

This PDF is a selection from an out-of-print volume from the National Bureau of Economic Research

Volume Title: Capital in Manufacturing and Mining: Its Formation and Financing

Volume Author/Editor: Daniel Creamer, Sergei Dobrovolsky, and Israel Borenstein, assisted by Martin Bernstein

Volume Publisher: UMI

Volume ISBN: 0-870-14104-X

Volume URL: <http://www.nber.org/books/crea60-1>

Publication Date: 1960

Chapter Title: Financial Series: Notes and Supporting Tables

Chapter Author: Daniel Creamer, Sergei P. Dobrovolsky, Israel Borenstein, Martin Bernstein

Chapter URL: <http://www.nber.org/chapters/c1396>

Chapter pages in book: (p. 326 - 340)

## APPENDIX C

### Financial Series: Notes and Supporting Tables

#### *A. Estimates of External Financing by Manufacturing and Mining Corporations, 1900-1953*

##### I. CAPITAL STOCK ISSUES

a. 1900-1949. Our estimates of the value of net capital stock issues of manufacturing and mining corporations for 1900-1949 are based on the data on preferred and common stock issues of industrial corporations in Raymond W. Goldsmith's *A Study of Saving in the United States*, Princeton University Press, 1955, Volume I (see, in particular, Tables V-9, V-17, and V-18, pp. 482, 492, and 494 for preferred stock issues and Table V-19, p. 496 for common stock issues).

Goldsmith's "industrials" group contains not only manufacturing and mining, but also trade, service, agriculture, shipping, and construction. Therefore, to estimate the value of net capital stock issues of manufacturing and mining corporations for 1919-1948, we multiplied his "industrial" issues by annual ratios of net capital issues in manufacturing and mining (from the *Commercial and Financial Chronicle [CFC]*) to the *CFC* stock issues data for shipping, land and buildings, mining and manufacturing, and miscellaneous (adjusted as explained below). The *CFC* "miscellaneous" category contains commercial banks and insurance companies as well as trade, service, and agriculture. However, commercial banks and insurance companies are not in Goldsmith's "industrials" category. Therefore, to eliminate their net issues from the *CFC* "miscellaneous" group, we multiplied the *CFC* "miscellaneous" net issues by an average of the ratios of capital stock outstanding as of the end of 1939 and 1950 in trade, service, and agriculture to capital stock outstanding in these industries plus commercial banks and insurance companies. (Data on outstandings are from *Statistics of Income*, 1939 and 1950, Bureau of Internal Revenue [now Internal Revenue Service], Part 2.)

Estimates of the value of net capital stock issues of manufacturing and mining corporations for 1900-1918 were then made by multiplying Goldsmith's "industrial" stock issues for these years by an average of the 1919-1929 ratios of our final estimates of net capital stock issues of manufacturing and mining corporations to Goldsmith's "industrial" stock issues.

Since Goldsmith presents separate data on preferred and common stock issues of new incorporations in all industries, we assumed that Goldsmith's small-issues data for industrials, included in his estimates

## NOTES AND SUPPORTING TABLES

of stock issues, do not, however, include new corporations. To estimate the value of stock issues of new incorporations in manufacturing, we first secured the annual average value (\$233 million) of such issues during 1946–1948 from Lawrence Bridge's "The Financing of Investment by New Firms" (Conference on Research in Business Finance, National Bureau of Economic Research, 1952) Table 1, p. 68. To the \$233 million we then added an estimate of the annual average value of capital stock issued by new mining corporations. The latter estimate (\$35 million) was computed by multiplying \$233 million by the 1948 ratio of capital stock outstanding in mining to that in manufacturing for corporations with an asset-size of less than \$1 million (*Statistics of Income* data). The 1946–1948 average value of stock issues for new manufacturing and mining corporations was multiplied by an annual index (1946–1948 = 100) of the value of capital stock issued by all new corporations. This gave us estimates of the value of issues of new manufacturing and mining corporations for 1900–1949. (The index of stock issues is from Raymond W. Goldsmith, *op. cit.*, Table V-43, p. 525.) The sum of the value of capital stock issues of new plus existing manufacturing and mining corporations gives us a final series on funds received from capital stock financing in 1900–1949.

b. 1950–1953. Our 1900–1949 series was extrapolated to 1953 as follows: (1) we computed an average of the 1948–1949 ratios of our estimates of the value of manufacturing and mining net capital stock issues to Securities and Exchange Commission estimates of the value of manufacturing net capital stock issues; (2) we multiplied this average ratio by SEC data, 1950–1953, on annual manufacturing net capital stock issues. (The SEC data are from the *Survey of Current Business*, April 1954, Table 3, p. 16.)

### 2. BOND ISSUES

a. 1900–1943. Since it was not possible to obtain a series on net cash proceeds through flotation of manufacturing and mining bond issues for 1900–1943, we used a series on the annual change in bonds outstanding. Changes in bonds outstanding and cash flows originating in bonds transactions are, however, similar with respect to relative magnitude, cyclical amplitude, and timing at cyclical turning points (see W. Braddock Hickman, *The Volume of Corporate Bond Financing since 1900*, Princeton University Press for the National Bureau of Economic Research, 1953, pp. 220–227). Data on changes in manufacturing and mining bonds outstanding are from unpublished tables supplied by Hickman.

b. 1944–1953. For 1944–1953, SEC data on net debt issues were used. The SEC published no data for mining for this period and initiated a

## APPENDIX C. FINANCIAL SERIES

series for manufacturing net debt issues in 1948; thus, estimates were made for manufacturing and mining for 1944–1947 and for mining for 1948–1953. Mining is in the SEC “commercial and miscellaneous” group. Hence, to estimate mining net debt issues for 1948–1953, we multiplied the net debt issues of the “commercial and miscellaneous” group, 1948–1953, by an average of the annual ratios, 1941–1943, of mining bonds outstanding to the bonds outstanding of industries represented in the “commercial and miscellaneous” group. (Data on outstandings are from Hickman’s unpublished tables.) The value of mining debt issues thus estimated plus the SEC data on net debt issues available for manufacturing, 1948–1953, give us annual estimates for this period.

To secure estimates of net debt issues, 1944–1947, for mining and manufacturing, we first took an average over 1948–1950 of the annual ratios of SEC manufacturing and estimated mining (as described above) net debt issues to the issues of the SEC “manufacturing” plus “commercial and miscellaneous” group. We then applied this average to the net bond issues of Hickman’s “industrial” group in 1944–1947. Hickman’s “industrial” group is comparable in industrial coverage with the SEC “manufacturing” and “commercial and miscellaneous” groups combined. (SEC net debt issues data are from *Survey of Current Business*, *op. cit.* Hickman’s “industrial” net debt issues data for 1944–1947 are from his study, cited above, Table 26, p. 230.)

### *B. Estimates of Internal Financing by Manufacturing and Mining Corporations, 1900–1953*

In this study we have utilized the net and gross concepts of internal financing. Net internal financing or retained net profits is defined as net income after subtracting depreciation, depletion, taxes and cash dividends paid out by corporations. Gross internal financing is derived by adding back depreciation and depletion expenses to retained net profits.

#### 1. RETAINED NET PROFITS

Data for retained profits for 1900–1915 are from Raymond W. Goldsmith’s *A Study of Saving in the United States*, Princeton University Press, 1955, Volume I, Table C-4, p. 917; 1916–1922: *ibid.*, Table C-27, p. 939; 1923–1948: *ibid.*, Table C-32, p. 943. Since Goldsmith’s data for 1923–1948 are from *Statistics of Income*, Part 2, the series was continued to 1953 using this source. Retained net profits were derived by subtracting dividends paid in “cash and other assets other than own stock” from “compiled net profits less tax” of all manufacturing and mining corporations filing tax returns.

## NOTES AND SUPPORTING TABLES

### 2. DEPRECIATION AND DEPLETION

Data for depreciation for 1900–1947 are from Raymond W. Goldsmith, *op. cit.*, Table C-42, p. 957, and for 1948–1953, from *Statistics of Income*, Part 2. Data for depletion for 1900–1924 are from Goldsmith, *op. cit.*, Table C-46, p. 963, and for 1925–1953, from *Statistics of Income*, Part 2. Since Goldsmith's data for depletion cover all industries, we estimated depletion of manufacturing and mining corporations at 90 per cent of the total. Amortization (accelerated depreciation) of emergency facilities as reported in *Statistics of Income*, Part 2, are also included in depreciation and depletion for 1940–1953.

#### C. Estimates of Expenditures for New Plant and Equipment by Manufacturing and Mining Corporations, 1900–1953

##### 1. 1919–1953

Expenditures for new plant and equipment by manufacturing and mining corporations were estimated for 1919–1953 by adjusting available annual data on expenditures of all manufacturing and mining establishments to a corporation level. The adjustment was made by applying to the establishment data ratios of net fixed capital of all manufacturing and mining corporations to that of all manufacturing and mining establishments.

For 1919–1938, capital expenditures of all manufacturing and mining establishments are from George Terborgh, "Estimated Expenditures for New Durable Goods, 1919–1938," *Federal Reserve Bulletin*, September 1939, Table 2, p. 732. Data for 1939–1950 (which are a continuation of the Terborgh series) are from *The Midyear Economic Report of the President*, July 1952, Table B-18, p. 159. New plant and equipment expenditures data for 1950 and for 1951–1953 for manufacturing are from the *Survey of Current Business*, September 1953, p. 4, Table 3, and September 1954, p. 4, Table 2, respectively. Since the 1950 figure for mining in the SCB, September 1953, was not identical with that in *The Midyear Economic Report*, *op. cit.*, the data in the SCB, *op. cit.*, for mining were used to extrapolate the 1939–1950 data from *The Midyear Economic Report* to 1953. Ratios of net fixed capital of corporations to that of all establishments are from worksheets used for Part I of the present study.

##### 2. 1900–1918

Estimates of capital expenditures were made for 1900–1918 by converting annual data on the value of domestic consumption of (1) construction materials and (2) industrial machinery and equipment

APPENDIX C. FINANCIAL SERIES

into weighted index numbers (1919=100) and extrapolating the 1919-1953 series back to 1900 using these indexes.

The two annual domestic consumption series are from William H. Shaw, *Value of Commodity Output since 1869, op. cit.*, Table I-1, pp. 52-53 and Table I-2, p. 69. Weights used in constructing the index numbers are based on the relative importance of expenditures for plant and for equipment by all manufacturing establishments during 1915-1919. (Expenditures are from Lowell J. Chawner, "Capital Expenditures for Manufacturing Plant and Equipment—1915 to 1940," *Survey of Current Business*, March 1941, Department of Commerce, Table 1, p. 10.)

*D. Ratios of Selected Balance Sheet Items To Total Assets of  
Manufacturing and Mining Corporations, By Asset Size,  
1937 and 1948*

The balance sheet ratios presented in Table C-4 are based on data in *Statistics of Income, op. cit.*, for 1937 and 1948, and its unpublished "Source Books." Ratios were calculated for corporations in the following ten asset-size groups (in thousands of dollars):

- |                            |                                 |
|----------------------------|---------------------------------|
| 1. Under \$50              | 6. \$1,000 and under \$5,000    |
| 2. \$50 and under \$100    | 7. \$5,000 and under \$10,000   |
| 3. \$100 and under \$250   | 8. \$10,000 and under \$50,000  |
| 4. \$250 and under \$500   | 9. \$50,000 and under \$100,000 |
| 5. \$500 and under \$1,000 | 10. \$100,000 and over          |

Since data for all balance sheet items of mining corporations and for government securities in the current assets account of manufacturing corporations are not available separately for income-size groups 9 and 10, a combined ratio for these groups could be calculated only for the combined mining and manufacturing industries shown in Table C-4, Panel A.

In order to make data as presented in *Statistics of Income for 1948* comparable with those in 1937, we subtracted the "oil and gas field contract services" minor industry from mining in 1948 and added to mining for this year the "lessors of mining, oil and similar properties" minor industry (the latter being in the "finance, insurance, real estate and lessors of real property" major group in 1948). Data for the minor industries are available in the "Source Book" to *Statistics of Income for 1948*.

NOTES AND SUPPORTING TABLES

*E. Supporting Tables*

TABLE C-1

External Financing through Net Capital Stock and Net Bond Issues,  
All Manufacturing and Mining Corporations, 1900-1953  
(millions of dollars)

	<i>Type of Issue</i>		
	<i>Net Capital Stock (1)</i>	<i>Net Bond (2)</i>	<i>Net Security (Col. 1) + (Col. 2) (3)</i>
1900	128	37	165
1901	256	557	813
1902	141	151	292
1903	119	252	371
1904	103	74	177
1905	118	122	240
1906	165	113	278
1907	168	125	293
1908	136	107	243
1909	183	139	322
1910	178	124	302
1911	203	206	409
1912	288	50	338
1913	185	- 10	175
1914	120	66	186
1915	146	- 32	114
1916	567	130	697
1917	396	126	522
1918	307	129	436
1919	1,145	13	1,158
1920	917	575	1,492
1921	281	544	825
1922	328	266	594
1923	518	244	762
1924	336	136	472
1925	696	163	859
1926	591	500	1,091
1927	505	362	867
1928	1,196	- 182	1,014
1929	1,727	- 528	1,199
1930	398	141	539
1931	81	- 168	- 87
1932	25	- 347	- 322
1933	142	- 305	- 163
1934	99	- 287	- 188
1935	13	- 458	- 445
1936	171	- 155	16
1937	553	- 304	249
1938	107	382	489
1939	131	- 86	45

(continued)

APPENDIX C. FINANCIAL SERIES

TABLE C-1 (concluded)

	<i>Type of Issue</i>		
	<i>Net Capital Stock (1)</i>	<i>Net Bond (2)</i>	<i>Net Security (Col. 1) + (Col. 2) (3)</i>
1940	118	- 135	- 17
1941	103	- 146	- 32
1942	59	109	168
1943	38	- 36	2
1944	192	- 231	- 39
1945	543	- 303	240
1946	1,271	830	2,101
1947	1,008	974	1,982
1948	549	1,610	2,159
1949	472	750	1,222
1950	206	205	411
1951	1,378	1,796	3,174
1952	1,117	2,741	3,858
1953	174	1,349	1,523

Source: See Appendix C, section A.

TABLE C-2

Internal Financing, All Manufacturing and Mining Corporations, 1900-1953  
(millions of dollars)

	<i>Retained Net Profit (1)</i>	<i>Depreciation and Depletion (2)</i>	<i>Gross Internal Financing (Col. 1 + Col. 2) (3)</i>
1900	351	219	570
1901	396	238	634
1902	594	258	852
1903	544	281	825
1904	252	306	558
1905	374	333	707
1906	540	362	902
1907	495	394	889
1908	263	428	691
1909	534	467	1,001
1910	574	509	1,083
1911	368	551	919
1912	590	595	1,185
1913	512	645	1,157
1914	338	666	1,004

(continued)



NOTES AND SUPPORTING TABLES

TABLE C-2 (concluded)

	<i>Retained Net Profit (1)</i>	<i>Depreciation and Depletion (2)</i>	<i>Gross Internal Financing (Col. 1+Col. 2) (3)</i>
1915	1,054	713	1,767
1916	2,912	1,087	3,999
1917	3,189	1,317	4,506
1918	1,209	1,672	2,881
1919	2,614	1,459	4,073
1920	1,032	1,680	2,712
1921	-2,207	1,630	-577
1922	870	1,856	2,726
1923	1,121	2,041	3,162
1924	470	2,017	2,487
1925	1,269	2,068	3,337
1926	998	2,265	3,263
1927	174	2,281	2,455
1928	790	2,340	3,130
1929	1,048	2,489	3,537
1930	-2,042	2,434	392
1931	-3,199	2,148	-1,051
1932	-3,248	1,955	-1,293
1933	-1,187	1,899	712
1934	-687	1,784	1,097
1935	-282	1,778	1,496
1936	23	1,878	1,901
1937	-24	2,039	2,015
1938	-629	1,957	1,328
1939	613	2,002	2,615
1940	1,220	2,136	3,356
1941	2,571	2,394	4,965
1942	2,847	2,757	5,604
1943	3,388	3,106	6,494
1944	2,596	3,381	5,977
1945	1,284	3,926	5,210
1946	3,626	2,846	6,472
1947	6,359	3,706	10,065
1948	6,934	4,692	11,626
1949	3,908	4,856	8,764
1950	7,116	5,411	12,527
1951	4,941	6,373	11,314
1952	3,082	7,150	10,232
1953	3,144	8,251	11,395

Source: See Appendix C, section B.

APPENDIX C. FINANCIAL SERIES

TABLE C-3

Expenditures for New Plant and Equipment, All Manufacturing and Mining Corporations, 1900-1953  
(millions of dollars)

1900	746	1920	3,131	1940	2,922
1901	743	1921	1,808	1941	3,797
1902	842	1922	1,935	1942	2,953
1903	875	1923	2,396	1943	2,432
1904	760	1924	2,112	1944	2,689
1905	906	1925	2,456	1945	4,128
1906	1,115	1926	2,865	1946	6,857
1907	1,173	1927	2,589	1947	8,770
1908	870	1928	2,777	1948	9,271
1909	1,060	1929	3,283	1949	7,355
1910	1,159	1930	2,325	1950	7,628
1911	1,090	1931	1,316	1951	10,966
1912	1,192	1932	855	1952	11,746
1913	1,280	1933	915	1953	12,370
1914	1,090	1934	1,349		
1915	1,181	1935	1,658		
1916	1,806	1936	2,276		
1917	2,489	1937	3,100		
1918	2,808	1938	1,704		
1919	2,753	1939	2,164		

Source: See Appendix C, section C.

NOTES AND SUPPORTING TABLES

TABLE C-4  
Selected Balance Sheet Items as Percentages of Total Assets All Manufacturing and Mining Corporations, 1937 and 1948  
(per cent)

	A. ALL RETURNS WITH BALANCE SHEET									
	All Classes	1937								
		Asset-size Class								
	1	2	3	4	5	6	7	8	9	10
Assets										
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Current	37.6	47.6	46.4	45.1	43.1	41.5	37.5	36.9	33.2	33.2
Fixed	42.1	39.7	40.7	42.3	43.2	43.2	43.7	42.9	41.0	41.0
All other	20.3	11.9	12.7	12.6	13.7	15.3	18.8	20.2	25.8	25.8
Debt and net worth	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total debt	26.2	57.7	44.0	38.8	32.9	30.4	26.8	24.9	23.5	23.3
Short-term	16.9	48.9	36.6	31.2	24.8	22.3	18.4	14.6	13.8	13.5
Bonds, notes and mortgages payable—less than one yr.	4.6	12.8	10.9	10.1	8.9	8.0	6.3	4.3	3.5	2.5
Accounts payable	8.2	25.0	17.5	13.8	11.0	9.4	7.7	5.9	5.9	8.0
Other liabilities	4.2	11.1	8.1	7.4	4.9	4.9	4.4	4.5	4.4	3.0
Long-term	9.3	8.8	7.4	7.5	8.1	8.1	8.4	10.3	9.7	9.8
Net worth	73.8	42.3	56.0	61.2	67.1	69.6	73.2	75.1	76.5	76.7
Capital stock	46.9	83.9	62.1	58.2	53.1	49.8	46.2	44.8	44.6	44.7
Preferred	9.3	5.8	5.8	7.5	8.4	9.1	9.6	10.5	8.8	9.6
Common	37.6	78.0	56.3	50.7	44.7	40.6	36.6	34.4	35.8	35.0
Surplus	26.9	-41.6	-6.1	3.1	14.1	19.1	27.0	30.3	31.9	32.0
Current ratio <sup>a</sup>	2.22	1.03	1.30	1.48	1.82	1.93	2.25	2.56	2.67	2.46

(continued)

APPENDIX C. FINANCIAL SERIES

TABLE C-4 (continued)

A. ALL RETURNS WITH BALANCE SHEET											
1948											
Assets	All Classes	Asset-size Class									
		1	2	3	4	5	6	7	8	9	10
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Current	53.5	55.0	56.8	57.5	58.6	58.9	58.1	55.4	54.0	48.6	
Fixed	34.9	36.7	35.6	35.0	33.9	32.7	32.7	34.2	32.5	37.1	
All other	11.6	8.3	7.6	7.5	7.5	8.4	9.2	10.4	13.5	14.3	
Debt and net worth	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total debt	30.9	54.4	43.1	39.8	36.6	33.5	30.4	27.9	29.7	30.1	
Short-term	21.0	41.7	32.9	30.4	28.2	26.5	23.5	20.7	20.1	19.6	
Bonds, notes and mortgages payable—less than one yr.	3.1	9.4	7.4	6.8	6.0	6.1	5.0	3.6	3.0	1.5	
Accounts payable	9.2	20.2	15.9	14.4	12.5	10.6	8.8	8.0	7.6	8.6	
Other liabilities	8.7	12.1	9.5	9.3	9.8	9.8	9.7	9.1	9.5	9.4	
Long-term	9.9	12.7	10.2	9.3	8.3	7.0	6.9	7.2	9.8	10.2	
Net worth	69.1	45.6	56.9	60.2	63.4	66.5	69.6	72.1	70.1	70.3	
Capital stock	27.8	62.3	42.6	35.4	30.9	27.3	24.7	23.1	23.9	26.4	
Preferred	5.3	3.5	3.2	3.3	3.5	3.9	4.2	4.1	5.4	8.3	
Common	22.5	58.8	39.4	32.1	27.4	23.4	20.5	19.0	18.6	18.1	
Surplus	41.3	-16.7	14.3	24.8	32.5	39.2	44.8	49.0	46.2	43.9	
Current ratio <sup>a</sup>	2.55	1.32	1.73	1.89	2.07	2.25	2.51	2.81	2.75	2.76	

(continued)

NOTES AND SUPPORTING TABLES

TABLE C-4 (continued)

		B. RETURNS WITH NET INCOME											
		1937											
Assets	All Classes	Asset-size Class											
		1	2	3	4	5	6	7	8	9	10		
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Current	39.2	55.4	52.9	51.6	49.9	47.7	45.7	41.7	39.6	33.5			
Fixed	39.6	34.9	36.1	36.9	38.3	39.4	39.2	39.2	39.7	41.1	39.9		
All other	21.2	9.7	11.0	11.5	11.8	12.9	15.1	19.1	20.7	26.3			
Debt and net worth	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total debt	22.4	39.9	34.0	31.7	27.1	24.4	22.4	20.5	20.6	22.1	21.6		
Short-term	14.9	34.9	28.9	26.2	21.2	19.1	16.6	13.7	12.9	10.7	13.7		
Bonds, notes and mortgages payable—less than one yr.	3.6	8.2	8.3	7.9	7.2	6.3	5.3	3.8	3.2	2.0	2.2		
Accounts payable	7.4	18.5	14.0	11.6	9.4	8.3	6.9	5.5	5.2	6.0	8.5		
Other liabilities	3.9	8.2	6.6	6.7	4.6	4.5	4.4	4.4	4.5	2.7	3.0		
Long-term	7.5	5.0	5.1	4.5	5.9	5.3	5.8	6.8	7.7	11.4	7.9		
Net worth	77.6	60.0	66.0	68.5	72.8	75.5	77.4	79.5	79.3	77.8	78.3		
Capital stock	45.6	67.7	55.6	52.2	48.2	46.2	44.3	43.4	45.1	38.9	46.9		
Preferred	9.3	3.6	4.7	6.4	7.6	8.7	9.4	10.1	9.1	8.8	10.1		
Common	36.3	64.0	50.9	45.7	40.6	37.6	35.0	33.3	36.0	30.1	36.8		
Surplus	32.0	-7.7	10.4	16.3	24.6	29.3	33.1	36.1	34.2	38.9	31.4		
Current ratio <sup>a</sup>	2.63	1.58	1.83	1.97	2.35	2.50	2.75	3.04	3.07	3.84	2.91		

(continued)

APPENDIX C. FINANCIAL SERIES

TABLE C-4 (continued)

		B. RETURNS WITH NET INCOME											
		1948											
Assets	All Classes	Asset-size Class											
		1	2	3	4	5	6	7	8	9	10		
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Current	53.9	59.3	60.6	61.2	61.6	60.5	59.2	56.1	53.8	48.5			
Fixed	34.4	33.7	32.8	31.8	31.4	31.3	31.7	33.5	32.6	37.1			
All other	11.7	7.0	6.6	7.0	7.0	8.2	9.1	10.4	13.6	14.4			
Debt and net worth	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total debt	29.6	39.4	34.8	32.8	30.7	28.5	26.8	29.4	29.4	29.8			
Short-term	20.2	31.2	27.9	26.4	25.2	22.7	20.2	20.1	19.2	18.3			
Bonds, notes and mortgages payable—less than one yr.	2.6	5.6	5.3	4.9	5.1	4.2	3.3	2.7	1.4	1.7			
Accounts payable	8.8	14.7	13.4	11.2	9.7	8.4	7.6	7.7	8.4	9.1			
Other liabilities	8.8	10.9	9.2	10.3	10.4	10.1	9.3	9.7	9.4	7.5			
Long-term	9.4	8.2	6.9	6.4	5.5	5.8	6.6	9.3	10.2	11.5			
Net worth	70.4	60.6	65.2	67.3	69.5	71.7	73.2	70.7	70.6	70.0			
Capital stock	27.4	50.2	37.1	29.0	25.7	24.0	23.2	24.1	26.7	30.0			
Preferred	5.3	2.2	2.2	3.1	3.4	4.1	4.2	5.4	8.4	5.8			
Common	22.0	48.0	34.9	25.8	22.2	19.9	19.0	18.7	18.3	24.2			
Surplus	43.0	10.4	28.1	38.3	43.8	47.7	50.0	46.6	43.9	40.0			
Current ratio <sup>a</sup>	2.67	1.90	2.17	2.20	2.44	2.67	2.93	2.79	2.80	2.65			

(continued)

NOTES AND SUPPORTING TABLES

TABLE C-4 (continued)

		C. RETURNS WITHOUT NET INCOME									
		1937									
		Asset-size Class									
All		1	2	3	4	5	6	7	8	9	10
Classes											
Assets											
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Current	30.9	47.3	41.6	38.9	36.0	33.6	30.2	24.6	23.6	28.3	28.3
Fixed	52.6	39.3	43.7	46.2	50.0	51.1	53.7	57.5	58.8	52.6	52.6
All other	16.5	13.4	14.7	14.9	14.0	15.3	16.1	17.9	17.6	17.1	17.1
Debt and Net worth	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total debt	42.6	69.0	55.1	49.5	43.6	42.5	38.2	38.4	37.6	43.4	43.4
Short-term	25.5	57.8	45.2	38.9	31.3	28.7	22.9	17.6	18.1	17.1	17.1
Bonds, notes and mortgages payable—less than one yr.	8.8	15.6	13.8	13.3	11.9	11.6	8.8	5.6	4.9	6.7	6.7
Accounts payable	11.4	29.2	21.5	17.0	14.0	11.6	9.9	7.2	9.1	6.7	6.7
Other liabilities	5.3	13.0	9.9	8.6	5.4	5.5	4.2	4.8	4.1	3.7	3.7
Long-term	17.1	11.2	9.9	10.6	12.3	13.8	15.3	20.8	19.5	26.3	26.3
Net worth	57.4	30.9	44.7	50.5	56.5	57.5	61.9	61.5	62.3	56.6	56.6
Capital stock	52.3	94.2	69.5	67.1	62.1	57.0	51.1	49.1	41.9	35.2	35.2
Preferred	8.9	7.2	7.0	9.0	9.9	10.1	10.1	11.6	7.3	6.8	6.8
Common	43.4	87.0	62.4	58.1	52.2	46.9	41.0	37.5	34.6	28.4	28.4
Surplus	5.1	-63.3	-24.7	-16.6	-5.6	0.5	10.8	12.4	20.4	21.4	21.4
Current ratio <sup>a</sup>	1.21	0.81	0.92	1.00	1.15	1.17	1.32	1.40	1.30	1.65	1.65

(continued)

APPENDIX C. FINANCIAL SERIES

TABLE C-4 (concluded)

		C. RETURNS WITHOUT NET INCOME												
		1948												
Assets	All Classes	Asset-size Class												
		1	2	3	4	5	6	7	8	9	10			
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
Current	47.3	50.2	49.6	47.4	48.7	47.4	47.4	47.4	45.7	45.7	42.5	40.2	67.1	58.3
Fixed	42.4	40.0	41.0	42.8	41.5	42.8	40.9	43.7	43.7	47.5	47.5	49.4	25.5	27.3
All other	10.3	9.8	9.4	9.8	9.8	9.8	9.8	10.6	10.6	10.0	10.0	10.4	7.4	14.4
Debt and net worth	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total debt	50.6	70.9	59.2	56.3	53.1	53.1	49.5	47.5	47.5	42.7	42.7	42.2	55.4	49.3
Short-term	33.0	53.3	42.7	39.5	36.5	36.5	34.3	30.7	30.7	26.6	26.6	22.4	48.3	16.9
Bonds, notes and mortgages payable—less than one yr.	11.0	13.5	11.6	11.3	10.7	10.7	11.8	12.1	12.1	8.5	8.5	9.2	8.4	11.0
Accounts payable	14.7	26.3	21.0	19.8	18.2	18.2	15.8	12.0	12.0	12.6	12.6	6.7	25.9	4.6
Other liabilities	7.3	13.5	10.1	8.4	7.6	7.6	6.7	6.6	6.6	5.5	5.5	6.5	14.0	1.3
Long-term	17.6	17.6	16.5	16.8	16.6	16.6	15.2	16.7	16.7	16.1	16.1	19.8	7.1	32.4
Net worth	49.4	29.3	40.8	43.7	46.9	46.9	50.6	52.6	52.6	57.3	57.3	57.8	44.7	50.7
Capital stock	34.9	75.7	53.3	45.7	39.3	39.3	36.1	31.0	31.0	22.4	22.4	20.7	3.1	16.5
Preferred	5.5	5.1	5.2	5.4	5.4	5.4	6.5	5.5	5.5	3.6	3.6	4.4	0.0	11.8
Common	29.4	70.6	48.2	40.3	33.9	33.9	29.6	25.5	25.5	18.8	18.8	16.3	3.1	4.8
Surplus	14.5	-46.4	-12.5	-2.0	7.6	7.6	14.5	21.6	21.6	34.9	34.9	37.1	41.6	34.2
Current ratio <sup>a</sup>	1.43	0.94	1.16	1.23	1.30	1.30	1.43	1.49	1.49	1.60	1.60	1.79	1.40	3.45

Note: Data do not add to total due to rounding. For asset-size classes, see Appendix C, section D.

<sup>a</sup> Current assets divided by current liabilities (short-term debt).

Source: *Statistics of Income, 1937 and 1948*, Part 2 and their unpublished "Source Book," Bureau of Internal Revenue (now Internal Revenue Service).