

monthly statistical report

NINTH DISTRICT CONDITIONS federal reserve bank of minneapolis



DISTRICT SPRING WHEAT ACREAGE RISES 1971 CORN PLANTINGS ALSO INCREASE

District farmers intend to plant 58.2 million acres in major crops this year, according to recent surveys by the U. S. Department of Agriculture. This is an increase of 4 percent over 1970 major crop acreage and an increase of 8 percent from 1969. Fewer idle acres in wheat growing areas and smaller acreage diversions in corn and soybean areas apparently account for this increase.

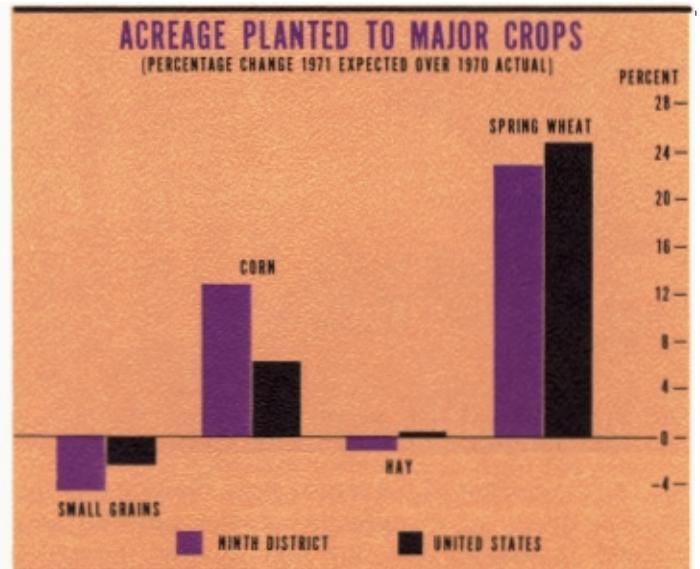
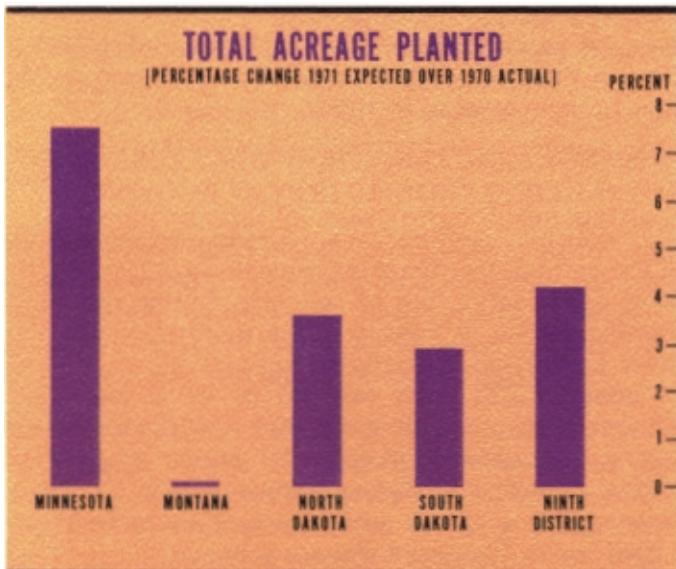
The primary factor in the overall increase is an intended expansion of 22 percent in the acreage devoted to spring wheat. This reflects the new wheat program's more liberal stand on total farm wheat acreage. The 2.4 million acre expansion is attributable to a 21 percent increase in durum wheat acreage and a 23 percent increase in plantings of other spring wheats. About 25 percent of all spring wheat grown in the district this year will be durum, according to these planting intentions.

The expanded wheat acreage will come partly from the use of formerly idle land and partly from a substitution of wheat plantings for oats and flax; acreage planted to these two crops is expected to decline

by 1.7 million acres or about 13 percent.

An increase of 1.2 million acres in intended corn plantings and a 300 thousand acre increase in soybeans will also contribute to the overall rise in district crop acreage. Practically all of the district's corn and soybeans are grown in southern Minnesota and eastern South Dakota. Minnesota farmers plan a 16 percent increase in corn acreage and a 6 percent increase in soybean acreage. South Dakota farmers plan a 10 percent increase in corn and a 2 percent increase in soybeans. It appears that these increases will be accomplished by plowing some of the acreage formerly in hay crops and by reducing the acreages diverted under the feed grain program.

More land will also be sown to barley, which accounts for about 9 percent of total district major crop acres. The largest part of this expansion will be in Minnesota, where barley production, mostly confined to the northern part of the Red River Valley area, is expected to increase by 200 thousand acres. Although North Dakota and Montana each produce about 40 percent of the district's barley crop, the survey showed only a small increase in intentions to plant barley in North Dakota and an 8 percent decline in Montana.

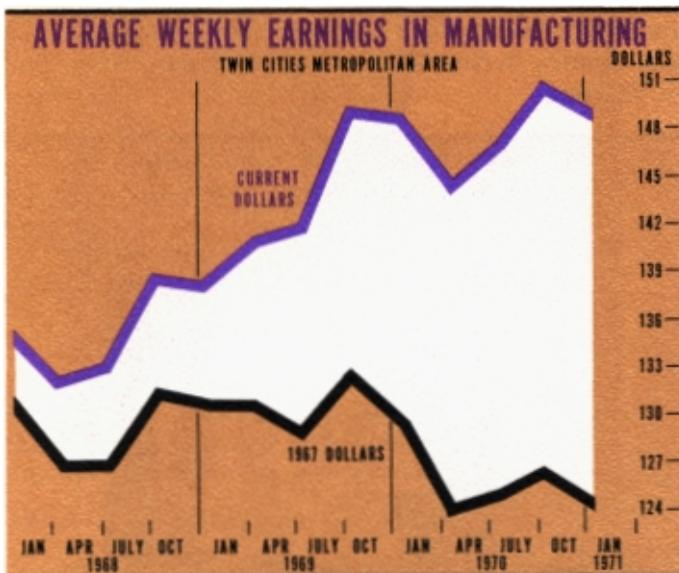


LABOR CONDITIONS REMAIN LITTLE CHANGED DEFENSE SPENDING CUT HURTS DISTRICT

Business indicators fail to show a revival in district business activity in early 1971. Jobs remain scarce, and revised data indicate that the district's unemployment rate has edged upward slightly in recent months. Preliminary estimates place the district's unemployment rate, seasonally adjusted, at 5.2 percent in February. In the three-month period ending in February the district's rate of joblessness also averaged 5.2 percent. This compares with an average of 5.1 percent in the preceding three-month period. The national unemployment rate was 5.8 percent in February.

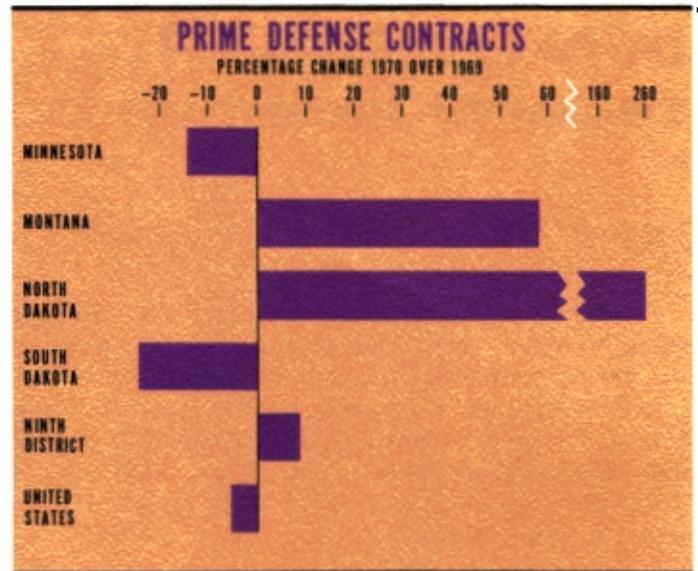
The number of workers on district payrolls was down slightly from a year ago in February, compared to an annual average gain of 67,000 workers in the four preceding years. National wage and salary employment in February also declined slightly from a year earlier. District manufacturing employment in February was down 7.7 percent from a year earlier, while construction employment declined 4.5 percent and transportation and public utilities employment shrunk 1.9 percent. District service employment, on the other hand, increased 3.4 percent, government employment advanced 2.6 percent and finance, insurance and real estate employment was up 1.4 percent. Mining and trade employment was essentially unchanged from a year earlier in February.

It is interesting to note the effect that both inflation and the slowdown in the economy have had on real earnings in the Minneapolis-St. Paul metropolitan area. Although the current wages of workers increased slightly, continued price increases and work week reductions of nearly 8 percent reduced real weekly earnings by 4.4 percent between January 1970 and 1971.



A comparison of the results from the first quarter national survey of manufacturing sales expectations, released in March, and our first quarter Industrial

Expectations Survey discloses that national manufacturing sales are expected to grow faster than district manufacturing sales through the first half of 1971. District manufacturing sales are expected to be unchanged from a year ago in the first quarter before advancing 3.6 percent in the second quarter, while national manufacturing sales are anticipated to increase 4.1 and 5.9 percent in the first and second quarters, respectively.

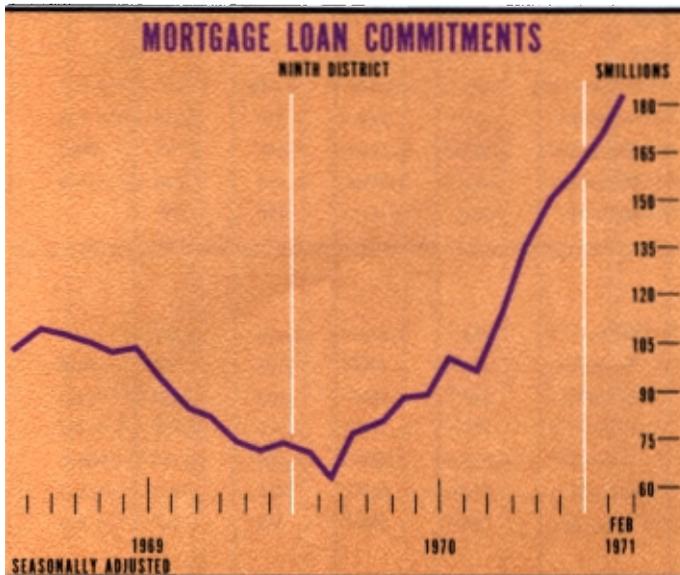


The reduction in national defense spending has been an important factor contributing to the slowdown in district economic growth this past year. Military procurement from prime defense contractors in the United States fell by 5 percent in 1970. Prime contract awards were down 14 percent in Minnesota, where defense spending is concentrated in manufacturing. Minnesota accounted for 70 percent of the value of such contracts awarded to district firms last year. In South Dakota, prime defense contract awards were down 24 percent in 1970. In Montana and North Dakota, where defense spending is largely attributable to the construction and maintenance of military installations, prime contract awards climbed sharply. In Montana, prime contract awards were 58 percent higher than in 1969, and in North Dakota the value of these contract awards was nearly four times as great as in 1969.

HOMEBUILDING CONSTRUCTION LEVELS OFF BUT HOUSING PROSPECTS STAY BUOYANT

Housing construction appears to have leveled off in the past few months after rising strongly throughout most of the latter half of last year. During the three months ending in February, the number of housing units authorized by building permits, at an average of about 2,200 units per month on a seasonally adjusted basis, was at essentially the same level as during the preceding three-month period. Illustrative of the strength in housing compared with last year, however, housing unit authorizations are currently at a level about 20 percent above a year ago.

Expectations are that housing will remain buoyant. Savings flows to district S&Ls are still very strong, and savings held at district S&Ls rose at a seasonally adjusted annual rate of about 15 percent in February. Mortgage loans made by S&Ls tended to remain relatively steady at around \$50 million per month, seasonally adjusted, during the three months ending in February. Mortgage loan commitments, on the other hand, are continuing to rise strongly and at the



end of February stood at \$182.3 million. This far exceeds the level of outstanding commitments at district S&Ls at any time in the last ten years and is about 3 times higher than a year ago.

Mortgage interest rates in the Twin Cities at mid-March were essentially the same as they were a month earlier. There are continuing signs, though, that other mortgage terms, such as loan-price ratios and mortgage maturities, are becoming less restrictive.

Information regarding the nonresidential building sector is emitting mixed signals. The valuation of non-residential building permits during the three months ending in February was only slightly below the preceding three months but about 16 percent below the same period a year ago. Contract awards for non-residential construction, on the other hand, tend to be rising. During the three months ending in January, they were 15 percent ahead of the preceding three-month period and about 6 percent greater than a year ago.

Contract awards for heavy construction projects, which include such things as highways, dams, and bridges, rose again in January on a seasonally adjusted basis. During the six-month period ending in January, contract awards for such projects were about 50 percent higher than during the preceding six months.

BANK DEPOSIT INFLOWS CONTINUE STRONG

Deposit inflow to district member banks remained quite strong in February and the early part of March. Time deposits continue to climb at the very rapid pace in evidence since the middle of 1970. De-

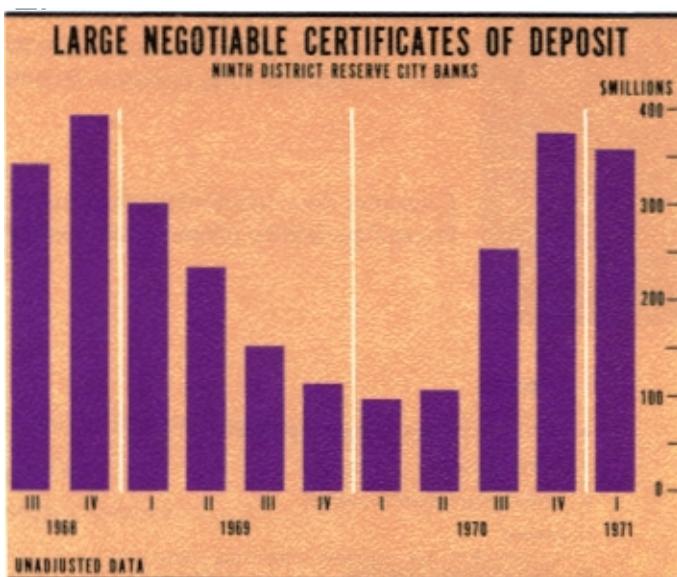
mand deposits, after remaining essentially flat throughout most of 1970, have more recently been on an upswing, partly reflecting the declining costs of maintaining noninterest-bearing funds.

Although total time deposit growth has remained quite robust, the composition of that growth has changed in recent months. The inflow of savings deposits and small certificates of deposit which are held primarily by individuals appears to have become even stronger in recent months, but the growth of large-denomination certificates of deposits, owned in large part by corporations and municipalities, has leveled off since late last year.

One factor tending to sustain the strong inflow of consumer savings deposits to district banks appears to be consumer uncertainty with regard to the economic outlook. Another factor may be that the rates banks pay on savings deposits have remained at the relatively high levels in existence since mid-1970.

An indication of the improved liquidity position of district banks comes from recent loan-deposit ratios. At large city banks, the aggregate loan-deposit ratio currently stands at 71 percent, down substantially from the 77 percent level recorded in February 1970. For rural and small urban banks, the decline has been less pronounced but still significant: from 61 percent in February 1970 to 59 percent a year later.

Loans at district member banks have been increasing more rapidly in recent months. In the three-month period ending in February, seasonally adjusted loans at all district banks rose at a 13 percent annual rate after advancing at a sluggish 2 percent pace in the preceding five-month period. This growth in loans has been particularly notable at reserve city banks where, in the three-month period ending in February, total loans increased at a seasonally adjusted annual rate of



12 percent, a complete turn-around from the preceding five-month period. Loan expansion at smaller district banks has recently accelerated, probably due to even stronger demand for agricultural credit.

NINTH DISTRICT income and finance

INDICATOR	UNIT	1971		1970		Percent Change FEB.-FEB.	
		MARCH	FEBRUARY	JANUARY	FEBRUARY		
MEASURES OF CONSUMER INCOME & FINANCIAL POSITION	Total Personal Income*						
	Nonagricultural Personal Income*						
	Average Weekly Earnings in Manufacturing ¹	Dollars,	n.a.	145.42e	143.70p	137.06	+ 6.1
	Consumer Installment Credit Outstanding ²	Million \$	n.a.	1,344	1,350	1,323	+ 1.6
	Time and Savings Deposits at Member Banks	Million \$	5,831	5,716	5,607	4,735	+20.7
	Savings Balances at Savings & Loan Assoc. ³	Million \$	n.a.	3,849p	3,800	3,368	+14.3
Cash Farm Receipts ³	Million \$	n.a.	n.a.	393	437		
MEASURES OF FINANCIAL CONDITION OF MEMBER BANKS	CITY BANKS ^{4,5}						
	Adjusted Loans and Discounts ⁶	Million \$	2,486	2,476	2,450	2,262	+ 9.5
	Commercial and Industrial Loans	Million \$	1,141	1,130	1,105	969	+16.6
	Real Estate Loans	Million \$	447	448	449	459	- 2.4
	Gross Demand Deposits	Million \$	1,979	1,972	2,003	1,920	+ 2.7
	Time Deposits	Million \$	1,623	1,591	1,538	1,169	+36.1
	U.S. Government Securities	Million \$	447	439	463	323	+35.9
	Other Securities	Million \$	560	563	545	517	+ 8.9
	COUNTRY BANKS ^{4,7}						
	Loans and Discounts	Million \$	3,932	3,894	3,857	3,551	+ 9.7
	Gross Demand Deposits	Million \$	2,191	2,167	2,224	2,122	+ 2.1
	Time Deposits	Million \$	4,208	4,125	4,069	3,565	+15.7
	U.S. Government Securities	Million \$	1,044	1,076	1,069	963	+11.7
Other Securities	Million \$	1,255	1,229	1,232	1,073	+14.5	
MEASURES OF RESERVE POSITION AND "LIQUIDITY" OF MEMBER BANKS	Total Reserves ⁸	Million \$	718	716	741	682	+ 5.0
	Required Reserves	Million \$	713	707	733	675	+ 4.7
	Excess Reserves	Million \$	5	9	8	7	+28.6
	Borrowings from FRB	Million \$	1	1	1	12	-91.7
	Ratio of Loans to Total Deposits—City Banks ⁴	Percent	72.4	71.8	69.7	74.9	- 4.0
	Ratio of Loans to Total Deposits—Country Banks ⁴	Percent	61.4	61.9	61.3	62.4	- 0.8
MEASURES OF PRICE LEVELS	Consumer Price Index ⁹ —Minneapolis	Index, sa	n.a.	n.a.	139.2	n.a.	
	Prices Received by Farmers ⁹ —Minnesota	Index, sa	n.a.	124	118	132	- 6.1

NOTES

- e—Partially estimated; all data not available
- n.a.—Not available
- p—Preliminary; subject to revision
- r—Revised
- sa—Seasonally adjusted data
- *—U.S. and District do not have comparable data
- saar—Seasonally adjusted annual rate

FOOTNOTES

1. Excluding Northwestern Wisconsin
2. All commercial banks, estimated by a sample of banks
3. Excluding Northwestern Wisconsin and Upper Michigan
4. Last Wednesday of the month figures
5. City Banks—Selected banks in major cities
6. Net loans and discounts less loans to domestic commercial city banks
7. Country Banks—All member banks excluding the selected major city banks
8. Average of daily figures of the four or five weeks ending on Wednesday which contain at least four days falling within the month
9. Index: 1957-59 Base Period

UNITED STATES income and finance

Percent Change FEB. -FEB.	1971		1970		UNIT	INDICATOR	
	MARCH	FEBRUARY	JANUARY	FEBRUARY			
+ 6.1		828.9p	826.7	781.5	Billion \$, saar	Total Personal Income	MEASURES OF CONSUMER INCOME & FINANCIAL POSITION
+ 6.5		807.6p	805.5	758.4	Billion \$, saar	Nonagricultural Personal Income	
+ 5.3		137.94p	138.60	130.94	Dollars	Average Weekly Earnings in Manufacturing	
+ 3.5		41.4	41.6	40.0	Billion \$	Consumer Installment Credit Outstanding ²	
+26.3		188.5	184.3	149.3	Billion \$	Time and Savings Deposits at Member Banks	
-12.8		151.7p	149.4p	134.5	Billion \$	Savings Balances at Savings & Loan Assoc.	
		n.a.	4.2	4.4	Billion \$	Cash Farm Receipts	
+ 4.8		175.6	175.2	167.6	Billion \$	CITY BANKS ^{4,5}	MEASURES OF FINANCIAL CONDITION OF MEMBER BANKS
+ 3.3		80.8	80.0	78.2	Billion \$	Adjusted Loans and Discounts ⁶	
+ 2.7		34.4	34.3	33.5	Billion \$	Commercial and Industrial Loans	
+ 2.6		135.3	138.3	131.9	Billion \$	Real Estate Loans	
+31.6		125.8	123.1	95.6	Billion \$	Gross Demand Deposits	
+28.4		27.6	28.3	21.5	Billion \$	Time Deposits	
+29.6		46.0	45.0	35.5	Billion \$	U.S. Government Securities	
						Other Securities	
+ 8.5		65.4	64.9	60.3	Billion \$	COUNTRY BANKS ^{4,7}	
+ 5.0		45.9	46.5	43.7	Billion \$	Loans and Discounts	
+16.8		62.7	61.2	53.7	Billion \$	Gross Demand Deposits	
+10.3		17.2	17.0	15.6	Billion \$	Time Deposits	
+20.1		22.7	22.4	18.9	Billion \$	U.S. Government Securities	
						Other Securities	
+ 6.9		29,949	30,403	28,012	Million \$	Total Reserves ⁸	MEASURES OF RESERVE POSITION AND "LIQUIDITY" OF MEMBER BANKS
+ 6.8		29,680	30,159	27,802	Million \$	Required Reserves	
+28.1		269p	244	210	Million \$	Excess Reserves	
-68.7		353p	359	1,126	Million \$	Borrowings from FRB	
- 8.0		70.3	69.8	76.4	Percent	Ratio of Loans to Total Deposits—City Banks ⁴	
- 2.8		60.2	60.2	61.9	Percent	Ratio of Loans to Total Deposits—Country Banks ⁴	
+ 4.8		138.9	138.6	132.5	Index, sa	Consumer Price Index ⁹	MEASURES OF PRICE LEVELS
- 1.8		112	107	114	Index, sa	Prices Received by Farmers ⁹	

SOURCES

PERSONAL INCOME: U.S. Department of Commerce, Office of Business Economics

SAVINGS AND LOAN ASSOCIATIONS: Federal Home Loan Bank Board

CASH RECEIPTS FROM FARM MARKETINGS: U.S. Department of Agriculture

FINANCIAL DATA OF MEMBER BANKS: Federal Reserve Bank of Minneapolis and Board of Governors of F. R. System

CONSUMER PRICE INDEX: U.S. Department of Labor, Bureau of Labor Statistics

PRICES RECEIVED BY FARMERS: U.S. Department of Agriculture and Minnesota Farm Price Report

NINTH DISTRICT production and employment

INDICATOR	UNIT	1971		1970	Percent Change FEB.-FEB.	
		FEBRUARY	JANUARY	FEBRUARY		
MEASURES OF PRODUCTION AND FACTOR INPUTS TO PRODUCTION	Total Industrial Production*					
	Electrical Energy Consumption: Mfg. and Mining ¹	Index, sa	264	262	262	+ 0.8
	Production Worker Manhours: ²	Index, sa	116p	119	124	- 6.5
	Manufacturing	Index, sa	123p	126	132	- 6.8
	Mining	Index, sa	85p	87	83	+ 2.4
	Total Construction Contracts Awarded	Million \$, sa	n.a.	242.4	175.6	
	Residential Buildings	Million \$, sa	n.a.	41.3	49.6	
	Nonresidential Buildings	Million \$, sa	n.a.	31.7	85.5	
	All Other Construction	Million \$, sa	n.a.	169.4	40.5	
Bldg. Permits: New Housing Units ²	Number	1,073	1,456	922	+16.4	
MEASURES OF MANPOWER UTILIZATION	Civilian Work Force ³	Thousands, sa	2,645p	2,656	2,598	+ 1.8
	Total Civilian Employment	Thousands, sa	2,508p	2,515	2,501	+ 0.3
	Number Unemployed	Thousands, sa	137p	141	97	+41.2
	Unemployment Rate ³	Percent, sa	5.2p	5.3	3.8	+36.8
	Average Weekly Hours in Manufacturing ³	Hours, sa	40.4e	39.7	40.6	- 0.5
EMPLOYMENT BY INDUSTRY SECTOR	Wage and Salary Employment, Nonfarm ³	Thousands, sa	1,941p	1,941	1,950	- 0.5
	Manufacturing	Thousands, sa	363p	367	393	- 7.6
	Mining	Thousands, sa	33p	34	33	
	Construction	Thousands, sa	101p	103	106	- 4.7
	Transport., Comm., & Public Utilities	Thousands, sa	133p	132	134	- 0.8
	Trade	Thousands, sa	474p	473	476	- 0.4
	Finance, Insurance & Real Estate	Thousands, sa	90p	90	89	+ 1.1
	Service Industries	Thousands, sa	324p	323	313	+ 3.5
	Government	Thousands, sa	423p	419	406	+ 4.2
MEASURES OF SPENDING	Total Retail Sales*					
	New Passenger Car Registrations	Thousands, sa	n.a.	13.1	18.7	
	Bank Debits ⁴	Billion \$, saar	174.8	170.2	163.8	+ 6.7

NOTES

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- sa—Seasonally adjusted data
- *—U.S. and District do not have comparable data
- saar—Seasonally adjusted annual rate

FOOTNOTES

1. Index: 1957-59 Base Period
2. A sample of permit issuing centers
3. Excluding Northwestern Wisconsin
4. Six standard metropolitan statistical areas
5. A sample of centers blown up to represent total permits issued
6. 226 centers excluding the seven leading centers

UNITED STATES production and employment

Percent Change FEB. -FEB.	1971		1970	UNIT	INDICATOR	
	FEBRUARY	JANUARY	FEBRUARY			
- 3.4	164.8p	165.4	170.5	Index, sa	Total Industrial Production	MEASURES OF PRODUCTION AND FACTOR INPUTS TO PRODUCTION
-13.1	100p	107	115	Index, sa	Electrical Energy Consumption: Mfg. and Mining*	
- 7.6	109p	109	118	Index, sa	Production Worker Manhours: ¹	
+19.0	94p	98	79	Index, sa	Manufacturing	
- 4.3	6,186.9	5,562.6	6,467.2	Million \$, sa	Mining	
+22.7	2,376.5	2,174.7	1,936.3	Million \$, sa	Total Construction Contracts Awarded	
-27.0	2,014.6	1,984.9	2,758.3	Million \$, sa	Residential Buildings	MEASURES OF MANPOWER UTILIZATION
+ 1.3	1,795.8	1,403.0	1,772.6	Million \$, sa	Nonresidential Buildings	
+32.3	101.9p	113.9	77.0	Thousands	All Other Construction	
					Bldg. Permits: New Housing Units ⁵	
+ 1.4	83,384p	83,897	82,198	Thousands, sa	Civilian Work Force	MEASURES OF MANPOWER UTILIZATION
- 0.3	78,537p	78,864	78,781	Thousands, sa	Total Civilian Employment	
+41.8	4,847p	5,033	3,417	Thousands, sa	Number Unemployed	
+38.1	5.8p	6.0	4.2	Percent, sa	Unemployment Rate	
- 1.3	39.4p	39.8	39.9	Hours, sa	Average Weekly Hours in Manufacturing	
- 0.9	70,514p	70,609	71,135	Thousands, sa	Wage and Salary Employment, Nonfarm	EMPLOYMENT BY INDUSTRY SECTOR
- 6.0	18,737p	18,811	19,937	Thousands, sa	Manufacturing	
- 0.8	621p	625	626	Thousands, sa	Mining	
- 8.7	3,164p	3,236	3,466	Thousands, sa	Construction	
- 0.3	4,481p	4,466	4,496	Thousands, sa	Transport., Comm., & Public Utilities	
+ 1.0	15,139p	15,129	14,987	Thousands, sa	Trade	
+ 2.5	3,742p	3,749	3,652	Thousands, sa	Finance, Insurance & Real Estate	
+ 2.2	11,785p	11,777	11,530	Thousands, sa	Service Industries	
+ 3.2	12,845p	12,816	12,441	Thousands, sa	Government	
	n.o.	31,034p	29,980	Million \$, sa	Total Retail Sales	MEASURES OF SPENDING
	n.o.	679.4	733.7	Thousands, sa	New Passenger Car Registrations	
+ 8.0	3,507.8p	3,409.0	3,249.0	Billion \$, saar	Bank Debits ⁶	

INDUSTRIAL PRODUCTION: Board of Governors of F.R. System
INDUSTRIAL USE OF ELECTRIC POWER: Federal Reserve Bank of Minneapolis
PRODUCTION WORKER MANHOURS: Federal Reserve Bank of Minneapolis
CONSTRUCTION CONTRACTS AWARDED: Board of Governors of F. R. System, F. W. Dodge Corporation data
NEW HOUSING UNITS AUTHORIZED: Federal Reserve Bank of Minneapolis and U.S. Department of Commerce, Bureau of Census
BANK DEBITS: Board of Governors of F. R. System

SOURCES

EMPLOYMENT, UNEMPLOYMENT, HOURS AND WAGES:
Employment Security Departments; Minnesota, North Dakota, South Dakota, Montana, Michigan, and U.S. Department of Labor, Bureau of Labor Statistics
RETAIL SALES: U.S. Department of Commerce, Bureau of Census
NEW PASSENGER CAR REGISTRATIONS:
Automotive News Magazine

NINTH DISTRICT MANUFACTURED EXPORTS

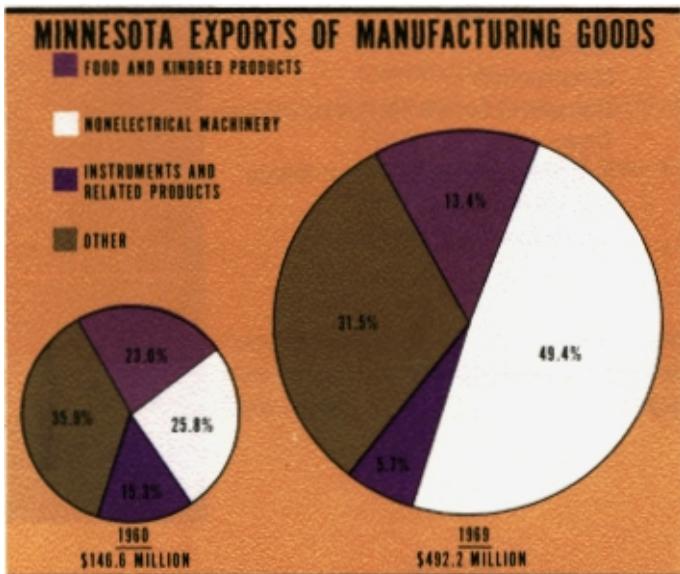
DISTRICT EXPORTS OF MFD. GOODS INCREASE OVER DECADE OF THE 60'S

Exports to foreign countries of manufactured goods originating in the Ninth District amounted to \$525.4 million in 1969, according to a recent release of the U.S. Department of Commerce.¹ Minnesota was the district's largest exporter of manufactured products, with a total of \$492.2 million in 1969. Non-electrical machinery, which includes computers, was the principal export earner in the district.

Ninth District exports of manufactured goods rose rapidly during the 1960's. The 1969 figure is more than three times greater than the 1960 value of exports of manufactured goods of \$160.9 million. This represents an annual average growth rate of 14 percent, compared to the overall U.S. annual average growth rate of 8 percent in exports of manufactured products.

Exports of manufactured products from Minnesota advanced strongly throughout the 1960's, and the annual average growth rate accelerated to about 15 percent between 1966 and 1969. In 1966, Minnesota exported \$326.5 million worth of manufactured goods and was the 21st largest exporting state in the nation. By 1969, with a total export record of \$492.2 million, Minnesota ranked 13th among the 50 states.

The components of Minnesota's exports of manufactured products has changed sharply over the decade (see graph 1). Exports of manufactured goods



from the other Ninth District states are too small to be recorded by type of product. Exports of nonelectrical machinery amounted to \$37.8 million in 1960, about one-fourth of Minnesota's total: by 1969, nonelectrical machinery exports which include computers had

¹This article is based on data in the U.S. Department of Commerce publication, "Survey of the Origin of Exports by Manufacturing Establishments: 1969," released January 7, 1971, and previous issues of the same report. Data are available only for the four complete states of the Ninth District: Minnesota, Montana, North Dakota and South Dakota.

climbed to \$243.3 million and accounted for almost one-half of Minnesota's total exports of manufactured goods. In 1960, Minnesota exported \$33.7 million worth of manufactured food and kindred products, which accounted for 23 percent of the total. Although exports of food and kindred products had almost doubled by 1969, at \$66.3 million they accounted for only a little over 13 percent of total exports of manufactured goods in that year.



Exports of instruments and related products were valued at \$22.5 million in 1960 and were about 15 percent of total exports of manufactured goods; in spite of a modest gain in dollar volume, their share of the total in 1969 had deteriorated to less than 6 percent. Exports of electrical machinery more than doubled over the decade, rising from \$9.8 million in 1960 to \$19.8 million in 1969, and accounted for 4 percent of total exports in the latter year.

North Dakota, the district state with the smallest value of exports of manufactured products, experienced the highest growth rate over the decade (see graph 2). From \$1.1 million in 1960, North Dakota's exports of manufactured goods rose to \$6.8 million in 1969, an annual average growth rate of over 22 percent. South Dakota's exports of such goods grew from \$5.8 million in 1960 to \$12.7 million in 1969, an annual average growth rate of 9 percent.

Montana, the district state with the second largest value of manufactured exports, was the only one of the four district states which did not experience a steady rate of growth in these exports over the decade. Montana's exports grew very rapidly in the first half of the decade, from \$7.4 million in 1960 to about \$16 million in the mid-1960's. In the latter half of the decade, however, Montana's exports of manufactured products declined, and in 1969 the state exported \$13.7 million worth of manufactured products. As a result, the annual average growth rate over the decade was only about 7 percent.