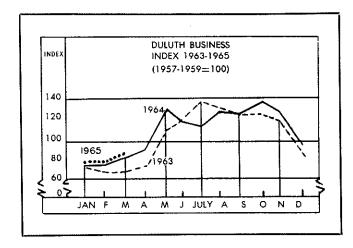
# DULUTH BUSINESS INDICATORS

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**MARCH, 1965** 

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TIME PERIOD	DULUTH INDEX
MARCH 1965	88
FEBRUARY 1965	79
FEBRUARY - MARCH CHANGE	+ 9
NORMAL SEASONAL CHANGE FEBRUARY TO MARCH	+ 4.8
MARCH 1964	85
CHANGE, MARCH 1964 TO MAR	CH 1965 + 3

# THE MONTH IN REVIEW - AN ANALYSIS

Duluth business continued to reflect a strong image in March as the Duluth Business Index for the month recorded a healthy increase over February. The unadjusted index in March was 88 (1957-1959=100), a gain of 9 index points over February. Normally in the February-March comparison economic activity rises seasonally by 4.8 points—this year, however, the gain for the same period was nearly double the average increment.

Business activity in general for the month of March ran nearly 3 index points higher than for the comparable month in 1964. It was also observed that the economy this year started on a relatively strong note and this strength has been maintained

throughout the first quarter. For the first three months of 1965, the index averaged about 2 percent higher than for a similar period last year and is 16% ahead of the normal seasonal first quarter pattern of the past 10 years.

In March, nine of the 15 components of the index recorded increases over February, three showed no activity and three recorded decreases. Of the categories experiencing March gains, four of them—freight carloadings, bank debits, building permits (in 1957-1959 dollars) and department store sales—registered greater than normal gains for this period of the year.

Advances in freight carloadings and grain shipments were influenced

by the 2.3 million bushel increase in grain handled in March. Receipts of grain by truck were up over February, while both receipts and shipments of grain by rail were higher in March. Construction activity, as measured by building permits issued, also picked up in March. The number of persons employed in building activity also recorded a 9% gain in the February-March comparison.

Despite cold weather and a later Easter this year the March department store sales index showed an increase over February. Duluth employment, while not matching the usual February-March rise of previous years, has been holding at a higher level and the employment index in March

# Seasonally Adjusted Index Numbers

Year	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	
 1964	108	113	117	106	106	99	94	103	106	118	132	111	
1065	110	116	121										

Non-Profit Organization U.S. Postage PAID PERMIT NO. 67 Duluth, Minnesota

was the highest for that one month since 1960.

In March there were 2,900 persons unemployed or 6.5% of the labor force compared to 3,000 in February which represented 6.7% of the labor force. One year ago 3,900 or 8.8% of the labor force were unemployed.

It is noteworthy that while the first quarter has traditionally been the low period of the year for business activity in this area, there has been a gradual improvement observed in recent years in the economic climate of the city during this winter period. Continued improvement of business conditions in this "trough" period will do much to flatten out our sharp seasonal cycle which has long been a characteristic of our economy.

By way of some comparison, the United States Index of Industrial Production (unadjusted) moved up to 141 (1957-59 = 100) in March from the February level of 139. For the first three months of 1965, estimates of the Gross National Product suggest that GNP is now running at an annual rate which would top \$650 billion this year. At this rate, and assuming no great change in the international situation or in national labor-management relations, the 1965 GNP would be well above the \$623 billion recorded for 1964. Thus, with the American economy continuing to push to new levels and with the opening of navigation on the Great Lakes, the progress made in building taconite plants in Northeastern Minnesota and the general pickup which accompanies the spring and summer seasons, there would seem to be ample evidence that the outlook for Dulath business activity through the summer months is good indeed.

## DULUTH BUSINESS INDICATORS - ORIGINAL DATA Feb., Mar. 1965, and Mar. 1964

COMPONENT	ORIGINAL DATA				
	March '65	Feb. '65	March '64		
Freight Carloadings (Cars)	9,885	8,128	10,782		
Bank Debits (Dollars in '000's)	172,145	133,785	152,470		
Building Permits (Adjusted \$ Value)*	453,940	3,194,132	614,622		
Postal Receipts (Dollars)	192,803	201,787	199,506		
Number of Telephones (Units)	65,600	65,323	64,041		
Electric Power (Com. K.W.H. in '000's)	11,751	11,716	11,373		
Electric Power (Res. K.W.H. in '000's)	13,647	15,035	12,669		
Number of Electric Customers	33,264	33,300	33,600		
Grain Shipments (Bushels in '000's)	11,713	9,372	22,975		
Coal Receipts (short Tons in '000's)	0	0	0		
Iron Ore Shipments (Gross Tons in '000's)	0	0	0		
Other Lake Cargo (Short Tons in '000's)	0	0	0		
Duluth Nonagricultural Empl. (Persons)	37,200	37,100	36,100		
Dept. Store Sales Index (Percent)					
State Metal Mining Empl. (Persons)	11,600	11,300	10,100		

### DULUTH BUSINESS INDICATORS - INDEX NUMBERS Feb., Mar. 1965, and Mar. 1964 (1957 - 59 = 100)

IND	EX NU	MBERS	CHANGE		
March ′65	Feb. '65	March '64	to	to	
87	71	95	<b>—</b> 8	+16	
107	83	95	+12	+24	
103	70	78	+25	+33	
121	127	125	4	6	
118	118	115	+ 3	0	
164	164	159	+ 5	0	
166	183	155	+11	17	
99	99	100	1	0	
48	38	93	45	+10	
0	0	0	0	0	
0	0	0	0_	0	
0	0	0	. 0	0	
89	89	87	+ 2	0	
85	69	82	+ 3	+16	
73	71	63	+10	+ 2	
88	79	85	+ 3	+ 9	
	March '65  87 107 103 121 118 164 166 99 48 0 0 0 89 85 73	March '65         Feb. '65           87         71           107         83           103         70           121         127           118         118           164         164           166         183           99         99           48         38           0         0           0         0           0         0           89         89           85         69           73         71	'65         '65         '64           87         71         95           107         83         95           103         70         78           121         127         125           118         118         115           164         164         159           166         183         155           99         99         100           48         38         93           0         0         0           0         0         0           0         0         0           0         0         0           89         89         87           85         69         82           73         71         63	March '65         Feb. '65         March '64 '10 (Amr. '65)         Mar. '64 '10 (Amr. '65)           87         71         95         — 8           107         83         95         +12           103         70         78         +25           121         127         125         — 4           118         118         115         + 3           164         164         159         + 5           166         183         155         +11           99         99         100         — 1           48         38         93         — 45           0         0         0         0           0         0         0         0           0         0         0         0           0         0         0         0           0         0         0         0           0         0         0         0           0         0         0         0           89         89         87         + 2           85         69         82         + 3           73         71         63         +10	

For monthly data back to 1951 and for sources of data, see DULUTH BUSINESS INDICATORS Annual Summary, 1964, a publication of the Business and Economics Series of the Social Sciences Research Trust Fund, University of Minnesota, Duluth, 1965.

\* The Building Permits Index is adjusted to reflect the amount of construction occurring during the month.