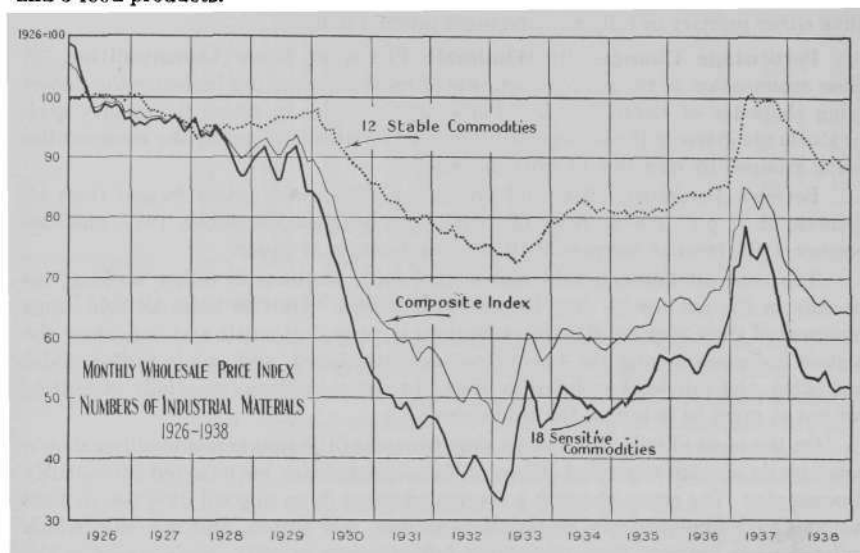


were, in turn, separated into 2 sub-groups of 13 sensitive manufacturing materials and 5 food products.



The major trends outlined by the index of industrial material prices since 1926 can be summarized briefly as follows: from 1926 to 1929 underlying instability was apparent and the general index moved lower at a gradual pace throughout the period. From the base average, the index fell to 93.7 in September, 1929. Then followed a severe decline, which depressed industrial material prices along with other principal commodity groups until the beginning of 1933. Temporary improvement occurred in 1932 during the summer months, but markets weakened again towards the close and dropped to new low levels in February, 1933. At this point the index stood at 45.8. A gradual rise punctuated by intermittent short-period declines ensued. In March, 1937, industrial material prices attained their highest point since 1929, the index for the month reaching 85.2. A slightly lower peak was shown in July, after a minor reaction, when the index rose to 84.5 from 82.3 in June. From this period to November, 1938, the index of industrial material prices receded to levels on a par with those of 1936 and the latter part of 1935; the index for November being 64.2. The course of the industrial material price index since 1929 has been generally similar to that of the Bureau's wholesale price index of 567 commodities.

3.—Monthly Price Index Numbers of Industrial Materials, 1926-38.
(1926=100.)

Year.	Jan.	Feb.	Mar.	Apr.	May.	June.	July.	Aug.	Sept.	Oct.	Nov.	Dec.
1926.....	104.7	102.6	100.7	99.4	98.3	98.4	99.5	98.9	99.2	99.1	97.4	98.0
1927.....	97.2	97.5	96.4	96.7	96.8	96.9	96.0	96.6	96.7	96.0	94.8	96.1
1928.....	95.4	93.7	94.5	94.1	95.2	93.8	93.4	92.1	90.9	89.9	90.2	91.1
1929.....	92.2	92.7	93.2	91.8	90.3	90.4	92.9	93.0	93.7	92.4	89.4	89.5
1930.....	88.3	86.8	84.0	83.4	79.8	77.4	74.0	71.9	69.3	67.7	66.6	64.9
1931.....	63.9	62.1	61.5	61.2	59.5	59.3	59.6	57.9	56.1	57.7	58.1	57.7
1932.....	56.8	55.2	53.4	51.5	49.7	49.2	50.3	51.6	51.5	49.9	49.1	47.4
1933.....	46.0	45.8	43.4	49.3	54.0	56.7	60.8	59.4	58.6	55.7	57.0	57.6
1934.....	59.4	61.7	61.5	60.9	60.7	60.9	59.8	60.1	59.1	58.4	58.3	58.9
1935.....	59.8	60.0	59.7	61.1	62.0	61.7	62.0	62.1	64.1	65.9	65.5	65.3
1936.....	66.1	66.5	66.3	66.0	64.6	64.6	66.4	67.7	68.2	68.0	69.9	73.1
1937.....	78.1	79.3	85.2	84.7	83.4	82.3	84.5	82.9	81.2	76.8	73.4	71.5
1938.....	70.6	69.2	68.8	67.4	65.9	65.5	66.3	65.1	64.1	64.2	64.2	64.0