

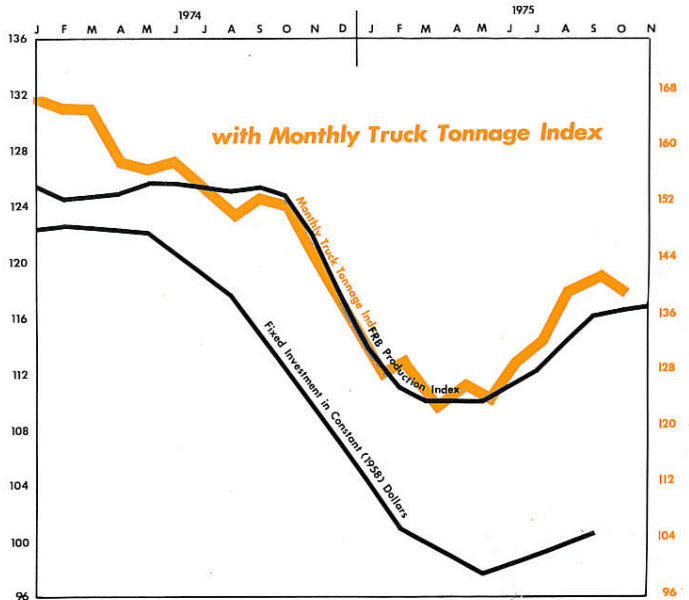
Trailer Production Jumps 37%

TRAILER SHIPMENTS jumped sharply in October to 7,141 units, which was 37% above the 5,212 shipped in September. The October shipments were the largest by far of any month in 1975, the next closest being January when 6,581 new trailers were shipped. Even so, October production was still less than 50% of the rate of production all last year.

Thus, trailer shipments are finally following the leading indicators which started to move upwards in June, four months earlier. The ATA's Index of Motor Freight Tonnage, the Federal Reserve Board Production Index, and the Fixed Investment portion of the GNP all started moving upwards in June. Trailer production was expected to follow the upward trend three or four months later, and this has now happened.

For a full discussion of these leading indicators, see the November, 1975, issue of Trailer/Body BUILDERS, which discussed the Alcoa forecasting method developed for the Truck Trailer Manufacturers Association.

Fixed Investment & FRB Production Index

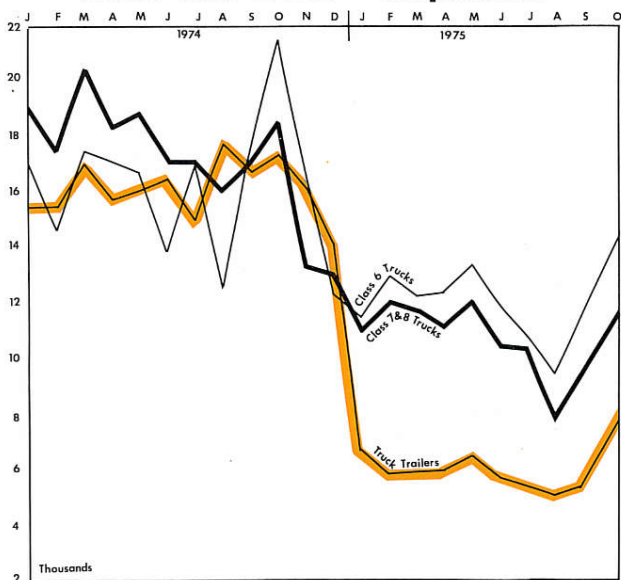


during November, but they generally were the smallest since the turnaround in the total index last spring. The index has now risen for seven consecutive months, and is now 6.3% above the April low.

The ATA truck tonnage index, which also uses the year 1967 as a base year representing 100, now stands at 137.5 for the month of October. This represents a drop of 2½ points from the 140.1 in September, which was the high point for the year. The October index was 14.6 points (or 9.6 percent) lower than it was in October, 1974, when motor freight began to fall off sharply.

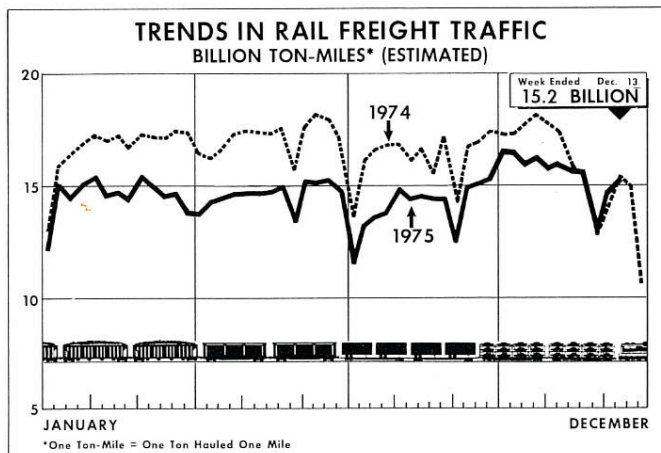
Rail freight, on the other hand, was running at about the same level in late November and December as it was a year ago. Cumulative rail volume for the first 50 weeks of 1975 was an estimated 11.7% below the comparable period last year. And piggyback traffic in early December showed its first increase of the year. Cumulative piggyback volume for the first 49 weeks of 1975 is 20.2% below the comparable period last year.

Truck and Trailer Shipments



Meanwhile, those leading indicators started leveling off into the more gradual recovery that economists predict will be following in the months to come. This could logically mean that truck trailer volume could follow the same pattern — that is, rise sharply for four more months and then begin to level off into a more gradual rise.

The FRB index of industrial production increased by an estimated 0.2% in November, which was about half of the October gain. Increases in output were fairly widespread



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