

CONFIDENTIAL (FR)

SUMMARY AND OUTLOOK

**By the Staff
Board of Governors
of the Federal Reserve System**

August 14, 1974

STAFF GNP PROJECTIONS

	Per cent change, annual rate							
	Changes in nominal GNP		Real GNP		Gross private product fixed weighted price index		Unemployment rate (per cent)	
	\$ billion							
	7/10/74	8/14/74	7/10/74	8/14/74	7/10/74	8/14/74	7/10/74	8/14/74
1971 <u>1/</u>	78.3	77.8	3.2	3.3	4.6	4.3	5.9	5.9
1972 <u>1/</u>	99.7	103.1	6.1	6.2	3.2	3.3	5.6	5.6
1973 <u>1/</u>	133.9	136.9	5.9	5.9	6.1	6.3	4.9	4.9
1974	103.2	104.4	-.8	-1.4	9.7	10.9	5.4	5.5
1975	--	99.1	--	-.8	--	8.0	--	6.9
1973: I <u>1/</u>	43.3	44.2	8.7	9.5	7.0	7.4	5.0	5.0
II <u>1/</u>	29.5	29.0	2.4	2.2	7.9	8.1	4.9	4.9
III <u>1/</u>	32.5	31.0	3.4	1.6	7.0	8.4	4.7	4.7
IV <u>1/</u>	33.0	35.1	1.6	2.3	8.6	9.1	4.7	4.7
1974: I <u>1/</u>	14.7	14.8	-6.3	-7.0	13.5	14.1	5.2	5.2
II <u>1/</u>	23.1	24.7	-7.8	-1.2	9.0	12.3	5.1	5.1
III	29.2	31.0	.2	-.4	8.8	10.1	5.5	5.5
IV	32.5	26.0	1.3	-1.2	7.8	8.5	5.8	6.0
1975: I	26.5	20.0	.8	-1.6	6.7	7.4	6.2	6.4
II	24.5	21.5	.8	-1.0	6.0	7.1	6.5	6.7
III	--	25.0	--	.2	--	6.7	--	7.1
IV	--	33.0	--	1.7	--	6.6	--	7.3
Change: 72-IV to 73-IV	138.3	139.3	4.0	3.9	7.8	8.3	-.6	-.6
73-IV to 74-IV	98.5	96.5	-1.5	-2.5	9.8	11.2	1.1	1.3
74-II to 75-II	112.7	98.5	.8	-1.1	7.3	8.3	1.4	1.6
74-IV to 75-IV	--	99.5	--	-.2	--	6.9	--	1.3

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		Projected	
			III	IV	I	IIp	III	IV
Gross National Product	1294.9	1399.3	1308.9	1344.0	1358.8	1383.5	1414.5	1440.5
Final purchases	1279.6	1385.3	1297.0	1315.1	1341.9	1368.4	1401.5	1429.5
Private	1003.2	1077.1	1020.1	1028.7	1045.6	1064.9	1089.7	1108.0
Excluding net exports	999.3	1075.3	1013.4	1019.4	1034.3	1064.7	1090.9	1111.3
Personal consumption expenditures	805.2	875.7	816.3	823.9	840.6	866.8	889.2	906.3
Durable goods	130.3	130.3	132.4	124.3	123.9	130.2	132.4	134.5
Nondurable goods	338.0	379.9	343.8	352.1	364.4	375.2	386.8	393.3
Services	336.9	365.6	340.1	347.4	352.4	361.4	370.0	378.5
Cross private domestic investment	209.4	213.6	209.0	224.5	210.5	213.0	214.7	216.0
Residential construction	57.2	47.9	58.1	53.6	48.4	48.7	47.9	46.6
Business fixed investment	136.8	151.7	139.0	141.9	145.2	149.2	153.8	158.4
Change in business inventories	15.4	14.0	11.8	28.9	16.9	15.1	13.0	11.0
Nonfarm	11.4	11.8	7.4	24.0	13.1	11.9	11.5	10.5
Net exports of goods and services ^{1/}	3.9	1.8	6.7	9.3	11.3	.2	-1.2	-3.3
Exports	100.4	139.2	103.7	113.6	131.2	138.6	142.2	144.7
Imports	96.4	137.4	96.9	104.3	119.9	138.4	143.4	148.0
Gov't. purchases of goods and services	276.4	308.3	276.9	286.4	296.3	303.5	311.8	321.5
Federal	106.6	115.5	105.3	108.4	111.5	113.9	116.1	120.6
Defense	74.4	77.9	73.3	75.3	75.8	76.1	78.0	81.6
Other	32.2	37.7	32.0	33.1	35.7	37.8	38.1	39.0
State and local	169.8	192.8	171.6	177.9	184.8	189.6	195.7	200.9
Gross national product in constant (1958) dollars	839.2	827.6	840.8	845.7	830.5	828.0	827.2	824.7
GNP implicit deflator (1958 = 100)	154.3	169.1	155.7	158.9	163.6	167.1	171.0	174.7
Personal income	1055.0	1148.1	1068.0	1099.3	1112.5	1133.8	1160.9	1185.3
Wage and salary disbursements	691.7	757.6	698.2	717.0	727.6	744.9	781.8	776.0
Disposable income	903.7	978.0	913.9	939.4	950.6	965.9	987.8	1007.5
Personal saving	74.4	76.2	73.2	89.3	84.4	73.3	72.4	74.6
Saving rate (per cent)	8.2	7.8	8.0	9.5	8.9	7.6	7.3	7.4
Corporate profits & inventory val. adj.	105.1	113.7	105.2	106.4	107.7	113.1	117.8	116.1
Corporate profits before tax	122.7	145.7	122.7	122.7	138.7	150.4	149.5	144.0
Federal government receipts and expenditures, (N.I.A. basis)								
Receipts	258.5	291.6	261.8	268.3	279.4	289.5	296.8	300.8
Expenditures	264.2	296.3	263.4	270.6	281.0	291.2	302.3	310.8
Surplus or deficit (-)	-5.6	-4.7	-1.7	-2.3	-1.5	-1.7	-5.5	-10.0
High employment surplus or deficit (-)	-6.6	-1.6	-4.8	-4.2	-3.0	-3.1	-2.9	2.8
State and local government surplus or deficit (-), (N.I.A. basis)	9.2	2.2	8.4	4.6	3.4	2.3	2.3	.8
Total labor force (millions)	91.0	93.2	91.3	92.2	92.8	92.9	93.4	93.7
Armed forces "	2.3	2.2	2.3	2.3	2.3	2.2	2.2	2.2
Civilian labor force "	88.7	91.0	89.0	89.9	90.5	90.6	91.2	91.5
Unemployment rate (per cent)	4.9	5.5	4.7	4.7	5.2	5.1	5.5	6.0
Nonfarm payroll employment (millions)	75.6	76.9	75.7	76.6	76.7	77.1	77.0	76.8
Manufacturing	19.8	19.8	19.8	20.1	19.9	19.9	19.8	19.6
Industrial production (1967 = 100)	125.6	125.2	126.7	127.0	124.9	125.4	125.4	125.0
Capacity utilization, mfg. (per cent)	83.0	79.6	83.3	82.6	80.5	80.1	79.3	78.3
Major materials (per cent)	93.0	89.0	93.5	92.3	90.2	90.0	88.7	86.9
Housing starts, private (millions, A.R.)	2.05	1.51	2.01	1.58	1.63	1.57	1.45	1.40
Sales new autos (millions, A.R.)	11.44	9.19	11.33	10.15	9.04	9.20	9.25	9.25
Domestic models	9.67	7.86	9.66	8.51	7.49	7.95	8.00	8.00
Foreign models	1.77	1.33	1.67	1.64	1.55	1.25	1.25	1.25
1/ Net exports of g. & s. (Bal. of Paymts.)	4.2	2.2	6.6	10.6	11.6	.7	-.7	-2.8
Exports	101.0	140.8	103.7	116.0	131.5	140.5	144.2	146.7
Imports	96.8	138.6	97.1	105.5	119.9	139.9	144.9	149.5

2/ Includes shipments of military equipment and supplies to Israel not included in GNP figures; for 1973-IV these are \$2.4 billion and for 1974-I, \$3 billion.

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.	1975 Proj.	1974		1975			
			III	IV	Projected		III	IV
Gross National Product	1399.3	1497.4	1414.5	1440.5	1460.5	1482.0	1507.0	1540.0
Final purchases	1385.3	1490.4	1401.5	1429.5	1453.5	1475.0	1500.0	1533.0
Private	1077.1	1151.5	1089.7	1108.0	1125.8	1139.7	1158.7	1181.8
Excluding net exports	1075.3	1156.7	1090.9	1111.3	1129.8	1144.1	1164.2	1188.5
Personal consumption expenditures	875.7	948.1	889.2	906.3	922.8	938.0	955.8	975.6
Durable goods	130.3	135.5	132.4	134.5	134.5	133.0	135.0	139.5
Nondurable goods	379.9	413.2	386.8	393.3	401.3	409.5	417.3	424.6
Services	365.6	399.4	370.0	378.5	387.0	395.5	403.5	411.5
Gross private domestic investment	213.6	215.6	214.7	216.0	214.0	213.1	215.4	219.9
Residential construction	47.9	43.1	47.9	46.6	45.1	41.6	41.9	43.8
Business fixed investment	151.7	165.5	153.8	158.4	161.9	164.5	166.5	169.1
Change in business inventories	14.0	7.0	13.0	11.0	7.0	7.0	7.0	7.0
Nonfarm	11.8	7.4	11.5	10.5	8.0	7.5	7.0	7.0
Net exports of goods and services ^{1/}	1.8	-5.2	-1.2	-3.3	-4.0	-4.4	-5.5	-6.7
Exports	139.2	151.8	142.2	144.7	147.5	149.8	153.2	156.7
Imports	137.4	157.0	143.4	148.0	151.5	154.2	158.7	163.4
Gov't. purchases of goods and services	308.3	338.9	311.8	321.5	327.7	335.3	341.3	351.2
Federal	115.5	125.1	116.1	120.6	122.0	123.8	124.9	129.5
Defense	77.9	84.7	78.0	81.6	82.5	83.8	84.4	88.0
Other	37.7	40.4	38.1	39.0	39.5	40.0	40.5	41.5
State & local	192.8	213.8	195.7	200.9	205.7	211.5	216.4	221.7
Gross national product in constant (1958) dollars	827.6	820.9	827.2	824.7	821.3	819.3	819.7	823.1
GNP implicit deflator (1958 = 100)	169.1	182.3	171.0	174.7	177.8	180.9	183.9	187.1
Personal income	1148.1	1236.6	1160.9	1185.3	1208.3	1203.1	1255.2	1279.7
Wage and salary disbursements	757.6	815.1	761.8	776.0	791.6	807.1	821.8	839.8
Disposable income	978.0	1055.4	987.8	1007.5	1026.4	1044.3	1065.5	1085.4
Personal saving	76.2	79.6	72.4	74.6	76.6	78.8	81.7	81.3
Saving rate (per cent)	7.8	7.5	7.3	7.4	7.5	7.5	7.7	7.5
Corporate profits & inventory val. adj.	113.7	109.9	117.8	116.1	110.4	108.2	108.4	112.4
Corporate profits before tax	145.7	129.4	149.5	144.0	133.5	128.5	126.5	129.0
Federal government receipts and expenditures, (N.I.A. basis)								
Receipts	291.6	310.9	296.8	300.8	305.3	308.2	312.0	318.2
Expenditures	296.3	329.4	302.3	310.8	317.9	325.9	334.0	339.9
Surplus or deficit (-)	-4.7	-18.5	-5.5	-10.0	-12.6	-17.7	-22.0	-21.7
High employment surplus or deficit (-)	-1.6	15.9	-2.9	2.8	9.3	14.8	17.2	22.4
State and local government surplus or deficit (-), (N.I.A. basis)	2.2	-2.7	2.3	.8	-1.2	-1.9	-2.6	-5.0
Total labor force (millions)	93.2	94.2	93.4	93.7	93.9	94.1	94.3	94.4
Armed forces "	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2
Civilian labor force "	91.0	92.0	91.2	91.5	91.7	91.9	92.1	92.2
Unemployment rate (per cent)	5.5	6.9	5.5	6.0	6.4	6.7	7.1	7.2
Nonfarm payroll employment (millions)	76.9	76.5	77.0	76.8	76.7	76.6	76.5	76.4
Manufacturing	19.8	19.2	19.8	19.6	19.5	19.3	19.0	18.6
Industrial production (1967 = 100)	125.2	124.3	125.4	125.0	124.5	123.9	124.1	124.4
Capacity utilization, mfg. (per cent)	79.6	76.1	79.3	78.3	77.3	76.3	75.6	75.1
Major materials (per cent)	89.0	83.5	88.7	86.9	84.9	83.8	82.9	82.1
Housing starts, private (millions, A.R.)	1.51	1.26	1.45	1.40	1.25	1.20	1.25	1.3
Sales new autos (millions, A.R.)	9.19	8.87	9.25	9.25	9.00	8.75	8.75	9.0
Domestic models	7.86	7.76	8.00	8.00	7.85	7.65	7.65	7.9
Foreign models	1.33	1.11	1.25	1.25	1.15	1.10	1.10	1.1
^{1/} Net exports of g. & s. (Bal. of Paymts.)	2.2	-4.7	- .7	-2.8	-3.5	-3.9	-5.0	-6.
Exports	140.8	153.8	144.2	146.7	149.5	151.8	155.2	158.
Imports	138.6	158.5	144.9	149.5	153.0	155.7	160.2	164.

CHANGES IN GROSS NATIONAL PRODUCT
AND RELATED ITEMS

	1973	1974 Proj.	1973		1974			
			III	IV	I	IIp	Projected	
							III	IV
	-----Billions of Dollars-----							
Gross National Product	136.9	104.4	31.0	35.1	14.8	24.7	31.0	26.0
Inventory change	6.9	- 1.4	1.1	17.1	-12.0	- 1.8	- 2.1	- 2.0
Final purchases	130.0	105.7	29.8	18.1	26.8	26.5	33.1	28.0
Private	109.3	73.9	26.2	8.6	16.9	19.3	24.8	18.3
Net exports	9.9	- 2.1	6.2	2.6	2.0	-11.1	- 1.4	- 2.1
Excluding net exports	99.4	76.0	20.0	6.0	14.9	30.4	26.2	20.4
Personal consumption expenditures	76.2	70.5	17.3	7.6	16.7	26.2	22.4	17.1
Durable goods	11.9	.0	.3	- 8.1	- .4	6.3	2.2	2.1
Nondurable goods	38.0	41.9	11.1	8.3	12.3	10.8	11.6	6.5
Services	26.0	28.7	5.9	7.3	5.0	9.0	8.6	8.5
Residential fixed investment	3.2	- 9.3	- .6	- 4.5	- 5.2	.3	- .8	- 1.3
Business fixed investment	20.0	14.9	3.4	2.9	3.3	4.0	4.6	4.6
Government	20.7	31.9	3.6	9.5	9.9	7.2	8.3	9.7
Federal	1.7	8.9	- .9	3.1	3.1	2.4	2.2	4.5
State and local	19.0	5.5	4.5	6.3	6.9	4.8	6.1	5.2
GNP in constant (1958) dollars	46.7	-11.6	3.4	4.9	-15.2	- 2.5	- .8	- 2.5
Final purchases	43.0	- 9.4	3.1	- 7.0	- 5.8	- 1.0	.2	- 1.2
Private	45.2	-10.6	3.3	- 9.0	- 6.1	- .3	- .1	- 1.0
	-----Per Cent Per Year ^{1/} -----							
Gross National Product	11.8	8.1	10.1	11.2	4.5	7.5	9.3	7.6
Final purchases	11.3	8.3	9.7	5.7	8.4	8.1	10.0	8.2
Private	12.2	7.4	11.0	3.4	6.7	7.6	9.6	6.9
Personal consumption expenditures	10.5	8.8	8.9	3.8	8.4	13.1	10.7	7.9
Durable goods	10.1	.0	.9	-22.3	- 1.3	21.9	6.9	6.5
Nondurable goods	12.8	12.4	14.0	10.0	14.7	12.4	13.0	6.9
Services	8.4	8.5	7.3	8.9	5.9	10.6	9.9	9.5
Gross private domestic investment	16.8	2.0	7.8	33.1	-22.7	4.8	3.2	2.4
Residential structures	5.9	-16.3	- 4.0	-27.6	-33.5	2.5	- 6.4	-10.4
Business fixed investment	17.1	10.9	10.4	8.6	9.6	11.5	12.9	12.5
Gov't. purchases of goods & services	8.1	11.5	5.4	14.4	14.6	10.1	11.4	13.0
Federal	1.6	8.3	- 3.3	12.3	11.9	8.9	8.0	16.4
Defense	- .5	4.7	- 3.7	11.4	2.7	1.6	10.4	19.8
Other	7.0	17.1	- 2.5	14.5	35.3	25.7	3.2	9.8
State and local	12.6	13.5	11.2	15.5	16.4	10.8	13.5	11.1
GNP in constant (1958) dollars	5.9	- 1.4	1.6	2.3	- 7.0	- 1.2	- .4	- 1.2
Final purchases	5.5	- 1.1	1.5	- 3.3	- 2.8	- .5	.1	- .6
Private	6.5	- 1.5	1.9	- 5.1	- 3.5 ^{2/}	- .2	- .0	- .6
GNP implicit deflator	5.6	9.6	8.3	8.6 ^{2/}	12.3 ^{2/}	8.8	9.7	8.8 ^{2/}
Private GNP fixed weighted index ^{3/}	6.3	10.9	8.4	9.1	14.1	12.3	10.1	8.5
Personal income	11.7	8.8	11.6	12.2	4.9	7.9	9.9	8.7
Wage and salary disbursements	10.3	9.5	8.7	11.2	6.0	9.9	21.3	- 2.9
Disposable income	12.6	8.2	10.1	11.6	4.9	6.6	9.4	8.2
Corporate profits before tax	23.7	18.7	- 6.9	.0	63.3	38.3	- 2.4	-13.9
Federal government receipts and expenditures (N.I.A. basis)								
Receipts	13.8	12.8	11.1	10.3	17.6	15.3	10.5	5.5
Expenditures	8.0	12.1	1.5	11.4	16.3	15.3	16.1	11.7
Nonfarm payroll employment	3.9	1.7	2.2	4.4	.8	1.8	- .5	- 1.0
Manufacturing	4.7	.0	1.2	4.5	- 2.9	.4	- 2.0	- 4.0
Industrial production	9.0	- .3	6.2	1.0	- 6.5	1.6	.0	- 1.4
Housing starts, private	-13.2	-26.2	-32.0	-61.4	11.6	-14.2	-27.2	-13.1
Sales new autos	4.7	-19.7	-21.3	-35.5	-37.1	7.2	2.2	.0
Domestic models	3.7	-18.7	-18.6	-39.8	-40.0	27.1	2.5	.0
Foreign models	9.8	-24.9	-35.0	- 5.9	-20.0	-38.2	.0	.0

^{1/} Percentage rates are annual rates compounded quarterly.^{2/} Excluding Federal pay increases rates of change are: 1973-IV, 8.0 per cent; 1974-I, 12.2 per cent; and 1974-IV, 8.3 per cent.^{3/} Using expenditures in 1967 as weights.

CHANGES IN GROSS NATIONAL PRODUCT
AND RELATED ITEMS

	1974 Proj.	1975 Proj.	1974		1975			
			III	IV	Projected		III	IV
					I	II		

^{1/} Percentage rates are annual rates compounded quarterly.^{2/} Excluding Federal pay increases rates of change are: 1974-IV, 8.3 per cent; 1975-I, 7.3 per cent; and 1975-IV, 6.6 per cent.^{3/} Using expenditures in 1967 as weights.

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CURRENT ECONOMIC AND FINANCIAL CONDITIONS

By the Staff
Board of Governors
of the Federal Reserve System

August 14, 1974

plans for capital expansion, and two industrial firms, Ford and Goodyear, also made similar announcements.

The volume of corporate security offerings is expected to be unseasonably heavy in August and to remain so in September, mainly because of continued demand for public bond financing. Long-term, fixed rate instruments are making up a smaller proportion of the total bond calendar and issuers are showing continued interest in attracting individual investors into the bond market. The calendar for August includes \$475 million of fixed rate, intermediate maturity offerings, which averaged \$350 million per month in the first half of the year, and \$675 million of floating rate notes, which first appeared in July.

Increased policy loans and the desire for liquidity by life insurance companies are expected to keep the volume of private placements relatively low, and unfavorable market conditions also have kept the volume of prospective stock offerings at low levels.

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

	1973	1974				
	Year	1st Half e/	QIII f/	July	Aug.	Sept.
Corporate securities -						
Total	2,779	3,011	3,001	2,900	2,900	3,200
Public bonds	1,125	1,952	2,067	2,100	2,100	2,000
Privately placed bonds	725	507	467	400	400	600
Stock	929	552	467	400	400	600
State and local government securities	1,942	2,095	1,600	1,400	1,700	1,700

e/ Estimated.

f/ Forecast.

PROJECTION OF TREASURY CASH OUTLOOK
(In billions of dollars)

	July ^e	Aug	Sept.	Oct.
<u>Total net borrowing</u>	1.8	2.0	2.0	1.5
Weekly and monthly bills	.8	1.2	--	--
Tax bills	--	1.5	-1.5	--
Coupon issues, net	--	.1	--	--
As yet unspecified new borrowing	--	--	3.5	--
Special foreign series	-.6	-.8	--	--
Budget agency transactions with the public	--	--	--	--
Net Federal Financing Bank transactions with the public	1.5	--	--	1.5
Debt repayment	.1	--	--	--
Plus: <u>Other net financial sources</u> a/	-.3	-1.5	--	-.1
Plus: <u>Budget surplus or deficit</u> (-)	-4.2	-1.7	3.5	-6.0
Equals: <u>Change in cash balance</u>	-2.7 ^{b/}	-1.2	5.5	-4.6
Memoranda: Level of cash balance, end of period	6.5 ^{b/}	5.3	10.8	6.2
Derivation of budget surplus or deficit:				
Budget receipts	20.9	23.7	28.5	19.5
Budget outlays	25.1	25.4	25.0	25.5
Maturing coupon issues held by public	--	4.3	1.8	--
Net borrowing by government-sponsored agencies	3.0	.8	2.5	1.5

e--estimated.

a/ Checks outstanding 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 Year 1974 *	Fiscal 1975 e/ Adm. Est. F.R. 5-30-74 Board		Calendar Years 1973 1974 Actual FRB e/		Calendar Quarters					
						1974				1975	
						I*	II*	III	IV	I	II
<u>Federal Budget</u>						Unadjusted data					
Surplus/deficit	-3.5	-11.4	-9.7	-7.9	-7.3	-7.1	9.7	-2.4	-7.5	-7.0	-7.2
Receipts	264.8	294.0	294.8	250.4	280.9	60.5	80.1	73.1	67.2	66.5	88.0
Outlays	268.3	305.4	304.5	258.3	288.2	67.6	70.4	75.5	74.7	73.6	80.8
Means of financing:											
Net borrowing from the public	3.0	n.a.	12.0	7.9	9.2	3.4	-6.4	5.8	6.4	2.0	-2.2
Decrease in cash operating balance	3.4	n.a.	2.6	.7	2.6	2.0	-.8	-1.6	3.0	4.2	-3.0
Other <u>1/</u>	-2.9	n.a.	-4.8	-.7	-4.5	1.7	-2.5	-1.8	-1.9	.8	-1.9
Cash operating balance, end of period	9.2	n.a.	6.6	10.4	7.8	8.4	9.2	10.8	7.8	3.6	6.6
Memo <u>2/</u> : Sales of financial assets											
to the public <u>3/</u>											
Borrowing from the public: <u>4/</u>	1.5	n.a.	5.7	3.6	4.1	.1	.4	1.8	1.6	1.2	1.1
Budget agency	1.3	n.a.	n.a.	-.1	4.8	.4	.1	--	2.8	n.e.	n.e.
Federal Financing Bank	--			--		--	--	1.5			
Treasury borrowing, net	1.7	n.a.	n.e.	8.1	4.4	3.0	-6.3	4.3	3.6	n.e.	n.e.
Sponsored agency borrowing <u>5/</u>	14.9	n.a.	n.e.	16.3	15.6	--	5.6	6.3	3.7	n.e.	n.e.
<u>National Income Sector</u>						Seasonally adjusted, annual rates					
Surplus/deficit	-3.5e	-12.8	-12.1	-5.6	-4.7	-1.5	-1.7	-5.5	-10.0	-12.6	-17.7
Receipts	273.1	6/304.3	302.2	6/258.5	291.6	279.4	289.5	296.8	300.8	305.3	308.2
Expenditures	276.6	317.1	314.3	264.2	296.3	281.0	291.2	302.3	310.8	317.9	325.9
High Employment surplus/deficit (NIA basis) <u>7/</u>	-3.8	n.a.	6.0	-6.6	-1.6	-3.0	-3.1	-2.9	2.8	9.3	14.8
* Actual	e--projected	n.e.--not estimated			n.a.--not available			p--preliminary			

Footnotes continued

- 1/ Includes such items as deposit fund accounts and clearing accounts.
- 2/ The sum of sponsored and budget agency debt issues, financial asset sales, and borrowing by the Federal Financing Bank 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. Most of the market activities of budget agencies are expected to be handled by the Federal Financing Bank in fiscal year 1975.
- 3/ Includes net sales of loans held by the Government National Mortgage Assn., Federal Housing Adm., and Veterans Adm. Receipts from these sales are netted against Federal Budget Outlays shown above.
- 4/ Budget agencies such as U.S. Postal Service, Export-Import Bank, and Tennessee Valley Authority, borrow directly from the public or from the Federal Financing Bank. The Federal Financing Bank in turn borrows from the public or from the Treasury. To avoid double counting only net borrowing from the public is shown in the table.
- 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 and \$.6 billion for fiscal 1975 due to spreading of wage base effect over calendar year.
- 7/ Estimated by F.R. Board Staff.

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GROSS NATIONAL PRODUCT AND RELATED ITEMS
(Changes in Periods Indicated; Based on Seasonally Adjusted Annual Rate Data)

	1970-IV to 1971-IV		1971-IV to 1972-IV		1972-IV to 1973-IV		1973-IV to 1974-I	
	Former Estimates	Revised Estimates	Former Estimates	Revised Estimates	Former Estimates	Revised Estimates	Former Estimates	Revised Estimates
-----Billions of Dollars-----								
							Seasonally Adjusted	
Gross National Product	92.4	91.4	115.0	121.5	138.3	139.3	14.7	14.8
Final purchases	92.2	91.1	112.1	115.9	128.4	121.4	27.3	26.8
Private	73.3	72.3	93.6	95.4	103.5	97.6	15.1	16.9
Excluding net exports	78.3	78.5	94.9	97.3	87.2	83.0	13.2	14.9
Personal consumption expenditures	55.1	55.5	69.2	73.4	72.6	66.7	19.4	16.7
Durable goods	18.6	19.3	16.2	16.9	2.7	.0	- .6	- .4
Nondurable goods	12.4	12.3	27.2	27.5	38.9	41.2	12.7	12.3
Services	24.1	23.9	25.8	29.0	31.0	25.4	7.3	5.0
Gross private domestic investment	23.4	23.4	28.6	29.4	24.5	34.3	-15.0	-14.0
Residential construction	13.7	13.8	9.4	9.1	-2.9	-3.1	-4.7	-5.2
Business fixed investment	9.5	9.3	16.3	14.7	17.5	19.4	2.3	3.3
Change in business inventories	.2	.3	2.9	5.6	9.8	17.9	-12.5	-12.0
Nonfarm	-1.4	- .5	4.4	6.0	9.4	13.6	-12.3	-10.9
Net exports of goods & services	-5.0	-6.2	-1.3	-1.9	16.3	14.6	-1.9	2.0
Exports	.2	-1.2	16.7	16.5	36.7	35.1	14.0	17.6
Imports	4.8	5.0	18.0	18.4	20.4	20.5	15.8	15.6
Gov't. purchases of goods & services	18.9	18.8	18.5	20.5	24.9	23.8	12.2	9.9
Federal	6.4	5.7	1.5	4.7	4.1	3.2	5.3	3.1
Defense	- .2	- .5	.0	2.6	.6	.6	3.3	.5
Other	6.6	6.3	1.5	2.0	3.5	2.6	2.0	2.6
State and local	12.5	13.1	17.0	15.8	20.8	20.5	6.9	6.9
Gross national product in constant (1958) dollars	39.7	39.8	53.3	55.1	32.3	31.5	-13.6	-15.2
Personal income	61.5	62.9	91.7	99.2	102.8	114.3	15.5	13.2
Wage and salary disbursements	40.4	39.6	61.6	61.2	68.5	69.5	9.0	10.6
Transfer payments	11.6	11.6	15.5	15.7	10.0	9.9	5.5	6.1
Disposable personal income	53.2	54.6	68.3	76.3	89.1	101.3	13.6	11.2
Personal saving	-2.8	-2.0	-3.4	.3	12.7	30.4	-5.6	-4.9
Saving rate (per cent) ^{1/}	8.1	8.1	6.2	6.6	6.2	8.2	6.6	8.9
Corporate profits and I.V.A.	17.5	16.5	15.4	17.4	13.1	6.6	1.0	1.3
Corporate profits before tax	17.1	16.9	19.2	21.5	21.3	14.5	16.6	16.0
Cash flow, net of div. (domestic)	16.6	17.2	13.4	16.0	12.1	9.4	5.8	5.8
Federal government receipts and expenditures (N.I.A. basis)								
Receipts	14.2	14.1	33.4	32.2	37.4	32.7	11.3	11.1
Expenditures	19.4	18.3	32.3	34.3	9.3	9.4	12.7	10.4
Surplus or deficit (-)	-5.2	-4.2	1.1	-2.1	28.1	23.3	-1.4	.8
High employment surplus or deficit (-)	1.5	1.6	12.2	-19.7	6.5	15.2	7.6	3.3
State and local government surplus or deficit (-), (N.I.A. basis)	5.8	4.5	13.7	14.5	-13.6	-14.5	-1.4	-1.2
Change in business inventories ^{2/}	6.1	6.3	6.0	8.6	8.0	15.4	5.5	16.9
Nonfarm	4.5	4.9	5.6	7.8	7.3	11.4	5.0	13.1
Net exports of goods & services ^{3/}	.8	.2	-4.6	6.0	5.8	3.9	10.9	11.3
Personal saving ^{4/}	60.2	60.5	49.8	52.6	54.8	74.4	61.5	84.4
Federal government surplus or deficit (-), (N.I.A. basis) ^{5/}	-22.2	-21.9	-15.9	-17.5	.9	-5.7	3.3	-1.5
High employment budget ^{5/}	3.2	3.0	.4	-1.7	-1.3	-1.9	2.4	4.3
-----In Per Cent Per Year-----								
Gross National Product	9.3	9.2	10.6	11.2	11.5	11.6	4.5 ^{6/}	4.5 ^{6/}
Gross Private Product	9.3	9.3	10.9	11.3	11.8	12.0	3.9 ^{6/}	4.0 ^{6/}
Gross Private Nonfarm Product	8.9	8.9	10.8	11.1	9.9	9.8	1.3 ^{6/}	3.0 ^{6/}
GNP in constant prices	5.5	5.5	7.0	7.3	4.0	3.9	-6.3 ^{6/}	-7.0 ^{6/}
GPP in constant prices	6.0	6.0	7.5	7.8	4.1	4.0	-7.1 ^{6/}	-7.8 ^{6/}
GPNNFP in constant prices	6.0	6.0	8.2	8.4	4.3	3.8	-8.1 ^{6/}	-9.0 ^{6/}
GNP Implicit Price Deflator	3.6	3.5	3.3	3.7	7.3	7.4	11.5 ^{6/}	12.3 ^{6/}
GPP Fixed-Weighted Price Index	3.9	3.8	3.5	3.4	7.8	8.3	13.6 ^{6/}	14.1 ^{6/}

^{1/} Average saving rate during the period indicated. ^{2/} Inventory investment during the periods indicated. ^{3/} Net exports during the period indicated. ^{4/} Personal saving during the period indicated. ^{5/} Average surplus or deficit during the period indicated. ^{6/} At compound rates.

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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.)

	1973				1974			
	I	II	III	IV	I	IIp	III	IV
Gross National Product	1248.9	1277.9	1308.9	1344.0	1358.8	1383.5		
Final purchases	1238.9	1267.2	1297.0	1315.1	1341.9	1368.4		
Private	969.9	993.9	1020.1	1028.7	1045.6	1064.9		
Excluding net exports	970.7	993.4	1013.4	1019.4	1034.3	1064.7		
Personal consumption expenditures	781.7	799.0	816.3	823.9	840.6	866.8		
Durable goods	132.4	132.1	132.4	124.3	123.9	130.2		
Nondurable goods	323.3	332.7	343.8	352.1	364.4	375.2		
Services	325.9	334.2	340.1	347.4	352.4	361.4		
Gross private domestic investment	199.0	205.1	209.0	224.5	210.5	213.0		
Residential construction	58.5	58.7	58.1	53.6	48.4	48.7		
Business fixed investment	130.5	135.6	139.0	141.9	145.2	149.2		
Change in business inventories	10.0	10.7	11.8	28.9	16.9	15.1		
Nonfarm	6.5	7.7	7.4	24.0	13.1	11.9		
Net exports of goods and services	- .8	.5	6.7	9.3	11.3	.2		
Exports	88.8	95.4	103.7	113.6	131.2	138.6		
Imports	89.5	94.9	96.9	104.3	119.9	138.4		
Gov't. purchases of goods & services	269.0	273.3	276.9	286.4	296.3	303.5		
Federal	106.4	106.2	105.3	108.4	111.5	113.9		
Defense	75.0	74.0	73.3	75.3	75.8	76.1		
Other	31.4	32.2	32.0	33.1	35.7	37.8		
State and local	162.6	167.1	171.6	177.9	184.8	189.6		
Gross national product in constant (1958) dollars	832.8	837.4	840.8	845.7	830.5	828.0		
GNP implicit deflator (1958 = 100)	150.0	152.6	155.7	158.9	163.6	167.1		
Personal income	1013.6	1039.2	1068.0	1099.3	1112.5	1133.8		
Wage and salary disbursements	667.6	683.8	698.2	717.0	727.6	744.9		
Disposable income	869.5	892.1	913.9	939.4	950.6	965.9		
Personal saving	65.3	69.6	73.2	89.3	84.4	73.3		
Saving rate (per cent)	7.5	7.8	8.0	9.5	8.9	7.6		
Corporate profits and I.V.A.	103.9	105.0	105.2	106.4	107.7	n.a.		
Corporate profits before tax	120.4	124.9	122.7	122.7	138.7	n.a.		
Cash flow, net of div. (domestic)	109.3	112.7	110.9	110.3	116.1	n.a.		
Federal government receipts and expenditures (N.I.A. basis)								
Receipts	249.1	255.0	261.8	268.3	279.4	n.a.		
Expenditures	260.2	262.4	263.4	270.6	281.0	291.2		
Surplus or deficit (-)	-11.2	-7.4	-1.7	-2.3	-1.5	n.a.		
High employment surplus or deficit (-)	-5.2	-2.9	-.2	.8	4.1	n.a.		
State and local government surplus or deficit (-), (N.I.A. basis)	13.2	10.4	8.4	4.6	3.4	n.a.		
Total labor force (millions)	90.0	90.8	91.3	92.2	92.8	92.9		
Armed forces "	2.4	2.3	2.3	2.3	2.3	2.2		
Civilian labor force "	87.6	88.5	89.0	89.9	90.5	90.6		
Unemployment rate (per cent)	5.0	4.9	4.7	4.7	5.2	5.1		
Nonfarm payroll employment (millions)	74.6	75.3	75.7	76.6	76.7	77.1		
Manufacturing	19.6	19.8	19.8	20.1	19.9	19.9		
Industrial production (1967 = 100)	123.1	124.8	126.7	127.0	124.9	125.3		
Capacity utilization, manufacturing (per cent)	82.8	83.3	83.3	82.6	80.5	80.1		
Major materials (per cent)	93.0	93.4	93.5	92.3	90.2	90.1		
Housing starts, private (millions, A.R.)	2.39	2.21	2.01	1.58	1.63	1.57		
Sales new autos (millions, A.R.)	12.19	12.03	11.33	10.15	9.04	9.20		
Domestic models	10.27	10.17	9.66	8.51	7.49	7.95		
Foreign models	1.92	1.85	1.67	1.64	1.55	1.25		

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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.)

	1971				1972			
	I	II	III	IV	I	II	III	IV
Gross National Product	1027.8	1047.3	1061.3	1083.2	1115.0	1143.0	1169.3	1204.7
Final purchases	1020.0	1039.1	1057.5	1077.8	1110.0	1135.1	1159.1	1193.7
Private	792.1	807.8	821.8	835.7	858.9	881.3	904.0	931.1
Excluding net exports	789.2	808.0	821.7	839.1	866.0	888.2	908.8	936.4
Personal consumption expenditures	650.5	662.1	672.1	683.8	701.5	720.6	736.8	757.2
Durable goods	100.6	102.1	105.6	107.4	112.1	116.2	121.2	124.3
Nondurable goods	273.0	277.8	279.5	283.4	288.4	297.4	302.0	310.9
Services	277.0	282.2	287.0	293.0	301.0	307.0	313.6	322.0
Gross private domestic investment	146.6	154.0	153.5	160.8	169.4	175.5	182.1	190.2
Residential construction	37.3	41.6	44.9	47.6	51.8	52.9	54.5	56.7
Business fixed investment	101.4	104.3	104.8	107.8	112.7	114.7	117.5	122.5
Change in business inventories	7.9	8.1	3.8	5.4	5.0	8.0	10.2	11.0
Nonfarm	6.0	6.8	2.4	4.4	4.1	7.0	9.6	10.4
Net exports of goods and services	2.9	- .2	.1	-3.4	-7.1	-6.9	-4.8	-5.3
Exports	65.2	66.5	68.2	62.0	69.1	68.8	73.3	78.5
Imports	62.3	66.6	68.1	65.4	76.1	75.7	78.1	83.8
Gov't. purchases of goods & services	227.9	231.3	235.7	242.1	251.1	253.8	255.1	262.6
Federal	95.9	96.2	97.9	100.5	105.6	105.9	102.7	105.2
Defense	71.8	70.8	70.0	72.1	75.9	75.9	72.6	74.7
Other	24.1	25.5	27.9	28.5	29.7	30.0	30.1	30.5
State and local	132.0	135.1	137.8	141.6	145.5	147.9	152.4	157.4
Gross national product in constant (1958) dollars	736.9	742.1	747.2	759.1	770.9	786.6	798.1	814.2
GNP implicit deflator (1958 = 100)	139.5	141.1	142.0	142.7	144.6	145.3	146.5	148.0
Personal income	841.2	859.6	869.6	885.8	913.3	930.9	950.3	985.0
Wage and salary disbursements	559.7	569.2	576.8	586.3	608.1	620.1	631.4	647.5
Disposable income	728.6	744.1	751.3	761.8	774.7	790.0	807.2	838.1
Personal saving	59.7	63.4	60.3	58.6	53.3	49.0	49.3	58.9
Saving rate (per cent)	8.2	8.5	8.0	7.7	6.9	6.2	6.1	7.0
Corporate profits and I.V.A.	74.2	78.7	79.4	82.4	86.5	89.5	92.9	99.8
Corporate profits before tax	78.7	83.5	85.7	86.7	92.3	96.0	100.2	108.2
Cash flow, net of div. (domestic)	73.9	78.1	81.1	84.9	89.0	93.1	95.1	100.9
Federal government receipts and expenditures (N.I.A. basis)								
Receipts	194.2	197.0	199.3	203.4	220.9	224.1	228.4	235.6
Expenditures	212.1	220.3	221.9	226.9	235.8	243.7	238.2	261.2
Surplus or deficit (-)	-18.0	-23.4	-22.7	-23.5	-14.9	-19.6	-9.8	-25.6
High employment surplus or deficit (-)	3.8	.0	2.3	5.3	5.2	-3.0	3.7	-14.4
State and local government surplus or deficit (-), (N.I.A. basis)	1.4	3.3	4.1	4.6	-1.7	14.4	9.2	19.1
Total labor force (millions)	86.4	86.5	87.1	87.7	88.4	88.7	89.3	89.6
Armed forces "	3.0	2.8	2.8	2.7	2.5	2.4	2.4	2.4
Civilian labor force "	83.5	83.6	84.3	85.0	85.8	86.3	86.9	87.1
Unemployment rate (per cent)	6.0	5.9	5.9	5.9	5.9	5.7	5.6	5.3
Nonfarm payroll employment (millions)	70.3	70.5	70.7	71.1	71.8	72.5	73.0	73.8
Manufacturing	18.6	18.5	18.5	18.5	18.6	18.9	19.0	19.3
Industrial production (1967 = 100)	105.8	107.0	106.4	107.3	110.7	113.8	116.3	120.2
Capacity utilization, manufacturing (per cent)	75.0	75.6	74.7	74.6	75.6	77.9	79.4	81.5
Major materials (per cent)	86.4	87.3	83.2	84.3	87.0	88.7	90.6	92.3
Housing starts, private (millions, A. R.)	1.83	2.02	2.09	2.20	2.41	2.28	2.36	2.39
Sales new autos (millions, A. R.)	9.87	9.83	10.49	10.70	10.19	10.66	11.21	11.69
Domestic models	8.32	8.21	8.85	9.31	8.65	9.15	9.59	9.90
Foreign models	1.54	1.63	1.64	1.39	1.54	1.51	1.61	1.79

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CHANGES IN GROSS NATIONAL PRODUCT
AND RELATED ITEMS

	1973				1974			
	I	II	III	IV	I	IIp	III	IV
-----Billions of Dollars-----								
Gross National Product	44.2	29.0	31.0	35.1	14.8	24.7		
Inventory change	-1.0	.7	1.1	17.1	-12.0	-1.8		
Final purchases	45.2	28.3	29.8	18.1	26.8	26.5		
Private	38.8	24.0	26.2	8.6	16.9	19.3		
Net exports	4.5	1.3	6.2	2.6	2.0	-11.1		
Excluding net exports	34.3	22.7	20.0	6.0	14.9	30.4		
Personal consumption expenditures	24.5	17.3	17.3	7.6	16.7	26.2		
Durable goods	8.1	-.3	.3	-8.1	-.4	6.3		
Nondurable goods	12.4	9.4	11.1	8.3	12.3	10.8		
Services	3.9	8.3	5.9	7.3	5.0	9.0		
Residential fixed investment	1.8	.2	-.6	-4.5	-5.2	.3		
Business fixed investment	8.0	5.1	3.4	2.9	3.3	4.0		
Government	6.4	4.3	3.6	9.5	9.9	7.2		
Federal	1.2	-.2	-.9	3.1	3.1	2.4		
State and local	5.2	4.5	4.5	6.3	6.9	4.8		
GNP in constant (1958) dollars	18.6	4.6	3.4	4.9	-15.2	-2.5		
Final purchases	20.2	4.1	3.1	-7.0	-5.8	-1.0		
Private	19.1	4.3	3.3	-9.0	-6.1	-.3		
-----In Per Cent Per Year ^{1/} -----								
Gross National Product	15.5	9.6	10.1	11.2	4.5	7.5		
Final purchases	16.0	9.5	9.7	5.7	8.4	8.1		
Private	17.7	10.3	11.0	3.4	6.7	7.6		
Personal consumption expenditures	13.6	9.2	8.9	3.8	8.4	13.1		
Durable goods	28.7	-.9	.9	-22.3	-1.3	21.9		
Nondurable goods	16.9	12.1	14.0	10.0	14.7	12.4		
Services	4.9	10.6	7.3	8.9	5.9	10.6		
Gross private domestic investment	19.8	12.8	7.8	33.1	-22.7	4.8		
Residential construction	13.3	1.4	-4.0	-27.6	-33.5	2.5		
Business fixed investment	28.8	16.6	10.4	8.6	9.6	11.5		
Gov't. purchases of goods & services	10.1	6.5	5.4	14.4	14.6	10.1		
Federal	4.6	-.7	-3.3	12.3	11.9	8.9		
Defense	1.6	-5.2	-3.7	11.4	2.7	1.6		
Other	12.3	10.6	-2.5	14.5	35.3	25.7		
State & local	13.9	11.5	11.2	15.5	16.4	10.8		
GNP in constant (1958) dollars	9.5	2.2	1.6	2.3	-7.0	-1.2		
Final purchases	10.4	2.0	1.5	-3.3	-2.8	-.5		
Private	12.0	2.5	1.9	-5.1	-3.5	-.2		
GNP implicit deflator	5.5	7.3	8.3	8.6	12.3	8.8		
Private GNP fixed weight index ^{2/}	7.4	8.1	8.4	9.1	14.1	12.3		
Personal income	12.1	10.5	11.6	12.2	4.9	7.9		
Wage and salary disbursements	13.0	10.1	8.7	11.2	6.0	9.9		
Disposable income	15.8	10.8	10.1	11.6	4.9	6.6		
Corporate profits and I.V.A.	17.5	4.3	.8	4.6	5.0	n.a.		
Corporate profits before tax	53.3	15.8	-6.9	.0	63.3	n.a.		
Federal government receipts and expenditures (N.I.A. basis)								
Receipts	25.0	9.8	11.1	10.3	17.6	n.a.		
Expenditures	-1.5	3.4	1.5	11.4	16.3	15.3		
Nonfarm payroll employment	4.5	3.7	2.2	4.4	.8	1.9		
Manufacturing	5.4	4.7	1.2	4.5	-2.9	.1		
Industrial production (1967 = 100)	10.0	5.6	6.2	1.0	-6.5	1.3		
Housing starts, private (millions, A.R.)	1.0	-27.0	-32.0	-61.4	11.6	-14.2		
Sales new autos (millions, A.R.)	18.2	-5.3	-21.3	-35.5	-37.1	7.2		
Domestic models	15.9	-3.8	-18.6	-39.8	-40.0	27.1		
Foreign models	31.8	-12.9	-35.0	-5.9	-20.0	-58.2		

^{1/} Rates of change are on a compounded basis.^{2/} Using expenditures in 1967 as weights.

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CHANGES IN GROSS NATIONAL PRODUCT
AND RELATED ITEMS

	1971				1972			
	I	II	III	IV	I	II	III	IV
	-----Billions of Dollars-----							
Gross National Product	36.0	19.5	14.0	21.9	31.8	28.0	26.3	35.4
Inventory change	2.8	.2	-4.3	1.6	-.4	3.0	2.2	.8
Final purchases	33.3	19.1	18.4	20.3	32.2	25.1	24.0	34.6
Private	28.7	15.7	14.0	13.9	23.2	22.4	22.7	27.1
Net exports	.1	-3.1	.3	-3.5	-3.7	.2	2.1	-.5
Excluding net exports	28.6	18.8	13.7	17.4	26.9	22.2	20.6	27.6
Personal consumption expenditures	22.2	11.6	10.0	11.7	17.7	19.1	16.2	20.4
Durable goods	12.5	1.5	3.5	1.8	4.7	4.1	5.0	3.1
Nondurable goods	1.9	4.8	1.7	3.9	5.0	9.0	4.6	8.9
Services	7.9	5.2	4.8	6.0	8.0	6.0	6.6	8.4
Residential fixed investment	3.5	4.3	3.3	2.7	4.2	1.1	1.6	2.2
Business fixed investment	2.9	2.9	.5	3.0	4.9	2.0	2.8	5.0
Government	4.6	3.4	4.4	6.4	9.0	2.7	1.3	7.5
Federal	1.1	.3	1.7	2.6	5.1	.3	-3.2	2.5
State and local	3.5	3.1	2.7	3.8	3.9	2.4	4.5	5.0
GNP in constant (1958) dollars	17.6	5.2	5.1	11.9	11.8	15.7	11.5	16.1
Final purchases	15.6	4.9	8.6	10.6	12.2	13.3	9.7	15.6
Private	15.9	4.9	6.4	7.7	11.0	13.3	11.7	14.4
	-----In Per Cent Per Year ^{1/} -----							
Gross National Product	15.3	7.8	5.5	8.5	12.2	10.5	9.5	12.7
Final purchases	14.2	7.7	7.3	7.9	12.5	9.4	8.7	12.5
Private	15.9	8.2	7.1	6.9	11.6	10.8	10.7	12.5
Personal consumption expenditures	14.9	7.3	6.2	7.1	10.8	11.3	9.3	11.5
Durable goods	70.0	6.1	14.4	7.0	18.7	15.5	18.4	10.6
Nondurable goods	2.8	7.2	2.5	5.7	7.2	13.1	6.3	12.3
Services	12.3	7.7	7.0	8.6	11.4	8.2	8.9	11.2
Gross private domestic investment	29.6	21.8	-1.3	20.4	23.2	15.2	15.9	19.0
Residential construction	48.3	54.7	35.7	26.3	40.2	8.8	12.7	17.2
Business fixed investment	12.3	11.9	1.9	12.0	19.5	7.3	10.1	18.1
Gov't. purchases of goods & services	8.5	6.1	7.8	11.3	15.7	4.4	2.1	12.3
Federal	4.7	1.3	7.3	11.1	21.9	1.1	-11.6	10.1
Defense	-4.3	-5.5	-4.4	12.6	22.8	.0	-16.3	12.1
Other	38.9	25.3	43.3	8.9	17.9	4.1	1.3	5.4
State & local	11.3	9.7	8.2	11.5	11.5	6.8	12.7	13.8
GNP in constant (1958) dollars	10.1	2.8	2.8	6.5	6.4	8.4	6.0	8.2
Final purchases	9.0	2.7	4.8	5.8	6.6	7.1	5.1	8.1
Private	11.5	3.3	4.4	5.2	7.4	8.8	7.6	9.2
GNP implicit deflator	4.7	4.8	2.6	1.9	5.5	1.9	3.3	4.1
Private GNP fixed weight index ^{2/}	4.5	5.0	3.4	2.3	3.7	2.5	3.6	3.8
Personal income	9.2	9.0	4.7	7.7	13.0	7.9	8.6	15.4
Wage and salary disbursements	9.9	7.0	5.4	6.8	15.7	8.1	7.5	10.6
Disposable income	12.7	8.8	3.9	5.7	6.9	8.1	9.0	16.2
Corporate profits and I.V.A.	60.7	26.6	3.6	16.0	21.4	14.6	16.1	33.2
Corporate profits before tax	61.6	26.7	11.0	4.7	28.4	17.0	18.7	36.0
Federal government receipts and expenditures (N.I.A. basis)								
Receipts	10.8	5.9	4.8	8.5	39.1	5.9	7.9	13.2
Expenditures	6.9	16.4	2.9	9.3	16.6	14.1	-8.7	44.6
Nonfarm payroll employment	1.2	1.3	.6	2.4	4.0	4.0	2.8	4.5
Manufacturing	-.1	-1.4	-1.6	.7	2.5	5.2	2.6	7.1
Industrial production (1967 = 100)	7.9	4.6	-2.2	3.4	13.3	11.7	9.1	14.1
Housing starts, private (millions, A.R.)	30.9	49.8	15.5	22.3	43.7	-20.4	15.4	4.7
Sales new autos (millions, A.R.)	256.5	-1.3	29.7	8.2	-17.8	19.6	22.2	18.4
Domestic models	351.4	-5.4	35.1	22.3	-25.5	25.3	20.8	13.4
Foreign models	21.4	22.7	4.5	-46.2	49.7	-8.5	30.9	52.0

^{1/} Rates of change are on a compounded basis.^{2/} Using expenditures in 1967 as weights.

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GROSS NATIONAL PRODUCT AND RELATED ITEMS
(Expenditures and income figures are billions of dollars.)

	1966	1967	1968	1969	1970	1971	1972	1973
Gross National Product	749.9	793.9	864.2	930.3	977.1	1054.9	1158.0	1294.9
Final purchases	735.1	785.7	857.1	922.5	972.6	1048.6	1149.5	1279.5
Private	578.3	605.6	657.5	712.5	753.1	814.4	893.8	1003.1
Excluding net exports	573.0	600.4	655.0	710.6	749.5	814.6	899.8	999.2
Personal consumption expenditures	466.3	492.1	536.2	579.5	617.6	667.1	729.0	805.2
Durable goods	70.8	73.1	84.0	90.8	91.3	103.9	118.4	130.3
Nondurable goods	206.9	215.0	230.8	245.9	263.8	278.4	299.7	338.0
Services	188.6	204.0	221.3	242.7	262.6	284.8	310.9	336.9
Gross private domestic investment	121.4	116.6	126.0	139.0	136.3	153.7	179.3	209.4
Residential construction	25.0	25.1	30.1	32.6	31.2	42.8	54.0	57.2
Business fixed investment	81.6	83.3	88.8	98.5	100.6	104.6	116.8	136.8
Change in business inventories	14.8	8.2	7.1	7.8	4.5	6.3	8.5	15.4
Nonfarm	15.0	7.5	6.9	7.7	4.3	4.9	7.8	11.4
Net exports of goods and services	5.3	5.2	2.5	1.9	3.6	- .2	-6.0	3.9
Exports	43.4	46.2	50.6	55.5	62.9	65.4	72.4	100.4
Imports	38.1	41.0	48.1	53.6	59.3	65.6	78.4	96.4
Gov't. purchases of goods & services	156.8	180.1	199.6	210.0	219.5	234.2	255.7	276.4
Federal	77.8	90.7	98.8	98.8	96.2	97.6	104.9	106.6
Defense	60.7	72.4	78.3	78.4	74.6	71.2	74.8	74.4
Other	17.1	18.4	20.5	20.4	21.6	26.5	30.1	32.2
State and local	79.0	89.4	100.8	111.2	123.3	136.6	150.8	169.8
Gross national product in constant (1958) dollars	658.1	675.2	706.6	725.6	722.5	746.3	792.5	839.2
GNP implicit deflator (1958 = 100)	113.9	117.6	122.3	128.2	135.2	141.4	146.1	154.3
Personal income	587.2	629.4	688.9	750.9	808.3	864.0	944.9	1055.0
Wage and salary disbursements	394.5	423.1	464.9	509.7	542.0	573.6	626.8	691.6
Disposable income	511.9	546.3	591.0	634.4	691.7	746.4	802.5	903.7
Personal saving	32.5	40.4	39.8	38.2	56.2	60.5	52.6	74.4
Saving rate (per cent)	6.4	7.4	6.7	6.0	8.1	8.1	6.6	8.2
Corporate profits and I.V.A.	82.4	78.7	84.3	79.8	69.2	78.7	92.2	105.1
Corporate profits before tax	84.2	79.8	87.6	84.9	74.0	83.6	99.2	122.7
Cash flow, net of div. (domestic)	66.8	66.1	68.6	70.0	68.2	79.5	94.5	90.8
Federal government receipts and expenditures (N.I.A. basis)								
Receipts	142.5	151.2	175.0	197.3	192.0	198.5	227.2	258.5
Expenditures	142.8	163.6	181.5	189.2	203.9	220.3	244.7	264.2
Surplus or deficit (-)	- .2	-12.4	-6.5	8.1	-11.9	-21.9	-17.5	-5.6
High employment surplus or deficit (-)	-6.1	-13.1	-11.2	5.7	3.2	2.9	2.1	-1.9
State and local government surplus or deficit (-), (N.I.A. basis)	1.3	-1.6	- .3	.7	1.8	3.4	12.3	9.2
Total labor force (millions)	78.9	80.8	82.3	84.2	85.9	86.9	89.0	91.0
Armed forces "	3.1	3.4	3.5	3.5	3.2	2.8	2.4	2.3
Civilian labor force "	75.8	77.3	78.7	80.7	82.7	84.1	86.5	88.7
Unemployment rate (per cent)	3.8	3.8	3.6	3.5	4.9	5.9	5.6	4.9
Nonfarm payroll employment (millions)	64.0	65.9	67.9	70.3	70.6	70.6	72.8	75.6
Manufacturing	19.2	19.4	19.8	20.2	19.3	18.5	18.9	19.8
Industrial production (1967 = 100)	97.9	100.0	105.7	110.7	106.7	106.8	115.2	125.6
Capacity utilization, manufacturing (per cent)	91.9	87.9	87.7	86.5	78.3	75.0	78.6	83.0
Major materials (per cent)	92.1	87.4	89.3	90.0	86.2	85.3	89.6	93.0
Housing starts, private (millions, A.R.)	1.16	1.29	1.51	1.47	1.43	2.05	2.36	2.05
Sales new autos (millions, A.R.)	9.04	8.34	9.64	9.57	8.40	10.24	10.93	11.44
Domestic models	8.38	7.57	8.62	8.46	7.12	8.68	9.32	9.67
Foreign models	.66	.77	1.02	1.11	1.28	1.56	1.61	1.77

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AND RELATED ITEMS

	1966	1967	1968	1969	1970	1971	1972	1973
-----Billions of Dollars-----								
Gross National Product	65.0	44.0	70.3	66.1	46.8	77.8	103.1	136.9
Inventory change	5.2	-6.6	-1.1	.7	-3.3	1.8	2.2	6.9
Final purchases	59.8	50.6	71.4	65.4	50.1	76.0	100.9	130.0
Private	40.1	27.3	51.9	55.0	40.6	61.3	79.4	109.3
Net exports	-1.6	-.1	-2.7	-.6	1.7	-3.8	-5.8	9.9
Excluding net exports	41.6	27.4	54.6	55.6	38.9	65.1	85.2	99.4
Personal consumption expenditures	33.5	25.8	44.1	43.3	38.1	49.6	61.8	76.2
Durable goods	4.5	2.3	10.9	6.8	.5	12.6	14.5	11.9
Nondurable goods	15.8	8.1	15.8	15.1	17.9	14.6	21.6	38.0
Services	13.1	15.4	17.3	21.4	19.9	22.2	26.1	26.0
Residential fixed investment	-2.2	.1	5.0	2.5	-1.4	11.6	11.2	3.2
Business fixed investment	10.3	1.7	5.5	9.7	2.1	4.0	12.2	20.0
Government	19.8	23.3	19.5	10.4	9.5	14.7	21.5	20.7
Federal	10.9	12.9	8.1	.0	-2.6	1.4	7.3	1.7
State and local	8.9	10.4	11.4	10.4	12.1	13.3	14.2	19.0
GNP in constant (1958) dollars	40.3	17.1	31.4	19.0	-3.1	23.8	46.2	46.7
Final purchases	35.4	23.3	32.7	18.7	-.4	-22.5	-44.4	43.0
Private	23.5	9.6	25.3	20.6	6.2	18.5	46.1	45.2
-----In Per Cent Per Year-----								
Gross National Product	9.5	5.9	8.9	7.0	5.0	8.0	9.0	11.8
Final purchases	8.9	6.9	9.1	7.6	5.4	7.8	9.6	11.3
Private	7.4	4.7	8.6	8.4	5.7	8.1	9.7	12.2
Personal consumption expenditures	7.7	5.5	9.0	8.1	6.6	8.0	9.3	10.5
Durable goods	6.8	3.2	14.9	8.1	.6	13.8	14.0	10.1
Nondurable goods	8.3	3.9	7.3	6.5	7.3	5.5	7.7	12.8
Services	7.5	8.2	8.5	9.7	8.2	8.5	9.2	8.4
Gross private domestic investment	12.3	-4.0	8.1	10.3	-1.9	12.8	16.7	16.8
Residential construction	-8.1	.4	19.9	8.3	-4.3	37.2	26.2	5.9
Business fixed investment	14.4	2.1	6.6	10.9	2.1	4.0	11.7	17.1
Gov't. purchases of goods & services	14.5	14.9	10.8	5.2	4.5	6.7	9.2	8.1
Federal	16.3	16.6	8.9	.0	-2.6	1.5	7.5	1.6
Defense	21.2	19.3	8.1	.1	-4.8	-4.6	5.1	-.5
Other	1.8	7.6	11.4	-.5	5.9	22.7	13.6	7.0
State & local	12.7	13.2	12.8	10.3	10.9	10.8	10.4	12.6
GNP in constant (1958) dollars	6.5	2.6	4.7	2.7	-.4	3.3	6.2	5.9
Final purchases	5.8	3.6	4.9	2.7	-.1	3.1	6.0	5.5
Private	4.8	1.9	4.8	3.7	1.1	3.9	6.7	6.5
GNP implicit deflator	2.7	3.2	4.0	4.8	5.5	4.6	3.3	5.6
Private GNP fixed weight index	2.7	2.8	3.8	4.7	4.8	4.3	3.3	6.3
Personal income	9.0	7.2	9.5	9.0	7.6	6.9	9.4	11.7
Wage and salary disbursements	9.9	7.2	9.9	9.6	6.3	5.8	9.3	10.3
Disposable income	8.2	6.7	8.2	7.3	9.0	7.9	7.5	12.6
Corporate profits and I.V.A.	8.3	-4.5	7.1	-5.3	-13.3	13.7	17.2	14.0
Corporate profits before tax	8.2	-5.2	9.8	-3.1	-12.8	13.0	18.7	23.7
Federal government receipts and expenditures (N.I.A. basis)								
Receipts	14.3	6.1	15.7	12.7	-2.7	3.4	14.5	13.8
Expenditures	15.6	14.6	10.9	4.2	7.8	8.0	11.1	8.0
Nonfarm payroll employment	5.2	3.0	3.1	3.5	.4	.1	3.0	3.9
Manufacturing	6.4	1.2	2.1	2.0	-4.1	-4.2	2.2	4.7
Industrial production (1967 = 100)	9.8	2.1	5.7	4.7	-3.6	.1	7.9	9.0
Housing starts, private (millions, A.R.)	-20.9	10.9	16.7	-2.7	-2.3	43.2	14.9	-13.2
Sales new autos (millions, A.R.)	-3.2	-7.7	15.6	-.6	-12.3	21.9	6.7	4.7
Domestic models	-4.4	-9.7	13.8	-1.8	-15.9	21.9	7.4	3.7
Foreign models	15.8	16.5	32.6	9.0	15.5	21.8	3.3	9.8