased and construction contracts awarded also rose. But inflation, high interest rates, and rising unemployment rates dampened overall business activity. By year-end, the District economy, like that of the nation, was in the doldrums.

### PRICES HIGHER, REAL INCOMES LOWER

“Even higher” described prices in 1974. Consumers, still reeling from a pace of price increase

<sup>1</sup>The Third Federal Reserve District covers the eastern two-thirds of Pennsylvania, the nine southern counties of New Jersey, and all of Delaware.

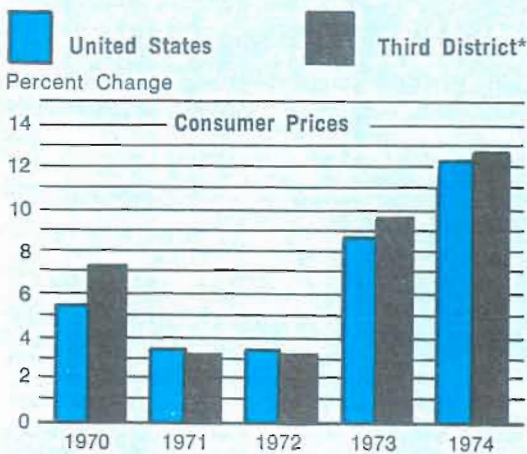
in 1973 that was about three times faster than in 1972, saw prices climbing even more rapidly in 1974.<sup>2</sup> Nationwide, prices were up a little over 12 percent while Third District consumers struggled with a rate of close to 13 percent.<sup>3</sup>

Both nationally and regionally, high interest rates along with shortfalls of oil and agricultural produce contributed to the bulge in the prices of housing, food, and transportation. The result: Bigger chunks out of consumers' pocketbooks, and a tough time in making ends meet in '74.

<sup>2</sup>Except where noted otherwise, growth rates for 1974 and other years represent December-to-December changes.

<sup>3</sup>The fact that prices rose faster in the region than nationwide doesn't mean that the *level* of prices in the District is above the average U.S. level. The consumer price index can be used to show *changes* in the level of prices but, not the levels themselves. Estimates of household budgets can provide interarea comparisons of price *levels*. See Jean Brackett, “Urban Family Budgets Updated to Autumn 1973,” *Monthly Labor Review*, August 1974, pp. 57-62.

**THE DISTRICT WAS AGAIN PARTICULARLY HARD-HIT BY INFLATION IN '74...**



\* The CPI for the Philadelphia SMSA is taken as representative of the Third District.  
SOURCE: U. S. Department of Labor.

While price tags were ballooning, workers' purses didn't keep pace. Across the country, workers in manufacturing saw their average weekly earnings grow at a 6.7 percent clip. But the rapid rise in prices more than wiped out this gain in earnings so that real purchasing power fell almost 5 percent during 1974.

Laborers in the Third District fared even worse. While prices rose at a faster pace in the region than the U.S. average, manufacturing earnings climbed at a slower pace. Average weekly earnings in manufacturing were up less than 6 percent during the year. When weekly paychecks are adjusted for the effects of higher prices, District workers were left with over 7 percent less real income than in '73.

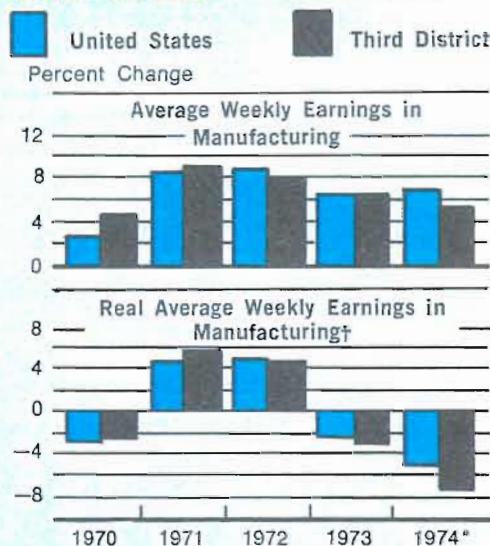
**FALLING OUTPUT**

While prices climbed, real output of goods and services fell. Real GNP declined in the U.S. throughout 1974 with the biggest drops occur-

ring in the first and fourth quarters of the year. For the year as a whole, real output declined 2.2 percent.

In the District, industrial activity also fell sharply in '74. A major yardstick of industrial activity in the region is the index of electric power consumption in manufacturing. In the first two quarters of the year, the index was down slightly from year-end '73. It appeared to be picking up somewhat in the third quarter, but took a sharp dip in November. Over the first 11 months of 1974 this measure of local industrial activity was down 3.2 percent.

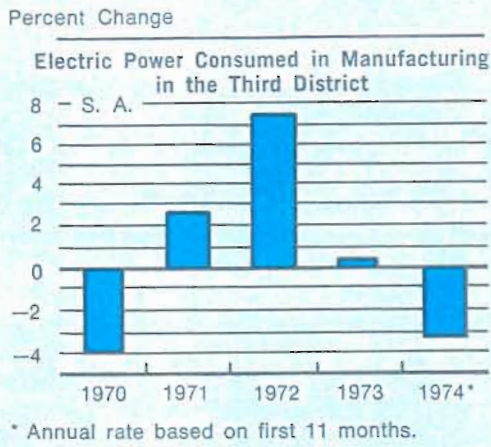
**AND DESPITE FATTER PAYCHECKS, REAL INCOME OF DISTRICT MANUFACTURING WORKERS FELL MORE THAN THE NATIONAL AVERAGE.**



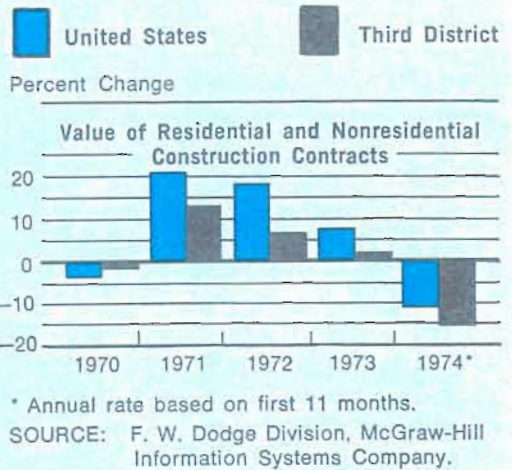
\* Third District figures based on first 11 months.  
† U. S. figures deflated by CPI for U. S., and District figures deflated by CPI for Philadelphia SMSA.  
SOURCE: U. S. Department of Labor.

**Construction: Public Works Up, Housing Down.** Thanks to a strong year in public works

**IN LINE WITH THE U. S. TREND, INDUSTRIAL OUTPUT DECLINED.**



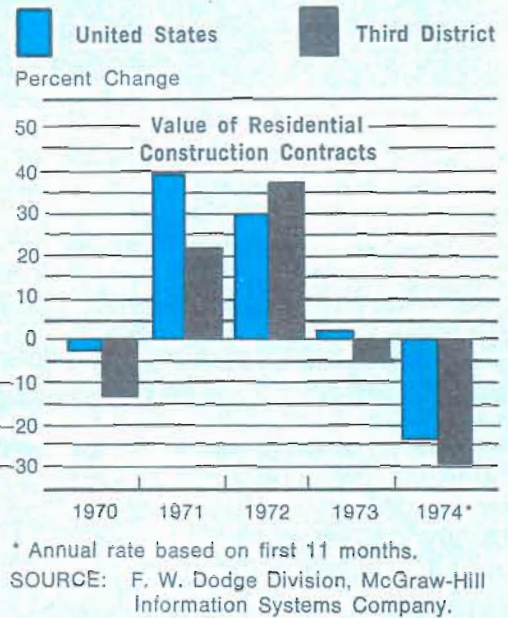
**PRIVATE CONSTRUCTION FELL FROM A YEAR AGO . . .**



construction, the value of construction contracts in the Third District was almost 5 percent above last year. Although this was well below '73's increase of 19 percent (and less than the rise in prices in '74), it was a strong showing at a time when the value of total construction contracts was down more than 6 percent nationally.

In both the U.S. and the region, the residential sector was the softest in the construction industry. Very high interest rates on business and government borrowing drained funds from the thrift institutions that normally provide the bulk of the country's mortgage financing. As a result, mortgage money was scarce and the interest rates were high. There was some slight easing of this situation late in the year, but for most of 1974 it proved to be a heavy shackle on the construction of residential housing. Overall, the dollar volume of residential construction in the U.S. fell more than 20 percent in '74. Regionally, this component was off more than 25 percent from '73 levels.

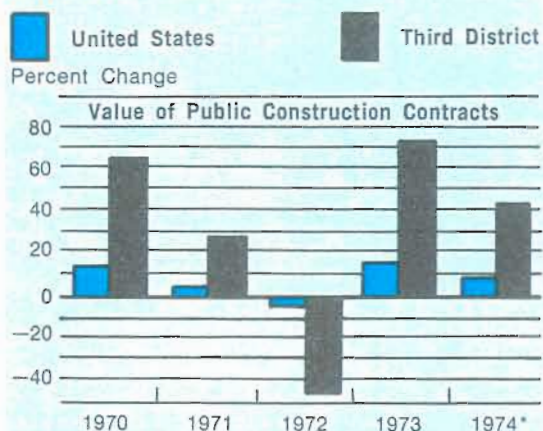
**LARGELY BECAUSE OF A BIG DROP IN RESIDENTIAL CONSTRUCTION . . .**



**SLIMMER PICKINGS IN THE JOB MARKET**

Despite the sluggish economy in '74, overall employment in the region was fairly strong.

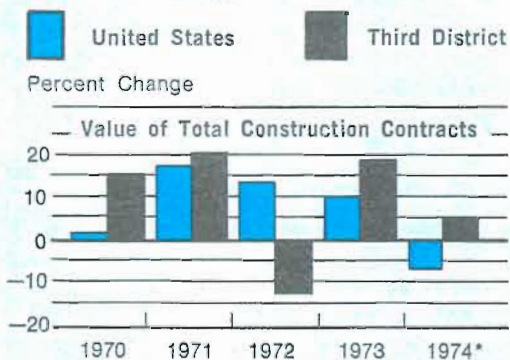
**HOWEVER, PUBLIC CONSTRUCTION IN THE DISTRICT MADE A STRONG SHOWING . . .**



\* Annual rate based on first 11 months.

SOURCE: F. W. Dodge Division, McGraw-Hill Information Systems Company.

**BOOSTING TOTAL CONSTRUCTION TO A MODERATE GAIN.**

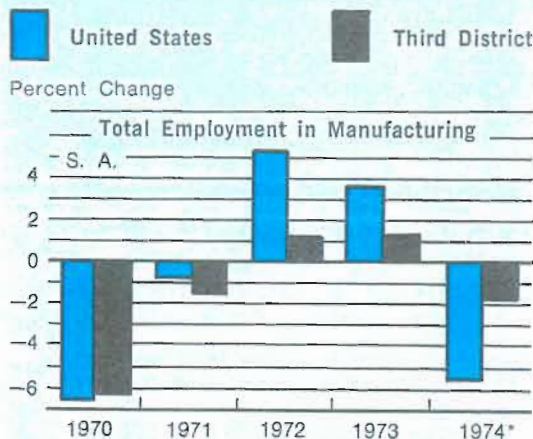


\* Annual rate based on first 11 months.

SOURCE: F. W. Dodge Division, McGraw-Hill Information Systems Company.

While nationwide the total number of jobs fell slightly, the number employed in the District was up sharply in the beginning of the year over year-end '73. As the year unfolded, the total number of jobs in the region declined and the unemployment rate rose. Nevertheless, by year-end the index of total employment was still almost 2 percent above December '73. Across the nation, however, the total number of jobs actually fell 0.6 percent during 1974—the first year since 1970 that total employment declined

**JOBS AVAILABLE IN THE DISTRICT'S MANUFACTURING SECTOR FELL . . .**



\* Third District figures based on first 11 months.

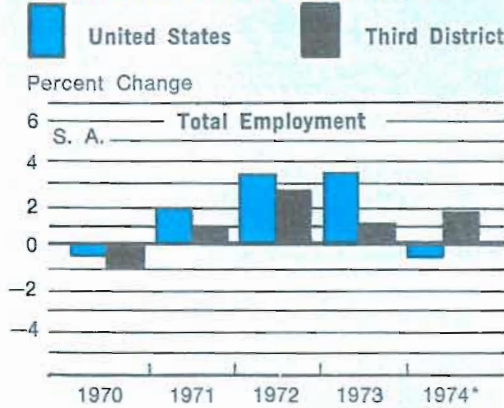
SOURCE: U. S. Department of Labor.

The slight decline in total employment nationwide took place primarily in the last quarter of the year. Earlier in the year the number of jobholders increased, however. The unemployment rate, therefore, moved up only slightly—from 5.2 to 5.4 percent—through late summer. The small increase that did occur stemmed mostly from the inability of newcomers to the labor market to find jobs, rather than from layoffs.

All of this changed abruptly near year-end. Sluggish sales, rising inventories, the coal strike,

and the slump in the auto industry all combined to cast a gloomy shadow on the job market. Not only were new entrants into the labor force unable to find jobs, but many workers who had held jobs during the year were laid off. The result was a big jump in the unemployment rate to 7.1 percent in December nationwide—the highest in 13 years.

**BUT THE TOTAL NUMBER OF JOBS IN THE DISTRICT FROM ALL SOURCES REGISTERED A HEALTHY GAIN . . .**

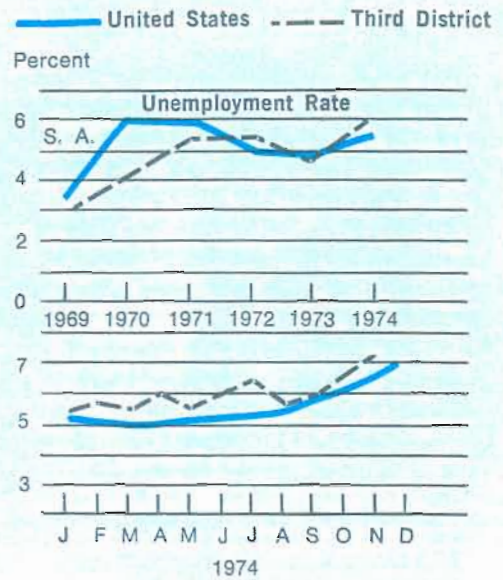


\* Third District figures based on first 11 months.  
SOURCE: U. S. Department of Labor.

Along with the national trend, the District's unemployment rate moved upward only slowly for most of 1974. By the last quarter of the year, however, layoffs and lack of work for new job seekers took its toll. By November the regional rate had jumped to 7.3 percent.

The manufacturing sector was especially hard hit: In both the U.S. and the District, workers in these industries found themselves in unemployment lines instead of on assembly lines. But, as a whole, the plight of the region's manufacturing workers was not as gloomy as that of their nationwide counterparts. In the U.S., manufacturing employment fell 5.8 percent, while in the region it was off 1.7 percent from 1973.

**NOT ENOUGH, HOWEVER, TO STOP THE UNEMPLOYMENT RATE FROM CLIMBING ABOVE THE U. S. RATE.**



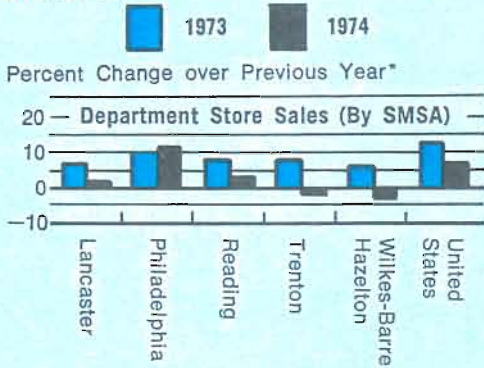
SOURCE: U. S. Department of Labor.

**RETAILING: SALES ARE SLUGGISH**

With real income down from 1973 and the unemployment rate on an upward trend, consumers were bound to keep a tighter grip on their pocketbooks. This sharper eye on spending was reflected in slower growth of retail sales at department stores.

Nationwide, department store sales were up 8 percent over 1973 levels—slower than in '73 when they registered a 13 percent gain over '72. In the District, however, 1974 was a lean year for the big store merchants. With the exception of Philadelphia, where increases ran slightly ahead of those in '73, sales rates were off in all other areas. In fact, some cities experienced a drop from last year's levels. After considering the effect of inflation in boosting the dollar volume of sales, it's clear that in most areas of the District unit sales were actually below 1973 levels.

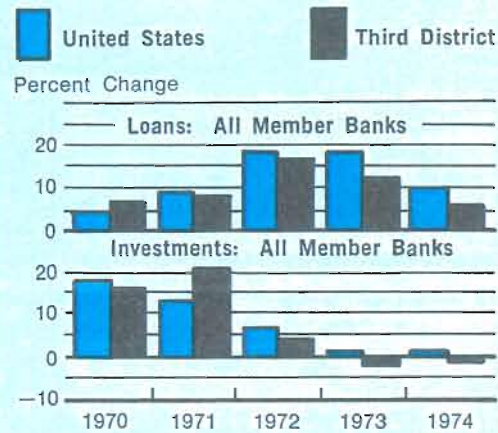
**THE RETAIL SECTOR FAILED TO PROVIDE A BOOST TO DISTRICT BUSINESS ACTIVITY.**



\* The first 10 months of the year compared to the same 10-month period of the previous year.  
 SOURCE: U. S. Department of Commerce.

reflected the attempt on the part of many banks in the District to retrench from tight liquidity positions. Closer scrutiny of loan requests and less aggressive loan expansion helped account for the slower pace in '74.

**LIKE THE NATION, THE BANKING SECTOR IN THE DISTRICT REFLECTED THE SLOWER PACE OF BUSINESS ACTIVITY AS THE EXPANSION OF LOANS FELL BELOW THAT OF 1973.**



**LENDING LAGS**

Despite a brighter overall job picture in the District than nationally, Third District business activity, like the U.S., was stalled in '74. And this slower growth in regional economic activity is mirrored in the lending by Third District banks.

For most of the year, credit market conditions restrained bank credit expansion and boosted interest rates all across the U.S. For example, the highly publicized "prime" rate charged by banks hit a high of 12 percent in August and September—twice its level in January 1973. Some easing in credit conditions near year-end did little to change the picture for '74.

Nationally, loans at member banks grew during '74 at a 9.7 percent pace. While this was a creditable showing, it was anemic when viewed against the 19 percent clip of the two previous years. Member bank loans in the region grew 5.6 percent during '74—less than the national rate and well below '72 and '73. This reduced rate of loan expansion was not entirely indicative of the demand for bank credit. To a large extent, it

Both in the nation and the region bank investments changed very little compared to 1973. Heavy loan demand and double-digit inflation provided incentives for banks to shift their funds from fixed-income securities to more profitable loans where the rate of return kept more in line with the rising price level. Member banks in the District reduced their investments by 1.3 percent—the second year in a row that investments fell.<sup>4</sup>

**MORE ALIVE IN '75?**

In brief, the past year was one of progressive

<sup>4</sup>Investments consist primarily of securities of the U. S. Treasury, other U. S. Government agencies and corporations, and obligations of states and subdivisions.

movement into the economic doldrums. Job growth in the District was brighter than the national picture, but fast-rising prices and slow-rising wages took a harsh toll on real income. Moreover, the fair showing in job growth wasn't enough to prevent the unemployment rate in the region from leading the national rate upward.

All of this combined to slow the ring of department store cash registers. Lower real incomes and fears of job loss have made consumers cautious. And consumers' reluctance to spend makes businessmen hesitant to get pro-

duction lines rolling and provide jobs. Will this scenario keep the regional economy in the doldrums or will business activity be more alive in '75? With general uncertainty and reluctance to spend in the air, a quick pickup in economic activity doesn't seem to be in the cards. This outlook for economic activity to emerge only slowly from the doldrums is consistent with the expectations of area businessmen who see high unemployment and inflation plaguing a sluggish regional economy through the first half of '75 (see Box), but with some pickup thereafter.


### THIRD DISTRICT BUSINESSMEN SIZE UP '75

The Federal Reserve Bank of Philadelphia conducts a monthly business outlook survey. This survey is designed to gain insight into prospective economic conditions in the Third Federal Reserve District, an area that includes the eastern two-thirds of Pennsylvania, the southern half of New Jersey, and Delaware. Executives of manufacturing firms with 500 or more employees are polled regarding their readings of local business activity.

Since its inception at the request of the regional business community almost seven years ago, the Business Outlook Survey has become a useful source of economic intelligence both for business and public policymakers. Copies of the monthly summary of the Outlook Survey may be obtained by writing to Public Services, Federal Reserve Bank of Philadelphia, P. O. Box 66, Philadelphia, PA 19105.

#### OUTLOOK FOR 1975

Area executives expect some brightening in the region's economic skies in 1975. Close to half of the businessmen surveyed foresee a higher level of business activity six months down the road. In addition, about half of those polled anticipate higher sales and new orders for their firms in the coming months. Some clouds remain on the region's horizon, however. Roughly half of the large manufacturers expect to be paying, as well as receiving, higher prices by mid-year, and more than half plan no increases in their workforce. Consequently, with an expanding labor force, the regional economy can expect to be vexed by a high level of unemployment.

In a nutshell, Third District businessmen anticipate a pickup in regional economic activity, but no quick turnaround in unemployment and inflation. 

# The Fed in Print

## *Business Review Topics, Fourth Quarter 1974, Selected by Doris Zimmermann*

Articles appearing in the *Federal Reserve Bulletin* and in the monthly reviews of the Federal Reserve banks during the fourth quarter of 1974 are included in this compilation. A cumulation of these entries covering the years 1970 to date is available upon request. If you wish to be put on the mailing list for the cumulation, write to the Publications Department, Federal Reserve Bank of Philadelphia.

To receive copies of the *Federal Reserve Bulletin*, mail two dollars for each to the Federal Reserve Board at the Washington address on page 27. You may send for monthly reviews of the Federal Reserve banks free of charge, by writing directly to the issuing banks whose addresses also appear on page 27.

### ALABAMA

National and world events soften the "Heart of Dixie"—  
Atlanta Nov 74 p 172

### BALANCE OF PAYMENTS

Oil and international payments—  
Bost Nov 74 p 29  
The U. S. balance of payments during 1974—  
St Louis Dec 74 p 10

### BANK CAPITAL

Bank capital ratios—  
Chic Nov 74 p 13  
Banking on debt for capital needs—  
Phila Dec 74 p 17

### BANK FAILURES

Franklin National Bank statement—  
FR Bull Oct 74 p 740

### BANK HOLDING COMPANIES

Regulation of interest rates on certain obligations October 29, 1974 (P. L. 93-501)—  
FR Bull Dec 74 p 861

### BANK LIABILITIES

A new emphasis on regulations affects liability management—  
Dallas Nov 74 p 1  
Bank liability management: For better or for worse?—  
Phila Dec 74 p 3  
Monetary restraint, Regulation Q, and bank liability management—  
Phila Dec 74 p 13

### BANK LOANS

"Sold" table revised—  
FR Bull Oct 74 p 741

### BANK LOANS—BUSINESS

Loans to manufacturers—  
Atlanta Oct 74 p 160

### BANK LOANS—FARM

Booming agricultural loans of commercial banks—  
Atlanta Dec 74 p 182

### BANK SIZE

Small bank survival: Is the wolf at the door?—  
Phila Nov 74 p 16

### BANK SUPERVISION

Bank supervision in a dynamic environment—  
Bost Nov 74 p 24

### BANKERS ACCEPTANCES

Limit to holdings of bankers acceptances increased to one billion dollars—  
FR Bull Dec 74 p 885

### BANKING—FOREIGN BRANCHES

International banking—structural aspects of regulation—  
Chic Oct 74 p 3  
Overseas branches of member banks assets and liabilities—  
FR Bull Dec 74 p 884



**BANKING—FOREIGN BRANCHES IN U. S.**

- Data series on foreign-owned U. S. banks—  
FR Bull Oct 74 p 741
- Proposed legislation re foreign banks—  
FR Bull Dec 74 p 881

**BANKING STRUCTURE**

- Development in Texas changes in recent years—  
Dallas Dec 74 p 1

**BURNS, ARTHUR F.**

- The conference on inflation—  
FR Bull Oct 74 p 699
- Statement to Congress, September 25, 1974 (budget)—  
FR Bull Oct 74 p 702
- Statement to Congress, October 10, 1974 (inflation and unemployment)—  
FR Bull Oct 74 p 706
- Maintaining the soundness of our banking system—  
NY Nov 74 p 263
- Statement to Congress, November 27, 1974 (petroleum industry)—  
FR Bull Dec 74 p 830
- Statement to Congress, December 5, 1974 (gold)—  
FR Bull Dec 74 p 835

**BUSINESS FORECASTS AND REVIEWS**

- Financial developments in the third quarter of 1974—  
FR Bull Nov 74 p 745
- The economy in 1975—uncertainties cloud the outlook—  
Kansas City Dec 74 p 3
- 1974—A year of inflation, production cutbacks, and oil-induced payments deficits—  
St Louis Dec 74 p 2

**BUSINESS INDICATORS**

- How accurate are business forecasts?—  
Bost Nov 74 p 2

**COLDWELL, PHILIP E.**

- Appointment to Board of Governors confirmed October 9, installed October 29, 1974—  
FR Bull Nov 74 p 799

**CONSUMER CREDIT**

- Proposed revisions in data—  
FR Bull Oct 74 p 742

**CONSUMER EXPENDITURES**

- Consumer demand for durable goods—  
Kansas City Nov 74 p 3

**CONSUMER PROTECTION**

- President Ford signed P. L. 93-495 to protect credit transactions—  
FR Bull Nov 74 p 800

**CRIME**

- Criminal behavior and the control of crime: An economic perspective—  
Phila Nov 74 p 3

**DISCOUNT OPERATIONS**

- Emergency Home Purchase Act of 1974—  
FR Bull Nov 74 p 771

**DISCOUNT RATES**

- Change in discount rate, December 9, 1974—  
FR Bull Dec 74 p 885

**ECONOMIC PLANNING**

- An economic compact for the latter 70's (Eastburn)—  
Phila Oct 74 p 3

**ELECTRIC POWER INDUSTRY**

- Electric power—problems and prospects—  
Chic Dec 74 p 3

**FARM OUTLOOK**

- 1975 agricultural outlook: A year of continuing adjustment—  
Kansas City Dec 74 p 12

**FEDERAL FUNDS MARKET**

- Interbank lending—an essential function—  
Chic Nov 74 p 3
- Survey of borrowing—  
FR Bull Dec 74 p 885

**FEDERAL RESERVE BANKS—FINANCIAL STATEMENTS**

- GLOSSARY available—  
NY Oct 74 p 252

**FEDERAL RESERVE BOARD**

- Membership of the Board of Governors of the

**FEDERAL RESERVE BOARD (Cont.)**

Federal Reserve System, 1913-74—  
FR Bull Nov 74 p 755  
INTERPRETATIONS supplement no. 22  
*available*—  
FR Bull Dec 74 p 885

**FEDERAL RESERVE—CREDIT CONTROL**

On Fed watching—  
NY Oct 74 p 243

**FEDERAL RESERVE—FOREIGN EXCHANGE**

Treasury and Federal Reserve foreign exchange operations interim report—  
FR Bull Dec 74 p 828  
Treasury and foreign exchange operations interim report—  
NY Dec 74 p 301

**FEDERAL RESERVE SYSTEM**

THE FEDERAL RESERVE SYSTEM—PURPOSES AND FUNCTIONS *available* at \$1.00—  
FR Bull Oct 74 p 740

THE FEDERAL RESERVE SYSTEM—PURPOSES AND FUNCTIONS *available* from Federal Reserve Board at \$1.00—  
Rich Nov 74 p 22

**FOOD PRICES**

Factors behind rising food costs—  
Rich Sept 74 p 19

**GEORGIA**

Slowdown in Georgia manufacturing:  
A shift-share analysis—  
Atlanta Nov 74 p 166

**GOLD**

Participation in gold transactions—  
FR Bull Dec 74 p 882

**GRAIN**

Grain export quotas: The short view and the long—  
St Louis Oct 74 p 12  
Dwindling world grain reserves—  
Chic Nov 74 p 8

**HOLLAND, ROBERT C.**

Saving: An old fashioned virtue in a new-

**HOLLAND, ROBERT C. (Cont.)**

fangled world—  
Bost Nov 74 p 20  
Statement to Congress,  
December 12, 1974 (bank supervision)—  
FR Bull Dec 74 p 838

**INCOME, PERSONAL**

Faster gains in per capita income expected for the Southwest—  
Dallas Oct 74 p 11

**INDEXATION**

The case for and against indexation:  
An attempt at perspective—  
St Louis Oct 74 p 2  
The concept of indexation in the history of economic thought—  
Rich Nov 74 p 3  
Indexation as a response to inflation: An examination—  
Rich Nov 74 p 17

**INDUSTRIAL PRODUCTION INDEX**

A revised manufacturing production index for the Southeast—  
Atlanta Dec 74 p 190  
Industrial production—  
FR Bull Dec 74 p 805

**INFLATION**

Inflation and stagnation in major foreign industrial countries—  
FR Bull Oct 74 p 683  
Philadelphia sings the inflation blues—  
Phila Nov 74 p 10  
ECONOMICS OF INFLATION *available*—  
Phila Nov 74 p 23  
Inflation, recession—what's a policy maker to do? (Francis)—  
St Louis Nov 74 p 3

**INTEREST RATES—DISCLOSURE**

Truth in Lending Act amendment October 28, 1974—  
FR Bull Nov 74 p 800  
Act of Congress, October 28, 1974 (P. L. 93-495)—  
FR Bull Dec 74 p 849

**LIVESTOCK INDUSTRY**

Cattle cycles—past and present—  
Minn Nov 74 p 13

**MOBILE HOMES**

Cut-back in mobile home loans—  
Atlanta Nov 74 p 176

**MONETARY POLICY**

SOME INSTITUTIONAL ASPECTS OF  
MONETARY POLICY *available*—  
Atlanta Dec 74 p 189

**MONETARY STABILIZATION**

The international monetary system (Hayes)—  
NY Dec 74 p 286

**MONEY DEFINITION**

A time series analysis of income and several  
definitions of money—  
Kansas City Nov 74 p 9

**MONEY SUPPLY**

MONETARY AGGREGATES AND MONE-  
TARY POLICY *available*—  
NY Nov 74 p 277

Channels of monetary influence:  
A survey—

St Louis Nov 74 p 8

Revision of money stock measures and  
member bank reserves and deposits—  
FR Bull Dec 74 p 817

**MORTGAGES**

The residential mortgage market in recent  
years—  
Rich Sept 74 p 3

**PETROLEUM INDUSTRY**

Why America's oil supply depends on high-  
priced foreign sources—  
Phila Oct 74 p 7

**PIPELINES**

Pipeline industry responds to challenge of  
declining reserves—  
Dallas Oct 74 p 1

**PRODUCTIVITY**

A primer on productivity—  
Atlanta Oct 74 p 150

**RECESSIONS**

Another recession, but different—  
St Louis Dec 74 p 15

**REGULATION A**

Amendment September 25, 1974—  
FR Bull Oct 74 p 723

Special rate for emergency loans—  
FR Bull Oct 74 p 741

Amendment October 25, 1974—  
FR Bull Nov 74 p 771

**REGULATION D**

Amendment September 5, 1974—  
FR Bull Oct 74 p 723

Interpretation—  
FR Bull Oct 74 p 724

Amendment November 28, 1974—  
FR Bull Dec 74 p 861

Amendment November 27, 1974—  
FR Bull Dec 74 p 862

**REGULATION G**

Amendment November 5, 1974—  
FR Bull Dec 74 p 863

**REGULATION H**

Amendment September 22, 1974—  
FR Bull Oct 74 p 725

**REGULATION M**

Amendment November 22, 1974—  
FR Bull Dec 74 p 862

**REGULATION Q**

Amendment October 17, 1974—  
FR Bull Nov 74 p 771

Amendment November 27, 1974—  
FR Bull Dec 74 p 862

Amendments to Regulation Q  
(government deposits)—

FR Bull Dec 74 p 883

**REGULATION T**

Amendment November 4, 1974—  
FR Bull Nov 74 p 802

Amendment November 5, 1974—  
FR Bull Dec 74 p 863

**REGULATION U**

Amendment November 5, 1974—  
FR Bull Dec 74 p 863

**REGULATION Y**

Interpretation—  
FR Bull Oct 74 p 725

**RESERVE REQUIREMENTS**

Restructured November 13, 1974—  
FR Bull Nov 74 p 799  
Effects of Regulation D changes—  
Atlanta Dec 74 p 194

**STRATEGIC MATERIALS**

Shortages: A necessary evil of the future?—  
Phila Oct 74 p 13

**TENNESSEE**

Economic slowdown hits Tennessee—

**TENNESSEE (Cont.)**

Atlanta Oct 74 p 155

**TRANSFER OF FUNDS**

National Commission on Electronic Funds  
Transfers created October 28, 1974—  
FR Bull Nov 74 p 800  
National Commission on Electronic Fund  
Transfers established October 28, 1974  
(P. L. 93-495)—  
FR Bull Dec 74 p 849  
Electronic distribution of government pay-  
ments—  
FR Bull Dec 74 p 883

**WALLICH, HENRY C.**

Statement to Congress, October 16, 1974  
(petroleum prices)—  
FR Bull Nov 74 p 757

**FEDERAL RESERVE BANKS AND BOARD OF GOVERNORS**

Publications Services  
Division of Administrative Services  
Board of Governors of the  
Federal Reserve System  
Washington, D. C. 20551

Federal Reserve Bank of Atlanta  
Federal Reserve Station  
Atlanta, Georgia 30303

Federal Reserve Bank of Boston  
30 Pearl Street  
Boston, Massachusetts 02106

Federal Reserve Bank of Chicago  
Box 834  
Chicago, Illinois 60690

Federal Reserve Bank of Cleveland  
P.O. Box 6387  
Cleveland, Ohio 44101

Federal Reserve Bank of Dallas  
Station K  
Dallas, Texas 75222

Federal Reserve Bank of Kansas City  
Federal Reserve Station  
Kansas City, Missouri 64198

Federal Reserve Bank of Minneapolis  
Minneapolis, Minnesota 55440

Federal Reserve Bank of New York  
Federal Reserve P.O. Station  
New York, New York 10045

Federal Reserve Bank of Philadelphia  
925 Chestnut Street  
Philadelphia, Pennsylvania 19101

Federal Reserve Bank of Richmond  
P.O. Box 27622  
Richmond, Virginia 23261

Federal Reserve Bank of St. Louis  
P.O. Box 442  
St. Louis, Missouri 63166

Federal Reserve Bank of San Francisco  
San Francisco, California 94120



**FEDERAL RESERVE BANK of PHILADELPHIA**  
**PHILADELPHIA, PENNSYLVANIA 19105**

**business review**

FEDERAL RESERVE BANK  
OF PHILADELPHIA  
PHILADELPHIA, PA. 19105

BULK RATE

U. S. POSTAGE

**PAID**

Philadelphia, Pa.  
Permit No. 138