

Monthly Report on the Economic Situation

Reporting Period: November 1948

Closing Date: Middle of December 1948

(1) Monetary and Credit Matters

The preliminary results of the monthly statistics of all financial institutions in the specified area (Währungsgebiet)⁽¹⁾ now available as of 30 October permit for the first time since the beginning of the reporting period exact figures - only a small percentage is based on estimates - on the money volume available in the specified area ⁽²⁾. Figures on blocked account were intentionally omitted; first, because the blocked account does not as yet represent money in the true sense, and secondly, because only a part of the financial institutions had obviously completed the cancellation of 7/10 of the blocked account ordered under Law No. 65 (decision on blocked account) by the end of October, i.e. the amount of the blocked account as of 30 October does not have an analytical value.

Money volume available in the specified area
as of 30 October (bank deposits without blocked
account and without inter-
bank-deposits)

(in million DM)

(1) bank deposits(a) with financial institutions
outside the central bank
system:

deposits of public authorities	1.561	
deposits of other creditors	4.763	
savings deposits	<u>1.152</u>	

(b) with the central bank system:

deposits of public corporations	1.585	
other deposits	<u>222</u>	9.283
		5.885

(2) bank-notes issued(3) Share of financial institutions
not included in the sample statistics
(estimated without data)

		<u>100</u>
approximately		<u>15.268</u>

- (1) Only those financial institutions that showed less than 2 million RM as of 31 March 1948 in their balance sheets are not subject to reporting.
- (2) Credit balances on free account subject to restrictions were included in the calculation since they are available under certain conditions.

The total volume of bank-credits in the specified area (excluding inter-bank-credits) was, however, considerably lower. On 30 October, it amounted to: (in million DM)

Volume of bank-credits including liability under acceptance
in the specified area as of 30 October 1948

with banks outside the central bank system

(1) credits granted to economic enterprises and private persons	3.549
(2) credits granted to public authorities	269

with the central bank system

(1) treasury bills of the Länder	1
(2) cash advances	28
	3.847

Accordingly, at the end of October, the credit volume amounted to almost 25 per cent. of the total money volume. Since at the same time, credits granted by the central bank system to financial institutions amounted to 871 million DM, roughly one fourth of the total credit volume has been refinanced through the central bank system. The financial institutions' bill of exchange holdings, however, amounted to 1.7 billion DM as of 30 October. Cash reserves amounted to 1.2 billion DM or 14 per cent. of all deposits on free account.

During November, the amount of credits granted by the central bank system considerably increased. At the end of the month, it amounted to roughly 1.46 billion DM and was thus more than 0.5 billion DM (568 million DM) or 62 per cent. higher than at the beginning of the month. This additional granting of credits is chiefly reflected in the increase of the bill of exchange holdings from 778 to 1.232 million DM. Notes in circulation, however, increased only by 132 million DM. The difference between the additional granting and the increase in the notes in circulation benefited the transfer-accounts of financial institutions which even slightly exceeded this amount, i.e. they increased from roughly 1 billion to 1.46 billion DM. Accordingly, the cash liquidity of the financial institutions considerably increased during November. The cash reserve of the 112 institutions included in the weekly banking statistics (sample statistics) increased from 452 million DM to 700 million DM at the end of November or - expressed in percentage

of deposits on free account - from 14.6 to 19.5 per cent. Thus the financial institutions accumulated liquidity to a great extent. Obviously, this tendency was not only largely influenced by the preparations made in view of the increase in the minimum reserves from 10 to 15 per cent. against demand-deposits, effective 1 December, (only at places where there are Land Central Banks located) but also by the expectation for an increase in the discount. Nevertheless, the increase in the reserves had probably been considerably over-covered by the central-bank credit balances of financial institutions, which however, does not exclude the fact that in individual cases, the formation of reserves might have caused difficulties.

The secondary liquidity which is of great importance for judging the credit potential of the banks only slightly decreased with the 112 financial institutions during November. At the end of the month, the bill of exchange holdings of these institutions amounted to 853 million DM and were thus only roughly 100 million DM lower than at the beginning of the month. Even if taking into consideration that almost 48 per cent. of this amount consisted of bankers acceptances which are only purchased in some cases by the Land Central Banks under the November-decisions of the Board of Directors, the portfolio of rediscountable bills amounted to at least 0.5 billion DM.

Without being prejudiced by giving consideration to the liquidity, the banks were able to extend their granting credits considerably even during the month of November. The weekly reporting 112 financial institutions show an increase of outstanding credits (excluding credits to financial institutions) by 15 per cent. to 1.643 million DM.

Development of Credits granted by the 112 Financial Institutions
(excluding inter-bank-credits)
during November 1948
in million DM

figures as of	total	t h e r e o f				to public authorities
		To economic enterprises and private persons	current account and accept- ance cre- dits	customers' liabilities under accept- ance	other short- term credits	
30 Oct 1948	1.430	1.377	724	640	13	53
16 Nov	1.449	1.406	748	643	15	43
15 Nov	1.550	1.503	826	661	16	47
23 Nov	1.578	1.532	859	654	19	46
30 Nov	1.643	1.600	908	669	23	43
changes during Nov	+ 213	+ 223	+ 184	+ 29	+ 10	- 10

Share in the overall Statistics
(percentage)

30 Oct 1948	37.5	38.8	19.7
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The fact that non-refinanceable current account credits chiefly account for the increase is particularly characteristic for the banks being so liquid. Assuming that the share of the 112 financial institutions in the credit granting of the total banking system as compared with the end of October did only slightly change during November - this assumption is probably correct - bank credits as a whole had increased again by more than half a billion DM during November. The Board of Directors' decisions concerning credit restrictions taken at the beginning of November and the instructions to the financial institutions, in particular, to refrain from extending the credit volume beyond that of the end of October thus did not bring about the results desired during November.

During November, bank deposits as well as credits further increased. In addition to deposits on public authorities' accounts of 250 million DM, the 112 financial institutions weekly reporting show an increase in free deposits of private persons by roughly 150 million DM.

Development of deposits with 112 financial institutions
(excluding inter-bank deposits)
during November 1948
(in million DM)

Figures as of	blocked deposits		free deposits			
	blocked account	invest- ment account	total	public authori- ties	other credit- ors	savings deposits
1948						
30 Oct	425		2,501	825	1,522	154
6 Nov	408		2,590	865	1,564	161
15 Nov	352		2,692	954	1,569	169
23 Nov	311		2,924	1,132	1,617	175
30 Nov	164	46	2,886	1,058	1,643	185
Changes during Nov	- 261	+ 46	+ 385	+ 233	+ 121	+ 31

Share in the overall Statistics
(percentage)

30 Oct	24.3		33.5	52.9	32.0	13.4
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When taking as a basis the share of the 112 institutions in the overall statistics as of 30 October and considering the fact that the public and private deposits with the central bank system remained practically unchanged, the increase in the available bank deposits during November would have to be estimated at approximately 1 billion DM.

All during November, the central bank discount amounted to 5 per cent. This rate had not been changed since currency reform. Accordingly, the bank credit according to kind of credit, amount and solvency of the credit granted, cost between 6.5 and 9 per cent. As a consequence of the banks' profiteableness which decreased due to the increase in the minimum reserves, an advance in the prices for bank credits by approximately 1/2 per cent. has seemed to come about since the middle of December. In view of the banks being liquid, money was easy on the money-market in spite of the credit restrictions. The rates of day-to-day money were 2.5 to 2 5/8 per cent. and increased to 2 3/4 per cent. until the last day of the month. Money at one month beyond the last day of December was

in demand at approximately 4.5 per cent. Great stagnation prevailed at the bill of exchange-market. During the reporting month, nominal rates of approximately 4 7/8 to 5 per cent. were mentioned for bankers acceptances (with "prove" according to the Board of Directors' decision of 2 November) but no larger amounts were offered for sale. 5 3/4 to 6 per cent. were mentioned in connection with the bank-rate for loans against collateral for bankers acceptances "without prove". Towards the last day of November, acceptances "with prove" also cost up to approximately 5 1/2 per cent. in consideration of the pending deliberations on an increase of the discount. Also during November, attempts were made in several cases to place security-issues. This mainly concerned bonds and longer-term debentures. The interest rate for these issues averaged 5 per cent. with the exception of the 10 million DM 6 1/2 per cent. Schluchsee-loan placed during the preceding month at an issue rate of mostly 98 per cent. A total of 43 million DM long-term issues were made known to the Bank deutscher Länder of which, however, only a part could be placed according to the observations made so far.

Rates on old-issues continued to show a down-ward trend during November. 4 per cent. bonds lost in the average 0.85 per cent. of their previous RM-nominal amount - the different and accidental trend of rates in the individual case is to be considered - to which the stock exchange quotation still refers, i.e. 11 per cent. of the rates as of the end of October. Accordingly, the yields on numerous bonds exceeded 6 per cent. First class industrial bonds which according to the general tendency were likewise weaker yield even over 7 per cent.

Price averages of the 4 per cent. Securities
(percentage of RM-nominal amounts)

period	b o n d s		municipal bonds		city	industrial	total
	of mort- gage- banks	public	of mort- gage banks	public	bonds	bonds	average
1948							
31 Oct	7.83	8.01	7.20	7.52	7.45	6.66	7.56
7 Nov	7.59	7.94	7.09	7.44	7.42	6.51	7.38
15 Nov	7.14	7.73	6.80	7.33	7.42	6.30	7.04
23 Nov	7.02	7.56	6.55	7.29	7.42	6.08	6.90
30 Nov	6.98	7.36	6.45	7.17	7.41	5.88	6.79

The upward trend of prices for shares prevailing since approximately the middle of October showed a strong downward tendency at the beginning of November after the proclamation of the immediate-aid program under the equalization of burdens and the credit restrictions ordered by the Board of Directors. The re-organization of the Western German mining-industry ordered at the middle of the reporting month under Law No. 75 which provides that the previous owner shall not be rehabilitated presumably lowered the prices for shares. Due to the fact that money was easy on the money-market a slight recovery occurred however, during the last week of November.

(2) Public Finances

During November, public budgets did not further increase the inflatory tendencies but from the view point of monetary policy and purchasing power brought about rather deflationary effects. Like during October, the Länder budgets again yielded slight surpluses. The increase in the cash holdings of the 8 Länder of the Combined Economic Area amounting to a little over 100 million DM during the period 1 November to 27 November was, however, a little less than during the preceding four weeks (roughly 140 million DM) and it will even have decreased due to payments made during the last two days of the month. Nevertheless, this development was favourable in as much as the cash reserves in the individual Länder were distributed a little more evenly over the reporting month; a decrease occurred in the Länder North-Rhine/Westphalia and Hamburg which so far had been well provided with funds whereas the holdings of the

Länder Lower Saxony, Bavaria, and Hesse which until October were extraordinarily low increased, so that for the time being the danger of deficits will be eliminated in these Länder. Schleswig-Holstein is still the sole Land of the Combined Economic Area that is in a critical position and was indebted with 10.1 million DM to the Land Central Bank on 30 November as compared with only 700 000 DM on 30 October. In the Länder of the French Zone, the indebtedness with the Land Central Banks also increased again, amounting to 26.9 million DM on 30 November as compared with 15.5 million DM on the same day of the preceding month. In spite of these partial deficits which can hardly be avoided when considering the present organization of public finances in the specified area, the overall trend must be regarded as being favourable.

Surpluses which had been made with the unemployment fund and which probably amounted to 50 million DM during November must be added to the decrease of the money volume by the Land budgets. Revenues and expenditures of the remaining social insurances were at least balanced as had been the case during the preceding months. These favourable results of the trend of public finances were, however, linked with several further inflatory tendencies. On the one hand, the Combined Economic Area had to raise a cash advance amounting to 50 million DM with the Bank deutscher Länder for the purpose of financing expenditures of the Berlin administration and the Gemeinden were forced to use up approximately 40 to 50 million DM of their first supply of new currency to meet their expenditures. Even when considering these circumstances, during November the monetary volume was doubtlessly deprived of a considerable amount of purchasing power by way of public budgets.

This amount was, however, not sterilized in full. Since a large part of the public credit balances is held outside the central bank system, the formation of budget surpluses simultaneously leading to a decrease in the high liquidity of the credit system was avoided. On the contrary, the credit facilities of the financial institutions remained nearly unaffected by the favourable development of public budgets, so that the absorption of means of purchasing power by way of public budgets could be easily compensated or even over-compensated by the continuous and even increase in the credit expansion. In respect of these circumstances, on 10 December 1948 the Board of Directors decided to contact anew the finance administrations and demand that in consideration of the present importance of this measure with regard to currency policy public funds be concentrated with the Land Central Banks and the Bank deutscher Länder, respectively.

The work on the First Law on the Equalization of Burdens (Immediate Aid) was concluded for the time being through the Economic Council passing this law on 1 December. As compared with the proposal of the Executive Committee which i.a. had demanded a general levy on real wealth up to 2 per cent. and a 25 per cent. levy on inventories, considerable changes have been made: the rate of the general levy on real wealth was increased to 3 per cent. with certain exceptions concerning agricultural and forestry property and real estate, the rate on inventories was decreased to 4 per cent. (normal inventory) and 15 per cent., respectively (remaining inventory). The payment of the levy on inventories was distributed over three terms of payment (originally, full payment had been provided for 10 January). The revenues derived from this levy shall now mainly be utilized for the investment plans of the equalization of burdens program but no longer be released under special conditions as was originally provided. Through this measure, the hopes which had arisen in connection with the Executive Committee's draft that 2 billion DM would be neutralized at least for a temporary period were unrealized; but nevertheless, certain amounts, even if smaller will be sterilized during

the subsequent months since payments out of the equalization of burdens' fund will be effected slower than the intermittent receipt of high revenues to be expected during the first few months due to the amassing of terms of payment. The pre-condition is, however, that these amounts are paid into accounts with the central bank system and no credits are raised for the payment of this levy, in accordance with the Board of Directors' demand.

(3) The Development of Production

The upward trend of industrial production in the Combined Economic Area after currency reform is borne to a growing extent by the production of investment goods during the last few months. During November, the production of investment goods was about 70 per cent. higher than in June 48 whereas the production of consumption goods increased by 55 per cent. during the same period of time. It must be taken into consideration, however, that errors contained in the production index due to the hoarding of goods prior to currency reform were more likely for consumption goods than for other branches, i.e. the June - production was actually higher and the rise in the production of consumption goods was thus smaller than is expressed in the index.

This shifting of factors stimulating production which is undoubtedly one of the most remarkable features of the recent economic development of Western Germany continued during November in spite of the influence of the Xmas business. This development may be traced back to two factors, in particular: the extraordinarily mild weather favoured the construction of buildings. Simultaneously, the manufacture of finished investment goods (e.g., machinery) increased by roughly 11 per cent. during the reporting month whereas the production of basic material for manufacturing investment goods (ores, steel, and iron, & c.) slightly decreased (by roughly 3 per cent.).

The industrial production was rather varying:

Also during November, the coal output continued to hold its high level. The average of 318,000 tons per working day reached a new maximum figure (top figure on 28 November, nearly 325,000 tons).

However, since the reporting month had two working days less than the preceding month, the total output of 7.71 million tons was slightly lower than in October (7.865 million tons). The power production was remarkably high. During the period September to November it was by 50 per cent. higher than the 1936 production, although the capacity of the hydro-electric plants is prejudiced by the continuous drought. The lasting lack of electro-energy which is generally complained of does not only result from additional demand due to the increase in the population in Western Germany, the rapid structural expansion of the consumption of power in industry, handicraft and agriculture and the unfavourable utilization capacity which is due to the inferior machinery equipment, but also from the power exports which exceeded by far the imports during the last months.

The production of the electro-technical industry in the Combined Economic Area during the last months was considerably ^{higher} than in 1936 which is mainly due to the extension of this industry in Western Germany which previously had been concentrated to a great extent in Berlin.

Several especially important branches of industry, however, hold a rather low level. This applies to the iron and steel production although the production per working day reached a new postwar maximum figure during November. Due to the smaller number of working days, the total production was, however, lower than during the preceding month. In addition, textile production is still limited, and has even slightly decreased lately due to difficulties in obtaining raw material.

In spite of the development of production which on the whole was favourable, the importance of a so-called second market seems to gain ground again. This second market had been eliminated to a far-reaching extent through currency reform and the shifting over to market economy. The lack of raw materials and subsidiary materials, the difficulties in replacing these materials (due to insufficient imports) which bring about protracted terms of delivery and which - linked with the excessively high money supply already dealt with in this report - has again resulted in the hoarding of goods and the revival of compensation activities and all other factors

of a "sellers-market".

(4) Foreign Trade

Only limited conclusions may be drawn from the export of goods on money movements in foreign trade since payments in foreign trade are varying and partly effected prior to and after the movements of goods. Independent of the movements of goods on which money movements in foreign trade are based, the latter movements are important due to their direct monetary effects. Foreign exchange movements are still marked through the excess of receipts over payments. The foreign exchange surplus amounting to 36 million Dollars during October, however, decreased to 25 million Dollars during November. During November, foreign exchange receipts dropped from 68.0 to 65.2 million Dollars, foreign exchange payments increased from 31.7 to 39.9 million Dollars during the same period of time.

A growth of import contracts may be concluded from the increase in credit-obligations against foreign banks. These obligations increased from

77 million DM on 30 September 48 to
141 " " " 31 October 48 and to
175 " " " 30 November 48

This trend will result in increased imports at the beginning of the coming year.

The DM-deposits of importers with the Bank deutscher Länder for the first time since currency reform exceeded the average figure of the preceding month although the Military Government granted a respite on the DM-amounts for bread grain imports stored as "bizonal reserve".

Deposits of Importers in million DM (and RM, respectively)

Monthly average and month, resp.	for GARIOA, ERP and STEG imports	other imports	imports total
Jan - June	263	135	398
July - Oct	161	67	228
November	173	85	258

The November-figures partly contain the maximum imports of September. The already mentioned foreign exchange surplus of foreign trade within category B corresponds to a surplus of DM-payments to exporters over DM-deposits of importers (of category B-goods). The total payments charged to foreign trade accounts during November alone exceeded the deposits by roughly 90 million DM. The increase in the bank of issue money resulting therefrom added to the unsound expansion of the money volume. If on account of previous experiences, the formation of DM-counter-values for imports given on credit had been expected and feared that deflatory tendencies might result during the first weeks after currency reform and at a later date hoped that these tendencies come true for the support of the restrictive policy, it is now clearly to be seen that for the time being, neither these hopes nor these fears were justified.

This trend might probably increase with the anticipated raising of exports should JEIA adhere to its present handling of foreign exchange derived from B-exports. During November, export contracts were again higher than during August and September and even exceeded the October results when leaving aside the export contracts on scrap and distant gas. It is expected that the fundamental change in the previous export procedure effective 1 December will result in a further considerable increase of exports. Apart from certain exceptions, the German exporter is enabled under this new procedure to make contracts pursuant to the common foreign trade practices without prior approval by JEIA.

In November, the first settlements based on the accounts as of 31 October were made within the European clearing. According to the Paris agreement, the Combined Economic Area had to make available drawing rights amounting to 5.9 million Dollars for export surpluses to the Netherlands, Austria, Denmark and Greece and which were used to cover differences in the payment balance arisen during October in favour of the Combined Economic Area. The Combined Economic Area is entitled to the "Conditional Aid" up to the same amount to be set off against the funds made available under the ERP which consists of the supply of goods and services the same as the total ERP-aid. During the preceding month, the Combined Economic Area, on its part, could only make use of the

drawings rights against Italy to which rights it is entitled under the Paris agreement since within the goods transactions with the other countries concerned, it had export surpluses instead of import surpluses on which the planing is based.

(5) Labour Market

The high degree of the investment activities and the coal production as well as the Xmas business led to a further decrease in the unemployment figure during November whereas the lack of expert workers further increased. The maximum unemployment figure after currency reform of 768.250 during August 1948, dropped to 716.300 until the end of October and 705.600 until the end of November, i.e. a decrease by over 8 per cent. The mild weather which permitted activities of the outdoor professions to be continued without interruption obviously counter-acted a climb in the unemployment figure which could have been expected according to the normal seasonal trend.

A relaxation could be observed in all Länder with the exception of Schleswig-Holstein and Lower Saxony where the increase in the unemployment continued also during the reporting month (rather strongly). The relaxation especially applies to Bavaria (the unemployment figure dropped by nearly 12.000) and North-Rhine-Westphalia (decrease by over 6.000). The unemployment in North-Rhine-Westphalia and Württemberg-Baden for the first time was lower than prior to currency reform. The situation of Schleswig-Holstein is still by far the most difficult: not only did unemployment show the sharpest rise during the last six months and reached the highest percentage of the population among the Länder of the bizonal area but there are also only small chances to find work for the unemployed (consisting of a high percentage of refugees) when considering the economic structure of this Land.

(6) Prices and Wages

According to reports received so far, a certain easing-up in the trend of prices seems to have taken place during November which must be considered surprising in view of the lively Xmas business, the short supply of essential raw materials and consumption goods (e.g. textiles) and the new hoarding tendencies.

During the reporting

month, of the 108 prices of the regular market observed in various places of the Combined Economic Area 44 (or 41 per cent.) slightly increased, 36 (or 33 per cent.) dropped, whereas the remaining prices (26 per cent.) remained unchanged. As compared with October, 53 per cent. of the prices observed increased (in a relatively strong manner), 26 per cent. dropped and 21 per cent. held their former level.

The price increase on the black market under way for several weeks continued which might partly be due to increased demand (Xmas) and higher "risk-premiums" (stricter police control).

Assuming that the present situation does not give cause to the expectation that prices, of necessity, will be adapted to the lower and medium incomes (in spite of the recent easing in the trend of prices), a number of additional measures is contemplated which is to counter-act the rising of prices and bring about a lowering.

- (1) Extension of the "Everyman Program" from approximately 20 per cent, at the present time, of the production of the branches concerned (textiles, shoes, &c.) to 80 to 90 per cent.
- (2) Temporary fixing of the margin of profit for the trade in order to eliminate the chain-trade, reduce the margin and have the consumer benefit to the full extent from the lowering of prices of industrial finished goods.
- (3) Import of considerable quantities of finished textile goods (approximately 50 million Dollars) having prices far below the present German level.
- (4) Import of considerable quantities of textile raw materials beginning January 1949.

As far as may be seen now, the level of wages did not substantially change during the reporting month. As a consequence of the price increases a reduction of the working incentive and a rising absenteeism may be observed and there is danger that the productivity of work will decrease which prior to currency reform had dropped on the average to roughly 50 per cent. of its former level and had increased to approximately two thirds after currency reform. In order to counter-act these factors, the workers are being granted cost of living bonuses to an increasing extent.

(7) Summary

The money volume greatly increased during the reporting month. Apart from the progressing creation of money under law on the grounds of the conversion of Reichsmark-obligations, the credit expansion - which again increased as compared with October - plays a decisive part. A reduction of the inflatory tendencies was merely linked with the fact that also during November, no deficits occurred but in some cases slight surpluses were obtained again as had been the case during October. This trend was, however, partly compensated by a contrarious development on the foreign trade accounts. As far as figures are available on the development of production and employment, they reveal an increase even if only slow; important branches of industry, however, e.g., the iron industry and the textile production still hold a very low level and in some cases even show a downward trend. The curve of prices, in general, no longer showed a strong upward line as before although the development was varying to a great extent in individual cases. In several spheres, the stimulating factors were doubtlessly exhausted, but compensation operations and black turnovers at advanced prices, however, seem to have gained ground again.

Figures on the economic Development

1. Index of industrial Production in the Combined Economic Area - 1936 = 100

Period	Total Index	Investment Goods Industries									
		total	Industry groups selected therefrom								
			iron-ore iron cont.	iron and steel	cast iron, cast steel	non-ferrous metals	stones and earths	sawing indust. and timber indust.	machine manufacture	vehicle manufacture	electrical indust.
1947 Aug	42,0	32,0	66,4	21,5	28,8	29,2	44,9	73,0	30,9	20,0	65,4
Sept	42,4	33,3	69,1	21,7	28,0	26,2	44,5	68,6	35,0	19,7	68,8
Oct	45,4	35,9	80,6	24,5	30,3	28,0	47,0	63,3	39,9	16,8	67,1
Nov	44,5	34,1	77,1	24,2	29,7	28,0	43,6	61,7	38,9	18,0	68,4
Dec	44,3	33,2	72,1	23,4	32,9	26,6	38,4	57,3	38,6	18,4	67,7
1948 Jan	46,8	34,6	75,5	25,1	30,5	28,4	37,2	59,1	38,9	20,3	67,5
Febr	47,3	36,0	71,9	23,7	32,8	28,3	36,2	56,0	42,7	23,3	72,7
March	50,7	38,6	81,2	26,9	33,8	29,4	41,6	57,0	44,4	25,7	83,6
April	52,9	41,7	97,1	28,8	36,4	33,9	47,2	66,0	45,5	27,3	93,1
May	47,0	36,9	83,7	25,7	31,7	29,0	48,3	68,5	39,7	22,1	72,0
June	51,1	39,7	90,1	30,2	34,9	31,3	57,5	58,7	41,6	26,3	81,2
July	61,2	50,2	109,3	37,6	46,9	49,0	72,9	70,3	48,4	41,1	94,5
Aug	64,9	55,3	106,6	40,9	52,3	54,4	89,5	79,9	50,9	42,0	111,7
Sept	70,0	61,4	104,9	43,7	54,2	60,1	87,0	88,5	58,9	52,1	129,6
Oct	73,7	65,5	110,3	48,1	57,9	60,9	90,0	98,2	63,2	58,5	141,9
Nov	75	67,8	110,7	47,9	58,0	63,1	82,6	93,8	70,2	62,9	154,0

Period	General Production Goods Industries					Consumption Goods Industries						
	total	Industry groups selected therefrom				total	Industry groups selected therefrom					
		coal	power	gas	chemistry		paper product	leather product	textiles or artificial silk and rayon	ceramic	tyres and caoutchouc products	shoes
1947 Aug	67,7	68,0	109,8	51,8	44,0	35,3	34,4	31,7	29,0	44,6	50,1	33,0
Sept	66,3	68,9	109,5	51,1	39,2	35,7	33,1	32,1	29,4	42,6	55,4	33,4
Oct	70,4	73,0	121,9	53,8	40,7	38,1	34,8	33,5	31,2	45,8	58,5	40,9
Nov	71,1	72,1	124,7	53,3	41,6	37,6	34,1	32,6	30,7	46,4	58,6	40,1
Dec	73,1	71,8	133,6	56,1	42,9	36,3	35,8	30,9	27,9	44,7	60,2	38,8
1948 Jan	76,8	73,0	142,2	57,7	46,3	39,8	38,2	32,9	31,8	46,3	60,2	40,9
Febr	73,6	70,0	129,7	57,1	48,2	42,6	40,1	33,0	34,6	50,3	70,1	44,6
March	79,9	77,8	136,3	63,1	52,8	44,6	41,0	33,7	36,4	52,1	71,2	46,0
April	79,4	76,2	131,4	63,3	55,6	47,9	45,3	32,8	39,0	52,4	79,4	47,4
May	72,7	66,1	121,3	64,5	51,8	40,5	36,4	27,8	32,2	48,8	61,7	35,5
June	77,6	79,5	121,3	64,5	53,1	44,8	42,6	28,8	36,2	51,9	63,8	28,6
July	84,7	83,4	126,1	69,2	64,5	58,3	58,2	49,1	48,1	67,9	90,2	61,1
Aug	85,8	81,1	129,1	70,6	67,6	62,8	59,9	56,7	53,4	75,3	92,3	64,0
Sept	90,5	82,5	145,3	70,2	70,0	66,2	63,9	55,2	55,5	80,1	96,8	72,4
Oct	93,6	85,9	150,1	73,8	71,8	69,6	66,8	54,5	59,3	87,8	99,4	77,0
Nov	94,1	84,0	150,7	73,6	75,2	69,5	68,4	52,7	57,1	91,2	96,5	75,0

November - preliminary figures; previous to November - corrected figures.

(2) Coal Output

Period	coal output		shift performance per sub-terranean miner	export(-) - import(+) surplus	
	per month	daily average		coal	coke
	in 1000 tons	in 1000 tons	in tons of coal	in 1000 tons	1000 tons
1948:					
May	5931	266	1.23	- 808	- 616
June	7416	285	1.29	- 786	- 675
July	7764	287	1.28	- 627	- 662
Aug	7457	287	1.27	- 743	- 631
Sept	7564	291	1.29	- 733	- 620
Oct	7863	303	1.29	- 697	- 628
Nov	7710	308	1.30		

(3) Iron and Steel Production in 1000 tons

Period	pig iron	steel (steel ingot blocks)	rolling-mill (finished) products
1948:			
May	313	324	211
June	336	378	253
July	402	457	320
Aug	434	510	346
Sept	468	572	363
Oct	505	610	402
Nov	494	600	406

(4) Freight Car Service

Period	allocation of freight cars	circulating period of freight cars	transport of goods	freight cars in operating condition	steam locomo- tives in operat. condition	number of passen- gers carried
	average per working day	daily	in 1000 tons	in 1000	in 1000	in 1000
1948:						
May	37.812	6.9	12.538.0	226.016	6.754	155.399.9
June	37.444	6.2	13.757.4	234.150	6.898	140.014.5
July	40.946	5.7	15.911.4	232.938	7.013	86.090.1
Aug	43.439	5.6	15.970.7	235.012	7.270	100.942.2
Sept	44.631	5.2	15.930.8	235.443	7.407	99.863.8
Oct	46.086	5.2	15.772.5	235.483	7.539	109.328.8
Nov	48.418	5.1	15.521.5	243.367	7.767	111.362.0

(5) Labour Marketin 1000
(figures as of the end of the month)

Period	total of persons employed	unemployed end of the month	vacancies end of the month	unemployed and recipients of unemployment relief
1947 average	15 522			
March 48	16 075			
1948				
31 May		439	725	13
30 June	16 424	442	605	15
31 July	--	551	245	79
31 Aug	--	768	235	203
Sept	16 381	768	260	265
31 Oct	--	723	269	290
30 Nov	--	705		311

(6) Index figures of prices for basic material (1938 = 100)

Period	prices for basic material total	food	industrial materials (raw materials and semi-manufactured materials)
1948			
middle of			
June	154.8	123.5	175.6
July	158.6	127.2	179.3
Aug	171.9	129.2	200.3
Sept	178.8	132.2	209.9
Oct	189.2	152.4	213.7

7. Development of Retail Prices
during November
Legal Market

	number of price series controlled	Price changes, percentage of series controlled			difference between prices increased and prices dropped
		increased	dropped	unchanged	
Food and stimulants	21	24	52	24	- 28 per cent.
textiles and shoes	30	37	43	20	- 6 " "
household utensils	37	54	19	27	+ 35 per cent.
furniture (kitchen-furniture)	12	50	33	17	+ 17 " "
biologics and drugs	8	25	12	63	+ 13 " "
total	108	41	33	26	+ 8 per cent.
b l a c k m a r k e t					
Food and stimulants	40	62 1/2	20	17 1/2	+ 42 1/2 per cent.

(8) Individual Retail Prices

(legal market Düsseldorf)

November 1948

25 June = 100

Date	shirts (men)	ladies' stockings	shoes (men)	electric bulbs	bicycle without tires	enamel cooking pot	ward- robe
Nov	128	353	196	.	134	114	83
Nov	128	353	192	130	134	114	83
Nov	128	367	192	130	140	121	85
Nov	130	367	192	-	140	121	85
Nov	133	417	197	209	133	121	86

(Black Market Düsseldorf)

25 June = 100

Date	American wheat flour	white sugar	butter	coffee	American cigarettes
Nov	63	73	96	64	117
Nov	58	71	101	.	133
Nov	58	69	101	.	150
Nov	-	69	101	-	167
Nov	65	69	103	57	200

(9) Import and Export of the Combined Economic Area
 (special trade; merely movement of goods) subdivided
into food and industrial imports and exports
 in million RM and DM, respectively

Period	total	import (category A+B)		export		balance +exp, sur- -imp, plus	
		therefrom food imports	therefrom industrial imports	total	therefrom food exports		
1948							
Jan	112.8	71.6	41.2	43.0	1.9	41.1	- 69.8
Febr	142.3	94.7	47.6	67.7	10.8	56.9	- 74.6
March	144.7	89.8	54.9	77.4	7.3	70.1	- 67.3
April	200.8	126.3	74.5	97.2	2.9	94.3	- 103.6
May	222.5	145.0	77.5	91.8	3.5	88.3	- 130.7
June	324.8	219.8	105.0	109.6	1.0	108.6	- 215.2
July	286.3	177.8	102.5	172.5	0.5	172.0	- 113.8
Aug	326.7	188.0	132.7	223.6	1.4	222.2	- 103.1
Sept	357.9	228.0	129.9	206.0	0.5	205.5	- 151.9
Oct	218.2	108.0	110.2	216.4	1.1	215.3	- 1.8
Nov	302.7	149.4	153.3	225.8	4.2	221.6	- 81.1

(10) Price Averages of 4 per cent. Securities

Period	bonds		municipal bonds		city bonds	industrial bonds	total average
	of mortgage banks	public	of mortgage banks	public			
x) 1936	88.9	89.6	90.6	89.2	88.4	93.3	90.0
37	93.7	90.8	93.5	93.3	97.6	97.1	95.0
38	95.2	94.9	94.5	94.7	94.9	97.5	95.6
39	92.0	92.2	92.1	92.0	93.4	94.8	92.7
40	98.9	98.4	99.7	98.0	90.8	105.3	100.2
41	101.5	101.7	101.4	101.6	102.3	107.6	102.8
42	102.5	102.6	102.4	102.5	103.3	103.7	102.8
43	102.5	102.5	102.5	102.8	104.8	105.7	103.2
44	102.5	102.5	102.5	102.9	105.4	107.2	103.6
1948							
Aug	9.41	9.28	8.35	8.40	7.47	7.53	8.88
"	9.16	9.14	8.13	8.28	7.47	7.35	8.67
23 "	9.08	9.06	8.05	8.21	7.25	7.31	8.60
31 "	9.11	9.02	8.10	8.23	7.38	7.27	8.60
7 Sept	9.05	9.03	8.11	8.23	7.44	7.08	8.53
15 "	8.99	8.99	8.05	8.15	7.38	7.07	8.48
23 "	8.98	8.88	8.01	8.21	7.39	7.07	8.46
30 "	8.14	8.75	7.75	7.96	7.42	6.90	7.92
7 Oct	7.56	8.16	7.40	7.58	7.41	6.59	7.42
15 "	7.82	8.08	7.33	7.58	7.42	6.61	7.56
23 "	7.90	8.07	7.28	7.75	7.42	6.70	7.63
31 "	7.83	8.01	7.20	7.52	7.45	6.66	7.56
7 Nov	7.59	7.94	7.09	7.44	7.42	6.51	7.38
15 "	7.14	7.73	6.80	7.32	7.42	6.30	7.04
23 "	7.02	7.56	6.55	7.29	7.42	6.08	6.90
30 "	6.98	7.36	6.45	7.17	7.41	5.88	6.79
					x) 1936 - 44 new calculation		

(11) Frankfurt Stock Exchange Rates

Monthly Average	October	Monthly Average	November
Adlerwerke	20.69		24.97
B.M.W.	20.07		23.00
Contigummi	51.99		57.07
Gutehoffnungshütte	33.49		30.49
Löwenbräu, München	55.90		56.66
R.W.E.	44.02		44.37
Süd.Zucker	55.26		65.79
Commerzbank	7.46		7.41
Deutsche Bank	6.73		6.78
Dresdner Bank	5.90		6.72
4% Frkf. Hyp. Bk. Pfandbriefe	7.55		7.--
4% Bayr. Hyp. u. Wechselbank	8.10		7.69
4% Degussa	8.19		7.84

Die Entwicklung des Kreditgeschäfts von 112 Geldinstituten der Trizone *)
 Development of Credit-Transactions of 112 Financial Institutions of the three Western Zones *)
 Le développement des opérations de crédits de 112 établissements financiers de la Trizone *)
 (in Mill. DM) (in mill. DM) (en mill. de DM)

Stand am As per Valeur	Kredite an Credits to Crédits aux			
	Nichtbankenkundschaft Customers other than banks Clientèle autre que bancaire	d a v o n of which dont		Geldinstitute Financial institutions Établissements financiers
		Wirtschaftsunternehmen und Private economic enterprises and privat persons Entreprises économi- ques et personnes privées	öffentliche Hand Treasuries Caisses publiques	
1	2	3	4	5
3. 7. 1948	104,5	100,1	4,4	
10. 7. 1948	207,1	202,1	5,0	
17. 7. 1948	362,4	333,8	28,6	
24. 7. 1948	465,0	413,8	51,2	
31. 7. 1948	574,3	511,9	62,4	
7. 8. 1948			59,2	
14. 8. 1948	621,6	560,0	61,6	
23. 8. 1948	870,8	810,8	60,0	243,8
31. 8. 1948 2)	915,4	861,1	54,3	346,7
7. 9. 1948	1.009,1	943,1	66,0	385,7
15. 9. 1948	1.138,1	1.067,7	70,4	437,8
23. 9. 1948	1.181,8	1.134,5	47,3	581,3
30. 9. 1948	1.283,0	1.232,2	50,8	642,3
7. 10. 1948	1.289,9	1.239,3	50,6	691,4
15. 10. 1948	1.319,0	1.265,8	53,2	735,3
23. 10. 1948	1.381,4	1.338,6	42,8	810,7
31. 10. 1948	1.429,8	1.376,9	52,9	824,6
7. 11. 1948	1.448,8	1.405,7	43,1	829,6
15. 11. 1948	1.549,7	1.503,0	46,7	806,1
23. 11. 1948	1.577,5	1.531,7	45,8	783,8
30. 11. 1948	1.642,3	1.599,4	42,9	785,0

1) Abweichungen gegenüber früher gemeldeten Zahlen sind auf nachträgliche Berichtigungen zurückzuführen
 Deviations in comparison to previously reported figures result from subsequent rectifications
 Les déviations en comparaison aux chiffres rapportés antérieurement résultent de rectifications subséquentes

1) Kontokorrent- und Kassenkredite, Wechselobligo (einschliesslich Rediskonten), sowie sonstige Kredite; Stand der Inanspruchnahme am Wochenende
 Current account and cash credits, obligation to pay letters of exchange (including rediscount), as well as other credits; position as per end of week of use of credits
 Crédits de compte courant et de caisse, obligation de payer les lettres de change (y compris les réescomptes), aussi que d'autre crédits; situation de fin de semaine de l'utilisation de crédits

2) vom 24.8.1948 an sind in den Meldungen der Nordwestbank, Hannover, Niederdeutsche Bankgesellschaft, Hannover und Merkur-Bank, Hannover die Zahlen deren Filialen nicht mehr enthalten
 From 24 August 1948 on, the figures given by the Nordwestbank, Niederdeutsche Bankgesellschaft and Merkur-Bank, all at Hannover, are not shown anymore in the reports of latter banks
 A partir de 24-8-1948, les chiffres des succursales de la Nordwestbank, de la Niederdeutsche Bankgesellschaft et de la Merkur-Bank, toutes à Hannover ne sont plus compris dans les rapports de ces banques

Die Entwicklung von Barreserven, Nostro Guthaben und Einlagen bei 112 Kreditinstituten der Trizone *)
 Development of Cash Reserves, Nostro Credit Balances and Deposits maintained with 112 Financial Institutions of the three Western Zones. *)
 Le développement des réserves liquides, soldes créditeurs "nostro" et dépôts entretenus auprès des 112 établissements financiers de la Trizone
 (in mill. DM) (in mill. de DM)

Stand am As per Valuer	Barreserve				Nostro credit Soltes créditeurs "nostro"	Deposits				Depôts				Aufgenommene Gelder Loans Emprunts	
	Insgesamt Total	d a v o n of which		Nostro Guthaben Soltes créditeurs "nostro"		Einlagen auf Festkonto Deposits on blocked account		Einlagen der Nichtbank- Konten Deposits of custo- mers other than banks on free account		Einlagen der öffentlichen Hand Treasury Deposits		d a v o n of which			Einlagen von Geldinstituten Financial institutions deposits
		Cash on hand Encaisse	Kassens Credit balances of LZB			Reserven liquides dont	Depôts en compte bloqué	Depôts de clientèle autre que bancaire en compte libre (8-9+10)	Depôts des classes publiques	Sonstige Gäubiger Other Creditors Autres créanciers	Spareinlagen d'épargne Dépôts	Depôts d'établissements financiers			
1	2	3	4	5	6	7	8	9	10	11	12				
3.7. 1948	866,6	80,9	785,7	.	86,7	882,9	498,6	180,5	3,8	230,3	.				
10.7. 1948	904,3	76,9	827,4	.	236,7	916,1	563,7	378,1	34,3	341,4	.				
11.7. 1948	967,5	69,1	898,4	.	339,0	1.177,3	542,4	597,4	37,5	491,8	.				
24.7. 1948	1.038,4	69,1	969,3	.	395,6	1.346,4	601,9	717,1	27,4	574,2	.				
31.7. 1948	938,1	62,7	875,4	.	486,5	1.429,6	510,5	880,2	38,9	645,3	.				
7.8. 1948	874,4	70,2	804,2	.	545,0	1.519,0	476,2	992,4	50,4	701,6	.				
14.8. 1948	824,1	65,3	758,8	.	537,8	1.724,3	510,2	1.158,4	55,7	700,6	.				
23.8. 1948	763,5	78,4	685,1	.	651,1	1.849,2	542,6	1.233,7	72,9	762,8	.				
31.8. 1948 1)	805,8	76,8	729,0	.	660,3	1.879,7	548,8	1.241,8	89,1	796,9	.				
7.9. 1948	793,0	96,9	696,1	480,7	886,5	1.878,8	548,0	1.236,4	94,4	775,4	75,5				
15.9. 1948	674,5	83,2	591,3	508,2	712,3	1.958,5	579,8	1.271,0	107,7	782,4	71,6				
23.9. 1948	805,9	83,5	722,4	538,9	741,8	2.250,6	747,1	1.383,8	119,7	734,1	95,4				
30.9. 1948	544,9	73,0	471,9	502,2	767,4	2.195,7	667,2	1.401,1	127,4	712,2	75,1				
7.10. 1948	534,5	77,3	457,2	481,6	776,6	2.217,1	614,1	1.472,7	130,3	651,0	75,0				
15.10. 1948	448,6	77,0	371,6	459,4	497,1	2.295,1	883,9	1.476,3	134,9	571,1	84,9				
23.10. 1948	570,5	85,2	485,3	522,8	471,2	2.496,8	833,9	1.517,9	145,9	637,4	98,8				
31.10. 1948	452,4	74,3	378,1	468,4	424,6	2.581,4	825,0	1.522,2	153,9	587,5	102,5				
7.11. 1948	491,0	76,4	414,6	501,7	408,2	2.589,2	865,1	1.563,5	160,6	594,6	107,5				
15.11. 1948	535,9	85,0	450,9	546,7	351,5	2.691,5	954,0	1.589,0	168,5	622,7	130,8				
23.11. 1948	708,3	93,2	615,1	621,3	310,5	2.923,7	1.131,8	1.616,6	175,3	672,4	174,3				
30.11. 1948	700,4	72,4	628,0	621,5	184,3	2.885,5	1.057,6	1.843,2	184,7	698,4	171,9				

*) Vor 24.8. 1948 an sind in den Meldungen der Nordwestbank, Hannover, Niederdeutsche Bankgesellschaft, Hannover und Merkurbank, Hannover die Zahlen nicht mehr enthalten.
 From 24 August 1948 on, the figures given by the Nordwestbank, Niederdeutsche Bankgesellschaft and Merkur-Bank, all at Hannover are not shown anymore in the reports of latter banks.
 A partir du 24.8. 1948, les chiffres de succursales de la Nordwestbank, de la Niederdeutsche Bankgesellschaft et de la Merkurbank, toutes à Hannover ne sont plus compris dans les rapports de ces banques.

+) Abweichungen gegenüber früher gemeldeten Zahlen sind auf nachträgliche Berichtigungen zurückzuführen.
 Deviations in comparison to previously reported figures result from subsequent rectifications.
 Les déviations en comparaison aux chiffres rapportés antérieurement résultent de rectifications subséquentes.
 2) Die Abnahme der Festkonten nach dem 7.10. ist auf die Auswirkung des Festkontengesetzes zurückzuführen.
 The decline of blocked accounts after Oct. 7 derives from the application of the Law concerning Blocked Accounts.
 La diminution des comptes bloqués après le 7-10 résulte de l'application de la loi concernant les comptes bloqués.