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CHAPTER 1

Introduction and Summary of Findings

THIS study originated in the National Bureau's postwar capital market project, as part of the development of quarterly accounts of fund flows through the capital market.¹ These accounts were developed to serve two general purposes. First, they were to describe the corporate contributions to the flows of funds in the economy as a whole. Second, they were developed to facilitate the analysis of corporate financial and nonfinancial behavior.

The availability of corporate sources and uses of funds data is important for a variety of reasons. Corporations are important participants in the financial markets, and these markets affect other sectors of the economy. The availability of corporate fund-flow data is necessary to develop historical records which, when subjected to a variety of statistical tests, will assist in the development of a more effective analytical understanding of the influence of financial markets upon corporate behavior. In addition, developments in the financial markets help to explain the nonfinancial behavior of corporations; they influence real capital formation by corporations. Finally, the existence of a disaggregated body of data on corporate sources and uses of funds is an important piece of economic intelligence for those charged with the responsibility of making both public and private policy decisions.

It early became apparent that an understanding of the role of nonfinancial corporations in the financial markets required the availability of industry detail: the major industry groups differ in behavior and in their reactions to financial forces. For example, some industries are

¹ See Morris Mendelson, *The Flow of Funds Through the Financial Markets, 1953-1955*, New York, National Bureau of Economic Research, 1959.

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subject to direct and extensive government regulations, while others are not. This results in obvious differences in the character of the demands made upon the financial markets in financing capital formation.

It also became apparent that quarterly data were required because an interval of a year is much too long to observe the dynamic and cyclical forces at work in the financial markets. A quarterly series on corporate sources and uses of funds by major sectors of the corporate universe should be a significant addition to the data available to government officials in the formulation of stabilization policies. The availability of this body of data, particularly on a current basis, will facilitate more effective financial planning by private participants in the financial markets.

Accounts for sources and uses of funds in the corporate universe have become available on a continuing basis only since World War II. There are now two major published estimates: the Federal Reserve Board flow-of-funds data going back to 1939 and the Department of Commerce data beginning in 1946. The Federal Reserve data do not present the needed industrial detail, but are useful for other purposes and are now available on a quarterly basis. The Department of Commerce corporate accounts do provide some industry detail but are deficient for our purposes in several other respects. The accounts are designed to tie in with the concepts and data of the Commerce National Income Accounts, not the concepts and data of the flow-of-funds system of the Federal Reserve Board's accounts. The Commerce accounts are consolidated with respect to transactions with the remainder of the economy. This means that, in effect, the accounts record the net contribution of each major industry to selected net accruals and transactions between all corporations taken together and the remainder of the economy. Because the NBER accounts treat corporations in an industry on a combined basis, they do not follow the Commerce practice of excluding such available financial information as profits before taxes and intercorporate dividend payments. The NBER flow-of-funds corporate accounts present a substantial amount of statistical detail on the financial and other transactions of each major industry of the corporate business sector, and tie in with a larger set of accounts of other transactor groups. Therefore, they may be more useful than the Commerce or Federal Reserve Board accounts in the analysis of financial behavior. By contrast, the Commerce accounts, although pre-

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sented in the sources and uses format, do not set out to measure fund flows, possibly because the National Income Accounts are compiled on an accrual rather than the cash-transactions basis used in the flow-of-funds accounts.

After the decision was made to develop industry detail on corporate sources and uses of funds both annually and quarterly, our attention was called to John C. Dawson's contemporaneous efforts to estimate similar data on an annual basis for an earlier period.² With Dawson's cooperation, it proved possible to splice his and the NBER annual series, thereby providing nearly comparable annual data on corporate sources and uses by the same broad industrial groups over the twenty-five year period ending in 1955.³

Dawson did not attempt to measure quarterly flows. To accomplish this, therefore, it was necessary in many instances to locate or tabulate new sources of data or develop new estimating techniques for the corporate universe and for the six subindustry groups. The estimating procedures are described and evaluated in the text and tables that follow.

This study is an experiment designed to provide disaggregated corporate sources and uses of funds data on an annual and quarterly basis. As such, it is intended that the data should fill a gap of serious proportions in our financial statistics. In addition, we have attempted to develop procedures for estimating these data in advance of the availability of *Statistics of Income* tabulations of corporate balance sheets and income statements. As a result of the experimental nature of the study and the uneven, often primitive, characteristics of the underlying data, components of the accounts have correspondingly uneven accuracy. These shortcomings must be noted in the presentation of the data, if the user is to be critically aware of the accuracy of the estimates, and to facilitate needed improvements in both accuracy and concept. Indeed, much of the ultimate contribution of this study may lie in easing the task of others in raising the levels of accuracy and analytical power of these and related financial data.

Because of the importance of these data to improving economic intelligence, the accounts reported here should be refined where possible and presented as a part of our regular reporting of financial statistics. It

² John C. Dawson, "Fluctuations in U.S. Corporate Investment and Finance, 1931-1950," Ph.D. thesis (unpublished), Cornell University, 1957, Appendix A.

³ Dawson's data do not separate mining from manufacturing corporations. Other differences between the two series are described in detail in Chapter 3.

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is our hope that the Federal Reserve Board will undertake this task, and incorporate in their flow-of-funds accounts the disaggregated data on corporate sources and uses of funds on an annual and quarterly basis.

Since the complex operations needed to obtain these data involved the use of sources which were subject to frequent revision, it was necessary to establish a cut-off date for incorporating new data. January 1, 1957 was chosen as the cut-off date and revisions published after that are not incorporated in our tables.

Transactions

The major interest in developing sources and uses of funds was to obtain information on corporate activities in the financial markets. Since nonfinancial transactions engaged in by corporations have an important bearing on their financial activity, it is necessary to secure information on both types of transactions. But because the emphasis of the study, "The Market for Corporate Securities and Loans"⁴ is on external sources of funds, the nonfinancial transactions were netted out. Detailed operating flows such as receipts from sales and payments for payroll are, in effect, netted against each other in the derivation of profits before tax.⁵ The sum of net profits and the book costs of depreciation and bad debt charges shown in our flow-of-funds tables are in principle identical with operating sources less operating uses or, as it is known in flow-of-funds terminology, "the net operating surplus." The neglect of operating flows in our accounts is consistent with the emphasis on the analysis of financial sources of funds and the reciprocal relations between the capital markets and the demand for funds by corporate business.

If the financial transactions were reported on a gross basis, their analytic potential would be increased. For all financial transactions it would be best to show extensions and repayments as well as the net change in outstandings. Unfortunately, such data are currently unavailable for financial transactions other than security issues and retirements; for these, gross data are used.

⁴ Proposed monograph by Eli Shapiro on the market for corporate securities and loans.

⁵ In its publication, *Flow of Funds in the United States, 1939-1953*, the Federal Reserve Board published the details (Table 11), but these have more recently been abandoned (see *Federal Reserve Bulletin*, August 1959, p. 1050).

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Coverage

Ideally, the accounts should cover the transactions of all private non-farm nonfinancial corporations organized for profit in the United States and possessions. Most of the data, however, are drawn from or based upon the statistics for selected industrial categories found in *Statistics of Income, Part II*, published by the Internal Revenue Service. The utilization of this source necessitated the inclusion of some financial corporations in the NBER corporate industrial universe. In terms of the industrial grouping and classification numbers used in Table I of the 1953 edition of *Statistics of Income, Part II*, these financial corporations include corporate brokers and dealers (247) and credit agencies other than banks (238). The latter category consists largely of finance and mortgage companies. Lack of time and resources precluded the separation of data on credit agencies other than banks from the corporate universe, while lack of data prevented the removal of corporate brokers and dealers from the totals.⁶

The financial corporations excluded from the NBER corporate universe and their respective industry classification numbers are: banks and trust companies (235); insurance carriers (249); savings and loan associations (239); and investment companies registered with and reporting to the Securities and Exchange Commission under the Investment Company Act of 1940. (There is no separate *Statistics of Income* industry group for investment companies.) Savings and loan associations first filed tax returns with the Internal Revenue Service in 1952;⁷ commencing in that year, adjustments were made to exclude them from the corporate sector.

Some errors inevitably enter the accounts, principally in working-capital items, when domestic corporations file tax returns which are consolidated with their foreign subsidiaries. *Statistics of Income*, Tables I through N, present information on the relative importance of foreign subsidiaries classified by industry group, and provide a rough indication of the magnitude of the errors.

⁶ The Federal Reserve Board now includes the finance companies in the finance n.e.c. sector. This separation is done on the basis of a sample of finance companies, data for which were not available at the time of our study. See E. Shapiro and D. Meiselman, "The Financing of Consumer Credit Institutions," *Consumer Instalment Credit*, Board of Governors of the Federal Reserve System, Vol. 1, Part II, Washington, D.C., 1957, for preliminary estimates of fund flows and balance sheets of sales finance and personal finance companies.

⁷ These are included in the group called "credit agencies other than banks."

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All agricultural flows are recorded in the farm sector, so that in the NBER accounts corporate farms were removed from the corporate business sector to avoid double counting.

In working with the sources used to derive the final flow data, it was often necessary to adjust the original data to make them conform to the coverage of our corporate universe. These sector coverage adjustments are explained in Chapter 2 and are elaborated in the derivation tables.

Summary of Findings

The tables which comprise the remainder of this chapter constitute a summary of the work accomplished. The tables show the flows in annual form for the 1950-55 period, and in quarterly form, for the 1953-55 period.

TABLE 1
ALL CORPORATIONS: SOURCES OF FUNDS, ANNUALLY, 1950-55
(million dollars)

Transaction ^a	1950	1951	1952	1953	1954	1955
B—Net profit before tax	33,103	37,249	33,873	32,334	28,634	36,829
C—Depreciation, amortization, and depletion	9,520	11,018	12,342	14,080	15,782	17,708
D—Other internal charges	597	630	787	1,043	1,036	994
E—Insurance benefits	752	970	1,037	1,067	1,215	1,430
F—Tax refunds	418	285	302	490	396	444
H + K—Short-term borrowing	10,645	6,549	4,465	267	4,197	8,368
H—Short-term bank debt	2,475	4,136	802	74	-1,176	3,662
K—Other short-term borrowing	8,170	2,413	3,663	193	5,373	4,706
L + M + P + Q—Total long-term borrowing	6,283	8,212	10,044	7,575	8,654	10,421
L—Long-term bank debt	-399	1,152	1,625	2	-637	1,181
M—New bond issues	4,805	5,663	7,345	6,636	7,782	7,566
N—New stock issues	1,775	2,450	2,433	2,072	2,740	3,461
P—Sale-leaseback	168	205	295	154	254	267
Q—Mortgages	1,709	1,192	779	783	1,255	1,407
R—Debt to government	2	-4	12	-4	-164	4
S—Discrepancy	3,049	649	1,322	1,785	430	-880
T—Total sources	66,144	68,008	66,617	60,709	62,920	78,779

^a Letters preceding each type of transaction correspond to those used by Dawson (see Appendix D).
NOTE: Details may not add to totals because of rounding.

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TABLE 2
ALL CORPORATIONS: USES OF FUNDS, ANNUALLY, 1950-55
(million dollars)

Transaction ^a	1950	1951	1952	1953	1954	1955
b—Plant and equipment	16,389	21,260	22,151	23,462	21,998	23,321
c—Other capital expenditures	2,434	1,072	921	1,075	1,650	1,492
d—Change in inventory	4,865	8,464	1,878	474	-2,188	2,955
e-1—Federal income tax payments	9,330	15,825	21,227	18,125	18,688	17,126
e-2—State income tax payments	567	735	841	774	755	703
f—Renegotiation payments	27	13	38	60	52	78
g—Dividends and branch profits paid	10,524	10,223	10,242	10,510	10,621	11,922
j—Currency and deposits	1,552	1,873	839	188	2,317	622
k-1—U.S. government obligations	2,865	934	-699	1,582	-2,305	3,962
k-2—State and local government obligations	68	72	64	90	204	220
m—Notes and accounts receivable	13,807	4,531	5,954	1,116	4,881	10,350
n—Corporate securities (rail, communication, and gas and electric only)	-69	35	-160	85	-47	125
p—Bad debt charge	564	579	774	989	1,071	954
q—Retirement of bonds	2,802	2,105	2,403	1,896	4,033	3,384
r—Retirement of stock	419	287	144	283	1,190	1,565
s—Total uses	66,144	68,008	66,617	60,709	62,920	78,779

^a See note a, Table 1.

NOTE: Details may not add to totals because of rounding.

TABLE 3
MANUFACTURING CORPORATIONS: SOURCES OF FUNDS, ANNUALLY, 1950-55
(million dollars)

Transaction ^a	1950	1951	1952	1953	1954	1955
B—Net profit before tax	20,440	23,845	20,646	20,362	17,584	23,458
C—Depreciation, amortization, and depletion	4,441	5,253	5,992	7,035	8,041	9,094
D—Other internal charges	173	177	181	230	229	205
E—Insurance benefits	306	388	425	442	503	581
F—Tax refunds	268	183	203	312	262	279
H + K—Short-term borrowing	4,290	4,298	2,316	-149	-66	2,562
H—Short-term bank debt	1,441	2,930	122	-469	-1,466	469
K—Other short-term borrowing	2,849	1,368	2,194	320	1,400	2,093
L + M + P + Q—Total long-term borrowing	672	3,103	4,664	1,646	1,662	2,809
L—Long-term bank debt	-251	748	1,359	-116	-703	629
M—New bond issues	869	2,289	3,243	1,694	2,259	2,060
N—New stock issues	320	824	629	193	463	1,170
P—Sale-leaseback	—	—	—	—	—	—
Q—Mortgages	54	66	62	68	106	120
R—Debt to government	6	5	28	0	-88	6
S—Discrepancy	805	1,420	544	1,813	985	614
T—Total sources	31,721	39,496	35,628	31,884	29,575	40,778

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

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TABLE 4
MANUFACTURING CORPORATIONS: USES OF FUNDS, ANNUALLY, 1950-55
(million dollars)

Transaction ^a	1950	1951	1952	1953	1954	1955
b—Plant and equipment	7,227	10,505	11,187	11,365	10,572	11,095
c—Other capital expenditures	25	55	66	36	34	64
d—Change in inventory	2,145	7,627	1,730	1,012	-2,548	2,182
e-1—Federal income tax payments	5,289	10,332	13,819	11,372	11,975	10,214
e-2—State income tax payments	337	473	566	493	499	441
f—Renegotiation payments	26	13	36	60	52	78
g—Dividends and branch profits paid	6,062	5,728	5,681	5,877	5,870	6,696
j—Currency and deposits	744	1,166	209	118	980	-12
k-1—U.S. government obligations	2,919	469	-1,300	1,072	-1,112	2,895
k-2—State and local government obligations	68	-68	106	96	95	109
m—Notes and accounts receivable	5,710	2,250	2,641	-508	1,482	4,680
n—Corporate securities (not estimated)						
p—Bad debt charge	173	177	181	230	229	205
q—Retirement of bonds	773	593	602	528	840	1,316
r—Retirement of stock	223	176	104	133	607	815
s—Total uses	31,721	39,496	35,628	31,884	29,575	40,778

^a See note a, Table 1.

NOTE: Details may not add to totals because of rounding.

TABLE 5
MINING CORPORATIONS: SOURCES OF FUNDS, ANNUALLY, 1950-55
(million dollars)

Transaction ^a	1950	1951	1952	1953	1954	1955
B—Net profit before tax	953	983	824	745	539	779
C—Depreciation, amortization, and depletion	970	1,120	1,158	1,216	1,152	1,269
D—Other internal charges	5	5	10	15	15	10
E—Insurance benefits	37	47	49	45	50	58
F—Tax refunds	11	6	6	8	5	3
H + K—Short-term borrowing	207	121	80	-61	7	189
H—Short-term bank debt	-31	24	29	-5	-22	102
K—Other short-term borrowing	238	97	51	-56	29	87
L + M + P + Q—Total long-term borrowing	52	60	98	115	360	293
L—Long-term bank debt	-2	-9	4	-7	38	101
M—New bond issues	48	63	88	115	311	180
N—New stock issues	27	44	53	54	125	125
P—Sale-leaseback	—	—	—	—	—	—
Q—Mortgages	6	6	6	7	11	12
R—Debt to government	0	0	3	-1	-9	-1
S—Discrepancy	-192	-200	-502	-226	-161	-275
T—Total sources	2,070	2,186	1,779	1,910	2,083	2,450

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

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TABLE 6

MINING CORPORATIONS: USES OF FUNDS, ANNUALLY, 1950-55
(million dollars)

Transaction ^a	1950	1951	1952	1953	1954	1955
b—Plant and equipment	579	775	833	839	832	824
c—Other capital expenditures	10	11	15	13	25	24
d—Change in inventory	26	104	47	-89	-102	-81
e-1—Federal income tax payments	240	362	395	304	220	126
e-2—State income tax payments	15	17	16	13	9	4
f—Renegotiation payments	0	0	0	0	0	n.a.
g—Dividends and branch profits paid	553	601	614	649	741	966
j—Currency and deposits	162	1	-51	-65	177	13
k-1—U.S. government obligations	2	13	0	133	-199	147
k-2—State and local government obligations	14	160	-159	51	22	25
m—Notes and accounts receivable	428	105	24	-14	119	156
n—Corporate securities (not estimated)						
p—Bad debt charge	5	5	10	15	15	10
q—Retirement of bonds	28	23	29	50	123	86
r—Retirement of stock	8	9	6	11	101	150
s—Total uses	2,070	2,186	1,779	1,910	2,083	2,450

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

n.a. = not applicable.

TABLE 7

RAILROAD CORPORATIONS: SOURCES OF FUNDS, ANNUALLY, 1950-55
(million dollars)

Transaction ^a	1950	1951	1952	1953	1954	1955
B—Net profit before tax	1,405	1,178	1,294	1,129	510	854
C—Depreciation, amortization, and depletion	474	568	726	840	931	1,024
D—Other internal charges	39	52	15	57	-32	42
E—Insurance benefits	99	125	129	128	140	160
F—Tax refunds	13	11	9	18	12	7
H + K—Short-term borrowing	213	40	-30	-40	-118	211
H—Short-term bank debt	-9	0	3	-1	-1	0
K—Other short-term borrowing	222	40	-33	-39	-117	211
L + M + P + Q—Total long-term borrowing	611	661	757	344	422	674
L—Long-term bank debt	63	331	233	42	-55	-26
M—New bond issues	548	330	524	302	477	700
N—New stock issues	0	11	1	0	5	9
P—Sale-leaseback	—	—	—	—	—	—
Q—Mortgages	—	—	—	—	—	—
R—Debt to government	-4	-9	-19	-3	-67	-1
S—Discrepancy	-123	112	72	-14	224	-147
T—Total sources	2,727	2,749	2,954	2,459	2,027	2,833

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

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TABLE 8
RAILROAD CORPORATIONS: USES OF FUNDS, ANNUALLY, 1950-55
(million dollars)

Transaction ^a	1950	1951	1952	1953	1954	1955
b—Plant and equipment	1,111	1,474	1,396	1,311	854	923
c—Other capital expenditures	6	3	4	3	5	8
d—Change in inventory	-79	126	-67	-46	-152	-74
e-1—Federal income tax payments	267	625	582	627	539	265
e-2—State income tax payments	17	28	24	28	23	11
f—Renegotiation payments	—	—	—	—	—	—
g—Dividends and branch profits paid	306	317	325	393	363	440
j—Currency and deposits	162	-125	89	-130	32	40
k-1—U.S. government obligations	230	-115	156	1	-135	389
k-2—State and local government obligations	0	-7	13	6	8	8
m—Notes and accounts receivable	334	-8	-73	-71	-81	88
n—Corporate securities	-25	10	-36	-18	-39	29
p—Bad debt charge	6	0	2	3	4	3
q—Retirement of bonds	392	420	523	340	565	461
r—Retirement of stock	0	1	16	12	41	242
s—Total uses	2,727	2,749	2,954	2,459	2,027	2,833

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

TABLE 9
GAS AND ELECTRIC CORPORATIONS: SOURCES OF FUNDS, ANNUALLY, 1950-55
(million dollars)

Transaction ^a	1950	1951	1952	1953	1954	1955
B—Net profit before tax	1,434	1,762	1,981	2,073	2,150	2,305
C—Depreciation, amortization, and depletion	713	803	907	1,047	1,308	1,534
D—Other internal charges	8	7	8	13	15	13
E—Insurance benefits	103	135	148	157	187	225
F—Tax refunds	—	—	—	—	—	—
H + K—Short-term borrowing	67	132	103	-26	46	283
H—Short-term bank debt	53	52	21	71	51	155
K—Other short-term borrowing	14	80	82	-97	-5	128
L + M + P + Q—Total long-term borrowing	1,970	1,718	1,904	1,850	2,753	1,655
L—Long-term bank debt	48	-5	87	-39	-76	53
M—New bond issues	1,922	1,723	1,817	1,889	2,829	1,602
N—New stock issues	838	748	841	1,094	921	867
P—Sale-leaseback	—	—	—	—	—	—
Q—Mortgages	—	—	—	—	—	—
R—Debt to government	—	—	—	—	—	—
S—Discrepancy	431	391	281	630	342	464
T—Total sources	5,564	5,696	6,173	6,838	7,722	7,346

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

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TABLE 10

GAS AND ELECTRIC CORPORATIONS: USES OF FUNDS, ANNUALLY, 1950-55
(million dollars)

Transaction ^a	1950	1951	1952	1953	1954	1955
b—Plant and equipment	3,226	3,581	3,794	4,445	4,117	4,204
c—Other capital expenditures	41	43	49	57	48	36
d—Change in inventory	29	167	31	18	-20	-90
e-1—Federal income tax payments	459	603	854	985	1,043	1,121
e-2—State income tax payments	29	27	35	43	44	49
f—Renegotiation payments	0	0	0	0	0	0
g—Dividends and branch profits paid	809	888	969	951	1,051	1,126
j—Currency and deposits	2	-70	139	-39	190	36
k-1—U.S. government obligations	-91	95	-32	-77	-95	62
k-2—State and local government obligations	-39	-66	15	-13	2	2
m—Notes and accounts receivable	131	70	65	50	96	209
n—Corporate securities	-52	4	-117	52	-13	43
p—Bad debt charge	8	7	8	13	15	13
q—Retirement of bonds	868	329	359	299	1,098	495
r—Retirement of stock	144	18	4	54	146	40
s—Total uses	5,564	5,696	6,173	6,838	7,722	7,346

^a See note a, Table 1.

NOTE: Details may not add to totals because of rounding.

TABLE 11

COMMUNICATIONS CORPORATIONS: SOURCES OF FUNDS, ANNUALLY, 1950-55
(million dollars)

Transaction ^a	1950	1951	1952	1953	1954	1955
B—Net profit before tax	721	901	1,003	1,193	1,227	1,498
C—Depreciation, amortization, and depletion	407	433	470	514	574	653
D—Other internal charges	13	14	16	18	22	20
E—Insurance benefits	44	57	62	65	79	94
F—Tax refunds	—	—	—	—	—	—
H + K—Short-term borrowing	24	62	-3	74	33	241
H—Short-term bank debt	-57	37	-37	76	-23	77
K—Other short-term borrowing	81	25	34	-2	56	164
L + M + P + Q—Total long-term borrowing	333	514	699	793	611	993
L—Long-term bank debt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
M—New bond issues	333	514	699	793	611	993
N—New stock issues	458	666	817	634	989	889
P—Sale-leaseback	—	—	—	—	—	—
Q—Mortgages	—	—	—	—	—	—
R—Debt to government	—	—	—	—	—	—
S—Discrepancy	-24	-13	-68	2	-39	-150
T—Total sources	1,976	2,634	2,996	3,293	3,496	4,238

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

n.a. = Not applicable.

The Measurement of Corporate Sources and Uses of Funds

TABLE 12
COMMUNICATIONS CORPORATIONS: USES OF FUNDS, ANNUALLY, 1950-55
(million dollars)

Transaction ^a	1950	1951	1952	1953	1954	1955
b—Plant and equipment	940	1,138	1,344	1,480	1,490	1,725
c—Other capital expenditures	4	7	7	8	9	11
d—Change in inventory	-1	11	24	5	16	41
e-1—Federal income tax payments	136	282	421	483	587	673
e-2—State income tax payments	9	13	17	21	25	29
f—Renegotiation payments	0	0	0	0	0	0
g—Dividends and branch profits paid	357	395	445	508	509	559
j—Currency and deposits	17	9	19	32	40	18
k-1—U.S. government obligations	45	279	141	244	-35	392
k-2—State and local government obligations	0	-1	2	-1	1	1
m—Notes and accounts receivable	78	63	15	64	83	147
n—Corporate securities	8	21	-7	51	5	53
p—Bad debt charge	13	14	16	18	22	20
q—Retirement of bonds	366	402	552	368	737	561
r—Retirement of stock	4	1	—	12	7	8
s—Total uses	1,976	2,634	2,996	3,293	3,496	4,238

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

TABLE 13
TRADE-SERVICE CORPORATIONS: SOURCES OF FUNDS, ANNUALLY, 1950-55
(million dollars)

Transaction ^a	1950	1951	1952	1953	1954	1955
B—Net profit before tax	8,150	8,580	8,125	6,832	6,624	7,935
C—Depreciation, amortization, and depletion	2,539	2,869	3,119	3,458	3,806	4,166
D—Other internal charges	359	375	557	710	787	704
E—Insurance benefits	163	218	224	230	256	312
F—Tax refunds	126	85	84	152	117	155
H + K—Short-term borrowing	5,844	1,896	1,999	469	4,295	4,882
H—Short-term bank debt	1,078	1,093	664	402	285	2,859
K—Other short-term borrowing	4,766	803	1,335	-67	4,010	2,023
L + M + P + Q—Total long-term borrowing	2,645	2,156	1,922	2,827	2,846	3,997
L—Long-term bank debt	-257	87	-58	122	159	424
M—New bond issues	1,085	744	974	1,843	1,295	2,031
N—New stock issues	132	157	92	97	237	401
P—Sale-leaseback	168	205	295	154	254	267
Q—Mortgages	1,649	1,120	711	708	1,138	1,275
R—Debt to government	—	—	—	—	—	—
S—Discrepancy	2,128	1,061	965	-450	-951	-1,418
T—Total sources	22,086	15,247	17,087	14,325	18,017	21,134

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

Introduction and Summary

TABLE 14

TRADE-SERVICE CORPORATIONS: USES OF FUNDS, ANNUALLY, 1950-55
(million dollars)

Transaction ^a	1950	1951	1952	1953	1954	1955
b—Plant and equipment	3,306	3,787	3,597	4,022	4,133	4,550
c—Other capital expenditures	2,348	953	780	958	1,529	1,349
d—Change in inventory	2,745	429	113	-426	618	977
e-1—Federal income tax payments	2,939	3,621	5,156	4,354	4,324	4,727
e-2—State income tax payments	160	177	183	176	155	169
f—Renegotiation payments	1	—	2	—	—	—
g—Dividends and branch profits paid	2,437	2,294	2,208	2,132	2,087	2,135
j—Currency and deposits	465	892	434	272	898	527
k-1—U.S. government obligations	-240	193	336	209	-729	77
k-2—State and local government obligations	25	54	87	-49	76	75
m—Notes and accounts receivable	7,126	2,051	3,282	1,595	3,182	5,070
n—Corporate securities	^b	^b	^b	^b	^b	-3
p—Bad debt charge	359	376	557	710	786	703
q—Retirement of bonds	375	338	338	311	670	465
r—Retirement of stock	40	82	14	61	288	310
s—Total uses	22,086	15,247	17,087	14,325	18,017	21,134

^a See note a, Table 1.

^b Not estimated.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

The Measurement of Corporate Sources and Uses of Funds

TABLE 15
ALL CORPORATIONS: SOURCES OF FUNDS, QUARTERLY, 1953-55
(million dollars)

Transaction ^a	1953				1954				1955			
	I	II	III	IV	I	II	III	IV	I	II	III	IV
B—Net profit before tax	8,655	9,052	7,995	6,630	6,642	7,445	6,942	7,608	8,393	9,619	9,090	9,725
C—Depreciation, amortization, and depletion	3,327	3,469	3,602	3,685	3,746	3,882	3,984	4,169	4,235	4,382	4,469	4,623
D—Other internal charges	260	261	261	261	259	259	259	259	248	249	248	249
E—Insurance benefits	266	267	267	267	303	304	304	304	357	358	357	358
F—Tax refunds	61	174	123	132	95	127	81	94	106	128	102	108
H + K—Short-term borrowing	-525	-395	1,439	-252	-1,602	319	2,351	3,129	238	608	3,402	4,120
H—Short-term bank debt	828	-1,088	466	-232	-248	-328	-364	-236	904	598	183	1,977
K—Other short-term borrowing	-1,353	693	873	-20	-1,354	647	2,715	3,365	-666	10	3,219	2,143
Q—Total long-term borrowing	1,883	2,543	1,510	1,640	1,673	2,033	2,531	2,417	2,455	2,533	2,617	2,815
L—Long-term bank debt	209	89	136	-432	-189	-204	-80	-164	357	337	486	1
M—New bond issues	1,486	2,063	1,311	1,776	1,601	1,812	2,304	2,065	1,676	1,749	1,837	2,304
N—New stock issues	598	629	348	498	895	793	497	555	919	766	728	1,048
P—Sale-leaseback	36	36	36	46	44	56	63	91	54	57	66	89
Q—Mortgages	152	355	27	250	217	369	244	425	368	390	228	421
R—Debt to government	13	15	14	-46	-44	-126	16	-10	11	27	-18	-16
S—Discrepancy	-74	1,072	1,081	-297	-522	424	706	-179	-1,293	957	248	-792
T—Total sources	14,464	17,087	16,640	12,518	11,445	15,460	17,671	18,346	15,669	19,627	21,243	22,238

^a See note a, Table 1.
NOTE: Details may not add to totals because of rounding.

Introduction and Summary

TABLE 16
ALL CORPORATIONS: USES OF FUNDS, QUARTERLY, 1953-55
(million dollars)

Transaction ^a	I	II	III	IV
	1953			
b—Plant and equipment	5,068	6,017	5,887	6,490
c—Other capital expenditures	-82	497	432	228
d—Change in inventory	1,161	-147	315	-855
e-1—Federal income tax payments	6,649	6,268	2,637	2,571
e-2—State income tax payments	213	267	152	142
f—Renegotiation payments	15	15	15	15
g—Dividends and branch profits paid	2,435	2,499	2,499	3,076
j—Currency and deposits	-3,080	2,179	459	630
k-1—U.S. government obligations	483	-1,779	1,790	1,088
k-2—State and local government obligations	21	19	25	25
m—Notes and accounts receivable	742	430	1,681	-1,737
n—Corporate securities (railroad, communications and gas and electric only)	29	19	24	13
p—Bad debt charge	247	247	247	248
q—Retirement of bonds	491	478	419	508
r—Retirement of stock	72	78	58	76
s—Total uses	14,464	17,087	16,640	12,518
	1954			
b—Plant and equipment	5,031	5,705	5,432	5,830
c—Other capital expenditures	23	645	633	349
d—Change in inventory	-109	-1,594	-399	-85
e-1—Federal income tax payments	7,659	7,382	1,876	1,771
e-2—State income tax payments	207	260	150	138
f—Renegotiation payments	13	13	13	13
g—Dividends and branch profits paid	2,550	2,388	2,460	3,223
j—Currency and deposits	-2,993	1,972	1,603	1,735
k-1—U.S. government obligations	-1,398	-3,549	1,571	1,070
k-2—State and local government obligations	57	67	38	42
m—Notes and accounts receivable	-744	748	2,720	2,157
n—Corporate securities (railroad, communications and gas and electric only)	-36	-18	9	-1
p—Bad debt charge	267	268	268	268
q—Retirement of bonds	773	883	993	1,384
r—Retirement of stock	145	290	304	452
s—Total uses	11,445	15,460	17,671	18,346

(continued)

The Measurement of Corporate Sources and Uses of Funds

TABLE 16 (concluded)

Transaction ^a	I	II	III	IV
			1955	
b—Plant and equipment	4,645	5,699	6,017	6,959
c—Other capital expenditures	107	698	568	119
d—Change in inventory	294	-344	1,125	1,880
e-1—Federal income tax payments	6,753	6,366	1,924	2,083
e-2—State income tax payments	190	239	142	132
f—Renegotiation payments	19	20	19	20
g—Dividends and branch profits paid	2,651	2,641	2,766	3,864
j—Currency and deposits	-1,811	921	485	1,027
k-1—U.S. government obligations	94	-707	1,783	2,792
k-2—State and local government obligations	70	27	61	62
m—Notes and accounts receivable	1,340	2,365	4,724	1,921
n—Corporate securities (railroad, communications and gas and electric only)	22	29	34	40
p—Bad debt charge	238	239	238	239
q—Retirement of bonds	775	834	938	836
r—Retirement of stock	282	600	419	264
s—Total uses	15,669	19,627	21,243	22,238

^a See note a, Table 1.

NOTE: Details may not add to totals because of rounding.

Introduction and Summary

TABLE 17

MANUFACTURING CORPORATIONS: SOURCES OF FUNDS, QUARTERLY, 1953-55
(million dollars)

Transaction ^a	I	II	III	IV
	1953			
B—Net profit before tax	5,679	5,931	4,987	3,766
C—Depreciation, amortization, and depletion	1,654	1,729	1,801	1,850
D—Other internal charges	58	58	60	54
E—Insurance benefits	110	111	110	111
F—Tax refunds	39	111	78	84
H + K—Short-term borrowing	-316	55	397	-285
H—Short-term bank debt	185	-389	140	-405
K—Other short-term borrowing	-501	444	257	120
L + M + P + Q—Long-term borrowing	661	722	317	-54
L—Long-term bank debt	87	75	15	-293
M—New bond issues	559	631	285	219
N—New stock issues	66	45	22	59
P—Sale-leaseback	—	—	—	—
Q—Mortgages	15	16	17	20
R—Debt to government	14	14	13	-41
S—Discrepancy	546	1,045	733	-508
T—Total sources	8,511	9,821	8,518	5,036
	1954			
B—Net profit before tax	4,243	4,727	4,139	4,474
C—Depreciation, amortization, and depletion	1,892	1,974	2,022	2,152
D—Other internal charges	56	56	59	58
E—Insurance benefits	125	126	126	126
F—Tax refunds	63	84	53	62
H + K—Short-term borrowing	-728	-525	68	1,119
H—Short-term bank debt	-368	-391	-298	-409
K—Other short-term borrowing	-360	-134	366	1,528
L + M + P + Q—Long-term borrowing	441	228	587	406
L—Long-term bank debt	-139	-222	-147	-195
M—New bond issues	563	424	705	567
N—New stock issues	50	165	125	123
P—Sale-leaseback	—	—	—	—
Q—Mortgages	17	26	29	34
R—Debt to government	-40	-53	14	-9
S—Discrepancy	462	485	252	-216
T—Total sources	6,564	7,267	7,445	8,295

(continued)

The Measurement of Corporate Sources and Uses of Funds

TABLE 17 (concluded)

Transaction ^a	I	II	III	IV
		1955		
B—Net profit before tax	5,359	6,384	5,691	6,023
C—Depreciation, amortization, and depletion	2,169	2,258	2,288	2,380
D—Other internal charges	48	50	54	53
E—Insurance benefits	145	145	145	146
F—Tax refunds	66	81	64	68
H + K—Short-term borrowing	110	-233	627	2,058
H—Short-term bank debt	263	-502	320	388
K—Other short-term borrowing	-153	269	307	1,670
L + M + P + Q—Long-term borrowing	749	643	818	599
L—Long-term bank debt	252	68	196	113
M—New bond issues	471	545	591	453
N—New stock issues	449	242	287	192
P—Sale-leaseback	—	—	—	—
Q—Mortgages	26	30	31	33
R—Debt to government	11	23	-14	-14
S—Discrepancy	192	1,003	26	-609
T—Total sources	9,298	10,596	9,986	10,896

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

Introduction and Summary

TABLE 18

MANUFACTURING CORPORATIONS: USES OF FUNDS, QUARTERLY, 1953-55
(million dollars)

Transaction ^a	I	II	III	IV
	1953			
b—Plant and equipment	2,457	2,943	2,759	3,206
c—Other capital expenditures	9	12	6	8
d—Change in inventory	67	471	47	429
e-1—Federal income tax payments	4,170	4,106	1,504	1,592
e-2—State income tax payments	137	172	95	89
f—Renegotiation payments	15	15	15	15
g—Dividends and branch profits paid	1,343	1,389	1,379	1,767
j—Currency and deposits	-764	713	188	-19
k-1—U.S. government obligations	-618	-82	1,434	338
k-2—State and local government obligations	22	22	25	27
m—Notes and accounts receivable	1,460	-153	852	-2,667
n—Corporate securities (not estimated)				
p—Bad debt charge	58	58	60	54
q—Retirement of bonds	113	134	125	157
r—Retirement of stock	42	21	29	40
s—Total uses	8,511	9,821	8,518	5,036
	1954			
b—Plant and equipment	2,383	2,734	2,572	2,883
c—Other capital expenditures	5	12	9	7
d—Change in inventory	-1,103	-1,120	-931	606
e-1—Federal income tax payments	4,886	4,796	1,126	1,166
e-2—State income tax payments	139	174	97	90
f—Renegotiation payments	13	13	13	13
g—Dividends and branch profits paid	1,364	1,327	1,347	1,831
j—Currency and deposits	-864	653	585	606
k-1—U.S. government obligations	-1,605	-1,554	1,127	920
k-2—State and local government obligations	25	29	20	21
m—Notes and accounts receivable	1,042	-159	1,031	-432
n—Corporate securities (not estimated)				
p—Bad debt charge	56	56	58	57
q—Retirement of bonds	159	181	227	272
r—Retirement of stock	64	125	164	255
s—Total uses	6,564	7,267	7,445	8,295

(continued)

The Measurement of Corporate Sources and Uses of Funds

TABLE 18 (concluded)

Transaction ^a	I	II	III	IV
			1955	
b—Plant and equipment	2,172	2,707	2,810	3,406
c—Other capital expenditures	17	20	11	15
d—Change in inventory	-189	84	76	2,211
e-1—Federal income tax payments	4,212	4,107	848	1,047
e-2—State income tax payments	122	154	85	79
f—Renegotiation payments	19	20	19	20
g—Dividends and branch profits paid	1,409	1,482	1,559	2,246
j—Currency and deposits	-605	197	259	137
k-1—U.S. government obligations	-110	236	1,226	1,543
k-2—State and local government obligations	33	15	30	31
m—Notes and accounts receivable	1,753	1,005	2,240	-318
n—Corporate securities (not estimated)				
p—Bad debt charge	48	50	54	53
q—Retirement of bonds	241	328	526	221
r—Retirement of stock	176	191	243	205
s—Total uses	9,298	10,596	9,986	10,896

^a See note a, Table 1.

NOTE: Details may not add to totals because of rounding.

Introduction and Summary

TABLE 19
MINING CORPORATIONS: SOURCES OF FUNDS, QUARTERLY, 1953-55
(million dollars)

Transaction ^a	I	II	III	IV
	1953			
B—Net profit before tax	198	193	185	170
C—Depreciation, amortization, and depletion	289	306	317	304
D—Other internal charges	3	4	4	4
E—Insurance benefits	11	11	11	12
F—Tax refunds	1	3	2	2
H + K—Short-term borrowing	-161	48	78	-26
H—Short-term bank debt	8	-21	36	-28
K—Other short-term borrowing	-169	69	42	2
L + M + P + Q—Total long-term borrowing	17	35	16	48
L—Long-term bank debt	-2	1	5	-11
M—New bond issues	17	32	10	57
N—New stock issues	5	21	15	13
P—Sale-leaseback	—	—	—	—
Q—Mortgages	2	2	1	2
R—Debt to government	2	1	1	-5
S—Discrepancy	-7	-156	-79	15
T—Total sources	358	466	550	537
	1954			
B—Net profit before tax	165	137	100	137
C—Depreciation, amortization, and depletion	283	289	288	292
D—Other internal charges	3	4	4	4
E—Insurance benefits	12	13	12	13
F—Tax refunds	1	2	1	1
H + K—Short-term borrowing	-163	23	23	124
H—Short-term bank debt	-38	-17	15	18
K—Other short-term borrowing	-125	40	8	106
L + M + P + Q—Total long-term borrowing	54	92	110	104
L—Long-term bank debt	6	-1	16	17
M—New bond issues	46	90	92	83
N—New stock issues	34	14	22	53
P—Sale-leaseback	—	—	—	—
Q—Mortgages	2	3	2	4
R—Debt to government	-4	-6	2	-1
S—Discrepancy	-88	-52	2	-21
T—Total sources	297	516	564	706

(continued)

The Measurement of Corporate Sources and Uses of Funds

TABLE 19 (concluded)

Transaction ^a	I	II	III	IV
		1955		
B—Net profit before tax	185	182	158	253
C—Depreciation, amortization, and depletion	307	314	319	329
D—Other internal charges	2	3	2	3
E—Insurance benefits	14	15	14	15
F—Tax refunds	1	1	0	1
H + K—Short-term borrowing	-14	3	42	158
H—Short-term bank debt	25	19	25	33
K—Other short-term borrowing	-39	-16	17	125
L + M + P + Q—Total long-term borrowing	46	82	100	65
L—Long-term bank debt	9	6	55	31
M—New bond issues	35	73	41	31
N—New stock issues	21	24	40	40
P—Sale-leaseback	—	—	—	—
Q—Mortgages	2	3	4	3
R—Debt to government	1	2	-2	-2
S—Discrepancy	-163	-14	-14	-82
T—Total sources	400	609	659	780

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

Introduction and Summary

TABLE 20
MINING CORPORATIONS: USES OF FUNDS, QUARTERLY, 1953-55
(million dollars)

Transaction ^a	I	II	III	IV
		1953		
b—Plant and equipment	183	193	220	243
c—Other capital expenditures	1	3	3	5
d—Change in inventory	-27	-31	-13	-18
e-1—Federal income tax payments	117	117	35	35
e-2—State income tax payments	4	5	3	2
f—Renegotiation payments	0	0	0	0
g—Dividends and branch profits paid	141	144	140	224
j—Currency and deposits	4	-80	29	-18
k-1—U.S. government obligations	22	1	58	52
k-2—State and local government obligations	12	12	13	14
m—Notes and accounts receivable	-111	75	48	-26
n—Corporate securities (not estimated)				
p—Bad debt charge	3	4	4	4
q—Retirement of bonds	9	13	10	19
r—Retirement of stock	—	10	—	1
s—Total uses	358	466	550	537
		1954		
b—Plant and equipment	184	224	215	210
c—Other capital expenditures	3	6	4	11
d—Change in inventory	-1	-53	-23	-25
e-1—Federal income tax payments	95	95	16	14
e-2—State income tax payments	2	3	2	2
f—Renegotiation payments	0	0	0	0
g—Dividends and branch profits paid	169	167	164	241
j—Currency and deposits	44	21	67	45
k-1—U.S. government obligations	-131	-108	6	34
k-2—State and local government obligations	6	7	4	5
m—Notes and accounts receivable	-107	82	24	120
n—Corporate securities (not estimated)				
p—Bad debt charge	3	4	4	4
q—Retirement of bonds	10	18	70	24
r—Retirement of stock	20	50	11	21
s—Total uses	297	516	564	706

(continued)

The Measurement of Corporate Sources and Uses of Funds

TABLE 20 (concluded)

Transaction ^a	I	II	III	IV	
		1955			
b—Plant and equipment	155	201	215	253	
c—Other capital expenditures	5	7	6	4	
d—Change in inventory	-45	1	-1	-36	
e-1—Federal income tax payments	41	41	22	22	
e-2—State income tax payments	1	1	1	1	
f—Renegotiation payments	0	0	0	0	
g—Dividends and branch profits paid	176	188	204	398	
j—Currency and deposits	51	-80	72	-30	
k-1—U.S. government obligations	-40	66	36	85	
k-2—State and local government obligations	8	3	7	7	
m—Notes and accounts receivable	20	35	56	45	
n—Corporate securities (not estimated)					
p—Bad debt charge	2	3	2	3	
q—Retirement of bonds	20	30	19	17	
r—Retirement of stock	6	113	20	11	
s—Total uses	400	609	659	780	

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

Introduction and Summary

TABLE 21
RAILROAD CORPORATIONS: SOURCES OF FUNDS, QUARTERLY, 1953-55
(million dollars)

Transaction ^a	I	II	III	IV
		1953		
B—Net profit before tax	270	322	318	219
C—Depreciation, amortization, and depletion	195	206	215	224
D—Other internal charges	14	14	14	15
E—Insurance benefits	32	32	32	32
F—Tax refunds	2	6	5	5
H + K—Short-term borrowing	-33	18	-20	-6
H—Short-term bank debt	-32	18	-20	-6
K—Other short-term borrowing	-1	—	—	—
L + M + P + Q—Total long-term borrowing	132	73	54	85
L—Long-term bank debt	10	11	11	10
M—New bond issues	122	62	43	75
N—New stock issues	—	—	—	—
P—Sale-leaseback	—	—	—	—
Q—Mortgages	—	—	—	—
R—Debt to government	-3	—	—	—
S—Discrepancy	25	-32	76	-80
T—Total sources	634	639	694	494
		1954		
B—Net profit before tax	69	108	129	204
C—Depreciation, amortization, and depletion	224	229	237	241
D—Other internal charges	-8	-8	-8	-8
E—Insurance benefits	35	35	35	35
F—Tax refunds	3	4	2	3
H + K—Short-term borrowing	-73	23	-27	-42
H—Short-term bank debt	-73	23	-27	-41
K—Other short-term borrowing	—	—	—	-1
L + M + P + Q—Total long-term borrowing	55	26	174	167
L—Long-term bank debt	-14	-14	-13	-14
M—New bond issues	69	40	187	181
N—New stock issues	5	—	—	—
P—Sale-leaseback	—	—	—	—
Q—Mortgages	—	—	—	—
R—Debt to government	—	-67	—	—
S—Discrepancy	7	143	34	41
T—Total sources	317	493	576	641

(continued)

The Measurement of Corporate Sources and Uses of Funds

TABLE 21 (concluded)

Transaction ^a	I	II	III	IV
		1955		
B—Net profit before tax	150	244	248	213
C—Depreciation, amortization, and depletion	246	253	259	266
D—Other internal charges	10	11	10	11
E—Insurance benefits	40	40	40	40
F—Tax refunds	2	3	2	2
H + K—Short-term borrowing	-34	62	88	95
H—Short-term bank debt	-34	62	88	95
K—Other short-term borrowing	—	—	—	—
L + M + P + Q—Total long-term borrowing	91	203	262	117
L—Long-term bank debt	-7	-6	-6	-7
M—New bond issues	98	209	267	126
N—New stock issues	—	3	—	6
P—Sale-leaseback	—	—	—	—
Q—Mortgages	—	—	—	—
R—Debt to government	-1	2	-2	—
S—Discrepancy	-42	13	-129	6
T—Total sources	462	834	777	758

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

Introduction and Summary

TABLE 22

RAILROAD CORPORATIONS: USES OF FUNDS, QUARTERLY, 1953-55
(million dollars)

Transaction ^a	I	II	III	IV
	1953			
b—Plant and equipment	312	359	299	341
c—Other capital expenditures	1	0	1	1
d—Change in inventory	4	-36	-13	-1
e-1—Federal income tax payments	251	251	63	63
e-2—State income tax payments	8	10	5	5
f—Renegotiation payments	0	0	0	0
g—Dividends and branch profits paid	93	70	75	155
j—Currency and deposits	-58	-31	33	-74
k-1—U.S. government obligations	-57	-67	135	-10
k-2—State and local government obligations	1	2	1	2
m—Notes and accounts receivable	-4	6	25	-68
n—Corporate securities	4	-7	-2	-13
p—Bad debt charges	—	1	1	1
q—Retirement of bonds	105	81	68	86
r—Retirement of stock	4	—	3	6
s—Total uses	634	639	694	494
	1954			
b—Plant and equipment	250	245	179	180
c—Other capital expenditures	1	1	1	1
d—Change in inventory	27	-59	-62	-60
e-1—Federal income tax payments	243	243	27	27
e-2—State income tax payments	6	9	4	4
f—Renegotiation payments	0	0	0	0
g—Dividends and branch profits paid	92	70	71	131
j—Currency and deposits	-119	8	169	-25
k-1—U.S. government obligations	-221	-72	93	65
k-2—State and local government obligations	2	3	1	2
m—Notes and accounts receivable	-47	-7	-17	-10
n—Corporate securities	-34	-16	11	—
p—Bad debt charges	1	1	1	1
q—Retirement of bonds	114	66	97	288
r—Retirement of stock	2	1	1	37
s—Total uses	317	493	576	641

(continued)

The Measurement of Corporate Sources and Uses of Funds

TABLE 22 (concluded)

Transaction ^a	I	II	III	IV
		1955		
b—Plant and equipment	179	217	215	312
c—Other capital expenditures	1	1	3	2
d—Change in inventory	—4	—29	—27	—13
e-1—Federal income tax payments	112	112	20	20
e-2—State income tax payments	3	4	2	2
f—Renegotiation payments	0	0	0	0
g—Dividends and branch profits paid	101	89	76	173
j—Currency and deposits	—52	38	34	20
k-1—U.S. government obligations	—26	63	256	96
k-2—State and local government obligations	3	2	3	—
m—Notes and accounts receivable	6	46	14	22
n—Corporate securities	—2	5	11	15
p—Bad debt charges	—	1	1	1
q—Retirement of bonds	92	166	104	99
r—Retirement of stock	49	119	65	9
s—Total uses	462	834	777	758

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than \pm \$500,000.

Introduction and Summary

TABLE 23

GAS AND ELECTRIC CORPORATIONS: SOURCES OF FUNDS, QUARTERLY, 1953-55
(million dollars)

Transaction ^a	I	II	III	IV
	1953			
B—Net profit before tax	610	487	475	502
C—Depreciation, amortization, and depletion	248	257	267	275
D—Other internal charges	3	3	3	4
E—Insurance benefits	39	39	39	39
F—Tax refunds	—	—	—	—
H + K—Short-term borrowing	-128	-63	-6	171
H—Short-term bank debt	-14	-22	55	52
K—Other short-term borrowing	-114	-41	-61	119
L + M + P + Q—Long-term borrowing	381	553	380	536
L—Long-term bank debt	-10	-10	-9	-10
M—New bond issues	391	563	389	546
N—New stock issues	285	385	167	256
P—Sale-leaseback	—	—	—	—
Q—Mortgages	—	—	—	—
R—Debt to government	—	—	—	—
S—Discrepancy	247	200	279	-97
T—Total sources	1,685	1,861	1,604	1,686
	1954			
B—Net profit before tax	623	517	489	523
C—Depreciation, amortization, and depletion	301	317	335	354
D—Other internal charges	3	4	4	4
E—Insurance benefits	46	47	47	47
F—Tax refunds	—	—	—	—
H + K—Short-term borrowing	-70	-117	11	222
H—Short-term bank debt	19	-42	-1	75
K—Other short-term borrowing	-89	-75	12	147
L + M + P + Q—Long-term borrowing	687	864	566	635
L—Long-term bank debt	-19	-19	-19	-19
M—New bond issues	706	883	585	654
N—New stock issues	198	393	165	164
P—Sale-leaseback	—	—	—	—
Q—Mortgages	—	—	—	—
R—Debt to government	—	—	—	—
S—Discrepancy	74	95	146	28
T—Total sources	1,862	2,120	1,763	1,977

(continued)

The Measurement of Corporate Sources and Uses of Funds

TABLE 23 (concluded)

Transaction ^a	I	II	III	IV
		1955		
B—Net profit before tax	665	572	483	582
C—Depreciation, amortization, and depletion	361	375	391	407
D—Other internal charges	3	3	3	4
E—Insurance benefits	56	56	56	57
F—Tax refunds	—	—	—	—
H + K—Short-term borrowing	-102	89	118	178
H—Short-term bank debt	6	120	91	-62
K—Other short-term borrowing	-108	-31	27	240
L + M + P + Q—Long-term borrowing	435	469	247	511
L—Long-term bank debt	14	13	13	13
M—New bond issues	416	456	234	496
N—New stock issues	179	275	195	219
P—Sale-leaseback	—	—	—	—
Q—Mortgages	—	—	—	—
R—Debt to government	—	—	—	—
S—Discrepancy	283	103	39	39
T—Total sources	1,875	1,942	1,532	1,995

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

Introduction and Summary

TABLE 24

GAS AND ELECTRIC CORPORATIONS: USES OF FUNDS, QUARTERLY, 1953-55
(million dollars)

Transaction ^a	I	II	III	IV
	1953			
b—Plant and equipment	903	1,131	1,192	1,219
c—Other capital expenditures	13	21	10	12
d—Change in inventory	-51	38	61	-30
e-1—Federal income tax payments	392	390	99	103
e-2—State income tax payments	12	15	8	8
f—Renegotiation payments	0	0	0	0
g—Dividends and branch profits paid	220	237	243	251
j—Currency and deposits	38	16	-63	-30
k-1—U.S. government obligations	77	-31	-33	-90
k-2—State and local government obligations	-3	-3	-3	-4
m—Notes and accounts receivable	5	-91	-1	137
n—Corporate securities	13	13	13	13
p—Bad debt charge	3	3	3	4
q—Retirement of bonds	59	90	64	86
r—Retirement of stock	4	32	11	7
s—Total uses	1,685	1,861	1,604	1,686
	1954			
b—Plant and equipment	908	1,093	1,033	1,083
c—Other capital expenditures	11	18	11	8
d—Change in inventory	-34	44	14	-43
e-1—Federal income tax payments	468	463	53	58
e-2—State income tax payments	12	15	9	8
f—Renegotiation payments	0	0	0	0
g—Dividends and branch profits paid	256	257	264	275
j—Currency and deposits	143	17	47	-17
k-1—U.S. government obligations	28	-61	3	-65
k-2—State and local government obligations	1	—	1	—
m—Notes and accounts receivable	-2	-101	13	186
n—Corporate securities	-3	-3	-3	-3
p—Bad debt charge	3	4	4	4
q—Retirement of bonds	60	313	260	464
r—Retirement of stock	11	61	54	19
s—Total uses	1,862	2,120	1,763	1,977

(continued)

The Measurement of Corporate Sources and Uses of Funds

TABLE 24 (concluded)

Transaction ^a	I	II	III	IV
		1955		
b—Plant and equipment	823	1,025	1,147	1,209
c—Other capital expenditures	8	10	6	11
d—Change in inventory	-74	42	-18	-41
e-1—Federal income tax payments	519	513	41	48
e-2—State income tax payments	14	17	9	9
f—Renegotiation payments	0	0	0	0
g—Dividends and branch profits paid	271	271	284	300
j—Currency and deposits	36	-12	-38	50
k-1—U.S. government obligations	91	—	-37	8
k-2—State and local government obligations	1	—	—	1
m—Notes and accounts receivable	-3	-117	20	309
n—Corporate securities	11	11	10	11
p—Bad debt charge	3	3	3	4
q—Retirement of bonds	171	160	93	71
r—Retirement of stock	4	19	12	5
s—Total uses	1,875	1,942	1,532	1,995

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

Introduction and Summary

TABLE 25

COMMUNICATIONS CORPORATIONS: SOURCES OF FUNDS, QUARTERLY, 1953-55
(million dollars)

Transaction ^a	I	II	III	IV
	1953			
B—Net profit before tax	286	296	285	324
C—Depreciation, amortization, and depletion	126	126	130	132
D—Other internal charges	4	5	4	5
E—Insurance benefits	16	17	16	16
F—Tax refunds	—	—	—	—
H + K—Short-term borrowing	57	86	-117	48
H—Short-term bank debt	78	87	-120	31
K—Other short-term borrowing	-21	-1	3	17
L + M + P + Q—Total long-term borrowing	13	45	118	618
L—Long-term bank debt ^b				
M—New bond issues	13	45	118	618
N—New stock issues	215	150	149	120
P—Sale-leaseback	—	—	—	—
Q—Mortgages	—	—	—	—
R—Debt to government	—	—	—	—
S—Discrepancy	-26	28	67	-69
T—Total sources	691	753	652	1,194
	1954			
B—Net profit before tax	287	303	297	337
C—Depreciation, amortization, and depletion	139	142	145	148
D—Other internal charges	5	6	5	6
E—Insurance benefits	19	20	20	20
F—Tax refunds	—	—	—	—
H + K—Short-term borrowing	64	68	-60	-39
H—Short-term bank debt	58	96	-83	-94
K—Other short-term borrowing	6	-28	23	55
L + M + P + Q—Total long-term borrowing	24	49	340	198
L—Long-term bank debt ^b				
M—New bond issues	24	49	340	198
N—New stock issues	521	163	143	163
P—Sale-leaseback	—	—	—	—
Q—Mortgages	—	—	—	—
R—Debt to government	—	—	—	—
S—Discrepancy	14	-27	41	-65
T—Total sources	1,073	724	931	768

(continued)

The Measurement of Corporate Sources and Uses of Funds

TABLE 25 (concluded)

Transaction ^a	I	II	III	IV
		1955		
B—Net profit before tax	362	375	362	398
C—Depreciation, amortization, and depletion	158	159	163	173
D—Other internal charges	5	5	5	5
E—Insurance benefits	23	24	23	24
F—Tax refunds	—	—	—	—
H + K—Short-term borrowing	51	136	-160	214
H—Short-term bank debt	68	95	-166	80
K—Other short-term borrowing	-17	41	6	134
L + M + P + Q—Total long-term borrowing	59	74	122	738
L—Long-term bank debt	—	—	—	—
M—New bond issues	59	74	122	738
N—New stock issues	164	95	108	522
P—Sale-leaseback	—	—	—	—
Q—Mortgages	—	—	—	—
R—Debt to government	—	—	—	—
S—Discrepancy	38	-78	235	-343
T—Total sources	860	790	858	1,731

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

Introduction and Summary

TABLE 26

COMMUNICATIONS CORPORATIONS: USES OF FUNDS, QUARTERLY, 1953-55
(million dollars)

Transaction ^a	I	II	III	IV
	1953			
b—Plant and equipment	334	387	356	402
c—Other capital expenditures	-1	2	3	4
d—Change in inventory	-5	9	5	-3
e-1—Federal income tax payments	192	192	49	50
e-2—State income tax payments	6	7	4	4
f—Renegotiation payments	0	0	0	0
g—Dividends and branch profits paid	120	131	131	124
j—Currency and deposits	17	-7	32	-10
k-1—U.S. government obligations	-96	-150	-20	510
k-2—State and local government obligations	—	-1	—	—
m—Notes and accounts receivable	-25	71	-7	25
n—Corporate securities	12	13	13	13
p—Bad debt charge	4	5	4	5
q—Retirement of bonds	125	91	81	70
r—Retirement of stock	7	3	1	—
s—Total uses	691	753	652	1,194
	1954			
b—Plant and equipment	351	389	356	395
c—Other capital expenditures	1	2	3	3
d—Change in inventory	7	8	-5	5
e-1—Federal income tax payments	263	262	31	31
e-2—State income tax payments	7	9	5	4
f—Renegotiation payments	0	0	0	0
g—Dividends and branch profits paid	125	127	127	130
j—Currency and deposits	-1	21	21	-1
k-1—U.S. government obligations	-18	-202	263	-78
k-2—State and local government obligations	—	-1	—	—
m—Notes and accounts receivable	-12	10	39	46
n—Corporate securities	1	1	1	2
p—Bad debt charge	5	6	5	6
q—Retirement of bonds	344	90	80	223
r—Retirement of stock	—	—	-5	2
s—Total uses	1,073	724	931	768

(continued)

The Measurement of Corporate Sources and Uses of Funds

TABLE 26 (concluded)

Transaction ^a	I	II	III	IV
		1955		
b—Plant and equipment	367	410	427	521
c—Other capital expenditures	—	3	3	5
d—Change in inventory	9	25	-12	19
e-1—Federal income tax payments	306	306	30	31
e-2—State income tax payments	8	10	6	5
f—Renegotiation payments	0	0	0	0
g—Dividends and branch profits paid	135	140	142	143
j—Currency and deposits	27	-10	43	-42
k-1—U.S. government obligations	-92	-203	68	619
k-2—State and local government obligations	—	—	1	—
m—Notes and accounts receivable	-32	45	48	86
n—Corporate securities	13	13	13	14
p—Bad debt charge	5	5	5	5
q—Retirement of bonds	112	42	82	325
r—Retirement of stock	2	4	2	0
s—Total uses	860	790	858	1,731

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

Introduction and Summary

TABLE 27

TRADE-SERVICE CORPORATIONS: SOURCES OF FUNDS, QUARTERLY, 1953-55
(million dollars)

Transaction ^a	I	II	III	IV
	1953			
B—Net profit before tax	1,612	1,823	1,745	1,649
C—Depreciation, amortization, and depletion	821	853	880	908
D—Other internal charges	178	177	176	179
E—Insurance benefits	58	57	59	57
F—Tax refunds	19	54	38	41
H + K—Short-term borrowing	56	-539	1,107	-154
H—Short-term bank debt	603	-761	475	124
K—Other short-term borrowing	-547	222	632	-278
L + M + P + Q—Total long-term borrowing	679	1,115	625	407
L—Long-term bank debt	124	12	114	-128
M—New bond issues	384	730	466	261
N—New stock issues	27	28	-5	50
P—Sale-leaseback	36	36	36	46
Q—Mortgages	135	337	9	228
R—Debt to government	—	—	—	—
S—Discrepancy	-865	-21	-3	434
T—Total sources	2,585	3,547	4,622	3,571
	1954			
B—Net profit before tax	1,255	1,653	1,788	1,933
C—Depreciation, amortization, and depletion	913	939	965	990
D—Other internal charges	200	197	195	195
E—Insurance benefits	66	63	64	63
F—Tax refunds	28	37	25	28
H + K—Short-term borrowing	-632	847	2,336	1,745
H—Short-term bank debt	154	3	30	215
K—Other short-term borrowing	-786	844	2,306	1,530
L + M + P + Q—Total long-term borrowing	412	774	754	907
L—Long-term bank debt	-23	52	83	47
M—New bond issues	193	326	395	382
N—New stock issues	87	58	42	52
P—Sale-leaseback	44	56	63	91
Q—Mortgages	198	340	213	387
R—Debt to government	—	—	—	—
S—Discrepancy	-997	-228	223	46
T—Total sources	1,332	4,340	6,392	5,959

(continued)

The Measurement of Corporate Sources and Uses of Funds

TABLE 27 (concluded)

Transaction ^a	I	II	III	IV
		1955		
B—Net profit before tax	1,672	1,862	2,148	2,256
C—Depreciation, amortization, and depletion	1,000	1,031	1,057	1,076
D—Other internal charges	180	177	174	173
E—Insurance benefits	79	78	79	76
F—Tax refunds	37	43	36	37
H + K—Short-term borrowing	227	551	2,687	1,417
H—Short-term bank debt	576	804	-175	1,443
K—Other short-term borrowing	-349	-253	2,862	-26
L + M + P + Q—Total long-term borrowing	1,079	1,062	1,068	785
L—Long-term bank debt	89	256	228	-149
M—New bond issues	597	392	582	460
N—New stock issues	106	127	98	69
P—Sale-leaseback	54	57	66	89
Q—Mortgages	340	357	193	385
R—Debt to government	—	—	—	—
S—Discrepancy	-1,607	-75	83	189
T—Total sources	2,774	4,856	7,431	6,078

^a See note a, Table 1.

NOTES: Details may not add to totals because of rounding.

— = less than ±\$500,000.

Introduction and Summary

TABLE 28
TRADE-SERVICE CORPORATIONS: USES OF FUNDS, QUARTERLY, 1953-55
(million dollars)

Transaction ^a	I	II	III	IV
	1953			
b—Plant and equipment	879	1,004	1,061	1,079
c—Other capital expenditures	-106	459	409	198
d—Change in inventory	1,173	-598	228	-1,232
e-1—Federal income tax payments	1,527	1,212	887	728
e-2—State income tax payments	46	58	37	34
f—Renegotiation payments	0	0	0	0
g—Dividends and branch profits paid	518	528	531	555
j—Currency and deposits	-2,317	1,568	240	781
k-1—U.S. government obligations	1,155	-1,450	216	288
k-2—State and local government obligations	-11	-13	-11	-14
m—Notes and accounts receivable	-553	522	764	862
n—Corporate securities (not estimated)				
p—Bad debt charges	179	176	175	180
q—Retirement of bonds	80	69	71	90
r—Retirement of stock	15	12	14	22
s—Total uses	2,585	3,547	4,622	3,571
	1954			
b—Plant and equipment	955	1,020	1,077	1,079
c—Other capital expenditures	2	606	605	319
d—Change in inventory	995	-414	608	-568
e-1—Federal income tax payments	1,704	1,523	623	475
e-2—State income tax payments	41	50	33	30
f—Renegotiation payments	0	0	0	0
g—Dividends and branch profits paid	544	440	487	615
j—Currency and deposits	-2,196	1,252	714	1,127
k-1—U.S. government obligations	549	-1,552	79	194
k-2—State and local government obligations	23	27	12	14
m—Notes and accounts receivable	-1,618	923	1,630	2,247
n—Corporate securities (not estimated)				
p—Bad debt charges	199	197	196	196
q—Retirement of bonds	86	215	259	113
r—Retirement of stock	48	53	69	118
s—Total uses	1,332	4,340	6,392	5,959

(continued)

The Measurement of Corporate Sources and Uses of Funds

TABLE 28 (concluded)

Transaction ^a	I	II	III	IV
		1955		
b—Plant and equipment	949	1,139	1,203	1,258
c—Other capital expenditures	76	657	539	82
d—Change in inventory	597	-467	1,107	-260
e-1—Federal income tax payments	1,563	1,287	963	915
e-2—State income tax payments	42	53	39	36
f—Renegotiation payments	0	0	0	0
g—Dividends and branch profits paid	559	471	501	604
j—Currency and deposits	-1,268	788	115	892
k-1—U.S. government obligations	271	-869	234	441
k-2—State and local government obligations	25	7	20	23
m—Notes and accounts receivable	-404	1,351	2,346	1,777
n—Corporate securities (not estimated)				
p—Bad debt charges	180	177	173	173
q—Retirement of bonds	139	108	114	103
r—Retirement of stock	45	154	77	34
s—Total uses	2,774	4,856	7,431	6,078

^a See note a, Table 1.

NOTE: Details may not add to totals because of rounding.