

CONFIDENTIAL (FR)

CURRENT ECONOMIC AND FINANCIAL CONDITIONS

July 11, 1973

By the Staff
Board of Governors
of the Federal Reserve System

STAFF GNP PROJECTIONS

	Per cent change annual rate ^{1/}							
	Changes in nominal GNP \$ billion		Real GNP		Gross private product fixed weighted price index		Unemployment rate	
	6/13/73	7/9/73	6/13/73	7/9/73	6/13/73	7/9/73	6/13/73	7/9/73
1971 ^{2/}	74.0	74.0	2.7	2.7	4.5	4.5	5.9	5.9
1972 ^{2/}	101.4	101.4	6.4	6.4	3.3	3.3	5.6	5.6
1973	134.4	130.2	6.7	6.5	5.0	5.01	4.9	4.8
1974	98.9	96.6	2.5	2.3	4.9	4.5	5.2	5.2
1973:I ^{2/}	43.0	43.0	8.0	8.0	7.4	7.4	5.0	5.0
II	36.5	33.0	5.9	4.7	6.6	7.1	5.0	4.9
III	28.3	25.1	4.4	4.4	4.6	3.6	4.8	4.7
IV	27.0	27.3	3.6	3.3	4.8	5.3	4.8	4.7
1974:I	24.9	25.2	1.9	1.5	4.9	5.4	4.9	4.9
II	21.4	21.3	1.5	1.5	4.9	4.9	5.1	5.1
III	19.2	18.5	1.1	.9	4.6	4.6	5.3	5.3
IV	19.5	19.4	1.1	1.1	4.6	4.6	5.5	5.5
Change: 72-IV to 73-IV	134.8	128.4	5.4	5.1	5.9	5.8	-.5	
73-IV to 74-IV	85.0	84.4	1.4	1.3	4.7	4.9	.7	

^{1/} Per cent changes for quarters are at annual rates compounded quarterly. (in previous Greenbook projections per cent changes for quarters were simple annual rates.)

^{2/} Actual.

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GROSS NATIONAL PRODUCT AND RELATED ITEMS
(Quarterly figures are seasonally adjusted. Expenditures and income
figures are billions of dollars, with quarter figures at annual rates.)

	1972	1973 Proj.	1972		1973 Projected			
			III	IV	I	II	III	IV
Gross National Product	1151.8	1282.0	1164.0	1194.9	1237.9	1270.9	1296.0	1323.3
Final purchases	1145.9	1270.2	1156.0	1184.6	1231.0	1260.4	1282.5	1306.8
Private	891.3	994.4	900.4	925.3	964.3	987.5	1004.4	1021.5
Excluding net exports	895.5	995.3	903.8	928.8	966.5	988.3	1005.1	1021.2
Personal consumption expenditures	721.0	795.8	728.6	745.7	773.6	788.3	803.0	818.1
Durable goods	116.1	132.7	118.6	120.8	130.4	132.0	133.5	135.0
Nondurable goods	299.5	332.5	302.0	310.4	322.6	328.9	335.8	342.6
Services	305.4	330.6	308.0	314.5	320.6	327.4	333.7	340.5
Gross private domestic investment	180.4	211.4	183.2	193.4	199.7	210.5	215.6	219.6
Residential construction	54.0	57.8	54.4	57.0	59.4	59.8	57.4	54.4
Business fixed investment	120.6	141.8	120.7	126.1	133.5	140.2	144.7	148.7
Change in business inventories	5.9	11.8	8.0	10.3	6.8	10.5	13.5	16.5
Nonfarm	5.6	11.7	7.9	10.1	6.5	10.2	13.5	16.5
Net exports of goods and services ^{1/}	-4.2	-0.8	-3.4	-3.5	-2.2	-0.7	-0.7	0.3
Exports	73.7	93.3	74.4	79.6	87.6	92.4	94.9	98.4
Imports	77.9	94.2	77.8	83.1	89.8	93.1	95.6	98.1
Gov't. purchases of goods and services	254.6	275.8	255.6	259.3	266.8	272.8	278.1	285.3
Federal	105.8	108.3	105.4	104.0	106.6	107.8	108.6	110.2
Defense	75.9	75.0	75.1	73.2	75.0	75.0	75.0	75.0
Other	29.9	33.3	30.2	30.8	31.6	32.8	33.6	35.2
State & local	148.8	167.4	150.2	155.2	160.1	165.0	169.5	175.1
Gross national product in constant (1958) dollars	789.5	840.7	796.1	811.6	827.3	836.9	845.9	852.7
GNP implicit deflator (1958 = 100)	145.9	152.5	146.2	147.2	149.6	151.9	153.2	155.2
Personal income	935.9	1023.5	939.9	974.6	993.9	1013.7	1033.9	1052.3
Wage and salary disbursements	627.0	689.1	630.6	648.8	668.1	682.8	696.6	708.9
Disposable income	795.1	875.6	798.8	828.2	850.4	870.9	883.3	897.7
Personal saving	54.8	58.9	50.8	62.8	56.5	62.0	58.9	58.1
Saving rate (per cent)	6.9	6.7	6.4	7.6	6.6	7.1	6.7	6.5
Corporate profits before tax	94.3	124.7	95.7	101.5	114.3	128.0	126.5	130.0
Corp. cash flow, net of div. (domestic)	91.7	111.1	93.1	97.1	104.1	112.8	112.6	115.0
Federal government receipts and expenditures, (N.I.A. basis)								
Receipts	228.6	262.0	229.8	238.4	252.3	257.7	266.1	272.0
Expenditures	246.8	265.5	241.6	262.7	260.0	263.0	267.3	271.8
Surplus or deficit (-)	-18.1	-3.5	-11.8	-24.3	-7.7	-5.3	-1.2	0.2
High employment surplus or deficit (-)	-1.9	-1.5	2.5	-13.5	-2.2	-2.9	-1.7	0.6
State and local government surplus or deficit (-), (N.I.A. basis)	12.7	10.8	9.4	19.5	14.5	10.9	9.8	8.0
Total labor force (millions)	89.0	91.0	89.3	89.6	90.0	90.9	91.3	91.7
Armed forces "	2.4	2.3	2.4	2.4	2.4	2.3	2.3	2.3
Civilian labor force "	86.5	88.7	86.9	87.2	87.6	88.6	89.0	89.4
Unemployment rate (per cent)	5.6	4.8	5.6	5.3	5.0	4.9	4.7	4.7
Nonfarm payroll employment (millions)	72.8	75.4	73.0	73.8	74.6	75.3	75.7	76.1
Manufacturing	18.9	19.8	19.0	19.3	19.6	19.8	19.9	19.9
Industrial production (1967 = 100)	114.4	124.0	115.0	118.4	121.0	123.3	125.2	126.4
Capacity utilization, mfg. (per cent)	77.9	82.1	78.4	80.2	81.4	82.2	82.5	82.4
Major materials (per cent)	90.2	95.3	91.0	92.4	93.6	95.2	96.0	96.5
Housing starts, private (millions, A.R.)	2.38	2.12	2.37	2.40	2.40	2.19	2.02	1.85
Sales new autos (millions, A.R.)	10.94	11.56	11.53	11.69	12.23	11.49	11.50	11.00
Domestic models	9.32	9.85	9.91	9.90	10.27	9.64	10.00	9.50
Foreign models	1.61	1.70	1.61	1.79	1.96	1.85	1.50	1.50

^{1/} GNP exports and imports estimates for 1972 have not been revised to reflect revised Balance of Payments estimates incorporating new seasonal factors; these revised estimates for 1972 and corresponding projections for 1973 are:

Net exports of goods and services	-4.6	1.4	-3.8	-3.5	0.0	1.5	1.5	2.5
Exports	73.5	95.4	74.0	79.7	89.7	94.5	97.0	100.5
Imports	78.1	94.1	77.7	83.2	89.7	93.0	95.5	98.0

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GROSS NATIONAL PRODUCT AND RELATED ITEMS
(Quarterly figures are seasonally adjusted. Expenditures and income
figures are billions of dollars, with quarter figures at annual rates.)

	1974 Proj.	1974 Projected			
		I	II	III	IV
Gross National Product	1378.6	1348.5	1369.8	1388.3	1407.7
Final purchases	1365.8	1333.0	1356.3	1376.3	1397.7
Private	1062.6	1039.0	1055.9	1070.1	1085.4
Excluding net exports	1059.9	1037.2	1053.1	1067.3	1082.1
Personal consumption expenditures	857.0	834.5	850.6	864.8	877.9
Durable goods	137.4	136.0	137.5	138.0	138.0
Nondurable goods	361.6	351.0	358.6	365.3	371.4
Services	358.0	347.5	354.5	361.5	368.5
Gross private domestic investment	215.7	218.2	216.0	214.5	214.2
Residential construction	48.7	51.0	48.8	47.3	47.5
Business fixed investment	154.3	151.7	153.7	155.2	156.7
Change in business inventories	12.8	15.5	13.5	12.0	10.0
Nonfarm	12.8	15.5	13.5	12.0	10.0
Net exports of goods and services ^{1/}	2.7	1.8	2.8	2.8	3.3
Exports	104.5	101.4	103.9	105.4	107.4
Imports	101.9	99.6	101.1	102.6	104.1
Gov't. purchases of goods and services	303.2	294.0	300.4	306.2	312.3
Federal	115.2	113.8	115.0	115.6	116.2
Defense	77.6	77.0	77.3	77.8	78.3
Other	37.6	36.8	37.7	37.8	37.9
State & local	188.1	180.2	185.4	190.6	196.1
Gross national product in constant (1958) dollars	859.9	855.9	859.1	861.1	863.4
GNP implicit deflator (1958 = 100)	160.3	157.5	159.4	161.2	163.0
Personal income	1099.4	1072.8	1090.9	1108.0	1126.0
Wage and salary disbursement	739.8	722.3	734.8	744.6	757.6
Disposable income	938.9	916.3	933.2	945.9	960.1
Personal saving	59.6	60.0	60.4	58.6	59.3
Saving rate (per cent)	6.4	6.5	6.5	6.2	6.2
Corporate profits before tax	129.5	131.5	130.5	128.0	128.0
Corp. cash flow, net of div. (domestic)	116.9	116.6	117.0	116.4	117.4
Federal government receipts and expenditures, (N.I.A. basis)					
Receipts	282.6	278.4	279.8	283.9	288.2
Expenditures	289.5	281.3	286.0	293.1	297.5
Surplus or deficit (-)	-6.9	-2.9	-6.2	-9.2	-9.3
High employment surplus or deficit (-)	5.6	2.2	5.2	6.0	8.8
State and local government surplus or deficit (-), N.I.A. basis	4.3	6.2	4.8	4.0	2.2
Total labor force (millions)	92.7	92.1	92.5	92.9	93.3
Armed forces "	2.3	2.3	2.3	2.3	2.3
Civilian labor force "	90.4	89.8	90.2	90.6	91.0
Unemployment rate (per cent)	5.2	4.9	5.1	5.3	5.5
Nonfarm payroll employment (millions)	76.8	76.4	76.7	76.9	77.0
Manufacturing	19.7	19.8	19.7	19.6	19.5
Industrial production (1967 = 100)	127.6	127.0	127.5	127.8	128.0
Capacity utilization, mfg. (per cent)	80.8	81.8	81.2	80.4	79.6
Major materials	95.2	96.1	95.5	94.9	94.3
Housing starts, private (millions, A.R.)	1.69	1.75	1.65	1.65	1.70
Sales new autos (millions, A.R.)	10.19	10.75	10.25	10.25	9.50
Domestic models	8.69	9.25	8.75	8.75	8.00
Foreign models	1.50	1.50	1.50	1.50	1.50

^{1/} Exports and imports projections for 1974 on Balance of Payments basis corresponding to revised estimates for 1972 and corresponding projections for 1973 are:

Net exports of goods and services	4.9	4.0	5.0	5.0	5.5
Exports	106.7	103.5	106.0	107.5	109.5
Imports	101.8	99.5	101.0	102.5	104.0

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AND RELATED ITEMS

	1972	1973 Proj.	1972		1973 Projection			
			III	IV	I	II	III	IV
-----Billions Of Dollars-----								
Gross National Product	101.4	130.2	24.6	30.9	43.0	33.0	25.1	27.3
Inventory change	2.3	5.9	3.0	2.3	-3.5	3.7	3.0	3.0
Final purchases	99.2	124.3	21.6	28.6	46.4	29.4	22.1	24.3
Private	77.4	103.1	20.1	24.9	39.0	23.2	16.9	17.1
Excluding net exports	82.3	99.8	18.3	25.0	37.7	21.8	16.8	16.1
Net exports	-4.8	3.4	1.8	-0.1	1.3	1.5	0.0	1.0
Government	21.8	21.2	1.5	3.7	7.5	6.0	5.3	7.2
GNP in constant (1958) dollars	47.8	51.2	12.2	15.5	15.7	9.6	9.0	6.8
Final purchases	45.8	47.3	9.8	13.8	18.8	7.3	6.5	4.4
Private	40.6	45.5	11.1	13.8	18.6	6.2	5.4	2.9
-----Per Cent Per Year ^{1/} -----								
Gross National Product	9.7	11.3	8.9	11.0	15.2	11.1	8.1	8.7
Final purchases	9.5	10.8	7.8	10.3	16.6	9.9	7.2	7.8
Private	9.5	11.6	9.5	11.5	18.0	10.0	7.0	7.0
Personal consumption expenditures	8.4	10.4	8.8	9.7	15.8	7.8	7.7	7.7
Durable goods	12.2	14.3	17.6	7.6	35.8	5.0	4.6	4.6
Nondurable goods	7.7	11.0	6.6	11.6	16.7	8.0	8.7	8.3
Services	7.8	8.3	7.6	8.7	8.0	8.8	7.9	8.4
Gross private domestic investment	18.7	17.2	14.8	24.2	13.7	23.5	10.0	7.6
Residential construction	26.8	7.0	12.7	20.5	17.9	2.7	-15.1	-19.3
Business fixed investment	14.0	17.6	5.1	19.1	25.6	21.6	13.5	11.5
Gov't. purchases of goods & services	9.4	8.3	2.4	5.9	12.1	9.3	8.0	10.8
Federal	8.2	2.4	-9.6	-5.2	10.4	4.6	3.0	6.0
Defense	6.3	-1.2	-16.7	-9.7	10.2	0.0	0.0	0.0
Other	13.7	11.4	8.4	8.2	10.8	16.1	10.1	20.5
State & local	10.2	12.5	12.0	14.0	13.2	12.8	11.4	13.9
GNP in constant (1958) dollars	6.4	6.5	6.3	8.0	8.0	4.7	4.4	3.3
Final purchases	6.2	6.0	5.1	7.2	9.7	3.6	3.2	2.1
Private	6.7	7.1	7.2	8.7	11.7 ^{2/}	3.7	3.2	1.7
GNP implicit deflator	3.0	4.5	2.4	2.8	6.6 ^{2/}	6.1	3.6	5.3
Private GNP fixed weight index ^{3/}	3.3	5.0	2.9	3.1	7.4	7.1	3.6	5.3
Personal income	8.6	9.4	7.9	15.6	8.2	8.2	8.2	7.3
Wage and salary disbursements	9.4	9.9	6.7	12.1	12.4	9.1	8.3	7.3
Disposable income	6.8	10.1	8.5	15.6	11.2	10.0	5.8	6.7
Corporate profits before tax	13.2	32.2	19.1	26.5	60.8	57.3	-4.6	11.5
Federal government receipts and expenditures (N.I.A. basis)								
Receipts	14.8	14.6	9.0	15.8	25.4	8.8	13.7	9.2
Expenditures	11.8	7.6	-7.7	39.8	-4.0	4.7	6.7	6.9
Nonfarm payroll employment	3.0	3.6	2.8	4.5	4.5	3.5	2.3	2.1
Manufacturing	2.2	4.8	2.6	7.1	5.4	4.3	2.6	0.0
Industrial production	7.1	8.4	6.9	12.2	9.2	7.7	6.1	4.1
Housing starts, private	14.1	-11.0	16.0	6.6	0.2	-30.6	-27.4	-30.3
Sales new autos	6.8	5.7	49.7	5.9	19.8	-22.1	0.3	-16.3
Domestic models	7.4	5.7	53.1	-0.5	16.0	-22.4	15.7	-18.5
Foreign models	3.3	5.5	30.9	52.0	42.3	-20.2	-56.7	0.0

^{1/} Percentage rates of change are annual rates compounded quarterly. (In previous Greenbooks these generally were not compounded.)

^{2/} Excluding Federal pay increase, 5.8 per cent annual rate.

^{3/} Using expenditures in 1967 as weights.

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CHANGES IN GROSS NATIONAL PRODUCT
AND RELATED ITEMS

	1974 Proj.	1974 Projection			
		I	II	III	IV
		-----Billions of Dollars-----			
Gross National Product	96.6	25.2	21.3	18.5	19.4
Inventory change	1.0	-1.0	-2.0	-1.5	-2.0
Final purchases	95.6	26.2	23.3	20.0	21.4
Private	68.2	17.5	16.9	14.2	15.3
Excluding net exports	64.6	16.0	15.9	14.2	14.8
Net exports	3.5	1.5	1.0	0.0	0.5
Government	27.4	8.7	6.4	5.8	6.1
GNP in constant (1958) dollars	19.2	3.2	3.2	2.0	2.3
Final purchases	17.6	3.7	4.5	2.6	3.2
Private	13.0	2.7	3.3	1.8	2.3
-----Per Cent Per Year ^{1/} -----					
Gross National Product	7.5	7.8	6.5	5.5	5.7
Final purchases	7.5	8.3	7.2	6.0	6.4
Private	6.9	7.0	6.7	5.5	5.8
Personal consumption expenditures	7.7	8.3	7.9	6.8	6.2
Durable goods	3.5	3.0	4.5	1.5	0.0
Nondurable goods	8.8	10.2	8.9	7.7	6.8
Services	8.3	8.5	8.3	8.1	8.0
Gross private domestic investment	2.0	-2.5	-4.0	-2.7	-0.6
Residential construction	-15.7	-22.8	-16.2	-11.7	1.7
Business fixed investment	8.8	8.3	5.4	4.0	3.9
Gov't. purchases of goods & services	9.9	12.8	9.0	7.9	8.2
Federal	6.4	13.7	4.3	2.1	2.1
Defense	3.5	11.1	1.6	2.6	2.6
Other	12.9	19.5	10.1	1.1	1.1
State & local	12.4	12.2	12.1	11.7	12.1
GNP in constant (1958) dollars	2.3	1.5	1.5	0.9	1.1
Final purchases	2.1	1.8	2.1	1.2	1.5
Private	1.9	1.6 ^{2/}	1.9	1.0	1.3
GNP implicit deflator	5.1	6.2 ^{2/}	4.9	4.6	4.6
Private GNP fixed weight index ^{3/}	4.5	5.4	4.9	4.6	4.6
Personal income	7.4	8.0	6.9	6.4	6.7
Wage and salary disbursements	7.4	7.8	7.1	5.4	7.2
Disposable income	7.2	8.5	7.6	5.6	6.1
Corporate profits before tax	3.8	4.7	-3.0	-7.4	0.0
Federal government receipts and expenditures (N.I.A. basis)					
Receipts	7.8	9.7	2.0	6.0	6.2
Expenditures	9.0	14.7	6.9	10.3	6.1
Nonfarm payroll employment	1.9	1.6	1.6	1.0	0.5
Manufacturing	-0.5	-2.0	-2.0	-2.0	-2.0
Industrial production	2.9	1.8	1.6	0.8	0.7
Housing starts, private	-20.3	-19.9	-21.0	0.0	12.7
Sales new autos	-11.8	-8.8	-17.3	0.0	-26.2
Domestic models	-11.8	-10.1	-19.9	0.0	-30.1
Foreign models	-11.8	0.0	0.0	0.0	0.0

^{1/} Percentage rates of change are annual rates compounded quarterly. (In previous Greenbooks these generally were not compounded.)

^{2/} Excluding Federal pay increase, 5.4 per cent annual rate.

^{3/} Using expenditures in 1967 as weights.

relation to late 1969 and 1970, it is still well below the levels of the early 1960's.

Takedowns of private placements increased to \$700 million in April, the last month for which SEC figures are available. Life insurance commitment data indicate that this high level of activity is continuing into the summer months, and several large industrial companies recently have announced private placements of long-term debt. The available data indicate that interest costs of private placements to borrowers continue to be low relative to costs of public issues.

CORPORATE AND MUNICIPAL LONG-TERM SECURITY OFFERINGS
(Monthly or monthly averages, in millions of dollars)

	1972	1st half ^{e/}	June ^{e/}	1973 July ^{f/}	Aug. ^{f/}
Corporate securities					
Total	3,398	2,742	3,025	2,250	2,500
Public bonds	1,528	1,018	1,225	900	1,000
Privately placed bonds	780	673	1,000	700	700
Stock	1,087	1,067	800	650	800
State and local gov't. securities	1,970	1,912	1,900	1,800	1,700

^{e/} Estimated.

^{f/} Forecast.

Staff estimates that new equity issues are likely to average below \$1 billion monthly during the summer reflect the drop in utility preferred stock schedulings and the impact of a prolonged slump in stock prices on initial public offerings. Stock prices moved irregularly lower throughout the month of June but ended the month only slightly lower than at the end of May. Prices declined further to new

Table 1

RECENT LEGISLATION INCREASING FISCAL YEAR
1974 AND 1974 OUTLAYS AND RECEIPTS

	Estimated fiscal year impact (In millions of dollars)	
	<u>1974</u>	<u>1975</u>
I. Outlays		
A. Provisions affecting Old-Age, Survivors, and Disability benefits:		
5.6 per cent cost-of-living benefit increase	--	1,900 ^{1/}
Exempt amount of earnings increased from \$2,100 to \$2,400	100	300
B. Provisions affecting the Supplemental Security Income Program (aged, blind, disabled, etc.)	50	415
C. Provisions relating to Medicaid	97	44
D. Postponement of H.E.W. Social Service Grants Regulation	300 ^{2/}	--
E. Extension of Unemployment Benefits	<u>116</u>	<u>--</u>
Total outlay effect	663	2,659
II. Receipts		
Taxable earnings base increase from \$12,000 to \$12,600 effective Jan. 1, 1974 ^{3/}	100	1,100
^{1/} Seven month cost of a 5.6 per cent increase. A cost-of-living benefit in- crease is required by law in January 1975, and this will substitute for the temporary increase shown above. Full-year cost of the 5.6 per cent increase would be \$3.2 billion.		
^{2/} Fiscal year 1974 total cost for social service grants, including the \$300 million increase, is estimated at \$2.1 billion, \$.4 billion less than the \$2.5 billion fiscal 1974 limit imposed on these grants by the Congress last fall.		
^{3/} Previous legislation provided for an increase from \$10,800 to \$12,000 effective Jan. 1, 1974, which will yield an additional \$.3 billion and \$2.5 billion respectively in fiscal 1974 and 1975.		

PROJECTION OF TREASURY CASH OUTLOOK
(In billions of dollars)

	June	July	Aug.	Sept.
<u>Total net borrowing</u>	-2.3	0.3	-0.9	0.0
Weekly and monthly bills	-.4	-0.2	-0.2	--
Tax bills	-2.5	--	--	--
Coupon issues	--	--	--	--
As yet unspecified new borrowing	--	--	--	--
Special foreign series	.2	--	--	--
Agency transactions, debt repayment, etc.	.4	0.5	-0.7	--
Plus: <u>Other net financial sources</u> ^{a/}	0.9	0.0	-0.2	0.6
Plus: <u>Budget surplus or deficit</u> (-)	5.8	-5.7	-0.2	6.0
Equals: <u>Change in cash balance</u>	4.4 ^{b/}	-5.4	-1.3	6.6
Memoranda: Level of cash balance, end of period	12.6 ^{b/}	7.2	5.9	12.5
Derivation of budget surplus or deficit:				
Budget receipts	28.8	17.8	21.6	26.5
Budget outlays	23.0	23.5	21.8	20.5
Maturing coupon issues held by public	--	--	4.7	--
Sales of financial assets	0.3	0.4	0.1	0.6
Budget agency borrowing	0.1	0.4	--	--
Net borrowing by government-sponsored agencies	1.1	2.6	0.7	0.6

^{a/} Checks issued less checks paid and other accrual items.

^{b/} Actual

FEDERAL BUDGET AND FEDERAL SECTOR IN NATIONAL INCOME ACCOUNTS
(In billions of dollars)

	Fiscal 1973 e/		Fiscal 1974 e/		Calendar Years		F.R.B. Staff Estimates					
	Adm. Est. F.R.		Adm. Est. F.R.		1972 1973		Calendar Quarters				Half-Yr.	
	6-1-73 Board		6-1-73 Board		Actual	FRB e/	1973				1974	
							I*	II	III	IV	Jan-June	
Federal Budget												
Surplus/deficit	-17.8	-16.2	-2.7	0.1	-17.4	-10.4	-9.5	5.8	0.1	-6.8	6.9	
Receipts	232.0	232.5	266.0	269.8	221.5	250.7	55.2	71.3	65.9	58.3	145.7	
Outlays	249.8	248.7	268.7	269.7	239.0	261.1	64.7	65.5	65.8	65.1	138.8	
Means of financing:												
Net borrowing from the public	19.2	19.3	5.5	-3.8	15.2	3.3	8.4	-6.5	-0.6	2.0	-5.2	
Decrease in cash operating balance	n.a.	-2.5	n.a.	1.6	0.2	3.8	-1.8	0.3	0.1	5.2	-3.7	
Other <u>1/</u>	n.a.	-0.6	n.a.	2.0	2.0	3.3	2.9	0.4	0.4	-0.4	2.0	
Cash operating balance, end of period	n.a.	12.6	n.a.	11.0	11.1	7.3	12.9	12.6	12.5	7.3	11.0	
Memo <u>2/</u> : Sales of financial assets <u>3/</u>	n.a.	4.9	n.a.	3.9	3.1	5.1	1.2	1.7	1.1	1.1	1.7	
Budget agency borrowing <u>4/</u>	n.a.	0.4	n.a.	n.e.	0.9	0.2	0.1	-0.6	0.4	0.4	n.e.	
Sponsored agency borrowing <u>5/</u>	n.a.	8.7	n.a.	n.e.	3.5	13.1	2.0	5.1	3.9	2.1	n.e.	
National Income Sector												
Surplus/deficit	n.a.	-16.5 <u>6/</u>	n.a.	-2.5	-18.1	-3.5	-7.7	-5.3	-1.2	0.2	-4.6	
Receipts	n.a.	240.4 <u>6/</u>	n.a.	274.1	228.6	262.0	252.3	257.7	266.1	272.0	279.1	
Expenditures	n.a.	256.8	n.a.	276.5	246.8	265.5	260.0	263.0	267.3	271.8	283.7	
High Employment surplus/deficit (NIA basis) <u>7/</u>	n.a.	-4.5	n.a.	1.6	-1.9	-1.5	-2.2	-2.9	-1.7	0.6	3.	

*Actual e--projected n.e.--not estimated n.a.--not available p.--preliminary

1/ Includes such items as deposit fund accounts and clearing accounts.

2/ The sum of sponsored and budget agency debt issues and financial asset sales does not necessarily reflect the volume of debt absorbed by the public, since both the sponsored and budget agencies acquire a portion of these issues.

footnotes continued

- 3/ Includes net sales of loans held by the Commodity Credit Corporation, Farmers Home Adm., Government National Mortgage Assn., Federal Housing Adm., and Veterans Adm. Receipts from these sales are netted against Federal Budget Outlays shown above.
- 4/ Includes, for example, debt issued by the U.S. Postal Service, Export-Import Bank, and Tennessee Valley Authority, which is included in the Net Treasury Borrowing from the Public shown above.
- 5/ Federally-sponsored credit agencies, i.e., Federal Home Loan Banks, Federal National Mortgage Assn., Federal Land Banks, Federal Intermediate Credit Banks, and Banks for Cooperatives.
- 6/ Quarterly average exceeds fiscal year total by \$4.2 billion due to spreading of wage base and refund effect over calendar year.
- 7/ Estimated by F.R. Board Staff.