

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES AND CHANGES FOR THIS ISSUE

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

1. The series on employment and unemployment in the civilian labor force (series 37, 42-44, 60, 90, 91, 441, 442, 444-448, and 451-453) have been revised by the source agency to reflect the application of updated seasonal adjustment factors. Series 44 and 451 contain revisions for the period 1981 to date; the other series contain revisions for the period 1980 to date.

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Employment and Unemployment Statistics, Division of Employment and Unemployment Analysis.

2. Appendix C contains historical data for series 5, 15, 23, 26, 358, 370, 962, 967, 971-978, and the components of series 26 shown in appendix G.

3. Appendix G contains cyclical comparisons for series 5, 23, 30, 43, 50, and 101

The February issue of BUSINESS CONDITIONS DIGEST is scheduled for release on March 6.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES AND CHANGES FOR THIS ISSUE

Changes in this issue are as follows:

1. The titles for many series have been changed to agree more closely with the titles used by the source agencies. In most cases, the changes are relatively minor; in all cases, the series identification numbers are unchanged.

2. New seasonal adjustment factors for the 24 series listed below have been computed using the X-11 variant of the Census Method II seasonal adjustment program. New factors are shown in appendix B for all of these series except series 9, 10, 12, 112, 732c, 733c, and 735c-738c.

Series number	Beginning date for new factors	Series number	Beginning date for new factors
5	January 1985	570	January 1985
9	January 1983	580	December 1984
10	May 1983	604	January 1985
12	September 1984	606	January 1985
13	September 1984	614	January 1983
15	III Q 1984	616	May 1983
33	January 1983	732c	January 1981
72	January 1985	733c	January 1980
112	January 1985	735c	January 1972
517	November 1984	736c	January 1981
525	October 1984	737c	January 1980
543	November 1984	738c	January 1980

3. The series on new private housing units started (series 28) has been revised for the period 1982 to date to reflect a new seasonal adjustment by the source agency.

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of the Census, Construction Statistics Division.

(Continued on page iv.)

The March issue of BUSINESS CONDITIONS DIGEST is scheduled for release on April 3.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

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NEW FEATURES
AND CHANGES
FOR THIS ISSUE

Changes in this issue are as follows:

1. The series on sales of retail stores in current and 1972 dollars (series 54 and 59) have been revised for the period 1977 to date. The revised estimates, based on the aggregate of final monthly statistics published in the Current Business Reports, "Monthly Retail Trade, Sales and Inventories," were adjusted by the source agency to levels derived from the 1978-83 Retail Trade Surveys after the annual survey results had been modified to be compatible with the 1977 and 1982 Censuses of Retail Trade.

Manufacturing and trade sales in 1972 dollars (series 57) and the ratio of manufacturing and trade inventories to sales in 1972 dollars (series 77) have been revised for the period 1977 to date to incorporate the revised retail sales estimates.

Revised data for manufacturing and trade sales in current dollars (series 56) and the ratio of retail inventories to sales in 1972 dollars (shown in appendix G) will be shown in a subsequent issue.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of the Census, Business Division (series 54); and Bureau of Economic Analysis, Statistical Indicators Division (series 57, 59, and 77).

2. The index of labor cost per unit of output, manufacturing, expressed as a percent of the trend (series 62) has been revised for the period 1975 to date to reflect the recalculation of the trend.

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

(Continued on page iv.)

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

The April issue of BUSINESS CONDITIONS DIGEST is scheduled for release on May 3.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

**NEW FEATURES
AND CHANGES
FOR THIS ISSUE**

Changes in this issue are as follows:

1. Data from the survey of "Manufacturers' Shipments, Inventories, and Orders" (M3-1) have been revised by the source agency for the period 1978 to date. These revisions reflect the recomputation of seasonal adjustment factors for 1978 through 1984 and the incorporation of data received too late for inclusion in previously published statistics.

The following series are revised from 1978 to date in this issue: series 6-8, 10, 24, 25, 36, 38, 65, 69, 78, 96, 548, 559, 561, 588, and 964. Series 20 and 27 are revised for 1985 only; revisions for the period prior to 1985 will be shown in a subsequent issue.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of the Census, Industry Division.

2. The series on manufacturing and trade sales and inventories in current dollars (series 31, 56, and 71) have been revised by the source agency for the period 1975 to date. These revisions reflect (a) recent revisions in data on retail sales and inventories from 1977 to date (see "New Features and Changes for This Issue" on page iii of the March 1985 BCD); (b) revised data from the M3-1 survey from 1978 to date (see item 1, above); and (c) revised data for merchant wholesale sales and inventories from 1975 to date. The revised data for merchant wholesale sales and inventories incorporate results from the 1982 Census of Retail Trade, the 1983 Annual Trade Survey, and new seasonal adjustment factors.

Revised data for the constant-dollar series based wholly or in part on these data (series 36, 57, 70, 77, and the inventory/sales ratios shown in appendix G) will be shown in a subsequent issue.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of the Census, Business Division.

(Continued on page iv.)

The May issue of BUSINESS CONDITIONS DIGEST is scheduled for release on June 4.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

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**NEW FEATURES
AND CHANGES
FOR THIS ISSUE**

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

1. The series on new private housing units authorized by local building permits (series 29) has been revised for the period 1983 to date to reflect the source agency's annual updating of basic data and seasonal adjustment factors. In addition, for the period 1984 to date, this series now is based on reports from 17,000 permit-issuing places. Data for 1946-83, which are based on reports from fewer places, have been adjusted to the level of the data from 17,000 places.

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of the Census, Construction Statistics Division (updating of data and seasonal adjustment factors); and Bureau of Economic Analysis, Statistical Indicators Division (level adjustment).

2. Appendix C contains historical data for series 61, 72, 101, 107, 112, 332-335, 341, 960, and 970.

3. Appendix G contains cyclical comparisons for series 19, 32, 73, 74, 86, and 89.

The June issue of BUSINESS CONDITIONS DIGEST is scheduled for release on July 3.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

Changes in this issue are as follows:

1. Series 1, 21, 40, 41, 340, 341, 570, 961, and 963 on establishment employment have been revised for the period 1980 to date. These revisions reflect the source agency's adoption of a new benchmark (March 1984) for the period April 1983 to date and application of new seasonal adjustment factors for the period 1980 to date.

Revised data for other series affected by these revisions (series 26, 48, 63, 345, 346, 358, 370, and the unit labor cost series shown in appendix G) will be published in a future issue.

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Employment Structure and Trends, Division of Monthly Industry Employment Statistics.

2. The series on U.S. international transactions have been revised to reflect the source agency's annual updating of the basic statistics. The beginning dates for these revisions are as follows:

1977--Series 652;

1978--Series 620, 622, 667, and 669;

1981--Series 668;

1982--Series 651;

1983--Series 618.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Balance of Payments Division.

3. Appendix C contains historical data for series 25, 31, 38, 65, 66, 69, 78, 95, 96, 109, 111, 113, 732, 733, and 735-738.

4. Appendix G contains cyclical comparisons for series 45, 47, 48, 82, 910, and 920.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

The July issue of BUSINESS CONDITIONS DIGEST is scheduled for release on August 5.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

Changes in this issue are as follows:

1. The industrial production indexes (series 47, 73-76, 557, and 966) have been revised by the source agency. The following changes affect these series for the period 1967 to date: (a) Incorporation of new benchmark data, (b) use of updated weights to combine the production indexes, (c) expansion of the number of basic index series from 235 to 252, (d) use of the 1977 (instead of 1967) Standard Industrial Classification, (e) alteration of the composition of some market groupings, and (f) computation of new seasonal adjustment factors. In addition, all data for these series are affected by a change in the index base year from 1967 to 1977.

Further information concerning these revisions may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Industrial Output Section.

2. The index of labor cost per unit of output (series 62) has been revised for the period 1947 to date to incorporate the revision of the industrial production index for manufacturing. (See item 1, above.) For this series, the industrial production data were converted to a 1967=100 base.

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

3. The capacity utilization rates (series 82 and 84) have been revised by the source agency for the period 1967 to date to incorporate revisions in the industrial production indexes (item 1, above) and the capacity indexes. The capacity revisions reflect the incorporation of more complete data, the introduction of new series, changes in the Standard Industrial Classification, and updated value-added weights.

Further information concerning these revisions may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Industrial Output Section.

(Continued on page iv.)

The August issue of BUSINESS CONDITIONS DIGEST is scheduled for release on September 5.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

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**NEW FEATURES
AND CHANGES
FOR THIS ISSUE**

A REMINDER

Copies of the 1984 HANDBOOK OF CYCLICAL INDICATORS still are available. This 190-page reference volume contains useful information concerning the economic time series in BUSINESS CONDITIONS DIGEST, including series descriptions, the composite index methodology, historical data, and selected reference materials. The 1984 HANDBOOK is available for \$5.50 (stock number 003-010-00127-5) from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

1. The series on change in total liquid assets (series 104) has been revised by the source agency for the period 1959 to date to reflect the application of new seasonal adjustment factors.

Further information concerning this revision may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Banking Section.

2. The industrial production index for Canada (series 723) has been revised by the source agency for the period 1983 to date. This revision reflects the annual updating of basic data and the application of new seasonal adjustment factors.

Further information concerning this revision may be obtained from Statistics Canada, Industry Product Division, Ottawa K1A 0V5, Canada.

3. Appendix C contains historical data for series 10, 20, 24, 27, 47, 62, 69, 73-76, 82, 84, 557, 961, 963, and 966.

4. Appendix G contains cyclical comparisons for series 20, 40, 51, 76, 91, and 914.

The September issue of BUSINESS CONDITIONS DIGEST is scheduled for release on October 3.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

**NEW FEATURES
AND CHANGES
FOR THIS ISSUE**

Changes in this issue are as follows:

1. The series on expenditures for new plant and equipment by U.S. nonfarm business (series 61 and 970) have been revised by the source agency for the period 1982 to date. These revisions reflect the application of new seasonal adjustment factors.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Business Outlook Division.

2. The series on newly approved capital appropriations (series 11 and 965) and backlog of capital appropriations (series 97) have been revised by the source agency for the period 1984 to date. These revisions reflect the application of new seasonal adjustment factors.

Further information concerning these revisions may be obtained from The Conference Board, Inc., 845 Third Avenue, New York, NY 10022.

3. The series on funds raised by private nonfinancial borrowers in credit markets (series 110) has been revised by the source agency for the period 1977 to date. This revision reflects the annual updating of the basic statistics and the application of new seasonal adjustment factors.

Further information concerning this revision may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Flow of Funds Section.

4. Appendix C contains historical data for series 63, 68, 114-119, 348, 349, 618, 620, 622, 651, 652, 667-669, 910, 920, and 930.

5. Appendix G contains cyclical comparisons for series 8, 21, 36, 46, 57, and 90.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

The October issue of BUSINESS CONDITIONS DIGEST is scheduled for release on November 5.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES AND CHANGES FOR THIS ISSUE

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Changes in this issue are as follows:

1. The index of stock prices for Canada (series 743) has been revised for the period 1947 to date due to the substitution of data from another source. The index, which formerly was based on data from the Montreal Stock Exchange, now is based on data from the Toronto Stock Exchange (TSE).

The TSE index measures the composite price performance of 300 stocks traded on that exchange. The formula used to compute the index allows for mergers, acquisitions, delistings, changes in share capital, and additions and deletions of stocks to and from the index portfolio without significantly affecting the continuity or levels of the index.

Further information concerning the TSE index may be obtained from the Toronto Stock Exchange, The Exchange Tower, 2 First Canadian Place, Toronto, Canada M5X 1J2.

2. Appendix C contains historical data for series 9, 36, 56, 57, 70, 71, 77, 340, 341, 577, 578, 721-723, and 725-728.

3. Appendix G contains cyclical comparisons for series 1, 12, 30, 41, 50, and 53.

The November issue of BUSINESS CONDITIONS DIGEST is scheduled for release on December 5.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES AND CHANGES FOR THIS ISSUE

NEW SERVICE AVAILABLE

A recorded message that provides current data for the composite indexes of leading, coincident, and lagging indicators is now in operation. This 4-minute recording, which will be updated monthly, can be heard by telephoning 202-898-2450.

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Changes in this issue are as follows:

1. Appendix C contains historical data for series 15, 19, 33, 47c, 48c, 51c, 58, 61, 104, 110, 517, 742, 743, 745-748, and 970.
2. Appendix G contains cyclical comparisons for series 19, 32, 73, 74, 86, and 89.

The December issue of BUSINESS CONDITIONS DIGEST is scheduled for release on January 3.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

**NEW FEATURES
AND CHANGES
FOR THIS ISSUE**

BCD DATA ON DISKETTE

Data for most series shown regularly in BCD now are available on diskette for \$240 per year (12 updates). For more information, write to the Bureau of Economic Analysis (BE-60), U.S. Department of Commerce, Washington, DC 20230.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

1. The series based on data from the national income and product accounts (NIPA) have been revised by the source agency. These revisions reflect a comprehensive (benchmark) revision; incorporation of new and revised source data; changes in definitions and classifications; and statistical changes, including improved estimation procedures and a shift in the base year (from 1972 to 1982) for the constant-dollar estimates and the associated price indexes and implicit price deflators. All series are revised for the period 1973 to date; many are revised for earlier years as well.

Revised data are shown in this issue for series 16, 18, 22, 30, 34, 35, 49-53, 55, 64, 68, 70, 79-81, 86-89, 95, 107, 108, and 223 in section I-B; all series in section II-A; series 310 and 311 in section II-B; and series 500-502, 510-512, 564, and 565 in section II-D.

Revised data for other series affected by these revisions (series 20, 27, 36, 57, 59, 62, 77, and the inventory-sales ratios shown in appendix G) will be published in a subsequent issue.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, National Income and Wealth Division.

(Continued on page iv.)

The January issue of BUSINESS CONDITIONS DIGEST is scheduled for release on February 4.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES AND CHANGES FOR THIS ISSUE

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Changes in this issue are as follows:

1. The series on employment and unemployment in the civilian labor force (series 37, 42-44, 60, 90, 91, 441, 442, 444-448, and 451-453) have been revised by the source agency to reflect the application of updated seasonal adjustment factors. Series 43 and 44 contain revisions for the period 1982 to date; the other series contain revisions for the period 1981 to date.

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Employment and Unemployment Statistics, Division of Employment and Unemployment Analysis.

2. Appendix C contains historical data for series 23, 32, 48, 914-917, 940, 950-952, and 967.

3. Appendix G contains cyclical comparisons for series 5, 23, 30, 43, 50, and 101.

4. Betty F. Tunstall, chief of the BCD data collection branch, has retired. Mrs. Tunstall played a major role in the development and preparation of this publication, beginning with the first issue more than 24 years ago. Her presence, as well as her contributions, will be missed.

The February issue of BUSINESS CONDITIONS DIGEST is scheduled for release on March 7.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
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Changes in this issue are as follows:

1. New seasonal adjustment factors for the 24 series listed below have been computed using the X-11 variant of the Census Method II seasonal adjustment program. New factors are shown in appendix B for all of these series except series 9, 10, 12, 112, 732c, 733c, and 735c-738c.

Series number	Beginning date for new factors	Series number	Beginning date for new factors
5	January 1986	570	January 1986
9	January 1986	580	December 1985
10	January 1984	604	May 1985
12	January 1982	606	January 1986
13	January 1984	614	January 1986
15	IV Q 1985	616	January 1986
33	January 1984	732c	December 1985
72	January 1986	733c	January 1986
112	January 1986	735c	December 1985
517	December 1985	736c	November 1985
525	January 1985	737c	December 1985
543	November 1985	738c	November 1985

2. A series on expenditures in 1982 dollars for new plant and equipment (series 100) has been added to BCD. This series, which is the constant-dollar version of series 61, appears on pages 24 and 67.

Further information concerning this series may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Business Outlook Division.

(Continued on page iv.)

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The March issue of BUSINESS CONDITIONS DIGEST is scheduled for release on April 2.

NEW FEATURES AND CHANGES FOR THIS ISSUE (Continued from page iv)

12. The series on commercial and industrial loans outstanding in constant dollars (series 101) has been revised for the period 1981 to date to reflect the revised seasonal adjustment of the producer price indexes used as deflators. (See item 7, above.) Also, it has been revised for the period 1947 to date to show the data in 1982 dollars.

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

13. The seasonally adjusted consumer price indexes for all urban consumers (CPI-U)--series 320c and 322--have been revised for the period 1981 to date to reflect a new seasonal adjustment by the source agency.

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Prices and Living Conditions, Division of Consumer Prices.

14. The series on wages and salaries in 1982 dollars for mining, manufacturing, and construction (series 53), for which CPI-U is the deflator, has been revised for the period 1981 to date. (See item 13, above.)

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

15. The series on sales of retail stores in constant dollars (series 59), manufacturing and trade sales in constant dollars (series 57), and ratio of manufacturing and trade sales to inventories in constant dollars (series 77) have been revised for the period 1948 to date. These revisions reflect revised NIPA deflators and revised producer price index deflators used to deflate series 57 (see items 7 and 8, above) and revised consumer price index deflators used to deflate series 59 (see item 13, above).

16. The series on U.S. money supply and liquid assets (series 85, 102, and 104-108) have been revised by the source agency to incorporate benchmark revisions and updated seasonal adjustment factors. When completed, these revisions will extend back to 1959. They are shown in this issue for the period October 1984 to date. Revised data for the earlier period will be shown in a subsequent issue.

In addition, the series on U.S. money supply in constant dollars (series 105 and 106) have been revised for the period 1981 to date to reflect the revision of their CPI-U deflator (see item 13, above) and for the period 1947 to date to show the data in 1982 dollars.

Further information concerning the benchmark and seasonal factor revisions may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Banking Section; information concerning revisions due to revised deflators may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

17. The series on per capita gross national product (series 217) and per capita disposable personal income (series 227) have been revised for the period 1980 to date to reflect revised population estimates.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of the Census, Population Division, and Bureau of Economic Analysis, Statistical Indicators Division.

18. The series on real average hourly earnings of production or nonsupervisory workers on private nonagricultural payrolls (series 341) has been revised by the source agency for the period 1981 to date. This revision reflects the new seasonal adjustment of the consumer price index for urban wage earners and clerical workers (CPI-W) for that period.

Further information concerning this revision may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Wages and Industrial Trends, Division of Employment.

19. The series on productivity and costs (series 26, 63, 345, 346, 358, and 370) have been revised by the source agency to incorporate revised output and compensation measures reported in the recent NIPA revision. (See page iii of the December 1985 BCD.) In addition, these series incorporate the following changes: (a) the revision of seasonally adjusted measures of employment and average weekly hours, (b) a new method of measuring labor input of 14- and 15-year-old workers, and (c) an improved definition of farm workers. All series are revised for the period 1947 to date.

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Productivity and Technology, Division of Productivity Research.

20. Appendix C contains historical data for series 16, 18, 22, 30, 34, 35, 49, 50-53, 55, 64, 68, 79-81, 86-89, 95, 107, 108, 200, and 223.

21. Exchange rate data for the United States and selected foreign countries are shown in appendix G (page 105). These data are provided by the Board of Governors of the Federal Reserve System.

22. Appendix G contains cyclical comparisons for series 40, 51, 76, and 914.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

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BCD DATA ON DISKETTE

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A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

1. The series on sales of retail stores in current and 1982 dollars (series 54 and 59) have been revised for the period 1983 to date. The revised data, based on the aggregate of final monthly statistics published in Current Business Reports, "Monthly Retail Trade, Sales, and Inventories," reflects the 1983 and 1984 estimates by the source agency from the 1984 Retail Trade Survey.

Revised data for manufacturing and trade sales in current and 1982 dollars (series 56 and 57) and the ratio of manufacturing and trade inventories to sales in 1982 dollars (series 77) will be shown in a subsequent issue.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of the Census, Business Division (series 54), and Bureau of Economic Analysis, Statistical Indicators Division (series 59).

2. Recently revised data on U.S. money supply and liquid assets are shown in this issue for the following periods:

1974 through 1984 -- series 85, 102, and 105-108;

1959 through 1984 -- series 104.

Revised data for 1985 to date were shown in the February 1986 BCD. (See item 16 in "New Features and Changes for This Issue" on page 97 of that issue.) These revisions will not be extended back to earlier years.

Further information concerning these revisions may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Banking Section.

(Continued on page iv.)

The April issue of BUSINESS CONDITIONS DIGEST is scheduled for release on May 2.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

BCD DATA ON DISKETTE

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A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

1. The series based wholly or in part on consumer installment credit (series 66, 95, 111, and 113) have been revised for the period 1975 to date. These revisions reflect the source agency's updating of the statistics on the basis of newly available benchmark data for finance companies and retailers, the computation of new seasonal adjustment factors, and the addition of lending by savings institutions.

Further information concerning these revisions may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Mortgage and Consumer Finance Section (series 66 and 113); and the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division (series 95 and 111).

2. Appendix C contains historical data for series 37, 42-46, 60, 62, 90, 91, 441, 442, 444-448, and 451-453.

3. Appendix G contains cyclical comparisons for series 8, 30, 50, and 90.

The May issue of BUSINESS CONDITIONS DIGEST is scheduled for release on June 3.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

**NEW FEATURES
AND CHANGES
FOR THIS ISSUE**

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A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

1. The series on new private housing units authorized by local building permits (series 29) has been revised for the period 1984 to date to reflect the source agency's annual updating of basic data and seasonal adjustment factors.

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of the Census, Construction Statistics Division.

2. The index of industrial production for Italy (series 727) has been revised by the source agency for the period 1983 to date to reflect the updating of basic statistics.

Further information concerning this revision may be obtained from the Organization for Economic Cooperation and Development, Economic and Technical Statistics Section, 2 rue Andre-Pascal, 75775 Paris CEDEX 16, France.

3. Appendix C contains historical data for series 6-8, 10, 20, 24, 27, 36, 54, 59, 61, 100, 292, 293, 295, 298, 310, 311, 500-502, 510-512, 564, 565, and 578.

4. Appendix G contains cyclical comparisons for series 12, 41, 46, and 53.

The June issue of BUSINESS CONDITIONS DIGEST is scheduled for release on July 7.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES AND CHANGES FOR THIS ISSUE

Changes in this issue are as follows:

1. Series 1, 21, 40, 41, 48, 340, 341, 570, 961, and 963 on establishment employment have been revised for the period 1981 to date. These revisions reflect the source agency's adoption of a new benchmark (March 1985) for the period April 1984 to date and application of new seasonal adjustment factors for the period 1981 to date.

Revised data for other series affected by these revisions (series 26, 63, 345, 346, 358, and 370) will be shown in a future issue.

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Employment Structure and Trends, Division of Monthly Industry Employment Statistics.

2. The series on U.S. international transactions have been revised to reflect the source agency's annual updating of the basic statistics. The beginning dates for these revisions are as follows:

1982--Series 651, 652, and 667-669;

1983--Series 618, 620, and 622.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Balance of Payments Division.

3. Appendix C contains historical data for series 12, 13, 28, 29, 33, 66, 72, 85, 95, 98, 99, 101, 102, 104-106, 108, and 111-113.

4. Appendix G contains cyclical comparisons for series 1, 19, 32, and 47.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

The July issue of BUSINESS CONDITIONS DIGEST is scheduled for release on August 5.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES AND CHANGES FOR THIS ISSUE

Changes in this issue are as follows:

1. Series based on data from the national income and product accounts (NIPA) have been revised by the source agency for the period 1983 to date to reflect the incorporation of new source data and new seasonal adjustment factors.

Revised data are shown in this issue for series 16, 18, 22, 30, 34-36, 49-53, 55, 59, 62, 64, 68, 70, 79-81, 86-89, 95, 107, 108, and 223 in section I-B; all series in section II-A; series 310 and 311 in section II-B; and series 500-502, 510-512, 564, and 565 in section II-D.

Revised data for other series affected by these revisions (series 20, 27, 57, and 77) will be shown in a future issue.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, National Income and Wealth Division.

2. Data on the value of construction put in place have been revised by the source agency for the period 1964 to date. This revision reflects (a) a change in the base year for the constant-dollar series from 1977 to 1982, (b) reclassification of certain categories of construction, (c) historical revisions of data, and (d) computation of new seasonal adjustment factors. For use in BCD, data for the period prior to 1964 have been adjusted, where necessary, to the level of the revised data. These revisions have been incorporated into the data for series 20 (contracts and orders for plant and equipment in 1982 dollars) and series 69 (manufacturers' machinery and equipment sales and business construction expenditures).

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of the Census, Construction Statistics Division.

(Continued on page iv.)

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

The August issue of BUSINESS CONDITIONS DIGEST is scheduled for release on September 3.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

**NEW FEATURES
AND CHANGES
FOR THIS ISSUE**

BCD DATA ON DISKETTE

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A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

1. The series on manufacturing and trade sales in 1982 dollars (series 57) and the ratio of manufacturing and trade inventories to sales in 1982 dollars (series 77) have been revised for the period 1983 to date. These revisions incorporate recent revisions in retail sales (see item 1 on page iii of the March 1986 *BCD*) and in the national income and product accounts (see item 1 on page iii of the July 1986 *BCD*).

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

2. The series on corporate net cash flow in 1982 dollars (series 35) has been revised for the period 1983 to date to reflect corrected data.

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, National Income and Wealth Division.

3. Appendix C contains historical data for series 1, 21, 26, 40, 41, 63, 69, 107, 110, 111, 320, 322, 340, 341, 570, 618, 620, 622, 651, 652, 667-669, and 961.

4. Appendix G contains cyclical comparisons for series 5, 23, 43, and 101.

The September issue of *BUSINESS CONDITIONS DIGEST* is scheduled for release on October 3.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

**NEW FEATURES
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Changes in this issue are as follows:

1. The indexes of industrial production (series 47, 73-76, 557, and 966) have been revised by the source agency for the period 1984 to date to include more recently available data and new seasonal adjustment factors.

Further information concerning these revisions may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Industrial Output Section.

2. The index of labor cost per unit of output (series 62) has been revised for the period 1984 to date to incorporate revisions in the index of industrial production for manufacturing. (See item 1, above.)

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

3. The capacity utilization rates (series 82 and 84) have been revised by the source agency for the period 1984 to date to incorporate revisions in the industrial production indexes (see item 1, above) and the capacity indexes.

Further information concerning these revisions may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Industrial Output Section.

(Continued on page iv.)

The October issue of BUSINESS CONDITIONS DIGEST is scheduled for release on November 6.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

4. The series on new plant and equipment expenditures by business (series 61, 100, and 970) have been revised by the source agency for the period 1983 to date. These revisions reflect the application of new seasonal adjustment factors.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Business Outlook Division.

5. The series on funds raised by private nonfinancial borrowers in credit markets (series 110) has been revised by the source agency for the period 1952 to date. This revision reflects the annual updating of the basic statistics, the incorporation of structural changes, and the application of new seasonal adjustment factors.

Further information concerning this revision may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Flow of Funds Section.

6. The diffusion indexes of newly approved capital appropriations (series 965) have been revised by the source agency for the period 1953 to date to reflect the change in the underlying data to 1982 dollars.

Further information concerning this revision may be obtained from The Conference Board, Inc., 845 Third Avenue, New York, NY 10022.

7. Appendix C contains historical data for series 16, 18, 22, 30, 33-36, 48, 51-54, 59, 62, 95, 108, 223, 727, and 963.

8. Appendix G contains cyclical comparisons for series 40, 45, 48, and 51.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

**NEW FEATURES
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Changes in this issue are as follows:

1. The series on change in total liquid assets (series 104) has been revised by the source agency for the period 1983 to date to reflect a revision in the data for short-term Treasury securities.

Further information concerning this revision may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Banking Section.

2. The index of industrial production for Canada (series 723) has been revised by the source agency for the period 1981 to date. This revision reflects the reweighting of the basic data to a 1981 base year and the incorporation of a new standard industrial classification. This revision will be carried back to earlier years in a subsequent issue of *BCD*.

Further information concerning this revision may be obtained from Statistics Canada, Industry Product Division, Ottawa K1A 0V5, Canada.

3. Appendix C contains historical data for series 34, 35, 49, 50, 55, 64, 68, 81, 86-89, 110, 200, 213, 217, 220, 224, 225, 227, 310, 311, 345, 346, 358, 370, 500-502, 510-512, 564, 565, and 965.

4. Appendix G contains cyclical comparisons for series 50, 57, 86, and 91.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

The November issue of *BUSINESS CONDITIONS DIGEST* is scheduled for release on December 8.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES AND CHANGES FOR THIS ISSUE

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Changes in this issue are as follows:

1. Appendix C contains historical data for series 57, 61, 70, 77, 100, 230-233, 235-243, 245, 247-253, 255-257, 260-263, 265-268, 280, 282-285, and 970.
2. Appendix G contains cyclical comparisons for series 8, 36, 76, and 90.

The December issue of BUSINESS CONDITIONS DIGEST is scheduled for release on January 6.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

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Changes in this issue are as follows:

1. The Bureau of Economic Analysis plans to make a change in the calculation of the composite index of leading indicators (series 910) effective with the publication of the February index in the March 1987 issue of **BCD**. At that time, the series on net business formation (series 12) will be suspended from the index. This suspension is necessary because this series has deteriorated as a measure of change in the business population, primarily because of the poor quality of one component of the series and the unavailability of data of another component in time for inclusion in the initial release. The composite index of capital investment commitments (series 914), of which net business formation also is a component, will be discontinued in the March 1987 issue.

2. The series on funds raised by private nonfinancial borrowers in credit markets (series 110) has been revised by the source agency for the period 1952 to date to reflect corrected data.

Further information concerning this revision may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Flow of Funds Section.

3. Appendix C contains historical data for series 5, 10, 11, 20, 47, 67, 73-76, 82, 84, 97, 286-290, 292, 293, 295, 298, 557, 723, 962, and 966.

4. Appendix G contains cyclical comparisons for series 41, 46, 53, and 920.

The January issue of **BUSINESS CONDITIONS DIGEST** is scheduled for release on February 9.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

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Changes in this issue are as follows:

1. The Bureau of Economic Analysis plans to make a change in the calculation of the composite index of leading indicators (series 910) effective with the publication of the February index in the March 1987 issue of BCD. At that time, the series on net business formation (series 12) will be suspended from the index. This suspension is necessary because this series has deteriorated as a measure of change in the business population, primarily because of the poor quality of one component of the series and the unavailability of data of another component in time for inclusion in the initial release. If net business formation had been excluded from the index now, the index would have increased 2.4 percent in December, 1.2 percent in November, and 0.8 percent in October. The composite index of capital investment commitments (series 914), of which net business formation also is a component, will be discontinued in the March issue.

2. The series on employment and unemployment in the civilian labor force (series 37, 42-44, 90, 91, 441, 442, 444-448, and 451-453) have been revised by the source agency for the period 1982 to date. These revisions reflect the application of updated seasonal adjustment factors.

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Employment and Unemployment Statistics, Division of Employment and Unemployment Analysis.

3. Appendix C contains historical data for series 25, 31, 38, 39, 65, 78, 93, 94, 96, 104, 109, 548, 910, 920, and 930.

4. Appendix G contains cyclical comparisons for series 1, 30, 47, and 50.

The February issue of BUSINESS CONDITIONS DIGEST is scheduled for release on March 9.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

Changes in this issue are as follows:

1. The Bureau of Economic Analysis plans to make a change in the calculation of the composite index of leading indicators (series 910) effective with the publication of the February index in the March 1987 issue of BCD. At that time, the series on net business formation (series 12) will be suspended from the index. This suspension is necessary because this series has deteriorated as a measure of change in the business population, primarily because of the poor quality of one component of the series and the unavailability of data of another component in time for inclusion in the initial release. If net business formation had been excluded from the index now, the index would have decreased 1.2 percent in January, increased 2.1 percent in December, and increased 1.1 percent in November. The composite index of capital investment commitments (series 914), of which net business formation also is a component, will be discontinued in the March issue.

2. New seasonal adjustment factors for the 24 series listed below have been computed using the X-11 variant of the Census Method II seasonal adjustment program. New factors are shown in appendix B for many of these series.

Series number	Beginning date for new factors	Series number	Beginning date for new factors
5	January 1987	578	November 1986
9	January 1987	580	January 1987
10	January 1985	604	January 1987
12	January 1985	606	January 1987
13	January 1985	614	January 1987
15	IV Q 1986	616	January 1987
72	January 1987	732c	December 1986
112	January 1987	733c	January 1987
517	January 1986	735c	December 1986
525	November 1986	736c	November 1986
543	December 1986	737c	November 1986
570	January 1987	738c	November 1986

(Continued on page iv.)

The March issue of BUSINESS CONDITIONS DIGEST is scheduled for release on April 6.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
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A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

1. The series on net business formation (series 12) has been suspended from the composite index of leading indicators (series 910). The index has been recalculated back to January 1984 based on the 11 remaining indicators (including revisions in these indicators). The weights and statistical factors remain unchanged. The suspension was necessary because the net business formation series has deteriorated as a measure of change in the business population, primarily because of the poor quality of one component and the unavailability of data for another component in time for inclusion in the initial release. If net business formation had been included in the index, the index would have increased 1.0 percent in February, decreased 0.4 percent in January, and increased 2.5 percent in December.

The composite index of capital investment commitments (series 914) has not been updated due to the suspension of net business formation, which is one of its three components. Also, the diffusion index of leading indicator components (series 950) has been revised for the period 1984 to date to reflect the suspension of net business formation and the inclusion of revised data for the 11 remaining components. Net business formation, although suspended from the composite and diffusion indexes, will continue to be updated each month.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

(Continued on page iv.)

The April issue of BUSINESS CONDITIONS DIGEST is scheduled for release on May 5.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES AND CHANGES FOR THIS ISSUE

Changes in this issue are as follows:

1. The series on sales of retail stores in current and 1982 dollars (series 54 and 59) have been revised for the period 1967 to date. These data reflect revised estimates based on the 1982 Census of Retail Trade and the 1985 Annual Retail Trade Survey and a new sample of retail firms.

The series on manufacturing and trade sales in 1982 dollars (series 57) and the ratio of manufacturing and trade inventories to sales in 1982 dollars (series 77) have been revised for the period 1967 to date to incorporate the revised retail sales estimates.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of the Census, Business Division (series 54) and Bureau of Economic Analysis, Statistical Indicators Division (series 57, 59, and 77).

2. The series on manufacturing and trade sales and inventories in current dollars (series 31, 56, and 71) have been revised by the source agency for the period 1982 to date. These revisions reflect (a) revised data on retail sales and inventories from 1967 to date (see item 1, above); (b) revised data from the M3-1 survey from 1982 to date (see item 2 on page iv of the March 1987 BCD); and (c) revised data for merchant wholesale sales and inventories from 1980 to date. The revised data for merchant wholesale sales and inventories incorporate results from the 1985 Annual Trade Survey and new seasonal adjustment factors.

Revised data for the constant-dollar series based wholly or in part on these data (series 36, 57, 70, and 77) will be shown in a future issue.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of the Census, Business Division.

(Continued on page iv.)

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

The May issue of BUSINESS CONDITIONS DIGEST is scheduled for release on June 4.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

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Changes in this issue are as follows:

1. The series on manufacturers' new orders in constant dollars, nondefense capital goods industries (series 27), has been revised for the period 1982 to date to reflect the use of revised deflators from the national income and product accounts. (See item 1 on page iii of the July 1986 *BCD*.)

The series on contracts and orders for plant and equipment in constant dollars (series 20) has been revised for the period 1982 to date to incorporate the revision of series 27, which is one of its components.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

2. The series on new private housing units authorized by local building permits (series 29) has been revised for the period 1985 to date to reflect the source agency's annual updating of basic data and new seasonal adjustment factors.

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of the Census, Construction Statistics Division.

(Continued on page iv.)

The June issue of *BUSINESS CONDITIONS DIGEST* is scheduled for release on July 7.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES AND CHANGES FOR THIS ISSUE

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

1. Series 1, 21, 40, 41, 48, 340, 341, 570, 961, and 963 on establishment employment have been revised for the period 1982 to date. These revisions reflect the source agency's adoption of a new benchmark (March 1986) for the period April 1985 to date and application of new seasonal adjustment factors for the period 1982 to date.

Revised data for other series affected by these revisions (series 26, 63, 345, 346, 358, and 370) will be shown in a future issue.

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Employment Structure and Trends, Division of Monthly Industry Employment Statistics.

2. The series on U.S. international transactions (series 651, 652, and 667-669) have been revised for the period 1981 to date to reflect the source agency's annual updating of the basic statistics.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Balance of Payments Division.

3. Appendix C contains historical data for series 9, 14, 20, 27, 29, 31, 54, 56-59, 70, 71, 77, 559, 561, 588, 721-723, 725-728, and 950.

4. Appendix G contains cyclical comparisons for series 8, 36, 76, and 90.

The July issue of BUSINESS CONDITIONS DIGEST is scheduled for release on August 5.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

1. Series based on data from the national income and product accounts have been revised by the source agency for the period 1984 to date to reflect the incorporation of new source data and new seasonal adjustment factors.

Revised data are shown in this issue for series 16, 18, 20, 22, 27, 30, 34-36, 49-53, 55, 57, 59, 62, 64, 68, 70, 77, 79-81, 86-89, 95, 107, 108, and 223 in section I-B; all series in section II-A; series 310 and 311 in section II-B; and series 500-502, 510-512, 564, and 565 in section II-D.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, National Income and Wealth Division.

2. Data on the value of construction put in place have been revised by the source agency for the period 1974 to date to reflect the incorporation of new component data and new seasonal adjustment factors. These revisions affect series 20 (contracts and orders for plant and equipment in 1982 dollars) and series 69 (manufacturers' machinery and equipment sales and business construction expenditures). See item 1, above, for additional revisions affecting series 20.

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of the Census, Construction Statistics Division.

3. Appendix C contains historical data for series 15, 19, 110, 348, 349, 517, 525, 577, 578, 618, 620, 622, 651, 652, 667-669, 742, 743, and 745-748.

4. Appendix G contains cyclical comparisons for series 30, 41, 47, and 50.

The August issue of BUSINESS CONDITIONS DIGEST is scheduled for release on September 8.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

Changes in this issue are as follows:

1. The series on manufacturing and trade sales in 1982 dollars (series 57) and the ratio of manufacturing and trade inventories to sales in 1982 dollars (series 77) have been revised for the period 1984 to date to incorporate recent revisions in the national income and product accounts. (See item 1 on page iii of the July 1987 BCD.)

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

2. The series on productivity and costs (series 26, 63, 345, 346, 358, and 370) have been revised by the source agency for the period 1984 to date. These revisions incorporate recently revised output and compensation measures reported in the national income and product accounts (see item 1 on page iii of the July 1987 BCD) and revised data on employment and average weekly hours (see item 1 on page iii of the June 1987 BCD).

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Productivity and Technology, Division of Productivity Research.

3. Beginning with data for January 1987, the series on merchandise exports excluding military aid shipments (series 602) has been revised to incorporate adjustments for undocumented U.S. exports to Canada. In addition, both this series and the series on general merchandise imports (series 612) now are shown without seasonal adjustment for the period 1984 to date.

Further information concerning these series may be obtained from the U.S. Department of Commerce, Bureau of the Census, Foreign Trade Division.

4. Appendix C contains historical data for series 1, 21, 40, 41, 69, 107, 108, 340, 341, 570, 960, 961, and 971-978.

5. Appendix G contains cyclical comparisons for series 1, 46, 53, and 57.

The September issue of BUSINESS CONDITIONS DIGEST is scheduled for release on October 6.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Feliks Tamm, Chief, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

Changes in this issue are as follows:

1. The series on new plant and equipment expenditures by business (series 61, 100, and 970) have been revised by the source agency for the period 1984 to date to reflect the application of new seasonal adjustment factors. In addition, the constant-dollar series (series 100) has been revised for the period 1984 to date due to recent revisions in the national income and product accounts, from which the price deflators are derived.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Business Outlook Division.

2. The series on funds raised by private nonfinancial borrowers in credit markets (series 110) has been revised by the source agency for the period 1952 to date. This revision reflects the annual updating of the basic statistics and the application of new seasonal adjustment factors.

Further information concerning this revision may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Flow of Funds Section.

3. The index of industrial production for Canada (series 723) has been revised by the source agency for the period 1981 to date. This revision reflects the annual updating of the basic statistics and the application of new seasonal adjustment factors.

Further information concerning this revision may be obtained from Statistics Canada, Industry Product Division, Ottawa K1A 0V5, Canada.

4. Appendix C contains historical data for series 16, 18, 22, 30, 34, 35, 48-53, 55, 64, 68, 79-81, 86-89, 95, 223, 310, 311, 500-502, 510-512, and 964.

5. Appendix G contains cyclical comparisons for series 20, 21, 73, and 74.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

The October issue of BUSINESS CONDITIONS DIGEST is scheduled for release on November 5.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Business Conditions Digest, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

Changes in this issue are as follows:

1. The composite index of lagging indicators (series 930) has been recalculated back to January 1982 to incorporate a reestimation of the trend used in one of its components: labor cost per unit of output in manufacturing as a percent of trend (series 62). For this component, the previously estimated trend did not reflect the behavior of the unit labor cost series in recent years; the trend has been reestimated to reflect more adequately the recent behavior of this series. (The recalculation of the lagging index used the latest available data for all components.) If the previously estimated trend had been used, the lagging index would have increased 0.9 percent in September and decreased 0.2 percent in August and 0.5 percent in July. Revised historical data for series 62 are shown on page 97 and for the lagging index, on page 101.

The ratio of the coincident composite index to the lagging composite index (series 940) and the diffusion index of six lagging indicator components (series 952) also have been recalculated back to 1982 to reflect the above changes.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

2. The indexes of industrial production (series 47, 73-76, 557, and 966) have been revised by the source agency for the period 1985 to date to incorporate data previously not available and new seasonal adjustment factors.

Further information concerning these revisions may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Industrial Output Section.

(Continued on page iv.)

The November issue of BUSINESS CONDITIONS DIGEST is scheduled for release on December 7.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

3. The index of labor cost per unit of output in manufacturing (series 62) has been revised for the period 1985 to date to incorporate revisions in the index of industrial production for manufacturing. (See item 2, page iii.) In addition, the version of series 62 expressed as a percent of trend has been revised for the period 1982 to date to reflect the reestimation of the trend. (See item 1, page iii.)

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

4. The capacity utilization rates (series 82 and 84) have been revised by the source agency to incorporate revisions in the industrial production indexes (see item 2, page iii) for the period 1985 to date and revisions in the capacity indexes for the period 1981 to date.

Further information concerning these revisions may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Industrial Output Section.

5. Appendix C contains historical data for series 26, 62, 63, 110, 200, 213, 217, 220, 224, 225, 227, 345, 346, 358, 370, 543, 564, 565, 580, 602, 604, 606, 612, 614, 616, 930, and 963.

6. Appendix G contains cyclical comparisons for series 43, 50, 82, and 86.

BCD DATA ON DISKETTE

Data for most **BCD** series are available on diskette. Current data, covering the last 5 calendar years, are available on a subscription basis—one diskette per month for 12 months (\$240). Historical data, covering 1945 to date, are available on a set of five diskettes (\$100). For more information, write to the Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Business Conditions Digest, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES AND CHANGES FOR THIS ISSUE

Changes in this issue are as follows:

1. The index of help-wanted advertising in newspapers (series 46) has been revised by the source agency for the period 1974 to date to reflect the application of new seasonal adjustment factors. Because of this revision, the ratio of help-wanted advertising in newspapers to number of persons unemployed (series 60) has been revised for the same period.

Further information concerning these revisions may be obtained from The Conference Board, 845 Third Avenue, New York, NY 10022 (series 46) and the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division (series 60).

2. Appendix C contains historical data for series 10, 20, 24, 27, 54, 56, 57, 59, 61, 70, 71, 77, 82, 84, 100, 230-233, 235-243, 723, 940, and 970.

3. Appendix G contains cyclical comparisons for series 5, 23, 40, and 51.

4. Feliks Tamm, the editor of BCD since 1972, has retired. Mr. Tamm was instrumental in the development of BCD from its first issue in 1961 to its present form. His guidance and contributions will be missed.

5. The November Survey of Current Business contains an article on the composite indexes of leading, coincident, and lagging indicators. Also, the Survey's "Business Situation" article discusses the recent behavior of the index of leading indicators.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

The December issue of BUSINESS CONDITIONS DIGEST is scheduled for release on January 6.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Business Conditions Digest, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

BCD DATA ON DISKETTE

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Changes in this issue are as follows:

1. The series on profits after taxes per dollar of sales for manufacturing corporations (series 15) now is seasonally adjusted by the source agency for the period 1974 to date. Data prior to 1974 are seasonally adjusted by the Bureau of Economic Analysis (BEA). Previously, the entire series was seasonally adjusted by BEA.

Further information concerning this change may be obtained from the U.S. Department of Commerce, Bureau of the Census, Economic Surveys Division.

2. The series on funds raised by private nonfinancial borrowers in credit markets (series 110) has been revised by the source agency for the period 1986 to date to incorporate revisions in the basic statistics.

Further information concerning this revision may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Flow of Funds Section.

3. Appendix C contains historical data for series 36, 46, 47, 60, 73-76, 245, 247-253, 255-257, 260, 557, 951, 952, and 966.

4. Appendix G contains cyclical comparisons for series 45, 76, 91, and 101.

The January issue of BUSINESS CONDITIONS DIGEST is scheduled for release on February 8.

A limited number of changes are made from time to time to incorporate recent findings of economic research; newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Business Conditions Digest, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

BCD DATA ON DISKETTE

Data for most *BCD* series are available on diskette. Current data, covering the last 5 calendar years, are available on a subscription basis—one diskette per month for 12 months (\$240). Historical data, covering 1945 to date, are available on a set of five diskettes (\$100). For more information, write to the Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

1. The series on employment and unemployment in the civilian labor force (series 37, 42-44, 90, 91, 441, 442, 444-448, and 451-453) have been revised by the source agency for the period 1983 to date. These revisions reflect the application of updated seasonal adjustment factors.

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Employment and Unemployment Statistics, Division of Employment and Unemployment Analysis.

2. The ratio of help-wanted advertising in newspapers to number of persons unemployed (series 60) has been revised for the period 1983 to date to incorporate revised data for the unemployment component. (See item 1, above.)

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

3. Appendix C contains historical data for series 12, 13, 15, 23, 32, 67, 260-263, 265-268, 280, 282-290, 292, 293, 295, 298, 915-917, and 967.

4. Appendix G contains cyclical comparisons for series 8, 30, 48, and 50.

The February issue of BUSINESS CONDITIONS DIGEST is scheduled for release on March 7.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Business Conditions Digest, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

Changes in this issue are as follows:

1. New seasonal adjustment factors for the 23 series listed below have been computed using the X-11 variant of the Census Method II seasonal adjustment program. New factors are shown in appendix B for many of these series.

Series number	Beginning date for new factors	Series number	Beginning date for new factors
5	January 1988	580	December 1987
9	January 1986	604	December 1987
10	January 1986	606	December 1987
12	January 1987	614	December 1987
13	January 1986	616	December 1987
72	January 1988	732c	December 1987
112	January 1988	733c	January 1988
517	November 1987	735c	December 1987
525	January 1986	736c	December 1987
543	November 1987	737c	November 1987
570	January 1986	738c	December 1987
578	November 1987		

2. The average weekly insured unemployment rate (series 45) has been revised for the period 1983 to date to reflect a new seasonal adjustment by the source agency.

Further information concerning this revision may be obtained from the U.S. Department of Labor, Employment and Training Administration, Office of Administration Management.

3. The series on new private housing units started (series 28) has been revised for the period 1985 to date to reflect a new seasonal adjustment by the source agency.

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of the Census, Construction Statistics Division.

(Continued on page iv.)

The March issue of BUSINESS CONDITIONS DIGEST is scheduled for release on April 4.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Business Conditions Digest, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

Changes in this issue are as follows:

1. The series on sales of retail stores in current and 1982 dollars (series 54 and 59) have been revised for the period 1978 to date. These data reflect revised estimates based on the 1982 Census of Retail Trade and the 1986 Annual Retail Trade Survey. Revised data are shown in this issue for the period 1983 to date. Revised data for the earlier period will be shown in a future issue.

The series on manufacturing and trade sales in 1982 dollars (series 57) and the ratio of manufacturing and trade inventories to sales in 1982 dollars (series 77) have been revised for the period 1983 to date to incorporate the revised retail sales estimates. These revisions will be carried back to 1978 in a future issue.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of the Census, Business Division (series 54) and Bureau of Economic Analysis, Statistical Indicators Division (series 57, 59, and 77).

2. The series on wages and salaries in constant dollars in mining, manufacturing, and construction (series 53), for which the consumer price index for all urban consumers (CPI-U) is the deflator, has been revised for the period 1947 to date to show the data in 1982 dollars. In the February 1988 BCD, this series was shown in 1982-84 dollars. (See item 8 on page iv of the February issue.)

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

(Continued on page iv.)

The April issue of BUSINESS CONDITIONS DIGEST is scheduled for release on May 5.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Business Conditions Digest, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

Changes in this issue are as follows:

1. Recent revisions in retail sales in current and 1982 dollars (series 54 and 59), manufacturing and trade sales in 1982 dollars (series 57), and the ratio of manufacturing and trade inventories to sales in 1982 dollars (series 77) have been carried back to 1978. Revised data from 1983 forward for these series were introduced in the March 1988 BCD. (See item 1 on page iii of that issue.)

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of the Census, Business Division (series 54), and Bureau of Economic Analysis, Statistical Indicators Division (series 57, 59, and 77).

2. The series on manufacturing and trade sales in current dollars (series 56) has been revised from 1967 forward, and the series on manufacturing and trade inventories in current dollars (series 31 and 71) have been revised from 1980 forward. These revisions reflect (a) revised data on retail sales from 1967 forward (see item 1 on page iii of the April 1987 and March 1988 BCD) and retail inventories from 1980 forward, and (b) revised data on merchandise wholesale sales and inventories from 1980 forward. In this issue, revised data on manufacturing and trade inventories are carried back to 1982; earlier revisions will be included in a future issue.

Revised data for the constant-dollar series based wholly or in part on these data (series 36, 57, 70, and 77) will be included in a future issue.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of the Census, Business Division.

(Continued on page iv.)

The May issue of BUSINESS CONDITIONS DIGEST is scheduled for release on June 7.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

3. Recent revisions in the money supply measures (series 85, 102, and 105-108) have been carried back to 1947, and revisions in total liquid assets (series 104) have been carried back to 1959. Revised data from 1986 forward for these series were introduced in the February 1988 BCD. (See item 9 on page iv of that issue.)

Further information concerning these revisions may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Banking Section.

4. The series based wholly or in part on consumer installment credit (series 66, 95, 111, and 113) have been revised from 1980 forward. These revisions reflect the updating of the statistics based on newly available benchmark data and the computation of new seasonal adjustment factors.

Further information concerning these revisions may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Mortgage and Consumer Finance Section (series 66 and 113), and the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division (series 95 and 111).

5. The series containing data on commercial paper issued by nonfinancial companies (series 72, 101, 111, and 112) have been revised from 1984 forward. Data from 1985 forward were revised by the source agency to reflect annual updating and the computation of new seasonal adjustment factors. Data for 1984 through 1987 were adjusted to reflect an increase in the size of the reporting panel. (For additional revisions affecting series 111, see item 4 above.)

In addition, the series on commercial and industrial loans outstanding in 1982 dollars (series 101) has been revised from 1947 forward to incorporate the recent revision in the producer price index used as a deflator. (See item 4 on page iv of the February 1988 BCD.)

Further information concerning these revisions may be obtained from the Federal Reserve Bank of New York, Market Reports Division, 33 Liberty Street, New York, NY 10045, and the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

6. Appendix C contains historical data for series 6-8, 36, 53, 98, 99, 341, 732, 733, and 735-738.

7. Appendix G contains cyclical comparisons for series 50, 73, 74, and 86.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Business Conditions Digest, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

Changes in this issue are as follows:

1. The series on new private housing units authorized by local building permits (series 29) has been revised for 1986 forward to reflect the source agency's annual updating of basic data and computation of new seasonal adjustment factors.

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of the Census, Construction Statistics Division.

2. The U.S. international transactions series on merchandise trade (series 618, 620, and 622) have been revised for 1986 forward. These revisions incorporate the computation of new seasonal adjustment factors and the retabulation of Census Bureau data to reflect the actual month of transaction, the inclusion of errata to Census Bureau data, and the inclusion of U.S.-Canadian reconciliation estimates.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Balance of Payments Division.

3. Beginning with this issue, the text of the latest composite index release will be included in BCD each month. (See page iv.)

4. Appendix C contains historical data for series 9-11, 20, 28, 29, 45, 54, 59, 66, 85, 95, 97, 102, 104-108, 113-117, 920, 960, and 965.

5. Appendix G contains cyclical comparisons for series 32, 40, 43, and 82.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

The June issue of BUSINESS CONDITIONS DIGEST is scheduled for release on July 6.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Business Conditions Digest, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

Changes in this issue are as follows:

1. The series on establishment employment (series 1, 21, 40, 41, 48, 340, 341, 570, 961, and 963) have been revised by the source agency to reflect the adoption of a new benchmark and the application of new seasonal adjustment factors. Series 48 and 570 contain revisions for 1986 forward; the other series contain revisions for 1983 forward.

Revised data for other series affected by these revisions (series 26, 63, 345, 346, 358, and 370) will be included in a future issue.

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Employment Structure and Trends, Division of Monthly Industry Employment Statistics.

2. The series on commercial and industrial loans outstanding (series 72, 101, and 112) have been revised for 1984 forward. Data for 1984 through 1987 have been adjusted by the source agency to reflect an increase in the size of the reporting panel. In addition, data on commercial paper issued by nonfinancial companies have been revised to reflect data as published by the source agency. (See item 5 on page iv of the April 1988 BCD.)

Further information concerning these revisions may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Banking Section.

3. The series on change in business and consumer credit outstanding (series 111) has been revised for 1984 forward to incorporate the revision in series 72 (see item 2, above), which is one of its components. Another component, real estate loans of large commercial banks, has been adjusted by the source agency for 1984 forward to reflect an increase in the size of the reporting panel.

Further information concerning these revisions may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Banking Section; and the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

(Continued on page iv.)

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

The July issue of BUSINESS CONDITIONS DIGEST is scheduled for release on August 8.

4. The series on merchandise exports excluding military aid shipments (series 602) and general imports (series 612) have been revised by the source agency for 1986 forward to reintroduce the seasonal adjustment of these data. Data prior to 1986 are based on the source agency's previous seasonal adjustment.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of the Census, Foreign Trade Division.

5. The series on U.S. international transactions (series 618, 620, 622, 651, 652, and 667-669) have been revised by the source agency to reflect the annual updating of the basic statistics, retabulation of Census Bureau data to reflect the actual month of transaction, inclusion of errata to Census Bureau data, and the application of new seasonal adjustment factors. The dates for these revisions are as follows:

1978 through 1985: Series 618, 620, and 622;
1978 forward: Series 667-669;
1984 forward: Series 651;
1986 forward: Series 652.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Balance of Payments Division.

6. Appendix C contains historical data for series 25, 96, 118, 119, 548, 559, 561, 588, 721-723, 725-728, and 910.

7. Appendix G contains cyclical comparisons for series 5, 21, 23, and 51.

8. The text of the latest composite index release is shown on page v. In addition, data for the composite indexes and other BCD series are available through the following:

A recorded message on (202) 898-2450 (24 hours a day) provides data for the composite indexes and the leading index components immediately upon release (8:30 a.m.). The message is updated weekly (usually on Monday) to include recently available leading index component data that will be incorporated into the next release.

The Commerce Department's Economic Bulletin Board (EBB) (24 hours a day) provides electronic transmission of the composite index release immediately upon release (8:30 a.m.) for a nominal fee. In addition, by 5:00 p.m. on the day of the release, the EBB will include recent (1985-88) data for all BCD series plus additional data for series that were recently revised for earlier years. The EBB can be accessed through a microcomputer, computer terminal, or word processor. For information, call (202) 377-1986.

Current data for all BCD series are available on the EBB, on computer diskettes, and on printouts. (All three involve fees.) Each provides the same data: Recent (1985-88) data for all BCD series plus additional data for series that were recently revised for earlier years. For information, call (202) 523-0500 or write to the address at the top of page iii.

9. Future release dates for the composite indexes are August 2, August 30, September 30, November 1, December 1, and December 30.

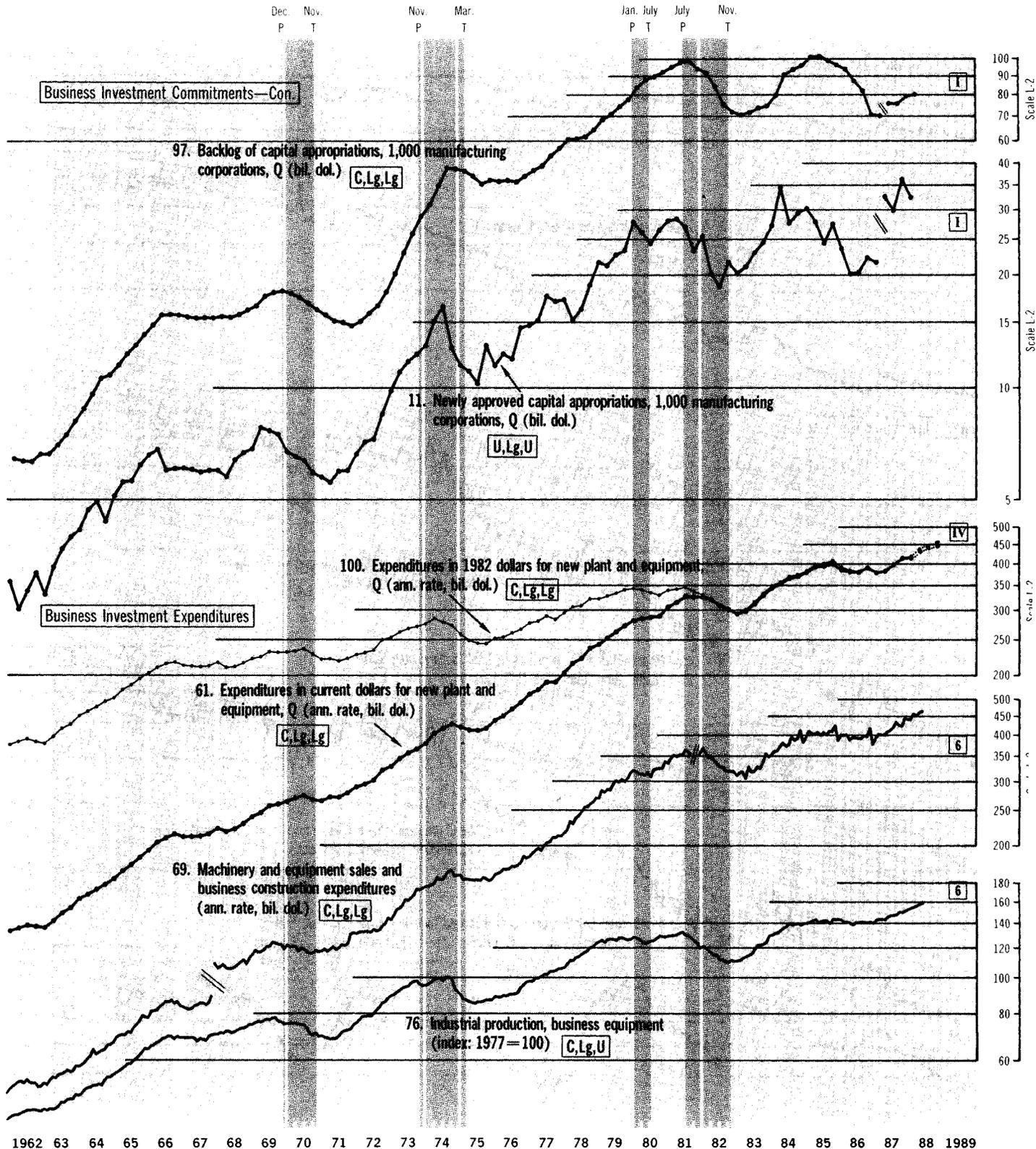
10. A short discussion of revisions in recent estimates of the composite index of leading indicators appeared on page 21 of the May 1988 Survey of Current Business.



CYCLICAL INDICATORS

CYCLICAL INDICATORS BY ECONOMIC PROCESS—Continued

Chart B4. Fixed Capital Investment—Continued



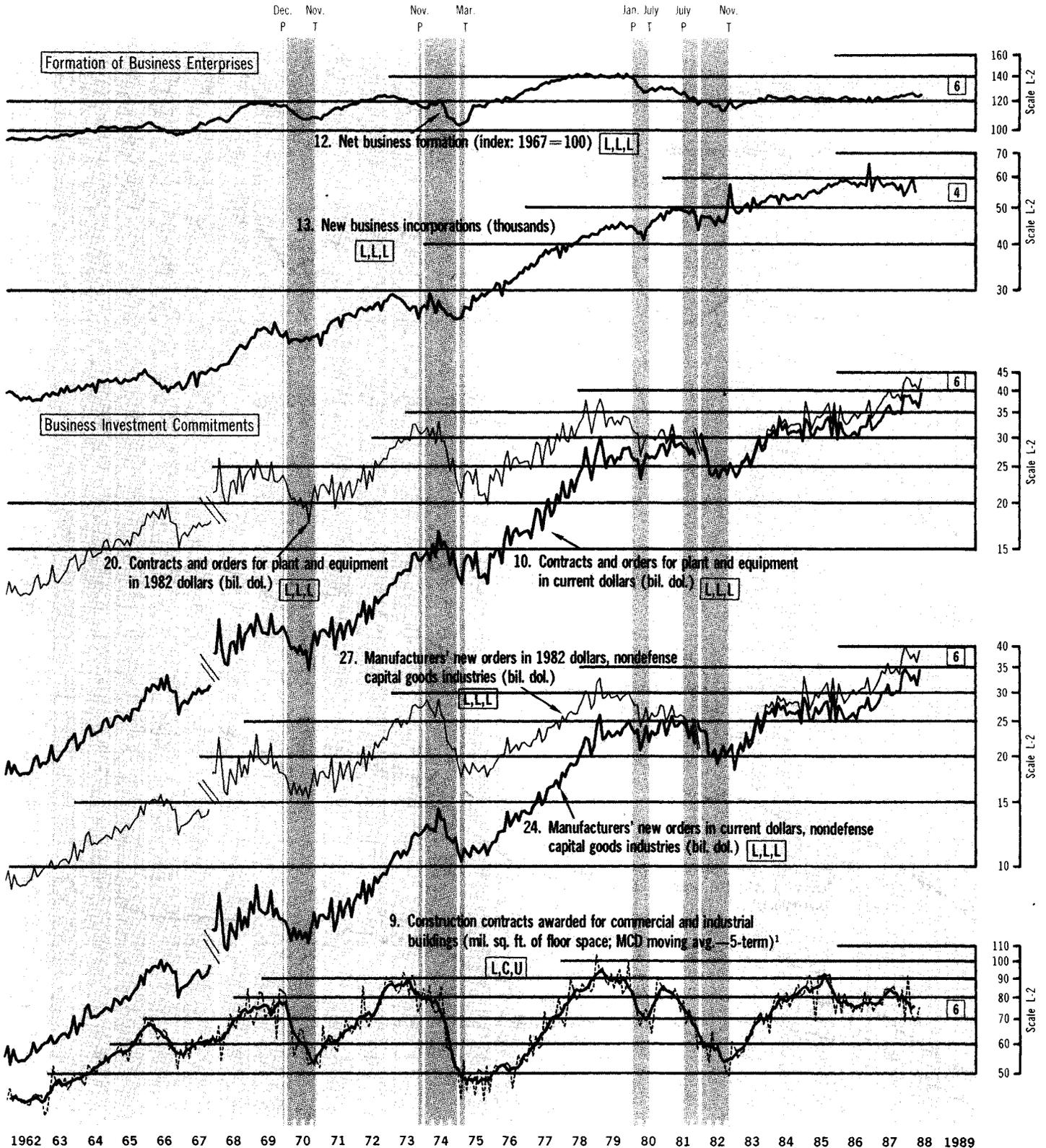
Current data for these series are shown on pages 66 and 67.

I
B

CYCLICAL INDICATORS

CYCLICAL INDICATORS BY ECONOMIC PROCESS—Continued

Chart B4. Fixed Capital Investment



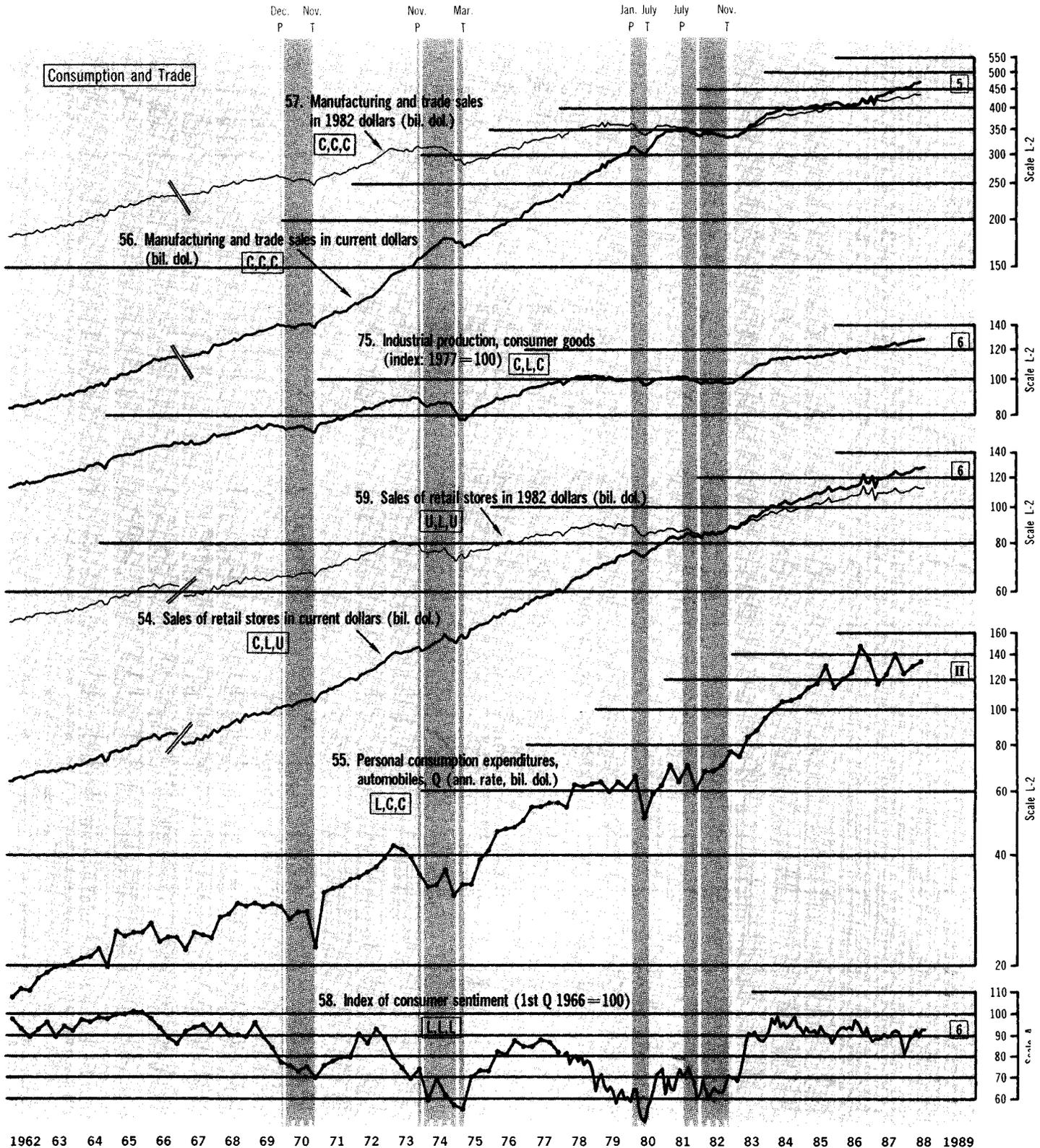
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I
B

CYCLICAL INDICATORS

CYCLICAL INDICATORS BY ECONOMIC PROCESS—Continued

Chart B3. Consumption, Trade, Orders, and Deliveries—Continued



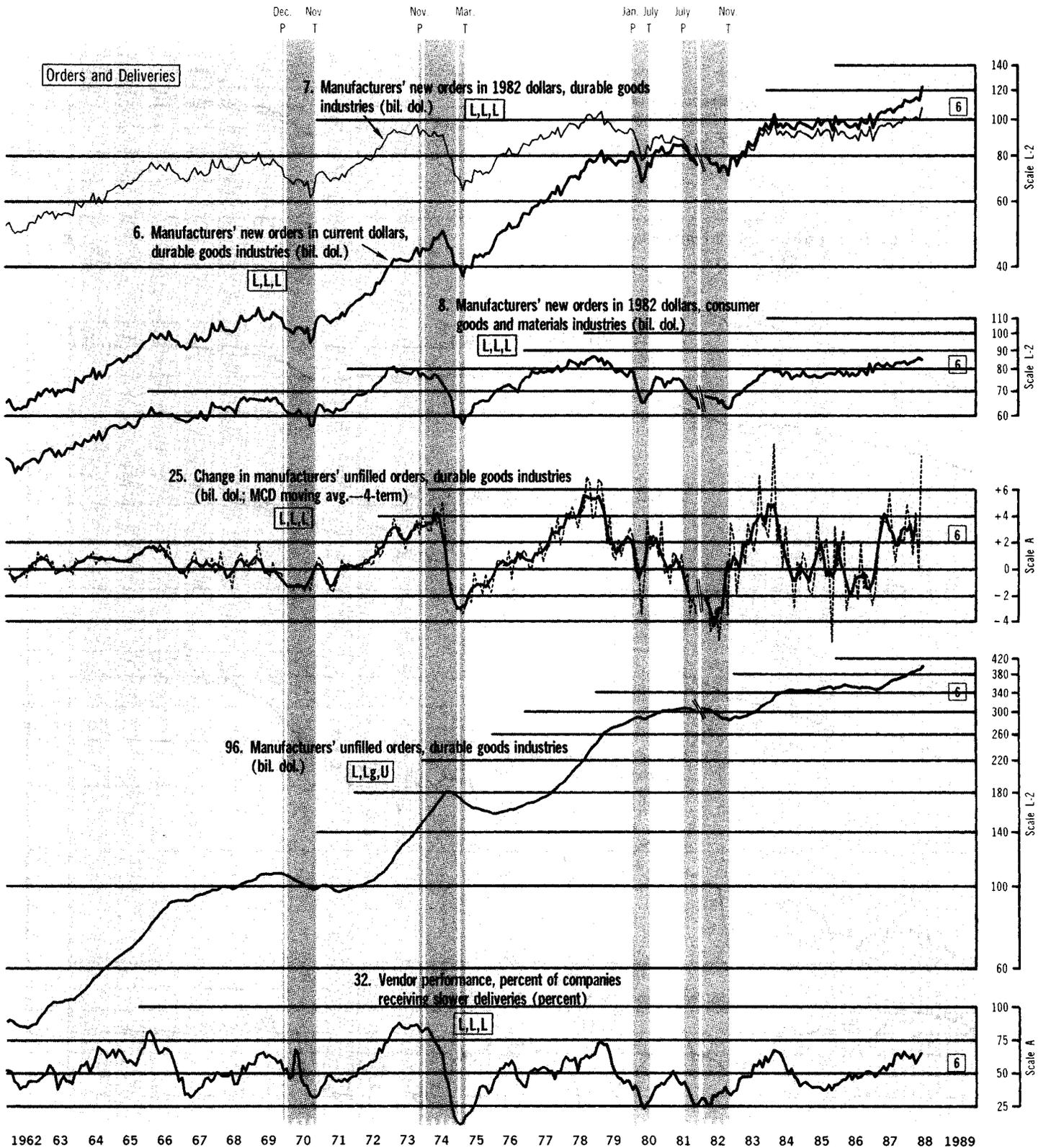
Current data for these series are shown on page 65.

I
B

CYCLICAL INDICATORS

CYCLICAL INDICATORS BY ECONOMIC PROCESS—Continued

Chart B3. Consumption, Trade, Orders, and Deliveries



Current data for these series are shown on page 64.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Business Conditions Digest, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
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FOR THIS ISSUE

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

1. Data from the survey of "Manufacturers' Shipments, Inventories, and Orders" (M3-1) have been revised by the source agency from 1977 forward. These revisions reflect (a) benchmarking of shipments and inventories estimates to the 1986 Annual Survey of Manufactures; (b) benchmarking of defense shipments to the 1986 MA-175 "Shipments to Federal Government Agencies"; (c) benchmarking of unfilled orders data to the 1986 MA-300, Unfilled Orders-Sales Supplement; (d) corrections to monthly data for late response, reclassification of reports, and revisions to previously reported data; (e) recalculation of estimates of new orders, which are derived from estimates of unfilled orders and shipments; and (f) updating of seasonal adjustment factors.

The following series have been revised in this issue to reflect the above changes: series 6-8, 10, 20, 24, 25, 27, 36, 38, 65, 69, 78, 96, 548, 559, 561, 588, and 964. Revised data for other series affected by these changes (series 31, 56, 57, 70, 71, and 77) will be included in a future issue.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of the Census, Industry Division.

(Continued on page iv.)

The September issue of BUSINESS CONDITIONS DIGEST is scheduled for release on October 6.

2. The series on manufacturers' new orders in constant dollars, nondefense capital goods industries (series 27), has been revised from 1985 forward to reflect the use of revised deflators from the national income and product accounts. (See item 1 on page iii of the July 1988 BCD.) This is in addition to the revision described in item 1 above.

The series on contracts and orders for plant and equipment in constant dollars (series 20) has been revised from 1985 forward to incorporate this revision in series 27, which is one of its components. This also is in addition to the revision described in item 1 above.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

3. The series on productivity and costs (series 26, 63, 345, 346, 358, and 370) have been revised by the source agency from 1983 forward. These revisions incorporate recently revised output and compensation measures reported in the national income and product accounts (see item 1 on page iii of the July 1988 BCD) and revised data on employment and average weekly hours (see item 1 on page iii of the June 1988 BCD).

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Productivity and Technology, Division of Productivity Research.

4. Appendix C contains historical data for series 16, 18, 22, 34, 35, 49, 55, 68, 79-81, 86-89, 107, 310, 311, 340, 341, 500-502, 510-512, 564, 565, 570, 602, 612, 618, 620, 622, 651, 652, and 667-669.

COMPOSITE INDEXES OF LEADING, COINCIDENT, AND LAGGING
INDICATORS: July 1988

The composite index of leading indicators decreased 0.8 percent in July to 192.1 (1967=100), according to preliminary estimates released August 30 by the Commerce Department's Bureau of Economic Analysis.

On the basis of more complete data, the index increased 1.4 percent in June and decreased 0.7 percent in May. A month ago, the Bureau reported estimates that showed the index increased 1.4 percent in June and decreased 0.8 percent in May. Change in inventories on hand and on order in 1982 dollars was the major contributor to the May revision.

Seven of 9 indicators available for July contributed to the decline in the index. They were, ordered from the largest negative contributor to the smallest: average weekly initial claims for state unemployment insurance, manufacturers' new orders for consumer goods and materials in 1982 dollars, building permits, vendor performance (i.e., companies receiving slower deliveries from vendors), stock prices, money supply in 1982 dollars, and contracts and orders for plant and equipment in 1982 dollars.

One of 9 indicators made a positive contribution: change in sensitive materials prices.

One indicator was unchanged: average workweek.

The composite index of coincident indicators, a monthly approximation of aggregate economic activity, increased 0.6 percent in July to 178.9 (1967=100). On the basis of more complete data, the index increased 0.7 percent in June and 0.3 percent in May.

The composite index of lagging indicators increased 0.1 percent in July to 147.4 (1967=100). On the basis of more complete data, the index increased 0.6 percent in June and decreased 0.2 percent in May.

The leading index is designed to predict monthly movements in aggregate economic activity, which is approximated by the coincident index. The lagging index is expected to move, after a time lag, in the same direction as the coincident index and thus to confirm the movements in the coincident index.

These concepts are explained more fully in the 1984 edition of Handbook of Cyclical Indicators (price \$5.50, stock number 003-010-00127-5), which is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

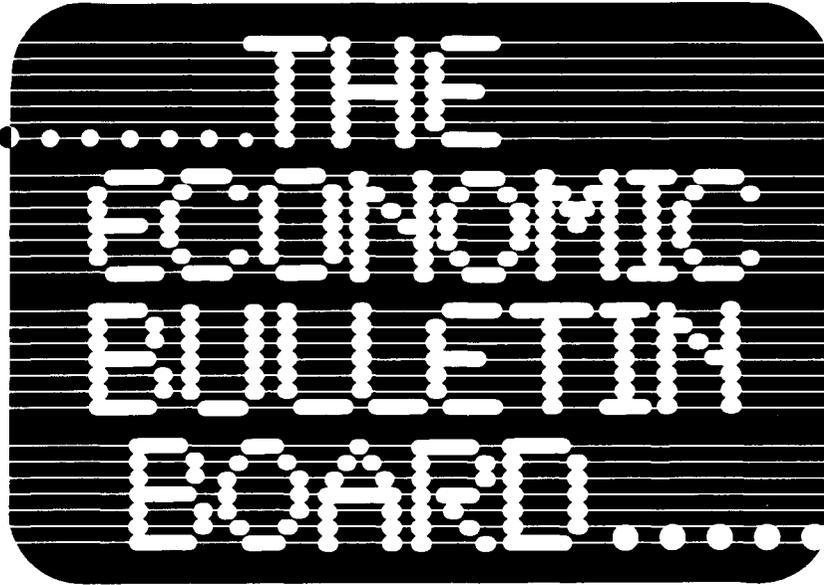
More data on the composite indexes can be found on pages 10, 60, and 107 of this issue of Business Conditions Digest.

A recorded telephone message on (202) 898-2450 provides information on the composite indexes and their components immediately upon their release. The message is updated weekly to include recently available data for composite index components that will be incorporated into the next release.

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Next release date: September 30 for the August composite indexes.

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**NEW FEATURES
AND CHANGES
FOR THIS ISSUE**

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

1. The series on manufacturing and trade sales and inventories in current dollars (series 31, 56, and 71) have been revised by the source agency from 1982 forward. These revisions reflect revised data on wholesale inventories (see item 2 on page iii of the April 1988 BCD) and revised data from the M3-1 survey (see item 1 on page iii of the August 1988 BCD).

The series on manufacturing and trade sales in constant dollars (series 57) and the ratio of manufacturing and trade inventories to sales in constant dollars (series 77) have been revised from 1985 forward to incorporate the above revisions and recent revisions in the national income and product accounts. (See item 1 on page iii of the July 1988 BCD.)

Revised data for the constant-dollar series based wholly or in part on these data (series 36 and 70) will be included in a future issue.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of the Census, Industry Division, and Bureau of Economic Analysis, Statistical Indicators Division.

(Continued on page iv.)

The October issue of BUSINESS CONDITIONS DIGEST is scheduled for release on November 7.

2. The series on new plant and equipment expenditures by business (series 61, 100, and 970) have been revised by the source agency from 1985 forward to reflect the application of new seasonal adjustment factors. In addition, the constant-dollar series (series 100) has been revised from 1985 forward due to recent revisions in the national income and product accounts, from which the price deflators are derived.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Business Outlook Division.

3. The index of industrial production for Canada (series 723) has been revised by the source agency from 1982 forward. This revision reflects the annual updating of the basic statistics and the application of new seasonal adjustment factors.

Further information concerning this revision may be obtained from Statistics Canada, Industry Product Division, Ottawa K1A 0V5, Canada.

4. Appendix C contains historical data for series 6-8, 10, 20, 24, 25, 27, 51-53, 62, 69, 96, 223, 548, 559, 561, 588, and 964.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Business Conditions Digest, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES AND CHANGES FOR THIS ISSUE

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Changes in this issue are as follows:

1. The series on funds raised by private nonfinancial borrowers in credit markets (series 110) has been revised by the source agency from 1952 forward. This revision reflects the annual updating of the basic statistics and the application of new seasonal adjustment factors.

Further information concerning this revision may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Flow of Funds Section.

2. Appendix C contains historical data for series 26, 30, 50, 61, 63, 64, 100, 200, 213, 217, 220, 224, 225, 227, 230-233, 235-243, 245, 247-253, 255, 256, 358, 370, and 970.

The November issue of *BUSINESS CONDITIONS DIGEST* is scheduled for release on December 7.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Business Conditions Digest, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

**NEW FEATURES
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A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

REVISION OF THE COMPOSITE INDEXES

The composite indexes of leading, coincident, and lagging indicators will be revised beginning with the release of January 1989 data on March 3. The revision will incorporate changes in components, updated statistical factors, and historical revisions in component data. The planned changes in components are listed on the following page.

An article presenting the revision will appear early in 1989 in BUSINESS CONDITIONS DIGEST and the SURVEY OF CURRENT BUSINESS. Information about the availability of the article and of data related to the revision will be included in next month's issue.

Changes in this issue are as follows:

Appendix C contains historical data for series 54, 56, 57, 59, 93-95, 108, 110, 257, 260-263, 265-268, 280, 282-290, 292, 293, 295, 298, 345, 346, and 723.

The December issue of BUSINESS CONDITIONS DIGEST is scheduled for release on January 6.

Components of Current and Revised Composite Indexes

Current		Revised		Current		Revised	
<u>Leading Index</u>				<u>Coincident Index</u>			
Average weekly hours of production or nonsupervisory workers, manufacturing	Same			Employees on nonagricultural payrolls	Same		
Average weekly initial claims for unemployment insurance, State programs (inverted)	Same			Index of industrial production	Same		
Manufacturers' new orders in 1982 dollars, consumer goods and materials industries	Same			Manufacturing and trade sales in 1982 dollars	Same		
Index of stock prices, 500 common stocks	Same			Personal income less transfer payments in 1982 dollars	Same		
Contracts and orders for plant and equipment in 1982 dollars	Same			<u>Lagging Index</u>			
Index of new private housing units authorized by local building permits	Same			Ratio, manufacturing and trade inventories to sales in 1982 dollars	Same		
Money supply M2 in 1982 dollars	Same			Average duration of unemployment in weeks (inverted)	Same		
Vendor performance, percent of companies receiving slower deliveries	Same title (incorporates improved data source for recent years)			Ratio, consumer installment credit outstanding to personal income	Same		
Change in sensitive materials prices, smoothed	Same title (based on revised methodology)			Commercial and industrial loans outstanding in 1982 dollars	Same		
Change in business and consumer credit outstanding	Dropped from index			Average prime rate charged by banks	Same		
Change in manufacturing and trade inventories on hand and on order in 1982 dollars, smoothed	Dropped from index			Index of labor cost per unit of output, manufacturing--actual data as percent of trend		Change in index of labor cost per unit of output, manufacturing, smoothed	
...	Change in manufacturers' unfilled orders in 1982 dollars, durable goods industries, smoothed			...		Change in consumer price index for services, smoothed	
...	Index of consumer expectations						

COMPOSITE INDEXES OF LEADING, COINCIDENT, AND LAGGING
INDICATORS: OCTOBER 1988

The composite index of leading indicators increased 0.1 percent in October to 193.0 (1967=100), according to preliminary estimates released December 1 by the Commerce Department's Bureau of Economic Analysis.

On the basis of more complete data, the index decreased 0.3 percent in September and increased 0.5 percent in August. A month ago, the Bureau reported estimates that showed the index decreased 0.1 percent in September and increased 0.5 percent in August. Change in credit outstanding was the major contributor to the September revision.

Four of 9 indicators available for October contributed to the increase in the index. They were, ordered from the largest positive contributor to the smallest: building permits, stock prices, manufacturers' new orders for consumer goods and materials in 1982 dollars, and average weekly initial claims for state unemployment insurance.

Five of 9 indicators made negative contributions. They were, ordered from the largest negative contributor to the smallest: vendor performance (i.e., companies receiving slower deliveries from vendors), change in sensitive materials prices, money supply in 1982 dollars, average workweek, and contracts and orders for plant and equipment in 1982 dollars.

The composite index of coincident indicators, a monthly approximation of aggregate economic activity, increased 1.3 percent in October to 181.3 (1967=100). On the basis of more complete data, the index increased 0.1 percent in September and 0.3 percent in August.

The composite index of lagging indicators increased 1.2 percent in October to 150.1 (1967=100). On the basis of more complete data, the index increased 0.1 percent in September and 0.5 percent in August.

The leading index is designed to predict monthly movements in aggregate economic activity, which is approximated by the coincident index. The lagging index is expected to move, after a time lag, in the same direction as the coincident index and thus to confirm the movements in the coincident index.

These concepts are explained more fully in the 1984 edition of Handbook of Cyclical Indicators (price \$5.50, stock number 003-010-00127-5), which is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

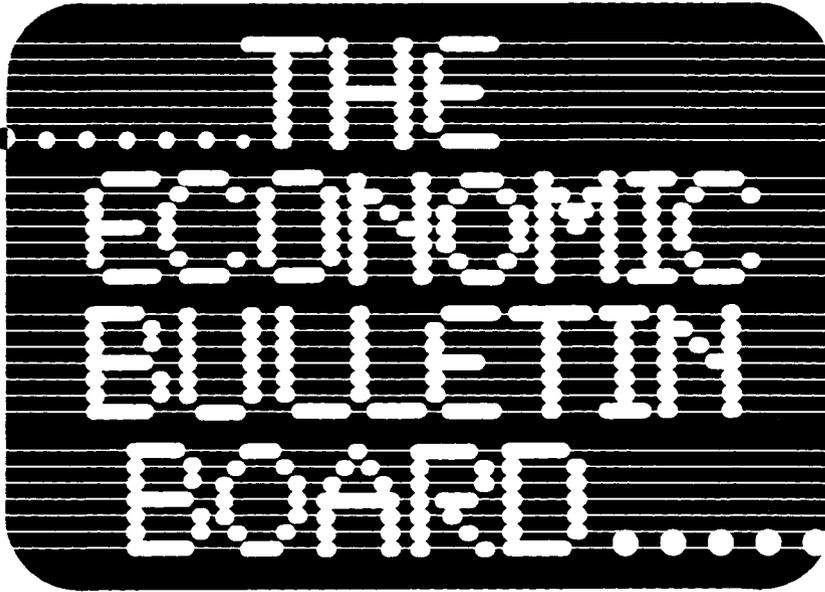
More data on the composite indexes can be found on pages 10, 60, and 107 of this issue of Business Conditions Digest.

A recorded telephone message on (202) 898-2450 provides information on the composite indexes and their components immediately upon their release. The message is updated weekly to include recently available data for composite index components that will be incorporated into the next release.

This and other news releases are available electronically at the time of public release through the Commerce Department's Economic Bulletin Board at a nominal charge to users. For information, call (202) 377-1986.

Next release date: December 30 for the November composite indexes.

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**NEW FEATURES
AND CHANGES
FOR THIS ISSUE**

REVISION OF THE COMPOSITE INDEXES

The composite indexes of leading, coincident, and lagging indicators will be revised beginning with the release of January 1989 data on March 3. The revision will incorporate changes in components, updated statistical factors, and historical revisions in component data. The planned changes in components are listed on the following page.

An article presenting the revision will appear in BUSINESS CONDITIONS DIGEST and in the SURVEY OF CURRENT BUSINESS. Data for 1948 through June 1988 for the revised indexes and their components, plus revised statistical factors and a description of the changes in the indexes, will be available on a diskette, on a printout, and on the Commerce Department's Economic Bulletin Board about February 10. To obtain an order form, technical specifications, and prices, write to the Statistical Indicators Division (BE-60), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230 or call (202) 523-0800.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

Appendix C contains historical data for series 19, 31, 36, 38, 58, 65, 70, 71, 77, 78, 517, 525, 577, 578, 742, 743, 745-748, and 968.

The January issue of BUSINESS CONDITIONS DIGEST is scheduled for release on February 7.

Components of Current and Revised Composite Indexes

Current		Revised		Current		Revised	
<u>Leading Index</u>				<u>Coincident Index</u>			
Average weekly hours of production or nonsupervisory workers, manufacturing	Same			Employees on nonagricultural payrolls	Same		
Average weekly initial claims for unemployment insurance, State programs (inverted)	Same			Index of industrial production	Same		
Manufacturers' new orders in 1982 dollars, consumer goods and materials industries	Same			Manufacturing and trade sales in 1982 dollars	Same		
Index of stock prices, 500 common stocks	Same			Personal income less transfer payments in 1982 dollars	Same		
Contracts and orders for plant and equipment in 1982 dollars	Same			<u>Lagging Index</u>			
Index of new private housing units authorized by local building permits	Same			Ratio, manufacturing and trade inventories to sales in 1982 dollars	Same		
Money supply M2 in 1982 dollars	Same			Average duration of unemployment in weeks (inverted)	Same		
Vendor performance, percent of companies receiving slower deliveries	Same title (incorporates improved data source for recent years)			Ratio, consumer installment credit outstanding to personal income	Same		
Change in sensitive materials prices, smoothed	Same title (based on revised methodology)			Commercial and industrial loans outstanding in 1982 dollars	Same		
Change in business and consumer credit outstanding	Dropped from index			Average prime rate charged by banks	Same		
Change in manufacturing and trade inventories on hand and on order in 1982 dollars, smoothed	Dropped from index			Index of labor cost per unit of output, manufacturing--actual data as percent of trend		Change in index of labor cost per unit of output, manufacturing, smoothed	
...	Change in manufacturers' unfilled orders in 1982 dollars, durable goods industries, smoothed			...		Change in consumer price index for services, smoothed	
...	Index of consumer expectations						

COMPOSITE INDEXES OF LEADING, COINCIDENT, AND LAGGING
INDICATORS: NOVEMBER 1988

The composite index of leading indicators decreased 0.2 percent in November to 193.2 (1967=100), according to preliminary estimates released December 30 by the Commerce Department's Bureau of Economic Analysis.

On the basis of more complete data, the index increased 0.4 percent in October and decreased 0.3 percent in September. A month ago, the Bureau reported estimates that showed the index increased 0.1 percent in October and decreased 0.3 percent in September. Change in credit outstanding was the major contributor to the October revision.

Four of 9 indicators available for November contributed to the decline in the index. They were, ordered from the largest negative contributor to the smallest: vendor performance (i.e., companies receiving slower deliveries from vendors), stock prices, average weekly initial claims for state unemployment insurance, and change in sensitive materials prices (the weighted 4-month moving average of the monthly changes had a negative effect on the index even though sensitive prices increased in November).

Three of 9 indicators made positive contributions. They were, ordered from the largest positive contributor to the smallest: money supply in 1982 dollars, manufacturers' new orders for consumer goods and materials in 1982 dollars, and contracts and orders for plant and equipment in 1982 dollars.

Two indicators were unchanged: building permits and average workweek.

The composite index of coincident indicators, a monthly approximation of aggregate economic activity, increased 0.2 percent in November to 181.2 (1967=100). On the basis of more complete data, the index increased 1.1 percent in October and was unchanged in September.

The composite index of lagging indicators increased 0.5 percent in November to 148.5 (1967=100). On the basis of more complete data, the index decreased 0.2 percent in October and 0.1 percent in September.

The leading index is designed to predict monthly movements in aggregate economic activity, which is approximated by the coincident index. The lagging index is expected to move, after a time lag, in the same direction as the coincident index and thus to confirm the movements in the coincident index.

These concepts are explained more fully in the 1984 edition of Handbook of Cyclical Indicators (price \$5.50, stock number 003-010-00127-5), which is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

More data on the composite indexes can be found on pages 10, 60, and 107 of this issue of Business Conditions Digest.

A recorded telephone message on (202) 898-2450 provides information on the composite indexes and their components immediately upon their release. The message is updated weekly to include recently available data for composite index components that will be incorporated into the next release.

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Next release date: February 1 for the December composite indexes.

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NEW FEATURES
AND CHANGES
FOR THIS ISSUE

REVISION OF THE COMPOSITE INDEXES

The composite indexes of leading, coincident, and lagging indicators will be revised beginning with the release of January 1989 data on March 3. The revision will incorporate changes in components, updated statistical factors, and historical revisions in component data. An article presenting the revision appears on pages 97-102 of this issue. The same article is published in the January 1989 SURVEY OF CURRENT BUSINESS.

Data for 1948 through June 1988 for the revised indexes and their components, plus revised statistical factors and a description of the changes in the indexes, are available on a diskette, on a printout, and on the Commerce Department's Economic Bulletin Board. To obtain an order form, technical specifications, and prices, write to the Statistical Indicators Division (BE-60), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230 or call (202) 523-0800.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

1. The series on employment and unemployment in the civilian labor force (series 37, 42-44, 90, 91, 441, 442, 444-448, and 451-453) have been revised by the source agency from 1984 forward. These revisions reflect the application of updated seasonal adjustment factors.

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Employment and Unemployment Statistics, Division of Employment and Unemployment Analysis.

(Continued on page iv.)

The February issue of BUSINESS CONDITIONS DIGEST is scheduled for release on March 9.

2. The ratio of help-wanted advertising in newspapers to number of persons to unemployed (series 60) has been revised from 1984 forward to incorporate revised data for the unemployment component. (See item 1, above.)

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

3. The diffusion index of newly approved capital appropriations (series 965) has been revised by the source agency from 1953 forward to reflect a change in the rounding procedure.

Further information concerning this revision may be obtained from The Conference Board, Inc., 845 Third Avenue, New York, NY 10022.

4. Appendix C contains historical data for series 73-76, 82, and 84.

COMPOSITE INDEXES OF LEADING, COINCIDENT, AND LAGGING
INDICATORS: DECEMBER 1988

The composite index of leading indicators increased 0.6 percent in December to 194.6 (1967=100), according to preliminary estimates released February 1 by the Commerce Department's Bureau of Economic Analysis.

On the basis of more complete data, the index decreased 0.2 percent in November and increased 0.5 percent in October. A month ago, the Bureau reported estimates that showed the index decreased 0.2 percent in November and increased 0.4 percent in October. Change in inventories on hand and on order in 1982 dollars was the major contributor to the October revision.

Six of 9 indicators available for December contributed to the increase in the index. They were, ordered from the largest positive contributor to the smallest: manufacturers' new orders for consumer goods and materials in 1982 dollars, stock prices, contracts and orders for plant and equipment in 1982 dollars, change in sensitive materials prices, building permits, and money supply in 1982 dollars.

Two of 9 indicators made negative contributions. They were, ordered from the larger negative contributor to the smaller: average workweek and average weekly initial claims for state unemployment insurance.

One indicator was unchanged: vendor performance (i.e., companies receiving slower deliveries from vendors).

The composite index of coincident indicators, a monthly approximation of aggregate economic activity, increased 0.7 percent in December to 182.1 (1967=100). On the basis of more complete data, the index increased 0.1 percent in November and 1.0 percent in October.

The composite index of lagging indicators increased 0.8 percent in December to 150.5 (1967=100). On the basis of more complete data, the index increased 0.9 percent in November and decreased 0.1 percent in October.

The leading index is designed to predict monthly movements in aggregate economic activity, which is approximated by the coincident index. The lagging index is expected to move, after a time lag, in the same direction as the coincident index and thus to confirm the movements in the coincident index.

These concepts are explained more fully in the 1984 edition of Handbook of Cyclical Indicators (price \$5.50, stock number 003-010-00127-5), which is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

More data on the composite indexes can be found on pages 10, 60, and 107 of this issue of Business Conditions Digest.

A recorded telephone message on (202) 898-2450 provides information on the composite indexes and their components immediately upon their release. The message is updated weekly to include recently available data for composite index components that will be incorporated into the next release.

This and other news releases are available electronically at the time of public release through the Commerce Department's Economic Bulletin Board at a nominal charge to users. For information, call (202) 377-1986.

Next release date: March 3 for the January composite indexes.

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NEW FEATURES
AND CHANGES
FOR THIS ISSUE

REVISION OF THE COMPOSITE INDEXES

The composite indexes of leading, coincident, and lagging indicators (series 910, 920, and 930) have been revised from 1948 forward to incorporate changes in components, changes in methodology for computing the indexes, updated statistical factors, and historical revisions in data. An article describing the revision was published in the January 1989 *BCD* (pp. 97-102). The ratio of the coincident to lagging composite indexes (series 940) and the diffusion indexes based on the components of the leading, coincident, and lagging composite indexes (series 950, 951, and 952) also have been revised from 1948 forward. Historical data for these composite and diffusion indexes are shown in appendix C.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

1. As part of the revision of the composite indexes, three new component series have been added: The index of consumer expectations (series 83), the change in manufacturers' unfilled orders in 1982 dollars for durable goods industries (series 92), and the change in the consumer price index for services (series 120). These series appear in the charts on pages 13 and 15 and the data table on page 97. Historical data are shown in appendix C.

In addition, three component series have been improved: Vendor performance (series 32), which now is based on a national survey for the period since 1976 and is seasonally adjusted; the index of labor cost per unit of output in manufacturing (series 62), which now utilizes percent changes in the index rather than percent-of-trend data; and the change in sensitive materials prices (series 99), which has been recalculated to exclude components no longer available, seasonally adjust those with seasonal variation, and weight the components equally. Except for the percent change in series 62, which appears in the table on page 97, these series are shown in their former locations. Historical data are shown in appendix C.

Further information concerning these series may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

(Continued on page iv.)

The March issue of BUSINESS CONDITIONS DIGEST is scheduled for release on April 4.

2. New seasonal adjustment factors for the 23 series listed below have been computed using the X-11 variant of the Census Method II seasonal adjustment program. New factors are shown in appendix B for many of these series.

Series number	Beginning date for new factors	Series number	Beginning date for new factors
5	September 1986	580	October 1988
9	January 1987	604	December 1988
10	January 1987	606	December 1988
12	January 1988	614	December 1988
13	January 1987	616	December 1988
72	January 1984	732c	December 1988
112	January 1984	733c	January 1989
517	October 1988	735c	December 1988
525	January 1980	736c	December 1988
543	October 1988	737c	December 1988
570	April 1986	738c	December 1988
578	January 1986		

3. The series on new private housing units started (series 28) has been revised from 1986 forward to reflect a new seasonal adjustment by the source agency.

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of the Census, Construction Statistics Division.

4. The seasonally adjusted producer price indexes (series 98 and 331-334) have been revised by the source agency from 1984 forward to reflect a new seasonal adjustment.

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Prices and Living Conditions, Division of Industrial Prices and Price Indexes.

5. The series on manufacturers' new orders in 1982 dollars for durable goods (series 7) and for consumer goods and materials (series 8) and the series on change in inventories on hand and on order (series 36) have been revised from 1984 forward to incorporate the revisions in the producer price indexes used as deflators. (See item 4, above.)

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

6. The series on commercial and industrial loans outstanding (series 101) has been revised from 1984 forward to reflect revisions in the producer price index used as a deflator. (See item 4, above.)

The series on change in business and consumer credit outstanding (series 111) has been revised from 1984 forward to incorporate the revision in series 72 (see item 2, above), which is one of its components. Another component, real estate loans of large commercial banks, has been revised from 1984 forward to reflect updated seasonal adjustment factors.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

7. The consumer price indexes for all urban consumers (CPI-U)--series 320 and series 322--have been revised by the source agency from 1984 forward to reflect a new seasonal adjustment.

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Prices and Living Conditions, Division of Consumer Prices.

8. The series on wages and salaries in 1982 dollars for mining, manufacturing, and construction (series 53), for which CPI-U is the deflator, has been revised from 1984 forward. (See item 7, above.)

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

9. The series on U.S. money supply and liquid assets (series 85, 102, and 104-108) have been revised by the source agency from 1959 forward to incorporate benchmark revisions and updated seasonal adjustment factors.

In addition, the series on U.S. money supply in 1982 dollars (series 105 and 106) have been revised from 1984 forward to incorporate the revisions in their CPI-U deflator. (See item 7, above.)

Further information concerning the money supply revision may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Banking Section. Information concerning the deflation of the money supply may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

10. The diffusion index of employees on private nonagricultural payrolls (series 963) has been replaced by a broader-based index covering 349 private nonagricultural industries.

Further information concerning this change may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Employment Structure and Trends, Division of Monthly Industry Employment Statistics.

11. The series on foreign stock prices (series 742 and 745-748) have been revised historically to reflect the incorporation of more accurate rebasing information.

12. Historical data for series 32, 62, 83, 92, 99, 120, 910, 920, 930, 940, and 950-952 are shown in appendix C.

COMPOSITE INDEXES OF LEADING, COINCIDENT, AND LAGGING
INDICATORS: JANUARY 1989

The composite index of leading indicators increased 0.6 percent in January to 145.7 (1982=100), according to preliminary estimates released March 3 by the Commerce Department's Bureau of Economic Analysis. The index increased 0.7 percent in December and was unchanged in November. (The indexes in this release have been revised.)

Eight of 11 indicators contributed to the January increase in the index. They were, ordered from the largest positive contributor to the smallest: index of consumer expectations, stock prices, change in sensitive materials prices, average workweek, vendor performance (slower deliveries diffusion index), change in manufacturers' unfilled orders in 1982 dollars, average weekly initial claims for state unemployment insurance, and contracts and orders for plant and equipment in 1982 dollars.

Three of 11 indicators made negative contributions. They were, ordered from the largest negative contributor to the smallest: money supply in 1982 dollars, manufacturers' new orders for consumer goods and materials in 1982 dollars, and building permits.

The composite index of coincident indicators, a monthly approximation of aggregate economic activity, increased 1.0 percent in January to 132.9 (1982=100). The index increased 0.7 percent in December and 0.1 percent in November.

The composite index of lagging indicators increased 0.1 percent in January to 118.1 (1982=100). The index increased 0.4 percent in December and 1.0 percent in November.

The leading index is designed to predict monthly movements in aggregate economic activity, which is approximated by the coincident index. The lagging index is expected to move, after a time lag, in the same direction as the coincident index and thus to confirm the movements in the coincident index.

These concepts are explained more fully in the 1984 edition of Handbook of Cyclical Indicators. (See below for information on availability.)

More data on the composite indexes can be found on pages 10, 60, and 107 of this issue of Business Conditions Digest.

A recorded telephone message on (202) 898-2450 provides information on the composite indexes and their components immediately upon their release. The message is updated weekly to include recently available data for composite index components that will be incorporated into the next release.

This and other news releases are available electronically at the time of public release through the Commerce Department's Economic Bulletin Board at a nominal charge to users. For information, call (202) 377-1986.

Next release date: March 29 for the February composite indexes.

* * *

Current and historical data for the composite indexes, their components, and other economic time series published in Business Conditions Digest are available in several forms--printout, diskette, computer tape, and electronic bulletin board. For information about these products and the Handbook of Cyclical Indicators, write to the Statistical Indicators Division (BE-60), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230 or call (202) 523-0800.

Readers are invited to submit comments and suggestions concerning this publication. Address them to Business Conditions Digest, Statistical Indicators Division, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

Changes in this issue are as follows:

1. The average weekly insured unemployment rate (series 45) has been revised from 1984 forward to reflect a new seasonal adjustment by the source agency.

Further information concerning this revision may be obtained from the U.S. Department of Labor, Employment and Training Administration, Office of Administration Management.

2. The series on sales of retail stores in current and 1982 dollars (series 54 and 59) have been revised from 1983 forward. These data reflect revised estimates based on the 1982 Census of Retail Trade and the 1987 Annual Retail Trade Survey.

The series on manufacturing and trade sales in 1982 dollars (series 57) and the ratio of manufacturing and trade inventories to sales in 1982 dollars (series 77) have been revised from 1983 forward to incorporate the revised retail sales estimates.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of the Census, Business Division (series 54), and Bureau of Economic Analysis, Statistical Indicators Division (series 57, 59, and 77).

3. The series that include data on commercial paper issued by nonfinancial companies (series 72, 101, 111, and 112) have been revised from 1986 forward to reflect a new seasonal adjustment by the source agency.

Further information concerning these revisions may be obtained from the Federal Reserve Bank of New York, Market Reports Division, 33 Liberty Street, New York, NY 10045.

(Continued on page iv.)

The April issue of BUSINESS CONDITIONS DIGEST is scheduled for release on May 5.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

4. The series on real average hourly compensation of all employees in the nonfarm business sector (series 346) has been revised by the source agency from 1984 forward to incorporate recent revisions in the CPI-U deflator. (See item 7 on page v of the February 1989 BCD.)

Further information concerning this revision may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Productivity and Technology, Division of Productivity Research.

5. Historical data for series 37, 42-44, 46, 60, 90, 91, 320, 322, 441, 442, 444-448, and 451-453 are shown in appendix C.

Availability of Data

Data for the composite indexes, their components, and other economic time series shown in Business Conditions Digest are available in several forms--printout, diskette, computer tape, and electronic bulletin board. For information about these products, write to the Statistical Indicators Division (BE-60), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230 or call (202) 523-0800.

COMPOSITE INDEXES OF LEADING, COINCIDENT, AND LAGGING
INDICATORS: February 1989

The composite index of leading indicators decreased 0.3 percent in February to 145.2 (1982=100), according to preliminary estimates released March 29 by the Commerce Department's Bureau of Economic Analysis.

On the basis of revised estimates, the index increased 0.7 percent in January and 0.6 percent in December. A month ago, the bureau reported estimates that showed the index increased 0.6 percent in January and 0.7 percent in December. Average workweek was the major contributor to both the January and December revisions.

Eight of 11 indicators contributed to the February decline in the index. They were, ordered from the largest negative contributor to the smallest: contracts and orders for plant and equipment in 1982 dollars, building permits, manufacturers' new orders for consumer goods and materials in 1982 dollars, money supply in 1982 dollars, index of consumer expectations, average weekly initial claims for state unemployment insurance, vendor performance (slower deliveries diffusion index), and change in manufacturers' unfilled orders in 1982 dollars.

Two of 11 indicators made positive contributions. They were, ordered from the larger positive contributor to the smaller: change in sensitive materials prices and stock prices.

One indicator was unchanged: average workweek.

The composite index of coincident indicators, a monthly approximation of aggregate economic activity, increased 0.8 percent in February to 133.5 (1982=100). The index increased 0.8 percent in January and 0.6 percent in December.

The composite index of lagging indicators increased 1.3 percent in February to 119.0 (1982=100). The index decreased 0.3 percent in January and increased 0.2 percent in December.

The leading index is designed to predict monthly movements in aggregate economic activity, which is approximated by the coincident index. The lagging index is expected to move, after a time lag, in the same direction as the coincident index and thus to confirm the movements in the coincident index.

More data on the composite indexes can be found on pages 10, 60, and 107 of this issue of Business Conditions Digest.

* * *

Next release date: April 28 for the March composite indexes.

* * *

A recorded telephone message on (202) 898-2450 provides information on the composite indexes and their components immediately upon their release. The message is updated weekly to include recently available data for composite index components that will be incorporated into the next release.

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NEW FEATURES
AND CHANGES
FOR THIS ISSUE

Changes in this issue are as follows:

1. Two leading composite indexes developed by Columbia University's Center for International Business Cycle Research (CIBCR) are shown on page 107. These indexes--one based on components with long leads at business cycle turning points and the other based on components with shorter leads--are constructed and updated by CIBCR. They will be shown in BCD each month.

Further information concerning these composite indexes may be obtained from the Center for International Business Cycle Research, Graduate School of Business, Columbia University, New York, NY 10027.

2. The series on manufacturing and trade sales and inventories in current dollars (series 31, 56, and 71) have been revised by the source agency from 1983 forward to incorporate revised data on merchandise wholesale sales and inventories.

Revised data for the constant-dollar series based wholly or in part on these data (series 36, 57, 70, and 77) will be included in a future issue.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of the Census, Business Division.

3. The series that include data on commercial paper issued by nonfinancial companies (series 72, 101, 111, and 112) have been adjusted from 1988 forward to reflect an increase in the size of the reporting panel.

Further information concerning these revisions may be obtained from the Federal Reserve Bank of New York, Market Reports Division, 33 Liberty Street, New York, NY 10045, and the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

(Continued on page iv.)

The May issue of BUSINESS CONDITIONS DIGEST is scheduled for release on June 6.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

4. The series on foreign industrial production have been revised historically to reflect the incorporation of more accurate rebasing information. The periods affected by these revisions are as follows:

1955 forward: Series 725, 727, and 728;
1956 forward: Series 722 and 726;
1959 forward: Series 721.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division.

5. Historical data for series 5-8, 28, 53, 72, 85, 101, 102, 104-106, 108, 111, 112, and 963 are shown in appendix C.

Availability of Data

Data for the composite indexes, their components, and other economic time series shown in Business Conditions Digest are available in several forms--printout, diskette, computer tape, and electronic bulletin board. For information about these products, write to the Statistical Indicators Division (BE-60), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230 or call (202) 523-0800.

COMPOSITE INDEXES OF LEADING, COINCIDENT, AND LAGGING
INDICATORS: March 1989

The composite index of leading indicators decreased 0.7 percent in March to 144.4 (1982=100), according to preliminary estimates released April 28 by the Commerce Department's Bureau of Economic Analysis.

On the basis of revised estimates, the index decreased 0.3 percent in February and increased 0.8 percent in January. A month ago, the Bureau reported estimates that showed the index decreased 0.3 percent in February and increased 0.7 percent in January. Average workweek was the major contributor to the January revision.

Nine of 11 indicators contributed to the March decline in the index. They were, ordered from the largest negative contributor to the smallest: building permits, manufacturers' new orders for consumer goods and materials in 1982 dollars, average workweek, average weekly initial claims for State unemployment insurance, index of consumer expectations, vendor performance (slower deliveries diffusion index), money supply in 1982 dollars, change in manufacturers' unfilled orders in 1982 dollars, and stock prices.

Two of 11 indicators made positive contributions. They were, ordered from the larger positive contributor to the smaller: change in sensitive materials prices and contracts and orders for plant and equipment in 1982 dollars.

The composite index of coincident indicators, a monthly approximation of aggregate economic activity, increased 0.1 percent in March to 132.8 (1982=100). The index increased 0.2 percent in February and 0.8 percent in January.

The composite index of lagging indicators increased 1.3 percent in March to 120.3 (1982=100). The index increased 1.0 percent in February and decreased 0.3 percent in January.

The leading index is designed to predict monthly movements in aggregate economic activity, which is approximated by the coincident index. The lagging index is expected to move, after a time lag, in the same direction as the coincident index and thus to confirm the movements in the coincident index.

More data on the composite indexes can be found on pages 10, 60, and 106 of this issue of Business Conditions Digest.

* * *

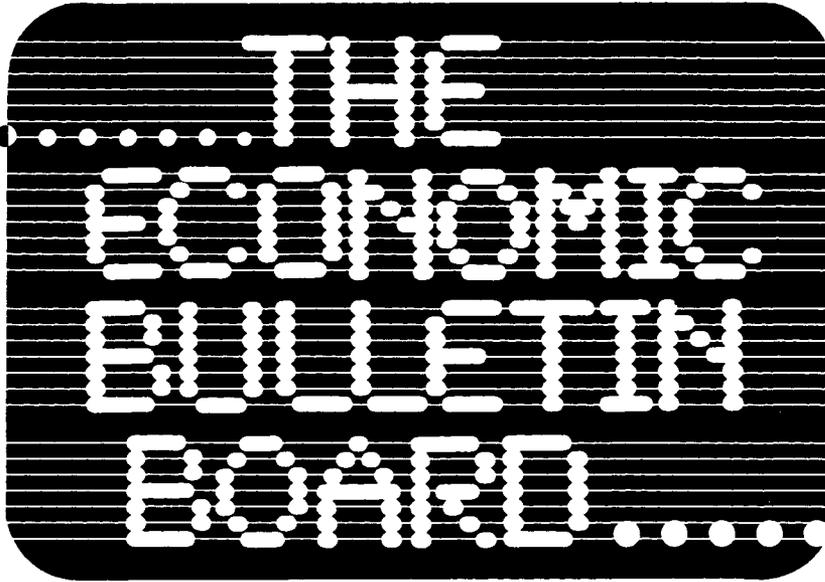
Next release date: May 31 for the April composite indexes.

* * *

A recorded telephone message on (202) 898-2450 provides information on the composite indexes and their components immediately upon their release. The message is updated weekly to include recently available data for composite index components that will be incorporated into the next release.

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NEW FEATURES
AND CHANGES
FOR THIS ISSUE

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

Changes in this issue are as follows:

1. The series on new private housing units authorized by local building permits (series 29) has been revised from 1987 forward to reflect the source agency's annual updating of basic data and computation of new seasonal adjustment factors.

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of the Census, Construction Statistics Division.

2. The series based wholly or in part on consumer installment credit (series 66, 95, 111, and 113) have been revised from 1986 forward to reflect the updating of the statistics based on newly available benchmark data and the computation of new seasonal adjustment factors. In addition, beginning in January 1989, the data include all student loans at commercial banks (previously, student loans not yet being repaid were considered noninstallment credit) and more complete coverage of securitized consumer loans. As a result, data from January 1989 forward are not comparable with earlier data.

Further information concerning these revisions may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Mortgage and Consumer Finance Section (series 66 and 113), and from the U.S. Department of Commerce, Bureau of Economic Analysis, Statistical Indicators Division (series 95 and 111).

(Continued on page iv.)

The June issue of BUSINESS CONDITIONS DIGEST is scheduled for release on July 5.

3. The U.S. international transactions series on merchandise trade (series 618, 620, and 622) have been revised from 1987 forward. These revisions incorporate the computation of new seasonal adjustment factors, inclusion of new estimates of undocumented exports to Canada, retabulation of Census data to reflect the actual month of transaction, deduction of machinery and equipment exports that were previously imported and sent abroad for repair, and deduction of machinery and equipment imports that were previously exported and returned to the United States for repair.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Balance of Payments Division.

4. Historical data for series 330-335 are shown in appendix C (pages 98-103).

5. Specific peak and trough dates for the composite indexes and their components are shown in appendix F (page 104).

Availability of Data

Data for the composite indexes, their components, and other economic time series shown in Business Conditions Digest are available in several forms--printout, diskette, computer tape, and electronic bulletin board. For information about these products, write to the Statistical Indicators Division (BE-60), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230 or call (202) 523-0800.

COMPOSITE INDEXES OF LEADING, COINCIDENT, AND LAGGING
INDICATORS: APRIL 1989

The composite index of leading indicators increased 0.8 percent in April to 145.7 (1982=100), according to preliminary estimates released May 31 by the Commerce Department's Bureau of Economic Analysis.

On the basis of revised estimates, the index decreased 0.6 percent in March and 0.3 percent in February. A month ago, the Bureau reported estimates that showed the index decreased 0.7 percent in March and 0.3 percent in February. Average workweek was the major contributor to the March revision.

Eight of 11 indicators contributed to the April increase in the index. They were, ordered from the largest positive contributor to the smallest: manufacturers' new orders for consumer goods and materials in 1982 dollars, building permits, average workweek, stock prices, average weekly initial claims for State unemployment insurance, vendor performance (slower deliveries diffusion index), contracts and orders for plant and equipment in 1982 dollars, and change in manufacturers' unfilled orders in 1982 dollars.

Three of 11 indicators made negative contributions. They were, ordered from the largest negative contributor to the smallest: index of consumer expectations, money supply in 1982 dollars, and change in sensitive materials prices.

The composite index of coincident indicators, a monthly approximation of aggregate economic activity, decreased 0.1 percent in April to 132.3 (1982=100). The index decreased 0.2 percent in March and increased 0.2 percent in February.

The composite index of lagging indicators decreased 0.5 percent in April to 121.3 (1982=100). The index increased 1.0 percent in March and 1.2 percent in February.

The leading index is designed to predict monthly movements in aggregate economic activity, which is approximated by the coincident index. The lagging index is expected to move, after a time lag, in the same direction as the coincident index and thus to confirm the movements in the coincident index.

More data on the composite indexes can be found on pages 10, 60, and 106 of this issue of Business Conditions Digest.

* * *

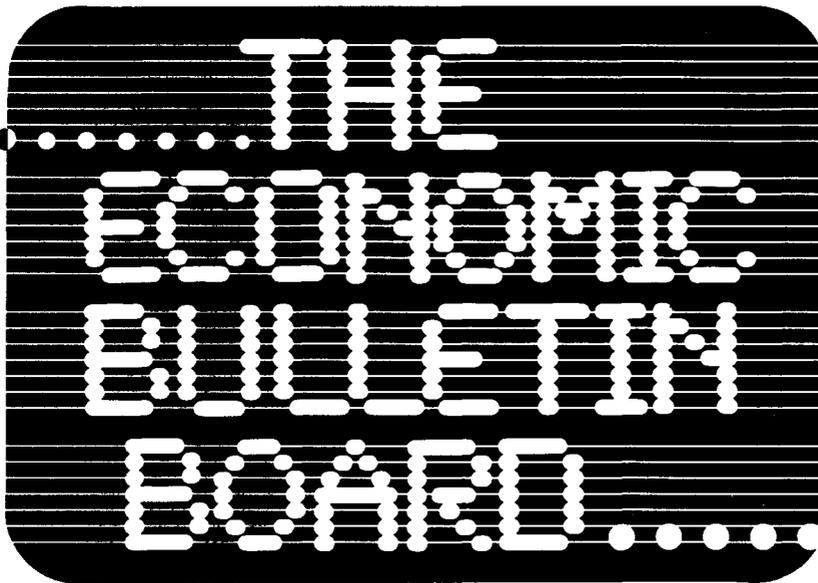
Next release date: June 28 for the May composite indexes.

* * *

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**NEW FEATURES
AND CHANGES
FOR THIS ISSUE**

Changes in this issue are as follows:

1. The series on establishment employment (series 1, 21, 40, 41, 48, 570, 961, and 963) have been revised by the source agency to reflect the adoption of a new benchmark and the computation of new seasonal adjustment factors. Series 48 contains revisions from 1983 forward; series 570 contains revisions from 1987 forward; and the other series contain revisions from 1984 forward.

Revised data for other series affected by these revisions (series 26, 63, 345, 346, 358, and 370) will be included in a future issue.

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Employment Structure and Trends, Division of Monthly Industry Employment Statistics.

2. The series on profits after taxes per dollar of sales for manufacturing corporations (series 15) has been revised by the source agency from 1986 forward to reflect the reclassification of corporations by industry, the updating of basic data, and the computation of new seasonal adjustment factors.

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of the Census, Economic Surveys Division.

3. The series on funds raised by private nonfinancial borrowers in credit markets (series 110) has been revised by the source agency from 1986 forward to incorporate revisions in the basic statistics.

Further information concerning this revision may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Flow of Funds Section.

(Continued on page iv.)

The July issue of BUSINESS CONDITIONS DIGEST is scheduled for release on August 9.

A limited number of changes are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark data, etc. Changes may result in revisions of data, additions or deletions of series, changes in placement of series in relation to other series, changes in composition of indexes, etc.

4. The series on U.S. international transactions (series 618, 620, 622, 651, 652, and 667-669) have been revised by the source agency to reflect the annual updating of the basic statistics, the incorporation of newly available information, and the computation of new seasonal adjustment factors. The periods covered by these revisions are as follows:

1980 forward: Series 667 and 669;
1981 forward: Series 668;
1985 forward: Series 651;
1986 only: Series 618, 620, and 622;
1987 forward: Series 652.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Balance of Payments Division.

5. Historical data for series 47, 517, 525, 543, 570, 577, 578, 721-723, 725-728, 742, 743, and 745-748 are shown in appendix C (pages 98-104).

Availability of Data

Data for the composite indexes, their components, and other economic time series shown in Business Conditions Digest are available in several forms--printout, diskette, computer tape, and electronic bulletin board. For information about these products, write to the Statistical Indicators Division (BE-60), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230 or call (202) 523-0800.

COMPOSITE INDEXES OF LEADING, COINCIDENT, AND LAGGING
INDICATORS: MAY 1989

The composite index of leading indicators decreased 1.2 percent in May to 143.8 (1982=100), according to preliminary estimates released June 28 by the Commerce Department's Bureau of Economic Analysis.

On the basis of revised estimates, the index increased 0.6 percent in April and decreased 0.6 percent in March. A month ago, the Bureau reported estimates that showed the index increased 0.8 percent in April and decreased 0.6 percent in March. Average workweek was the major contributor to the April revision.

Nine of 11 indicators contributed to the May decrease in the index. They were, ordered from the largest negative contributor to the smallest: money supply in 1982 dollars, change in sensitive materials prices, index of consumer expectations, vendor performance (slower deliveries diffusion index), average workweek, contracts and orders for plant and equipment in 1982 dollars, change in manufacturers' unfilled orders in 1982 dollars, average weekly initial claims for State unemployment insurance, and manufacturers' new orders for consumer goods and materials in 1982 dollars.

Two of 11 indicators made positive contributions. They were, ordered from the larger positive contributor to the smaller: stock prices and building permits.

The composite index of coincident indicators, a monthly approximation of aggregate economic activity, decreased 0.2 percent in May to 132.7 (1982=100). The index increased 0.4 percent in April and decreased 0.2 percent in March.

The composite index of lagging indicators increased 1.0 percent in May to 122.1 (1982=100). The index decreased 0.7 percent in April and increased 0.8 percent in March.

The leading index is designed to predict monthly movements in aggregate economic activity, which is approximated by the coincident index. The lagging index is expected to move, after a time lag, in the same direction as the coincident index and thus to confirm the movements in the coincident index.

More data on the composite indexes can be found on pages 10, 60, and 106 of this issue of Business Conditions Digest.

* * *

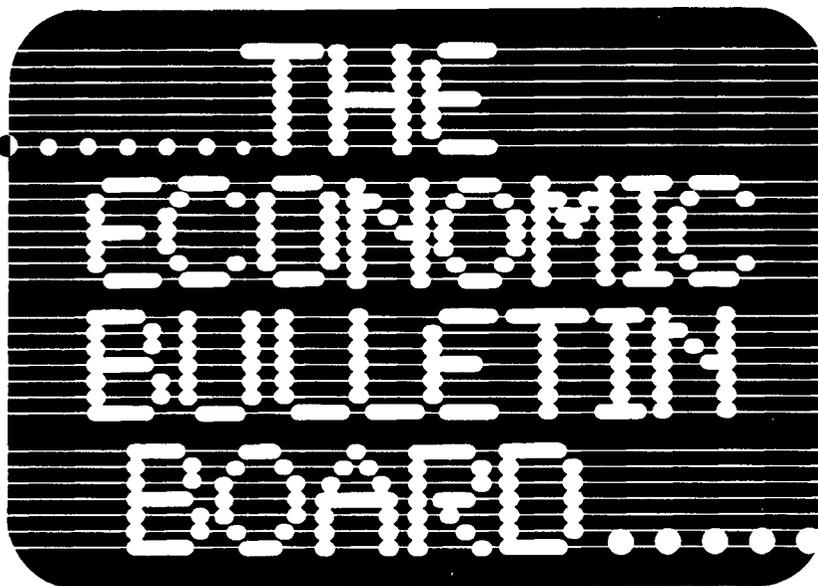
Next release date: August 3 for the June composite indexes.

* * *

A recorded telephone message on (202) 898-2450 provides information on the composite indexes and their components immediately upon their release. The message is updated weekly to include recently available data for composite index components that will be incorporated into the next release.

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NEW FEATURES
AND CHANGES
FOR THIS ISSUE

NOTICE TO BCD USERS

The content and format of BCD are being reviewed; users' suggestions for additions, deletions, and improvements are welcome. Please send them to George R. Green, Chief, Business Outlook Division (BE-52), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230.

Changes in this issue are as follows:

1. Series based on data from the national income and product accounts have been revised by the source agency from 1986 forward to reflect the incorporation of new source data and new seasonal adjustment factors.

Revised data are shown in this issue for series 16, 18, 20, 22, 27, 30, 34-36, 49-53, 55, 57, 59, 62, 64, 68, 70, 77, 79-81, 86-89, 95, 107, 108, and 223 in section I-B; all series in section II-A; series 310 and 311 in section II-B; and series 500-502, 510-512, 564, and 565 in section II-D.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, National Income and Wealth Division.

2. Data on the value of construction put in place have been revised by the source agency from 1975 forward to reflect the updating of the basic data, incorporation of new component data, and computation of new seasonal adjustment factors. This revision affects series 20 (contracts and orders for plant and equipment in 1982 dollars) from 1975 forward and series 69 (manufacturers' machinery and equipment sales and business construction expenditures) from 1986 forward.

Further information concerning this revision may be obtained from the U.S. Department of Commerce, Bureau of the Census, Construction Statistics Division.

(Continued on page iv.)

The August issue of BUSINESS CONDITIONS DIGEST is scheduled for release on September 8.

3. The series on sales of retail stores in 1982 dollars (series 59) has been revised from 1982 forward to reflect the recent revision in current-dollar retail sales (see item 2 on page iii of the March 1989 BCD), the revision in the national income and product accounts (see item 1, above), and a change in the methodology.

The series on manufacturing and trade sales in 1982 dollars (series 57) and the ratio of manufacturing and trade inventories to sales in 1982 dollars (series 77) have been revised from 1982 forward to incorporate the revised retail sales data.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Business Outlook Division.

4. The series on merchandise exports excluding military aid shipments (series 602) and general imports (series 612) have been revised by the source agency from 1987 forward to reflect the updating of basic statistics and the computation of new seasonal adjustment factors.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of the Census, Foreign Trade Division.

5. The consumer price indexes for the United Kingdom, Canada, West Germany, France, Italy, and Japan (series 732, 733, and 735-738) have been revised to reflect the incorporation of more accurate rebasing adjustments. The periods covered by these revisions are as follows:

1968 forward: Series 732, 733, and 735-737;
1970 forward: Series 738.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, International Trade Administration, Trade Statistics Division.

6. Historical data for series 13, 14, 348, 349, 580, 602, 604, 606, 612, 614, 616, and 971-978 are shown in appendix C (pages 98-103).

7. The chronology of business cycle expansions and contractions in the United States is shown in appendix E (page 104).

COMPOSITE INDEXES OF LEADING, COINCIDENT, AND LAGGING
INDICATORS: JUNE 1989

The composite index of leading indicators decreased 0.1 percent in June to 143.5 (1982=100), according to preliminary estimates released August 3 by the Commerce Department's Bureau of Economic Analysis.

On the basis of revised estimates, the index decreased 1.3 percent in May and increased 0.6 percent in April. A month ago, the Bureau reported estimates that showed the index decreased 1.2 percent in May and increased 0.6 percent in April. Average workweek was the major contributor to the May revision.

Seven of 11 indicators contributed to the June decrease in the index. They were, ordered from the largest negative contributor to the smallest: change in sensitive materials prices, average weekly initial claims for state unemployment insurance, building permits, vendor performance (slower deliveries diffusion index), average workweek, manufacturers' new orders for consumer goods and materials in 1982 dollars, and change in manufacturers' unfilled orders in 1982 dollars.

Four of 11 indicators made positive contributions. They were, ordered from the largest positive contributor to the smallest: stock prices, index of consumer expectations, money supply in 1982 dollars, and contracts and orders for plant and equipment in 1982 dollars.

The composite index of coincident indicators, a monthly approximation of aggregate economic activity, decreased 0.1 percent in June to 132.9 (1982=100). The index decreased 0.2 percent in May and increased 0.5 percent in April.

The composite index of lagging indicators increased 0.4 percent in June to 122.2 (1982=100). The index increased 1.0 percent in May and decreased 0.7 percent in April.

The leading index is designed to predict monthly movements in aggregate economic activity, which is approximated by the coincident index. The lagging index is expected to move, after a time lag, in the same direction as the coincident index and thus to confirm the movements in the coincident index.

More data on the composite indexes can be found on pages 10, 60, and 106 of this issue of Business Conditions Digest.

* * *

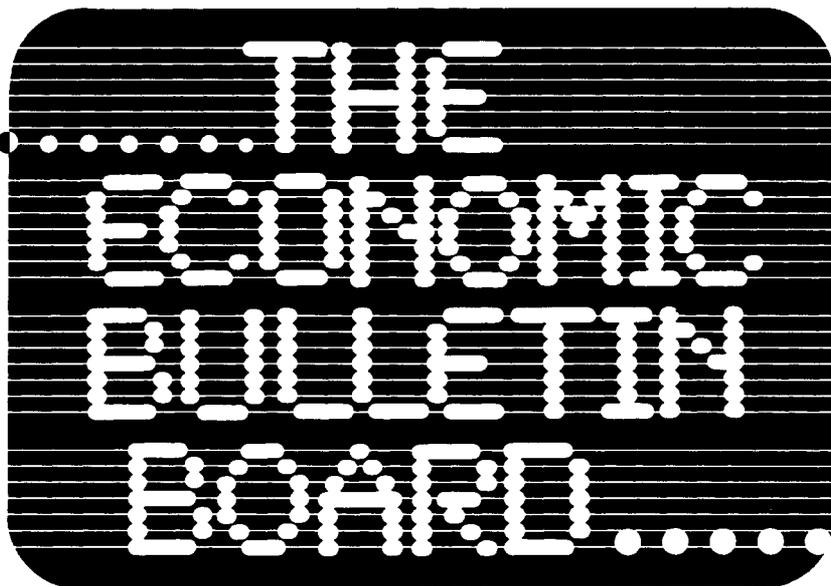
Next release date: September 1 for the July composite indexes.

* * *

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METHOD OF PRESENTATION

This report is organized into two major parts. Part I, Cyclical Indicators, includes about 150 time series which have been found to conform well to broad fluctuations in comprehensive measures of economic activity. Nearly three-fourths of these are individual indicators, the rest are related analytical measures: Composite indexes, diffusion indexes, and rates of change. Part II, Other Important Economic Measures, covers over 140 series which are valuable to business analysts and forecasters but which do not conform well enough to business cycles to qualify as cyclical indicators. (There are a few exceptions: Four series which are included in part I are also shown in part II to complete the systematic presentation of certain sets of data, such as real GNP and unemployment.) The largest section of part II consists of quarterly series from the national income and product accounts; other sections relate to prices, labor force, government and defense-related activities, and international transactions and comparisons.

The two parts are further divided into sections (see table of contents), and each of these sections is described briefly in this introduction. Data are shown both in charts and in tables. Most charts begin with 1962, but those for the composite indexes and their components (part I, section A) begin with 1952, and a few charts use a two-panel format which covers only the period since 1977. Except for section F in part II, charts contain shading which indicates periods of recession in general business activity. The tables contain data for only the last few years. The historical data for the various time series are contained in the 1984 *Handbook of Cyclical Indicators*.

In addition to the charts and tables described above, each issue contains a summary table which shows the current behavior of many of the series. Appendixes present seasonal adjustment factors, measures of variability, specific cycle turning dates, cyclical comparison charts, and other information of analytical interest. An index appears at the back of each issue. It should be noted that the series numbers used are for identification purposes only and do not reflect precise relationships or order. However, all series considered as cyclical indicators are numbered in the range 1 to 199.

Seasonal Adjustments

Adjustments for average seasonal fluctuations are often necessary to bring out the underlying trends of time series. Such adjustments allow for the effects of repetitive intrayear variations resulting primarily from normal differences in weather conditions and from various institutional arrangements. Variations attributable to holidays are usually accounted for by the seasonal adjustment process; however, a separate holiday

adjustment is occasionally required for holidays with variable dates, such as Easter. An additional adjustment is sometimes necessary for series which contain considerable variation due to the number of working or trading days in each month. As used in this report, the term "seasonal adjustment" includes trading-day and holiday adjustments where they have been made.

Most of the series in this report are presented in seasonally adjusted form and, in most cases, these are the official figures released by the source agencies. However, for the special purposes of this report, a number of series not ordinarily published in seasonally adjusted form are shown here on a seasonally adjusted basis.

MCD Moving Averages

Month-to-month changes in a series are often dominated by erratic movements. MCD (months for cyclical dominance) is an estimate of the appropriate span over which to observe cyclical movements in a monthly series. (See appendix A.) It is the smallest span of months for which the average change in the cyclical factor is greater than that in the irregular factor. The more erratic a series is, the larger the MCD will be; thus, MCD is 1 for the smoothest series and 6 for the most erratic. MCD moving averages (that is, moving averages of the period equal to MCD) tend to have about the same degree of smoothness for all series. Thus, a 5-term moving average of a series with an MCD of 5 will show its cyclical movements about as clearly as the seasonally adjusted data for a series with an MCD of 1.

The charts in this report generally include centered MCD moving averages for those series with an MCD greater than 4. The seasonally adjusted data are also plotted to indicate their variation about the moving averages and to provide observations for the most recent months.

Reference Turning Dates

The historical business cycle turning dates used in this report are those designated by the National Bureau of Economic Research, Inc. (NBER). They mark the approximate dates when, according to NBER, aggregate economic activity reached its cyclical high or low levels. As a matter of general practice, neither new reference turning dates nor the shading for recessions will be entered on the charts until after both the new reference peak and the new reference trough bounding the shaded area have been designated.

The historical reference turning dates are subject to occasional reviews by NBER and may be changed as a result of revisions in important economic time series. The dates shown in this publication for the 1948-70 time period are those determined by a 1974 review. Since then, NBER has designated turning points for recessions in 1973-75, 1980, and 1981-82.

Part I. CYCLICAL INDICATORS

Business cycles have been defined as sequences of expansion and contraction in various economic processes that show up as major fluctuations in aggregate economic activity—that is, in comprehensive measures of production, employment, income, and trade. While recurrent and pervasive, business cycles of historical experience have been definitely nonperiodic and have varied greatly in duration and intensity, reflecting changes in economic systems, conditions, policies, and outside disturbances.

One of the techniques developed in business cycle research and widely used as a tool for analyzing current economic conditions and prospects is the cyclical indicators approach. This approach identifies certain economic time series as tending to lead, coincide with or lag behind the broad movements in aggregate economic activity. Such indicators have been selected and analyzed by NBER in a series of studies published between 1938 and 1967. During the 1972-75 period, a new comprehensive review of cyclical indicators was carried out by the Bureau of Economic Analysis (BEA) with the cooperation of the NBER research staff. The present format and content of part I of *BCD* are based on the results of that study.

Section A. Composite Indexes and Their Components

All cyclical indicators have been evaluated according to six major characteristics: Economic significance, statistical adequacy, consistency of timing at business cycle peaks and troughs, conformity to business expansions and contractions, smoothness, and prompt availability (currency). A formal, detailed weighting scheme was developed and used to assess each series by all of the above criteria. (See articles in the May and November 1975 issues of *BCD*.) The resulting scores relate to cyclical behavior of the series during the period 1947-70. This analysis produced a new list of indicators classified by economic process and typical timing at business cycle peaks and troughs. (See tables on page 2 and text below relating to section B.)

This information, particularly the scores relating to consistency of timing, served as a basis for the selection of series to be included in the composite indexes. The indexes incorporate the best-scoring series from many different economic-process groups and combine those with similar timing behavior, using their overall performance scores as weights. Because they use series of historically tested usefulness and given timing characteristics (for example, leading at both peaks and troughs), with diversified economic coverage and a minimum of duplication, composite indexes give more reliable signals over time than do any of the individual indicators. Furthermore, much of the

Readers are invited to submit comments and suggestions concerning this publication. Address them to Editor, Business Conditions Digest, Business Outlook Division (BE-52), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230.

NEW FEATURES
AND CHANGES
FOR THIS ISSUE

NOTICE TO BCD USERS

The content and format of BCD are being reviewed; users' suggestions for additions, deletions, and improvements are welcome. Please send them to George R. Green, Chief, Business Outlook Division (BE-52), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230.

Changes in this issue are as follows:

1. The series on manufacturing and trade sales in constant dollars (series 57) and the ratio of manufacturing and trade inventories to sales in constant dollars (series 77) have been revised from 1986 forward to incorporate recent revisions in the national income and product accounts (see item 1 on page iii of the July 1989 BCD) and in manufacturing and trade sales and inventories in current dollars (see item 2 on page iii of the April 1989 BCD).

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Business Outlook Division.

(Continued on page iv.)

The September issue of BUSINESS CONDITIONS DIGEST is scheduled for release on October 5.

2. The series on productivity and costs (series 26, 63, 345, 346, 358, and 370) have been revised by the source agency. These revisions incorporate recently revised output and compensation measures reported in the national income and product accounts (see item 1 on page iii of the July 1989 BCD), revised data on employment and average weekly hours (see item 1 on page iii of the June 1989 BCD), and a redefinition of labor input. The periods covered by these revisions are as follows:

1947 forward: Series 345, 346, 358, and 370;
1948 forward: Series 63;
1949 forward: Series 26.

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Productivity and Technology, Division of Productivity Research.

3. Historical data for series 1, 21, 40, 41, 45, 48, 54, 56, 57, 59, 66, 77, 95, 98, 111, and 113 are shown in appendix C (pages 99-104).

Availability of Data

Data for the composite indexes, their components, and other economic time series shown in Business Conditions Digest are available in several forms--printout, diskette, computer tape, and electronic bulletin board. For information about these products, write to the Business Outlook Division (BE-52), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230 or call (202) 523-0800.

COMPOSITE INDEXES OF LEADING, COINCIDENT, AND LAGGING INDICATORS: JULY 1989

The composite index of leading indicators increased 0.2 percent in July to 144.0 (1982=100), according to preliminary estimates released September 1 by the Commerce Department's Bureau of Economic Analysis.

On the basis of revised estimates, the index was unchanged in June and decreased 1.3 percent in May. A month ago, the Bureau reported estimates that showed the index decreased 0.1 percent in June and 1.3 percent in May. Average workweek was the major contributor to the June revision.

Five of 11 indicators contributed to the July increase in the index. They were, ordered from the largest positive contributor to the smallest: money supply in 1982 dollars, index of consumer expectations, stock prices, contracts and orders for plant and equipment in 1982 dollars, and change in manufacturers' unfilled orders in 1982 dollars.

Five of 11 indicators made negative contributions. They were, ordered from the largest negative contributor to the smallest: change in sensitive materials prices, manufacturer's new orders for consumer goods and materials in 1982 dollars, average weekly initial claims for State unemployment insurance, building permits, and vendor performance (slower deliveries diffusion index).

One indicator was unchanged: average workweek.

The composite index of coincident indicators, a monthly approximation of aggregate economic activity, increased 0.5 percent in July to 133.7 (1982=100). The index was unchanged in June and decreased 0.2 percent in May.

The composite index of lagging indicators decreased 0.4 percent in July to 121.4 (1982=100). The index increased 0.3 percent in June and 0.8 percent in May.

The leading index is designed to predict monthly movements in aggregate economic activity, which is approximated by the coincident index. The lagging index is expected to move, after a time lag, in the same direction as the coincident index and thus to confirm the movements in the coincident index.

More data on the composite indexes can be found on pages 10, 60, and 106 of this issue of Business Conditions Digest.

* * *

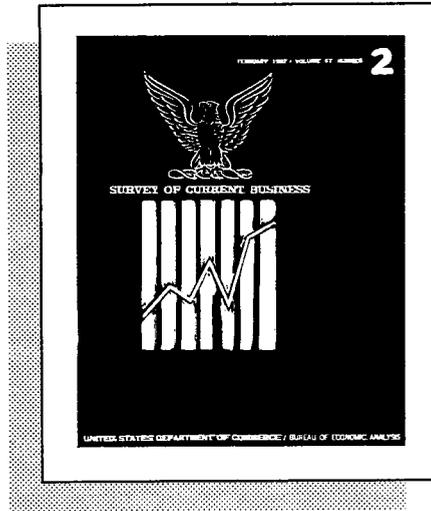
Next release date: September 29 for the August composite indexes.

* * *

A recorded telephone message on (202) 898-2450 provides information on the composite indexes and their components immediately upon their release. The message is updated weekly to include recently available data for composite index components that will be incorporated into the next release.

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NEW FEATURES
AND CHANGES
FOR THIS ISSUE

Revision of the Composite Indexes

Revised estimates of the composite indexes of leading, coincident, and lagging indicators from January 1984 through August 1989 will be shown in the October BCD along with preliminary estimates for September 1989. These revisions do not involve changes in the components of the indexes or changes in the standardization or trend factors. They are the first of the annual revisions (announced early this year at the time of the overall revision of the indexes) that will incorporate revised data for component series.

Changes in this issue are as follows:

1. The series on new plant and equipment expenditures by business (series 61, 100, and 970) have been revised by the source agency from 1986 forward to reflect the application of new seasonal adjustment factors. In addition, the constant-dollar series (series 100) has been revised from 1986 forward due to recent revisions in the national income and product accounts, from which the price deflators are derived. (See item 1 on page iii of the July 1989 BCD.)

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of the Census, Industry Division.

(Continued on page iv.)

The October issue of BUSINESS CONDITIONS DIGEST is scheduled for release on November 6.

2. The series on funds raised by private nonfinancial borrowers in credit markets (series 110) has been revised by the source agency from 1952 forward. This revision reflects the annual updating of the basic statistics and the application of new seasonal adjustment factors.

Further information concerning this revision may be obtained from the Board of Governors of the Federal Reserve System, Division of Research and Statistics, Flow of Funds Section.

3. Historical data for series 15, 16, 18, 22, 29-31, 34-36, 49, 50, 55, 64, 67, 68, 70, 71, 79-81, 86-89, 618, 620, 622, 651, 652, and 667-669 are shown in appendix C (pages 98-104).

Availability of Data

Data for the composite indexes, their components, and other economic time series shown in Business Conditions Digest are available in several forms--printout, diskette, computer tape, and electronic bulletin board. For information about these products, write to the Business Outlook Division (BE-52), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230 or call (202) 523-0800.

COMPOSITE INDEXES OF LEADING, COINCIDENT, AND LAGGING
INDICATORS: AUGUST 1989

The composite index of leading indicators increased 0.3 percent in August to 144.4 (1982=100), according to preliminary estimates released September 29 by the Commerce Department's Bureau of Economic Analysis.

On the basis of revised estimates, the index increased 0.1 percent in July and decreased 0.1 percent in June. A month ago, the Bureau reported estimates that showed the index increased 0.2 percent in July and was unchanged in June. Manufacturers' new orders for consumer goods and materials in 1982 dollars was the major contributor to the July revision. Change in manufacturers' unfilled orders in 1982 dollars was the major contributor to the June revision.

Five of 11 indicators contributed to the August increase in the index. They were, ordered from the largest positive contributor to the smallest: manufacturers' new orders for consumer goods and materials in 1982 dollars, stock prices, money supply in 1982 dollars, average weekly initial claims for State unemployment insurance, and building permits.

Six of 11 indicators made negative contributions. They were, ordered from the largest negative contributor to the smallest: index of consumer expectations, change in sensitive materials prices, change in manufacturers' unfilled orders in 1982 dollars, contracts and orders for plant and equipment in 1982 dollars, vendor performance (slower deliveries diffusion index), and average workweek.

The composite index of coincident indicators, a monthly approximation of aggregate economic activity, increased 0.4 percent in August to 133.9 (1982=100). The index was unchanged in July and increased 0.2 percent in June.

The composite index of lagging indicators increased 0.9 percent in August to 122.3 (1982=100). The index decreased 0.5 percent in July and increased 0.2 percent in June.

The leading index is designed to predict monthly movements in aggregate economic activity, which is approximated by the coincident index. The lagging index is expected to move, after a time lag, in the same direction as the coincident index and thus to confirm the movements in the coincident index.

More data on the composite indexes can be found on pages 10, 60, and 106 of this issue of Business Conditions Digest.

* * *

Next release date: October 31 for the September composite indexes.

* * *

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**NEW FEATURES
AND CHANGES
FOR THIS ISSUE**

Changes in this issue are as follows:

1. In this issue, the composite indexes (series 910, 920, 930, and 940) have been revised from January 1984 through August 1989. This is the first of the annual revisions (announced early this year) that will incorporate revised data for component series. The revision this year includes a technical correction to the standardization factor for one component of the leading index.

Early this month, BEA discovered that the standardization factor for the consumer expectations component (series 83) should have been computed separately for the periods 1952-77 and 1978-85, rather than the entire period 1952-85. A new standardization factor (3.931), computed over the period 1978-85, has been applied to the consumer expectations component from January 1984 forward. This correction reduces the influence of this component on the leading index in recent years.

Most revisions to the monthly percent changes in the composite indexes are very small. For the leading index, during the period January 1984 through August 1989, 43 of the 68 months have revisions of 0.1 percentage point or less; the largest revisions are 0.4 percentage point in December 1986 and in November 1987. Historical data for the composite indexes are shown in appendix C.

Further information concerning the composite index revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Business Outlook Division.

(Continued on page iv.)

The November issue of BUSINESS CONDITIONS DIGEST is scheduled for release on December 7.

2. In addition to the composite index revision (see item 1, above), the diffusion indexes based on the composite index components (series 950, 951, and 952) have been recomputed from 1984 forward. Historical data for these indexes are shown in appendix C.

Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, Business Outlook Division.

3. The index of industrial production for Canada (series 723) has been revised by the source agency from 1984 forward. This revision reflects the annual updating of the basic statistics and the application of new seasonal adjustment factors.

Further information concerning this revision may be obtained from Statistics Canada, Industry Product Division, Ottawa K1A 0V5, Canada.

4. Historical data for series 557, 910, 920, 930, 940, 950-952, 966, and 967 are shown in appendix C (pages 98-104).

Availability of Data

Data for the composite indexes, their components, and other economic time series shown in Business Conditions Digest are available in several forms--printout, diskette, computer tape, and electronic bulletin board. For information about these products, write to the Business Outlook Division (BE-52), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230 or call (202) 523-0800.

COMPOSITE INDEXES OF LEADING, COINCIDENT, AND LAGGING
INDICATORS: SEPTEMBER 1989

The composite index of leading indicators increased 0.2 percent in September to 145.0 (1982=100), according to preliminary estimates released October 31 by the Commerce Department's Bureau of Economic Analysis.

On the basis of revised estimates (see page iii), the index increased 0.5 percent in August and was unchanged in July. A month ago, the Bureau reported estimates that showed the index increased 0.3 percent in August and 0.1 percent in July. The index of consumer expectations was the major contributor to the August and July revisions.

Four of 11 indicators contributed to the September increase in the index. They were, ordered from the largest positive contributor to the smallest: index of consumer expectations, money supply in 1982 dollars, average workweek, and stock prices.

Seven of 11 indicators made negative contributions. They were, ordered from the largest negative contributor to the smallest: manufacturers' new orders for consumer goods and materials in 1982 dollars, change in manufacturers' unfilled orders in 1982 dollars, contracts and orders for plant and equipment in 1982 dollars, vendor performance (slower deliveries diffusion index), average weekly initial claims for State unemployment insurance, building permits, and change in sensitive materials prices.

The composite index of coincident indicators, a monthly approximation of aggregate economic activity, was unchanged in September at 133.9 (1982=100). The index increased 1.0 percent in August and decreased 0.2 percent in July.

The composite index of lagging indicators decreased 0.5 percent in September to 119.7 (1982=100). The index increased 0.3 percent in August and decreased 0.4 percent in July.

The leading index is designed to predict monthly movements in aggregate economic activity, which is approximated by the coincident index. The lagging index is expected to move, after a time lag, in the same direction as the coincident index and thus to confirm the movements in the coincident index.

More data on the composite indexes can be found on pages 10, 60, and 106 of this issue of Business Conditions Digest.

* * *

Next release date: December 1 for the October composite indexes.

* * *

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NEW FEATURES
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Weekly Updates

BCD data now are updated weekly on the Commerce Department's Economic Bulletin Board (EBB). The last 2 calendar years of data for about 360 BCD series are available in the 2YRDATA.BCD file. The file usually is updated in the afternoon of the first working day of each week. You must have an EBB account to download the file. For information about the EBB, call 202-377-1986.

Changes in this issue are as follows:

1. The series on productivity and costs (series 26, 63, 345, 346, 358, and 370) have been revised by the source agency. These revisions reflect the incorporation of the 1988 Hours at Work Survey. The periods covered by these revisions are as follows:

1985 forward: series 370;
1986 forward: series 345;
1987 forward: series 346 and 358;
1988 forward: series 63;
1989 forward: series 26.

Further information concerning these revisions may be obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Office of Productivity and Technology, Division of Productivity Research.

2. Historical data for series 26, 51-53, 62, 63, 69, 107, 108, 110, 223, 310, 311, 500-502, 510-512, 564, 565, and 965 are shown in appendix C (pages 98-104).

The December issue of BUSINESS CONDITIONS DIGEST is scheduled for release on January 5.

COMPOSITE INDEXES OF LEADING, COINCIDENT, AND LAGGING
INDICATORS: OCTOBER 1989

The composite index of leading indicators decreased 0.4 percent in October to 144.6 (1982=100), according to preliminary estimates released December 1 by the Commerce Department's Bureau of Economic Analysis.

On the basis of revised estimates, the index increased 0.3 percent in September and 0.6 percent in August. A month ago, the Bureau reported estimates that showed the index increased 0.2 percent in September and 0.5 percent in August. Manufacturers' new orders for consumer goods and materials in 1982 dollars was the major contributor to the September revision. Average workweek was the major contributor to the August revision.

Six of 11 indicators contributed to the October decrease in the index. They were, ordered from the largest negative contributor to the smallest: average weekly initial claims for State unemployment insurance, average workweek, change in manufacturers' unfilled orders in 1982 dollars, index of consumer expectations, vendor performance (slower deliveries diffusion index), and manufacturers' new orders for consumer goods and materials in 1982 dollars.

Five of 11 indicators made positive contributions. They were, ordered from the largest positive contributor to the smallest: building permits, money supply in 1982 dollars, change in sensitive materials prices, contracts and orders for plant and equipment in 1982 dollars, and stock prices.

The composite index of coincident indicators, a monthly approximation of aggregate economic activity, was unchanged in October at 133.7 (1982=100). The index decreased 0.1 percent in September and increased 1.0 percent in August.

The composite index of lagging indicators increased 0.4 percent in October to 120.2 (1982=100). The index decreased 0.4 percent in September and increased 0.2 percent in August.

The leading index is designed to predict monthly movements in aggregate economic activity, which is approximated by the coincident index. The lagging index is expected to move, after a time lag, in the same direction as the coincident index and thus to confirm the movements in the coincident index.

More data on the composite indexes can be found on pages 10, 60, and 106 of this issue of Business Conditions Digest.

* * *

Next release date: December 29 for the November composite indexes.

* * *

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NEW FEATURES
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Weekly Updates

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Changes in this issue are as follows:

1. Historical data for series 10, 20, 24, 27, 61, 100, 200, 345, 346, 358, 370, 723, 961, 963, and 970 are shown in appendix C (pages 98-103).
2. Specific peak and trough dates for the composite indexes and their components are shown in appendix F (page 104).

The January issue of BUSINESS CONDITIONS DIGEST is scheduled for release on February 6.

COMPOSITE INDEXES OF LEADING, COINCIDENT, AND LAGGING
INDICATORS: NOVEMBER 1989

The composite index of leading indicators increased 0.1 percent in November to 144.7 (1982=100), according to preliminary estimates released December 29 by the Commerce Department's Bureau of Economic Analysis.

On the basis of revised estimates, the index decreased 0.3 percent in October and increased 0.1 percent in September. A month ago, the Bureau reported estimates that showed the index decreased 0.4 percent in October and increased 0.3 percent in September. Average workweek was the major contributor to the October and September revisions.

Five of 11 indicators contributed to the November increase in the index. They were, ordered from the largest positive contributor to the smallest: manufacturers' new orders for consumer goods and materials in 1982 dollars, average weekly initial claims for State unemployment insurance, contracts and orders for plant and equipment in 1982 dollars, money supply in 1982 dollars, and change in manufacturers' unfilled orders in 1982 dollars.

Six of 11 indicators made negative contributions. They were, ordered from the largest negative contributor to the smallest: change in sensitive materials prices, stock prices, index of consumer expectations, average workweek, building permits, and vendor performance (slower deliveries diffusion index).

The composite index of coincident indicators, a monthly approximation of aggregate economic activity, increased 0.4 percent in November to 133.4 (1982=100). The index decreased 0.4 percent in October and 0.3 percent in September.

The composite index of lagging indicators increased 0.4 percent in November to 120.8 (1982=100). The index increased 0.3 percent in October and decreased 0.2 percent in September.

The leading index is designed to predict monthly movements in aggregate economic activity, which is approximated by the coincident index. The lagging index is expected to move, after a time lag, in the same direction as the coincident index and thus to confirm the movements in the coincident index.

More data on the composite indexes can be found on pages 10, 60, and 106 of this issue of Business Conditions Digest.

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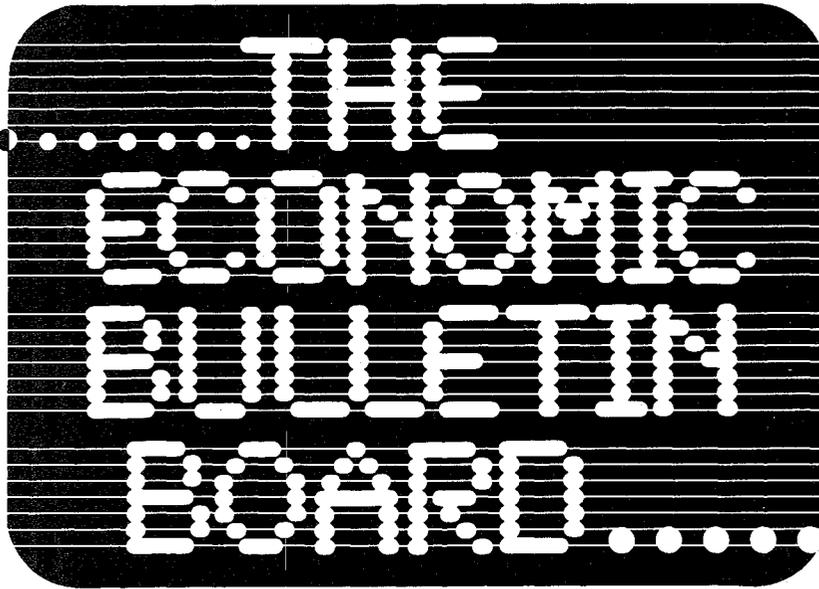
Next release date: January 31 for the December composite indexes.

* * *

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