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DEPARTMENT OF RESEARCH

BUSINESS OUTLOOK SURVEY  
Summary of Returns  
November 1972

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

Area business executives report the regional economy is continuing its upward course. The latest Business Outlook Survey of large manufacturers in the Third Federal Reserve District shows that approximately three times as many responding firms are chalking up advances in new orders and sales as are reporting decreases. And December should also be a good month according to responding executives.

Looking ahead to next year, area manufacturers expect business to remain brisk. Six out of ten executives polled predict an increase in the level of regional business activity through the first quarter of 1973. Over half expect new orders and sales for their own firms to be higher six months from now.

Some relief from rising prices may be showing up in the area. In November the proportion of business firms reporting no change in prices received for their products (slightly more than nine out of ten) is the highest since the price freeze was terminated a year ago. And a majority of executives polled expect prices they will be receiving to be unchanged six months from now.

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In summary, area business executives expect the business expansion, now approaching the two-year mark, to continue through the coming months and on into 1973. At the same time, some abatement in price pressure appears to be in the making for the regional economy.

**BUSINESS OUTLOOK SURVEY**  
SUMMARY OF RETURNS  
NOVEMBER 1972

INDICATOR	October vs. September			November vs. October			December vs. November			Six Months From Now vs. November		
	Decrease	No Change	Increase	Decrease	No Change	Increase	Decrease	No Change	Increase	Decrease	No Change	Increase
<b>GENERAL BUSINESS CONDITIONS</b>												
What is your evaluation of the level of general business activity?	2.6	31.6	57.9	2.6	44.7	42.1	10.5	39.5	36.8	5.3	23.7	63.2
<b>COMPANY BUSINESS INDICATORS</b>												
New Orders	10.5	34.2	52.6	10.5	52.6	28.9	28.9	47.4	18.4	5.3	31.6	57.9
Shipments	21.1	36.8	42.1	10.5	50.0	36.8	31.6	47.4	18.4	5.3	36.8	55.3
Unfilled Orders	15.8	44.7	31.6	7.9	65.8	15.8	10.5	68.4	10.5	7.9	47.4	34.2
Delivery Time	7.9	68.4	15.8	2.6	81.6	7.9	5.3	78.9	7.9	7.9	71.1	13.2
Inventories	15.8	50.0	31.6	15.8	60.5	21.1	18.4	57.9	21.1	15.8	36.8	44.7
Prices Paid	0.0	73.7	23.7	0.0	76.3	21.1	0.0	78.9	18.4	2.6	36.8	55.3
Prices Received	0.0	89.5	7.9	0.0	92.1	5.3	0.0	92.1	5.3	2.6	55.3	39.5
Number of Employees	5.3	76.3	18.4	5.3	84.2	7.9	2.6	92.1	2.6	7.9	55.3	34.2
Average Employee Workweek	7.9	73.7	13.2	2.6	81.6	10.5	7.9	84.2	2.6	10.5	71.1	13.2
Capital Expenditures										10.5	39.5	42.1

NOTE: Items may not add to 100 percent because of omission by respondents.