

The original documents are located in Box C7, folder “Presidential Handwriting, 12/3/1974” of the Presidential Handwriting File at the Gerald R. Ford Presidential Library.

Copyright Notice

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Gerald Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

Central Filed

THE PRESIDENT HAS SEEN *mf*

COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

ALAN GREENSPAN, CHAIRMAN
WILLIAM J. FELLNER
GARY L. SEEVERS

December 3, 1974

mf

MEMORANDUM FOR THE PRESIDENT

Subject: Manufacturers' Orders, Shipments and Inventories
in October

New orders received by manufacturers fell almost 1 percent in October following a decline of more than 3-1/2 percent in September. On a physical volume basis the corresponding changes are -2.8 percent for October and -4.3 percent for September. With demand weakening, businessmen are cutting back their orders in order to reduce inventories. This is typically happening in the recession phase of the business cycle and while it is happening it has a depressing effect on manufacturing production and employment.

The book value of manufacturers' inventories rose \$2.1 billion in October, which was the smallest increase since April. The ratio of inventories to shipments edged down in October but was well above the ratio of October 1973.

These figures were released on Tuesday, December 3 at 2:00 p. m.

William Fellner

William Fellner
Member

[Handwritten signature of Alan Greenspan]

Alan Greenspan
Chairman

