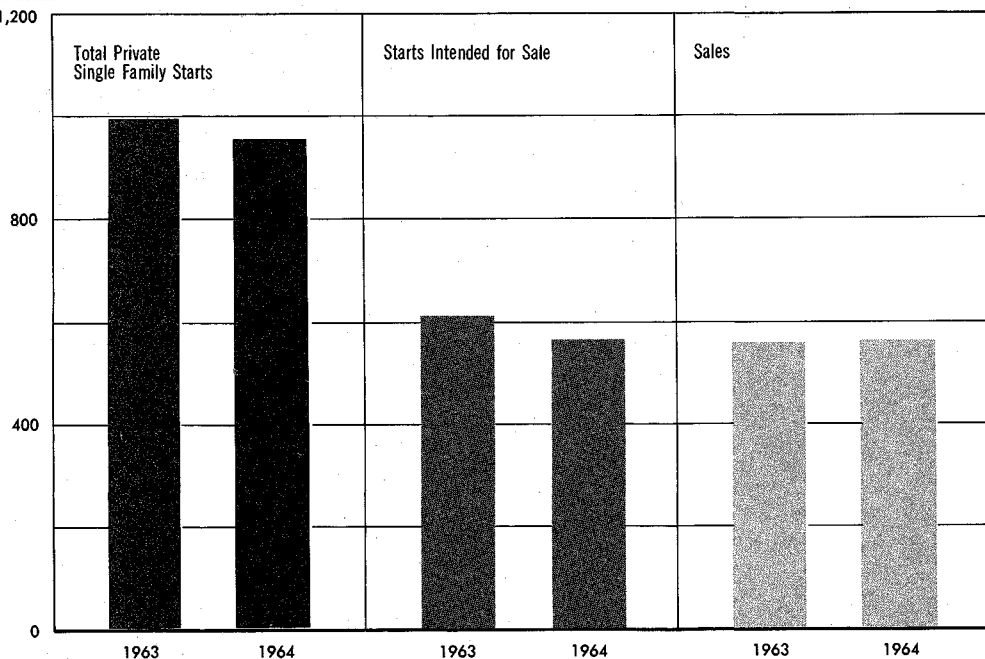


CHART 4

• Starts of single family homes declined in 1964, reflecting cutbacks by merchant builders

• Home sales were maintained

Thousand Units  
1,200



Data: Census

65-54

U.S. Department of Commerce, Office of Business Economics

in permits of about one-fourth or more occurred in New York (where a change in building codes was also a major factor), Los Angeles, Dallas, Houston, Cleveland, Denver, and Atlanta. In smaller metropolitan areas and in non-metropolitan areas, permits issued for apartment buildings increased substantially on a net basis over the same period.

Since last December, permits for new apartment units have shown a substantial increase. For the first quarter as a whole, they were up more than 10 percent from the fourth quarter seasonally adjusted rate and differed little from the average for the full year 1964.

#### Single-family housing

Starts of new private one-family dwellings (excluding farm homes) have kept within a relatively narrow range of about 950,000 to 1 million units for the past 5 years. Last year, starts of this kind were at the low end of the range, down about 45,000 units from the 1963 total after 2 years of increase.

(Continued on page 12)

## NATIONAL INCOME AND PRODUCT TABLES

Table 1.—Gross National Product in Current and Constant Dollars (I-3, I-5)

	1962	1963	1964	1964				1965	1962	1963	1964	1964				1965
				I	II	III	IV	I				I	II	III	IV	I
Seasonally adjusted at annual rates								Seasonally adjusted at annual rates								
Billions of current dollars								Billions of 1954 dollars								
Gross national product.....	556.2	583.9	622.6	608.8	618.6	628.4	634.6	648.8	476.4	492.6	516.0	508.0	513.5	519.6	522.7	532.2
Personal consumption expenditures.....	356.8	375.0	399.3	390.0	396.1	404.6	406.5	418.1	318.5	330.6	347.5	340.9	345.0	351.8	352.4	360.6
Durable goods.....	48.4	52.1	57.0	55.9	57.0	58.7	56.3	62.0	45.7	49.3	54.2	53.1	54.0	55.6	53.9	58.9
Nondurable goods.....	162.0	167.5	177.3	172.9	175.3	179.5	181.3	184.3	148.3	151.6	158.8	155.2	157.4	160.9	161.9	163.9
Services.....	146.4	155.3	165.1	161.1	163.8	166.4	169.0	171.7	124.5	129.7	134.6	132.6	133.7	135.3	136.6	137.9
Gross private domestic investment.....	79.1	82.0	87.7	85.9	87.2	87.3	90.4	94.7	65.9	67.7	71.0	70.1	70.8	70.4	72.7	76.1
New construction.....	44.2	46.6	48.9	49.2	48.9	48.9	48.7	49.9	36.7	37.9	38.9	39.6	39.2	38.6	38.2	39.1
Residential nonfarm.....	23.6	25.2	26.0	26.9	26.2	25.7	25.1	26.2	20.1	21.2	21.3	22.3	21.6	20.9	20.3	21.1
Other.....	20.6	21.3	22.9	22.3	22.7	23.1	23.6	23.7	16.5	16.7	17.6	17.3	17.5	17.7	17.9	17.9
Producers' durable equipment.....	29.0	31.0	35.1	34.2	34.6	35.6	36.0	37.9	24.0	25.6	28.8	28.1	28.3	29.2	29.5	31.0
Change in business inventories.....	5.9	4.4	3.7	2.5	3.7	2.8	5.7	6.8	5.2	4.1	3.3	2.4	3.3	2.5	5.0	6.0
Nonfarm.....	5.3	3.9	3.6	2.2	3.4	2.7	6.1	7.0	4.8	3.6	3.2	2.1	3.0	2.4	5.4	6.2
Farm.....	.6	.5	.1	.3	.3	.1	-.4	-.2	.4	.5	.1	.3	.3	.1	-.4	-.2
Net exports of goods and services.....	4.0	4.4	7.0	7.7	5.7	7.0	7.7	5.0	2.2	2.2	4.6	5.4	3.4	4.5	5.2	2.7
Exports.....	29.2	30.7	35.2	34.5	33.7	35.7	37.1	33.7	27.5	29.1	33.4	32.7	31.9	33.8	35.1	31.9
Imports.....	25.2	26.3	28.2	26.8	27.9	28.7	29.4	28.7	25.3	26.8	28.7	27.3	28.5	29.2	29.9	29.2
Government purchases of goods and services.....	116.3	122.6	128.6	125.2	129.6	129.5	130.0	131.0	89.8	92.1	92.8	91.6	94.3	92.8	92.4	92.8
Federal.....	62.9	64.7	65.5	64.3	67.1	65.5	65.3	65.1	49.4	49.7	48.2	47.8	49.8	47.8	47.3	47.1
National defense.....	53.6	55.2	55.4	54.0	57.0	55.2	55.3	54.4	-----	-----	-----	-----	-----	-----	-----	-----
Other.....	10.2	10.3	11.2	11.5	11.0	11.2	11.3	11.9	-----	-----	-----	-----	-----	-----	-----	-----
Less: Government sales.....	.9	.8	1.1	1.2	.9	.9	1.2	1.2	-----	-----	-----	-----	-----	-----	-----	-----
State and local.....	53.5	57.9	63.0	60.9	62.5	64.1	64.6	65.9	40.3	42.4	44.6	43.8	44.5	45.0	45.1	45.8
Addendum:																
Implicit price deflator for seasonally adjusted GNP, 1954=100.....	116.7	118.5	120.7	119.8	120.5	121.0	121.4	121.9	-----	-----	-----	-----	-----	-----	-----	-----

last September, continuing a rise that has been in progress since early 1963. Much of the advance has been attributable to higher prices for the non-ferrous metals group, which rose almost 10 percent over the year, after an increase of almost the same size the year before. Strong worldwide demand, and supply shortages which resulted from strikes, have contributed to rising domestic prices. As a group, iron and steel prices have been relatively stable; a decline in scrap prices has about offset selective increases on steel mill products. Prices of metal containers increased after the labor settlement in the industry last spring.

Rising demand for machinery and equipment has been accompanied by further price increases for most kinds of machinery. Price increases since last September for nonelectrical machinery—agricultural, construction, metal-working, and general purpose—have ranged from about 1.5 percent to 4 percent. The price index of machinery and motive products, however, has advanced less than 1 percent over this period because prices of electrical

machinery and motor vehicles have been stable.

The largest price rise over the year has been in hides, skins, and leather. Most of the advance in quotations for hides and skins has taken place since March and has been associated with the decline in cattle slaughter and the sizable reduction in hog supplies at wholesale markets. In two product areas, household durables and building materials, wholesale prices have declined over the past year. Prices of major household appliances have been falling for a number of years as a result of intense competition among producers. Price cuts on building materials (which are scattered throughout the various commodity groups), such as millwork, gypsum wallboard, building paper, and floor tile, appear to be related to the flattening out in residential construction activity.

#### Farm and food prices

The rise in industrial commodity prices has been overshadowed by the unusually sharp increases that have occurred in wholesale prices of farm

products and processed foods since early 1965. For both groups of commodities, however, changes since mid-year have been small. Leading the advance among farm products has been the increase in the livestock and poultry index, which rose nearly one-fifth from March to August but has eased somewhat since; as compared with a year ago, the index has risen about 13 percent. Hog prices have been especially strong because of restricted supplies; at the end of October, prices at Chicago wholesale markets were up 50 percent from a year earlier.

Wholesale prices of processed foods, which have been rising since last fall, showed a sizable increase in late spring. A broad range of items has advanced—meats, sugar, animal and vegetable oils, and bakery products. A significant exception to the rising trend has been canned and frozen fruits and vegetables. The large 1964 pack, which will supply the market until the 1965 crop is processed, caused prices to drop last summer; throughout 1965, prices have remained below year-earlier levels.

(Continued on page 24)

## NATIONAL INCOME AND PRODUCT TABLES

Table 1.—Gross National Product in Current and Constant Dollars

	1962	1963	1964	1964		1965			1962	1963	1964	1964		1965			
				III	IV	I	II	III				III	IV	I	II	III	
				Seasonally adjusted at annual rates								Seasonally adjusted at annual rates					
				Billions of current dollars								Billions of 1958 dollars					
Gross national product.....	560.3	589.2	628.7	634.8	641.1	656.4	665.9	677.5	530.0	550.0	577.6	582.6	584.7	597.5	601.4	609.7	
Personal consumption expenditures.....	355.1	373.8	398.9	404.6	405.9	416.9	424.4	432.2	338.6	352.4	372.1	377.3	376.8	385.9	390.2	396.7	
Durable goods.....	49.5	53.4	58.7	60.5	57.9	63.9	63.7	65.0	49.2	53.2	58.5	60.2	57.9	63.7	63.5	66.0	
Nondurable goods.....	162.6	168.0	177.5	179.8	180.9	183.0	187.6	191.1	158.4	161.8	169.4	171.6	171.8	173.4	176.2	178.4	
Services.....	143.0	152.3	162.6	164.3	167.1	170.0	173.1	176.1	131.1	137.3	144.2	145.5	147.1	148.8	150.5	152.3	
Gross private domestic investment.....	83.0	86.9	92.9	92.6	97.7	102.4	101.1	102.0	79.4	82.3	86.3	86.0	90.2	94.7	93.0	92.9	
Fixed investment.....	77.0	81.2	88.1	88.8	90.2	93.7	94.4	95.9	73.4	76.6	81.7	82.2	83.1	86.2	86.5	87.0	
Nonresidential.....	51.7	54.3	60.5	61.6	63.5	66.0	66.4	68.3	49.7	51.9	57.1	58.1	59.6	61.9	62.0	63.4	
Structures.....	19.2	19.7	21.1	21.1	21.5	21.8	22.7	23.2	17.9	18.0	18.9	18.8	19.0	19.2	20.0	20.0	
Producers' durable equipment.....	32.5	34.6	39.4	40.5	42.0	44.2	43.7	45.1	31.7	33.8	38.3	39.3	40.6	42.7	42.0	43.4	
Residential structures.....	25.3	26.9	27.5	27.2	26.7	27.7	28.0	27.6	23.8	24.7	24.6	24.1	23.6	24.3	24.5	23.6	
Nonfarm.....	24.8	26.3	27.0	26.6	26.2	27.1	27.5	27.1	23.2	24.1	24.0	23.6	23.0	23.8	24.0	23.1	
Farm.....	.6	.6	.6	.6	.6	.6	.6	.6	.6	.5	.5	.5	.5	.5	.5	.5	
Change in business inventories.....	6.0	5.7	4.8	3.8	7.5	8.7	6.7	6.1	6.0	5.7	4.6	3.8	7.1	8.6	6.5	5.8	
Nonfarm.....	5.3	4.9	5.4	4.6	7.8	9.3	7.1	6.0	5.2	4.9	5.1	4.4	7.3	9.1	6.9	5.7	
Farm.....	.7	.8	-.6	-.8	-.3	-.5	-.4	-.1	.7	.8	-.5	-.7	-.3	-.5	-.4	.1	
Net exports of goods and services.....	5.1	5.9	8.6	8.8	8.9	6.2	7.5	8.1	4.5	5.6	8.5	8.7	8.3	6.0	6.7	7.3	
Exports.....	30.3	32.4	37.0	37.3	38.4	34.8	39.8	40.0	30.0	32.2	36.5	36.8	37.3	33.8	38.7	38.8	
Imports.....	25.1	26.4	28.5	28.5	29.5	28.6	32.3	31.8	25.5	26.5	27.9	28.1	29.0	27.8	32.0	31.5	
Government purchases of goods and services.....	117.1	122.6	128.4	128.7	128.6	130.9	132.9	135.2	107.5	109.8	110.7	110.5	109.4	110.9	111.5	112.9	
Federal.....	63.4	64.4	65.3	64.9	64.3	64.9	65.9	67.1	60.0	59.7	57.8	57.1	56.1	56.4	56.8	57.6	
National defense.....	51.6	50.8	49.9	49.5	48.8	48.9	49.4	50.8									
Other.....	11.8	13.6	15.4	15.4	15.5	16.0	16.5	16.3									
State and local.....	53.7	58.3	63.1	63.8	64.3	66.0	67.0	68.1	47.5	50.0	52.8	53.4	53.3	54.5	54.7	55.3	
Addendum: Implicit price deflator for seasonally adjusted GNP, 1958=100.....	105.7	107.1	108.9	109.0	109.6	109.8	110.7	111.1									

## NATIONAL INCOME AND PRODUCT TABLES

	1963	1964	1965	1965			1966			1963	1964	1965	1965			1966		
				II	III	IV	I	II	III <sup>a</sup>				II	III	IV	I	II	III <sup>a</sup>
				Seasonally adjusted at annual rates									Seasonally adjusted at annual rates					
				Billions of current dollars									Billions of 1958 dollars					

Table 1.—Gross National Product in Current and Constant Dollars (1.1, 1.2)

Gross national product.....	590.5	631.7	681.2	672.9	686.5	704.4	721.2	732.3	746.0	551.0	580.0	614.4	607.8	618.2	631.2	640.5	643.5	650.7
Personal consumption expenditures.....	375.0	401.4	431.5	426.8	435.0	445.2	455.6	460.1	470.0	353.3	373.8	396.2	392.2	398.9	406.5	412.8	412.2	-----
Durable goods.....	53.9	59.4	66.1	64.4	66.7	68.0	70.3	67.1	70.3	53.7	59.1	66.4	64.2	67.2	69.2	72.2	68.5	-----
Nondurable goods.....	168.6	178.9	190.6	189.4	191.4	197.0	201.9	205.6	208.3	162.2	170.5	178.2	177.6	178.5	182.5	184.1	185.8	-----
Services.....	152.4	163.1	174.8	173.0	176.9	180.2	183.4	187.4	191.4	137.4	144.2	151.6	150.4	153.1	154.8	156.5	157.9	-----
Gross private domestic investment.....	87.1	93.0	106.6	103.7	106.7	111.9	114.5	118.5	116.0	82.5	86.5	97.8	95.3	97.9	102.2	103.5	106.3	-----
Fixed investment.....	81.3	88.3	97.5	96.0	98.0	101.5	105.6	106.2	105.2	76.7	81.9	89.0	88.0	89.4	91.9	95.0	94.7	-----
Nonresidential.....	54.3	60.7	69.7	67.9	70.2	73.9	77.0	78.2	80.0	51.9	57.4	64.9	63.4	65.5	68.4	70.8	71.3	-----
Structures.....	19.5	21.0	24.9	24.6	24.4	26.8	28.5	27.9	27.3	17.9	18.9	21.7	21.7	21.3	23.2	24.3	23.6	-----
Producers' durable equipment.....	34.8	39.7	44.8	43.3	45.8	47.1	48.5	50.3	52.7	34.0	38.5	43.2	41.7	44.2	45.2	46.4	47.7	-----
Residential structures.....	27.0	27.6	27.8	28.1	27.8	27.6	28.6	28.0	25.2	24.8	24.6	24.1	24.5	23.9	23.5	24.3	23.4	-----
Nonfarm.....	26.4	27.0	27.2	27.5	27.3	27.0	28.0	27.4	24.6	24.2	24.0	23.6	24.0	23.4	23.0	23.8	22.9	-----
Farm.....	.6	.6	.6	.6	.5	.5	.5	.6	.6	.5	.5	.5	.5	.5	.5	.5	.5	-----
Change in business inventories.....	5.9	4.7	9.1	7.6	8.7	10.4	8.9	12.3	10.8	5.8	4.6	8.8	7.3	8.5	10.2	8.5	11.6	-----
Nonfarm.....	5.1	5.3	8.1	6.7	7.2	9.0	8.5	12.1	11.3	5.1	5.2	8.0	6.5	7.1	8.9	8.0	11.4	-----
Farm.....	.8	-.6	.9	.9	1.5	1.4	.5	.2	-.5	.8	-.6	.9	.8	1.4	1.3	.4	.2	-----
Net exports of goods and services.....	5.9	8.5	7.0	8.2	7.1	6.1	6.0	4.7	4.7	5.6	8.5	6.3	7.1	6.4	6.0	5.9	4.6	-----
Exports.....	32.3	37.0	39.0	40.5	40.1	40.3	41.7	41.9	43.7	32.1	36.4	37.3	38.7	38.4	38.7	40.1	40.3	-----
Imports.....	26.4	28.5	32.0	32.3	33.0	34.2	35.6	37.3	39.0	26.6	28.0	31.0	31.6	31.9	32.8	34.2	35.8	-----
Government purchases of goods and services.....	122.5	128.9	136.2	134.3	137.7	141.2	145.0	149.0	155.3	109.6	111.3	114.1	113.2	115.0	116.6	118.3	120.4	-----
Federal.....	64.2	65.2	66.8	65.6	67.5	69.8	71.9	74.0	78.3	59.5	57.8	57.8	57.3	58.3	59.3	60.4	61.9	-----
National defense.....	50.8	50.0	50.1	49.1	50.7	52.5	54.6	57.1	61.3	-----	-----	-----	-----	-----	-----	-----	-----	-----
Other.....	13.5	15.2	16.7	16.5	16.8	17.3	17.4	16.9	17.0	-----	-----	-----	-----	-----	-----	-----	-----	-----
State and local.....	58.2	63.7	69.4	68.7	70.2	71.4	73.1	75.0	77.0	50.1	53.4	56.3	55.9	56.7	57.3	57.9	58.5	-----
Addendum: Implicit price deflator for seasonally adjusted GNP, 1958=100.....	107.2	108.9	110.9	110.7	111.0	111.6	112.6	113.8	114.6	-----	-----	-----	-----	-----	-----	-----	-----	-----

Table 2.—Gross National Product by Major Type of Product in Current and Constant Dollars (1.3, 1.5)

Gross national product.....	590.5	631.7	681.2	672.9	686.5	704.4	721.2	732.3	746.0	551.0	580.0	614.4	607.8	618.2	631.2	640.5	643.5	650.7
Final sales.....	584.6	627.0	672.1	665.3	677.8	694.0	712.3	720.0	735.2	545.2	575.4	605.6	600.5	609.7	621.0	632.0	631.9	-----
Change in business inventories.....	5.9	4.7	9.1	7.6	8.7	10.4	8.9	12.3	10.8	5.8	4.6	8.8	7.3	8.5	10.2	8.5	11.6	-----
Goods output.....	298.6	318.2	344.7	338.8	347.5	358.8	366.0	371.6	-----	289.7	307.2	328.5	322.5	330.9	341.0	344.7	346.7	-----
Final sales.....	292.7	313.6	335.7	331.2	338.8	348.4	357.0	359.3	-----	283.9	302.6	319.7	315.2	322.4	330.7	336.2	335.1	-----
Change in business inventories.....	5.9	4.7	9.1	7.6	8.7	10.4	8.9	12.3	10.8	5.8	4.6	8.8	7.3	8.5	10.2	8.5	11.6	-----
Durable goods.....	116.1	125.5	138.5	135.2	141.0	142.6	147.6	149.6	-----	114.2	123.1	135.5	131.7	138.3	140.3	145.4	146.0	-----
Final sales.....	113.3	122.2	132.2	128.8	134.3	137.9	141.8	140.6	-----	111.4	119.9	129.4	125.5	131.8	135.7	139.9	137.6	-----
Change in business inventories.....	2.8	3.3	6.3	6.4	6.7	4.7	5.8	9.0	-----	2.8	3.2	6.1	6.2	6.5	4.7	5.5	8.4	-----
Nondurable goods.....	182.5	192.7	206.3	203.6	206.5	216.2	218.4	222.0	-----	175.6	184.1	193.0	190.8	192.6	200.6	199.4	200.8	-----
Final sales.....	179.4	191.3	203.5	202.4	204.4	210.5	215.2	218.7	-----	172.5	182.7	190.3	189.6	190.6	195.1	196.3	197.6	-----
Change in business inventories.....	3.1	1.4	2.7	1.2	2.1	5.7	3.1	3.3	-----	3.1	1.4	2.7	1.1	2.0	5.6	3.0	3.2	-----
Services.....	226.2	244.5	262.0	259.8	265.1	268.8	275.5	282.1	-----	200.9	211.2	221.1	220.3	223.3	224.0	227.7	230.9	-----
Structures.....	65.7	68.9	74.5	74.3	73.9	76.9	79.8	78.6	-----	60.4	61.7	64.8	65.0	64.0	66.2	68.0	66.0	-----
Addendum: Gross auto product.....	25.1	25.8	31.4	30.8	31.6	30.5	31.5	28.6	-----	24.7	25.4	31.4	30.6	31.9	30.7	32.2	29.1	-----

Table 3.—Gross National Product by Sector in Current and Constant Dollars (1.7, 1.8)

Gross national product.....	590.5	631.7	681.2	672.9	686.5	704.4	721.2	732.3	746.0	551.0	580.0	614.4	607.8	618.2	631.2	640.5	643.5	650.7
Private.....	532.4	568.7	613.4	606.4	618.2	633.8	648.4	657.6	-----	503.2	530.8	563.5	557.3	567.2	579.4	588.0	589.9	-----
Business.....	513.0	547.4	590.8	583.6	595.3	611.2	624.9	634.0	-----	486.6	513.3	545.4	538.9	548.9	561.6	569.4	571.4	-----
Nonfarm.....	491.5	527.0	567.1	559.4	570.6	586.6	599.3	609.0	-----	463.8	491.2	521.7	515.1	524.6	537.5	546.4	548.4	-----
Farm.....	21.5	20.4	23.8	24.2	24.7	24.7	25.7	25.0	-----	22.8	22.0	23.8	23.8	24.3	24.1	23.0	22.9	-----
Households and institutions.....	16.0	17.3	18.3	18.0	18.7	19.1	19.1	19.1	-----	13.2	13.6	14.0	13.7	14.2	14.5	14.3	14.2	-----
Rest of the world.....	3.4	4.0	4.3	4.8	4.1	3.4	4.4	4.4	-----	3.4	3.9	4.1	4.6	4.0	3.3	4.3	4.3	-----
General government.....	58.1	63.0	67.8	66.6	68.3	70.6	72.8	74.7	-----	47.8	49.2	50.9	50.5	51.1	51.8	52.5	53.6	-----

<sup>a</sup> Preliminary.