

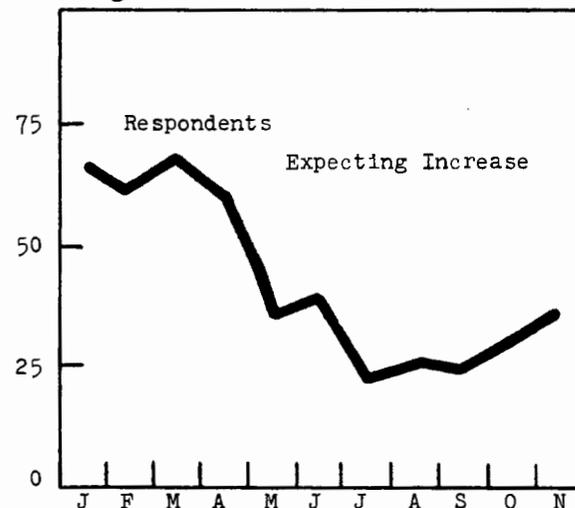
This Summary of Returns reports on the November responses to the Business Outlook Survey conducted by the Federal Reserve Bank of Philadelphia. Its purpose is to provide an insight into Third District business conditions. The Survey sample polls manufacturing firms with 500 or more employees.

Area businessmen appear to be sliding into the slowdown they forecasted last spring. By a three-to-one margin, the current Business Outlook Survey shows more manufacturers in the Third Federal Reserve District expect lower levels of general business activity in November and December than anticipate higher levels. These expectations contrast sharply with those in earlier surveys when bulls typically outnumbered bears for the immediate months ahead.

The longer-term outlook, while still dominated by falling expectations, is becoming less pessimistic, however. The chart shows that the percentage of respondents expecting an increase in business activity six months hence peaked last March. After a modest decline in April, this percentage plummeted in May, paused in June, then dipped again in July. For three months -- July through September --

the percentage of area businessmen with rising expectations held steady at about 25 per cent. Last month, the six-month outlook became a little less bearish. And a look at the chart shows additional optimism creeping into the longer-term outlook. Now 36 per cent anticipate higher levels of business activity six months from now.

Level of General Business Activity
6 Months Ahead
Percentage



If this expansionist minority continues to grow, it will mean that area manufacturers are beginning to look across the valley of business contraction to the upward slope of recovery beyond. This suggests that with the slowdown just now getting underway and with some bullish signs already visible on the six-month horizon regional businessmen expect only a short-lived decline in economic activity.

BUSINESS OUTLOOK SURVEY

SUMMARY OF RETURNS

November 1969

INDICATOR	October vs. September			November vs. October			December vs. November			Six Months From Now vs. November		
	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?	7.5	64.2	22.6	24.5	64.2	7.5	32.1	54.7	9.4	41.5	18.9	35.8
COMPANY BUSINESS INDICATORS												
New Orders	18.9	37.7	37.7	28.3	47.2	20.8	30.2	52.8	13.2	30.2	18.9	47.2
Shipments	9.4	47.2	39.6	30.2	49.1	18.9	28.3	50.9	17.0	28.3	18.9	49.1
Unfilled Orders	11.3	45.3	37.7	26.4	54.7	15.1	28.3	58.5	9.4	39.6	30.2	26.4
Delivery Time	7.5	67.9	18.9	13.2	73.6	9.4	9.4	83.0	3.8	24.5	58.5	13.2
Inventories	35.8	45.3	17.0	18.9	54.7	26.4	11.3	50.9	35.8	24.5	45.3	28.3
Prices Paid	0.0	45.3	49.1	0.0	67.9	28.3	0.0	71.7	20.8	0.0	34.0	60.4
Prices Received	0.0	67.9	28.3	0.0	77.4	20.8	0.0	84.9	9.4	3.8	45.3	47.2
Number of Employees	7.5	79.2	9.4	9.4	81.1	7.5	11.3	71.7	13.2	9.4	60.4	26.4
Average Employee Workweek	3.8	81.1	9.4	9.4	84.9	1.9	15.1	73.6	7.5	13.2	69.8	13.2
Capital Expenditures										24.5	41.5	24.5

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