ACCOUNTS PAYABLE—Manufacturing, 71-73; Trade, 71-73; Cyclical Fluctuations, 71-72; in Relation to Total Assets, 72-73.

ACQUISITION OF SUBSIDIARIES—Interpretation of, 17; Importance of, 18; 37-41.

BANK DEBT—65-68; see also NOTES PAYABLE.

BANK LOANS—See NOTES PAYABLE.

CAPITAL MARKET—Functions, 91-92; as a Source of Funds, 92.

CASH DIVIDENDS—Stability, 83; Manufacturing, 83; Trade, 84; Railroads, 84; Telephone Companies, 84; Electric Light and Power, 84.

CASH HOLDINGS—in Relation to Notes Payable, 70-71.

CASH AND MARKETABLE SECURITIES—Manufacturing and Trade, 57-60; Importance in Trade, 57; Effect of Profitability on, 57; in Relation to Total Assets, 59.

CONSOLIDATED BALANCE SHEETS—Use of, 18.

CORPORATE FINANCIAL STRUCTURE—Effect of Size and Profitability on, 18-19.

CURRENT ASSETS—Manufacturing, 42, 44-48; Trade, 42, 44-48; Factors Affecting Volume, 42-43; as Source and Use of Funds, 43; Cyclical Changes, 43-45; Volume, 44; in Relation to Fixed Capital Expenditures, 44; in Relation to Sales, 45; Composition of, 47-60; Changes in, 62; see also individual items.

CURRENT LIABILITIES—Variation with Industry, 61-62; Variation with Size of Concern, 62; Changes in, 62; Cyclical Changes, 63-64; Manufacturing, 63-64, 66; Trade, 64, 66; see also individual items.

DEPRECIATION ACCRUALS—In Relation to Fixed Capital Expenditures, 28-32; Importance of, 76; Fluctuations in, 85-86; Manufacturing, 85-86, 88; Limitations of Data, 86; in Relation to Sales, 86-89; Telephone Companies, 87; Trade, 89.

ELECTRIC LIGHT AND POWER COMPANIES—Source of Data, 11; Coverage, 11; Methods of Analysis, 15-16; Nature of the Data and Their Analysis, 16-18; Fixed Property Expenditures, 26-27; in Relation to Depreciation Accruals, 28-29, 31; in Relation to Sales, 32, 35-36; Acquisition of Subsidiaries, 40-41; Current Assets, 42; Undistributed Earnings, 82, 84; Cash Dividends, 84; Depreciation Accruals, 85-86; Security Transactions, 100; Alternative Types of External Financing, 109.

EQUITY AND DEBT FINANCING—106-09.

EXTERNAL AND INTERNAL FINANCING—101-09.

FINANCIAL STATEMENTS—Variation in, 16-17; Elimination of Inter-corporate Flows of Funds, 16; Interpretation of, 17.

FIXED CAPITAL EXPENDITURES—See FIXED PROPERTY EXPENDITURES.

FIXED PROPERTY EXPENDITURES—Fluctuations in, 20-27, 102-04; Manufacturing, 21-23; in Relation to Total Assets, 23-24; Trade, 23-26; Department Stores, 25-26; Railroads, 26; Telephone Companies, 26; Electric Light and Power, 26-27; Determination of, 27-28; in Relation to Depreciation Accruals, 28-32; for All Business, 28; in Relation to Sales, 32, 35-36; Acquisition of Subsidiaries, 37-41; Financing of, 102-06; in Relation to Security Sales, 102.
GROSS BUSINESS SAVING—77-78; Depreciation Accruals, 76; see also TOTAL FUNDS RETAINED FROM OPERATIONS.

INTERNAL FUNDS—See TOTAL FUNDS RETAINED FROM OPERATIONS.

INVENTORY—Importance in Manufacturing and Trade, 48; Cyclical Changes, 48-50; Revaluations, 49; Compared with Wholesale Price Index, 51; in Relation to Sales, 51-53; Turnover, 52-53.

LIQUIDITY RATIO—Manufacturing, 58; Trade, 58; Effect of Inventory Holdings on, 59.

MERGERS—Interpretation of, 17-18; Importance of, 18.

METHODS OF ANALYSIS—15-16.

MANUFACTURING SAMPLE—Source of Data, 10; Coverage, 11-12, 113-15; Methods of Analysis, 15-16; Nature of Data and Analysis, 16-18; Fixed Property Expenditures, 21-23; in Relation to Depreciation Accruals, 28-30; Net Property Revaluations, 32-34; Acquisitions of Subsidiaries, 37-39; Current Assets, 42, 44-46; Working Capital Requirements, 42-44; Inventory, 48; Inventory Turnover, 52-53; Receivables, 53-57; as Net Creditors, 56; Cash and Marketable Securities, 57-60; Liquidity Ratio, 58; Current Liabilities, 63-64, 66; Notes Payable, 68-69; Cash Holdings in Relation to Notes Payable, 70-71; Accounts Payable, 71-73; Other Current Liabilities, 74; Total Funds Retained from Operations, 77-82, 99; Undistributed Earnings, 82-83; Cash Dividends, 83; Depreciation Accruals, 85-86, 88; Other Funds Retained from Operations, 90; Use of the Capital Market, 93; Security Transactions, 93-100; Financing of Fixed Capital Expenditures, 102-03, 105; New Funds from Security Sales, 105-06; Alternative Types of External Financing, 106-08.

NET PROPERTY REVALUATIONS—Manufacturing, 32-34; Trade, 32-34.

NEW FUNDS FROM SECURITY SALES—Manufacturing and Trade, 105-06.

NOTES PAYABLE—Composition of, 65-66; Functions, 67; in Relation to Cash, 67, 70-71; Volume, 68; Bank Term Loans, 68; Behavior of, 68-69; Manufacturing, 68-69; Trade, 68, 70; in Relation to Total Assets, 69-70.

OTHER CURRENT LIABILITIES—73-75; Accounting Methods, 73; Changes in, 73-74; Composition of, 74; Manufacturing, 74; Trade, 74; Advance Payments on Government Contracts, 75.

OTHER FUNDS RETAINED FROM OPERATIONS—Definition, 89; Fluctuations in, 89-90; Manufacturing, 90; Telephone Companies, 90.

RAILROAD CONSOLIDATION—39.

RAILROAD COMPANIES—Source of Data, 11; Coverage, 11; Methods of Analysis, 15-16; Nature of the Data and Their Analysis, 16-18; Fixed Property Expenditures, 26; in Relation to Depreciation Accruals, 28-29, 31; in Relation to Sales, 32, 35-36; Acquisitions of Subsidiaries, 39-40; Current Assets, 42; Undistributed Earnings, 82, 84; Depreciation Accruals, 85; Security Transactions, 101; Alternative Types of External Financing, 108-09.

RECEIVABLES—Factors Affecting, 53; Effect of Consumer Installment Selling on, 53-54; Manufacturing and Trade, 53-57; Volume, 54; Average Collection Period, 54-55; in Relation to Accounts Payable, 56.

SECURITY SALES—92-101; Estimates, 92-93; Manufacturing, 93-98; Effect of Industry and Financial Expansion on, 95, 98; in Relation to Fixed Property Expenditures and Total Assets, 96; Trade, 98.

SECURITY TRANSACTIONS—Retirements, 93-95; Manufacturing and Trade, 99-100; Telephone Companies, 100; Electric Light and Power, 100; Railroads, 101.

SHORT-TERM DEBT—65-75; see also CURRENT LIABILITIES.

SHORT-TERM FINANCING—61-65; see also SHORT-TERM DEBT.

TELEPHONE COMPANIES—Source of Data, 11; Coverage, 11; Methods of Analysis, 15-16; Nature of the Data and Their Analysis, 16-18; Fixed Property Expenditures, 26; in Relation to Depreciation Accruals, 28-29, 31; in Relation to Sales, 32, 35-36; Acquisition of Subsidiaries, 40; Public Utility Holding Company Act, 40-41; Current Assets, 42; Undistributed Earnings, 82, 84; Cash Dividends, 84; Depreciation Accruals, 87; Other Funds Retained from Operations, 90; Security Transactions, 100; Alternative Types of External Financing, 108.

TOTAL FUNDS RETAINED FROM OPERATIONS—In Relation to Gross Business Saving, 77; Manufacturing, 77-82, 99; Trade, 77-82; Cyclical Changes, 79, 82; Relative Importance, 80-82; in Relation to Fixed Capital Expenditures, 80-81; in Relation to Fixed Capital Expenditures Plus Changes in Net Working Capital, 80-81.

TRADE SAMPLE—Source of Data, 10; Coverage, 11-12, 115-16; Methods of Analysis, 15-16; Nature of Data and Analysis, 16-18; Fixed Property Expenditures, 23-26; in Relation to Depreciation Accruals, 28-30; Net Property Revaluations, 32-34; Acquisitions of Subsidiaries, 39; Current Assets, 42, 44-48; Working Capital Requirements, 42-44; Inventory, 48; Inventory Turnover, 52-53; Receivables, 53-57; as Net Creditors, 56; Cash and Marketable Securities, 57-60; Liquidity Ratio, 58; Current Liabilities, 64, 66; Notes Payable, 68, 70; Cash Holdings in Relation to Notes Payable, 70-71; Accounts Payable, 71-73; Other Current Liabilities, 74; Total Funds Retained from Operations, 77-82; Undistributed Earnings, 82, 84; Cash Dividends, 84; Use of Capital Market, 88-89; Depreciation Accruals, 89; Security Transactions, 96-100; Financing of Fixed Capital Expenditures, 102, 104-06; New Funds from Security Sales, 105-06; Alternative Types of External Financing, 107-08.

UNDISTRIBUTED EARNINGS—Fluctuations in, 82-83; Manufacturing, 82-83; Trade, 82, 84; Railroads, 82, 84; Telephone Companies, 82, 84; in Relation to Cash Dividends, 83-84; Electric Light and Power, 84.

WORKING CAPITAL—See CURRENT ASSETS.

WORKING CAPITAL REQUIREMENTS—Manufacturing, 42-44; Trade, 42-44; Cyclical Changes, 43; see also CURRENT ASSETS.