

CONFIDENTIAL (FR)

CURRENT ECONOMIC AND FINANCIAL CONDITIONS

By the Staff
Board of Governors
of the Federal Reserve System

April 10, 1974

STAFF GNP PROJECTIONS

	Per cent change annual rate							
	Changes in nominal GNP (\$ billions)		Real GNP		Gross private product fixed weighted price index		Unemployment rate (Per cent)	
	3/13/74	4/10/74	3/13/74	4/10/74	3/13/74	4/10/74	3/13/74	4/10/74
1971 ^{1/}	78.3	78.3	3.2	3.2	4.6	4.6	5.9	5.9
1972 ^{1/}	99.7	99.7	6.1	6.1	3.2	3.2	5.6	5.6
1973 ^{1/}	133.9	133.9	5.9	5.9	6.1	6.1	4.9	4.9
1974	99.5	106.6	.2	.3	7.6	8.4	5.8	5.6
1973: I	43.3	43.3	8.7	8.7	7.0	7.0	5.0	5.0
II	29.5	29.5	2.4	2.4	7.9	7.9	4.9	4.9
III	32.5	32.5	3.4	3.4	7.0	7.0	4.7	4.7
IV	33.0	33.0	1.6	1.6	8.6	8.6	4.7	4.7
1974: I	15.0	15.5	-3.4	-4.2	8.3	10.8	5.3	5.2
II	19.0	24.5	-1.5	-.3	7.3	7.8	5.8	5.5
III	26.0	31.0	1.9	2.9	5.8	6.4	6.0	5.7
IV	33.5	35.5	3.5	3.5	5.7	6.2	6.2	5.9
1975: I		28.0		2.3		5.5		6.1
II		26.5		2.3		5.0		6.3
Change: 72-IV to 73-IV ^{1/}	138.3	138.3	4.0	4.0	7.8	7.8	-.6	-.6
73-IV to 74-IV	94.0	106.5	.1	.4	6.8	7.8	1.5	1.2
74-II to 75-II		121.0		2.7		5.8		.8

^{1/} Actual.

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.)

	1973	1974 Proj.	1973				1974
			I	II	III	IV	Proj. I
Gross National Product	1289.1	1395.7	1242.5	1272.0	1304.5	1337.5	1353.0
Final purchases	1281.1	1386.6	1237.8	1267.5	1299.8	1319.4	1343.0
Private	1004.0	1077.8	969.2	992.2	1020.8	1033.8	1047.2
Excluding net exports	998.2	1076.2	969.2	989.4	1013.2	1021.0	1309.1
Personal consumption expenditures	804.0	874.5	779.4	795.6	816.0	825.2	843.6
Durable goods	130.8	128.7	132.2	132.8	132.8	125.6	125.5
Nondurable goods	335.9	376.5	322.2	330.3	341.6	349.6	361.0
Services	337.3	369.4	325.0	332.6	341.6	350.0	357.1
Gross private domestic investment	202.1	210.8	194.5	198.2	202.0	213.9	205.5
Residential construction	58.0	50.3	59.0	59.6	59.2	54.0	49.5
Business fixed investment	136.2	151.4	130.9	134.1	138.0	141.8	146.0
Change in business inventories	8.0	9.1	4.6	4.5	4.7	18.0	10.0
Nonfarm	7.3	9.1	4.4	4.4	3.2	17.3	10.0
Net exports of goods and services ^{1/}	5.8	1.6	.0	2.8	7.6	12.8 ^{2/}	8.1 ^{2/}
Exports	102.0	129.2	89.7	97.2	104.5	116.4 ^{2/}	124.3 ^{2/}
Imports	96.2	127.5	89.7	94.4	97.0	103.6	116.2
Gov't. purchases of goods and services	277.1	308.8	268.6	275.3	279.0	285.6	295.8
Federal	106.6	115.4	105.5	107.3	106.8	106.8	111.0
Defense	73.9	77.9	74.3	74.2	74.2	73.0	75.0
Other	32.7	37.5	31.2	33.1	32.7	33.8	36.0
State & local	170.5	193.4	163.0	168.0	172.2	178.8	184.8
Gross national product in constant (1958) dollars	837.4	839.9	829.3	834.3	841.3	844.6	835.6
GNP implicit deflator (1958 = 100)	153.9	166.2	149.8	152.5	155.1	158.4	161.9
Personal income	1035.4	1134.5	996.6	1019.0	1047.1	1078.9	1094.2
Wage and salary disbursements	691.5	749.2	666.7	682.6	699.3	717.2	726.5
Disposable income	882.5	967.2	851.5	869.7	891.1	917.8	931.0
Personal saving	54.8	67.0	50.0	51.0	51.1	67.1	61.9
Saving rate (per cent)	6.2	6.8	5.9	5.9	5.7	7.3	6.6
Corporate profits before tax	126.4	131.5	119.6	128.9	129.0	128.1	130.5
Corp. cash flow, net of div. (domestic)	108.9	112.3	104.9	110.3	110.6	109.8	109.8
Federal government receipts and expenditures, (N.I.A. basis)							
Receipts	265.0	289.3	253.6	262.4	269.5	274.6	284.2
Expenditures	264.0	299.3	258.6	262.4	265.6	269.6	282.5
Surplus or deficit (-)	1.0	-10.0	-5.0	.0	4.0	5.0	1.7
High employment surplus or deficit (-)	-1.3	-1.5	-2.4	-1.7	-2.1	1.1	2.2
State and local government surplus or deficit (-), (N.I.A. basis)	10.5	3.5	13.9	11.5	10.4	6.1	5.9
Total labor force (millions)	91.0	93.3	90.0	90.8	91.3	92.2	92.8
Armed forces "	2.3	2.3	2.4	2.3	2.3	2.3	2.3
Civilian labor force "	88.7	91.0	87.6	88.5	89.0	89.9	90.5
Unemployment rate (per cent)	4.9	5.6	5.0	4.9	4.7	4.7	5.2
Nonfarm payroll employment (millions)	75.6	76.8	74.6	75.3	75.7	76.6	76.6
Manufacturing	19.8	19.8	19.6	19.8	19.8	20.1	19.9
Industrial production (1967 = 100)	125.6	125.3	123.1	124.8	126.7	127.0	124.6
Capacity utilization, mfg. (per cent)	83.0	80.0	82.8	83.3	83.3	82.6	80.3
Major materials (per cent)	95.1	90.8	93.8	94.5	96.0	95.3	91.5
Housing starts, private (millions, A.R.)	2.04	1.66	2.39	2.21	2.01	1.58	1.59
Sales new autos (millions, A.R.)	11.44	9.81	12.23	11.73	11.74	10.09	9.50
Domestic models	9.67	8.03	10.27	9.87	10.11	8.44	7.82
Foreign models	1.77	1.78	1.96	1.86	1.63	1.65	1.68
^{1/} Net exports of g. & s. (bal. of paymts.)	6.9	4.7	.7	2.4	8.6	15.9 ^{2/}	11.2 ^{2/}
Exports	102.7	131.5	90.2	97.2	105.0	118.7 ^{2/}	126.6 ^{2/}
Imports	95.8	126.7	89.4	94.8	96.4	102.8	115.4

^{2/} Includes effects of shipments of military equipment and supplies to Israel; for 1973-IV these are now estimated at \$2.5 billion, annual rate, and considered as a sale, with \$2.4 billion coming from U.S. military stocks and thus reducing defense purchases by that amount; for 1974-I they are estimated at \$.5 billion, annual rate, all from defense stocks.

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 Projection				1975	
		I	II	III	IV	I	II
Gross National Product	1395.7	1353.0	1377.5	1408.5	1444.0	1472.0	1498.5
Final purchases	1386.6	1343.0	1367.5	1400.0	1436.0	1464.0	1490.5
Private	1077.8	1047.2	1062.4	1087.7	1113.9	1134.1	1153.0
Excluding net exports	1076.2	1039.1	1059.7	1088.8	1117.1	1140.9	1162.3
Personal consumption expenditures	874.5	843.6	862.8	885.2	906.5	926.5	946.6
Durable goods	128.7	125.5	126.3	129.5	133.3	136.0	138.0
Nondurable goods	376.5	361.0	371.5	382.2	391.2	400.0	409.6
Services	369.4	357.1	365.0	373.5	382.0	390.5	399.0
Gross private domestic investment	210.8	205.5	206.9	212.1	218.6	222.4	223.7
Residential construction	50.3	49.5	47.9	50.6	53.1	52.9	50.2
Business fixed investment	151.4	146.0	149.0	153.0	157.5	161.5	165.5
Change in business inventories	9.1	10.0	10.0	8.5	8.0	8.0	8.0
Nonfarm	9.1	10.0	10.0	8.5	8.0	8.0	8.0
Net exports of goods and services ^{1/}	1.6	8.1 ^{2/}	2.7	-1.1	-3.2	-6.8	-9.3
Exports	129.2	124.3 ^{2/}	129.1	130.5	132.7	132.7	133.9
Imports	127.5	116.2	126.4	131.6	135.9	139.5	143.2
Gov't. purchases of goods and services	308.8	295.8	305.1	312.3	322.1	329.9	337.5
Federal	115.4	111.0	114.1	116.0	120.5	123.1	125.5
Defense	77.9	75.0	77.1	78.0	81.5	83.4	84.9
Other	37.5	36.0	37.0	38.0	39.0	39.7	40.6
State & local	193.4	184.8	191.0	196.3	201.6	206.8	212.0
Gross national product in constant (1958) dollars	839.9	835.6	834.9	841.0	848.2	853.0	857.8
GNP implicit deflator (1958 = 100)	166.2	161.9	165.0	167.5	170.2	172.6	174.7
Personal income	1134.5	1094.2	1121.7	1149.8	1172.1	1195.9	1218.7
Wage and salary disbursements	749.2	726.5	739.5	757.4	773.4	789.0	804.1
Disposable income	967.2	931.0	954.4	981.7	1001.8	1018.0	1036.4
Personal saving	67.0	61.9	65.3	69.4	67.3	62.6	60.0
Saving rate (per cent)	6.8	6.6	6.8	7.1	6.7	6.1	5.8
Corporate profits before tax	131.5	130.5	128.5	132.5	134.5	135.5	135.5
Corp. cash flow, net of div. (domestic)	112.3	109.8	110.5	112.8	116.0	117.1	117.9
Federal government receipts and expenditures, (N.I.A. basis)							
Receipts	289.3	284.2	287.5	290.6	294.7	304.7	310.1
Expenditures	299.3	282.5	295.0	306.1	313.4	320.0	326.2
Surplus or deficit (-)	-10.0	1.7	-7.5	-15.5	-18.7	-15.3	-16.1
High employment surplus or deficit (-)	-1.5	2.2	.3	-4.7	-3.9	3.8	5.9
State and local government surplus or deficit (-), (N.I.A. basis)	3.5	5.9	2.5	2.8	2.6	1.0	-1.0
Total labor force (millions)	93.3	92.8	93.1	93.4	93.7	94.0	94.3
Armed forces "	2.3	2.3	2.3	2.3	2.3	2.2	2.2
Civilian labor force "	91.0	90.5	90.8	91.1	91.4	91.8	92.1
Unemployment rate (per cent)	5.6	5.2	5.5	5.7	5.9	6.1	6.3
Nonfarm payroll employment (millions)	76.8	76.6	76.7	76.8	77.0	77.1	77.2
Manufacturing	19.8	19.9	19.8	19.7	19.7	19.7	19.7
Industrial production (1967 = 100)	125.3	124.6	124.3	125.5	126.8	127.8	128.8
Capacity utilization, mfg. (per cent)	80.0	80.3	79.3	79.4	79.6	79.6	79.5
Major materials (per cent)	90.8	91.5	90.5	90.6	90.7	90.7	90.6
Housing starts, private (millions, A.R.)	1.66	1.59	1.61	1.75	1.70	1.55	1.43
Sales new autos (millions, A.R.)	9.81	9.50	9.50	9.75	10.50	10.25	10.25
Domestic models	8.03	7.82	7.75	7.90	8.65	8.50	8.50
Foreign models	1.78	1.68	1.75	1.85	1.85	1.75	1.75
^{1/} Net exports of g. & s. (bal. of paymts.)	4.7	11.2	^{2/} 5.8	2.0	-.1	-3.7	-6.2
Exports	131.5	126.6	^{2/} 131.4	132.8	135.0	135.0	136.2
Imports	126.7	115.4	125.6	130.8	135.1	138.7	142.4

^{2/} Includes effects of shipments of military equipment and supplies to Israel; for 1974-I these are now estimated at \$.5 billion, annual rate, and considered as a sale, all from U.S. military stocks and thus reducing defense purchases by that amount.

CHANGES IN GROSS NATIONAL PRODUCT
AND RELATED ITEMS

	1973	1974 Proj.	1973				1974 Proj.
			I	II	III	IV	I
-----Billions of Dollars-----							
Gross National Product	133.9	106.6	43.3	29.5	32.5	33.0	15.5
Inventory change	2.0	1.1	-3.6	- .1	.2	13.3	-8.0
Final purchases	132.0	105.5	46.8	29.7	32.3	19.6	23.6
Private	121.9	73.8	38.9	23.0	28.6	13.0	13.4
Net exports	28.5	-4.2	3.5	2.8	4.8	5.2	-4.7
Excluding net exports	105.4	78.0	35.4	20.2	23.8	7.8	18.1
Personal consumption expenditures	77.5	70.5	26.8	16.2	20.4	9.2	18.4
Durable goods	13.4	-2.1	9.3	.6	.0	-7.2	- .1
Nondurable goods	36.0	40.6	11.5	8.1	11.3	8.0	11.4
Services	28.1	32.1	6.0	7.6	9.0	8.4	7.1
Residential fixed investment	4.0	-7.7	2.1	.6	-.4	-5.2	-4.5
Business fixed investment	18.0	15.2	6.6	3.2	3.9	3.8	4.2
Government	22.1	31.7	7.9	6.7	3.7	6.6	10.2
Federal	2.2	8.8	2.8	1.8	-.5	.0	4.2
State and local	20.0	22.9	5.0	5.0	4.2	6.6	6.0
GNP in constant (1958) dollars	46.7	2.5	17.0	5.0	7.0	3.3	-9.0
Final purchases	45.7	2.3	20.0	5.0	7.3	-6.2	-3.2
Private	44.0	-5.6	19.1	4.2	7.5	-5.3	-5.4
-----Per Cent Per Year ^{1/} -----							
Gross National Product	11.6	8.3	15.2	9.9	10.6	10.5	4.7
Final purchases	11.5	8.2	16.7	9.9	10.6	6.2	7.3
Private	12.0	7.4	17.8	9.8	12.0	5.2	5.3
Personal consumption expenditures	10.7	8.8	15.0	8.6	10.7	4.6	9.2
Durable goods	11.4	-1.6	33.9	1.8	.0	-20.0	- .3
Nondurable goods	12.0	12.1	15.6	10.4	14.4	9.7	13.7
Services	9.1	9.5	7.7	9.7	11.3	10.2	8.4
Gross private domestic investment	13.3	4.3	11.2	7.8	7.9	25.7	-14.8
Residential structures	7.4	-13.3	15.6	4.1	-2.7	-30.8	-29.4
Business fixed investment	15.2	11.2	23.0	10.1	12.2	11.5	12.4
Gov't. purchases of goods & services	8.7	11.4	12.7	10.4	5.5	9.8	15.1
Federal	2.1	8.3	11.4	7.0	-1.9	.0	16.7
Defense	-.7	5.4	10.9	-.5	.0	-6.3	11.4
Other	8.6	14.7	12.4	26.7	-4.7	14.1	28.7
State and local	13.3	13.4	13.3	12.8	10.4	16.2	14.1
GNP in constant (1958) dollars	5.9	.3	8.7	2.4	3.4	1.6	-4.2
Final purchases	5.8	.3	10.3	2.4	3.6	-2.9	-1.5
Private	6.8	-.8	12.0	2.5	4.4	3.0	-3.1
GNP implicit deflator	5.4	7.9	6.1	7.3	7.0	8.8 ^{2/}	9.3 ^{2/}
Private GNP fixed weighted index ^{3/}	6.1	8.4	7.0	7.9	7.6	8.6	10.8
Personal income	10.2	9.6	8.7	9.3	11.5	12.7	5.8
Wage and salary disbursements	10.1	8.3	11.6	9.9	10.2	10.6	5.3
Disposable income	10.7	9.6	11.5	8.8	10.2	12.5	5.9
Corporate profits before tax	29.0	4.0	61.5	34.9	.3	-2.8	4.4
Federal government receipts and expenditures (N.I.A. basis)							
Receipts	15.9	9.2	31.3	14.6	11.3	7.8	14.1
Expenditures	7.9	13.4	-2.6	6.0	5.0	6.2	20.6
Nonfarm payroll employment	3.9	1.6	4.5	3.7	2.2	4.4	.3
Manufacturing	4.7	-.1	5.4	4.7	1.2	4.5	-3.9
Industrial production	9.0	-.2	10.0	5.6	6.2	1.0	-7.4
Housing starts, private	-13.4	-18.7	1.0	-27.0	-32.0	-61.3	1.5
Sales new autos	4.6	-14.2	4.6	-15.4	.2	-45.5	-21.3
Domestic models	3.7	-17.0	16.0	-14.9	10.1	-51.5	-26.2
Foreign models	9.8	.5	42.3	-18.1	-41.7	5.8	7.7

^{1/} Percentage rates are annual rates compounded quarterly.^{2/} Excluding Federal pay increases rates of change are: 1973-IV, 8.2 per cent and 1974-I, 9.2 per cent.^{3/} Using expenditures in 1967 as weights.

CHANGES IN GROSS NATIONAL PRODUCT
AND RELATED ITEMS

	1974 Proj.	1974 Projection				1975	
		I	II	III	IV	I	II
-----Billions of Dollars-----							
Gross National Product	106.6	15.5	24.5	31.0	35.5	28.0	26.5
Inventory change	1.1	-8.0	.0	-1.5	-.5	.0	.0
Final purchases	105.5	23.6	24.5	32.5	36.0	28.0	26.5
Private	73.8	13.4	15.2	25.3	26.2	20.2	18.9
Net exports	-4.2	-4.7	-5.4	-3.8	-2.1	-3.6	-2.5
Excluding net exports	78.0	18.1	20.6	29.1	28.3	24.8	21.4
Personal consumption expenditures	70.5	18.4	19.2	22.4	21.3	20.0	20.1
Durable goods	-2.1	-.1	.8	3.2	3.8	2.7	2.0
Nondurable goods	40.6	11.4	10.5	10.7	9.0	8.8	9.6
Services	32.1	7.1	7.9	8.5	8.5	8.5	8.5
Residential fixed investment	-7.7	-4.5	-1.6	2.7	2.5	-.2	-2.7
Business fixed investment	15.2	4.2	3.0	4.0	4.5	4.0	4.0
Government	31.7	10.2	9.3	7.2	9.8	7.8	7.6
Federal	8.8	4.2	3.1	1.9	4.5	2.6	2.4
State and local	22.9	6.0	6.2	5.3	5.3	5.2	5.2
GNP in constant (1958) dollars	2.5	-9.0	-.7	6.1	7.2	4.8	4.8
Final purchases	2.3	-3.2	.5	5.9	7.4	4.5	4.6
Private	-5.6	-5.4	-.5	6.1	7.2	4.4	4.2
-----Per Cent Per Year ^{1/} -----							
Gross National Product	8.3	4.7	7.4	9.3	10.5	8.0	7.4
Final purchases	8.2	7.3	7.5	9.9	10.7	8.0	7.4
Private	7.4	5.3	5.9	9.9	10.0	7.5	6.8
Personal consumption expenditures	8.8	9.2	9.4	10.8	10.0	9.1	9.0
Durable goods	-1.6	-.3	2.6	10.5	12.3	8.4	6.0
Nondurable goods	12.1	13.7	12.2	12.0	9.8	9.3	10.0
Services	9.5	8.4	9.1	9.6	9.4	9.2	9.0
Gross private domestic investment	4.3	-14.8	2.8	10.4	12.8	7.1	2.4
Residential structures	-13.3	-29.4	-12.3	24.5	21.3	-1.5	-18.9
Business fixed investment	11.2	12.4	8.5	11.2	12.3	10.6	10.3
Gov't. purchases of goods & services	11.4	15.1	13.2	9.8	13.2	10.0	9.5
Federal	8.3	16.7	11.6	6.8	16.4	8.9	8.0
Defense	5.4	11.4	11.7	4.8	19.2	9.7	7.4
Other	14.7	28.7	11.6	11.3	10.9	7.4	9.4
State and local	13.4	14.1	14.1	11.6	11.2	10.7	10.4
GNP in constant (1958) dollars	.3	-4.2	-.3	2.9	3.5	2.3	2.3
Final purchases	.3	-1.5	.3	2.9	3.6	2.1	2.2
Private	-.8	-3.1 ^{2/}	-.3	3.6	4.2 ^{2/}	2.6 ^{2/}	2.4
GNP implicit deflator	7.9	9.3 ^{2/}	7.8	6.2	6.7 ^{2/}	5.6 ^{2/}	5.0
Private GNP fixed weighted index ^{3/}	8.4	10.8	7.8	6.4	6.2	5.5	5.0
Personal income	9.6	5.8	10.4	10.4	8.0	8.4	7.8
Wage and salary disbursements	8.3	5.3	7.4	10.0	8.7	8.3	7.9
Disposable income	9.6	5.9	10.4	11.9	8.4	6.6	7.4
Corporate profits before tax	4.0	7.7	-6.0	13.0	6.2	3.0	.0
Federal government receipts and expenditures (N.I.A. basis)							
Receipts	9.2	14.1	4.4	4.2	5.8	15.1	8.1
Expenditures	13.4	20.6	18.9	15.9	9.9	8.7	8.0
Nonfarm payroll employment	1.6	.3	.3	.8	.8	.5	.5
Manufacturing	-.1	-3.9	-2.0	-1.0	-1.0	.0	.0
Industrial production	-.2	-7.4	-.9	3.8	4.3	3.1	3.3
Housing starts, private	-18.7	1.5	5.1	39.6	-10.9	-30.9	-27.6
Sales new autos	-14.2	-21.3	.0	10.9	34.5	-9.2	.0
Domestic models	-17.0	-26.1	-3.5	8.0	43.7	-6.8	.0
Foreign models	.5	7.7	17.7	24.9	.0	-19.9	.0

^{1/} Percentage rates are annual rates compounded quarterly.^{2/} Excluding Federal pay increases rates of change are: 1974-I, 9.2 per cent; 1974-IV, 6.2 per cent; 1975-I, 5.5 per cent.^{3/} Using expenditures in 1967 as weights.

PROJECTION OF TREASURY CASH OUTLOOK
(In billions of dollars)

	March ^e	April	May	June
<u>Total net borrowing</u>	4.2	-2.9	-1.3	-1.6
Weekly and monthly bills	--	--	--	--
Tax bills	4.0	-4.5	--	-4.5
Coupon issues		1.5	--	
As yet unspecified new borrowing		--	4.1	2.5
Special foreign series	-.1	--	--	
Agency transactions, debt repayment, etc.	.3	.1	-5.4	.4
Plus: <u>Other net financial sources</u> a/	1.2	-.8	.8	-.7
Plus: <u>Budget surplus or deficit</u> (-)	-4.7	6.4	-4.0	6.1
Equals: <u>Change in cash balance</u>	.7 ^{b/}	2.7	-4.5	3.8
Memoranda: Level of cash balance, end of period	8.4 ^{b/}	11.1	6.6	10.4
Derivation of budget surplus or deficit:				
Budget receipts	17.3	29.0	20.0	32.5
Budget outlays	22.0	22.6	24.0	26.4
Maturing coupon issues held by public	--	--	5.6	--
Sales of financial assets	.2	.4	.1	.7
Budget agency borrowing	.4	.1	.2	.4
Net borrowing by government-sponsored agencies	.6	.7	.6	.6

e -- Estimated.

a/ Check issued less checks paid and other accrual items.

b/ Actual.

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

							F.R.B. Staff Estimates			
	Fiscal 1974 e/		FY 1975 e/	Calendar Years			Calendar Quarters			
	Budget	F.R.	Budget	1973	1974	1973	1974			
	Doc.	Board	Doc.	Actual	F.R.B.e/	IV*	I	II	III	IV
<u>Federal Budget</u>							Unadjusted data			
Surplus/deficit	-4.7	-3.2	-9.4	-7.9	-10.5	-5.0	-5.7	8.5	-4.1	-9.2
Receipts	270.0	266.8	295.0	250.4	278.3	59.9	61.0	81.5	70.5	65.3
Outlays	274.7	270.0	304.4	258.3	288.8	64.9	66.7	73.0	74.6	74.5
Means of financing:										
Net borrowing from the public	3.5	3.4	12.5	7.9	9.2	6.7	3.2	-5.8	4.1	7.7
Decrease in cash operating balance	n.a.	2.2	n.a.	.7	2.3	-2.1	2.0	-2.0	2.3	---
Other <u>1/</u>	n.a.	-2.3	n.a.	-.7	-1.0	.4	.5	-.7	-2.3	1.5
Cash operating balance, end of period	n.a.	10.4	n.a.	10.4	8.1	10.4	8.4	10.4	8.1	8.1
Memo <u>2/</u> : Sales of financial assets <u>3/</u>	3.7	2.5	4.5	3.6	4.2	.9	.5	1.2	1.0	1.4
Budget agency borrowing <u>4/</u>	1.7	1.6	1.8	-.1	1.8	.2	.4	.7	.4	.3
Sponsored agency borrowing <u>5/</u>	13.6	11.2	1.3	16.3	10.8	3.2	--	1.9	3.9	5.0
<u>National Income Sector</u>							Seasonally adjusted, annual rates			
Surplus/deficit	-4.7	-1.8 _{6/}	-8.6	1.2	-10.0	5.0	1.7	-7.5	-15.5	-18.7
Receipts	280.5	277.3 _{7/}	304.8	265.2	289.3	274.6	284.2	287.5	290.6	294.7
Expenditures	285.2	279.1 _{7/}	313.4	264.0	299.3	269.6	282.5	295.0	306.1	313.4
High Employment surplus/deficit (NIA basis) <u>8/</u>	n.a.	.4	n.a.	-1.3	-1.5	1.1	2.2	.3	-4.7	-3.9
* Actual	e--projected		n.e.--not estimated		n.a.--not available					

Footnotes continued

- 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.
- 3/ Includes net sales of loans held by the 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 averages exceed fiscal year total by \$1.7 billion for fiscal 1974 due to spreading of wage base effect over calendar year.
- 7/ Fiscal year exceeds quarterly average of \$.9 billion due to seasonal adjustment.
- 8/ Estimated by F.R. Board Staff.