

# Economic Indicators

**APRIL 1950**



*Prepared for the Joint Committee on the Economic Report  
by the Council of Economic Advisers*

St. Louis Public Library  
REFERENCE DEPT.

UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1950

# JOINT COMMITTEE ON THE ECONOMIC REPORT

(Created pursuant to Sec. 5 (a) of Public Law 304, 79th Cong.)

JOSEPH C. O'MAHONEY, Wyoming, *Chairman*

EDWARD J. HART, New Jersey, *Vice Chairman*

FRANCIS J. MYERS, Pennsylvania

JOHN J. SPARKMAN, Alabama

PAUL H. DOUGLAS, Illinois

ROBERT A. TAFT, Ohio

RALPH E. FLANDERS, Vermont

ARTHUR V. WATKINS, Utah

WRIGHT PATMAN, Texas

WALTER B. HUBER, Ohio

FRANK BUCHANAN, Pennsylvania

JESSE P. WOLCOTT, Michigan

ROBERT F. RICH, Pennsylvania

CHRISTIAN A. HERTER, Massachusetts

THEODORE J. KREPS, *Staff Director*

GROVER W. ENSLEY, *Associate Staff Director*

JOHN W. LEHMAN, *Clerk*

[PUBLIC LAW 120—81ST CONGRESS; CHAPTER 237—1ST SESSION]

JOINT RESOLUTION [S. J. Res. 55]

To print the monthly publication entitled "Economic Indicators"

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Joint Committee on the Economic Report be authorized to issue a monthly publication entitled "Economic Indicators," and that a sufficient quantity be printed to furnish or copy to each Member of Congress; the Secretary and the Sergeant at Arms of the Senate; the Clerk, Sergeant at Arms, and Doorkeeper of the House of Representatives; two copies to the libraries of the Senate and House, and the Congressional Library; seven hundred copies to the Joint Committee on the Economic Report; and the required number of copies to the Superintendent of Documents for distribution to depository libraries; and that the Superintendent of Documents be authorized to have copies printed for sale to the public.

Approved June 23, 1949.

## *To the Members of Congress:*

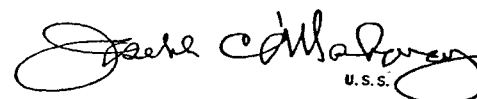
From the time the Joint Committee on the Economic Report was established its members realized that one of its basic needs was a concise and meaningful picture of current economic trends and developments.

Fortunately, the joint committee found that *Economic Indicators*, a set of basic charts and tables compiled monthly by the Council of Economic Advisers, admirably filled this need. While this material was prepared originally for the use of the President, the Council, and other officials in the executive offices, the Council made it available to the joint committee.

Other Members of Congress also expressed an interest in being able to obtain a quick picture of current economic facts without having to go through voluminous and specialized documents. In addition businessmen, farm leaders, labor organizations, and representatives of the press and radio indicated their desire for this information.

Accordingly, the joint committee provided the Congress and the public with a limited number of copies of *Economic Indicators* as a committee print pending final action on authorizing the publication on a more permanent basis. As is indicated above such legislation has now been passed and the committee will issue the report on a regular monthly basis.

Comments or suggestions with respect to possible improvements in this presentation will always be welcome.

  
U.S.S.

*Chairman, Joint Committee on the Economic Report*

# Letter of Transmittal

HON. JOSEPH C. O'MAHONEY, *Chairman,*  
*Joint Committee on the Economic Report,*  
*United States Congress, Washington, D. C.*

DEAR SENATOR: The Council of Economic Advisers is happy to cooperate with the Joint Committee on the Economic Report in making *Economic Indicators* available to the Congress as a whole and to the general public, in accordance with Public Law 120, Eighty-first Congress.

In carrying out its mandate under the Employment Act of 1946, the Council has found it desirable to bring together in concise and graphic form the most important facts showing current trends in the Nation's economy. Thus the Executive Office is in a better position to point up the key problems of national economic policy and to promote the improvement and coordination of the Federal Government's widespread statistical services.

In this undertaking the Council has the full cooperation of the several agencies of the Federal Government that collect statistical material. In many cases these agencies supply advance estimates for use in *Economic Indicators*. While the charts are drawn through the courtesy of the Graphics Unit in the Office of the Secretary of Commerce, the Council takes complete responsibility for the graphic presentation.

This material has proven useful to the President, the Council, the executive departments, and the Congress. Furthermore, its usefulness to the general public has been impressed upon us, particularly by the representatives of business, labor, agriculture, and consumer organizations with whom we regularly consult.

We believe that the Congress is performing a service of real value by making this material available.

Sincerely yours,

*Leonty Kleyserling* Acting Chairman.

*John D. Clark*

# Contents

## THE TOTAL OUTPUT OF THE ECONOMY

	Page
The Nation's Economic Budget.....	1
Gross National Product.....	2

## PRICES

Consumers' Prices.....	3
Wholesale Prices.....	4
Prices Received and Paid by Farmers.....	5
Stock Prices.....	6

## EMPLOYMENT

Labor Force.....	7
Nonagricultural Employment—Selected Industries.....	8
Average Weekly Hours—Selected Industries.....	9
Work Stoppages.....	10

## PRODUCTION AND BUSINESS ACTIVITY

Industrial Production.....	11
Weekly Production—Selected Indicators.....	12
Production of Selected Manufactures.....	13
New Construction.....	14
New Housing Starts.....	15
Expenditures for New Plant and Equipment.....	16
New Corporate Security Issues.....	17
Inventories and Sales.....	18
Merchandise Exports and Imports.....	19

## PURCHASING POWER

National Income.....	20
Corporate Profits.....	21
Personal Income.....	22
Consumer Income, Spending, and Saving.....	23
Personal Consumption Expenditures.....	24
Per Capita Income.....	25
Average Hourly Earnings—Selected Industries.....	26
Average Weekly Earnings—Selected Industries.....	27
Farm Income.....	28
Consumer Credit.....	29

## MONEY, BANKING, AND FEDERAL FINANCE

Bank Loans and Investments.....	30
Money Supply.....	31
Federal Cash Receipts From and Payments to the Public.....	32

# THE TOTAL OUTPUT OF THE ECONOMY

## THE NATION'S ECONOMIC BUDGET

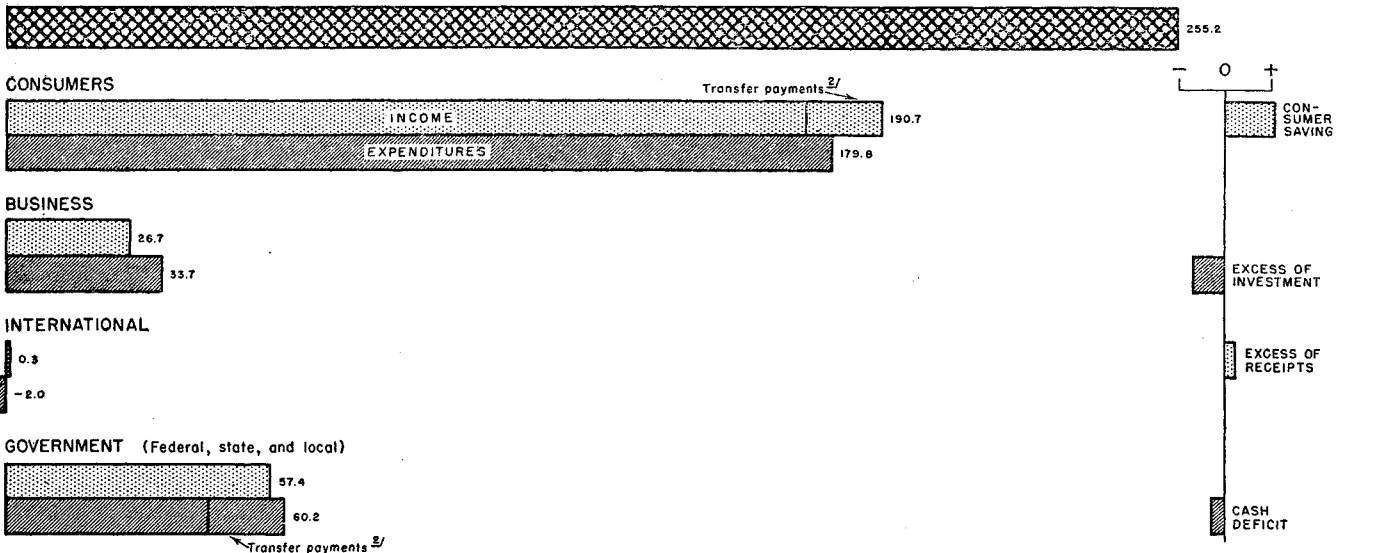
The peak rate of residential construction and continued high expenditures for consumer durable goods stimulated economic activity during 1st quarter 1950. The payment of the National Service Life Insurance dividend to veterans resulted in a sharp rise in consumer disposable income, most of which was not spent during 1st quarter.

1949, 4th Quarter

(BILLIONS OF DOLLARS) <sup>1/</sup>

EXCESS OF EXPENDITURES (-), RECEIPTS (+)

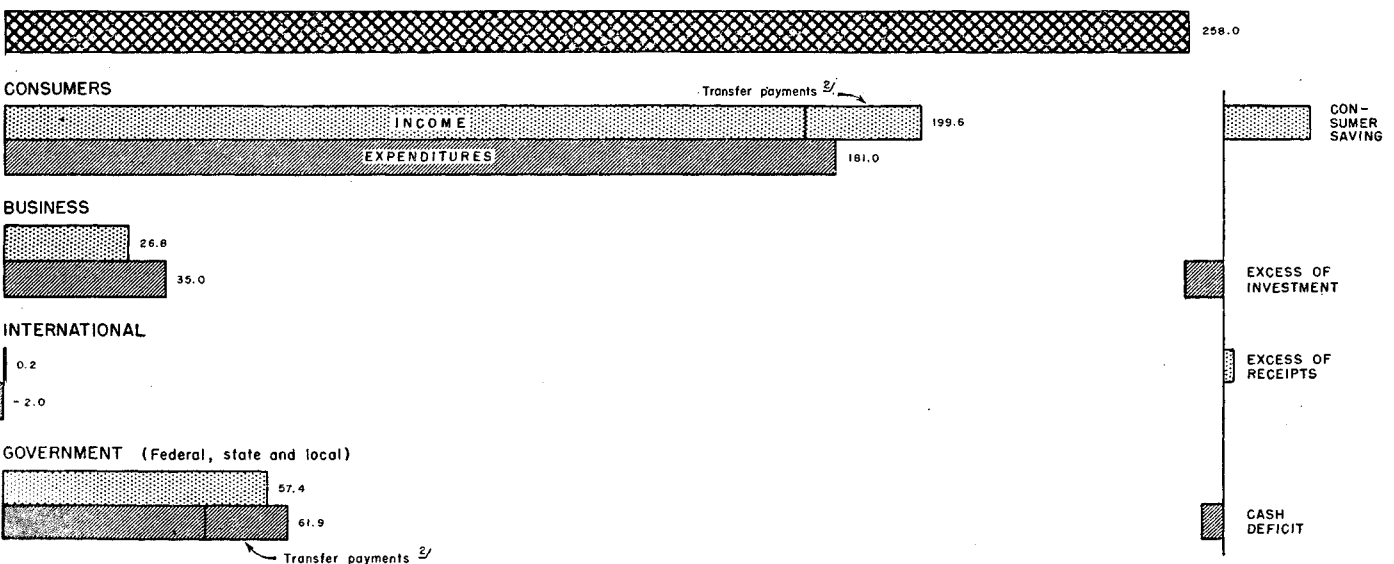
TOTAL (Gross National Product)



1950, 1st Quarter

(BILLIONS OF DOLLARS) <sup>1/</sup>

TOTAL (Gross National Product)

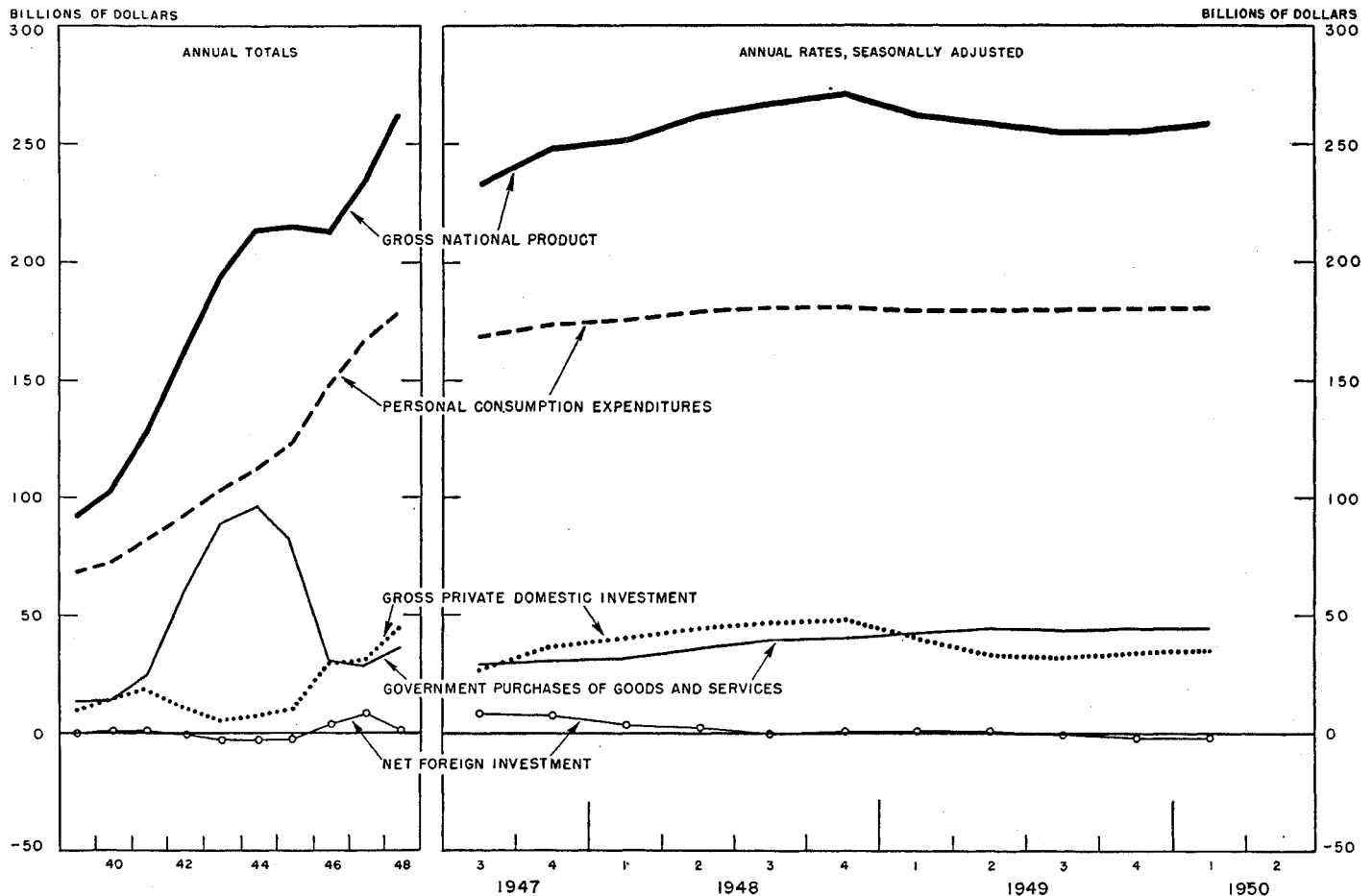


<sup>1/</sup> ANNUAL RATES, SEASONALLY ADJUSTED

<sup>2/</sup> TRANSFER PAYMENTS ARE INCLUDED IN RECEIPTS OR EXPENDITURES OF THE SEPARATE ACCOUNTS BUT NOT IN THE TOTAL GROSS NATIONAL PRODUCT.

# GROSS NATIONAL PRODUCT

Gross national product—the market value of the Nation's output of goods and services—in 1st quarter of 1950 was about 1 percent above 4th quarter of 1949, according to preliminary data. Personal consumption expenditures and gross private domestic investment accounted for most of the increase.



COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]

Period	Total gross national product	Personal consumption expenditures	Gross private domestic investment	Net foreign investment	Government purchases of goods and services
1939.....	91.3	67.5	9.9	0.9	13.1
1944.....	213.7	111.6	7.7	-2.1	96.5
1946.....	212.6	147.8	29.5	4.7	30.7
1947.....	235.7	166.9	31.1	8.9	28.8
1948.....	262.4	178.8	45.0	1.9	36.7
1949.....	257.4	179.4	34.7	0	43.4
Annual rates, seasonally adjusted					
1948: Third quarter.....	266.5	180.3	47.1	-0.1	39.2
Fourth quarter.....	270.3	180.9	48.0	1.0	40.3
1949: First quarter.....	262.0	178.7	40.0	1.0	42.3
Second quarter.....	257.9	179.3	33.2	1.2	44.2
Third quarter.....	254.6	179.7	32.1	-0.3	43.2
Fourth quarter.....	255.2	179.8	33.7	-2.0	43.7
1950: First quarter <sup>1</sup> .....	258.0	181.0	35.0	-2.0	44.0

<sup>1</sup> Estimates by Council of Economic Advisers; based on incomplete data.

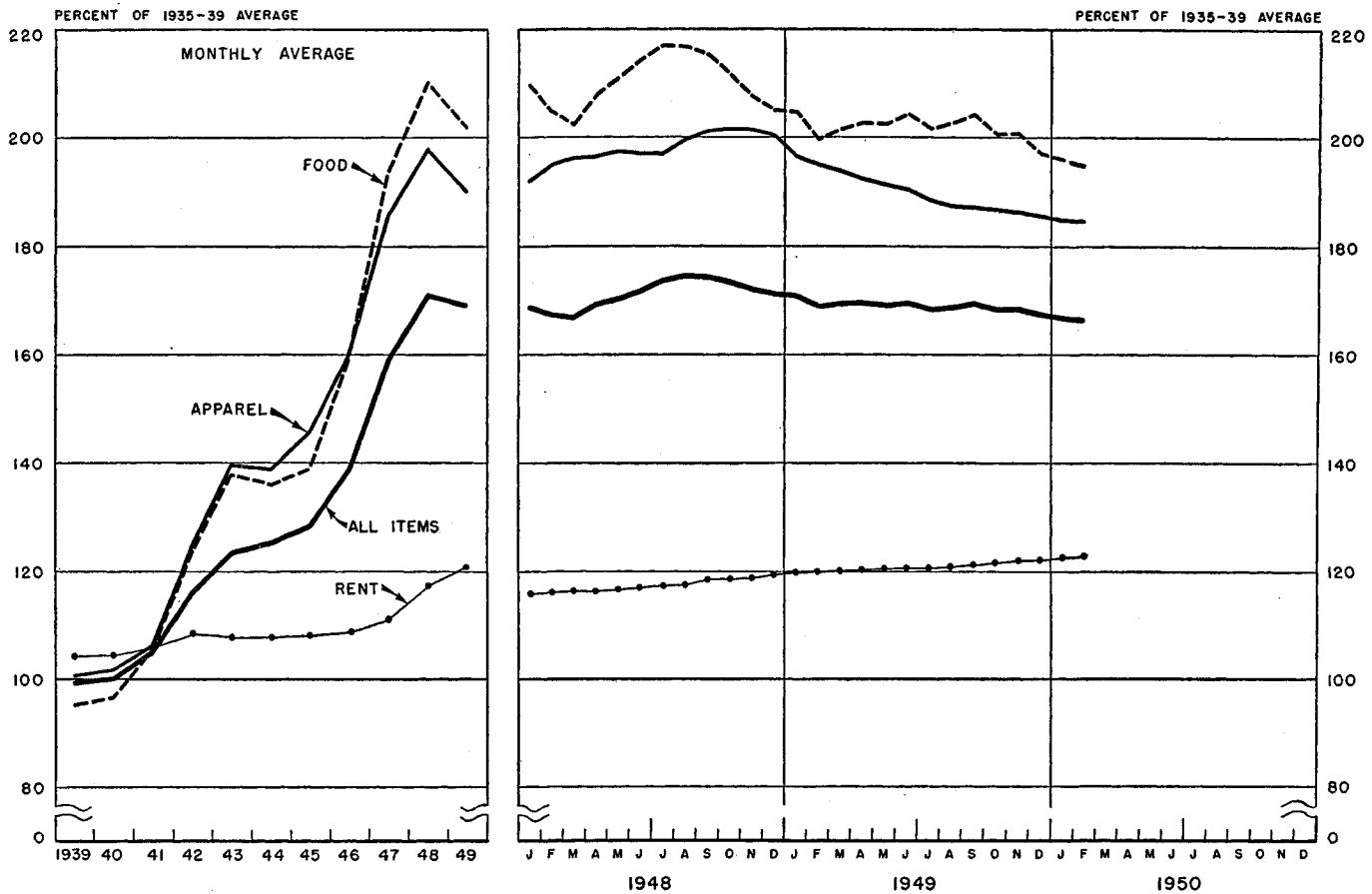
Note.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

# PRICES

## CONSUMERS' PRICES

Consumers' prices continued to decline slightly in February. A drop in food prices and a slight decrease in apparel prices were partially offset by increases in rent and prices of housefurnishings, fuel, electricity and refrigeration.



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[1935-39=100]

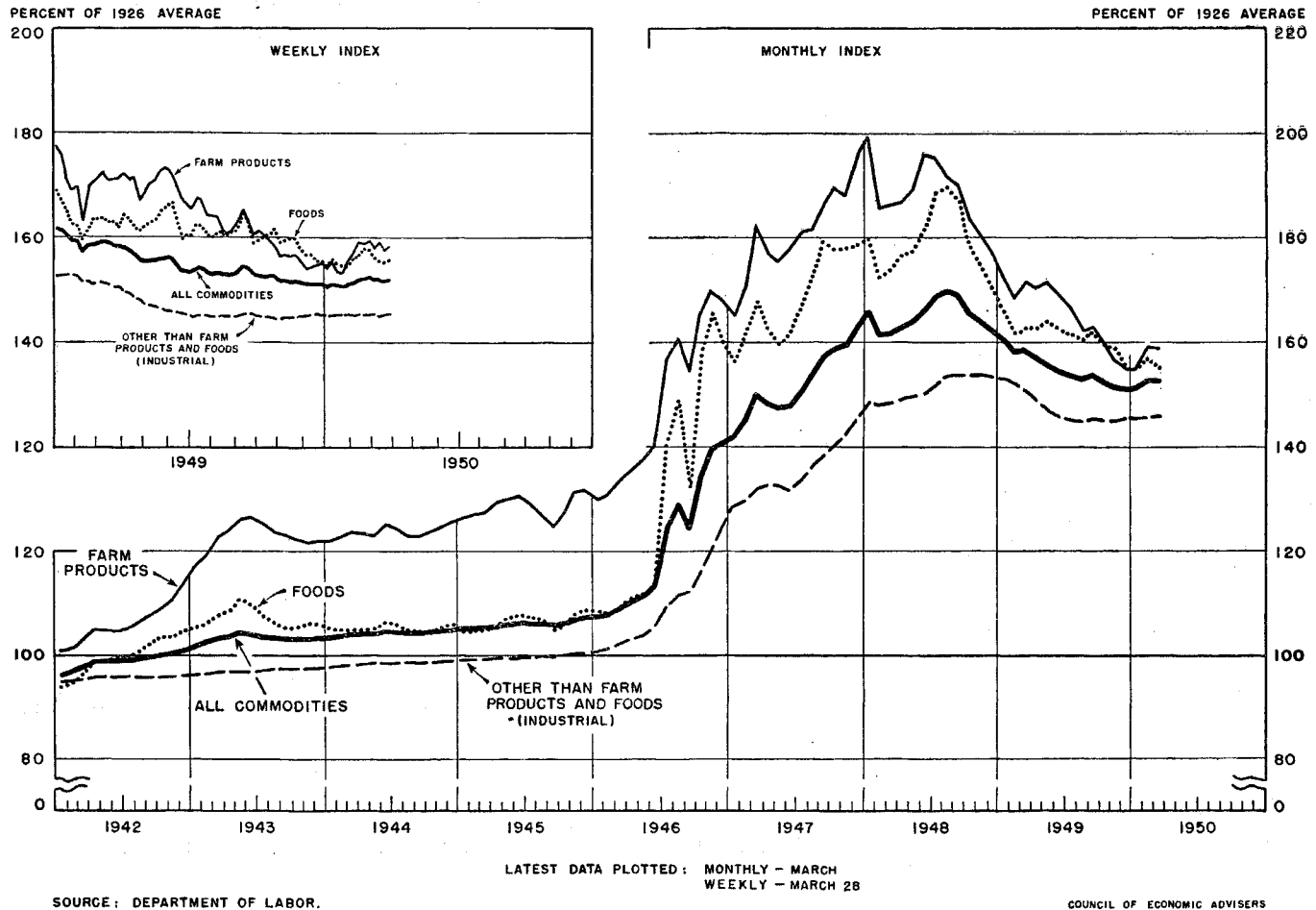
Period	All items	Food	Apparel	Rent	Fuel, electricity, and refrigeration	House furnishings	Miscellaneous
1940 monthly average.....	100.2	96.6	101.7	104.6	99.7	100.5	101.1
1941 monthly average.....	105.2	105.5	106.3	106.2	102.2	107.3	104.0
1942 monthly average.....	116.5	123.9	124.2	108.5	105.4	122.2	110.9
1943 monthly average.....	123.6	138.0	129.7	108.0	107.7	125.6	115.8
1944 monthly average.....	125.5	136.1	138.8	108.2	109.8	136.4	121.3
1945 monthly average.....	128.4	139.1	145.9	108.3	110.3	145.8	124.1
1946 monthly average.....	139.3	159.6	160.2	108.6	112.4	159.2	128.8
1947 monthly average.....	159.2	193.8	185.8	111.2	121.1	184.4	139.9
1948 monthly average.....	171.2	210.2	198.0	117.4	133.9	195.8	149.9
1949 monthly average.....	169.1	201.9	190.1	120.8	137.5	189.0	154.6
1949: January 15.....	170.9	204.8	196.5	119.7	138.2	196.5	154.1
February 15.....	169.0	199.7	195.1	119.9	138.8	195.6	154.1
March 15.....	169.5	201.6	193.9	120.1	138.9	193.8	154.4
April 15.....	169.7	202.8	192.5	120.3	137.4	191.9	154.6
May 15.....	169.2	202.4	191.3	120.4	135.4	189.5	154.5
June 15.....	169.6	204.3	190.3	120.6	135.6	187.3	154.2
July 15.....	168.5	201.7	188.5	120.7	135.6	186.8	154.3
August 15.....	168.8	202.6	187.4	120.8	135.8	184.8	154.8
September 15.....	169.6	204.2	187.2	121.2	137.0	185.6	155.2
October 15.....	168.5	200.6	186.8	121.5	138.4	185.2	155.2
November 15.....	168.6	200.8	186.3	122.0	139.1	185.4	154.9
December 15.....	167.5	197.3	185.8	122.2	139.7	185.4	155.5
1950: January 15.....	166.9	196.0	185.0	122.6	140.0	184.7	155.1
February 15.....	166.5	194.8	184.8	122.8	140.3	185.3	155.1

NOTE.—Prices are for moderate-income families in large cities.

Source: Department of Labor.

# WHOLESALE PRICES

Industrial prices continued during March the stability which has characterized them since last June. Moderate changes in farm and food prices left them somewhat lower at the end of the month.



[1926=100]

Period	All commodities	Farm products	Foods	Other than farm products and foods
1942 monthly average	98.8	105.9	99.6	95.5
1946 monthly average	121.1	148.9	130.7	109.5
June	112.9	140.1	112.9	105.6
1947 monthly average	152.1	181.2	168.7	135.2
1948 monthly average	165.1	188.3	179.1	151.0
1949 monthly average	155.0	165.6	161.6	147.3
1949: February	158.1	168.3	161.5	151.8
March	158.4	171.5	162.9	150.7
April	156.9	170.5	162.9	148.9
May	155.7	171.2	163.8	146.8
June	154.5	168.8	162.4	145.6
July	153.5	166.2	161.3	145.0
August	152.9	162.3	160.6	145.0
September	153.6	163.1	162.0	145.3
October	152.2	159.6	159.6	145.0
November	151.6	156.8	158.9	144.9
December	151.2	154.9	155.8	145.5
1950: January	151.5	154.7	154.8	145.8
February	152.7	159.1	156.8	145.9
March <sup>1</sup>	152.5	158.8	155.2	146.0
Week ended:				
1950: February 28	152.6	159.4	157.8	145.4
March 7	152.0	158.0	156.0	145.4
14	152.0	159.2	155.5	145.2
21	151.7	157.4	155.2	145.4
28	152.1	158.5	155.9	145.6
April 4	152.0	157.6	155.7	145.6

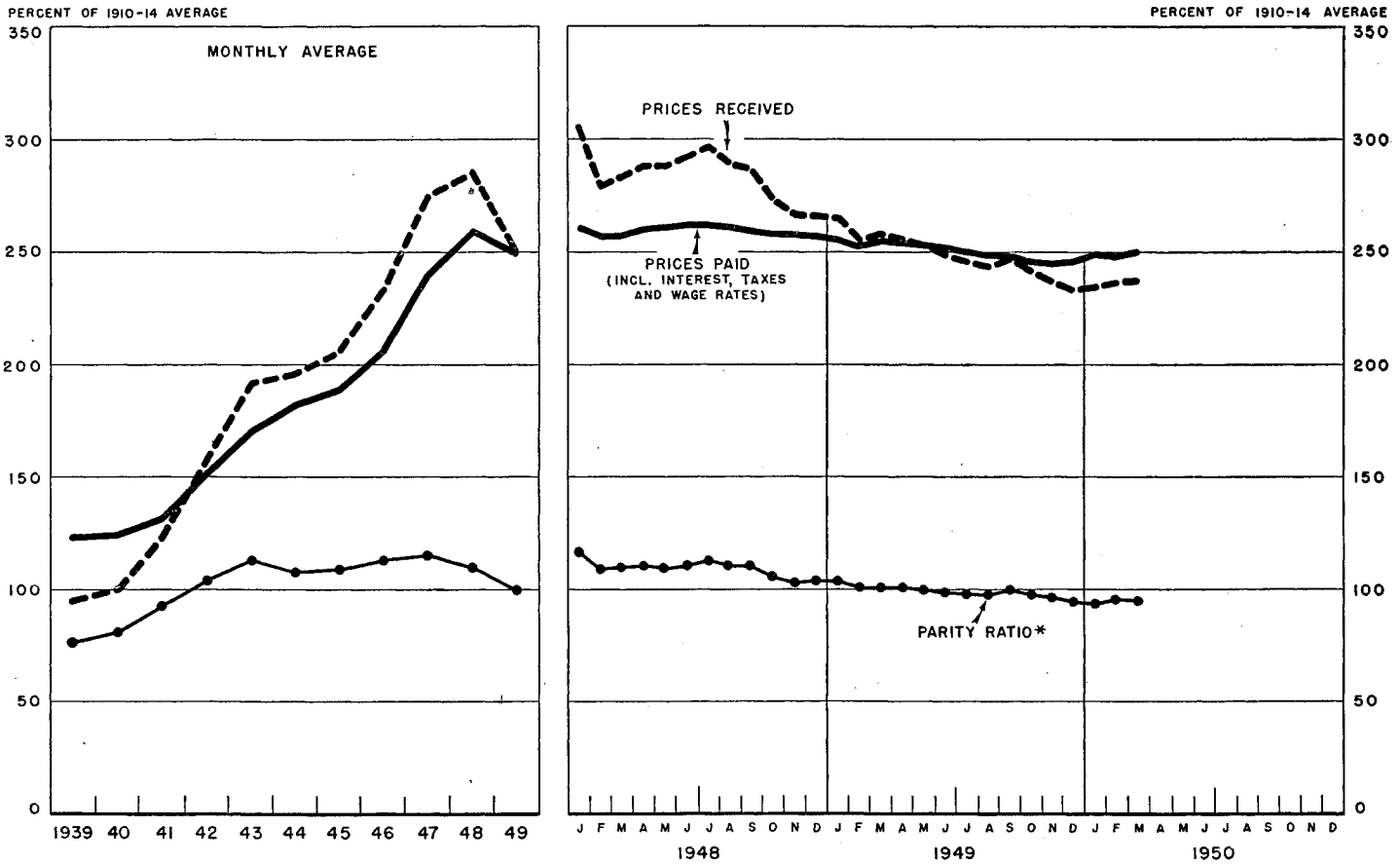
<sup>1</sup> Estimate based on change in weekly data.

Source: Department of Labor.



# PRICES RECEIVED AND PAID BY FARMERS

Prices paid by farmers rose from February 15 to March 15, reflecting increases in commodities used in production, especially feeder livestock. A sharp drop in truck-crop prices and a seasonal decrease in dairy products were offset by increases in most other groups, so that the prices received index was unchanged and the parity ratio fell 1 percent.



\* RATIO OF INDEX OF PRICES RECEIVED TO INDEX OF PRICES PAID, INTEREST, TAXES AND WAGE RATES.

SOURCE: DEPARTMENT OF AGRICULTURE

COUNCIL ECONOMIC ADVISERS

[1910-14=100]

Period	Prices received by farmers	Prices paid by farmers (including interest, taxes, and wage rates)	Parity ratio <sup>1</sup>
1939 monthly average.....	95	123	77
1942 monthly average.....	158	152	104
1944 monthly average..... <sup>2</sup>	196	182	108
1945 monthly average..... <sup>2</sup>	206	189	109
1946 monthly average..... <sup>2</sup>	234	207	113
1947 monthly average.....	275	240	115
1948 monthly average.....	285	259	110
1949 monthly average.....	249	250	100
1949: February 15.....	255	252	101
March 15.....	258	255	101
April 15.....	256	254	101
May 15.....	253	253	100
June 15.....	249	252	99
July 15.....	246	250	98
August 15.....	244	249	98
September 15.....	247	248	100
October 15.....	242	246	98
November 15.....	237	245	97
December 15.....	233	246	95
1950: January 15.....	235	249	94
February 15.....	237	248	96
March 15.....	237	250	95

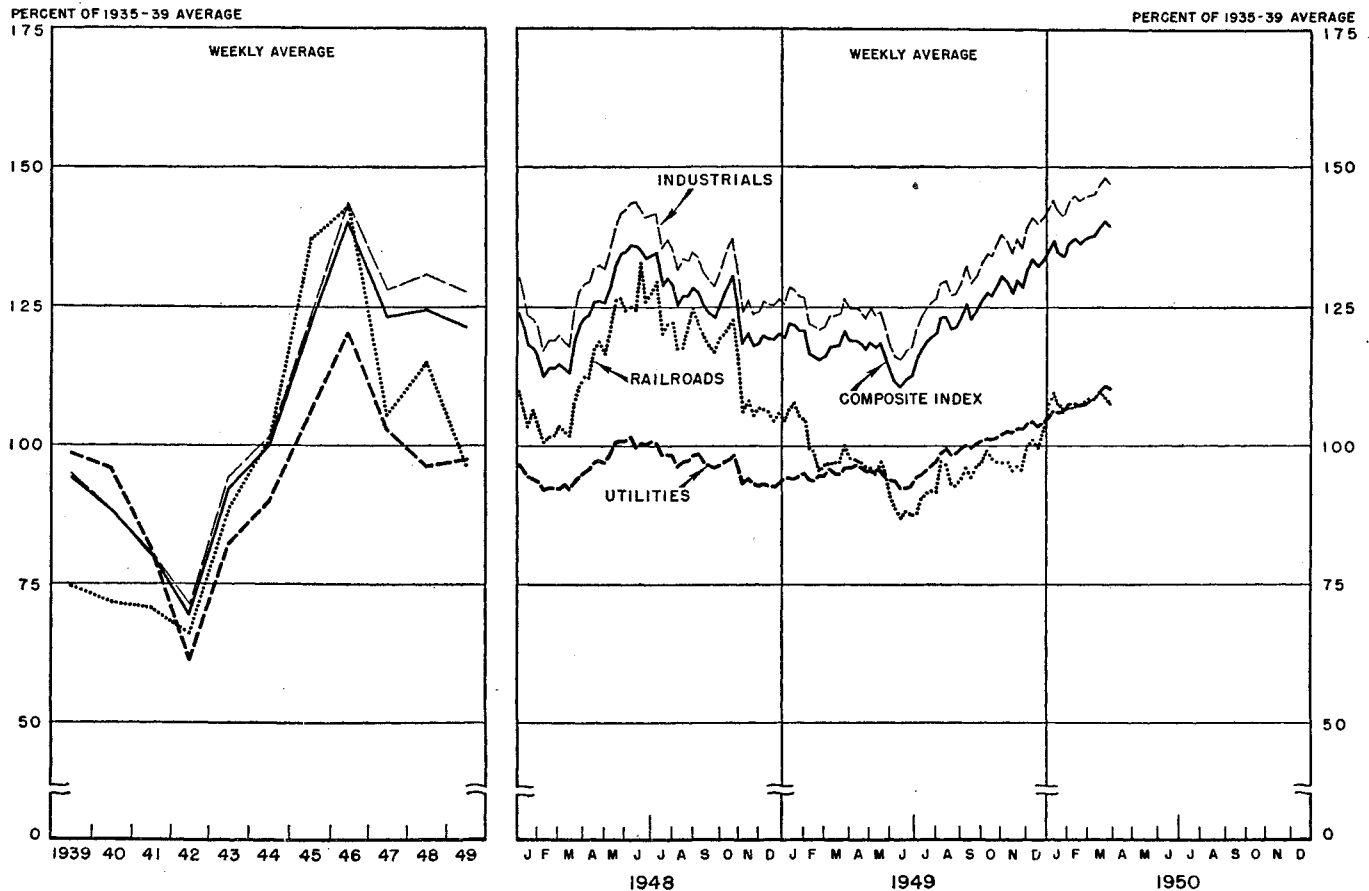
<sup>1</sup> Ratio of index of prices received to index of prices paid, interest, taxes, and wage rates.

<sup>2</sup> Includes wartime subsidy payments paid on beef cattle, sheep, lambs, milk, and butterfat between October 1943 and June 1946.

Source: Department of Agriculture.

# STOCK PRICES

With the stock market continuing strong during March, most stock prices were higher than at any time since the 1946 peak.



SOURCE: STANDARD AND POOR'S CORPORATION

COUNCIL OF ECONOMIC ADVISERS

[1935-39=100]

Period	Combined index <sup>1</sup>	Industrials	Railroads	Utilities
Weekly average:				
1939.....	94.2	94.8	74.7	98.6
1942.....	69.4	71.3	66.1	61.3
1946.....	139.9	143.4	143.0	120.2
1948.....	124.4	130.6	114.7	96.2
1949.....	121.3	127.5	96.4	97.5
1949: February.....	117.2	122.7	99.6	94.4
March.....	118.0	123.7	97.4	95.3
April.....	118.5	124.2	97.1	96.1
May.....	117.7	123.5	95.8	95.3
June.....	112.0	117.0	88.4	93.0
July.....	117.8	123.8	90.6	95.4
August.....	121.8	128.0	94.2	98.5
September.....	123.8	130.3	95.1	100.0
October.....	127.3	134.4	97.6	101.2
November.....	129.1	136.5	96.2	102.6
December.....	132.7	140.3	101.0	104.1
1950: January.....	135.1	142.6	107.8	105.8
February.....	136.6	144.4	107.2	107.4
March.....	138.8	146.5	108.5	109.6
Week ended:				
1950: March 1.....	137.4	145.0	108.6	108.2
8.....	137.6	145.2	108.2	108.8
15.....	139.1	146.8	109.7	109.6
22.....	140.4	148.2	108.6	111.0
29.....	139.5	147.3	107.5	110.3
April 5.....	140.6	148.6	108.7	110.9

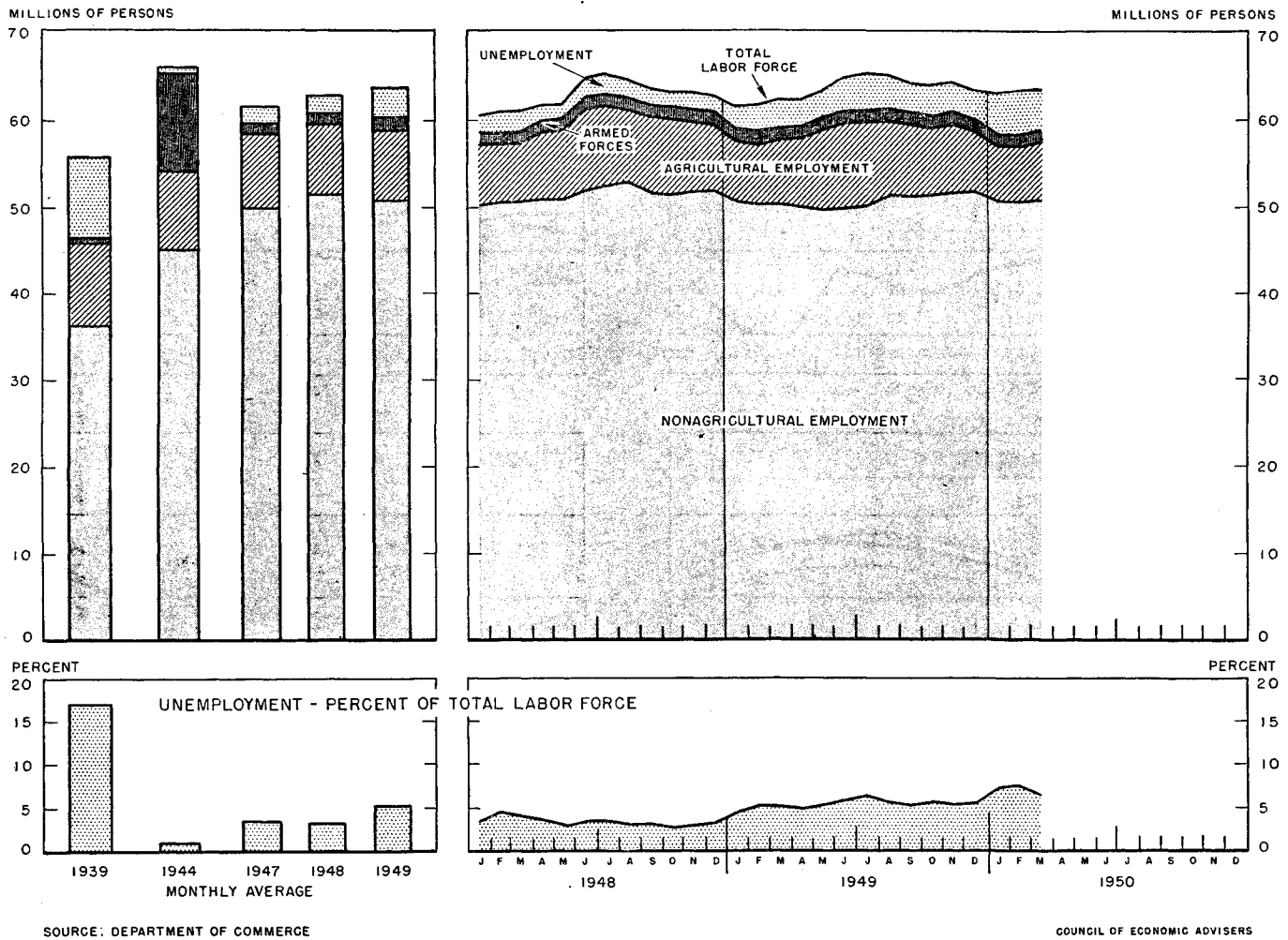
<sup>1</sup> Combined index prior to June 23, 1948, was based on 402 common stocks, and included 354 industrials, 20 railroads, and 28 utilities; thereafter, 416 common stocks are represented, with 365 industrials, 20 railroads, and 31 utilities.

Source: Standard & Poor's Corporation.

# EMPLOYMENT

## LABOR FORCE

Unemployment in March declined by more than 550,000. Agricultural employment increased seasonally by about 450,000. Employment in nonagricultural industries also increased seasonally.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

Period	Total labor force, including armed forces	Civilian employment <sup>1</sup>			Armed forces	Unemployment	Unemployment as percent of total labor force
		Total	In non-agricultural industries	In agriculture			
Thousands of persons 14 years of age and over							
1939 monthly average.....	55,600	45,750	36,140	9,610	370	9,480	17.1
1944 monthly average.....	65,890	53,960	45,010	8,950	11,260	670	1.0
1947 monthly average.....	61,608	58,027	49,761	8,266	1,440	2,142	3.5
1948 monthly average.....	62,748	59,378	51,405	7,973	1,307	2,064	3.3
1949 monthly average.....	63,571	58,710	50,684	8,026	1,466	3,395	5.3
1949: February.....	61,896	57,168	50,174	6,993	1,508	3,221	5.2
March.....	62,305	57,647	50,254	7,393	1,491	3,167	5.1
April.....	62,327	57,819	49,999	7,820	1,492	3,016	4.8
May.....	63,452	58,694	49,720	8,974	1,469	3,289	5.2
June.....	64,866	59,619	49,924	9,696	1,468	3,778	5.8
July.....	65,278	59,720	50,073	9,647	1,463	4,095	6.3
August.....	65,105	59,947	51,441	8,507	1,468	3,689	5.7
September.....	64,222	59,411	51,254	8,158	1,459	3,351	5.2
October.....	64,021	59,001	51,290	7,710	1,445	3,576	5.6
November.....	64,363	59,518	51,640	7,878	1,436	3,409	5.3
December.....	63,475	58,556	51,783	6,773	1,430	3,489	5.5
1950: January.....	62,835	56,947	50,749	6,198	1,408	4,480	7.1
February.....	63,003	56,953	50,730	6,223	1,366	4,684	7.4
March.....	63,021	57,551	50,877	6,675	1,346	4,123	6.5

<sup>1</sup> Includes part-time workers and those who had jobs but were not at work for such reasons as vacation, illness, bad weather, temporary lay-off, and industrial disputes.

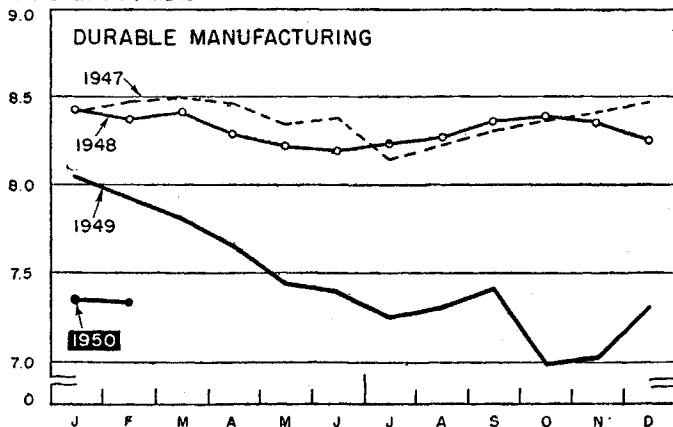
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

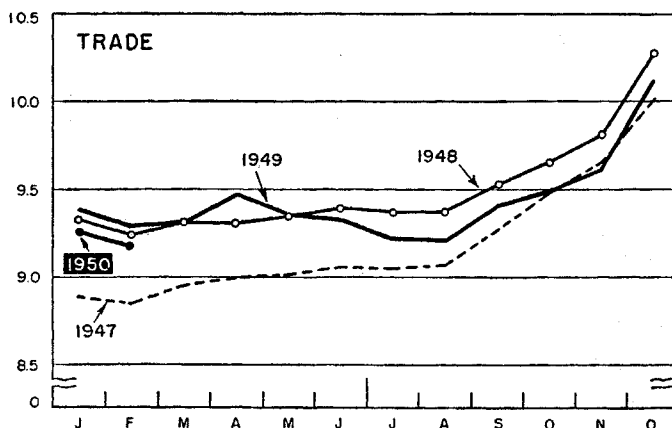
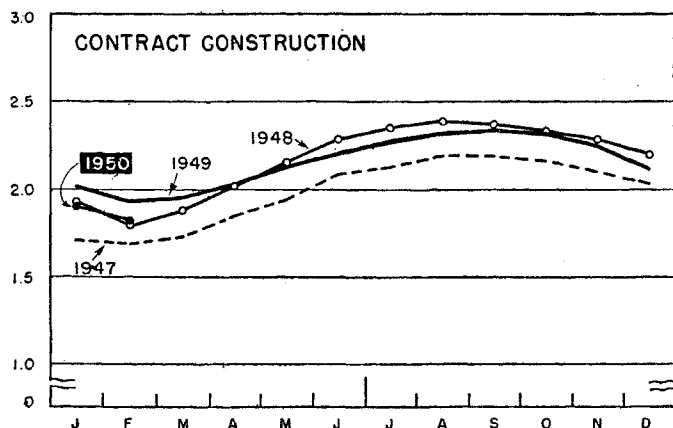
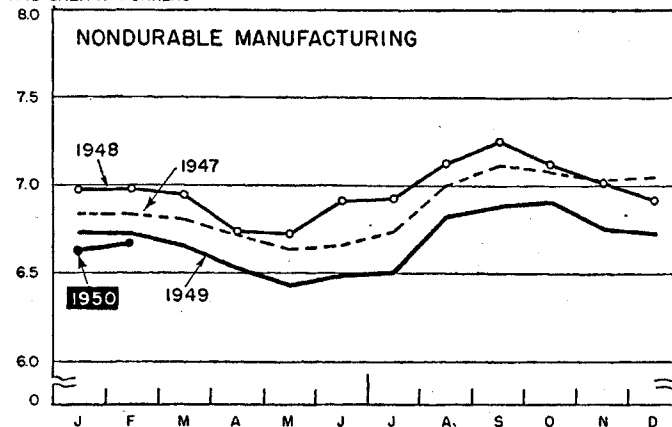
# NONAGRICULTURAL EMPLOYMENT - SELECTED INDUSTRIES

Employment in February was slightly lower in durable manufacturing because of the auto strike. Mining employment was seriously affected by the coal strike. Seasonal factors accounted for the employment increase in nondurable manufacturing and the decrease in trade and construction.

MILLIONS OF WAGE AND SALARY WORKERS



MILLIONS OF WAGE AND SALARY WORKERS



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[Thousands of wage and salary workers <sup>1</sup>]

Period	Manufacturing			Contract construction	Trade	Finance and service	Government (Federal, State, local)	Transportation and public utilities	Mining
	Total	Durable goods	Nondurable goods						
9 monthly average	10,078	( <sup>2</sup> )	( <sup>2</sup> )	1,150	6,705	4,610	3,987	2,912	845
3 monthly average	17,381	( <sup>2</sup> )	( <sup>2</sup> )	1,567	7,322	5,187	6,049	3,619	917
6 monthly average	14,461	( <sup>2</sup> )	( <sup>2</sup> )	1,661	8,815	5,994	5,607	4,023	852
7 monthly average	15,247	8,373	6,874	1,982	9,196	6,427	5,454	4,122	943
8 monthly average	15,286	8,315	6,970	2,165	9,491	6,515	5,613	4,151	981
9 monthly average <sup>3</sup>	14,147	7,465	6,682	2,156	9,438	6,544	5,811	3,979	932
9: January	14,782	8,044	6,738	2,016	9,388	6,454	5,764	4,054	991
February	14,649	7,923	6,726	1,926	9,292	6,447	5,737	4,024	986
March	14,475	7,819	6,656	1,947	9,310	6,469	5,761	3,975	981
April	14,177	7,656	6,521	2,036	9,478	6,525	5,775	3,991	984
May	13,877	7,441	6,436	2,137	9,342	6,567	5,813	4,021	974
June	13,884	7,392	6,492	2,205	9,336	6,608	5,803	4,031	968
July	13,757	7,255	6,502	2,277	9,220	6,631	5,738	4,007	943
August	14,114	7,302	6,812	2,340	9,213	6,616	5,763	3,992	956
September	14,312	7,409	6,903	2,341	9,409	6,604	5,893	3,959	948
October	13,892	6,986	6,906	2,313	9,505	6,561	5,866	3,871	593
November	13,807	7,050	6,757	2,244	9,607	6,534	5,783	3,892	917
December <sup>3</sup>	14,033	7,300	6,733	2,088	10,154	6,506	6,041	3,934	940
50: January <sup>3</sup>	13,997	7,354	6,643	1,914	9,266	6,473	5,777	3,873	858
February <sup>3</sup>	14,016	7,344	6,672	1,829	9,178	6,476	5,742	3,835	617

<sup>1</sup> Includes all full- and part-time wage and salary workers in nonagricultural establishments who worked or received pay during the pay period ending nearest the 15th of the month. Excludes proprietors, self-employed persons, domestic servants, and personnel of the armed forces. Total derived from this is not comparable with estimates of nonagricultural employment of the civilian labor force reported by the Department of Commerce (p. 6) which include proprietors, self-employed persons, and domestic servants; which count persons as employed when they are not at work because of industrial disputes; and which are based on an enumeration of population, whereas the estimates in this table are based on reports from employing establishments.

<sup>2</sup> Not available.

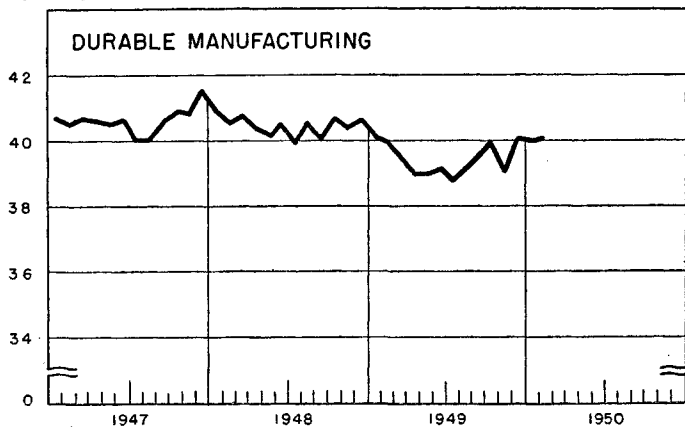
<sup>3</sup> Preliminary estimate.

Source: Department of Labor.

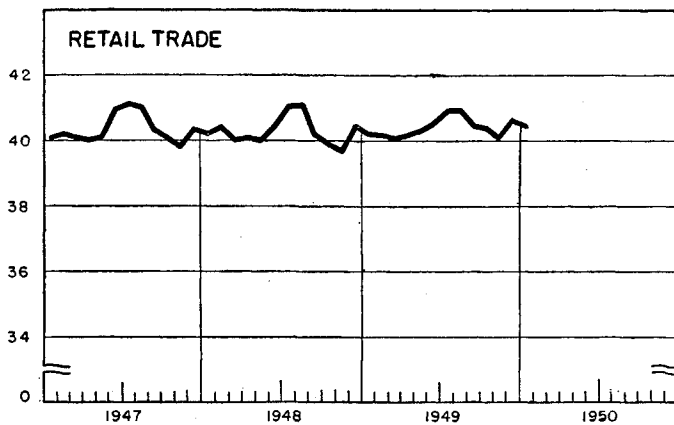
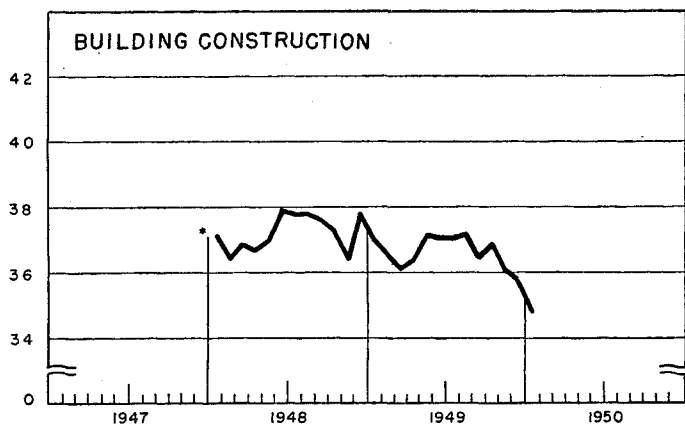
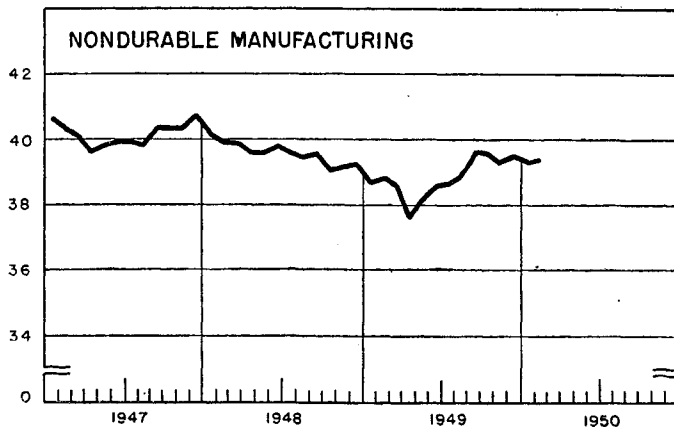
# AVERAGE WEEKLY HOURS - SELECTED INDUSTRIES

The workweek in February was almost stable in both durable and nondurable manufacturing industries.

HOURS PER WEEK



HOURS PER WEEK



\* NOT AVAILABLE PRIOR TO JANUARY 1948

SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[Hours per week, selected industries <sup>1</sup>]

Period	Manufacturing			Building construction	Retail trade
	Total	Durable goods	Nondurable goods		
1939 monthly average.....	37.7	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
1943 monthly average.....	44.9	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
1946 monthly average.....	40.4	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
1947 monthly average.....	40.4	40.6	40.1	( <sup>2</sup> )	40.3
1948 monthly average.....	40.1	40.5	39.6	37.3	40.3
1949 monthly average <sup>3</sup> .....	39.2	39.5	38.8	36.6	40.4
1948: December.....	40.1	40.7	39.3	37.8	40.4
1949: January.....	39.5	40.1	38.7	37.0	40.2
February.....	39.4	39.9	38.8	36.5	40.2
March.....	39.1	39.5	38.6	36.1	40.1
April.....	38.4	39.0	37.6	36.4	40.2
May.....	38.6	39.0	38.1	37.2	40.3
June.....	38.8	39.2	38.5	37.1	40.5
July.....	38.8	38.8	38.7	37.1	40.9
August.....	39.1	39.3	38.9	37.2	40.9
September.....	39.6	39.6	39.6	36.5	40.5
October.....	39.7	39.9	39.6	36.9	40.4
November.....	39.1	39.0	39.3	36.1	40.1
December <sup>3</sup> .....	39.9	40.1	39.5	35.8	40.7
1950: January <sup>3</sup> .....	39.7	40.0	39.3	34.8	40.4
February <sup>3</sup> .....	39.7	40.1	39.4	( <sup>2</sup> )	( <sup>2</sup> )

<sup>1</sup> For production and related workers.

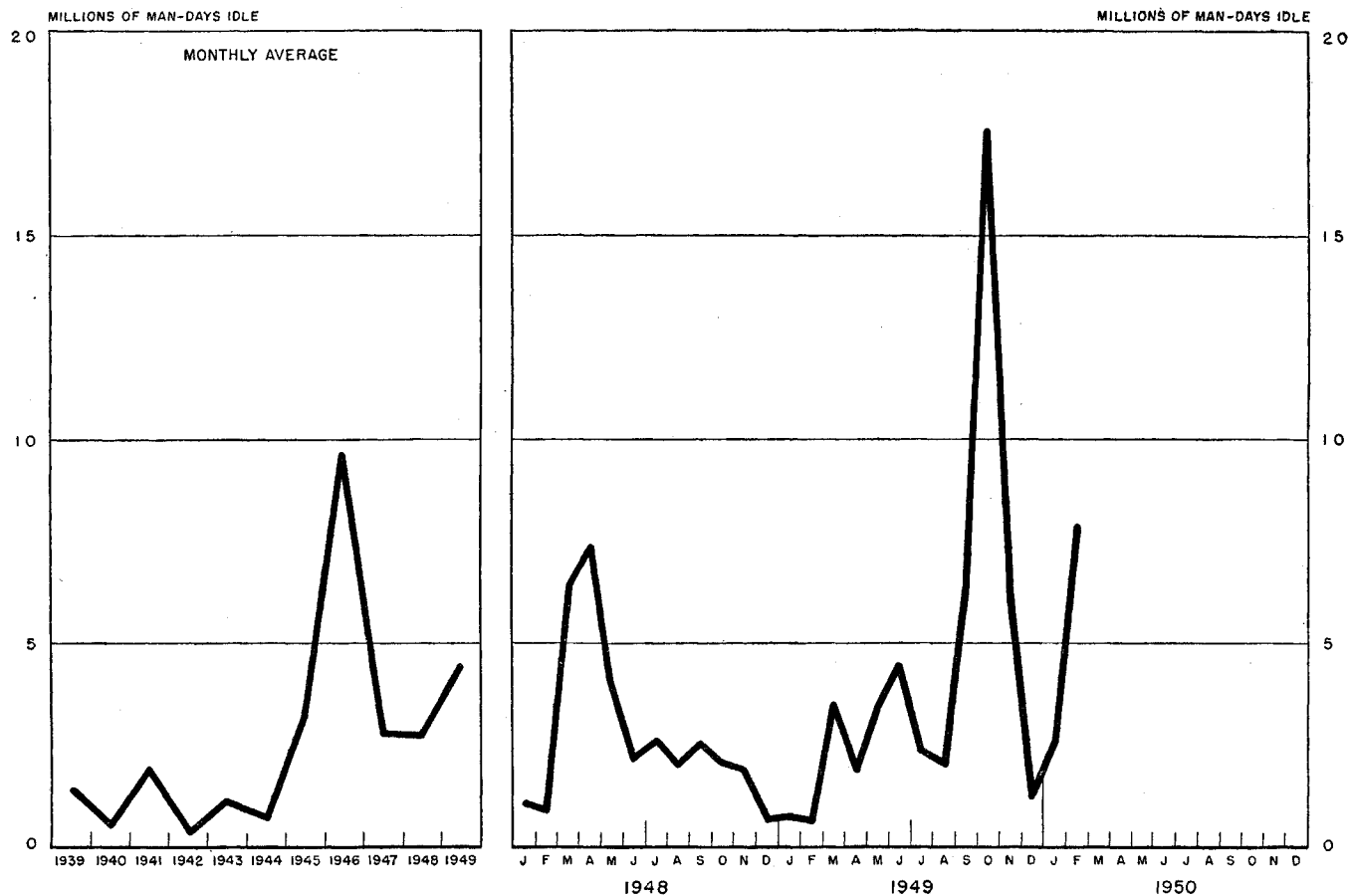
<sup>2</sup> Not available.

<sup>3</sup> Preliminary estimate.

Source: Department of Labor.

# WORK STOPPAGES

Due primarily to the work stoppage in the coal mining and automobile industries, man-days of idleness jumped from 2.6 million in January to 7.8 million in February.



SOURCE: DEPARTMENT OF LABOR.

COUNCIL OF ECONOMIC ADVISERS

Period	Man-days of idleness during period		Workers involved in stoppages		Number of stoppages	
	Monthly average (thousands)	Percent of estimated working time	Beginning in period (thousands)	In effect during month (thousands)	Beginning in period	In effect during month
1939.....	1,483	0.28	1,170	-----	2,613	-----
1941.....	1,917	.32	2,360	-----	4,288	-----
1942.....	1,348	.05	840	-----	2,968	-----
1943.....	1,125	.15	1,980	-----	3,752	-----
1944.....	727	.09	2,120	-----	4,956	-----
1945.....	3,166	.47	3,470	-----	4,750	-----
1946.....	9,667	1.43	4,600	-----	4,985	-----
1947.....	2,883	.41	2,170	-----	3,693	-----
1948.....	2,842	.37	1,960	-----	3,419	-----
1949.....	4,208	.59	3,030	-----	3,606	-----
1949: January.....	726	.10	77	100	275	382
February.....	675	.10	78	106	239	369
March.....	3,460	.45	490	520	289	436
April.....	1,880	.27	160	208	360	531
May.....	3,430	.49	231	309	449	678
June.....	4,470	.61	572	673	377	632
July.....	2,350	.35	110	249	343	603
August.....	2,140	.27	134	232	365	643
September.....	6,270	.87	507	603	287	536
October.....	17,500	2.49	570	977	256	475
November.....	6,270	.93	57	914	197	388
December.....	1,350	.19	46	417	170	323
1950: January <sup>1</sup> .....	2,600	.38	185	300	225	340
February <sup>1</sup> .....	7,850	1.27	75	515	210	325

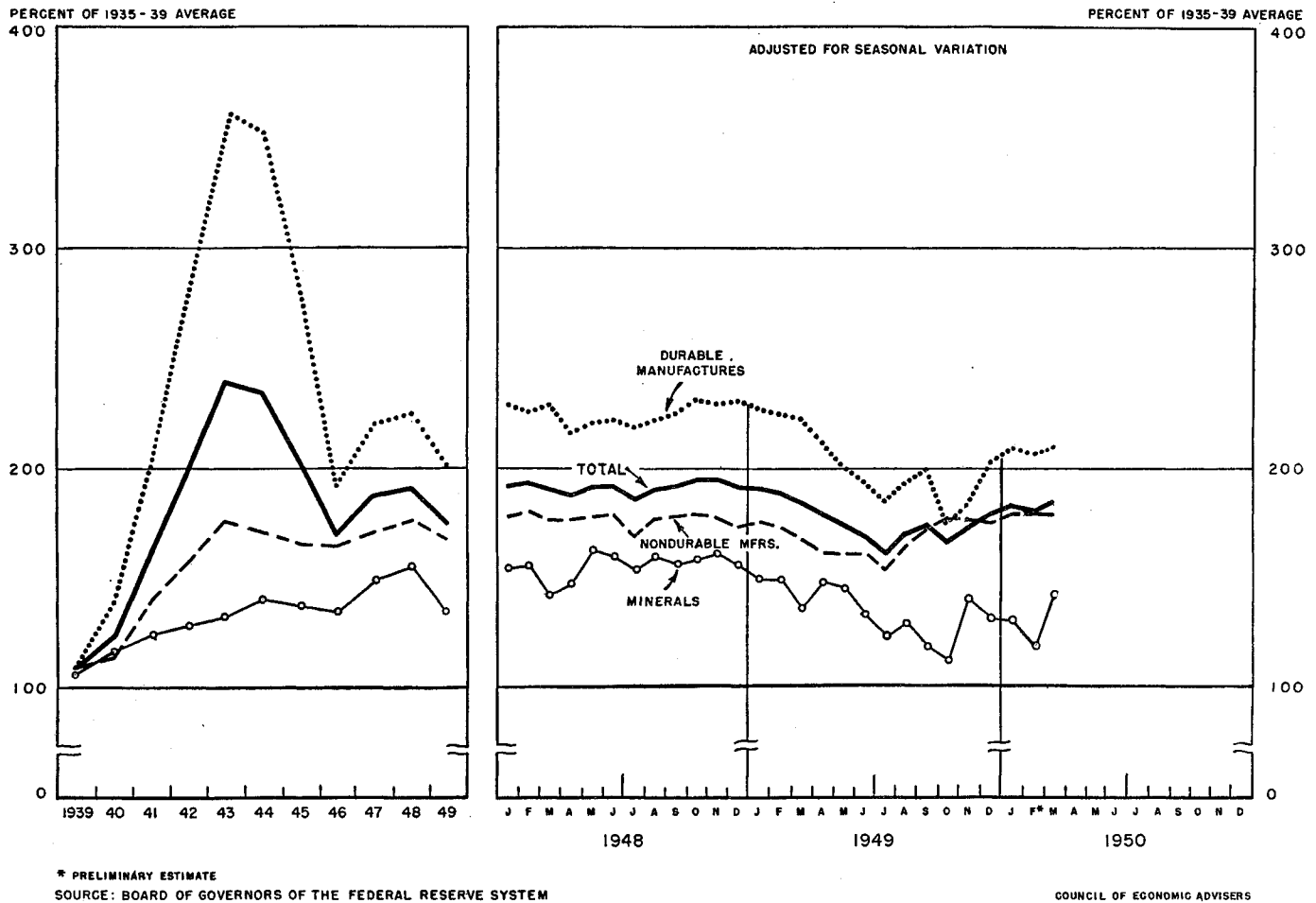
<sup>1</sup> Preliminary estimate.

Source: Department of Labor.

# PRODUCTION AND BUSINESS ACTIVITY

## INDUSTRIAL PRODUCTION

The upward trend in industrial production, which started last November, was interrupted in February by work stoppages. But preliminary March data indicate recovery in the total index in spite of a small drop in nondurable manufacturing output.



[1935-39=100, seasonally adjusted]

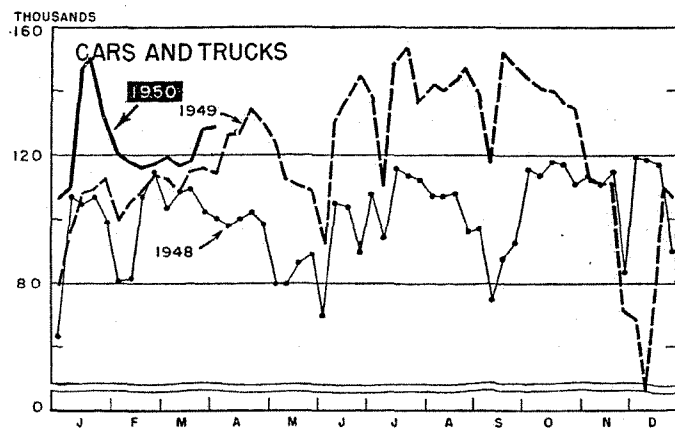
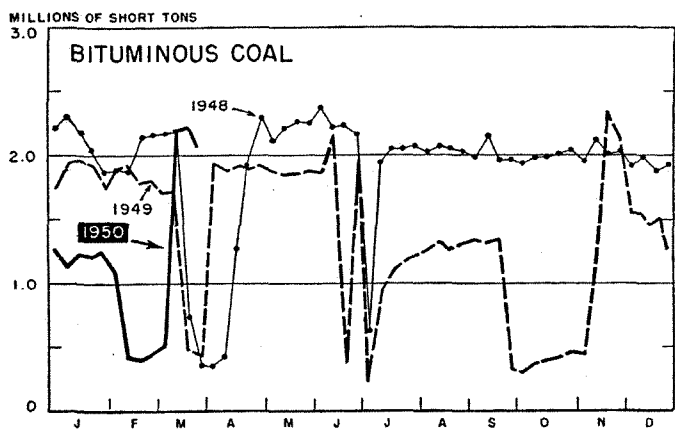
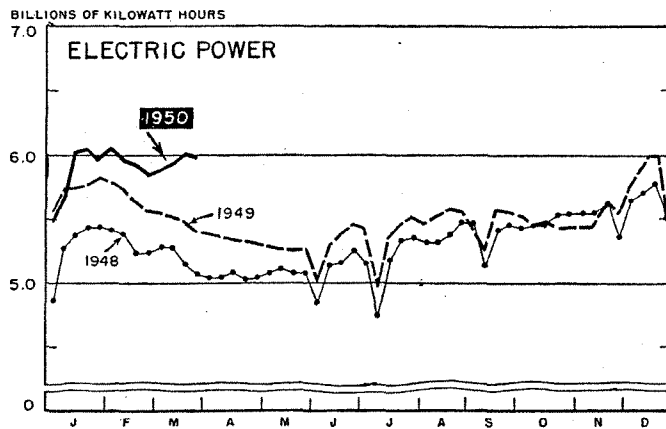
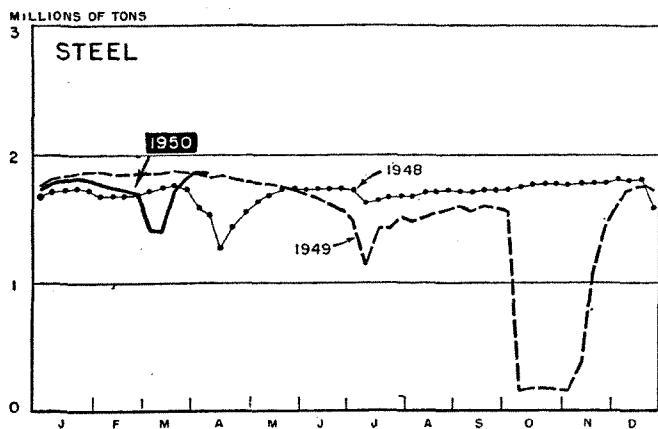
Period	Total industrial production	Manufactures			Minerals
		Total	Durable goods	Nondurable goods	
1943 monthly average.....	239	258	360	176	132
1946 monthly average.....	170	177	192	165	134
1947 monthly average.....	187	194	220	172	149
1948 monthly average.....	192	198	225	177	155
1949 monthly average.....	176	183	202	168	135
1949: January.....	191	198	227	175	149
February.....	189	196	225	173	149
March.....	184	193	223	168	136
April.....	179	184	212	162	148
May.....	174	179	201	161	145
June.....	169	176	194	161	133
July.....	161	168	185	154	123
August.....	170	177	193	165	129
September.....	174	184	199	173	119
October.....	166	176	175	177	112
November.....	173	179	181	177	141
December.....	179	188	203	176	132
1950: January.....	183	193	209	179	130
February <sup>1</sup> .....	180	191	207	179	118
March <sup>1</sup> .....	184	192	210	177	142

<sup>1</sup> Preliminary estimate.

Source: Board of Governors of the Federal Reserve System.

# WEEKLY PRODUCTION - SELECTED INDICATORS

Steel ingot production rose sharply in March. Electric power production continued at peak rates. Bituminous coal mining returned to regular operations. Automobiles were being assembled at a somewhat higher rate than in February but below the January peak rates.



SOURCES: AMERICAN IRON AND STEEL INSTITUTE, EDISON ELECTRIC INSTITUTE, DEPARTMENT OF THE INTERIOR, WARD'S AUTOMOTIVE REPORTS.

COUNCIL OF ECONOMIC ADVISERS

Period	Steel		Electric power, by utilities (millions of kilowatt-hours)	Bituminous coal (thousands of short tons) <sup>2</sup>	Cars and trucks (number)
	Thousands of net tons	Percent of capacity <sup>1</sup>			
Weekly average:					
1947.....	1,628	93.0	4,821	2,058	90,860
1948.....	1,695	94.1	5,300	1,948	100,670
1949.....	1,493	81.0	5,500	1,418	120,800
Week ended:					
1949: March 5.....	1,853	100.5	5,552	1,769	113,317
12.....	1,869	101.4	5,531	1,780	109,101
19.....	1,880	102.0	5,496	498	115,671
26.....	1,864	101.1	5,404	405	115,168
April 2.....	1,840	99.8	5,378	1,987	113,784
9.....	1,821	98.8	5,360	1,909	126,165
1950: March 4.....	1,405	73.7	5,879	513	116,869
11.....	1,401	73.5	5,937	2,200	118,459
18.....	1,712	89.8	6,015	2,233	128,056
25.....	1,821	95.5	5,993	2,085	133,897
April 1.....	1,843	96.7	<sup>3</sup> 5,912	<sup>3</sup> 2,165	<sup>3</sup> 132,877
8.....	1,845	96.8			

<sup>1</sup> Based on weekly net ton capacity of 1,749,928 for 1947, 1,802,476 for 1948, 1,843,516 for 1949, and 1,906,268 for 1950.

<sup>2</sup> Daily average for week.

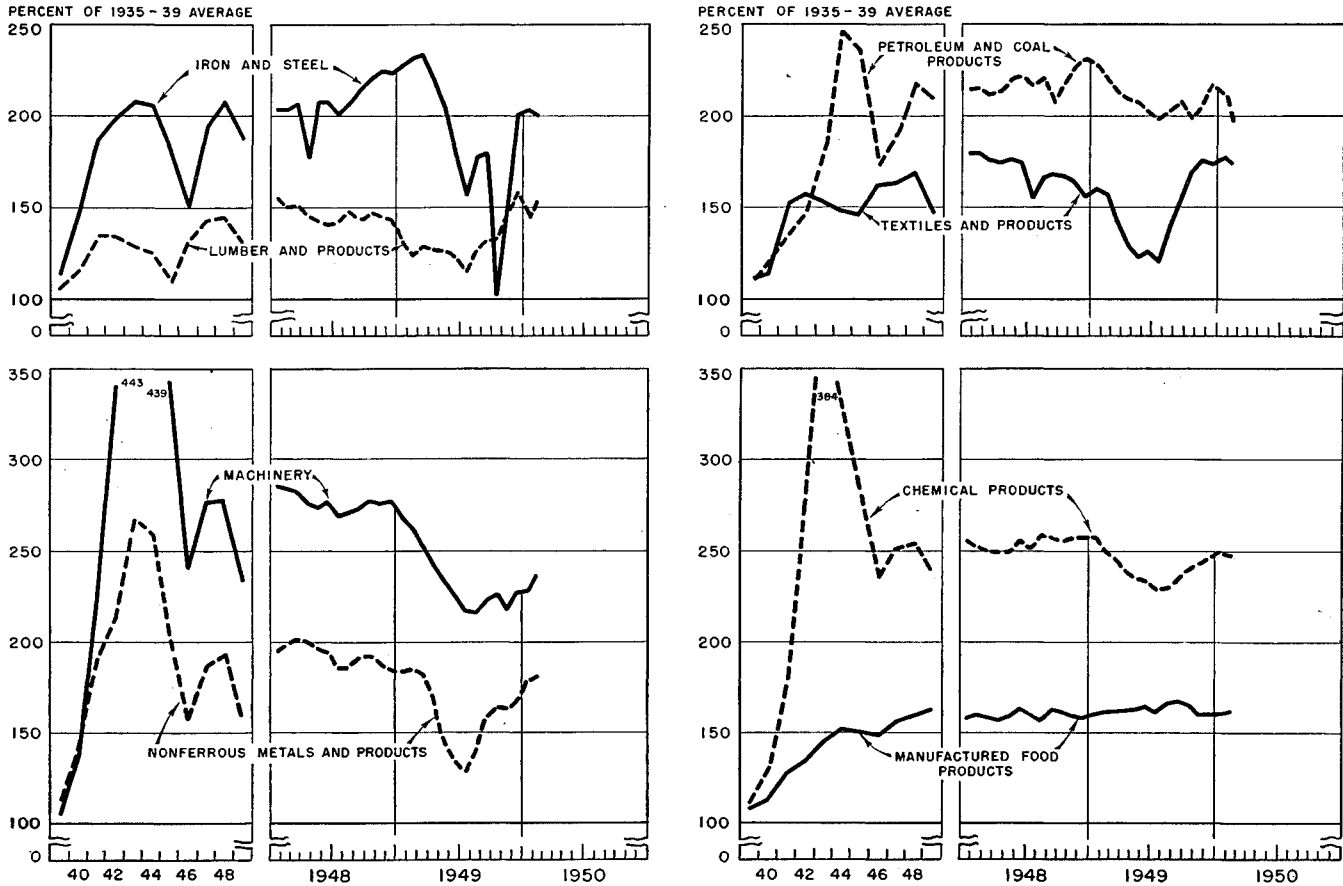
<sup>3</sup> Data became available after chart was prepared.

Sources: American Iron and Steel Institute, Edison Electric Institute, Department of the Interior, and Ward's Automotive Reports.



# PRODUCTION OF SELECTED MANUFACTURES

Production of most durable goods except iron and steel and transportation equipment increased in February. The largest increases were in machinery and lumber and products. Output of most nondurable industries continued at high rates reached last fall.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[1935-39=100, seasonally adjusted]

Period	Durable manufactures				Nondurable manufactures			
	Iron and steel	Lumber and products	Machinery	Nonferrous metals and products	Textiles and products	Petroleum and coal products	Manufactured food products	Chemical products
943 monthly average.....	208	129	443	267	153	185	145	384
946 monthly average.....	150	131	240	157	162	173	150	236
947 monthly average.....	195	143	276	187	163	193	157	251
948 monthly average.....	208	145	277	193	169	218	159	254
949 monthly average.....	188	131	234	159	147	209	163	240
949: January.....	228	129	268	183	160	228	160	257
February.....	232	123	262	185	157	221	162	250
March.....	233	129	252	183	142	213	162	245
April.....	219	126	240	167	129	209	162	237
May.....	204	126	232	145	123	207	163	234
June.....	177	123	225	133	126	202	165	233
July.....	156	115	217	127	120	198	161	228
August.....	178	126	216	141	140	203	166	229
September.....	179	132	224	157	155	208	167	236
October.....	102	133	226	164	169	198	165	240
November.....	145	147	217	163	175	205	160	243
December.....	201	159	227	165	173	219	160	246
950: January.....	203	145	228	179	178	211	161	249
February <sup>1</sup> .....	201	154	237	182	174	198	162	248

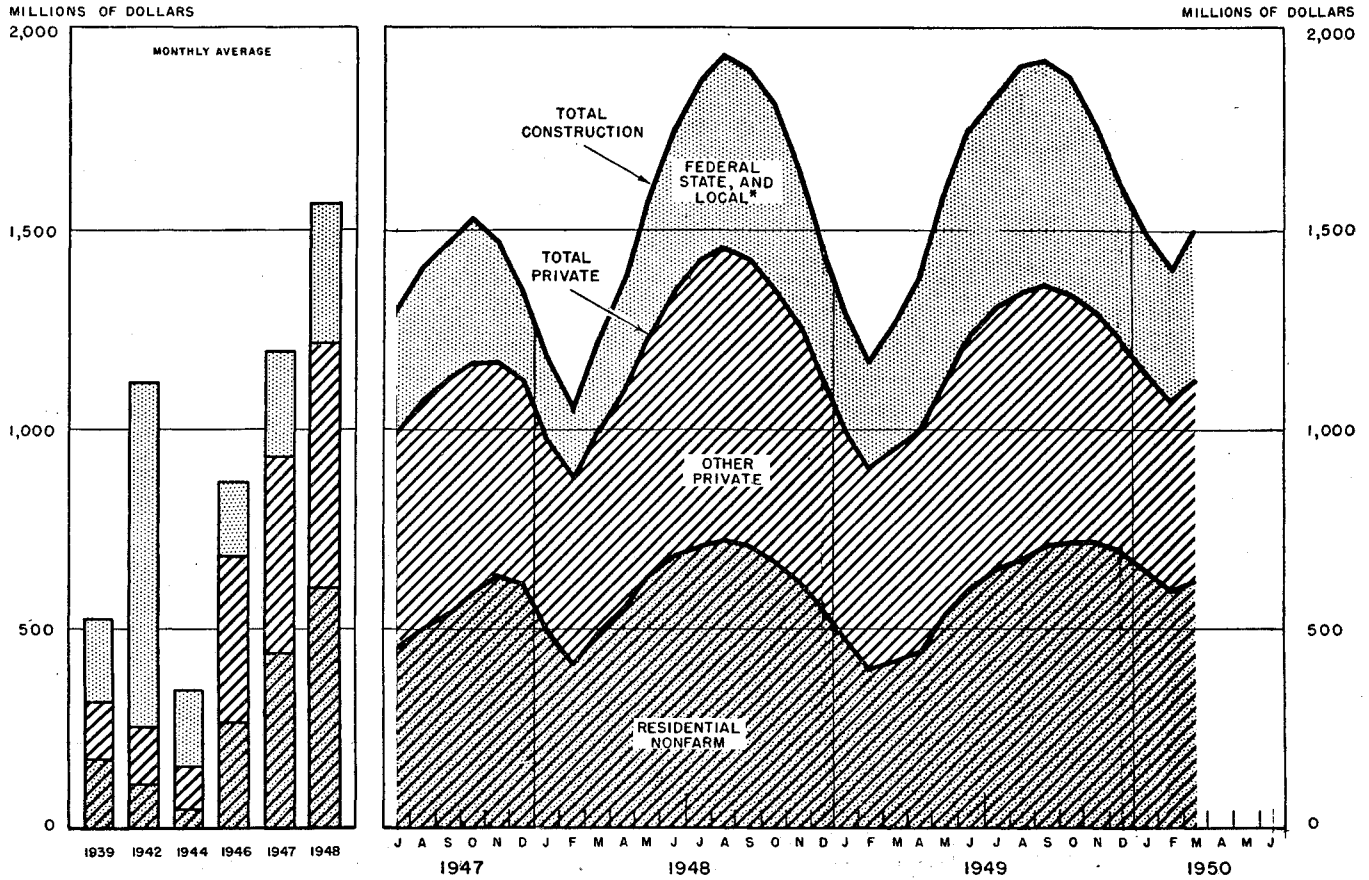
<sup>1</sup> Preliminary estimate.

Source: Board of Governors of the Federal Reserve System.

64007-50-3

# NEW CONSTRUCTION

New construction rose in March, maintaining its lead over last year in all construction activity except private nonresidential.



\*INCLUDES PUBLIC RESIDENTIAL CONSTRUCTION

SOURCES: DEPARTMENT OF COMMERCE AND DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

Period	Total new construction	Private construction			Federal, State, and local <sup>1</sup>
		Total private	Residential (nonfarm)	Other	
1939 monthly average.....	526	317	176	141	208
1942 monthly average.....	1, 118	251	110	141	867
1944 monthly average.....	345	152	45	107	193
1946 monthly average.....	871	688	265	422	184
1947 monthly average.....	1, 194	932	438	493	262
1948 monthly average.....	1, 565	1, 214	602	612	351
1949 monthly average.....	1, 611	1, 172	585	586	439
1949: February.....	1, 172	905	400	505	267
March.....	1, 267	951	420	531	316
April.....	1, 370	989	445	544	381
May.....	1, 576	1, 108	530	578	468
June.....	1, 735	1, 229	600	629	506
July.....	1, 833	1, 301	650	651	532
August.....	1, 903	1, 343	675	668	560
September.....	1, 922	1, 368	710	658	554
October.....	1, 879	1, 343	715	628	536
November.....	1, 767	1, 295	715	580	472
December.....	1, 612	1, 225	690	535	387
1950: January.....	1, 496	1, 139	650	489	357
February.....	1, 395	1, 068	590	478	327
March <sup>2</sup> .....	1, 500	1, 125	620	505	375

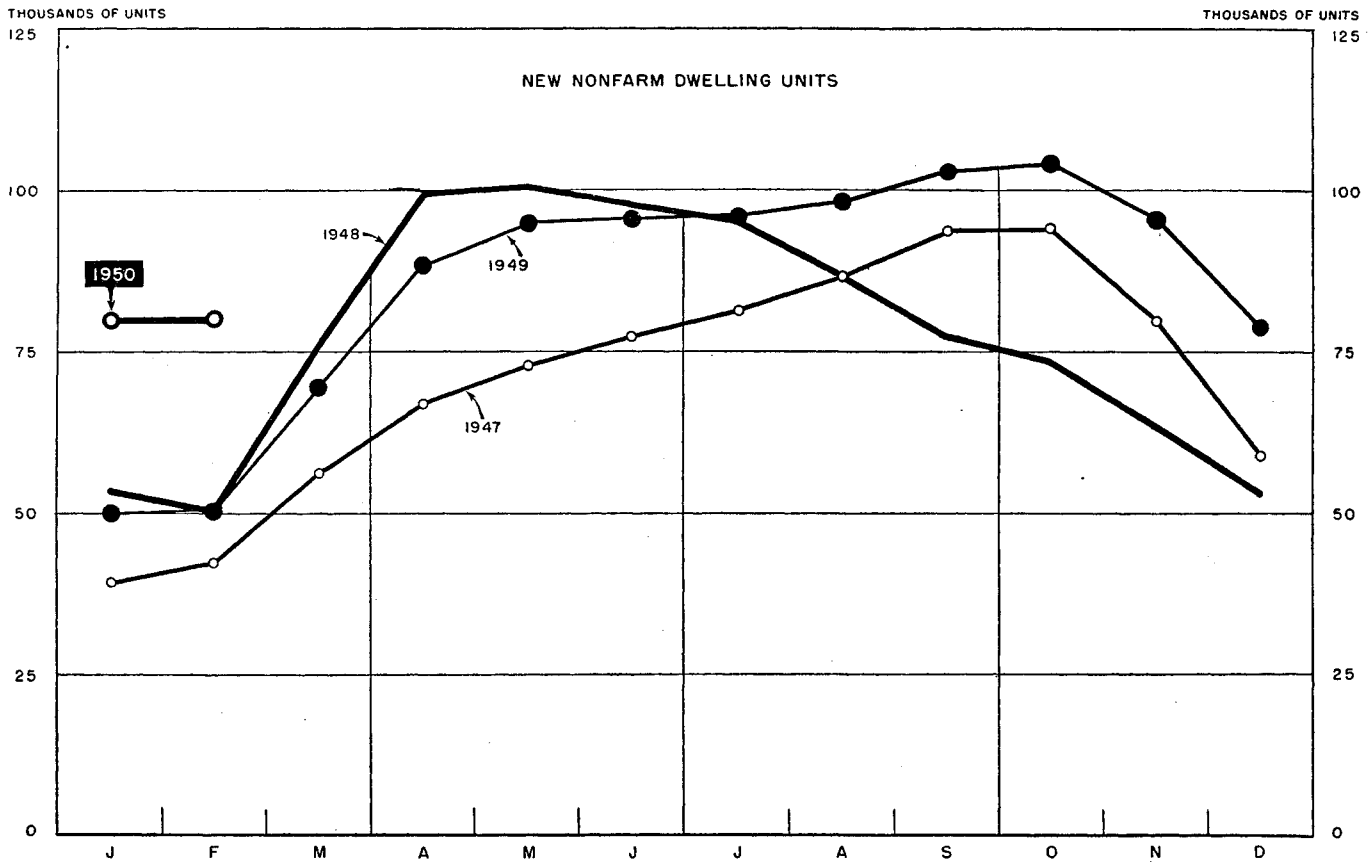
<sup>1</sup> Includes public residential construction.

<sup>2</sup> Preliminary estimate.

Sources: Department of Commerce and Department of Labor.

# NEW HOUSING STARTS

Housing starts continued their record pace in February and again in March, according to preliminary reports.



SOURCE: DEPARTMENT OF LABOR.

COUNCIL OF ECONOMIC ADVISERS

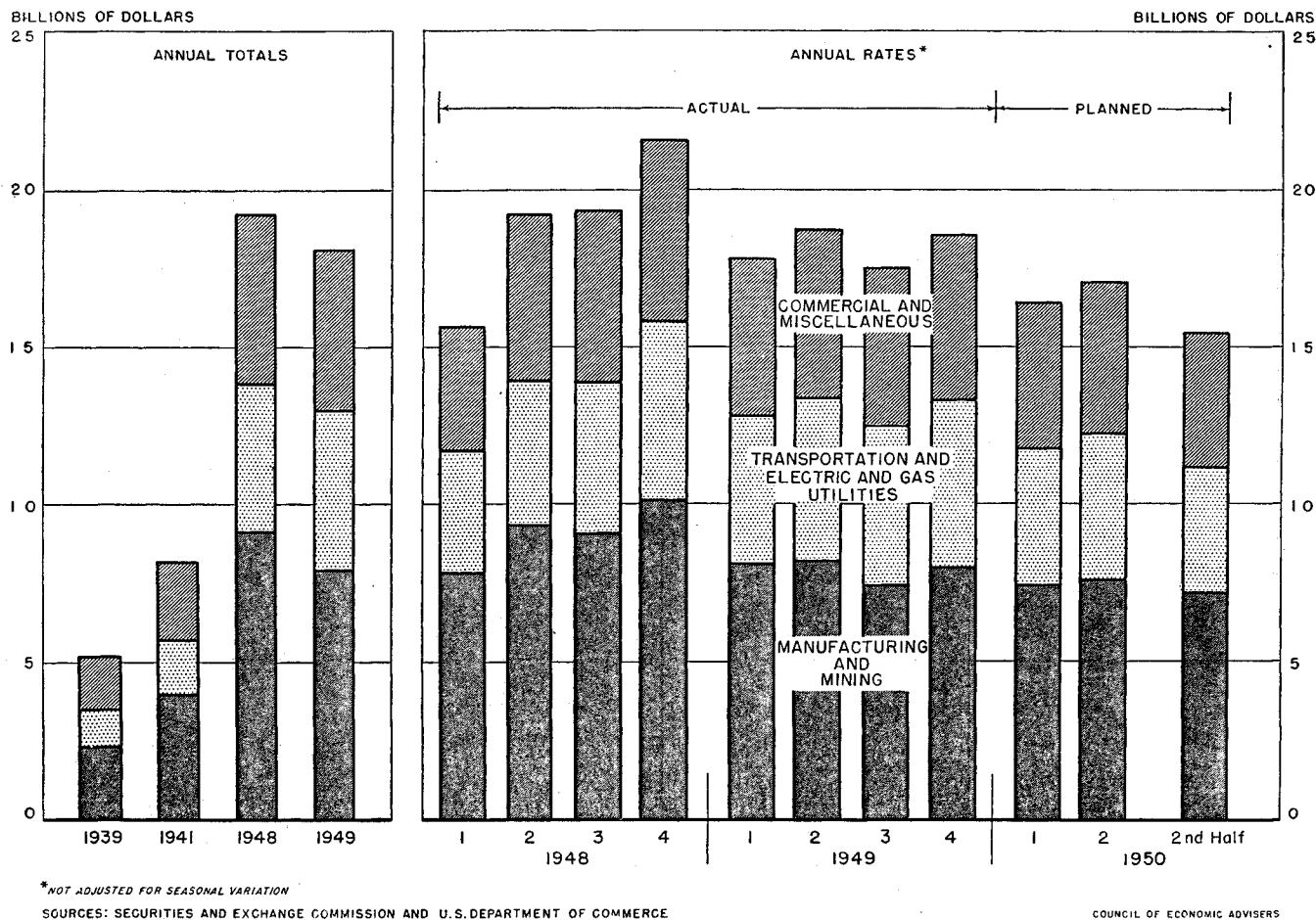
Month	New nonfarm units started			
	1947	1948	1949	1950
January.....	39,300	53,500	50,000	<sup>1</sup> 80,000
February.....	48,800	50,100	50,400	<sup>1</sup> 80,000
March.....	56,000	76,400	69,400	-----
April.....	67,100	99,500	88,300	-----
May.....	72,900	100,300	95,400	-----
June.....	77,200	97,800	95,500	-----
July.....	81,100	95,000	96,100	-----
August.....	86,300	86,600	99,000	-----
September.....	93,800	82,200	102,900	-----
October.....	94,000	73,400	104,300	-----
November.....	79,700	63,600	95,500	-----
December.....	58,800	52,900	<sup>1</sup> 79,000	-----
Total.....	849,000	931,300	<sup>1</sup> 1,025,800	-----
Monthly average.....	70,750	77,600	<sup>1</sup> 85,500	-----

<sup>1</sup> Preliminary estimate.

Source: Department of Labor.

# EXPENDITURES FOR NEW PLANT AND EQUIPMENT

Plant and equipment expenditures by nonagricultural business firms in 1949 were 6 percent less than in 1948. Anticipated expenditures during 1st half of 1950 are reported 8 percent below those of 1st half of 1949 while those for the year 1950 are reported 11 percent below 1949.



[Millions of dollars, annual rates, not adjusted for seasonal]

Period	Total <sup>1</sup>	Manufacturing	Mining	Transportation		Electric and gas utilities	Commercial and miscellaneous <sup>2</sup>
				Railroad	Other		
1939	5,200	1,930	380	280	280	480	1,850
1941	8,190	3,400	680	560	340	710	2,490
1945	6,630	3,210	440	550	320	630	1,480
1948	19,230	8,340	800	1,320	700	2,680	5,390
1949	18,120	7,250	740	1,350	520	3,140	5,120
1950 <sup>3</sup>	16,090	6,740	650	930	350	2,940	4,480
1948: Third quarter	19,320	8,360	800	1,320	680	2,760	5,440
Fourth quarter	21,640	9,280	880	1,640	680	3,400	5,760
1949: First quarter	17,840	7,400	760	1,440	520	2,720	5,040
Second quarter	18,640	7,520	760	1,520	560	3,120	5,160
Third quarter	17,480	6,760	720	1,240	560	3,160	5,040
Fourth quarter	18,520	7,320	720	1,200	480	3,560	5,280
1950: First quarter <sup>3</sup>	16,440	6,760	680	1,000	320	2,960	4,680
Second quarter <sup>3</sup>	17,040	6,960	680	1,040	360	3,240	4,720
Second half <sup>3</sup>	15,440	6,620	620	840	360	2,780	4,260

<sup>1</sup> Excludes agriculture.

<sup>2</sup> Commercial and miscellaneous composed of trade, service, finance, and communication.

<sup>3</sup> Figures for 1950 are based on anticipated capital expenditures.

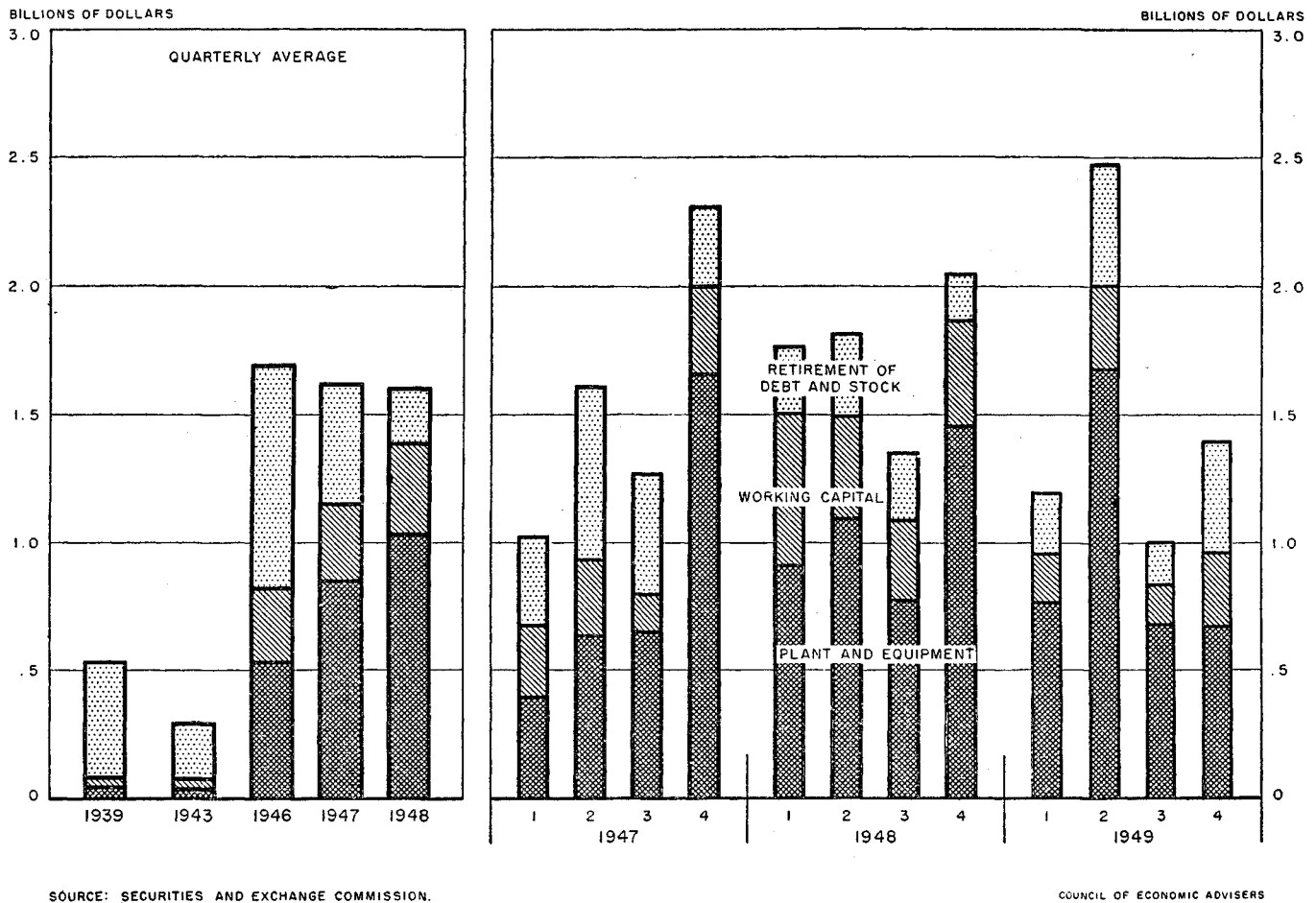
NOTE.—These figures do not agree with the totals included in the gross national product estimates of the Department of Commerce, principally because the latter cover agricultural investment and also certain equipment and construction outlays charged to current expense. Figures for 1939-44 are Federal Reserve Board estimates based on Securities and Exchange Commission and other data.

Detail will not necessarily add to totals because annual rates are based on quarterly figures rounded to the nearest 10,000,000.

Sources: Securities and Exchange Commission and Department of Commerce (except as noted).

# NEW CORPORATE SECURITY ISSUES

New corporate issues showed a seasonal rise in the 4th quarter of the year but were far below the total for the 4th quarter of 1948.



[Millions of dollars]

Period	Estimated net proceeds	Proposed uses of net proceeds			
		Total	New money		Retirement of debt and stock <sup>1</sup>
			Plant and equipment	Working capital	
1939 quarterly average.....	529	81	43	39	448
1943 quarterly average.....	287	77	35	42	210
1946 quarterly average.....	1,689	820	529	291	869
1947 quarterly average.....	1,617	1,148	852	296	469
1948 quarterly average.....	1,748	1,491	1,060	431	257
1949 quarterly average <sup>2</sup> .....	1,520	1,209	948	261	311
1947: Third quarter.....	1,374	884	692	192	490
Fourth quarter.....	2,311	2,000	1,654	347	310
1948: First quarter.....	1,769	1,511	918	593	260
Second quarter.....	1,817	1,493	1,091	402	325
Third quarter.....	1,352	1,087	774	314	265
Fourth quarter.....	2,054	1,874	1,459	415	180
1949: First quarter.....	1,195	954	762	193	241
Second quarter.....	2,475	2,088	1,679	409	386
Third quarter.....	1,006	834	677	157	172
Fourth quarter <sup>2</sup> .....	1,403	960	675	285	444

<sup>1</sup> Includes small amount for other purposes.

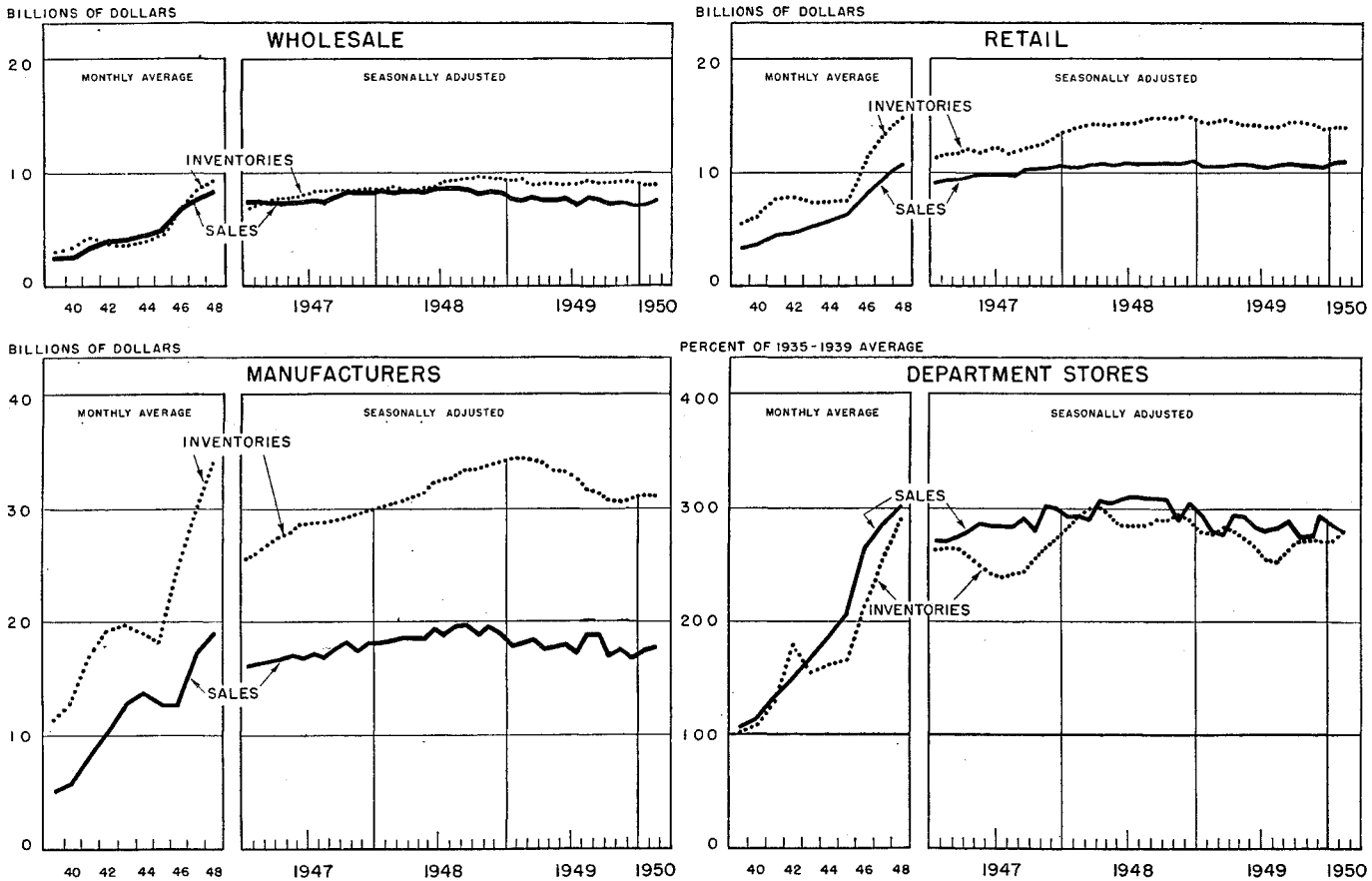
<sup>2</sup> Preliminary estimate.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Securities and Exchange Commission.

# INVENTORIES AND SALES

Sales of manufacturing and trade concerns, after allowance for seasonal variation, rose moderately in February. Manufacturers' and wholesalers' inventories showed practically no change during the month.



SOURCE: DEPARTMENT OF COMMERCE AND BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

Period	Wholesale		Retail		Manufacturers		Department stores	
	Inventories <sup>1</sup>	Sales <sup>2</sup>	Inventories <sup>1</sup>	Sales <sup>2</sup>	Inventories <sup>1</sup>	Sales <sup>2</sup>	Inventories <sup>3</sup>	Sales <sup>4</sup>
	Millions of dollars, seasonally adjusted <sup>4</sup>						1935-39=100, seasonally adjusted	
	3,175	2,505	5,532	3,504	11,465	5,100	102	106
	3,684	4,273	7,361	5,277	20,098	12,822	155	168
	4,638	4,983	7,543	6,315	18,390	12,883	166	207
	6,665	6,601	11,226	8,358	24,818	12,841	213	264
	8,653	7,754	13,221	9,909	29,818	17,076	255	286
	9,511	8,355	14,969	10,837	34,066	18,998	291	302
	9,031	7,511	13,698	10,682	30,899	17,814	270	285
January	9,464	7,723	14,659	10,611	34,409	17,880	279	295
February	9,479	7,680	14,479	10,706	34,408	18,175	277	281
March	9,293	7,890	14,700	10,724	34,223	18,451	283	277
April	9,330	7,422	14,458	10,814	34,018	17,643	280	294
May	9,153	7,539	14,139	10,759	33,565	17,741	273	292
June	9,002	7,718	14,182	10,684	33,250	17,990	265	285
July	9,091	7,158	13,862	10,549	32,367	17,114	256	280
August	9,061	7,522	13,932	10,669	31,638	18,945	253	283
September	9,186	7,518	14,355	10,856	31,060	18,866	264	289
October	9,137	7,120	14,475	10,678	30,744	16,805	270	276
November	9,113	7,553	14,336	10,630	30,547	17,313	273	276
December <sup>5</sup>	9,031	7,291	13,698	10,503	30,899	16,840	271	293
January <sup>6</sup>	8,976	7,194	13,840	10,840	31,106	17,580	272	284
February <sup>6</sup>	9,002	7,586	13,883	10,990	31,100	17,700	280	280

Book value, end of period.

Monthly average for year and total for month.

Indexes computed from data on retail value of sales for month and retail book value of inventories, end of period.

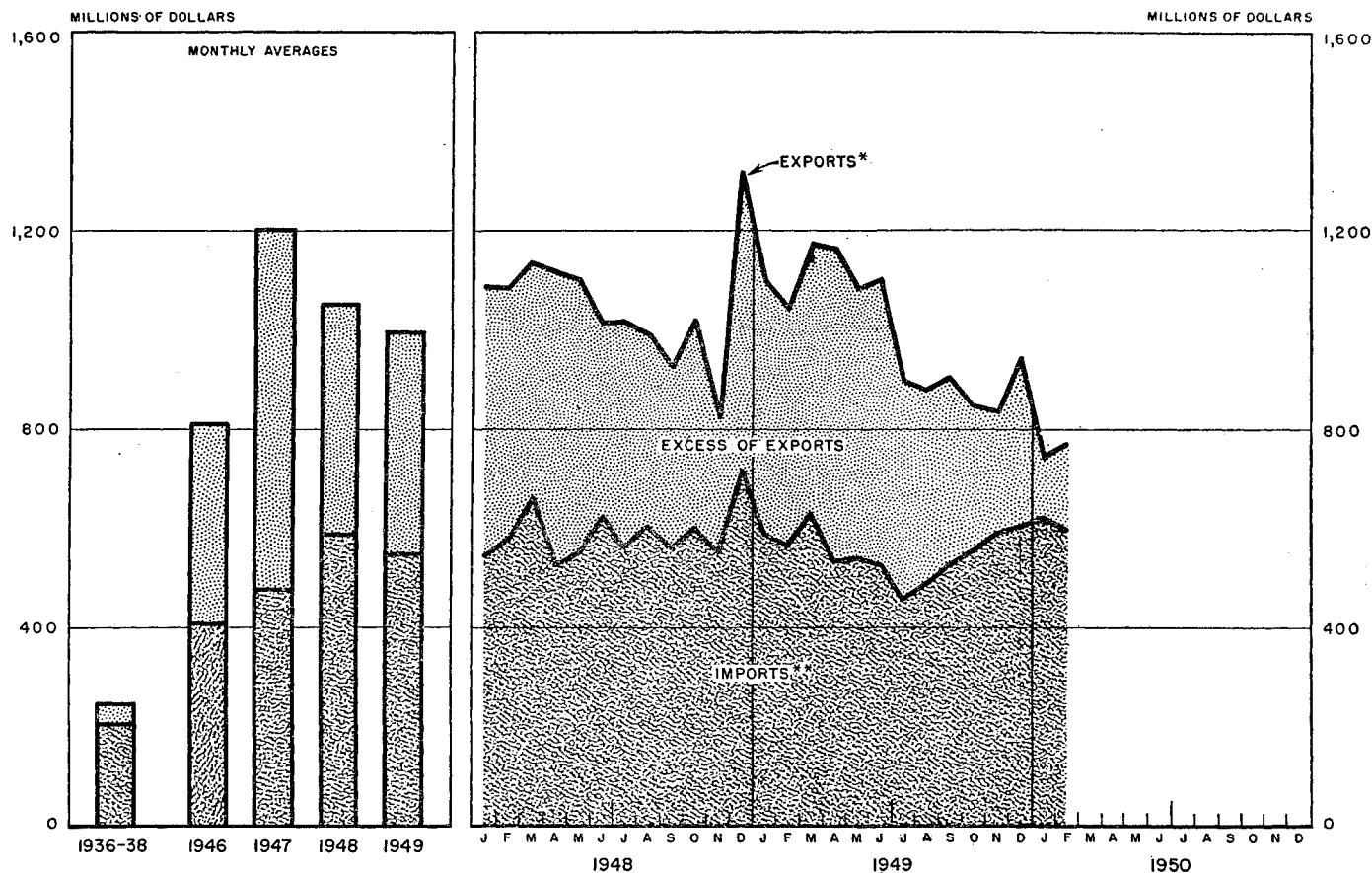
All dollar figures, except for retail sales, have been revised and do not agree with data published prior to October 1949.

Preliminary estimates.

Sources: Department of Commerce and Board of Governors of the Federal Reserve System.

# MERCHANDISE EXPORTS AND IMPORTS

Exports in February recovered a part of their sharp January decline. Imports fell but apparently only because of the shortness of the month, since imports per working day maintained or exceeded recent expanding levels.



\* RECORDED MERCHANDISE EXPORTS, INCLUDING REEXPORTS, AND CIVILIAN SUPPLIES FOR OCCUPIED AREAS.  
 \*\* RECORDED GENERAL MERCHANDISE IMPORTS.

SOURCES: DEPARTMENT OF COMMERCE, DEPARTMENT OF THE ARMY, AND DEPARTMENT OF THE NAVY.

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

Period	Exports <sup>1</sup>	Imports <sup>2</sup>	Excess of exports
1936-38 monthly average.....	247	207	40
1943 monthly average.....	1,080	282	798
1946 monthly average.....	849	410	439
1947 monthly average.....	1,278	478	801
1948 monthly average.....	1,054	592	462
1949 monthly average.....	1,000	553	447
1949: January.....	1,104	590	514
February.....	1,043	567	476
March.....	1,177	633	544
April.....	1,166	534	632
May.....	1,092	541	551
June.....	1,104	526	578
July.....	899	457	442
August.....	880	491	389
September.....	906	536	370
October.....	852	559	293
November.....	837	594	243
December.....	944	605	339
1950: January.....	745	623	122
February.....	770	599	171

<sup>1</sup> Recorded merchandise exports, including reexports, and civilian supplies for occupied areas.

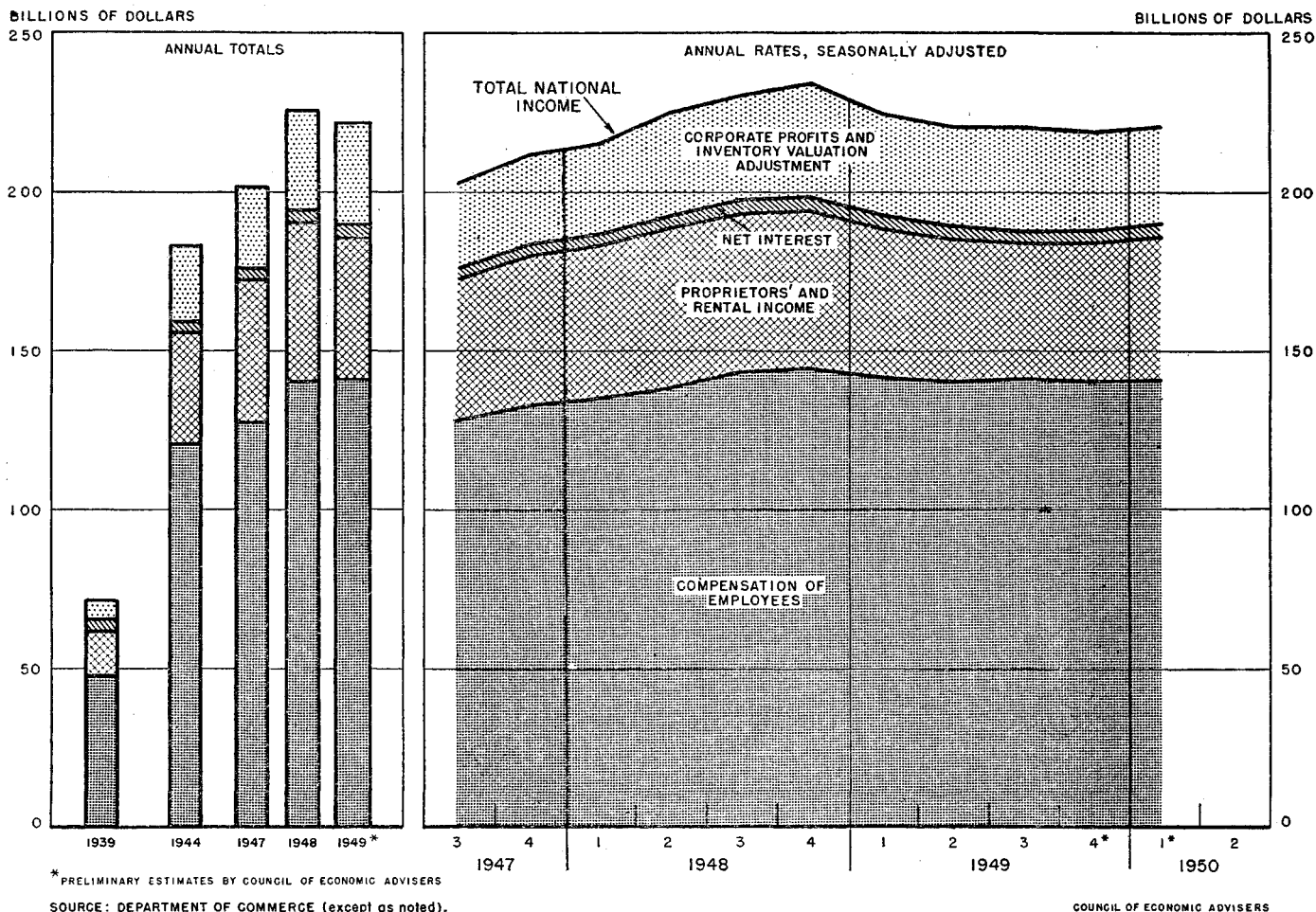
<sup>2</sup> Recorded general merchandise imports.

Sources: Department of Commerce, Department of the Army, and Department of the Navy.

# PURCHASING POWER

## NATIONAL INCOME

National income, after declining during each quarter of 1949, turned up in 1st quarter of 1950, according to preliminary data. The increase represented a rise in compensation of employees and proprietors' income.



[Billions of dollars]

Period	Total national income	Compensation of employees	Proprietors' (business, professional, farm) and rental income	Net interest	Corporate profits and inventory valuation adjustment		
					Total	Profits before taxes	Inventory valuation adjustment
1939	72.5	47.8	14.7	4.2	5.8	6.5	-0.7
1944	183.8	121.2	35.5	3.1	24.0	24.3	-0.3
1946	179.6	117.0	41.3	3.0	18.3	23.6	-5.3
1947	201.7	127.6	45.1	3.4	25.6	31.6	-6.0
1948	226.2	140.3	49.5	3.8	32.6	34.8	-2.2
1949	221.3	141.1	44.8	4.2	31.2	28.6	+2.6
Annual rates, seasonally adjusted							
1948: Third quarter	230.4	143.3	49.9	3.9	33.3	36.6	-3.3
1948: Fourth quarter	234.3	144.9	49.7	4.1	35.7	34.5	+1.2
1949: First quarter	224.7	141.9	47.1	4.1	31.6	29.4	+2.2
1949: Second quarter	220.8	140.8	45.1	4.2	30.7	26.4	+4.3
1949: Third quarter	220.7	141.1	43.1	4.2	32.3	28.9	+3.3
1949: Fourth quarter	219.1	140.9	43.7	4.3	30.2	29.5	+0.7
1950: First quarter <sup>1</sup>	220.3	141.7	44.3	4.3	30.0	30.5	-0.5

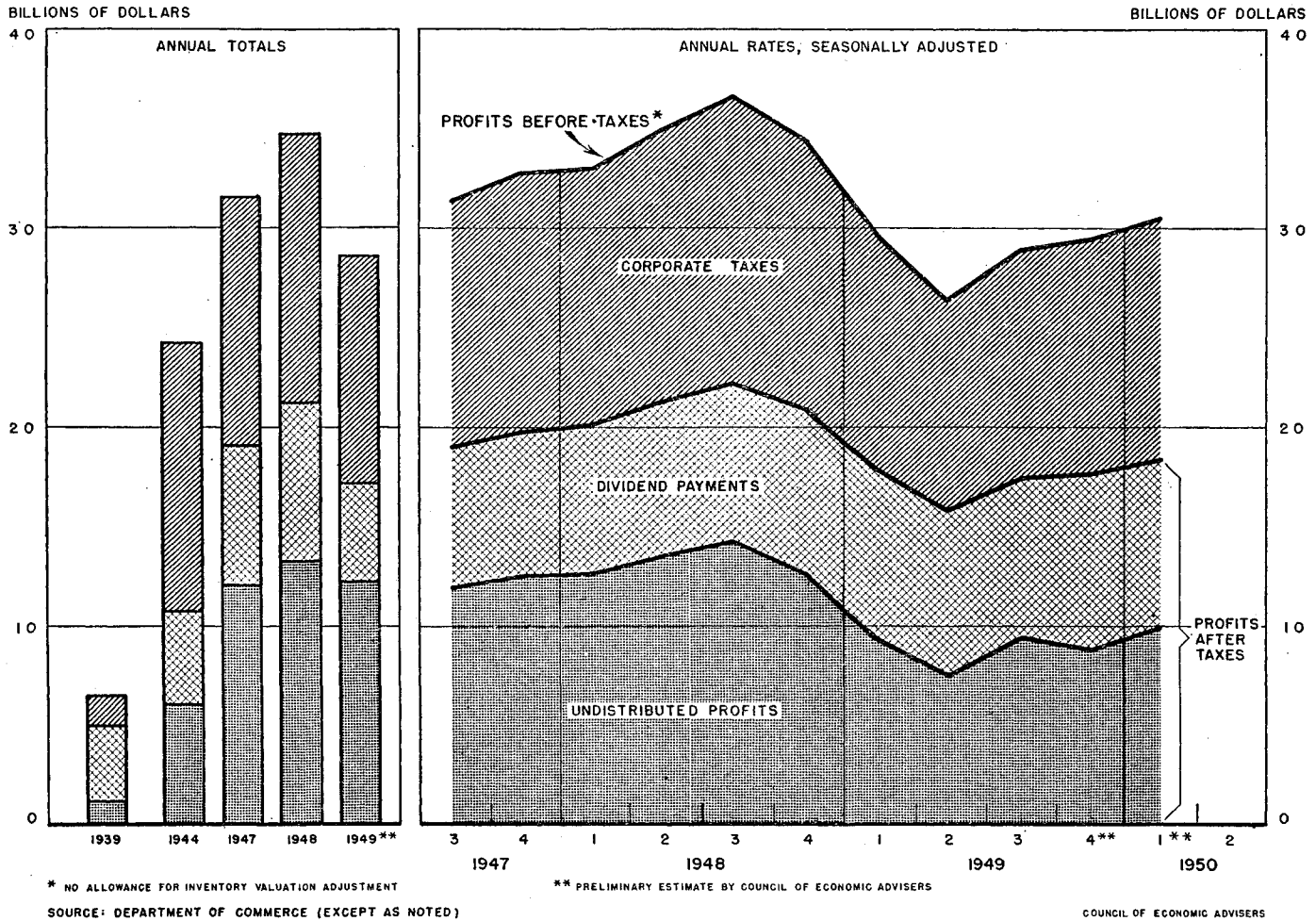
<sup>1</sup> Estimates by Council of Economic Advisers; based on incomplete data. Source: Department of Commerce (except as noted).

NOTE.—Detail will not necessarily add to totals because of rounding.



# CORPORATE PROFITS

Preliminary estimates indicate that the improvement in profits which began in the last half of 1949 has continued into 1950.



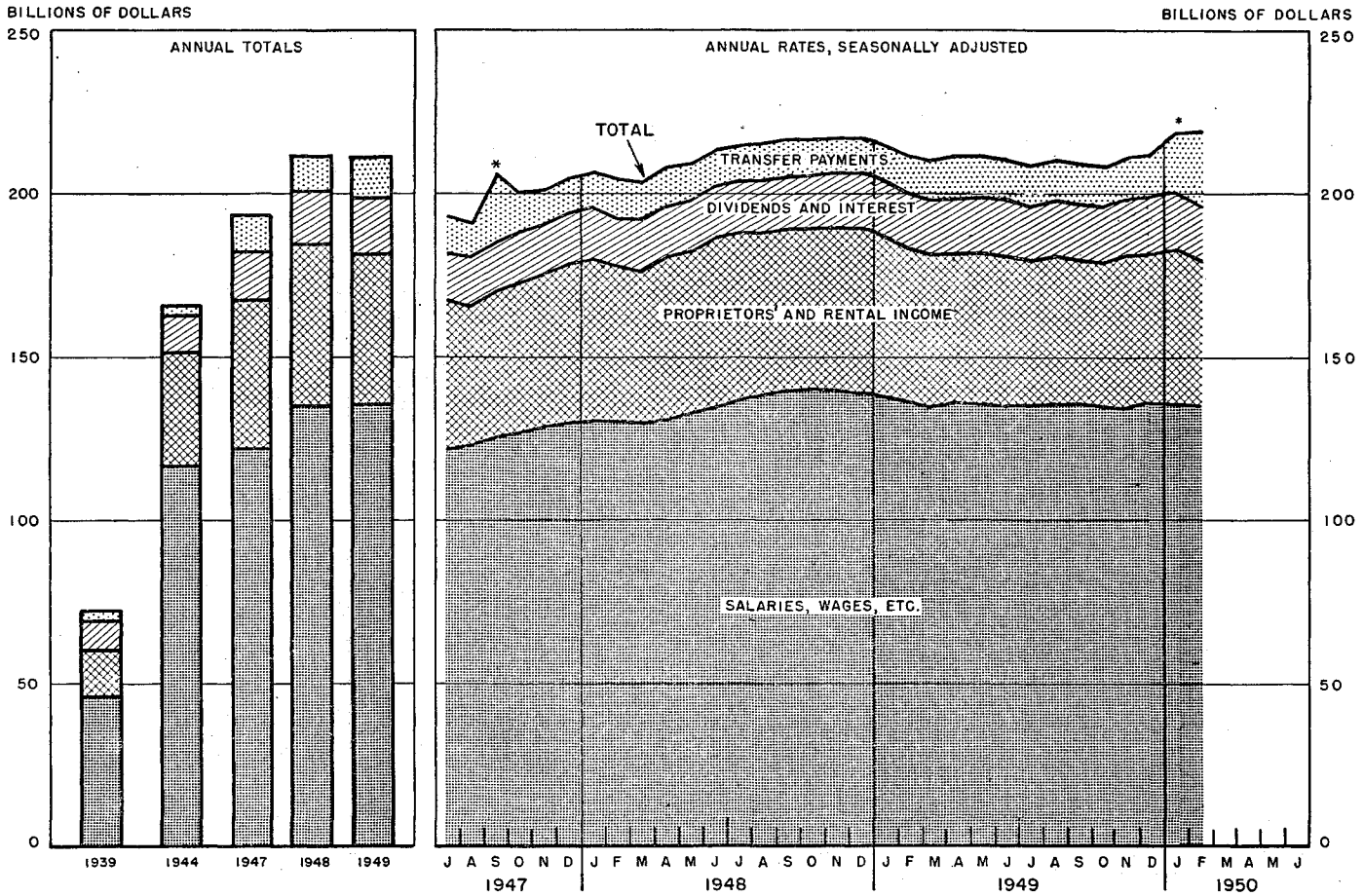
[Billions of dollars]

Period	Corporate profits before taxes	Corporate tax liability	Corporate profits after taxes		
			Total	Dividend payments	Undistributed profits
1929	9.8	1.4	8.4	5.8	2.6
1939	6.5	1.5	5.0	3.8	1.2
1944	24.3	13.5	10.8	4.7	6.1
1946	23.6	9.6	13.9	5.8	8.1
1947	31.6	12.5	19.1	7.0	12.1
1948	34.8	13.6	21.2	7.9	13.2
1949 <sup>1</sup>	28.6	11.3	17.2	8.4	8.8
<b>Annual rates, seasonally adjusted</b>					
1948: Third quarter	36.6	14.4	22.2	7.9	14.3
Fourth quarter	34.5	13.6	20.9	8.3	12.6
1949: First quarter	29.4	11.5	17.9	8.3	9.6
Second quarter	26.4	10.6	15.8	8.2	7.6
Third quarter	28.9	11.4	17.5	8.1	9.4
Fourth quarter <sup>1</sup>	29.5	11.8	17.7	8.9	8.8
1950: First quarter <sup>1</sup>	30.5	12.2	18.3	8.4	9.9

<sup>1</sup> Estimates by Council of Economic Advisers; based on incomplete data.  
 NOTE.—No allowance has been made for inventory valuation adjustment. See p. 20 for profits before taxes and inventory valuation adjustment.  
 Detail will not necessarily add to totals because of rounding.  
 Source: Department of Commerce (except as noted).

# PERSONAL INCOME

Personal income reached an all-time high in February as payments on the veterans' dividend were stepped up. Farm income declined as a smaller volume of crops were placed under loan.



\* TERMINAL LEAVE BOND CASHING STARTED IN SEPTEMBER, 1947; NATIONAL INSURANCE DIVIDEND PAYMENT STARTED IN JANUARY, 1950

SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]

Period	Total personal income	Salaries, wages, and other labor income	Proprietors' (business, professional, farm) and rental income	Dividends and personal interest	Transfer payments
1939.....	72.6	45.7	14.7	9.2	3.0
1944.....	165.9	116.2	35.5	10.6	3.6
1947.....	193.5	122.0	45.1	14.8	11.7
1948.....	211.9	135.1	49.5	16.2	11.1
1949.....	209.9	135.6	44.8	17.2	12.3
Annual rates, seasonally adjusted					
1949: January.....	214.6	137.9	48.5	17.0	11.2
February.....	211.3	136.1	46.6	17.0	11.6
March.....	210.2	134.4	46.2	17.0	12.6
April.....	210.5	136.0	45.0	17.1	12.4
May.....	210.2	135.8	45.2	17.0	12.2
June.....	209.4	135.0	45.1	17.0	12.3
July.....	207.2	135.1	42.8	16.9	12.4
August.....	209.1	135.5	43.9	17.1	12.6
September.....	208.3	135.8	42.7	17.2	12.6
October.....	207.0	134.8	42.9	17.3	12.0
November.....	209.4	134.7	44.9	17.4	12.4
December.....	211.9	136.6	43.5	18.9	12.8
1950: January.....	218.1	135.9	46.5	17.4	<sup>1</sup> 18.3
February <sup>2</sup> .....	219.1	135.7	43.9	17.4	22.1

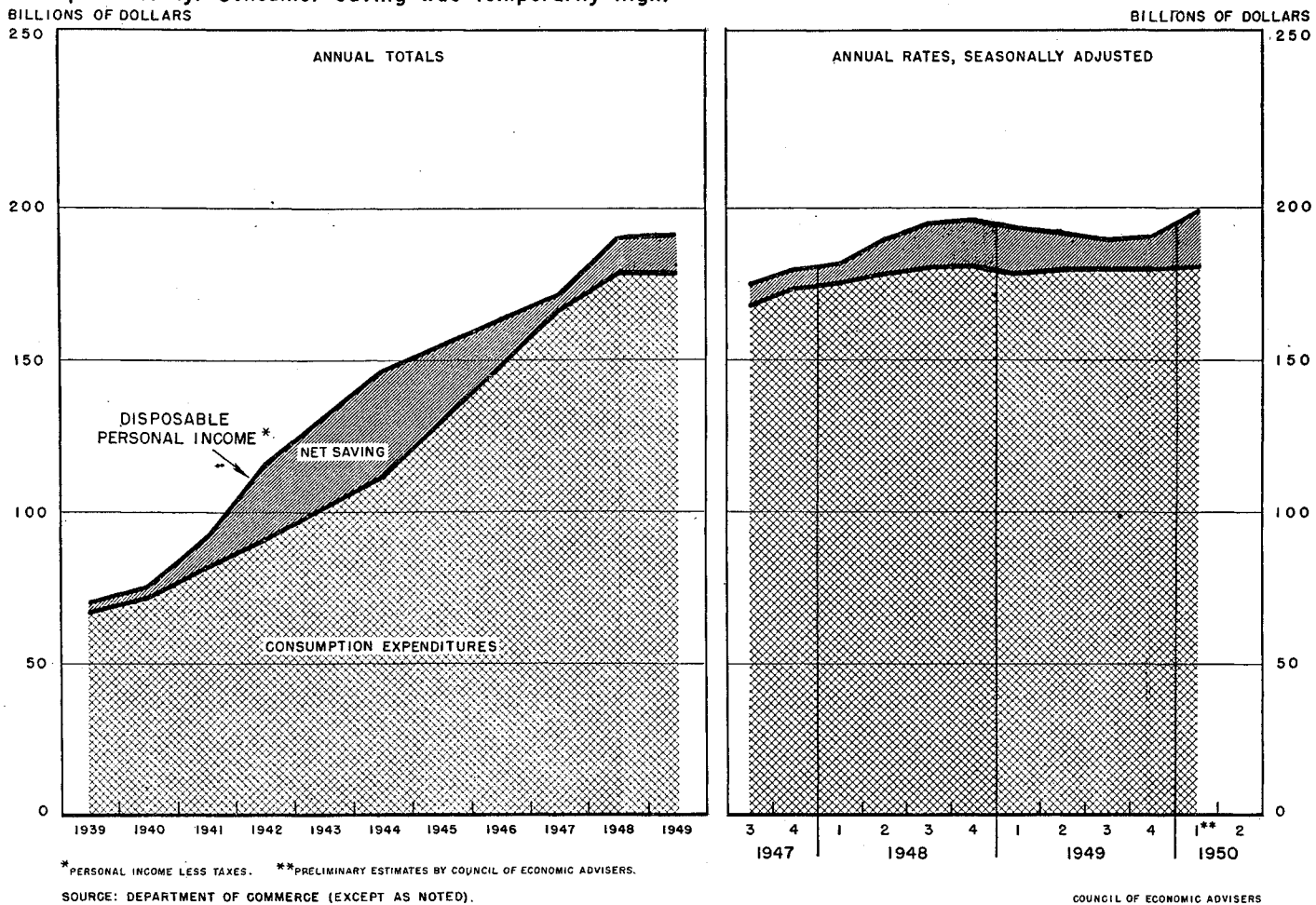
<sup>1</sup> Includes veterans' insurance dividend—\$5.4 billion, annual rate (or \$450 million, monthly total) in January and \$9.5 billion annual rate (\$800 million, monthly total) in February.

<sup>2</sup> Preliminary estimate.

NOTE.—Detail will not necessarily add to totals because of rounding. Source: Department of Commerce.

# CONSUMER INCOME, SPENDING, AND SAVING

Payment of the special insurance dividend to veterans during 1st quarter in 1950 distorted disposable personal income. It accounted for most of the increase of \$9 billion (annual rate). Expenditures increased by only \$1 billion, indicating that the insurance dividend was being spent slowly. Consumer saving was temporarily high.



[Billions of dollars]

Period	Disposable personal income <sup>1</sup>	Less: Personal consumption expenditures	Equals: Personal saving
1939	70.2	67.5	2.7
1940	75.7	72.1	3.7
1941	92.0	82.3	9.8
1942	116.2	90.8	25.4
1943	131.6	101.6	30.0
1944	147.0	111.6	35.4
1945	151.1	123.1	28.0
1946	158.1	147.8	10.3
1947	172.0	166.9	5.1
1948	190.8	178.8	12.0
1949	191.2	179.4	11.8
Annual rates, seasonally adjusted			
1948: Third quarter	195.2	180.3	15.0
1948: Fourth quarter	196.2	180.9	15.3
1949: First quarter	193.4	178.7	14.8
1949: Second quarter	191.4	179.3	12.1
1949: Third quarter	189.5	179.7	9.8
1949: Fourth quarter	190.7	179.8	10.8
1950: First quarter <sup>2</sup>	199.6	181.0	18.6

<sup>1</sup> Income less taxes.

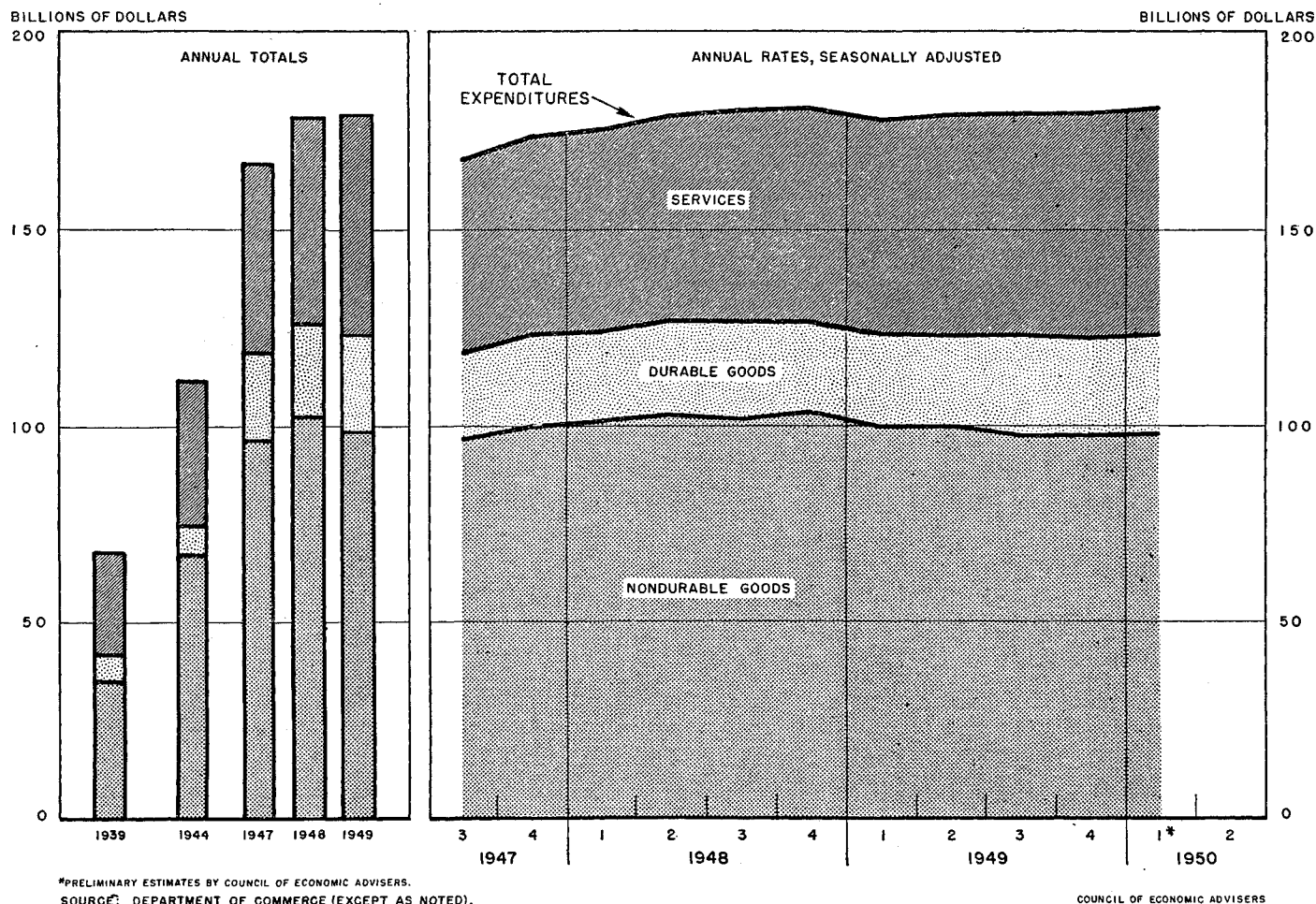
<sup>2</sup> Estimates by Council of Economic Advisers; based on incomplete data.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

# PERSONAL CONSUMPTION EXPENDITURES

Personal consumption expenditures in 1st quarter of 1950 were back to the peak rate of 4th quarter of 1948, according to preliminary estimates. Increased expenditures for durables and services since 1948 were partially offset by decreased expenditures for nondurables.



[Billions of dollars]

Period	Personal consumption expenditures			
	Total	Nondurable goods	Durable goods	Services
1939.....	67.5	35.3	6.7	25.5
1944.....	111.6	67.1	7.1	37.4
1946.....	147.8	86.8	16.5	44.5
1947.....	166.9	96.2	22.0	48.8
1948.....	178.8	102.2	23.5	53.1
1949.....	179.4	98.9	24.4	56.1
Annual rates, seasonally adjusted				
1948: Third quarter.....	180.3	101.8	24.8	53.7
Fourth quarter.....	180.9	103.3	22.9	54.8
1949: First quarter.....	178.7	100.4	23.0	55.3
Second quarter.....	179.3	99.8	23.6	55.9
Third quarter.....	179.7	97.6	25.7	56.5
Fourth quarter.....	179.8	97.7	25.2	56.9
1950: First quarter <sup>1</sup> .....	181.0	98.0	25.7	57.3

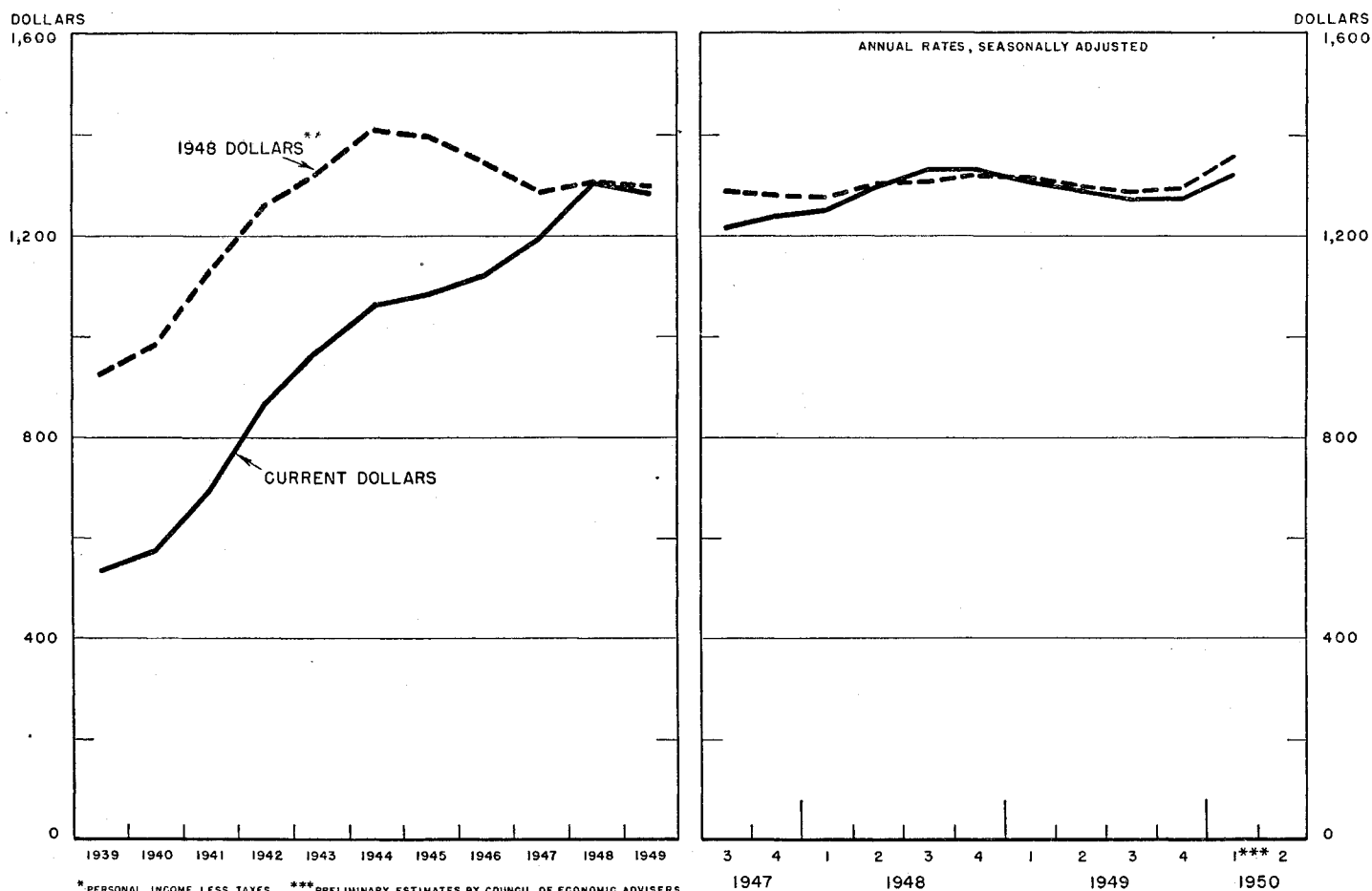
<sup>1</sup> Estimates by Council of Economic Advisers; based on incomplete data.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

# PER CAPITA INCOME<sup>1</sup>

Per capita disposable income (including veterans' insurance dividend) increased in 1st quarter of 1950, both in terms of current dollars and in real purchasing power, according to preliminary estimates.



<sup>1</sup> PERSONAL INCOME LESS TAXES    <sup>\*\*\*</sup> PRELIMINARY ESTIMATES BY COUNCIL OF ECONOMIC ADVISERS.

<sup>\*\*</sup> CURRENT DOLLARS DIVIDED BY THE CONSUMERS' PRICE INDEX ON THE BASE 1948=100

SOURCE: DEPARTMENT OF COMMERCE AND DEPARTMENT OF LABOR (EXCEPT AS NOTED).

COUNCIL OF ECONOMIC ADVISERS

Period	Per capita disposable personal income <sup>1</sup>		Consumers' price index <sup>2</sup> 1948=100
	Current dollars	1948 dollars <sup>3</sup>	
1939	\$536	\$923	58.1
1940	574	981	58.5
1941	691	1,125	61.4
1942	867	1,262	68.7
1943	970	1,314	73.8
1944	1,065	1,405	75.8
1945	1,082	1,389	77.9
1946	1,119	1,342	83.4
1947	1,194	1,282	93.1
1948	1,302	1,302	100.0
1949	1,281	1,297	98.8
	Annual rates, seasonally adjusted		Not adjusted for seasonal variation
1948: Third quarter	1,328	1,305	101.8
Fourth quarter	1,328	1,319	100.7
1949: First quarter	1,304	1,315	99.2
Second quarter	1,285	1,298	99.0
Third quarter	1,267	1,284	98.7
Fourth quarter	1,269	1,292	98.2
1950: First quarter <sup>4</sup>	1,323	1,360	97.3

<sup>1</sup> Income less taxes.

<sup>2</sup> Current dollars divided by the consumers' price index on the base 1948=100.

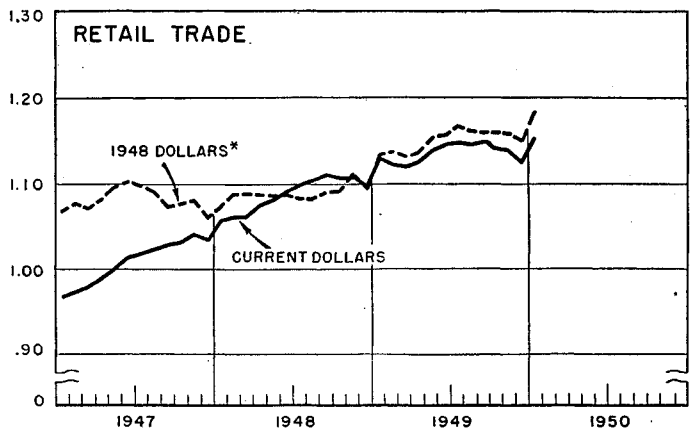
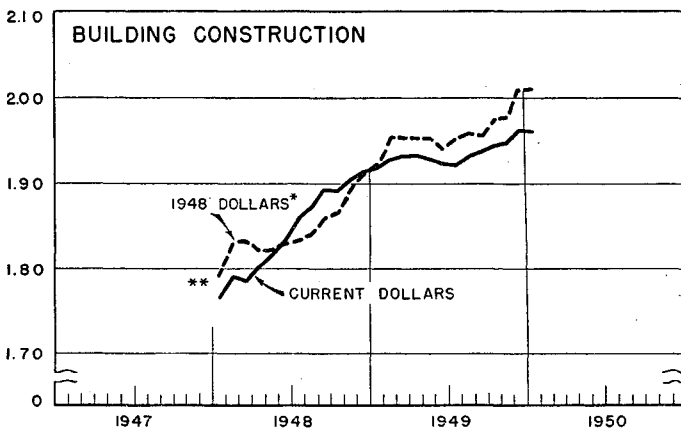
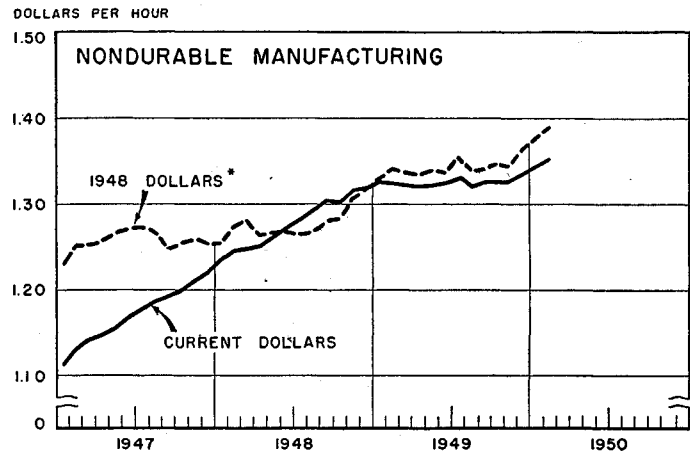
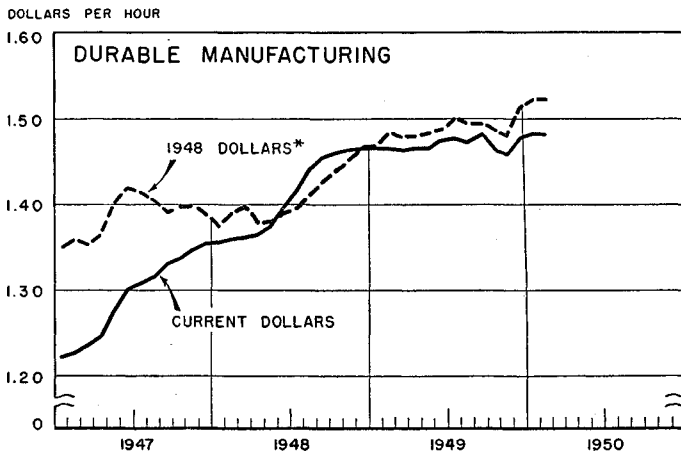
<sup>3</sup> The consumers' price index has been roughly adjusted to take account of the understatement from December 1941-February 1947. This adjustment is in line with the report of the Mitchell Committee. The unadjusted index will be found on page 3.

<sup>4</sup> Estimates by Council of Economic Advisers based on incomplete data.

Sources: Department of Commerce and Department of Labor.

# AVERAGE HOURLY EARNINGS - SELECTED INDUSTRIES

Hourly earnings for durable goods industries showed little change in February. But nondurable earnings increased partly because of the new minimum rates.



\* CURRENT DOLLARS DIVIDED BY CONSUMERS PRICE INDEX ON BASE OF 1948=100

\*\* NOT AVAILABLE PRIOR TO JANUARY 1948

SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[Selected industries <sup>1</sup>]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		Retail trade	
	Current dollars	1948 dollars <sup>2</sup>	Current dollars	1948 dollars <sup>2</sup>	Current dollars	1948 dollars <sup>2</sup>	Current dollars	1948 dollars <sup>2</sup>	Current dollars	1948 dollars <sup>2</sup>
1939 monthly average.....	\$0. 633	\$1. 090	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
1943 monthly average.....	. 961	1. 302	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
1946 monthly average.....	1. 084	1. 300	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
1947 monthly average.....	1. 237	1. 329	\$1. 292	\$1. 388	\$1. 171	\$1. 258	( <sup>3</sup> )	( <sup>3</sup> )	\$1. 009	\$1. 084
1948 monthly average.....	1. 350	1. 350	1. 410	1. 410	1. 278	1. 278	\$1. 848	\$1. 848	1. 088	1. 088
1949 monthly average <sup>4</sup> .....	1. 402	1. 419	1. 469	1. 487	1. 325	1. 342	1. 935	1. 960	1. 136	1. 151
1949: January.....	1. 405	1. 408	1. 467	1. 470	1. 327	1. 330	1. 918	1. 922	1. 132	1. 134
February.....	1. 401	1. 419	1. 466	1. 485	1. 323	1. 340	1. 930	1. 955	1. 123	1. 138
March.....	1. 400	1. 414	1. 464	1. 480	1. 323	1. 336	1. 933	1. 953	1. 121	1. 132
April.....	1. 401	1. 414	1. 467	1. 480	1. 321	1. 333	1. 934	1. 952	1. 127	1. 137
May.....	1. 401	1. 418	1. 467	1. 485	1. 323	1. 339	1. 930	1. 953	1. 141	1. 155
June.....	1. 405	1. 418	1. 475	1. 488	1. 324	1. 336	1. 924	1. 941	1. 147	1. 157
July.....	1. 408	1. 431	1. 477	1. 501	1. 332	1. 354	1. 922	1. 953	1. 148	1. 169
August.....	1. 399	1. 419	1. 473	1. 494	1. 319	1. 338	1. 932	1. 959	1. 146	1. 162
September.....	1. 407	1. 420	1. 482	1. 495	1. 328	1. 340	1. 938	1. 956	1. 150	1. 160
October.....	1. 392	1. 415	1. 458	1. 482	1. 325	1. 347	1. 944	1. 976	1. 140	1. 159
November.....	1. 392	1. 413	1. 457	1. 479	1. 325	1. 345	1. 947	1. 977	1. 138	1. 155
December <sup>4</sup> .....	1. 408	1. 440	1. 475	1. 508	1. 335	1. 365	1. 964	2. 008	1. 122	1. 147
1950: January <sup>4</sup> .....	1. 419	1. 455	1. 486	1. 524	1. 344	1. 378	1. 960	2. 010	1. 155	1. 185
February <sup>4</sup> .....	1. 420	1. 459	1. 482	1. 523	1. 352	1. 390	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )

<sup>1</sup> Production and related workers.

<sup>2</sup> Current dollars divided by consumers' price index on base 1948=100. See note 3 to table on page 25.

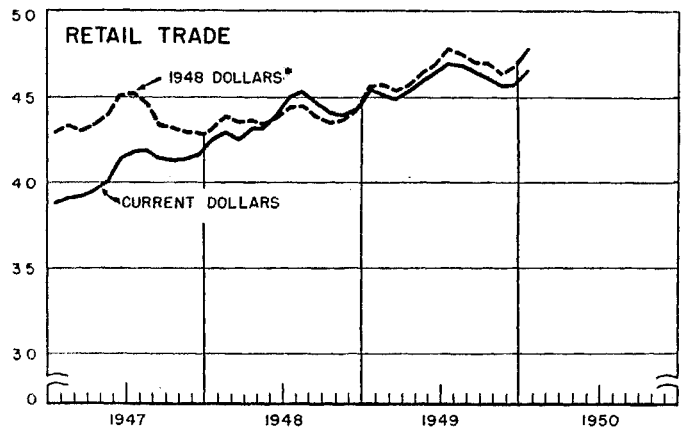
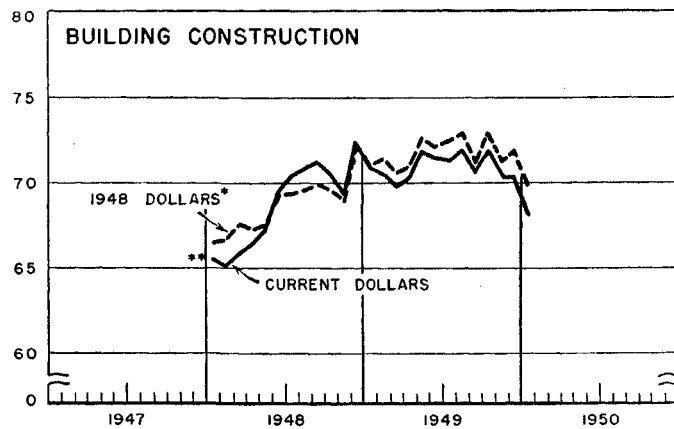
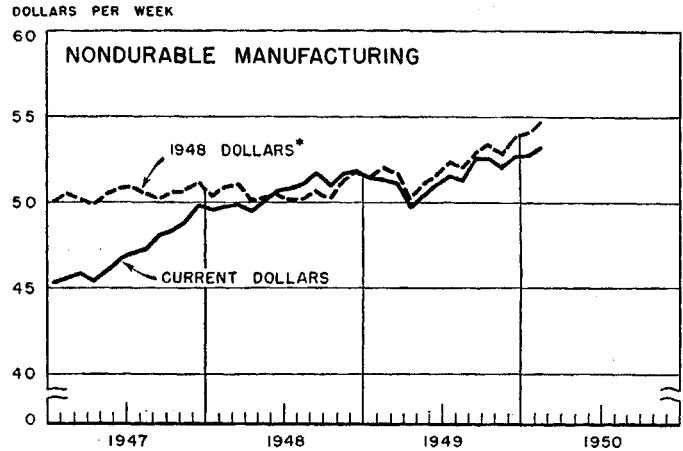
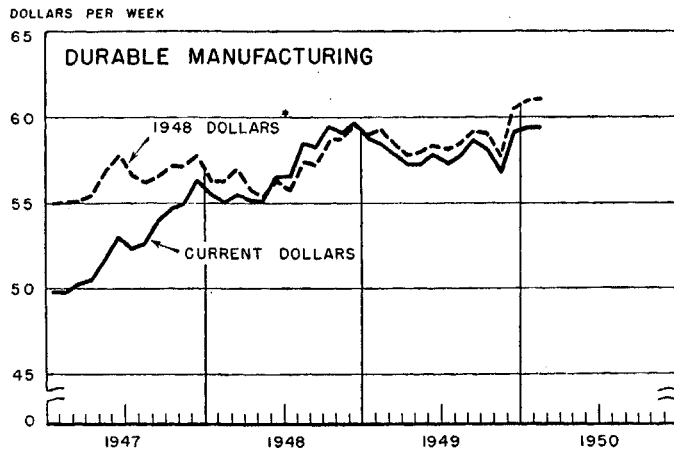
<sup>3</sup> Not available.

<sup>4</sup> Preliminary estimates.

Source: Department of Labor.

# AVERAGE WEEKLY EARNINGS - SELECTED INDUSTRIES

Although weekly earnings of \$59.43 in February for industries manufacturing durable goods were about the same as in January, there were divergent trends within the group. In nondurable goods industries, weekly earnings reached a new record high of \$53.27.



\* CURRENT DOLLARS DIVIDED BY CONSUMERS PRICE INDEX ON BASE OF 1948=100  
SOURCE: DEPARTMENT OF LABOR

\*\* NOT AVAILABLE PRIOR TO JANUARY 1948  
COUNCIL OF ECONOMIC ADVISORS

[Selected industries<sup>1</sup>]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		Retail trade	
	Current dollars	1948 dollars <sup>2</sup>	Current dollars	1948 dollars <sup>2</sup>	Current dollars	1948 dollars <sup>2</sup>	Current dollars	1948 dollars <sup>2</sup>	Current dollars	1948 dollars <sup>2</sup>
1939 monthly average	\$23.86	\$41.07	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
1943 monthly average	43.14	58.46	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
1946 monthly average	43.74	52.45	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
1947 monthly average	49.97	53.67	\$52.46	\$56.35	\$46.96	\$50.44	(3)	(3)	\$40.66	\$43.67
1948 monthly average	54.14	54.14	57.11	57.11	50.61	50.61	\$68.85	\$68.85	43.85	43.85
1949 monthly average <sup>4</sup>	54.90	55.58	57.95	58.67	51.46	52.10	70.92	71.80	45.92	46.50
1949: January	55.50	55.61	58.83	58.95	51.35	51.45	70.88	71.02	45.51	45.60
February	55.20	55.93	58.49	59.26	51.33	52.01	70.53	71.46	45.14	45.73
March	54.74	55.29	57.83	58.41	51.07	51.59	69.83	70.54	44.95	45.40
April	53.80	54.29	57.21	57.73	49.67	50.12	70.33	70.97	45.31	45.72
May	54.08	54.74	57.21	57.90	50.41	51.02	71.81	72.68	45.98	46.54
June	54.51	55.00	57.82	58.35	50.97	51.43	71.44	72.09	46.45	46.87
July	54.63	55.52	57.31	58.24	51.55	52.39	71.23	72.44	46.95	47.81
August	54.70	55.48	57.89	58.71	51.31	52.04	71.95	72.97	46.87	47.54
September	55.72	56.23	58.69	59.22	52.59	53.07	70.69	71.33	46.58	47.00
October	55.26	56.16	58.17	59.12	52.47	53.32	71.80	72.97	46.06	46.81
November	54.43	55.26	56.82	57.68	52.07	52.86	70.21	71.28	45.63	46.32
December <sup>4</sup>	56.18	57.44	59.15	60.48	52.73	53.92	70.26	71.84	45.67	46.70
1950: January <sup>4</sup>	6.33	57.77	59.44	60.96	52.82	54.17	68.20	69.95	46.66	47.86
February <sup>4</sup>	56.37	57.93	59.43	61.08	53.27	54.75	(3)	(3)	(3)	(3)

<sup>1</sup> For production and related workers.

<sup>2</sup> Current dollars divided by consumers' price index on the base 1948=100. See note 3 to table on page 25.

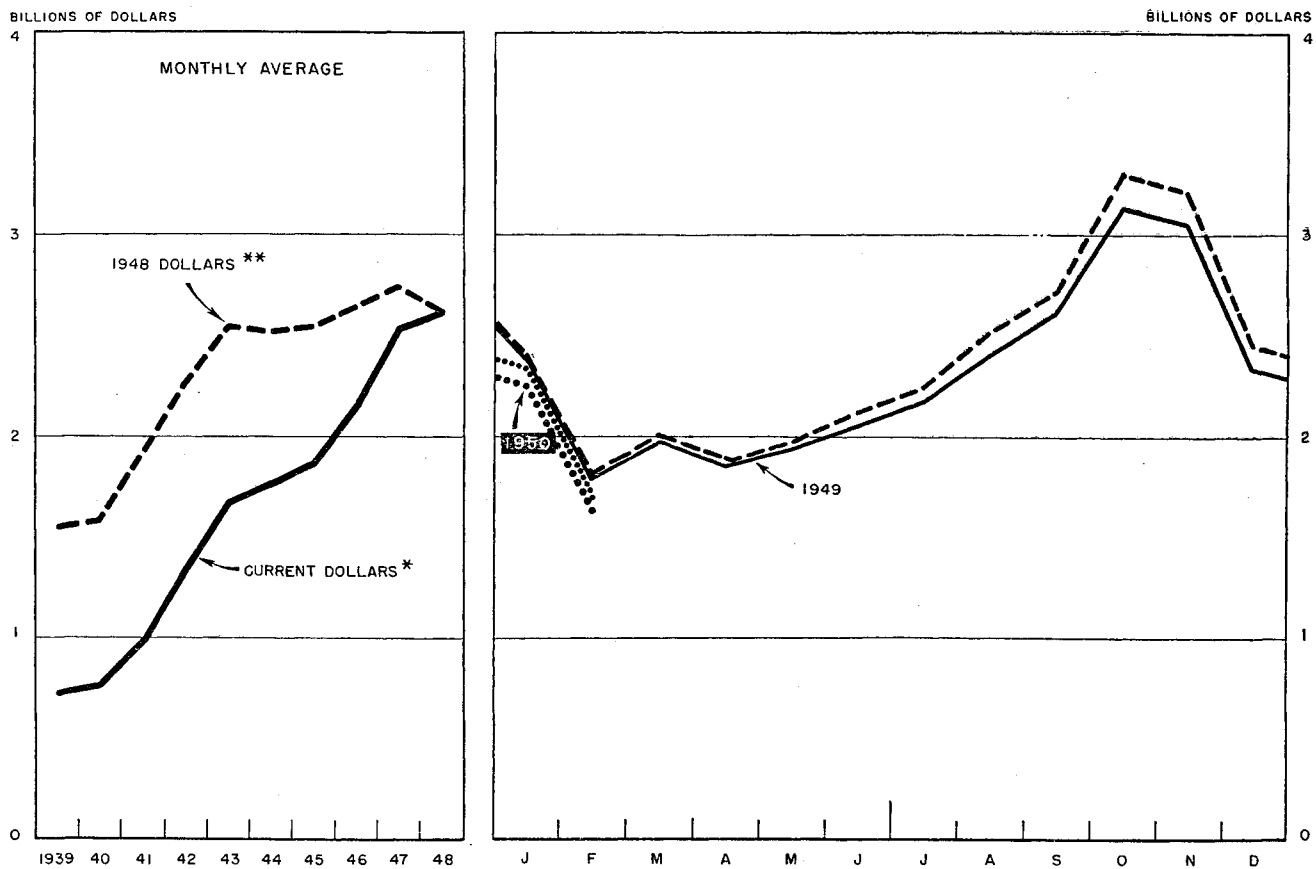
<sup>3</sup> Not available.

<sup>4</sup> Preliminary estimates.

Source: Department of Labor.

# FARM INCOME

Farmers' cash receipts in February, usually a low month, were substantially smaller than in January, both for crops and for livestock products. Total February receipts were nearly 10 percent smaller than in February 1949.



\* INCLUDES CASH FARM INCOME FROM MARKETING AND GOVERNMENT PAYMENTS.  
 \*\* FARM INCOME IN CURRENT DOLLARS DIVIDED BY PRICES PAID BY FARMERS, INTEREST, TAXES, AND WAGE RATES, 1948=100.  
 SOURCE: DEPARTMENT OF AGRICULTURE.

COUNCIL OF ECONOMIC ADVISERS

Period	Farm income (millions of current dollars) <sup>1</sup>	Prices paid by farmers (incl. interest, taxes, and wage rates) 1948=100 <sup>2</sup>	Farm income (millions of 1948 dollars) <sup>3</sup>
1939 monthly average.....	724	47	1,540
1941 monthly average.....	981	51	1,924
1942 monthly average.....	1,340	59	2,271
1944 monthly average.....	1,765	70	2,521
1945 monthly average.....	1,857	73	2,544
1946 monthly average.....	2,110	80	2,638
1947 monthly average.....	2,542	93	2,733
1948 monthly average.....	2,609	100	2,609
1949 monthly average.....	2,309	97	2,380
1949: January.....	2,383	99	2,407
February.....	1,783	97	1,838
March.....	1,973	98	2,013
April.....	1,850	98	1,888
May.....	1,944	98	1,984
June.....	2,053	97	2,116
July.....	2,177	97	2,244
August.....	2,417	96	2,518
September.....	2,608	96	2,717
October.....	3,139	95	3,304
November.....	3,050	95	3,211
December.....	2,326	95	2,448
1950: January <sup>4</sup> .....	2,254	96	2,348
February <sup>4</sup> .....	1,625	96	1,693

<sup>1</sup> Includes cash farm income from marketings and Government payments.

<sup>2</sup> Converted from the reported base, 1910-14=100, to the base 1948=100.

<sup>3</sup> Farm income in current dollars divided by prices paid by farmers, interest, taxes, and wage rates, 1948=100.

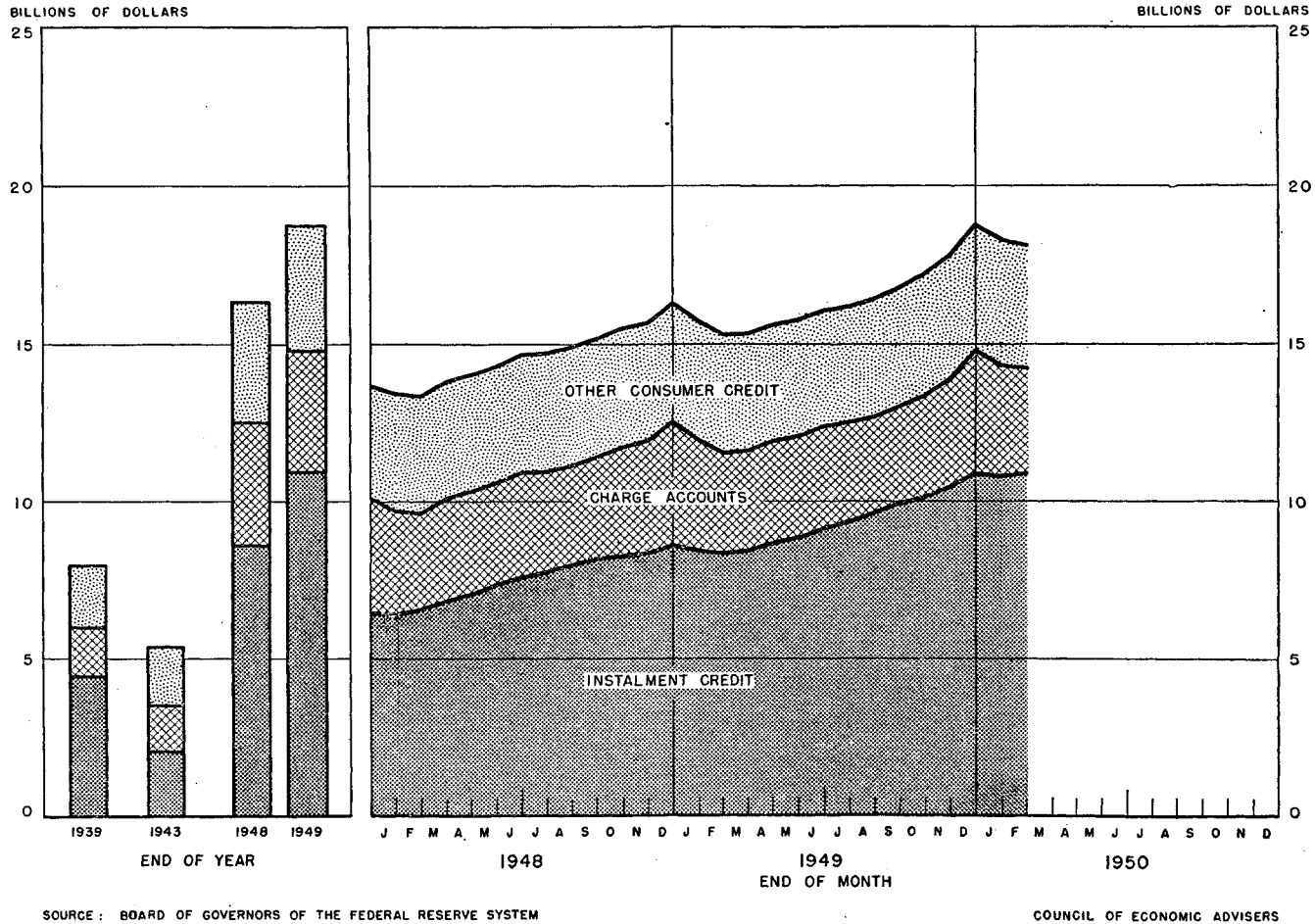
<sup>4</sup> Preliminary estimates.

Source: Department of Agriculture.



# CONSUMER CREDIT

Charge accounts declined seasonally in February while automobile credit continued to rise.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

End of period	Total consumer credit outstanding	Instalment credit			Charge accounts	Other consumer credit <sup>1</sup>
		Total	Automobile sale credit	Other sale credit and loans		
1939.....	7,969	4,424	1,267	3,157	1,544	2,001
1943.....	5,378	2,001	175	1,826	1,498	1,879
1946.....	10,191	4,000	544	3,456	3,054	3,137
1947.....	13,673	6,434	1,151	5,283	3,612	3,627
1948.....	16,319	8,600	1,961	6,639	3,854	3,865
1949.....	18,779	10,890	3,144	7,746	3,909	3,980
1949: January.....	15,748	8,424	1,965	6,459	3,457	3,867
February.....	15,325	8,339	1,996	6,343	3,169	3,817
March.....	15,335	8,429	2,105	6,324	3,121	3,785
April.....	15,595	8,630	2,241	6,389	3,232	3,733
May.....	15,843	8,888	2,386	6,502	3,235	3,720
June.....	16,124	9,123	2,499	6,624	3,274	3,727
July.....	16,198	9,335	2,610	6,725	3,123	3,740
August.....	16,453	9,622	2,761	6,861	3,064	3,767
September.....	16,803	9,899	2,876	7,023	3,123	3,781
October.....	17,223	10,166	2,986	7,180	3,197	3,860
November.....	17,815	10,441	3,085	7,356	3,454	3,920
December.....	18,779	10,890	3,144	7,746	3,909	3,980
1950: January.....	18,347	10,839	3,179	7,660	3,506	4,002
February <sup>2</sup> .....	18,126	10,892	3,258	7,634	3,227	4,007

<sup>1</sup> Includes single-payment loans of commercial banks and pawnbrokers and service credit.

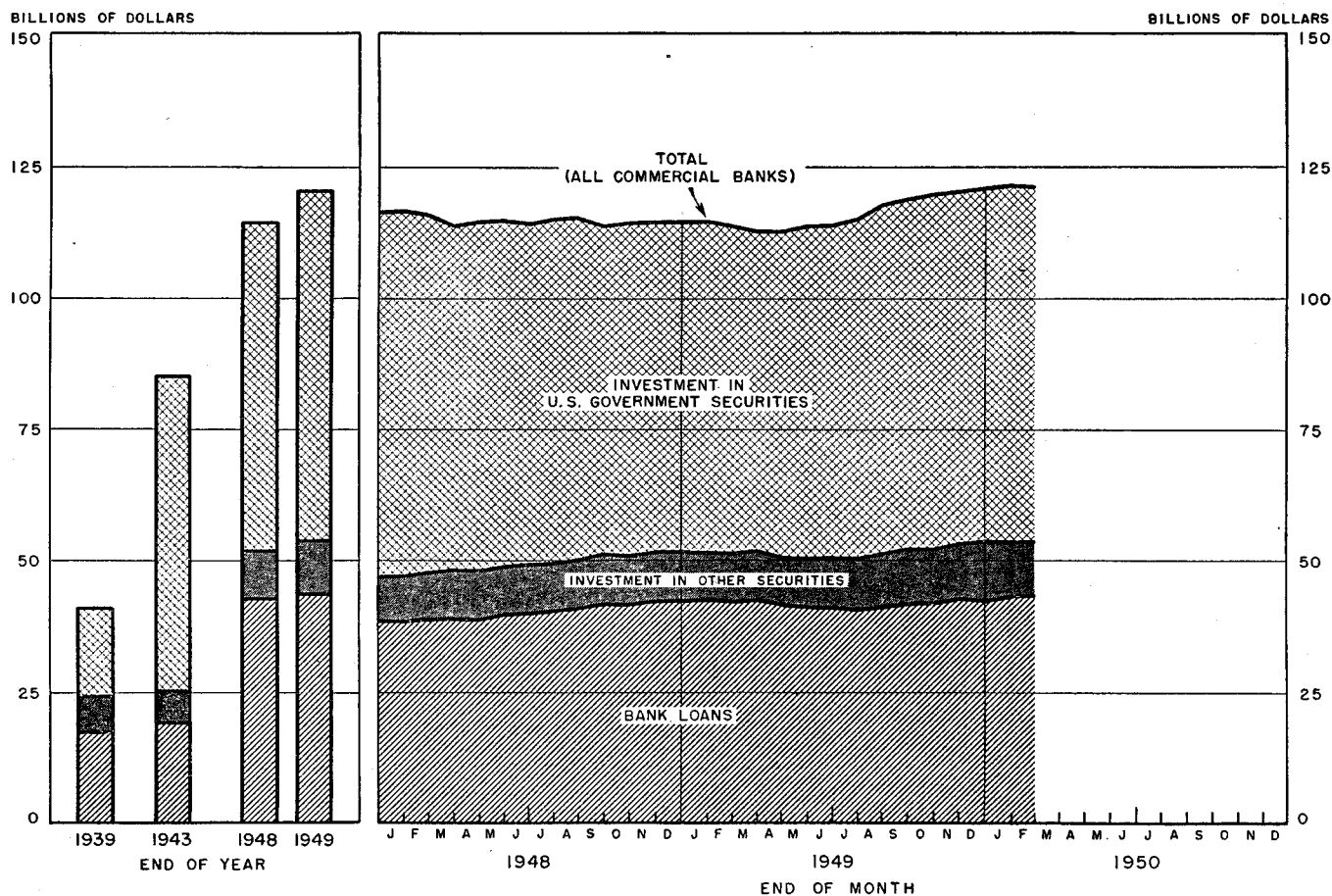
<sup>2</sup> Preliminary estimates.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve System.

## BANK LOANS AND INVESTMENTS

Loans of commercial banks rose moderately in February. U.S. Government security holdings were about \$1 billion lower.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars, all commercial banks]

End of period	Total loans and investments	Bank loans	Investments		
			Total	U. S. Government securities	Other securities
1929.....	49.5	36.0	13.5	4.8	8.7
1939.....	40.7	17.2	23.4	16.3	7.1
1945.....	124.0	26.1	97.9	90.6	7.3
1947.....	116.3	38.1	78.2	69.2	9.0
1948.....	114.3	42.5	71.8	62.6	9.2
1949.....	120.8	43.3	77.5	67.3	10.2
1949: January.....	114.5	42.4	72.0	63.0	9.1
February.....	113.4	42.0	71.4	62.2	9.1
March.....	112.5	42.4	70.1	60.9	9.2
April.....	112.5	41.3	71.2	62.0	9.2
May.....	113.4	40.9	72.6	63.2	9.3
June.....	113.8	41.0	72.7	63.2	9.5
July.....	114.8	40.5	74.3	64.4	9.8
August.....	117.9	41.2	76.7	66.7	10.0
September.....	118.8	41.8	77.0	66.8	10.2
October.....	119.8	41.9	77.9	67.7	10.2
November.....	120.2	42.9	77.3	67.1	10.2
December.....	120.8	43.3	77.5	67.3	10.2
1950: January.....	121.6	43.1	78.5	68.2	10.4
February <sup>1</sup> .....	121.0	43.3	77.8	67.2	10.4

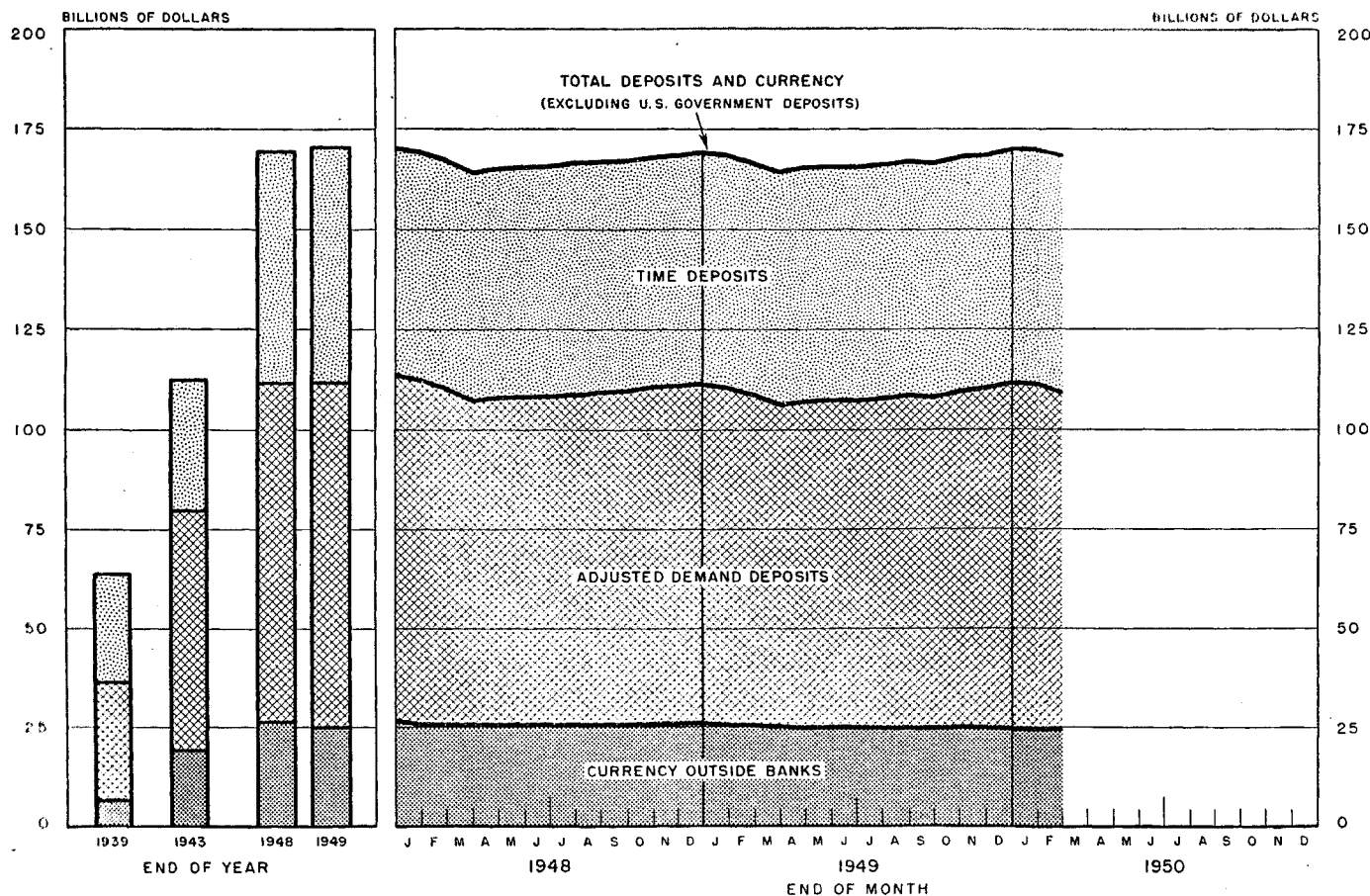
<sup>1</sup> Preliminary estimates.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve System.

# MONEY SUPPLY

The decline of \$1.5 billion in the money supply in February was primarily a reflection of seasonal factors.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]

End of period	Total money supply	Currency outside banks	Adjusted demand deposits <sup>1</sup>	Time deposits <sup>2</sup>
1939.....	63.3	6.4	29.8	27.1
1943.....	112.4	18.8	60.8	32.7
1946.....	164.0	26.7	83.3	54.0
1947.....	170.0	26.5	87.1	56.4
1948.....	169.1	26.1	85.5	57.5
1949.....	170.1	25.0	86.7	58.4
1949: January.....	168.2	25.2	85.4	57.6
February.....	166.3	25.1	83.4	57.8
March.....	164.2	25.1	81.1	58.0
April.....	165.5	24.9	82.4	58.1
May.....	165.6	25.0	82.5	58.2
June.....	165.6	25.3	81.9	58.5
July.....	166.3	24.9	83.1	58.4
August.....	166.9	25.1	83.4	58.4
September.....	166.6	24.9	83.3	58.4
October.....	168.0	24.9	84.6	58.4
November.....	168.6	25.1	85.5	58.0
December.....	170.1	25.0	86.7	58.4
1950: January.....	170.0	24.5	86.8	58.7
February <sup>3</sup> .....	168.5	24.7	84.9	58.9

<sup>1</sup> Includes demand deposits, other than interbank and U. S. Government, less cash items in process of collection.

<sup>2</sup> Includes deposits in commercial banks, mutual savings banks, and Postal Savings System.

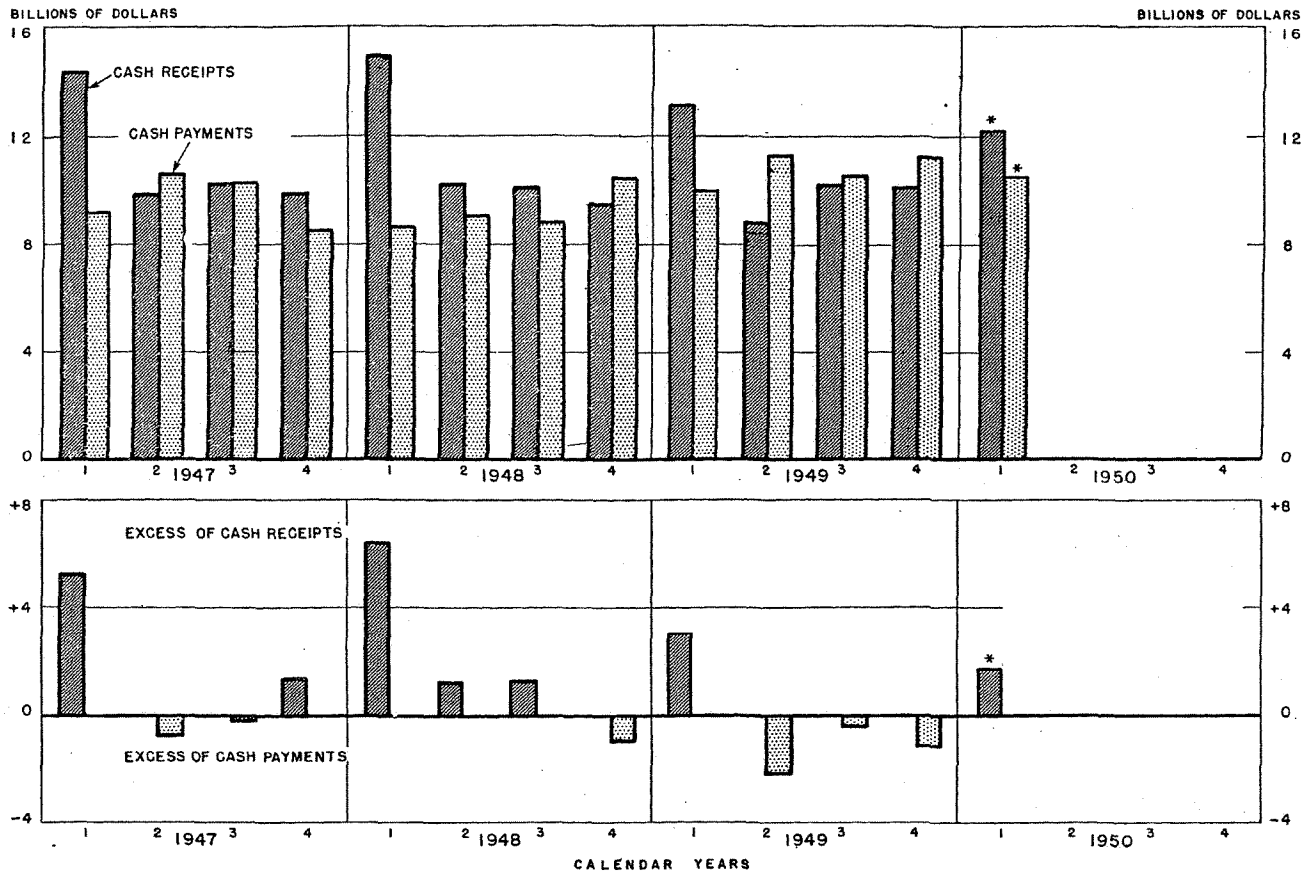
<sup>3</sup> Preliminary estimates.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve System.

# FEDERAL CASH RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

The cash surplus of about \$1.7 billion for the 1st quarter of 1950 compares with a surplus of about \$3.2 billion for the same quarter of 1949, reflecting a decline of about \$900 million in receipts and an increase of \$500 million in payments.



\* PRELIMINARY ESTIMATES

SOURCE: BUREAU OF THE BUDGET AND TREASURY DEPARTMENT.

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

Calendar years	Federal cash receipts from the public <sup>1</sup>	Federal cash payments to the public <sup>1</sup>	Excess of receipts (+) or payments (-)
<b>Calendar year total:</b>			
1946.....	41,426	41,372	+54
1947.....	44,279	38,584	+5,695
1948.....	44,920	36,954	+7,967
1949.....	41,346	42,634	-1,288
<b>Quarterly total, not adjusted for seasonal:</b>			
1947: First quarter.....	14,345	9,163	+5,182
Second quarter.....	9,847	10,628	-781
Third quarter.....	10,220	10,257	-37
Fourth quarter.....	9,869	8,536	+1,331
1948: First quarter.....	15,037	8,637	+6,400
Second quarter.....	10,238	9,033	+1,205
Third quarter.....	10,085	8,798	+1,287
Fourth quarter.....	9,560	10,486	-925
1949: First quarter.....	13,122	9,964	+3,158
Second quarter.....	8,814	11,389	-2,575
Third quarter.....	10,143	10,528	-385
Fourth quarter.....	9,267	10,753	-1,486
1950: First quarter <sup>2</sup> .....	12,200	10,500	+1,700

<sup>1</sup> Payments of refunds of Government receipts are now reported as deductions from total receipts; previously, they were reported as expenditures.

<sup>2</sup> Preliminary estimates based on incomplete data.

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Treasury Department and Bureau of the Budget.

For sale by the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.  
Price 15 cents per copy; \$1.75 per year; \$2.25 foreign