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APPENDIX A

DESCRIPTION OF SAMPLES

I. LARGE MANUFACTURING CORPORATIONS

Sample A. For the period 1914-22 sample A covers 81 large manufacturing corporations, the assets of which amounted to about 25 percent of the total assets of all reporting large manufacturing corporations, i.e., companies with total assets of \$5 million and over. This sample was used in *The Effect of War on Business Financing: Manufacturing and Trade, World War I*, by Charles H. Schmidt and Ralph A. Young (National Bureau of Economic Research, Financial Research Program, 1943) and is described there in Appendix A.

For the period 1922-43 sample A covers 78 large manufacturing companies. It includes all of the companies used by Albert R. Koch in *The Financing of Large Corporations, 1920-39* (National Bureau of Economic Research, Financial Research Program, 1943), with the exception of six rubber companies. A description of this sample and a list of the companies included is found in Koch's study (pp. 11-15 and Appendix A). The omission of the rubber companies in the present study was necessary in order to link this sample with the sample of corporations for the period 1914-22, which excludes rubber companies. The link between the cash balance figures for these two samples has been effected by the use of the data for 1922; the 1922 figure of the early sample has been related to that of the later sample. Therefore, for the period 1914-21 the cash balance figures thus obtained bear the same relationship to the original figures as the figures for the 81 corporations bear to those of the 78 corporations in 1922.

Sample B. Of the 81 companies included in sample A for 1914-22, 31 reported sales figures. Of the 78 companies included in sample A for 1922 and subsequent years, 46 reported sales figures through 1925. In 1926 the number dropped to 45 because of the consolidation of Associated Oil Company and Tide Water Oil Company; and in 1943 the number was reduced to 44, when the Yellow Truck and Coach Manufacturing Company merged with General Motors Corporation. The sample containing only the companies that report sales figures is designated as sample B. The figures of the groups of 31 and 46 companies have been linked according to the method described above under *Sample A*.

A list of the companies included in sample B for the period 1922-43, on which most of the analysis of this study is based, may be found at the end of this Appendix.

Sample C. Whenever absolute figures are important in the analysis of changes in the period 1914-22, the figures for the 31 companies are used.

(See the discussion of World War I in Chapter 7.) These 31 companies are designated as sample C.

II. MEDIUM-SIZED AND SMALL MANUFACTURING CORPORATIONS

The sample includes 73 manufacturing corporations having total assets of between \$50 thousand and \$5 million. The data, which cover the period 1916-42, were transcribed from corporate income tax returns in the files of the Wisconsin State Tax Commission.

III. LARGE TRADE CORPORATIONS

Sample A. For the period 1921-43 our sample of large trade companies, all of which are mass distributors, includes corporations representing mail order houses (2), chain stores (6), and department stores (1). A list of the companies included in this sample may be found at the end of this Appendix.

Sample B. The sample for the years 1914-22 comprises 6 companies, also mass distributors, listed at the end of this Appendix: mail order houses (2), chain stores (3), and department stores (1).

IV. MEDIUM-SIZED AND SMALL TRADE CORPORATIONS

The sample of medium-sized and small corporations includes 30 companies for the years 1916-42. The data were transcribed from corporate income tax returns in the files of the Wisconsin State Tax Commission.

LARGE MANUFACTURING CORPORATIONS REPORTING SALES DATA—SAMPLE B

Agricultural Machinery

Allis-Chalmers Mfg. Co.
International Harvester Co.
J. I. Case Threshing Machine Co.

Automobiles

General Motors Corp.
Mack Trucks, Inc.
Packard Motor Car Co.
White Motor Co.
Yellow Truck & Coach Mfg. Co.
(merged with General Motors Corp. in 1943)

Building Materials

Johns-Manville Corp.
Lone Star Cement Corp.

Chemicals

Air Reduction Co., Inc.
Columbian Carbon Co.
E. I. Du Pont de Nemours & Co.
Monsanto Chemical Co.

Iron and Steel

American Rolling Mill Co.
Bethlehem Steel Corp.
Inland Steel Co.
U. S. Steel Corp.
Wheeling Steel Corp.
Youngstown Sheet and Tube Co.

Food

Corn Products Refining Co.

Industrial Machinery

American Steel Foundries
 Fairbanks, Morse & Co.
 General Electric Co.
 National Cash Register Co.

Meat Packing

Armour & Co.
 Cudahy Packing Co.
 Swift & Co.

Petroleum

Associated Oil Co. (merged with
 Tide Water Oil Co. in 1926)
 Atlantic Refining Co.
 Continental Oil Co.
 Gulf Oil Corp.
 Pure Oil Co.
 Standard Oil Co. (New Jersey)

Tide Water Oil Co. (merged with
 Associated Oil Co. in 1926)
 Union Oil Co. of Calif.

Textiles

American Manufacturing Co.
 Arlington Mills
 Mt. Vernon-Woodbury Mills, Inc.
 Nashua Manufacturing Co.
 Pacific Mills

Tobacco

American Tobacco Co.
 Liggett & Myers Tobacco Co.
 P. Lorillard Co.
 R. J. Reynolds Tobacco Co.

Transportation Equipment

Baldwin Locomotive Works

LARGE TRADE CORPORATIONS
 SAMPLE A

Chain Stores

First National Stores
 Grant (W. T.) Co.
 Kresge (S. S.) Co.
 Kress (S. H.) Co.
 Kroger Grocery & Baking Co.
 Penney (J. C.) Co.

Mail Order Houses

Montgomery Ward & Co.
 Sears, Roebuck & Co.

Department Stores

May Department Stores

SAMPLE B

Chain Stores

Butler Brothers
 Krasge (S. S.) Co.
 Woolworth (F. W.) Co.

Mail Order Houses

Montgomery Ward & Co.
 Sears, Roebuck & Co.

Department Stores

May Department Stores



APPENDIX B

INFLOW AND OUTFLOW OF CORPORATE FUNDS

IN CHART B-1 are shown the absorption and release of cash by the components of what we call "operating assets"—receivables, inventory, and fixed property. The great sensitivity of receivables and inventory to business fluctuations is striking. The slight recession of 1927 is shown very clearly by a decline of both items. It is also worth noting that, after the depressions of 1921 and the early thirties, inventory begins to rise before receivables. The greater part of the increase in receivables in World War II represents sums owed by the government.

Fixed property does not decline immediately when a depression sets in. If the depression is short lived, either no decline at all takes place (as in 1921) or the decline occurs when business is again on the upswing (1939). The years of World War II show only a moderate expansion of fixed property. The explanation, of course, is that plants financed and owned by the government are not shown in the balance sheets.

Chart B-2 shows the changes in "funds from outside," net income, and dividends. The depression years, except 1938, are clearly characterized by a decline in financing from outside. But in some of the good years also (1924, 1929), a decrease occurs. The decrease in 1924 is accounted for by the sharp reduction in bank debts, which more than offset the increase of the other items included in "funds from outside." The reduction in bank debts occurred throughout the twenties but, as a rule, it was smaller than the increase in the other items. In 1929, a great reduction took place in long-term debts. Although a simultaneous increase in the issue of new stock indicates that long-term debts were simply replaced by common stock in that year, a slight decrease in "funds from outside" resulted from these transactions. It should be remembered that funds from outside include tax liabilities, which account largely for the increase during the years of World War II.

Although net income clearly reflects general business conditions, it is negative only in the year 1932. But, if cash dividends are taken into account, net income after dividends is found to be negative in the years 1921, 1931-33.

Chart B-1—ABSORPTION AND RELEASE OF FUNDS, BY MAJOR ASSET ITEMS, OF SAMPLES OF LARGE MANUFACTURING CORPORATIONS

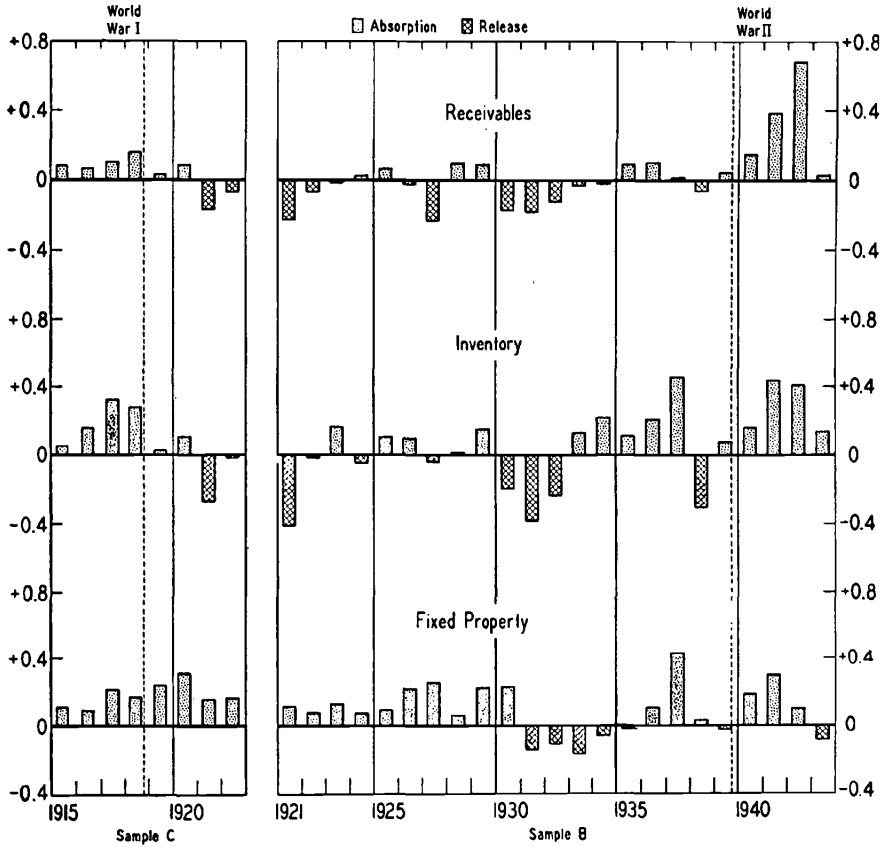
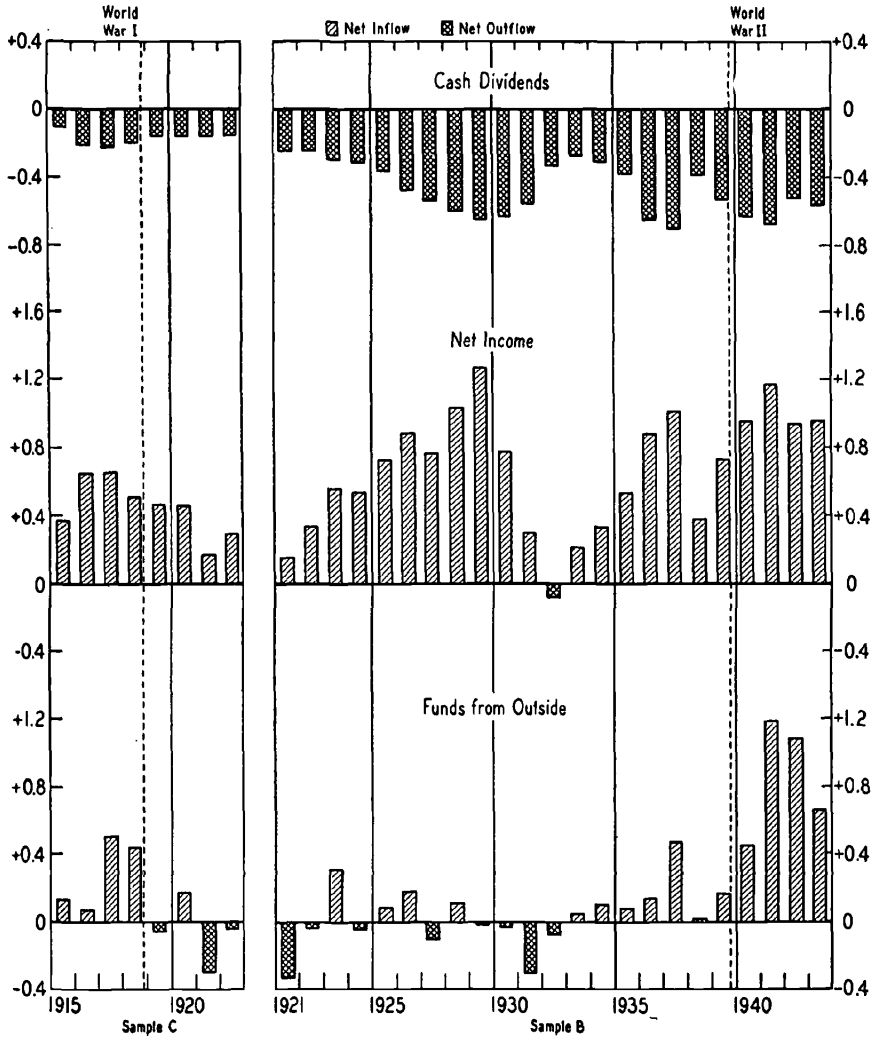


Chart B-2—CHANGES IN CASH DIVIDENDS, NET INCOME, AND FUNDS FROM OUTSIDE OF SAMPLES OF LARGE MANUFACTURING CORPORATIONS



APPENDIX C

I. OPERATING EXPENDITURES

The estimate of operating expenditures is arrived at as follows: First, net profit (i.e., net income after taxes) from the year's operations is deducted from the year's sales figure or net loss is added to the sales figure. This gives a figure for what may be called "unadjusted operating expenditures." The next step is to adjust this figure in four ways:

1. A *decrease* in inventories during the year is subtracted from "unadjusted operating expenditures," since such a decrease swells the sales figure but does not lead to operating expenditures.
2. An *increase* in inventories, on the other hand, implies operating expenditures without being reflected in the sales figure. It, therefore, is added to the figure for "unadjusted operating expenditures."
3. Deductions are made for funds which, though charged to expenses for the year, do not lead to actual cash outlays during the year. In this group are included:
 - a. Increases in accounts payable and "other current liabilities" (excluding notes payable which represent bank debts)
 - b. Depreciation (which may, or may not, have been spent for replacement of equipment, but if it was so spent is allowed for under "gross property expenditures" below), depletion and amortization of deferred charges
 - c. Other noncash charges to income such as losses on the sale of fixed assets.
4. Finally, operating expenditures charged not against the year's income but against contingency or other reserve accounts are added.

The figure obtained after these four corrections of "unadjusted operating expenditures" are made constitutes the "operating expenditures" figure used in this study.

II. NONOPERATING EXPENDITURES

This item consists of

1. Cash dividends
2. Gross fixed property expenditures
3. Increases in marketable securities and in investments
4. Decreases in current liabilities
5. Retirement of long-term debt and stock.

III. CASH PAYMENTS

Total cash payments is the sum of I and II. The figure arrived at in this manner is, obviously, only an approximation of the actual figure for cash payments, since for balance sheet items only the net change between one year end and the next is known. For example, if a certain quantity of marketable securities is bought and resold within the year, no trace of the buying transaction is left in the balance sheet at the end of the year. The same holds true for purchases and sales of fixed assets and investments, and for the items on the liability side. For the sample of medium-sized and small manufacturing corporations, notes payable could not be separated out. While this leads to an additional inaccuracy in our payment figures for this sample, it is of negligible proportions.

IV. CASH RECEIPTS FROM SALES

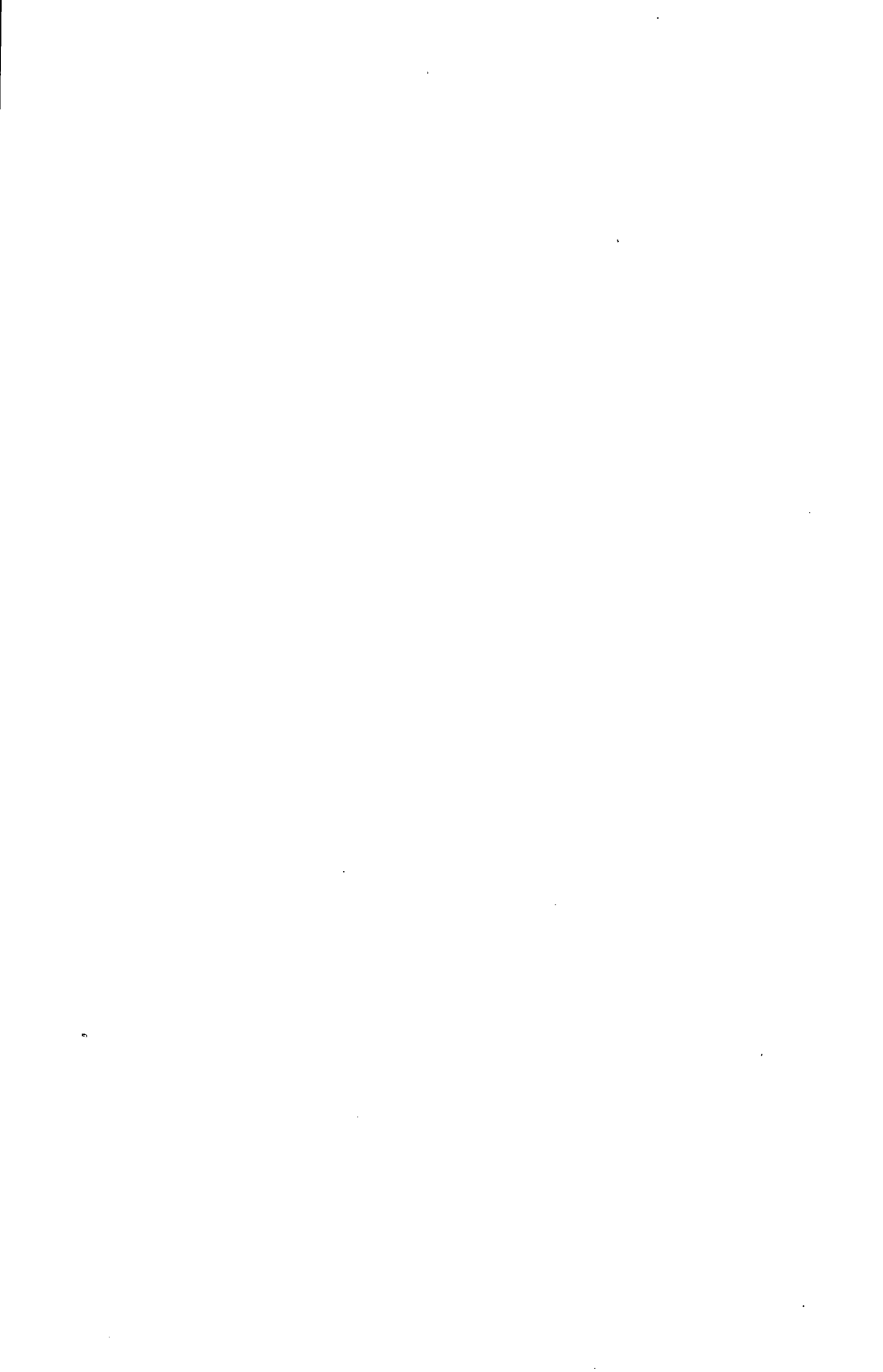
Cash receipts from sales are obtained by subtracting from the sales figure an increase in receivables, or by adding to it a decrease in receivables.

V. OTHER CASH RECEIPTS

This item is the sum of an increase in "notes payable" and an increase in stocks and bonds, minus the sum of a decrease in investments and a decrease in marketable securities.

VI. TOTAL CASH RECEIPTS

Total cash receipts are the sum of items IV and V.



APPENDIX D

Table D-1—YEAR-END FIGURES FOR TOTAL MEANS OF PAYMENT AND CORPORATE CASH BALANCES (in millions)

Year	Total Means of Payment ^a (1)	Cash Balances ^b	
		All Reporting Nonfinancial Corporations (2)	All Reporting Manufacturing Corporations (3)
1914	\$20,300	..	..
1915	22,398	..	..
1916	25,741	..	..
1917	28,589	..	..
1918	32,249	..	..
1919	37,098	..	..
1920	38,464	..	..
1921	38,101	..	..
1922	40,624	..	..
1923	43,249	..	..
1924	46,826	..	..
1925	49,981	..	..
1926	50,876	\$6,534	\$3,146
1927	53,802	6,633	3,143
1928	55,355	7,138	3,473
1929	54,555	7,349	3,430
1930	53,248	7,260	3,531
1931	47,861	6,041	3,084
1932	44,854	5,894	2,981
1933	41,532	5,566	2,750
1934	46,270	6,259	3,006
1935	51,273	6,679	3,389
1936	56,360	7,230	3,522
1937	55,815	6,661	3,282
1938	58,066	7,660	4,003
1939	63,253	8,537	4,570
1940	70,008	10,320	5,744
1941	76,336	11,195	6,149
1942	91,299	..	..
1943	112,388	..	..

^a Demand and time deposits, excluding government deposits, of all banks (including savings banks) plus currency in circulation outside banks. For 1914-22 data are averages of June figures. From *Banking and Monetary Statistics* (Board of Governors of Federal Reserve System, 1943) p. 34 and *Federal Reserve Bulletin*.

^b From United States Treasury Department, Bureau of Internal Revenue, *Statistics of Income*, annually.

Table D-2—SELECTED FINANCIAL DATA FOR SAMPLES
OF LARGE MANUFACTURING CORPORATIONS
(in millions)

Year	Sample A ^a	Sample B ^a				
	Year-End Cash Balances (1)	Year-End Cash Balances (2)	Year-End Marketable Securities (3)	Annual Cash Receipts ^b		
				Total (4)	From Sales (5)	"Other" (6)
1914	\$284	\$191	\$34	...	...	...
1915	383	258	153	\$3,136	\$2,981	\$155
1916	545	401	275	4,676	4,546	130
1917	674	480	600	6,034	5,678	356
1918	704	505	709	7,932	7,398	534
1919	697	501	470	8,217	7,446	771
1920	628	447	412	8,181	7,496	685
1921	610	399	413	5,497	5,243	254
1922	636	435	404	5,642	5,355	287
1923	703	476	401	7,362	6,926	436
1924	786	523	413	6,761	6,592	169
1925	867	576	433	8,362	8,113	249
1926	905	598	629	9,541	9,190	351
1927	989	653	614	9,696	9,242	454
1928	1,141	717	814	9,677	9,472	205
1929	1,049	634	654	11,302	10,401	901
1930	1,153	809	543	9,589	9,115	474
1931	1,013	755	616	7,213	7,006	207
1932	1,152	867	413	5,602	5,155	447
1933	989	724	530	5,089	4,983	106
1934	1,060	738	476	6,554	6,270	284
1935	1,242	868	388	7,684	7,380	304
1936	1,215	854	328	9,177	8,838	339
1937	1,063	742	280	10,955	10,291	664
1938	1,524	1,051	284	8,641	8,225	416
1939	1,701	1,131	403	8,989	8,887	102
1940	2,115	1,440	411	10,240	10,021	219
1941	1,979	1,373	935	13,813	13,426	387
1942	2,051	1,401	1,216	16,693	16,001	692
1943	2,502	1,665	1,798	20,809	20,338	471

^a For description of sample see Appendix A.

^b For description of method of estimating data see Appendix C.

Table D-2 (continued)—SELECTED FINANCIAL DATA FOR
 SAMPLES OF LARGE MANUFACTURING CORPORATIONS
 (in millions)

Year	Sample B ^a				
	Annual Cash Payments ^b			Transaction Cash ^c (10)	"Free" Cash ^c (11)
	Total (7)	For Operating Expenditures (8)	For Nonoperating Expenditures (9)		
1914	...	...	...	...	...
1915	\$3,095	\$2,507	\$588	\$206	\$16
1916	4,564	3,812	752	304	22
1917	5,943	4,813	1,130	397	39
1918	7,917	6,896	1,021	527	-40
1919	8,213	6,694	1,519	553	-56
1920	8,180	6,927	1,253	545	-76
1921	5,565	4,338	1,227	372	46
1922	5,631	4,672	959	375	38
1923	7,313	6,211	1,102	487	-35
1924	6,710	5,719	991	447	52
1925	8,315	7,106	1,209	554	-5
1926	9,510	7,945	1,565	633	-48
1927	9,627	7,810	1,817	641	-16
1928	9,604	8,020	1,584	640	45
1929	11,340	8,848	2,492	755	-79
1930	9,431	7,567	1,864	628	95
1931	7,276	5,709	1,567	485	297
1932	5,475	4,477	998	365	446
1933	5,231	4,396	835	348	447
1934	6,550	5,666	884	436	295
1935	7,557	6,485	1,072	503	299
1936	9,187	7,643	1,544	612	249
1937	11,072	9,150	1,922	738	61
1938	8,320	7,001	1,319	554	342
1939	8,881	7,566	1,315	592	504
1940	9,911	8,412	1,499	659	631
1941	13,778	11,621	2,157	918	488
1942	16,628	14,557	2,071	1,108	278
1943	20,400	18,147	2,253	1,359	175

^a For description of sample see Appendix A.

^b For description of method of estimating data see Appendix C.

^c For description of method of estimating data see pages 40-41.

Table D-2 (continued)—SELECTED FINANCIAL DATA FOR
 SAMPLES OF LARGE MANUFACTURING CORPORATIONS
 (in millions)

Year	Sample B ^a					
	Liquid Funds for Transaction Purpose ^b (12)	"Free" Liquid Funds ^b (13)	Changes in Total Funds ^c (14)	Net Income (15)	Cash Dividends (16)	Changes in Funds from Outside (17)
1914	...	...	...	...	...	...
1915	\$ 399	\$-69	...	...	...	...
1916	589	-37	...	...	...	...
1917	767	103	...	...	...	...
1918	1,021	95	...	...	...	...
1919	1,060	13	...	...	...	...
1920	1,055	-145	...	...	...	...
1921	718	111	\$ -419	\$159	\$248	\$ -330
1922	726	93	53	334	248	-33
1923	943	-86	572	558	300	314
1924	866	41	178	539	316	-45
1925	1,073	-100	439	728	369	80
1926	1,227	-109	588	885	472	175
1927	1,242	5	120	769	538	-111
1928	1,239	160	551	1,036	594	109
1929	1,463	-54	594	1,266	654	-18
1930	1,217	103	112	774	631	-31
1931	939	423	-560	300	556	-304
1932	706	619	-486	-77	333	-76
1933	675	592	-5	219	268	44
1934	845	389	122	335	307	94
1935	975	260	215	530	379	64
1936	1,185	34	363	877	650	136
1937	1,428	-326	774	1,014	707	467
1938	1,073	105	19	382	381	18
1939	1,146	289	366	728	531	169
1940	1,279	414	771	958	631	444
1941	1,776	303	1,682	1,172	674	1,184
1942	2,145	317	1,506	938	519	1,087
1943	2,632	409	1,065	966	561	660

^a For description of sample see Appendix A.

^b For method of estimating data see page 49.

^c Equity (adjusted) plus debt. Column 15 plus 17 minus 16.

Table D-2 (continued)—SELECTED FINANCIAL DATA FOR
 SAMPLES OF LARGE MANUFACTURING CORPORATIONS
 (in millions)

Year	Sample B ^a				
	Absorption or Release of Funds by Major Asset Classes ^b				
	Operating Assets (18)	Fixed Property (19)	Inventory (20)	Receivables (21)	"Other" Assets ^c (22)
1914	...	...	...	...	...
1915	...	...	...	...	...
1916	...	...	...	...	...
1917	...	...	...	...	...
1918	...	...	...	...	...
1919	...	...	...	...	...
1920	...	...	...	...	...
1921	\$-512	\$116	\$-407	\$-221	\$ 84
1922	-6	77	-17	-66	38
1923	288	127	162	-1	245
1924	59	77	-42	24	61
1925	262	92	101	69	109
1926	288	216	91	-19	93
1927	-7	258	-40	-225	90
1928	175	64	14	97	107
1929	468	227	149	92	375
1930	-120	235	-191	-164	172
1931	-705	-142	-379	-184	112
1932	-454	-103	-229	-122	58
1933	-61	-164	130	-27	82
1934	152	-54	219	-13	11
1935	186	-17	108	95	-3
1936	414	105	203	106	29
1937	898	426	453	19	31
1938	-327	33	-303	-57	33
1939	101	-21	76	46	26
1940	480	184	152	144	-28
1941	1,116	293	438	385	108
1942	1,187	101	404	682	-8
1943	82	-81	135	28	128

^a For description of sample see Appendix A.

^b Positive items represent an absorption of funds; negative items, a release. Changes in cash balances and in marketable securities can be calculated from figures in columns 2 and 3, page 114.

^c Including investments.

Table D-2 (concluded)—SELECTED FINANCIAL DATA FOR
SAMPLES OF LARGE MANUFACTURING CORPORATIONS
(in millions)

Year	Sample C ^a					
	Year-End Cash Balances (23)	Year-End Marketable Securities (24)	Changes in Total Funds ^b (25)	Net Income (26)	Cash Dividends (27)	Changes in Funds from Outside (28)
1914	\$144	\$20	...	...	...	...
1915	195	91	\$410	\$372	\$101	\$139
1916	303	163	514	647	206	73
1917	362	356	925	652	228	501
1918	381	421	752	510	191	433
1919	378	279	260	465	155	-50
1920	337	244	456	451	165	170
1921	301	245	-280	175	165	-290
1922	329	240	111	303	155	-37

Year	Absorption or Release of Funds by Major Asset Classes ^c				
	Operating Assets (29)	Fixed Property (30)	Inventory (31)	Receivables (32)	"Other" Assets ^d (33)
1915	\$246	\$116	\$51	\$79	\$42
1916	317	97	157	63	17
1917	645	216	324	105	27
1918	607	170	279	158	60
1919	304	244	30	30	102
1920	500	308	104	88	48
1921	-272	156	-260	-168	28
1922	87	160	-5	-68	5

^a For description of sample see Appendix A.

^b Equity (adjusted) plus debt. Column 26 plus 28 minus 27.

^c Positive items represent an absorption of funds; negative items, a release.

^d Including investments.

Table D-3—SELECTED FINANCIAL DATA FOR SAMPLE OF MEDIUM-SIZED AND SMALL MANUFACTURING CORPORATIONS^a
(in thousands)

Year	Year-End Cash Balances (1)	Year-End Investments ^b (2)	Annual Cash Payments ^c (3)	Transaction Cash ^d (4)	"Free" Cash ^d (5)
1916	\$864	\$712	...	...	...
1917	602	1,416	\$27,499	\$1,265	\$-532
1918	1,101	2,516	32,291	1,485	-634
1919	1,126	3,172	34,443	1,584	-471
1920	1,728	4,793	50,623	2,329	-902
1921	1,206	3,773	32,276	1,485	-18
1922	1,460	3,881	35,530	1,634	-301
1923	1,897	4,768	37,606	1,730	-52
1924	1,731	4,967	38,670	1,779	35
1925	1,750	5,612	39,147	1,801	-60
1926	2,125	6,245	41,579	1,913	25
1927	2,079	6,750	41,542	1,911	191
1928	2,117	7,952	41,671	1,917	181
1929	1,818	7,955	39,821	1,832	136
1930	1,728	8,164	35,439	1,630	143
1931	1,743	8,671	25,771	1,186	550
1932	1,302	8,604	18,066	831	691
1933	1,418	8,757	18,654	858	502
1934	1,441	7,850	21,445	987	443
1935	1,310	7,822	24,906	1,146	230
1936	1,366	7,646	30,143	1,387	-49
1937	1,434	6,922	33,764	1,553	-156
1938	1,858	6,818	26,886	1,237	396
1939	1,896	6,712	30,865	1,420	421
1940	2,237	5,985	36,136	1,662	379
1941	3,109	6,372	49,069	2,257	418
1942	4,019	7,124	56,910	2,618	949

^a For description of sample see Appendix A.

^b Includes marketable securities.

^c For description of method of estimating data see Appendix C.

^d For description of method of estimating data see pages 40-41.

Table D-3 (continued)—SELECTED FINANCIAL DATA FOR SAMPLE OF MEDIUM-SIZED AND SMALL MANUFACTURING CORPORATIONS^a
(in thousands)

Year	Changes in Total Funds ^b (6)	Net Income (7)	Cash Dividends (8)	Changes in Funds from Outside (9)
1917	\$3,808	\$3,390	\$1,608	\$2,026
1918	2,157	3,106	1,421	472
1919	2,707	3,621	1,358	444
1920	8,056	6,460	1,494	3,090
1921	-1,304	-1,227	866	789
1922	884	384	1,466	1,966
1923	2,076	3,659	1,664	81
1924	2,300	2,491	1,547	1,356
1925	1,847	3,492	1,797	152
1926	1,692	3,699	2,336	329
1927	994	3,828	2,624	-210
1928	1,275	2,936	2,615	954
1929	712	3,309	2,531	-66
1930	-1,545	367	2,016	104
1931	-2,652	-837	1,290	-525
1932	-3,912	-2,310	585	-1,017
1933	141	-483	551	1,175
1934	-1,748	-20	926	-802
1935	-945	-240	753	48
1936	1,278	929	918	1,267
1937	563	941	1,105	727
1938	-1,374	110	813	-671
1939	-567	222	832	43
1940	997	1,727	888	158
1941	4,289	3,011	1,110	2,388
1942	2,937	2,488	1,094	1,543

^a For description of sample see Appendix A.

^b Equity (adjusted) plus debt. Column 7 minus 8 plus 9.

Table D-3 (concluded)—SELECTED FINANCIAL DATA FOR SAMPLE OF MEDIUM-SIZED AND SMALL MANUFACTURING CORPORATIONS^a (in thousands)

Year	Absorption or Release of Funds by Major Asset Classes ^b				
	Operating Assets (10)	Fixed Property (11)	Inventory (12)	Receivables (13)	"Other" Assets (14)
1917	\$3,515	\$1,167	\$2,476	\$ -128	\$ -62
1918	594	495	144	-45	-68
1919	1,831	620	-250	1,461	169
1920	5,625	2,687	2,322	616	221
1921	-161	1,582	-332	-1,411	-58
1922	447	177	-943	1,213	44
1923	1,203	763	774	-334	-26
1924	2,192	1,320	320	552	193
1925	1,073	41	310	722	136
1926	746	601	66	79	-29
1927	408	1,087	89	-768	147
1928	96	-159	-39	294	40
1929	836	-100	4	932	182
1930	-1,553	-36	-428	-1,089	-150
1931	-3,196	-939	-1,249	-1,008	10
1932	-3,401	-834	-1,685	-882	-19
1933	487	-842	765	564	-120
1934	-1,126	-881	-101	-144	108
1935	-484	-1,050	222	344	-365
1936	1,275	-82	689	668	27
1937	1,150	-110	1,092	168	66
1938	-1,846	-657	-789	-400	54
1939	-377	-778	-69	470	15
1940	603	-275	389	489	281
1941	3,456	424	1,838	1,194	-7
1942	401	-241	647	-5	410

^a For description of sample see Appendix A.

^b Positive items represent an absorption of cash; negative items, a release. Data for cash balances and investments including marketable securities can be calculated from figures in Columns 1 and 2, page 119.

Table D-4—SELECTED FINANCIAL DATA FOR
 SAMPLES OF LARGE TRADE CORPORATIONS
 (in millions)

Year	Sample A ^a			Sample B ^a		
	Year-End Cash Balances (1)	Year-End Marketable Securities (2)	Annual Cash Payments (3)	Year-End Cash Balances (4)	Year-End Marketable Securities (5)	Annual Cash Payments (6)
1914	...	...	...	\$11	...	...
1915	...	...	...	17	...	\$312
1916	...	...	...	10	...	399
1917	...	...	...	12	\$3	480
1918	...	...	...	16	9	515
1919	...	...	...	30	14	632
1920	...	...	...	18	14	819
1921	\$27	\$20	...	34	16	568
1922	24	19	\$595	29	14	634
1923	24	11	738	...	...	...
1924	42	11	783	...	...	...
1925	39	12	958	...	...	...
1926	57	23	1,078	...	...	...
1927	50	25	1,209	...	...	...
1928	58	15	1,456	...	...	...
1929	85	20	1,764	...	...	...
1930	89	20	1,588	...	...	...
1931	55	49	1,467	...	...	...
1932	72	36	1,274	...	...	...
1933	67	34	1,313	...	...	...
1934	101	18	1,474	...	...	...
1935	85	13	1,680	...	...	...
1936	98	17	1,950	...	...	...
1937	99	13	2,046	...	...	...
1938	140	10	1,921	...	...	...
1939	115	14	2,191	...	...	...
1940	138	7	2,376	...	...	...
1941	160	73	2,996	...	...	...
1942	236	217	3,167	...	...	...
1943	200	263	3,251	...	...	...

^a For description of sample see Appendix A.

Table D-5—SELECTED FINANCIAL DATA FOR SAMPLE
OF MEDIUM-SIZED AND SMALL TRADE CORPORATIONS^a
(in thousands)

Year	Year-End Cash Balances (1)	Year-End Investments ^b (2)	Annual Cash Payments (3)
1916	\$191	\$11	...
1917	216	86	\$10,997
1918	184	184	11,730
1919	258	209	14,404
1920	264	239	18,155
1921	251	234	13,474
1922	276	183	12,744
1923	199	193	14,177
1924	223	183	14,236
1925	260	213	14,319
1926	261	204	14,112
1927	244	159	14,431
1928	225	152	14,873
1929	260	214	14,954
1930	262	193	13,882
1931	238	202	12,093
1932	266	247	10,058
1933	240	269	9,606
1934	184	254	10,998
1935	214	263	12,279
1936	217	222	12,652
1937	210	241	12,814
1938	304	230	11,263
1939	290	221	11,621
1940	283	264	13,738
1941	293	284	15,722
1942	683	369	17,508

^a For description of sample see Appendix A.

^b Includes marketable securities.

APPENDIX E

SOURCES AND DESCRIPTIONS OF SERIES IN CHARTS

Chart 1—Total means of payment includes demand and time deposits, excluding government deposits, of all banks (including savings banks) and currency in circulation outside banks; figures are from *Banking and Monetary Statistics* (Board of Governors of Federal Reserve System, 1943), p. 34, and *Federal Reserve Bulletin*. Series for cash balances are from annual issues of *Statistics of Income* (U. S. Treasury). Data are plotted on logarithmic vertical scale. Unit: billion dollars.

Chart 2—Ratios are based on data presented in Chart 1.

Chart 3—Indexes (1926-29 = 100) for total means of payment and cash balances of all reporting corporations are based on data presented in Chart 1. Samples of large and of medium-sized and small manufacturing corporations are described in Appendix A. Straight lines shown on the chart are trend lines described in text, page 13.

Chart 4—Samples on which chart is based are described in Appendix A. Data are plotted on logarithmic vertical scale. Unit: billion dollars.

Chart 5—The samples presented on the chart are described in Appendix A. For description of operating assets see Appendix B. Unit: billion dollars.

Chart 6—For description of samples see Appendix A. The items included in series for total funds are listed on page 23. Unit: billion dollars.

Charts 7, 8, 9—The samples and data presented in the charts are described in Appendices A and C. Unit: billion dollars.

Chart 10—Average cash balances are moving averages of year-end data for two successive years. The payments figures and the sample are described in Appendices A and C. Data are plotted on logarithmic vertical scale. Unit: billion dollars.

Chart 11—For description of cash balances and payments data see Chart 10; samples are described in Appendix A.

Charts 12, 13—Cash balances are moving averages of year-end data for two successive years. Methods of estimating transaction cash and “free” cash are outlined in text, pages 40-41. Descriptions of samples are presented in Appendix A. Unit: Chart 12, billion dollars; Chart 13, million dollars.

Chart 14—Total liquid funds are sum of cash and marketable securities. Methods of estimating liquid funds for transaction purpose and “free” liquid funds are described in text, page 49. For description of sample see Appendix A. Unit: billion dollars.

Chart 15—For description of “free” cash, see text, page 41; for description of sample see Appendix A. Unit for “free” cash: billion dollars.

Charts 16, 17, 18—For description of samples see Appendix A. Data in Chart 16 are plotted on logarithmic vertical scale; unit, million dollars.

Chart 19—Cash balances are moving averages of year-end data for two successive years. The payments figures and the samples are described in Appendices A and C. Figures for Sample B are presented for the period 1915-22; and for Sample A, 1922-43. Data are plotted on logarithmic vertical scale. Unit: billion dollars.

Chart 20—Data for 1915-22 are for Sample B, and those for 1922-43, for Sample A; for description of samples see Appendix A.

Charts B1, B2—For description of samples see Appendix A. Unit: billion dollars.