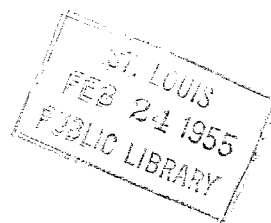


84th Congress, 1st Session

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# Economic Indicators

## **FEBRUARY 1955**

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

UNITED STATES  
GOVERNMENT PRINTING OFFICE  
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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 one 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.

*Charts drawn by Graphics Unit, Office of the Secretary, Department of Commerce*

# Contents

## THE TOTAL OUTPUT OF THE ECONOMY

	Page
The Nation's Economic Accounts.....	1
Gross National Product or Expenditure.....	2

## PRICES

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

## EMPLOYMENT AND WAGES

Status of the Labor Force .....	7
Nonagricultural Employment.....	8
Average Weekly Hours—Selected Industries.....	9
Average Hourly Earnings—Selected Industries.....	10
Average Weekly Earnings—Selected Industries.....	11

## PRODUCTION AND BUSINESS ACTIVITY

Industrial Production.....	12
Production of Selected Manufactures.....	13
Selected Weekly Indicators.....	14
Gross Private Domestic Investment.....	15
Expenditures for New Plant and Equipment.....	16
New Construction.....	17
New Housing Starts.....	18
Sales and Inventories—Manufacturing and Trade.....	19
Merchandise Exports and Imports.....	20

## PURCHASING POWER

National Income.....	21
Corporate Profits.....	22
Sources of Personal Income.....	23
Disposition of Personal Income.....	24
Per Capita Disposable Income.....	25
Farm Income.....	26

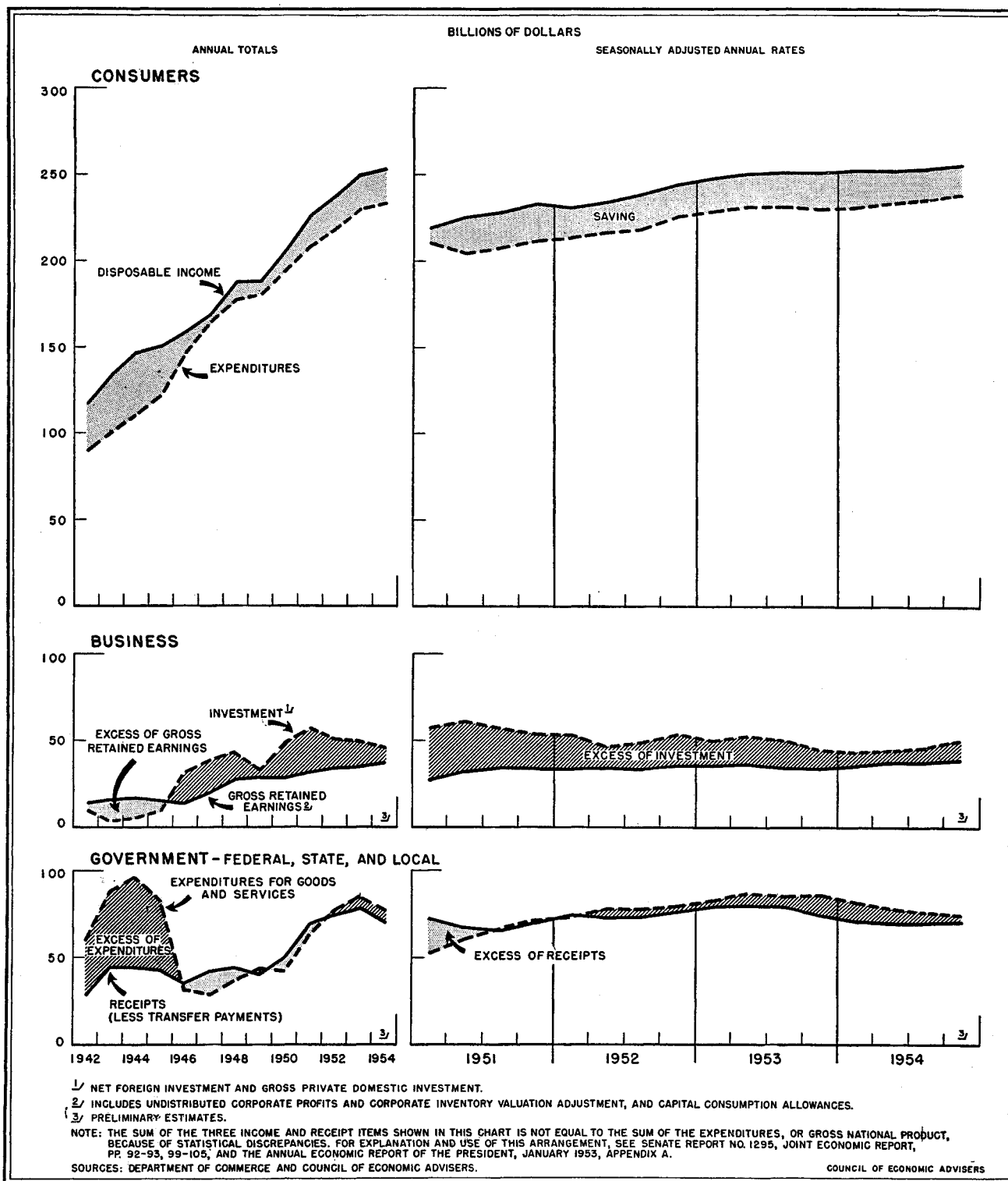
## CREDIT, MONEY, AND FEDERAL FINANCE

Bank Loans, Investments, and Reserves.....	27
Consumer Credit.....	28
Bond Yields and Interest Rates.....	29
Money Supply.....	30
Federal Budget Receipts and Expenditures.....	31
Federal Cash Receipts From and Payments to the Public.....	32

# THE TOTAL OUTPUT OF THE ECONOMY

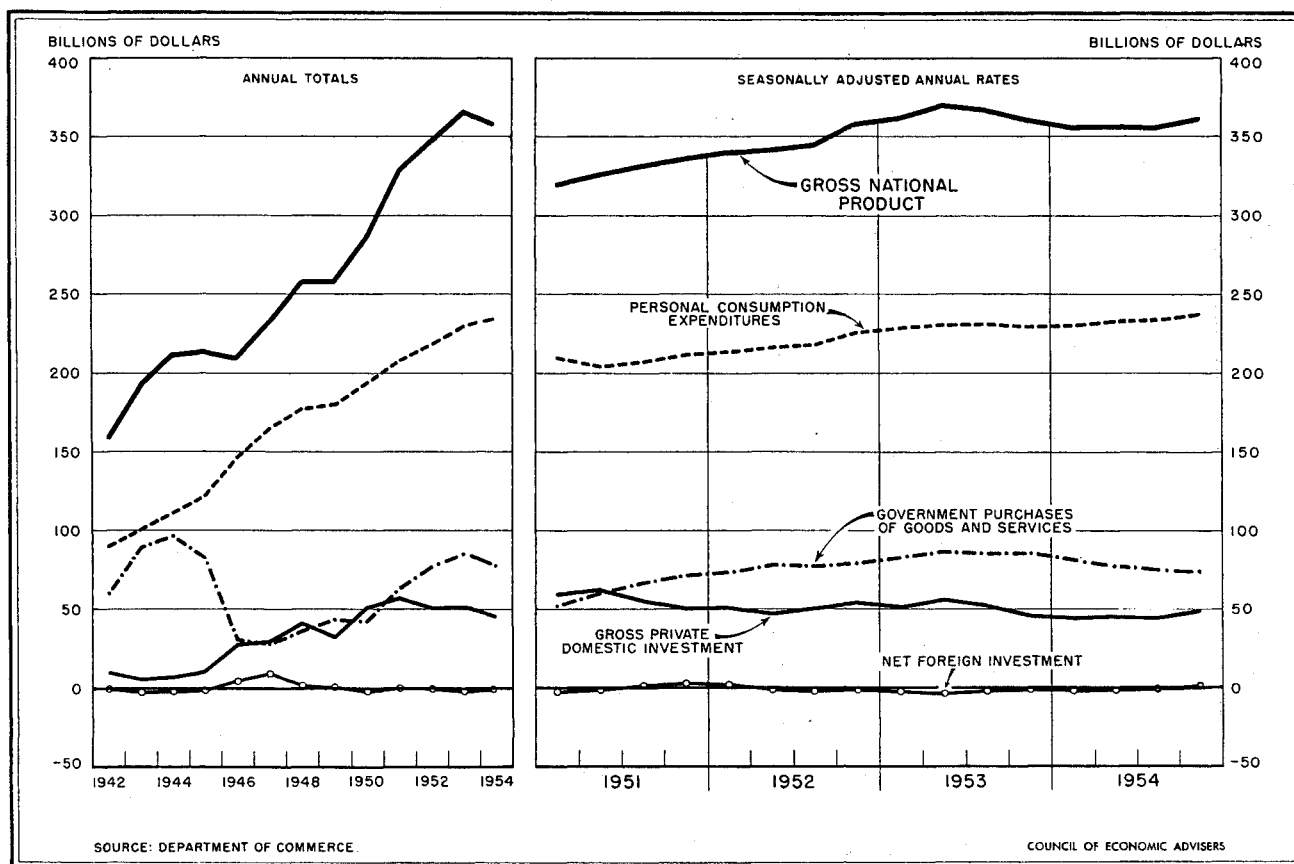
## THE NATION'S ECONOMIC ACCOUNTS

Estimates of total income and expenditures for the fourth quarter of 1954 reflected the substantial rise in over-all economic activity during the latter part of the year.



# GROSS NATIONAL PRODUCT OR EXPENDITURE

Gross national product rose substantially in the fourth quarter of 1954. The rise of \$6½ billion (seasonally adjusted annual rate) was due mainly to increases in consumer expenditures and in private investment.



[Billions of dollars]

Period	Total gross national product	Personal consumption expenditures	Gross private domestic investment	Net foreign investment	Government purchases of goods and services				
					Total <sup>1</sup>	Federal			State and local
						Total <sup>1</sup>	National security <sup>2</sup>	Other	
1939.....	91.1	67.6	9.3	0.9	13.3	5.2	1.3	3.9	8.2
1944.....	211.4	109.8	7.1	-2.1	96.5	89.0	88.6	1.6	7.5
1946.....	209.2	146.6	27.1	4.6	30.9	20.9	21.2	2.5	10.0
1948.....	257.3	177.6	41.2	2.0	36.6	21.0	16.0	5.6	15.6
1949.....	257.3	180.6	32.5	.5	43.6	25.4	19.3	6.6	18.2
1950.....	285.1	194.0	51.2	-2.2	42.0	22.1	18.5	3.9	19.9
1951.....	328.2	208.3	56.9	.2	62.8	41.0	37.3	4.2	21.8
1952.....	346.1	218.4	50.7	-.2	77.2	54.0	48.5	5.8	23.2
1953.....	364.9	230.1	51.4	-1.9	85.2	60.1	52.0	8.5	25.1
1954.....	357.2	234.0	46.1	-.4	77.5	50.0	43.6	6.7	27.5
Seasonally adjusted annual rates									
1953: Third quarter.....	367.2	231.2	52.4	-1.8	85.4	60.3	52.3	8.4	25.1
Fourth quarter.....	360.5	229.7	45.5	-.6	86.0	59.8	50.6	9.6	26.2
1954: First quarter.....	355.8	230.5	44.5	-1.1	81.9	55.0	46.9	8.4	26.9
Second quarter.....	356.0	233.1	45.6	-1.0	78.3	51.3	44.7	6.9	27.0
Third quarter.....	355.5	234.8	45.3	-.2	75.6	47.9	42.1	6.1	27.7
Fourth quarter.....	362.0	237.7	49.5	.8	74.1	45.9	40.5	5.6	28.2

<sup>1</sup> Less Government sales.

<sup>2</sup> Includes expenditures for military services, international security and foreign relations (except foreign loans), development and control of atomic energy, promotion of the merchant marine, promotion of defense production and economic stabilization, and civil defense. For further details, see *Economic Report of the President, January 1955* (p. 137), and *National Income, 1954 Edition* (p. 148). These expenditures are not comparable with the "national security" category in *The Budget of the U. S. Government for the Fiscal Year Ending June 30, 1955*, and shown on p. 31 of *Economic Indicators*.

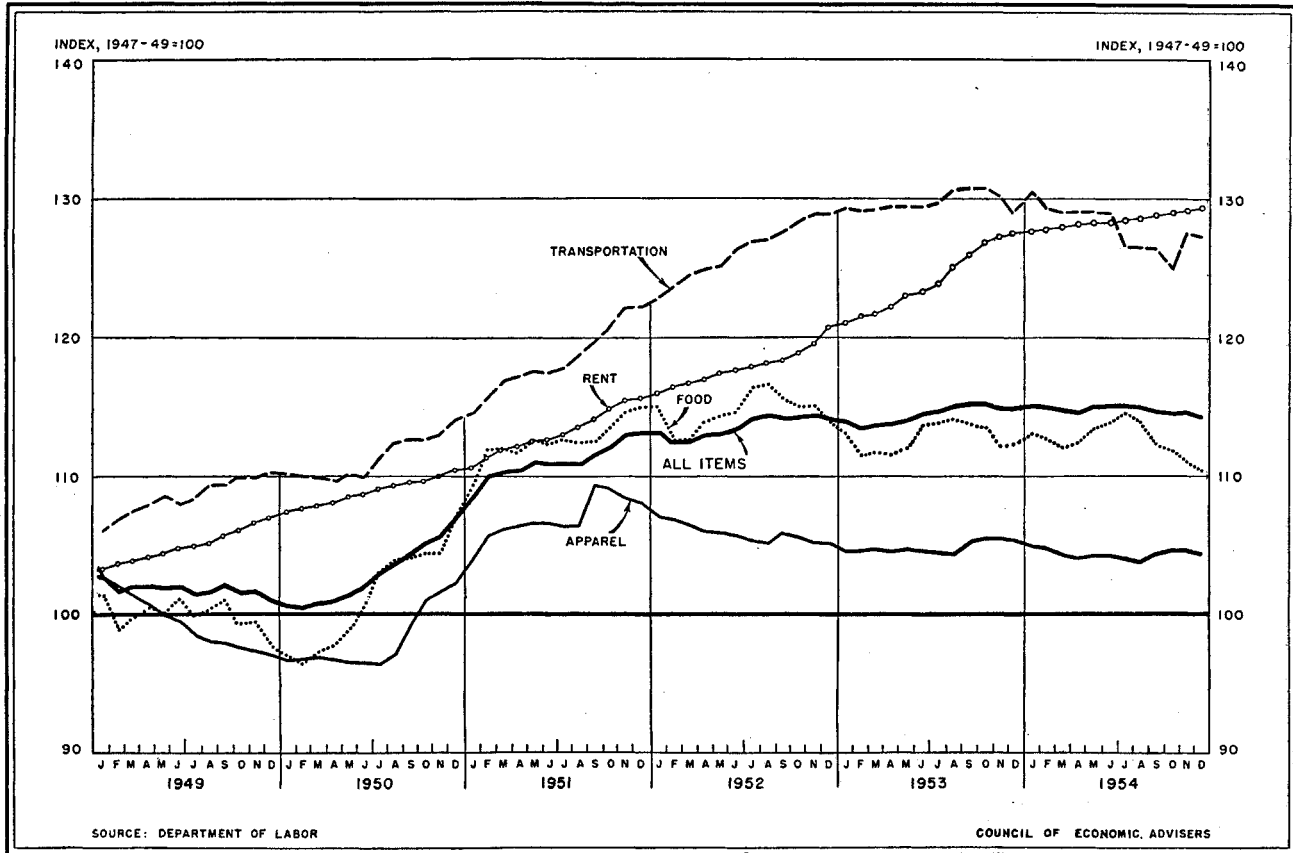
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce

# PRICES

## CONSUMER PRICES

In December, the average of consumer prices declined slightly, and was at the lowest point for the year.



[1947-49=100]

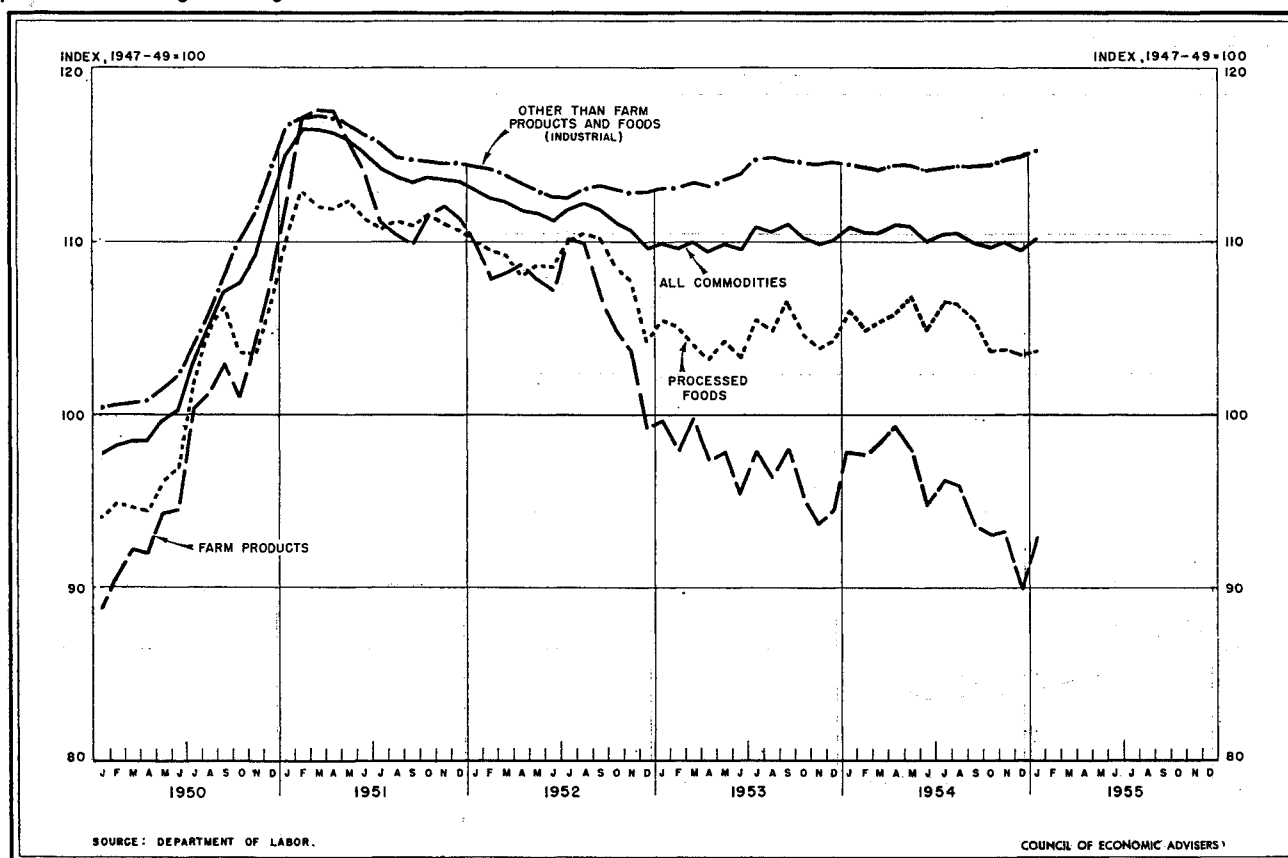
Period	All items	Food	Housing		Apparel	Transportation	Medical care	Personal care	Reading and recreation	Other goods and services
			Total	Rent						
1939 monthly average.....	59.4	47.1	(1)	86.6	52.5	(1)	(1)	(1)	(1)	(1)
1944 monthly average.....	75.2	67.4	(1)	90.6	72.6	(1)	(1)	(1)	(1)	(1)
1946 monthly average.....	83.4	79.0	(1)	91.4	83.7	(1)	(1)	(1)	(1)	(1)
1948 monthly average.....	102.8	104.1	101.7	100.7	103.5	100.9	100.9	101.3	100.4	100.5
1949 monthly average.....	101.8	100.0	103.3	105.0	99.4	108.5	104.1	101.1	104.1	103.4
1950 monthly average.....	102.8	101.2	106.1	108.8	98.1	111.3	106.0	101.1	103.4	105.2
1951 monthly average.....	111.0	112.6	112.4	113.1	106.9	118.4	111.1	110.5	106.5	109.7
1952 monthly average.....	113.5	114.6	114.6	117.9	105.8	126.2	117.2	111.8	107.0	115.4
1953 monthly average.....	114.4	112.8	117.7	124.1	104.8	129.7	121.3	112.8	108.0	118.2
1954 monthly average.....	114.8	112.6	119.1	128.5	104.3	128.0	125.2	113.4	107.0	120.1
1953: November.....	115.0	112.0	118.9	127.3	105.5	130.1	123.3	113.4	108.9	120.2
December.....	114.9	112.3	118.9	127.6	105.3	128.9	123.6	113.6	108.9	120.3
1954: January.....	115.2	113.1	118.8	127.8	104.9	130.5	123.7	113.7	108.7	120.3
February.....	115.0	112.6	118.9	127.9	104.7	129.4	124.1	113.9	108.0	120.2
March.....	114.8	112.1	119.0	128.0	104.3	129.0	124.4	114.1	108.2	120.1
April.....	114.6	112.4	118.5	128.2	104.1	129.1	124.9	112.9	106.5	120.2
May.....	115.0	113.3	118.9	128.3	104.2	129.1	125.1	113.0	106.4	120.1
June.....	115.1	113.8	118.9	128.3	104.2	128.9	125.1	112.7	106.4	120.1
July.....	115.2	114.6	119.0	128.5	104.0	126.7	125.2	113.3	107.0	120.3
August.....	115.0	113.9	119.2	128.6	103.7	126.6	125.5	113.4	106.6	120.2
September.....	114.7	112.4	119.5	128.8	104.3	126.4	125.7	113.5	106.5	120.1
October.....	114.5	111.8	119.5	129.0	104.6	125.0	125.9	113.4	106.9	120.1
November.....	114.6	111.1	119.5	129.2	104.6	127.6	126.1	113.8	106.8	120.0
December.....	114.3	110.4	119.7	129.4	104.3	127.3	126.3	113.6	106.6	119.9

<sup>1</sup> Not available.

Source: Department of Labor.

## WHOLESALE PRICES

In January, the average of wholesale prices increased 0.6 percent; all major components increased with prices of farm products showing the largest rise.



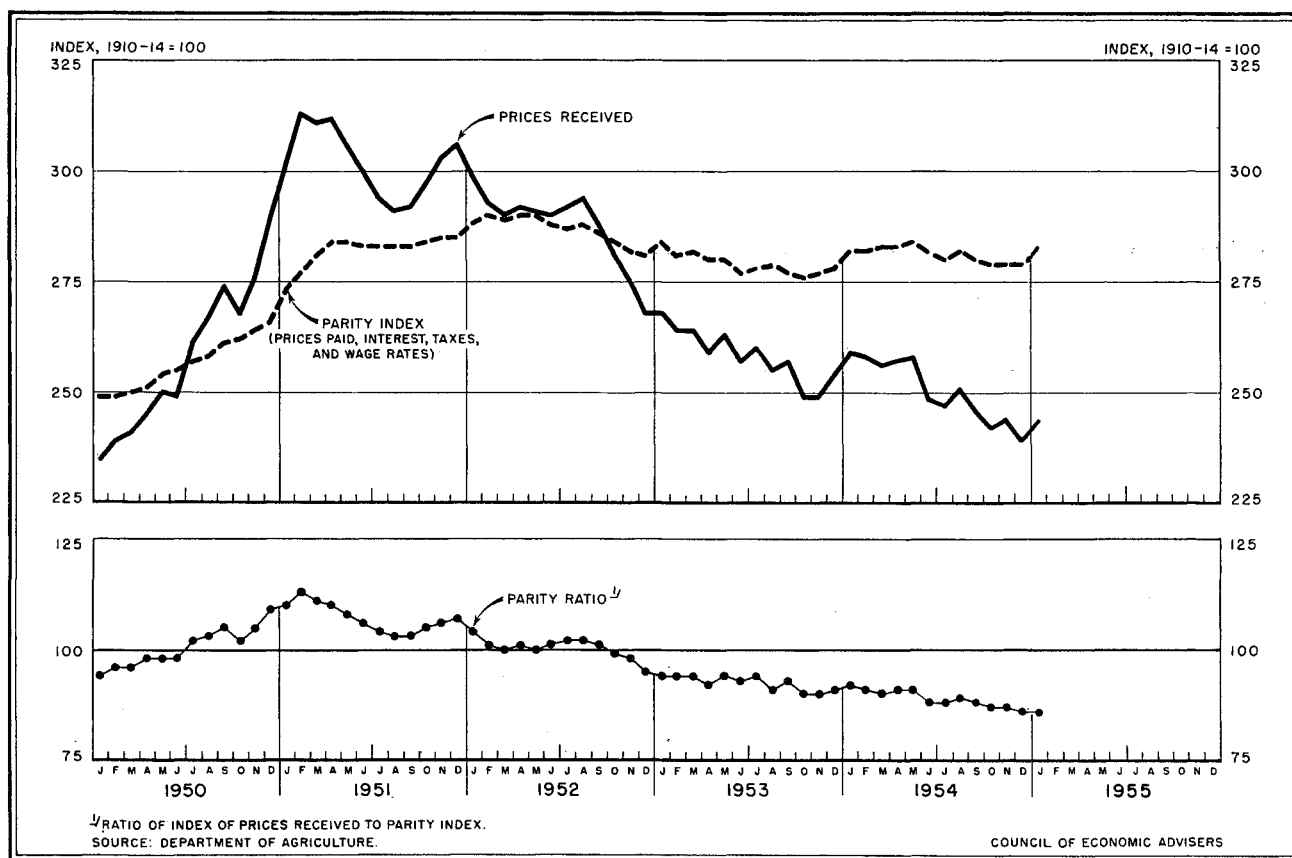
[1947-49=100]

Period	All commodities	Farm products	Processed foods	Other than farm products and foods (industrial)
1939 monthly average.....	50.1	36.5	43.3	58.1
1944 monthly average.....	67.6	68.9	60.4	70.4
1946 monthly average.....	78.7	83.2	77.6	78.3
1948 monthly average.....	104.4	107.3	106.1	103.4
1949 monthly average.....	99.2	92.8	95.7	101.3
1950 monthly average.....	103.1	97.5	99.8	105.0
1951 monthly average.....	114.8	113.4	111.4	115.9
1952 monthly average.....	111.6	107.0	108.8	113.2
1953 monthly average.....	110.1	97.0	104.6	114.0
1954 monthly average.....	110.3	95.6	105.3	114.5
1953: December.....	110.1	94.4	104.3	114.6
1954: January.....	110.9	97.8	106.2	114.6
February.....	110.5	97.7	104.8	114.4
March.....	110.5	98.4	105.3	114.2
April.....	111.0	99.4	105.9	114.5
May.....	110.9	97.9	106.8	114.5
June.....	110.0	94.8	105.0	114.2
July.....	110.4	96.2	106.5	114.3
August.....	110.5	95.8	106.4	114.4
September.....	110.0	93.6	105.5	114.4
October.....	109.7	93.1	103.7	114.5
November.....	110.0	93.2	103.8	114.8
December.....	109.5	89.9	103.5	114.9
1955: January.....	110.2	92.9	103.7	115.3
Week ended:				
1955: February 1.....	110.4	93.8	103.2	115.4
8.....	110.3	93.4	103.2	115.5

Source: Department of Labor.

## PRICES RECEIVED AND PAID BY FARMERS

Prices received by farmers rose 2 percent during the month ended January 15, due to increases in the prices of cattle, chickens, and commercial vegetables. Prices paid by farmers also increased, and the parity ratio was unchanged.



[1910-14=100]

Period	Prices paid by farmers for items used in		Parity index (prices paid, interest, taxes, and wage rates)	Prices received by farmers	Parity ratio <sup>1</sup>
	Family living	Production			
1939 monthly average.....	120	121	123	95	77
1944 monthly average.....	175	173	182	<sup>2</sup> 197	108
1946 monthly average.....	202	191	208	<sup>2</sup> 236	113
1948 monthly average.....	251	250	260	287	110
1949 monthly average.....	243	238	251	250	100
1950 monthly average.....	246	246	256	258	101
1951 monthly average.....	268	273	282	302	107
1952 monthly average.....	271	274	287	288	100
1953 monthly average.....	270	253	279	258	92
1954 monthly average.....	274	252	281	250	89
1953: December 15.....	270	249	278	254	91
1954: January 15.....	271	254	282	259	92
February 15.....	271	255	282	258	91
March 15.....	272	255	283	256	90
April 15.....	273	256	283	257	91
May 15.....	276	256	284	258	91
June 15.....	276	252	282	248	88
July 15.....	277	247	280	247	88
August 15.....	277	250	282	251	89
September 15.....	273	251	280	246	88
October 15.....	273	250	279	242	87
November 15.....	272	251	279	244	87
December 15.....	272	250	279	239	86
1955: January 15.....	273	254	283	244	86

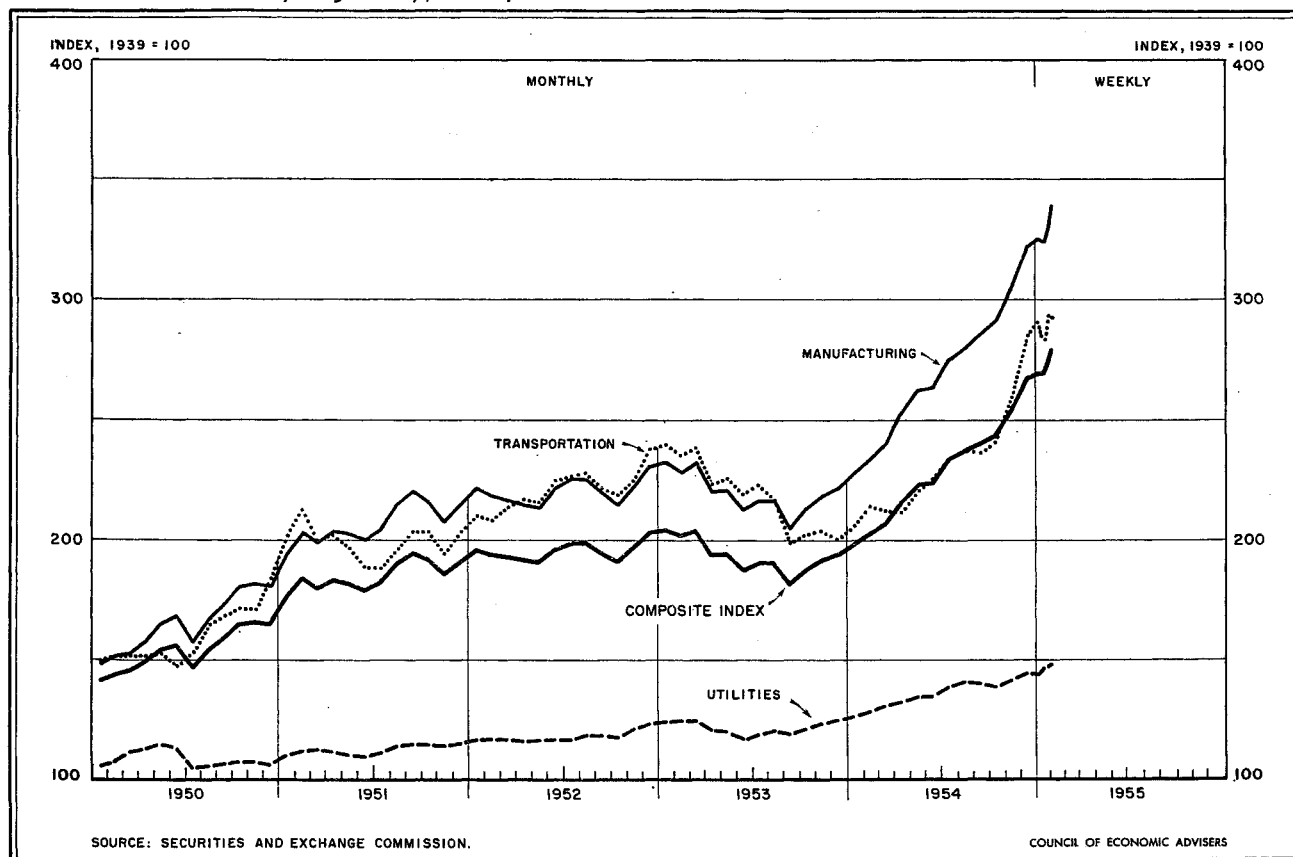
<sup>1</sup> Percentage ratio of index of prices received by farmers to parity index.

<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

After a mild decline early in January, stock prices resumed their advance.



[1939 = 100]								
Period	Com- posite index <sup>1</sup>	Manufacturing			Trans- portation	Utilities	Trade, finance, and service	Mining
		Total	Durable goods	Nondura- ble goods				
Weekly average:								
1944.....	108.1	106.9	104.7	109.2	140.8	99.0	117.3	93.3
1946.....	149.4	146.6	138.6	154.5	202.4	121.0	204.3	125.5
1948.....	132.7	136.8	124.3	148.6	158.1	99.3	156.9	133.0
1949.....	127.7	132.1	116.0	147.2	136.0	98.1	160.7	129.4
1950.....	154.1	165.7	150.2	180.2	160.0	108.9	183.8	143.5
1951.....	184.9	206.8	178.5	233.1	199.0	112.6	207.9	204.9
1952.....	195.0	220.2	188.8	249.3	220.6	117.9	206.0	275.7
1953.....	193.3	220.1	192.6	245.2	218.7	121.5	207.1	240.5
1954.....	229.8	271.3	245.2	295.2	232.6	135.8	235.6	267.0
1953: December.....	193.4	221.8	192.1	249.1	200.0	124.5	209.2	229.6
1954: January.....	198.4	228.4	198.8	255.5	206.2	126.1	213.0	238.6
February.....	203.1	233.9	204.2	261.2	214.6	128.4	216.0	250.3
March.....	207.1	239.8	209.6	267.5	212.3	130.4	214.6	259.2
April.....	215.8	252.9	223.2	280.3	211.6	131.8	219.8	265.9
May.....	223.2	262.9	232.5	290.8	220.6	134.2	225.6	269.6
June.....	223.9	263.4	236.6	288.0	225.4	134.3	228.3	266.3
July.....	233.0	275.3	254.3	294.4	233.5	138.6	236.0	257.2
August.....	237.1	280.0	257.0	301.0	237.1	140.8	243.1	262.6
September.....	240.4	285.6	260.2	308.8	236.0	139.8	247.2	267.8
October.....	243.6	291.2	267.4	312.8	240.4	138.2	248.6	269.4
November.....	254.4	305.2	284.4	324.0	259.4	141.2	260.4	277.9
December.....	267.7	322.7	298.3	345.0	284.8	144.1	267.5	310.3
1955: January.....	270.6	326.4	306.9	344.0	288.1	145.3	269.8	314.4
Week ended:								
1955: January 7.....	269.5	325.6	304.2	345.0	291.0	143.6	265.6	312.3
14.....	269.4	324.8	304.8	343.0	284.9	144.8	269.5	315.2
21.....	269.6	324.7	305.6	342.0	283.5	146.2	269.4	314.7
28.....	273.8	330.3	313.1	345.8	293.0	146.5	274.9	315.3
February 4.....	279.3	339.0	319.3	356.8	292.6	147.6	275.3	312.4
11 <sup>2</sup> .....	282.6	342.2	321.3	361.2	298.3	150.6	277.8	316.1

<sup>1</sup> Includes 265 common stocks: 98 for durable goods manufacturing, 72 for nondurable goods manufacturing, 21 for transportation, 29 for utilities, 31 for trade, finance, and service, and 14 for mining. Indexes are for weekly closing prices.

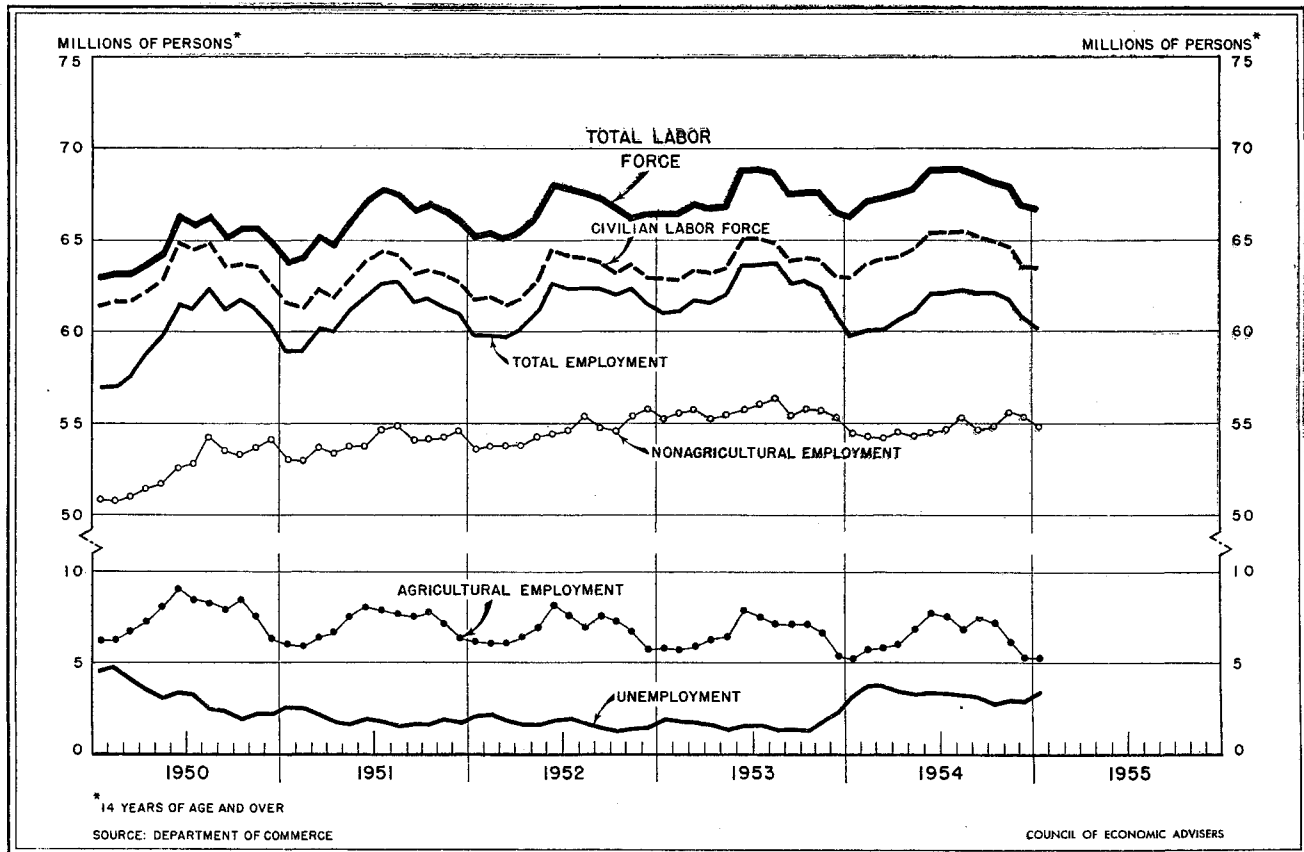
<sup>2</sup> Data became available after chart was prepared.

Source: Securities and Exchange Commission.

# EMPLOYMENT AND WAGES

## STATUS OF THE LABOR FORCE

Unemployment rose between early December and early January by less than is usual between these months. Employment dropped less than seasonally.



Period	Total labor force (including armed forces)	Civilian labor force	Employment <sup>1</sup>			Tempo- rary layoffs <sup>2</sup>	Unemployment <sup>3</sup>		Insured unemployment (thousands of persons)
			Total	Agricul- tural	Nonagri- cultural		Number	% of civilian labor force	
Thousands of persons 14 years of age and over									
68-area sample: <sup>5</sup>									
1939 monthly average..	55, 600	55, 230	45, 750	9, 610	36, 140	---	9, 480	17. 2	-----
1949 monthly average..	63, 721	62, 105	58, 710	8, 026	50, 684	185	3, 395	5. 5	2, 470
1950 monthly average..	64, 749	63, 099	59, 957	7, 507	52, 450	92	3, 142	5. 0	1, 599
1951 monthly average..	65, 982	62, 884	61, 005	7, 054	53, 951	117	1, 879	3. 0	996
1952 monthly average..	66, 560	62, 966	61, 293	6, 805	54, 488	142	1, 673	2. 7	1, 064
1953 monthly average..	67, 362	63, 815	62, 213	6, 562	55, 651	142	1, 602	2. 5	1, 058
230-area sample: <sup>5</sup>									
1954 monthly average..	67, 818	64, 468	61, 238	6, 504	54, 734	221	3, 230	5. 0	2, 039
1954: January.....	66, 292	62, 840	59, 753	5, 284	54, 469	427	3, 087	4. 9	2, 205
February.....	67, 139	63, 725	60, 055	5, 704	54, 351	216	3, 671	5. 8	2, 362
March.....	67, 218	63, 825	60, 100	5, 875	54, 225	236	3, 725	5. 8	2, 389
April.....	67, 438	64, 063	60, 598	6, 076	54, 522	216	3, 465	5. 4	2, 383
May.....	67, 786	64, 425	61, 119	6, 822	54, 297	294	3, 305	5. 1	2, 244
June.....	68, 788	65, 445	62, 098	7, 628	54, 470	229	3, 347	5. 1	2, 082
July.....	68, 824	65, 494	62, 148	7, 486	54, 661	298	3, 346	5. 1	2, 037
August.....	68, 856	65, 522	62, 276	6, 928	55, 349	143	3, 245	5. 0	1, 871
September.....	68, 565	65, 243	62, 144	7, 527	54, 617	198	3, 099	4. 8	1, 752
October.....	68, 190	64, 882	62, 141	7, 239	54, 902	136	2, 741	4. 2	1, 631
November.....	67, 909	64, 624	61, 731	6, 154	55, 577	120	2, 893	4. 5	1, 643
December.....	66, 811	63, 526	60, 688	5, 325	55, 363	137	2, 838	4. 5	1, 869
1955: January.....	66, 700	63, 497	60, 150	5, 297	54, 853	251	3, 347	5. 3	<sup>6</sup> 2, 201

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

<sup>2</sup> Shown separately so as to afford a basis for further analysis of employment and unemployment. <sup>3</sup> See footnote 2.

<sup>4</sup> All programs. Weekly average for period. For description of series, see *Labor Market and Employment Security*, April 1954.

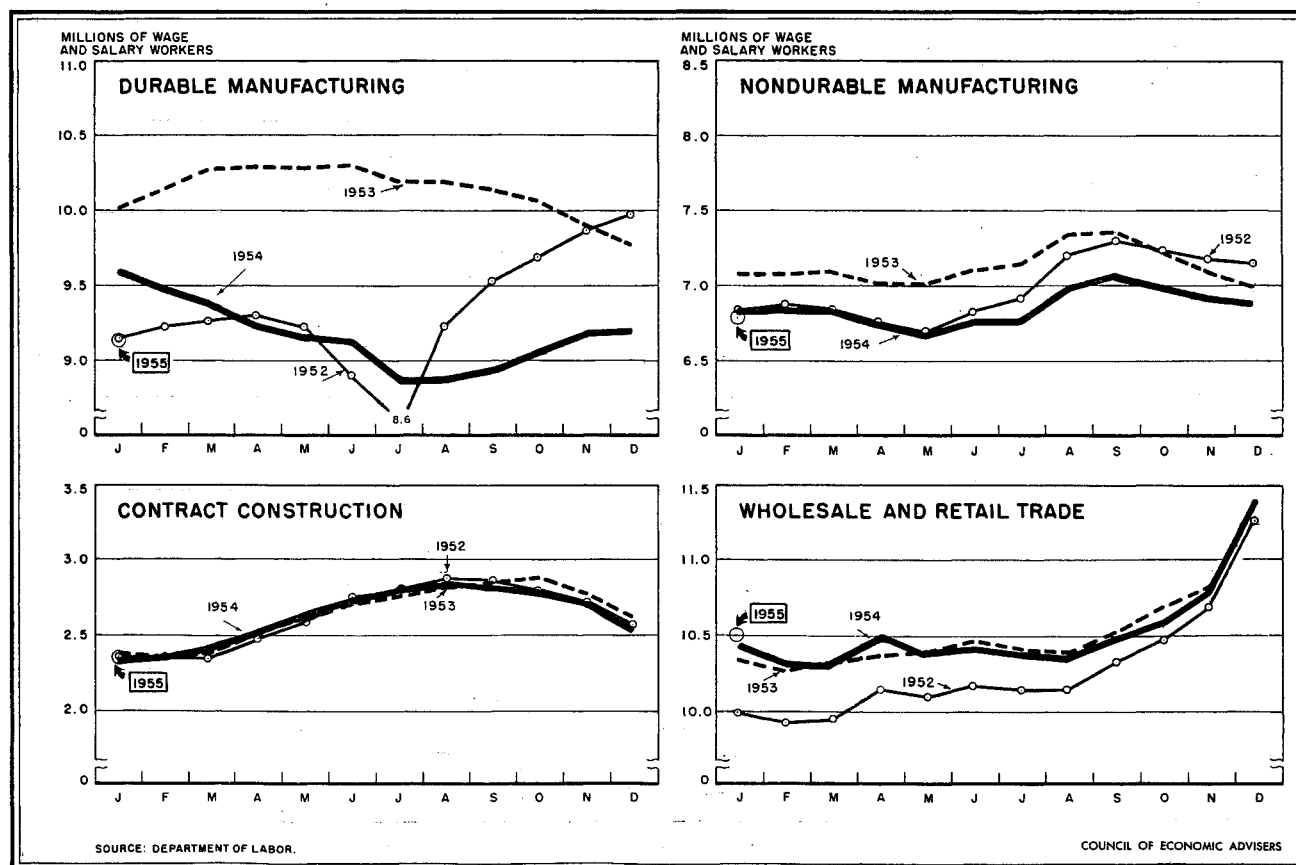
<sup>5</sup> Pertains to labor force data only.

<sup>6</sup> Preliminary estimate

Sources: Department of Commerce (labor force) and Department of Labor (insured unemployment).

# NONAGRICULTURAL EMPLOYMENT

Employment in nonagricultural establishments declined between December and January as the usual after-Christmas layoffs took place, especially in trade and the postal service. However, employment levels in trade, finance, and the services were at alltime highs for January.



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

Period	Total adjusted for seasonal variation	Total	Manufacturing			Mining	Contract construc- tion	Wholesale and retail trade	Govern- ment (Federal, State, local)	Other
			Total	Durable goods	Nondur- able goods					
Not adjusted for seasonal variation										
1939.....		30, 287	10, 078	4, 683	5, 394	845	1, 150	6, 612	3, 987	7, 615
1946.....		41, 412	14, 461	7, 739	6, 722	852	1, 661	8, 602	5, 607	10, 230
1948.....		44, 382	15, 321	8, 312	7, 010	982	2, 169	9, 519	5, 614	10, 777
1949.....		43, 295	14, 178	7, 473	6, 705	918	2, 165	9, 513	5, 837	10, 685
1950.....		44, 696	14, 967	8, 085	6, 882	889	2, 333	9, 645	5, 992	10, 871
1952.....		48, 306	16, 334	9, 340	6, 994	885	2, 634	10, 281	6, 609	11, 565
1953.....		49, 660	17, 259	10, 129	7, 131	844	2, 644	10, 533	6, 645	11, 735
1954 <sup>2</sup> .....		48, 280	16, 040	9, 178	6, 863	745	2, 627	10, 524	6, 710	11, 633
1953: December.....	49, 109	50, 197	16, 765	9, 773	6, 992	822	2, 632	11, 361	6, 955	11, 662
1954: January.....	48, 812	48, 147	16, 434	9, 591	6, 843	805	2, 349	10, 421	6, 659	11, 479
February.....	48, 607	47, 880	16, 322	9, 480	6, 842	790	2, 356	10, 310	6, 639	11, 463
March.....	48, 441	47, 848	16, 234	9, 389	6, 845	772	2, 415	10, 305	6, 667	11, 455
April.....	48, 268	48, 068	16, 000	9, 260	6, 740	749	2, 535	10, 496	6, 699	11, 589
May.....	48, 177	47, 935	15, 836	9, 152	6, 684	737	2, 634	10, 375	6, 701	11, 652
June.....	48, 102	48, 137	15, 888	9, 123	6, 765	744	2, 729	10, 414	6, 625	11, 737
July.....	47, 982	47, 808	15, 627	8, 863	6, 764	735	2, 795	10, 377	6, 467	11, 807
August.....	47, 945	48, 045	15, 863	8, 875	6, 988	737	2, 851	10, 350	6, 454	11, 790
September.....	48, 054	48, 526	16, 019	8, 950	7, 069	719	2, 817	10, 480	6, 738	11, 753
October.....	48, 209	48, 668	16, 058	9, 065	6, 993	716	2, 777	10, 581	6, 865	11, 671
November.....	48, 398	48, 827	16, 107	9, 182	6, 925	721	2, 724	10, 782	6, 882	11, 611
December.....	48, 390	49, 476	16, 095	9, 201	6, 894	720	2, 547	11, 400	7, 129	11, 585
1955: January <sup>2</sup> .....	48, 463	47, 802	15, 932	9, 135	6, 797	712	2, 350	10, 508	6, 839	11, 461

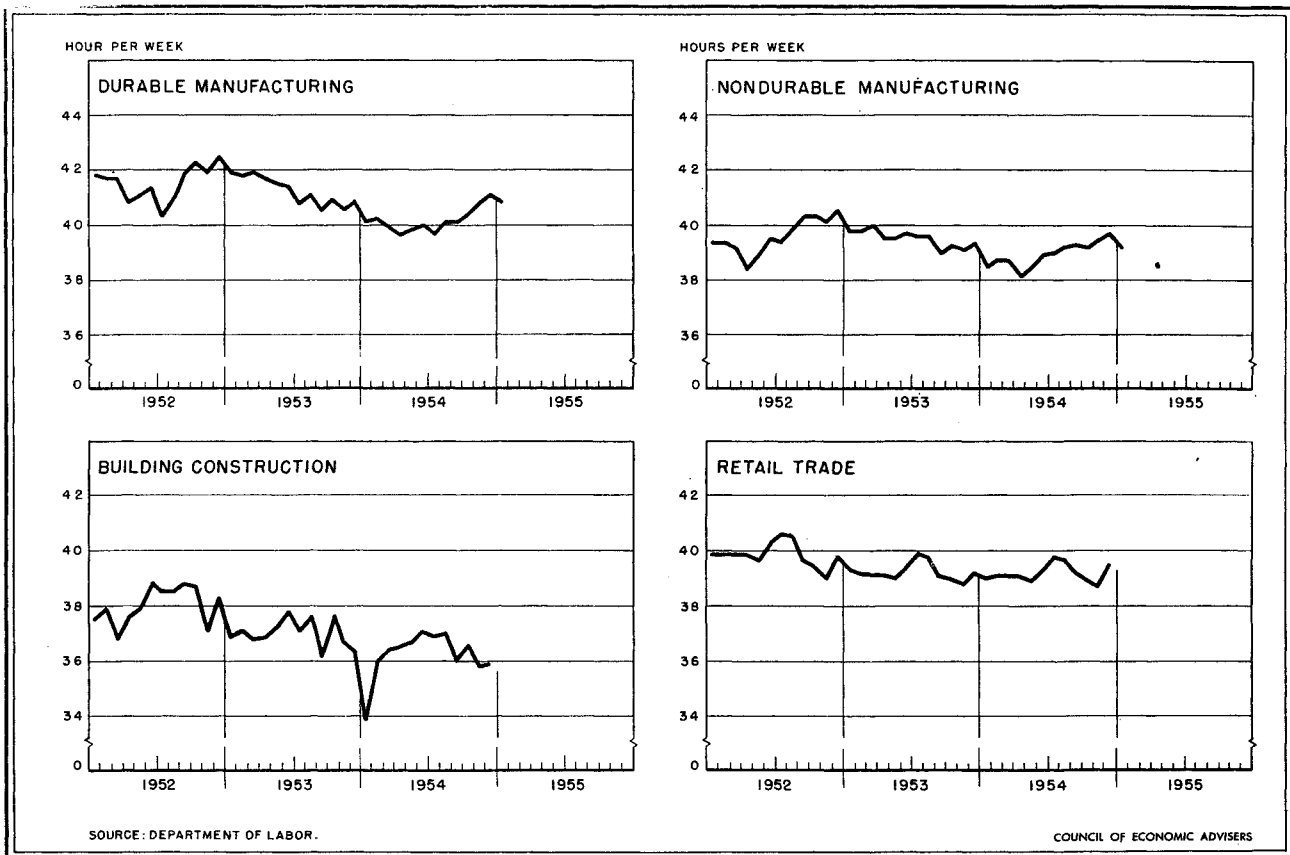
<sup>1</sup> Includes all full and part-time wage and salary workers in nonagricultural establishments who worked during or received pay for any part of the pay period ending nearest the 15th of the month. Excludes proprietors, self-employed persons, domestic servants, and personnel of the armed forces. Total derived from this table not comparable with estimates of nonagricultural employment of the civilian labor force reported by the Department of Commerce (p. 7) 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> Preliminary estimates.

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

## AVERAGE WEEKLY HOURS - SELECTED INDUSTRIES

The average workweek of factory production workers declined from 40.6 hours in December to 40.2 in January—a somewhat smaller decline than is usual at this time of year.



[Hours per week, for production workers or nonsupervisory employees]

Period	Manufacturing			Building construction	Retail trade
	Total	Durable goods	Nondurable goods		
1939.....	37.7	38.0	37.4	32.6	42.7
1944.....	45.2	46.6	43.1	39.6	40.4
1946.....	40.4	40.2	40.5	38.1	40.7
1948.....	40.1	40.5	39.6	37.3	40.3
1949.....	39.2	39.5	38.8	36.7	40.4
1950.....	40.5	41.2	39.7	36.3	40.5
1951.....	40.7	41.6	39.5	37.2	40.2
1952.....	40.7	41.5	39.6	38.1	39.9
1953.....	40.5	41.3	39.5	37.0	39.3
1954 <sup>2</sup> .....	39.7	40.2	39.0	36.2	39.2
1953: December.....	40.2	40.8	39.3	36.3	39.2
1954: January.....	39.4	40.1	38.5	33.9	39.0
February.....	39.6	40.2	38.8	36.0	39.1
March.....	39.5	40.0	38.8	36.4	39.1
April.....	39.0	39.7	38.1	36.5	39.1
May.....	39.3	39.9	38.5	36.7	38.9
June.....	39.6	40.0	38.9	37.1	39.3
July.....	39.4	39.7	39.0	36.9	39.8
August.....	39.7	40.1	39.2	37.0	39.7
September.....	39.7	40.1	39.3	36.0	39.2
October.....	39.9	40.4	39.2	36.6	38.9
November.....	40.2	40.8	39.5	35.8	38.7
December <sup>2</sup> .....	40.6	41.1	39.7	35.9	39.5
1955: January <sup>2</sup> .....	40.2	40.9	39.2	( <sup>3</sup> )	( <sup>3</sup> )

<sup>1</sup> Data beginning with January 1948 are not strictly comparable with those for earlier periods.

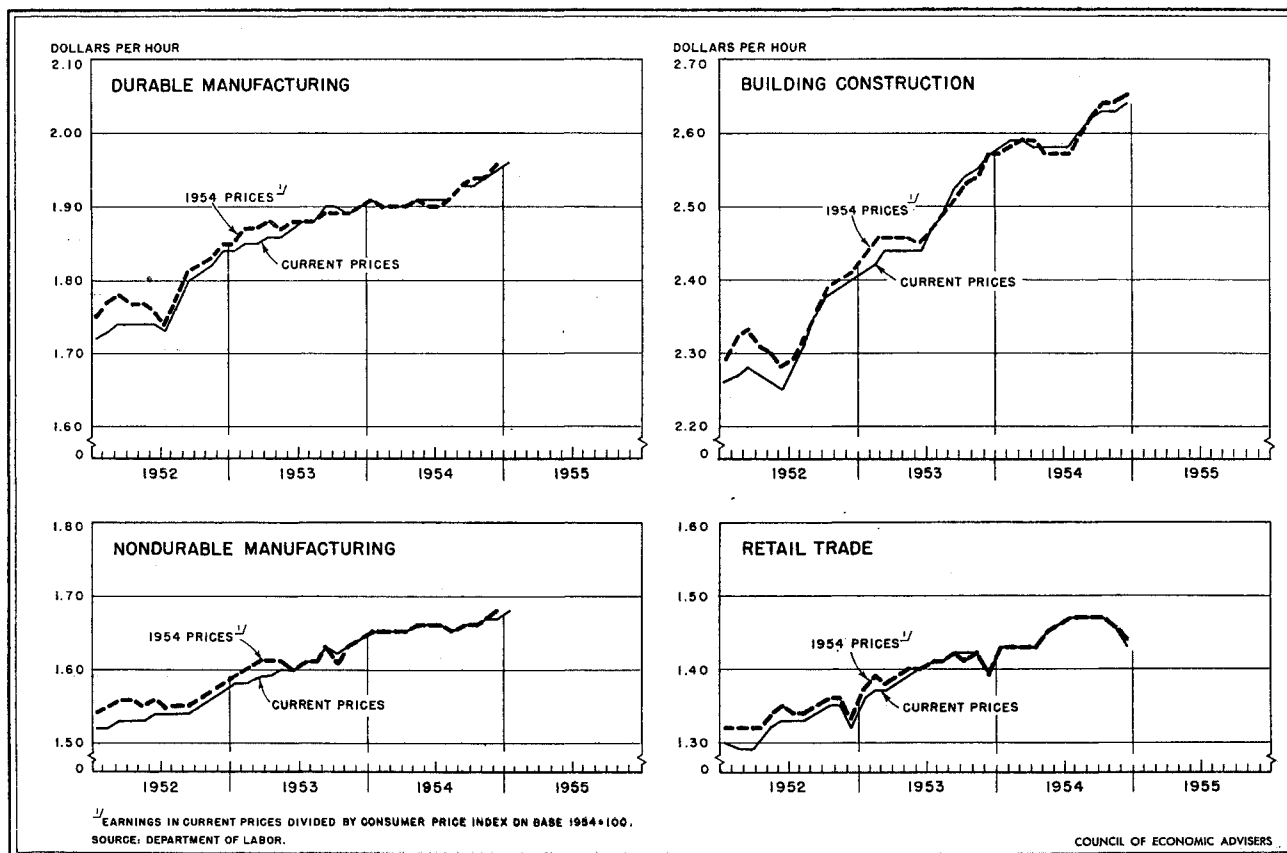
<sup>2</sup> Preliminary estimates.

Source: Department of Labor.

<sup>3</sup> Not available.

## AVERAGE HOURLY EARNINGS - SELECTED INDUSTRIES

Earnings of production workers in manufacturing industries averaged \$1.84 an hour in January, 1 cent more than in December and 4 cents more than in January a year ago.



[For production workers or nonsupervisory employees]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		Retail trade	
	Current prices	1954 prices <sup>1</sup>	Current prices	1954 prices <sup>1</sup>	Current prices	1954 prices <sup>1</sup>	Current prices	1954 prices <sup>1</sup>	Current prices	1954 prices <sup>1</sup>
1939	\$0. 633	\$1. 224	\$0. 698	\$1. 350	\$0. 582	\$1. 126	\$0. 932	\$1. 803	\$0. 542	\$1. 048
1944	1. 019	1. 556	1. 117	1. 705	. 861	1. 315	1. 319	2. 014	. 731	1. 116
1946	1. 086	1. 496	1. 156	1. 592	1. 015	1. 398	1. 478	2. 036	. 893	1. 230
1948	1. 350	1. 508	1. 410	1. 575	1. 278	1. 428	<sup>2</sup> 1. 848	<sup>2</sup> 2. 065	1. 088	1. 216
1949	1. 401	1. 579	1. 469	1. 656	1. 325	1. 494	1. 935	2. 182	1. 137	1. 282
1950	1. 465	1. 637	1. 537	1. 717	1. 378	1. 540	2. 031	2. 269	1. 176	1. 314
1951	1. 59	1. 64	1. 67	1. 73	1. 48	1. 53	2. 19	2. 26	1. 26	1. 30
1952	1. 67	1. 69	1. 77	1. 79	1. 54	1. 56	2. 31	2. 34	1. 32	1. 33
1953	1. 77	1. 78	1. 87	1. 88	1. 61	1. 61	2. 48	2. 49	1. 40	1. 40
1954 <sup>3</sup>	1. 81	1. 81	1. 92	1. 92	1. 66	1. 66	2. 60	2. 60	1. 45	1. 45
1953: December	1. 80	1. 80	1. 90	1. 90	1. 64	1. 64	2. 57	2. 57	1. 39	1. 39
1954: January	1. 80	1. 79	1. 91	1. 90	1. 65	1. 65	2. 58	2. 57	1. 43	1. 43
February	1. 80	1. 80	1. 90	1. 90	1. 65	1. 65	2. 59	2. 58	1. 43	1. 43
March	1. 79	1. 79	1. 90	1. 90	1. 65	1. 65	2. 59	2. 59	1. 43	1. 43
April	1. 80	1. 80	1. 90	1. 90	1. 65	1. 65	2. 58	2. 59	1. 43	1. 43
May	1. 81	1. 81	1. 91	1. 91	1. 66	1. 66	2. 58	2. 57	1. 45	1. 45
June	1. 81	1. 80	1. 91	1. 90	1. 66	1. 66	2. 58	2. 57	1. 46	1. 46
July	1. 80	1. 79	1. 91	1. 90	1. 66	1. 66	2. 58	2. 57	1. 47	1. 47
August	1. 79	1. 79	1. 91	1. 91	1. 65	1. 65	2. 60	2. 59	1. 47	1. 47
September	1. 81	1. 81	1. 93	1. 93	1. 66	1. 66	2. 62	2. 62	1. 47	1. 47
October	1. 81	1. 82	1. 93	1. 94	1. 66	1. 66	2. 63	2. 64	1. 47	1. 47
November	1. 83	1. 83	1. 94	1. 94	1. 67	1. 67	2. 63	2. 64	1. 46	1. 46
December <sup>3</sup>	1. 83	1. 84	1. 95	1. 96	1. 67	1. 68	2. 64	2. 65	1. 43	1. 44
1955: January <sup>3</sup>	1. 84	( <sup>4</sup> )	1. 96	( <sup>4</sup> )	1. 68	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )

<sup>1</sup> Earnings in current prices divided by consumer price index on base 1954=100.

<sup>2</sup> Data beginning with January 1948 are not strictly comparable with those for earlier periods.

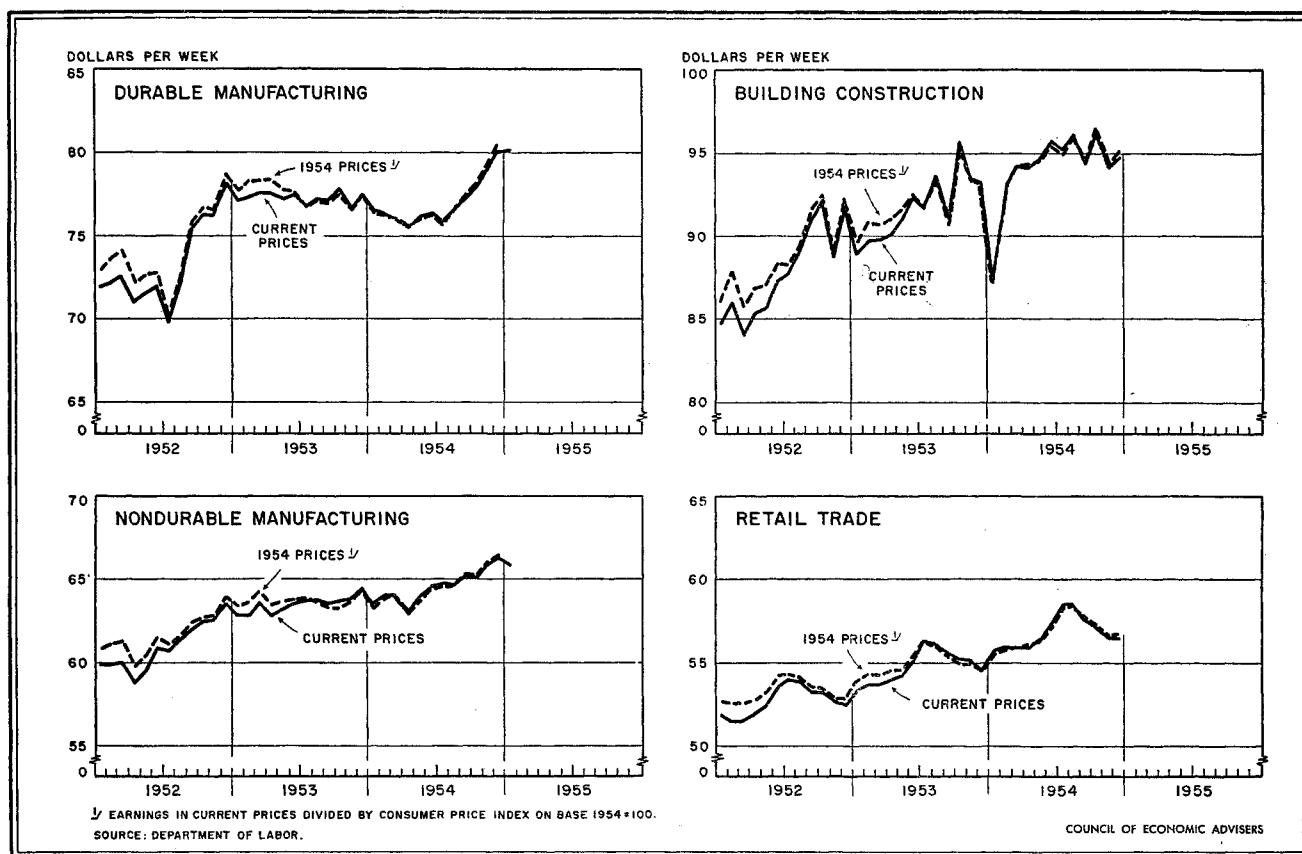
Source: Department of Labor

<sup>3</sup> Preliminary estimates.

<sup>4</sup> Not available.

## AVERAGE WEEKLY EARNINGS - SELECTED INDUSTRIES

Average weekly earnings of factory production workers fell slightly between December and January, as a result of the shorter workweek. The January average of \$73.97 was \$3.05 above January 1954.



[For production workers or nonsupervisory employees]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		Retail trade	
	Current prices	1954 prices <sup>1</sup>	Current prices	1954 prices <sup>1</sup>	Current prices	1954 prices <sup>1</sup>	Current prices	1954 prices <sup>1</sup>	Current prices	1954 prices <sup>1</sup>
1939	\$23.86	\$46.15	\$26.50	\$51.26	\$21.78	\$42.13	\$30.39	\$58.78	\$23.14	\$44.76
1944	46.08	70.35	52.07	79.50	37.12	56.67	52.18	79.66	29.53	45.08
1946	43.82	60.36	46.49	64.04	41.14	56.67	56.24	77.47	36.35	50.07
1948	54.14	60.49	57.11	63.81	50.61	56.55	<sup>2</sup> 68.85	<sup>2</sup> 76.93	43.85	48.99
1949	54.92	61.92	58.03	65.42	51.41	57.96	70.95	79.99	45.93	51.78
1950	59.33	66.29	63.32	70.75	54.71	61.13	73.73	82.38	47.63	53.22
1951	64.71	66.92	69.47	71.84	58.46	60.46	81.47	84.25	50.65	52.38
1952	67.97	68.73	73.46	74.28	60.98	61.66	88.01	88.99	52.67	53.26
1953	71.69	71.91	77.23	77.46	63.60	63.79	91.76	92.04	55.02	55.19
1954 <sup>3</sup>	71.65	71.65	77.01	77.01	64.58	64.58	94.21	94.21	56.83	56.83
1953: December	72.36	72.29	77.52	77.44	64.45	64.39	93.29	93.20	54.49	54.44
1954: January	70.92	70.71	76.59	76.36	63.53	63.34	87.46	87.20	55.77	55.60
February	71.28	71.14	76.38	76.23	64.02	63.89	93.24	93.05	55.91	55.80
March	70.71	70.71	76.00	76.00	64.02	64.02	94.28	94.28	55.91	55.91
April	70.20	70.34	75.43	75.58	62.87	63.00	94.17	94.36	55.91	56.02
May	71.13	70.99	76.21	76.06	63.91	63.78	94.69	94.50	56.41	56.30
June	71.68	71.47	76.40	76.17	64.57	64.38	95.72	95.43	57.38	57.21
July	70.92	70.71	75.83	75.60	64.74	64.55	95.20	94.92	58.51	58.33
August	71.06	70.92	76.59	76.44	64.68	64.55	96.20	96.01	58.36	58.44
September	71.86	71.93	77.39	77.47	65.24	65.31	94.32	94.41	57.62	57.68
October	72.22	72.44	77.97	78.20	65.07	65.27	96.26	96.55	57.18	57.35
November	73.57	73.42	79.15	79.31	65.97	66.10	94.15	94.34	56.50	56.61
December <sup>3</sup>	74.30	74.60	80.15	80.47	66.30	66.57	94.78	95.16	56.49	56.72
1955: January <sup>3</sup>	73.97	(4)	80.16	(4)	65.86	(4)	(4)	(4)	(4)	(4)

<sup>1</sup> Earnings in current prices divided by consumer price index on base 1954=100.

<sup>2</sup> Data beginning with January 1948 are not strictly comparable with those for earlier periods.

Source: Department of Labor.

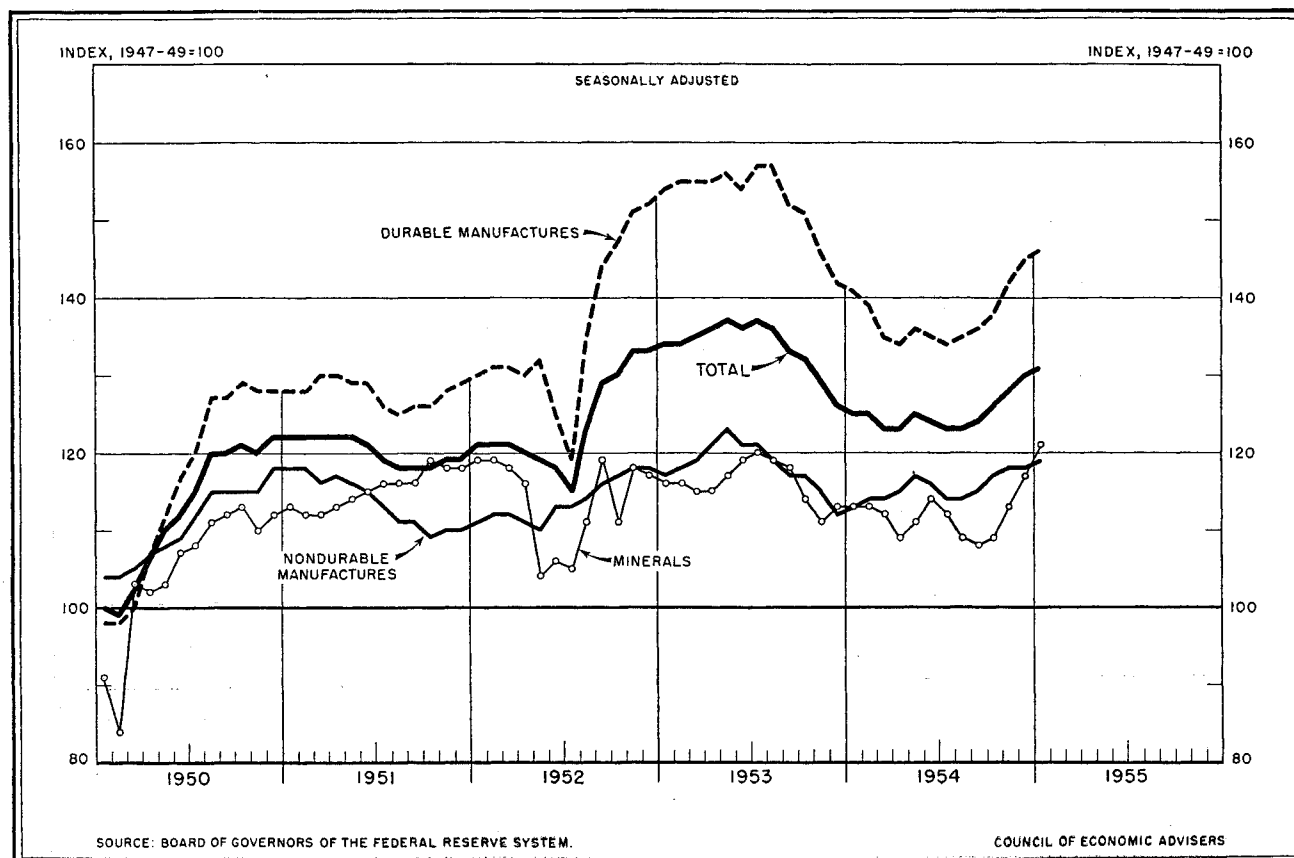
<sup>3</sup> Preliminary estimates.

<sup>4</sup> Not available.

# PRODUCTION AND BUSINESS ACTIVITY

## INDUSTRIAL PRODUCTION

The increase in industrial production, which began in September 1954, continued in January. The seasonally adjusted index, which was 131 (1947-49=100) in January, had recovered over half of the 1953-54 decline.



[1947-49=100, seasonally adjusted]

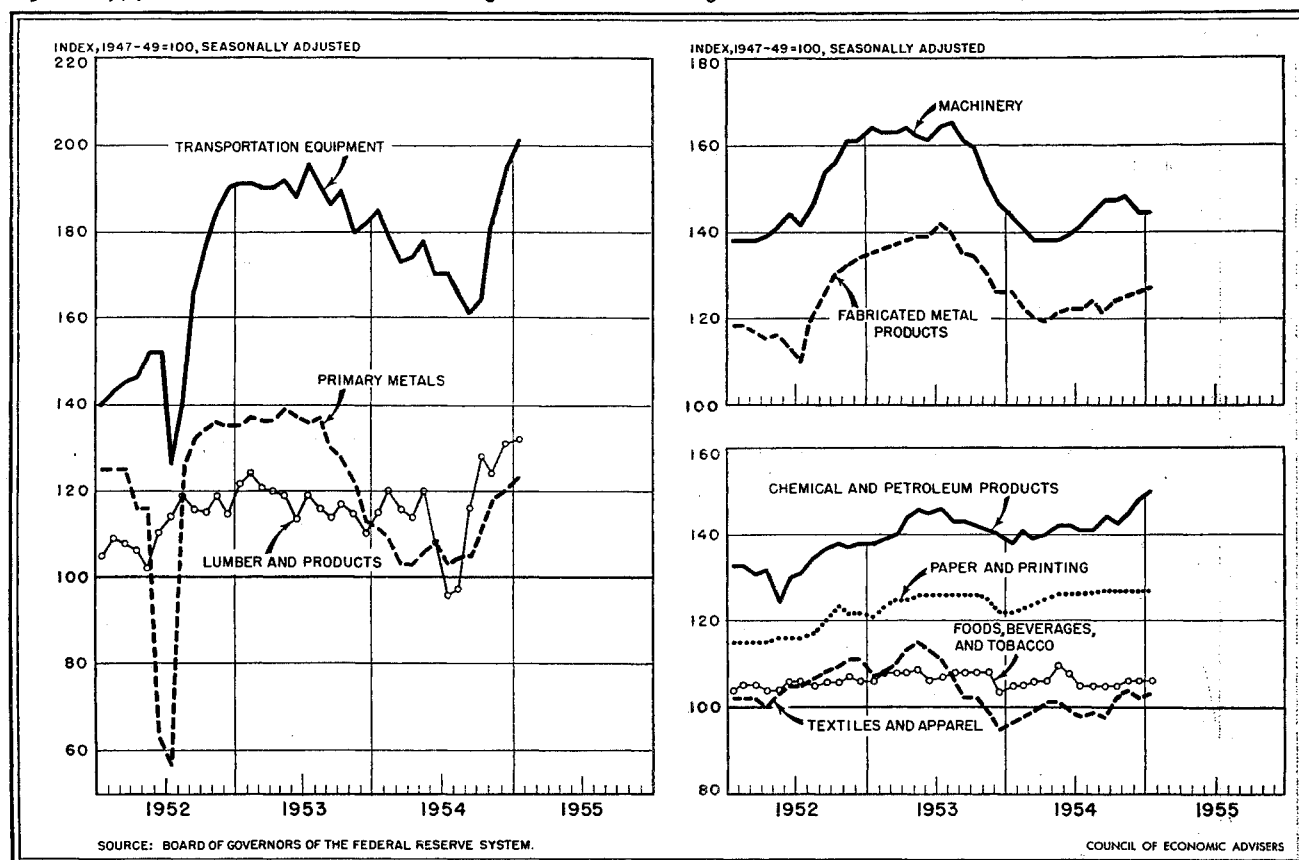
Period	Total industrial production	Manufactures			Minerals
		Total	Durable	Nondurable	
1939.....	58	57	49	66	68
1944.....	125	130	159	99	93
1946.....	90	90	86	95	91
1947.....	100	100	101	99	100
1948.....	104	103	104	102	106
1949.....	97	97	95	99	94
1950.....	112	113	116	111	105
1951.....	120	121	128	114	115
1952.....	124	125	136	114	114
1953.....	134	136	153	118	116
1954 <sup>1</sup> .....	125	127	138	115	112
1953: December.....	126	127	142	112	113
1954: January.....	125	127	141	113	113
February.....	125	126	139	114	113
March.....	123	125	135	114	112
April.....	123	125	134	115	109
May.....	125	126	136	117	111
June.....	124	125	135	116	114
July.....	123	124	134	114	112
August.....	123	125	135	114	109
September.....	124	126	136	115	108
October.....	126	128	138	117	109
November.....	128	130	142	118	113
December.....	130	132	145	118	117
1955: January <sup>1</sup> .....	131	133	146	119	121

<sup>1</sup> Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.

# PRODUCTION OF SELECTED MANUFACTURES

In January, production in most industries registered additional gains.



[1947-49=100, seasonally adjusted]

Period	Durable manufactures					Nondurable manufactures				Consumer durable goods
	Primary metals	Fabricated metal products	Machinery	Transportation equipment	Lumber and products	Textiles and apparel	Paper and printing	Chemical and petroleum products	Foods, beverages, and tobacco	
1939	53		38	48	80	80				
1947	103	103	103	96	101	99	96	97	101	98
1948	107	104	104	102	106	103	103	103	100	102
1949	90	93	93	102	93	97	101	100	100	101
1950	115	115	114	120	113	110	114	118	103	133
1951	126	122	130	135	113	106	118	132	105	114
1952	116	121	147	154	111	105	118	133	106	105
1953	132	136	160	189	118	107	125	142	107	127
1954 <sup>1</sup>	108	123	142	175	115	100	125	142	106	116
1953: December	113	126	146	182	110	95	122	140	103	109
1954: January	111	126	143	185	115	97	122	138	105	112
February	109	123	141	179	120	98	123	141	105	113
March	103	120	138	173	116	99	124	139	106	112
April	103	119	138	174	114	101	125	140	106	116
May	106	121	138	178	120	101	126	142	110	119
June	108	122	139	170	108	99	126	142	108	119
July	103	122	141	170	96	98	126	141	105	117
August	105	124	144	166	97	99	126	141	105	115
September	105	121	147	161	116	98	127	144	105	109
October	111	124	147	164	128	102	127	143	105	106
November	118	125	148	181	124	104	127	145	106	124
December	120	126	144	195	131	102	127	148	106	130
1955: January <sup>1</sup>	123	127	144	201	132	103	127	150	106	137

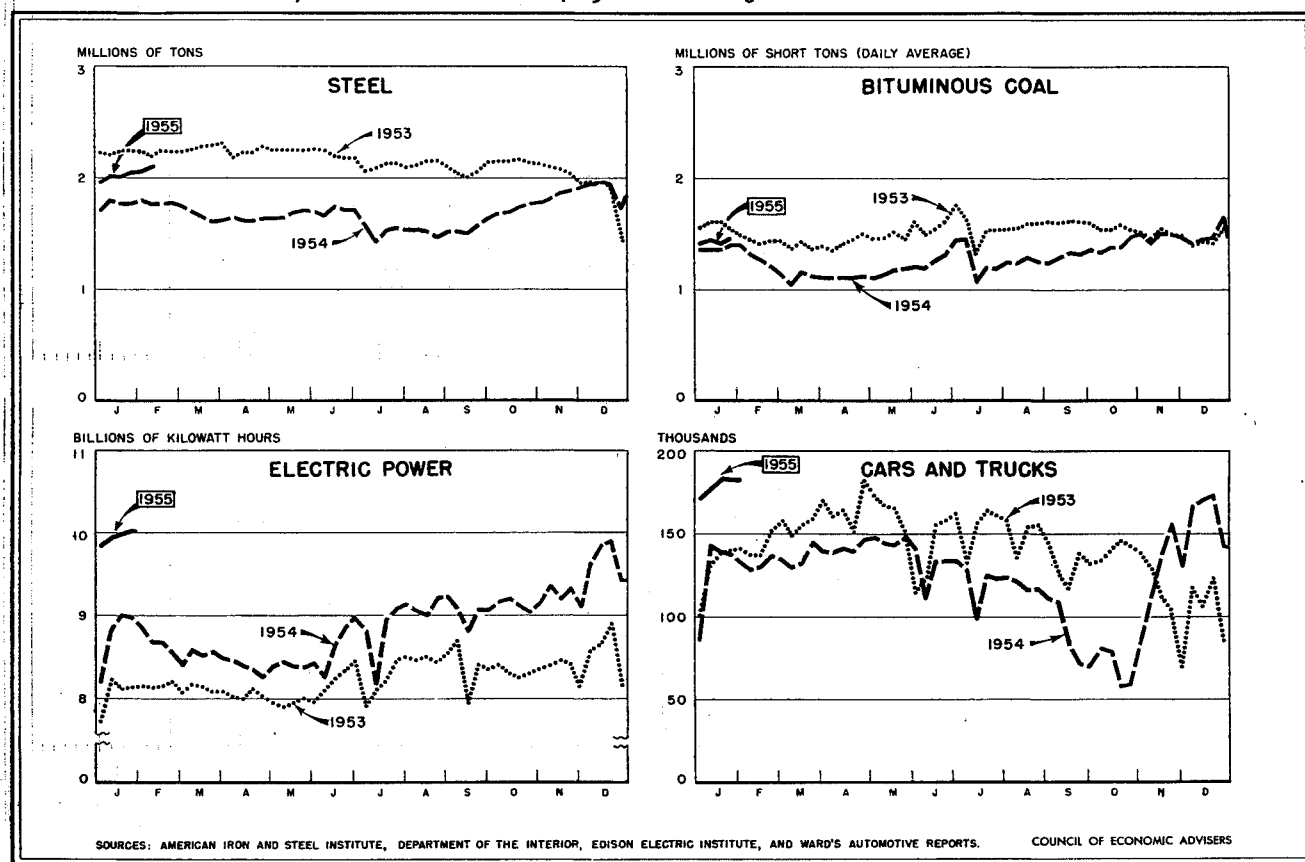
<sup>1</sup> Preliminary estimates.

<sup>2</sup> Not available.

Source: Board of Governors of the Federal Reserve System.

## SELECTED WEEKLY INDICATORS

Production, according to several weekly indicators, expanded throughout January. Steel production was at the highest level in over a year; electric power distribution was at an alltime high, and the automobile industry produced more cars and trucks than in any month on record except June and August 1950.



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

COUNCIL OF ECONOMIC ADVISERS

Period	Steel produced		Electric power distributed (millions of kilowatt-hours)	Bituminous coal mined (thousands of short tons) <sup>2</sup>	Freight loaded (thousands of cars)	Paperboard produced (thousands of tons)	Cars and trucks assembled (thousands)		
	Thousands of net tons	Percent of theoretical capacity <sup>1</sup>					Total	Cars	Trucks
Weekly average:									
1950.....	1, 857	96. 9	6, 183	1, 687	748	214	154. 2	128. 4	25. 9
1953.....	2, 141	94. 9	8, 244	1, 521	735	241	141. 1	118. 0	23. 2
1954 <sup>3</sup> .....	1, 694	71. 0	8, 883	1, 300	652	237	125. 6	106. 0	19. 7
1953: December.....	1, 798	79. 7	8, 502	1, 466	578	213	103. 5	83. 0	20. 6
1954: January.....	1, 795	75. 3	8, 918	1, 346	622	225	138. 4	114. 1	24. 3
February.....	1, 771	74. 3	8, 576	1, 226	616	234	132. 3	110. 8	21. 5
March.....	1, 646	69. 0	8, 526	1, 146	602	235	137. 0	115. 0	21. 9
April.....	1, 625	68. 1	8, 347	1, 109	624	235	144. 1	122. 0	22. 1
May.....	1, 687	70. 7	8, 406	1, 142	674	245	144. 5	122. 3	22. 2
June.....	1, 716	72. 0	8, 684	1, 314	670	239	128. 2	109. 1	19. 2
July.....	1, 499	62. 9	8, 841	1, 182	658	200	117. 6	100. 3	17. 3
August.....	1, 505	63. 1	9, 122	1, 271	677	247	116. 4	99. 8	16. 5
September.....	1, 591	66. 7	9, 040	1, 357	687	236	82. 8	67. 5	15. 3
October.....	1, 738	72. 9	9, 124	1, 389	726	255	70. 8	55. 8	15. 0
November.....	1, 886	79. 1	9, 240	1, 482	671	255	134. 2	113. 7	20. 5
December.....	1, 874	78. 6	9, 645	1, 489	610	227	159. 4	138. 9	20. 5
1955: January <sup>3</sup> .....	1, 995	82. 7	9, 936	1, 444	631	243	178. 9	156. 9	22. 0
Week ended:									
1955: January 1--	1, 850	77. 6	9, 425	1, 486	529	141	142. 4	124. 2	18. 1
8--	1, 960	<sup>1</sup> 81. 2	9, 833	1, 418	602	204	171. 3	150. 6	20. 7
15--	2, 007	83. 2	9, 928	1, 447	645	256	177. 3	155. 1	22. 2
22--	2, 008	83. 2	9, 981	1, 423	636	252	183. 6	161. 2	22. 4
29--	2, 051	85. 0	10, 003	1, 473	642	258	183. 3	160. 7	22. 6
February 5 <sup>3</sup> --	2, 070	85. 8	10, 047	1, 450	641	259	182. 7	164. 3	18. 4
12 <sup>3</sup> --	2, 095	86. 8					181. 9	167. 1	14. 8

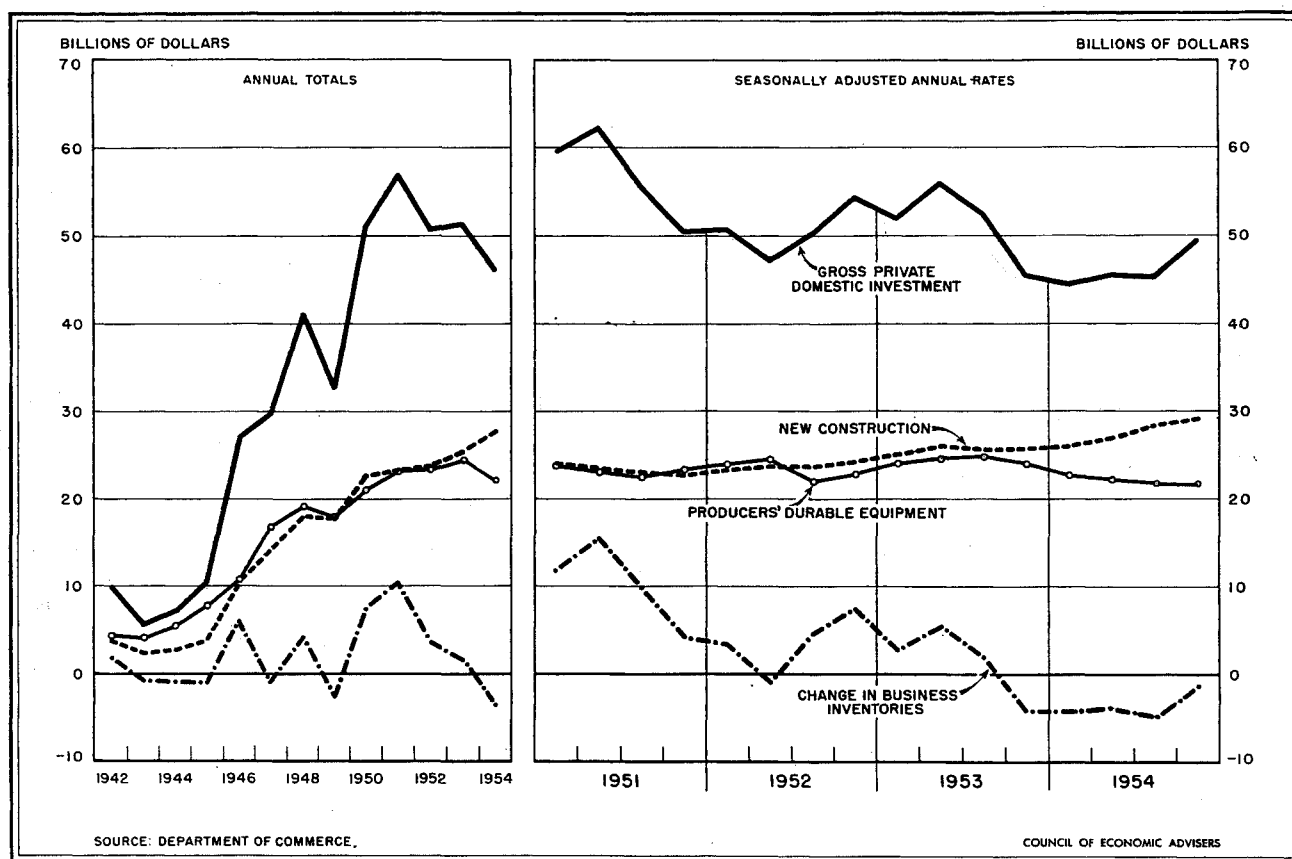
<sup>1</sup> Percent of capacity based on weekly net ton capacity of 1,906,268 for the first half of 1950; 1,928,721 beginning July 1, 1950; 1,999,034 beginning January 1, 1951; 2,077,040 beginning January 1, 1952; 2,254,459 beginning January 1, 1953; and 2,384,549 beginning January 1, 1954; and 2,413,278 beginning January 1, 1955.

<sup>2</sup> Daily average for week. <sup>3</sup> Preliminary estimates.

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

# GROSS PRIVATE DOMESTIC INVESTMENT

Gross private domestic investment rose by nearly 10 percent during the fourth quarter of 1954. A sharp reduction in the rate of inventory liquidation and an increase in residential construction were responsible for the rise.



[Billions of dollars]

Period	Total gross private domestic investment	Fixed investment						Change in business inventories	
		Total	New construction				Producers' durable equipment	Total	Non-farm
			Total	Residential nonfarm	Commercial and industrial <sup>1</sup>	All other <sup>2</sup>			
1939-----	9.3	8.9	4.8	2.7	1.2	0.8	4.2	0.4	0.3
1944-----	7.1	8.2	2.7	.8	1.0	.9	5.4	-1.0	-.6
1946-----	27.1	21.0	10.3	4.0	4.2	2.1	10.7	6.1	6.4
1948-----	41.2	37.0	17.9	8.6	5.7	3.6	19.1	4.2	3.0
1949-----	32.5	35.3	17.5	8.3	5.3	3.9	17.8	-2.7	-1.9
1950-----	51.2	43.9	22.7	12.6	5.7	4.5	21.1	7.4	6.4
1951-----	56.9	46.5	23.3	11.0	7.2	5.1	23.2	10.4	9.0
1952-----	50.7	47.0	23.7	11.1	7.5	5.2	23.3	3.6	3.0
1953-----	51.4	49.9	25.5	11.9	8.4	5.2	24.4	1.5	2.2
1954-----	46.1	49.8	27.6	13.3	14.3		22.2	-3.7	-3.8
Seasonally adjusted annual rates									
1953: Third quarter----	52.4	50.4	25.6	12.1	8.5	5.0	24.8	2.0	2.9
Fourth quarter----	45.5	49.7	25.7	11.7	8.6	5.4	24.0	-4.2	-3.7
1954: First quarter----	44.5	48.7	26.0	11.7	8.8	5.5	22.7	-4.2	-4.2
Second quarter----	45.6	49.4	27.0	12.8	8.7	5.5	22.4	-3.8	-4.0
Third quarter----	45.3	50.1	28.3	14.0	8.7	5.6	21.8	-4.8	-5.0
Fourth quarter----	49.5	50.8	29.1	14.8	14.3		21.7	-1.3	-1.6

<sup>1</sup> Includes public utility.

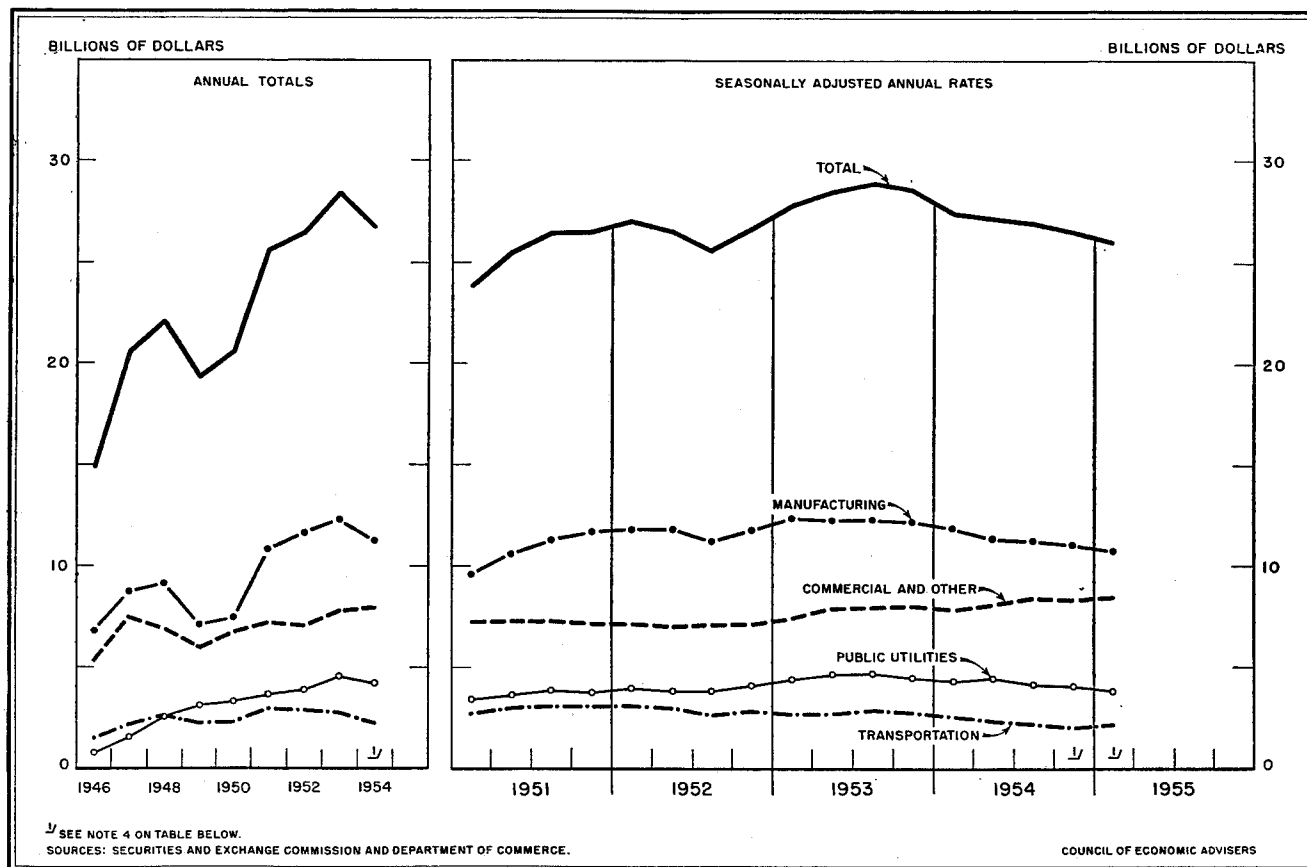
NOTE.—Detail will not necessarily add to totals because of rounding.

<sup>2</sup> Includes petroleum and natural gas well drilling.

Source: Department of Commerce.

# EXPENDITURES FOR NEW PLANT AND EQUIPMENT

According to a survey made in November, expenditures for new plant and equipment will continue at a high rate in the first quarter of 1955, although below the average for the year 1954. Business firms anticipated spending \$26 billion (seasonally adjusted annual rate) in the first quarter of 1955. For the year 1954, expenditures were expected to total \$26.7 billion.



[Billions of dollars]

Period	Total <sup>1</sup>	Manufacturing			Mining	Transportation		Public utilities	Commercial and other <sup>2</sup>
		Total	Durable goods	Nondurable goods		Railroads	Other		
1939	5.51	1.94	0.76	1.19	0.33	0.28	0.36	0.52	2.08
1946	14.85	6.79	3.11	3.68	.43	.58	.92	.79	5.33
1948	22.06	9.13	3.48	5.65	.88	1.32	1.28	2.54	6.90
1949	19.28	7.15	2.59	4.56	.79	1.35	.89	3.12	5.98
1950	20.60	7.49	3.14	4.36	.71	1.11	1.21	3.31	6.78
1951	25.64	10.85	5.17	5.68	.93	1.47	1.49	3.66	7.24
1952	26.49	11.63	5.61	6.02	.98	1.40	1.50	3.89	7.09
1953	28.39	12.28	5.82	6.46	1.01	1.31	1.46	4.55	7.78
1954 <sup>3 4</sup>	26.68	11.24	5.16	6.08	1.02	.85	1.41	4.21	7.96
Seasonally adjusted annual rates									
1953: Third quarter	28.92	12.30	5.76	6.54	1.06	1.30	1.59	4.72	7.94
Fourth quarter	28.56	12.22	5.69	6.53	1.10	1.26	1.52	4.46	8.00
1954: First quarter	27.48	11.87	5.50	6.37	.95	1.06	1.47	4.29	7.84
Second quarter	27.19	11.37	5.29	6.08	1.06	.92	1.36	4.43	8.05
Third quarter	27.00	11.30	5.15	6.15	1.02	.79	1.40	4.12	8.37
Fourth quarter <sup>4</sup>	26.59	11.11	5.01	6.10	1.10	.62	1.39	4.07	8.30
1955: First quarter <sup>4</sup>	26.03	10.79	4.96	5.83	.93	.74	1.40	3.78	8.40

<sup>1</sup> Excludes agriculture.

<sup>2</sup> Commercial and other includes trade, service, finance, communications, and construction.

<sup>3</sup> Annual total is sum of seasonally unadjusted quarterly expenditures; it does not necessarily coincide with average of seasonally adjusted figures, in part because of adjustments when necessary for systematic tendencies in anticipatory data.

<sup>4</sup> Estimates based on anticipated capital expenditures as reported by business in November 1954.

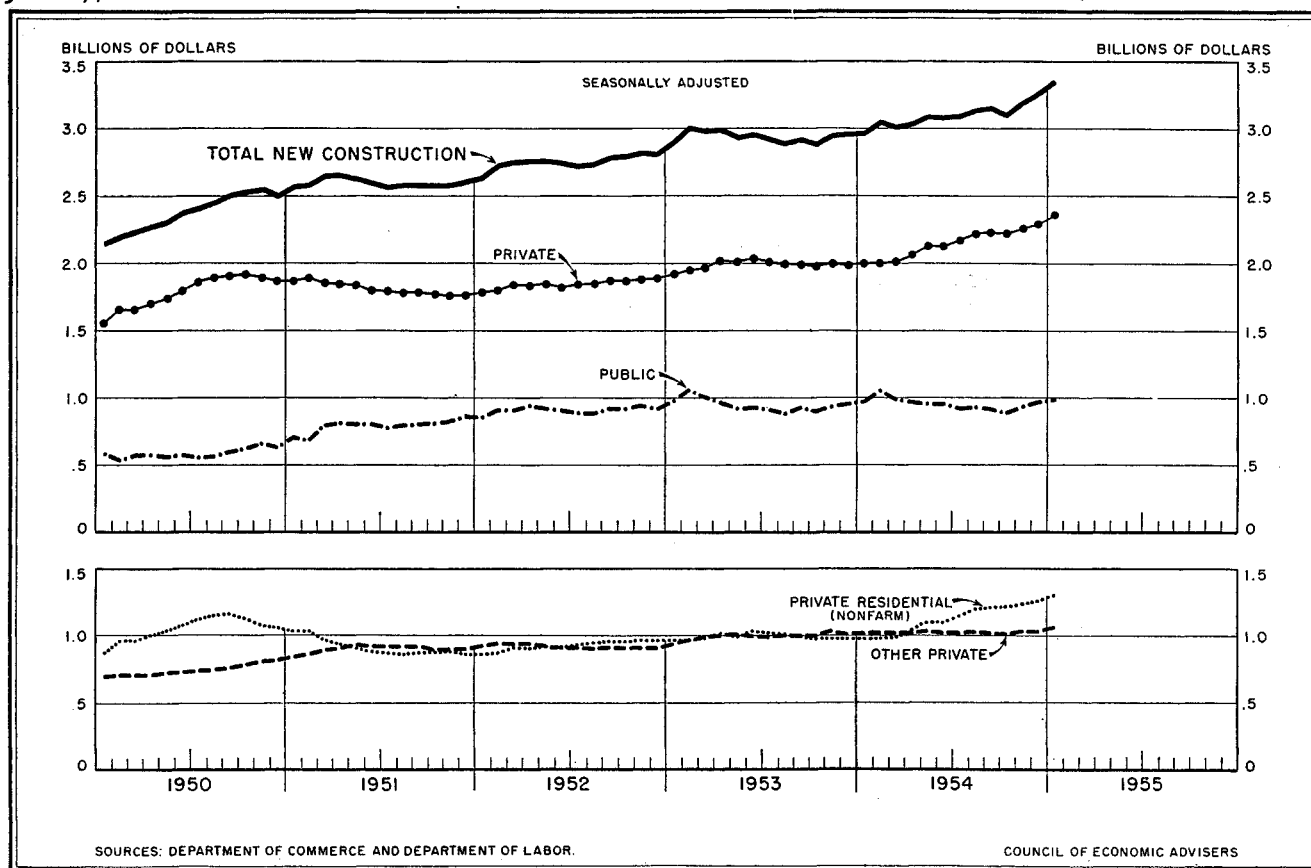
NOTE.—These figures do not agree with the totals included in the gross national product estimates of the Department of Commerce, principally because the latter cover agricultural investment and also certain equipment and construction outlays charged to current expense.

Detail will not necessarily add to totals because of rounding.

Sources: Securities and Exchange Commission and Department of Commerce.

## NEW CONSTRUCTION

Expenditures for total new construction, seasonally adjusted, were at an annual rate in excess of \$40 billion in January, a new record level. Construction contracts awarded were 31 percent higher than a year earlier.



[Millions of dollars]

Period	Total new construction	Private construction			Federal, State, and local <sup>1</sup>	Construction contracts awarded in 37 Eastern States <sup>2</sup>	
		Total private	Residential (nonfarm)	Other		Un-adjusted	Seasonally adjusted
1939 monthly average.....	683	366	223	142	317	296	-----
1944 monthly average.....	438	182	68	114	256	166	-----
1946 monthly average.....	1,000	803	335	469	197	624	-----
1948 monthly average.....	1,806	1,404	715	689	402	786	-----
1949 monthly average.....	1,899	1,365	689	676	534	863	-----
1950 monthly average.....	2,371	1,788	1,050	738	583	1,208	-----
1951 monthly average.....	2,598	1,814	914	899	785	1,313	-----
1952 monthly average.....	2,751	1,842	925	917	908	1,398	-----
1953 monthly average.....	2,938	1,990	994	996	948	1,454	-----
1954 monthly average.....	3,098	2,143	1,121	1,022	954	1,648	-----
Seasonally adjusted							
1953: December.....	2,955	1,992	981	1,011	963	1,300	1,354
1954: January.....	2,965	1,995	978	1,017	970	1,152	1,557
February.....	3,051	2,004	980	1,024	1,047	1,221	1,650
March.....	3,005	2,011	989	1,022	994	1,528	1,559
April.....	3,027	2,059	1,040	1,019	968	1,692	1,484
May.....	3,089	2,131	1,105	1,026	958	1,925	1,674
June.....	3,078	2,122	1,102	1,020	956	1,733	1,605
July.....	3,094	2,173	1,150	1,023	921	1,837	1,611
August.....	3,145	2,219	1,192	1,027	926	1,573	1,527
September.....	3,157	2,234	1,214	1,020	923	1,816	1,579
October.....	3,105	2,221	1,210	1,011	884	1,965	1,946
November.....	3,192	2,259	1,228	1,031	933	1,499	1,743
December.....	3,262	2,292	1,262	1,030	970	1,829	1,905
1955: January <sup>3</sup> .....	3,352	2,361	1,299	1,062	991	1,504	2,033

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

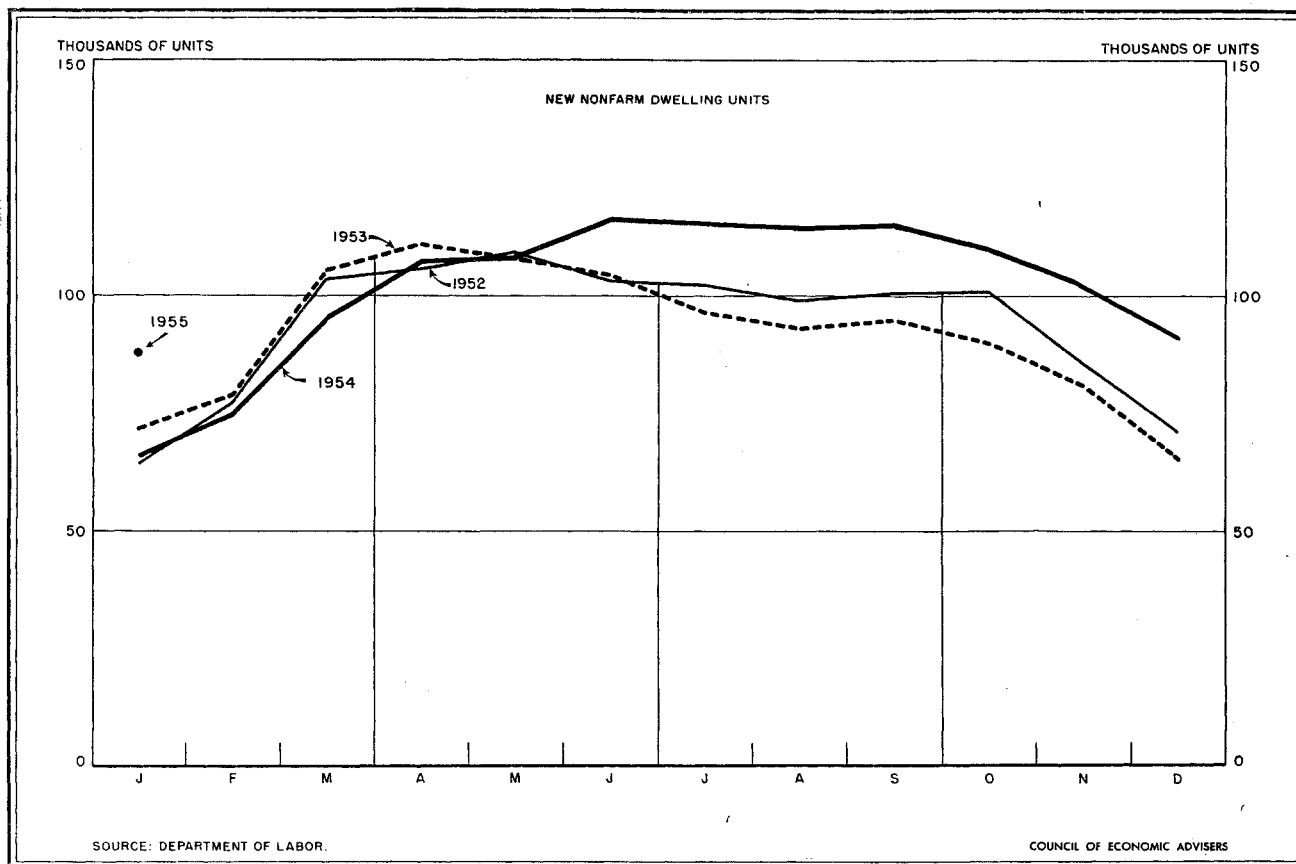
<sup>2</sup> Preliminary estimates.

<sup>3</sup> Compiled by F. W. Dodge Corporation; seasonally adjusted by the National Bureau of Economic Research. Omits small contracts, and covers rural areas less fully than urban.

Sources: Department of Commerce, Department of Labor, and F. W. Dodge Corporation (except as noted).

## NEW HOUSING STARTS

In January, nonfarm housing starts reached a new record for the month, totaling 88,000 or 33 percent higher than a year earlier. On a seasonally adjusted basis, private starts were at an annual rate of over 1.4 million units.

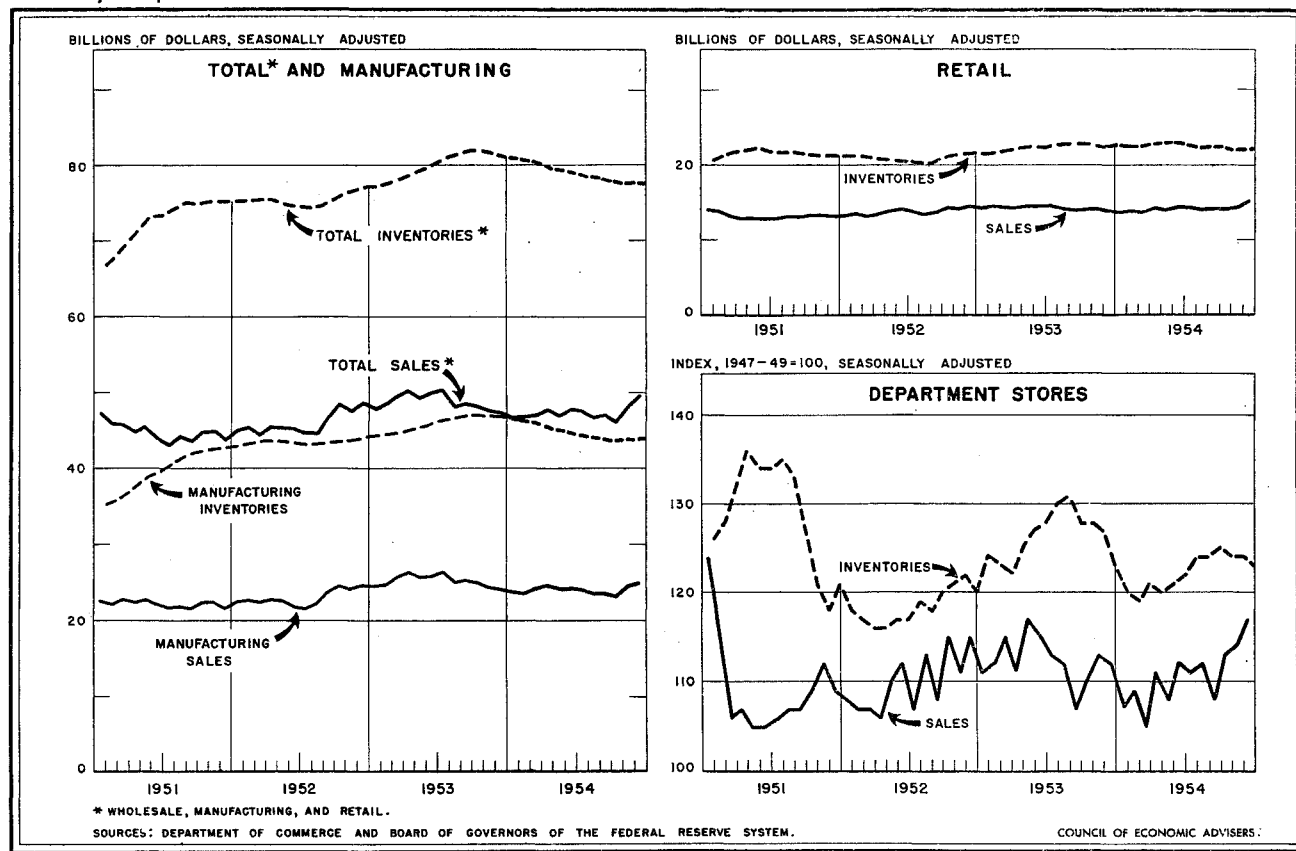


[Thousands of units]

Period	New housing starts						Proposed home construction	
	Total	Publicly financed	Privately financed			Private seasonally adjusted annual rates	Applications for FHA commitments <sup>1</sup>	Requests for VA appraisals
			Total	Government underwritten				
				Total	FHA			
Annual total: 1939	515. 0	56. 6	458. 4	158. 1	158. 1		167. 8	
1946	670. 5	8. 0	662. 5	152. 0	69. 0	<sup>2</sup> 83. 0	121. 7	( <sup>3</sup> )
1948	931. 6	18. 1	913. 5	396. 1	294. 1	<sup>2</sup> 102. 0	293. 2	( <sup>3</sup> )
1949	1, 025. 1	36. 3	988. 8	468. 8	363. 8	<sup>2</sup> 105. 0	327. 0	( <sup>3</sup> )
1950	1, 396. 0	43. 8	1, 352. 2	686. 7	486. 7	<sup>2</sup> 200. 0	397. 7	( <sup>3</sup> )
1951	1, 091. 3	71. 2	1, 020. 1	412. 2	263. 5	148. 6	192. 8	164. 4
1952	1, 127. 0	58. 5	1, 068. 5	421. 2	279. 9	141. 3	267. 9	226. 3
1953	1, 103. 8	35. 5	1, 068. 3	408. 6	252. 0	156. 6	253. 7	251. 4
1954 <sup>4</sup>	1, 220. 2	19. 4	1, 200. 8	582. 3	276. 3	306. 0	338. 6	535. 4
Monthly average: 1950	116. 3	3. 6	112. 7	57. 2	40. 6	16. 7	33. 1	( <sup>3</sup> )
1953	92. 0	3. 0	89. 0	34. 0	21. 0	13. 1	21. 1	21. 0
1954 <sup>4</sup>	101. 7	1. 6	100. 1	48. 5	23. 0	25. 5	28. 2	44. 6
1953: December	65. 8	1. 3	64. 5	27. 5	15. 3	12. 2	1, 060	13. 4
1954: January	66. 4	1. 3	65. 1	24. 7	13. 2	11. 6	1, 056	15. 0
February	75. 2	1. 3	73. 9	30. 5	16. 3	14. 2	1, 152	20. 0
March	95. 2	2. 0	93. 2	36. 4	20. 5	15. 9	1, 130	28. 1
April	107. 7	1. 2	106. 5	43. 6	23. 8	19. 8	1, 102	32. 3
May	108. 5	1. 1	107. 4	49. 0	24. 0	25. 0	1, 083	30. 3
June	116. 5	3. 9	112. 6	54. 6	27. 7	26. 9	1, 175	35. 2
July	116. 0	3. 1	112. 9	52. 2	25. 4	26. 8	1, 188	30. 1
August	114. 3	1. 3	113. 0	60. 2	27. 0	33. 3	1, 211	32. 2
September	115. 7	2. 3	113. 4	59. 8	25. 9	33. 9	1, 248	34. 8
October	110. 7	. 2	110. 5	58. 2	24. 7	33. 5	1, 287	29. 3
November	<sup>4</sup> 103. 0	<sup>4</sup> 1. 3	<sup>4</sup> 102. 7	62. 4	26. 3	36. 0	<sup>4</sup> 1, 385	26. 9
December	<sup>4</sup> 91. 0	<sup>4</sup> 1. 4	<sup>4</sup> 89. 6	50. 7	21. 5	29. 1	<sup>4</sup> 1, 473	24. 3
1955: January	<sup>4</sup> 88. 0	<sup>4</sup> 1. 2	<sup>4</sup> 87. 8	45. 8	19. 8	26. 1	<sup>4</sup> 1, 424	25. 6

# SALES AND INVENTORIES - MANUFACTURING AND TRADE

In December, total inventories (seasonally adjusted) were fractionally lower than in November. Total sales rose 3 percent, with retail trade showing a gain of 5 percent. Manufacturers' new orders continued to increase in December. Preliminary reports indicate that retail sales declined slightly in January, but exceeded the level of a year earlier by 10 percent.



Period	Manufacturing and trade <sup>1</sup>		Manufacturing			Retail		Department stores	
	Sales <sup>2</sup>	Inventories <sup>3</sup>	Sales <sup>2</sup>	Inventories <sup>3</sup>	New orders <sup>2</sup>	Sales <sup>2</sup>	Inventories <sup>3</sup>	Sales <sup>2</sup>	Inventories <sup>4</sup>
Millions of dollars, seasonally adjusted									
1939	10,802	20,051	5,112	11,465	5,354	3,503	5,534	35	35
1944	23,785	31,059	13,782	19,507	11,906	5,851	7,640	62	58
1946	27,150	42,892	12,617	24,457	13,694	8,541	11,852	90	77
1948	36,438	55,612	17,630	31,693	17,350	10,877	15,828	104	107
1949	34,664	52,111	16,416	28,860	15,903	10,893	15,311	98	100
1950	39,917	64,092	19,285	34,314	20,980	11,974	19,316	105	109
1951	44,821	75,268	22,205	42,904	24,391	13,185	21,239	109	129
1952	46,080	77,109	23,046	44,190	23,710	13,674	21,592	110	118
1953	48,836	81,072	25,280	46,722	23,861	14,228	22,661	112	126
1954 <sup>6</sup>	47,312	77,516	23,982	43,835	23,090	14,222	22,173	111	122
1953: November	47,518	81,276	24,256	46,909	21,594	14,104	22,437	113	127
December	47,209	81,072	24,126	46,722	22,026	13,932	22,661	113	123
1954: January	46,450	80,688	23,902	46,382	20,749	13,622	22,521	107	120
February	46,714	80,390	23,620	46,115	22,016	13,972	22,421	109	119
March	47,094	80,093	24,064	45,774	22,859	13,900	22,563	105	121
April	47,636	79,516	24,418	45,183	23,017	14,242	22,690	111	120
May	46,914	79,372	23,978	44,798	22,819	14,044	22,804	108	121
June	47,779	79,000	24,260	44,535	22,876	14,439	22,600	112	122
July	47,417	78,349	24,055	44,194	22,551	14,272	22,403	111	124
August	46,717	78,163	23,482	43,929	22,560	14,150	22,451	112	124
September	46,985	77,790	23,612	43,668	24,463	14,214	22,425	107	125
October	46,224	77,542	23,141	43,819	23,858	14,071	21,996	113	124
November	47,990	77,653	24,361	43,811	24,366	14,361	22,130	114	124
December <sup>6</sup>	49,566	77,516	24,917	43,835	25,409	15,123	22,173	117	123
1955: January <sup>6</sup>						14,942		117	

<sup>1</sup> Also includes wholesale, not shown separately in this table.

<sup>2</sup> Monthly average for year and total for month.

<sup>3</sup> Book value, end of period.

<sup>4</sup> Book value, end of period, except annual data, which are monthly averages.

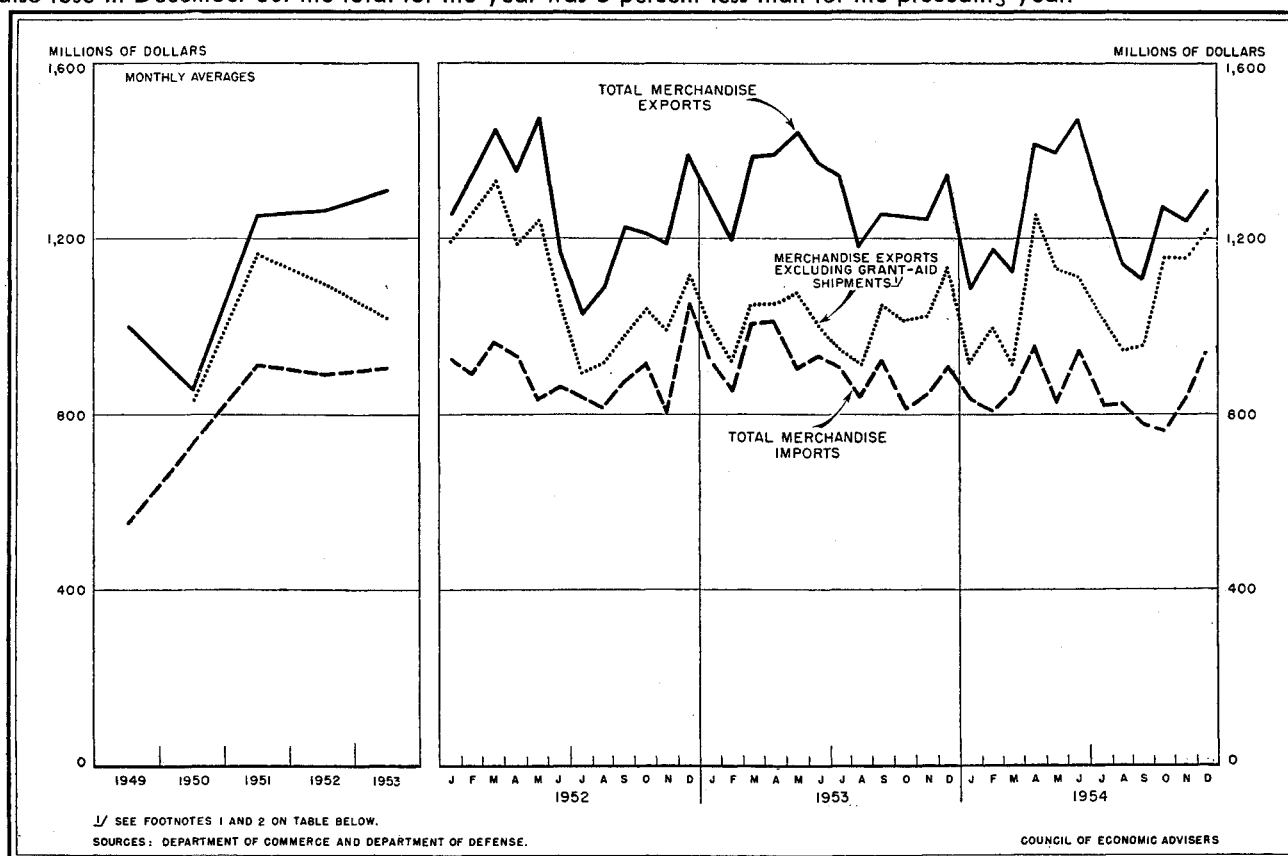
Sources: Department of Commerce and Board of Governors of the Federal Reserve System.

<sup>5</sup> New series on retail trade beginning with 1951; not comparable with previous data. See *Survey of Current Business*, September and November 1952, for detail.

<sup>6</sup> Preliminary estimates.

## MERCHANDISE EXPORTS AND IMPORTS

Commercial exports rose in December, bringing the total for 1954 to a level 5 percent higher than in 1953. Imports also rose in December but the total for the year was 6 percent less than for the preceding year.



[Millions of dollars]

Period	Merchandise exports			Merchandise imports	Excess of exports (+) or imports (-)	
	Total <sup>1</sup>	Grant-aid shipments <sup>2</sup>	Excluding grant-aid shipments		Total	Excluding grant-aid shipments
1936-38 monthly average	247			207	+40	
1944 monthly average	1,188	942	247	327	+861	-80
1946 monthly average	812	54	757	412	+400	+345
1948 monthly average	1,054			594	+460	
1949 monthly average	1,003			552	+452	
1950 monthly average	856	24	833	738	+118	+95
1951 monthly average	1,253	89	1,164	914	+339	+250
1952 monthly average	1,266	166	1,100	893	+373	+207
1953 monthly average	1,314	293	1,022	906	+408	+116
1954 monthly average	1,256	188	1,068	851	+406	+218
1953: November	1,247	216	1,030	849	+398	+181
December	1,353	215	1,138	907	+446	+231
1954: January	1,092	169	922	833	+259	+90
February	1,182	184	998	809	+374	+189
March	1,125	203	922	862	+263	+60
April	1,426	167	1,258	957	+468	+301
May	1,400	264	1,135	829	+570	+306
June	1,473	359	1,114	946	+527	+168
July	1,291	268	1,023	822	+469	+202
August	1,155	200	955	824	+331	+131
September	1,111	153	959	780	+331	+178
October	1,264	104	1,160	763	+500	+396
November	1,242	85	1,157	839	+403	+318
December	1,312	98	1,214	942	+370	+272

<sup>1</sup> Includes shipments under the various grant-aid programs; for some of these programs separate data are not available.

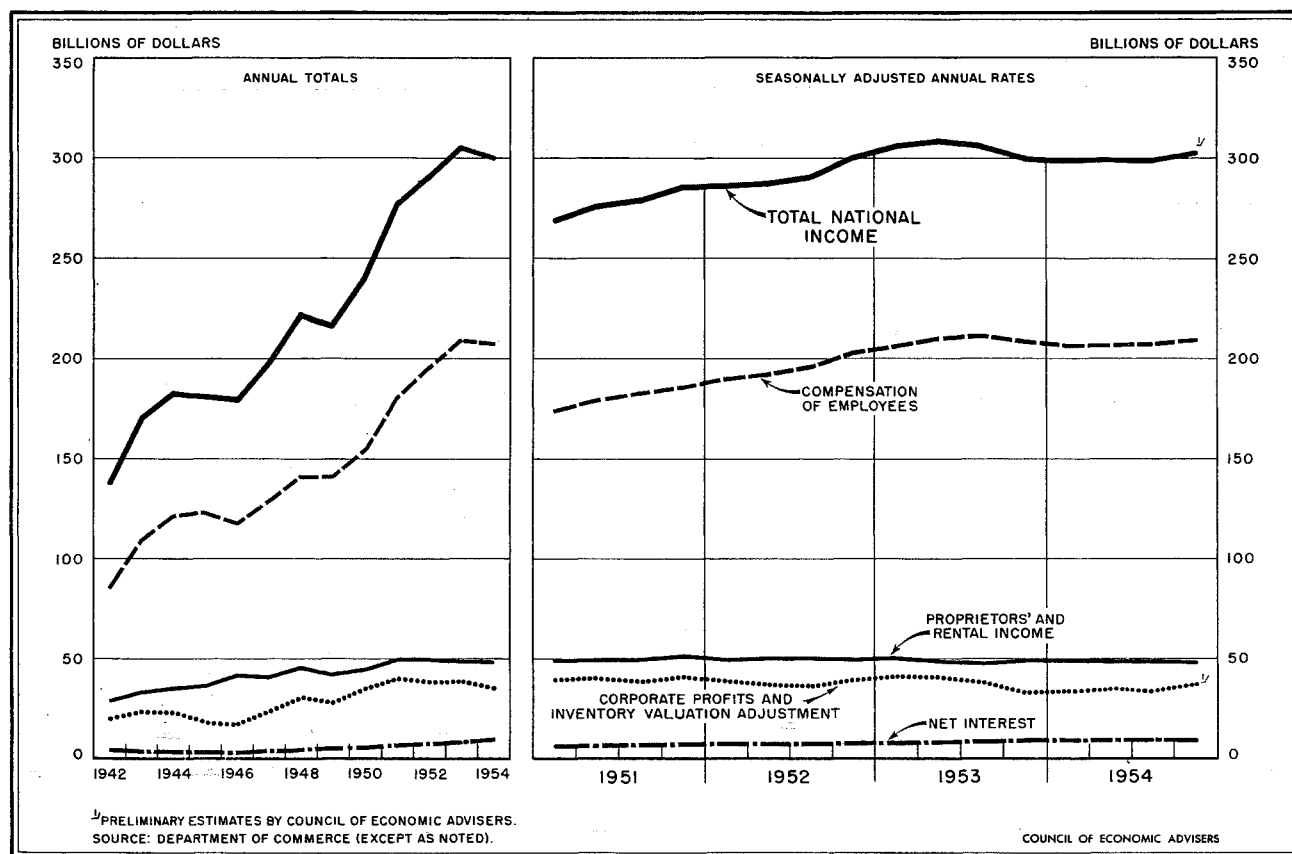
<sup>2</sup> Beginning with 1950, figures include only Department of Defense shipments of grant-aid military supplies and equipment under the Mutual Security Program. Shipments for the first 6 months of the program (July-December 1950) amounted to 282 million dollars.

NOTE: Detail will not necessarily add to totals because of rounding. Sources: Department of Commerce and Department of Defense.

# PURCHASING POWER

## NATIONAL INCOME

Reflecting the quickened pace of general business activity, national income rose by about \$4 billion (seasonally adjusted annual rate) between the third and fourth quarters. Corporate profits, wage and salary income, and business and professional incomes shared in the rise.



[Billions of dollars]

Period	Total national income	Compensation of employees <sup>1</sup>	Proprietors' income		Rental income of persons	Net interest	Corporate profits and inventory valuation adjustment		
			Farm	Business and professional			Total	Profits before taxes	Inventory valuation adjustment
1939-----	72.8	48.1	4.3	7.3	2.7	4.6	5.7	6.4	-0.7
1944-----	182.6	121.3	11.5	18.0	5.4	3.3	23.0	23.3	- .3
1946-----	179.6	117.7	13.9	21.3	6.2	3.1	17.3	22.6	-5.3
1948-----	221.6	140.9	16.7	21.6	7.2	4.5	30.6	32.8	-2.2
1949-----	216.2	140.9	12.7	21.4	7.9	5.2	28.1	26.2	1.9
1950-----	240.0	154.3	13.3	22.9	8.5	5.9	35.1	40.0	-4.9
1951-----	277.0	180.4	16.0	24.8	9.1	6.8	39.9	41.2	-1.3
1952-----	291.0	195.4	14.2	25.7	10.0	7.4	38.2	37.2	1.0
1953-----	305.0	209.1	12.2	26.2	10.6	8.4	38.5	39.4	-1.0
1954-----	300.0	207.3	11.9	25.9	10.9	9.1	34.9	35.0	-.2
Seasonally adjusted annual rates									
1953: Third quarter-----	306.2	211.4	11.1	26.1	10.6	8.6	38.3	40.9	-2.6
Fourth quarter-----	299.9	208.8	12.3	25.9	10.8	8.9	33.1	32.5	.6
1954: First quarter-----	298.9	206.4	13.0	25.6	10.8	9.0	34.1	34.5	-.4
Second quarter-----	299.6	206.6	12.2	25.9	10.9	9.1	34.9	34.5	.4
Third quarter-----	298.8	207.2	11.6	25.9	10.9	9.2	33.9	34.2	-.3
Fourth quarter-----	<sup>2</sup> 302.9	208.9	11.0	26.3	10.9	9.2	<sup>2</sup> 36.6	<sup>2</sup> 37.0	-.4

<sup>1</sup> Includes employer contributions for social insurance. (See also p. 23.)

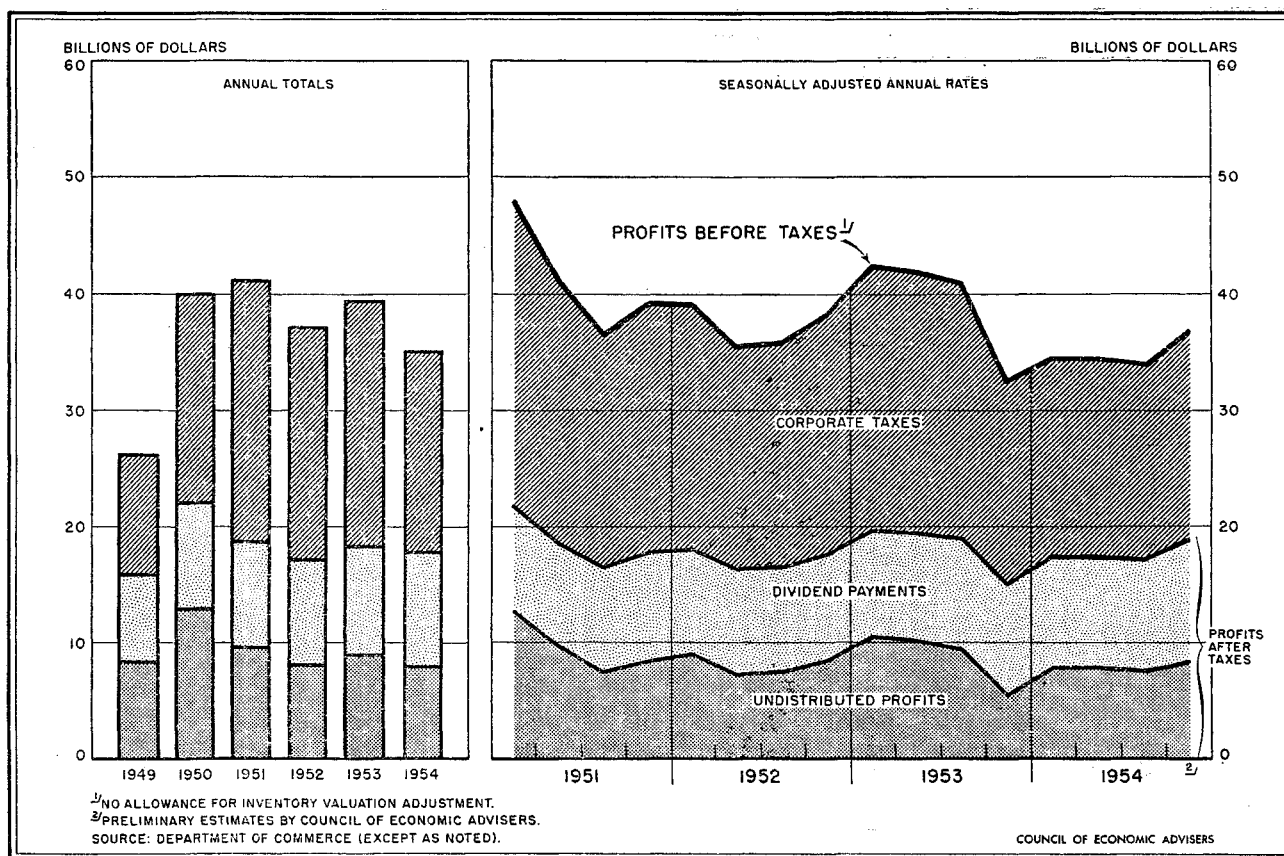
<sup>2</sup> Preliminary estimates by Council of Economic Advisers.

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

Source: Department of Commerce (except as noted).

# CORPORATE PROFITS

Corporate profits, both before and after taxes, rose in the fourth quarter of last year.



[Billions of dollars]

Period	Corporate profits before taxes	Corporate tax liability	Corporate profits after taxes		
			Total	Dividend payments	Undistributed profits
1939.....	6.4	1.4	5.0	3.8	1.2
1944.....	23.3	12.9	10.4	4.7	5.7
1946.....	22.6	9.1	13.4	5.8	7.7
1948.....	32.8	12.5	20.3	7.2	13.0
1949.....	26.2	10.4	15.8	7.5	8.3
1950.....	40.0	17.8	22.1	9.2	12.9
1951.....	41.2	22.5	18.7	9.1	9.6
1952.....	37.2	20.0	17.2	9.1	8.1
1953.....	39.4	21.1	18.3	9.4	8.9
1954.....	35.0	17.2	17.8	9.9	8.0
Seasonally adjusted annual rates					
1953: Third quarter.....	40.9	21.9	19.0	9.5	9.5
1953: Fourth quarter.....	32.5	17.4	15.1	9.6	5.5
1954: First quarter.....	34.5	17.0	17.5	9.6	7.9
1954: Second quarter.....	34.5	17.0	17.5	9.6	7.9
1954: Third quarter.....	34.2	16.8	17.4	9.8	7.6
1954: Fourth quarter.....	<sup>1</sup> 37.0	<sup>1</sup> 18.2	<sup>1</sup> 18.8	<sup>1</sup> 10.4	<sup>1</sup> 8.4

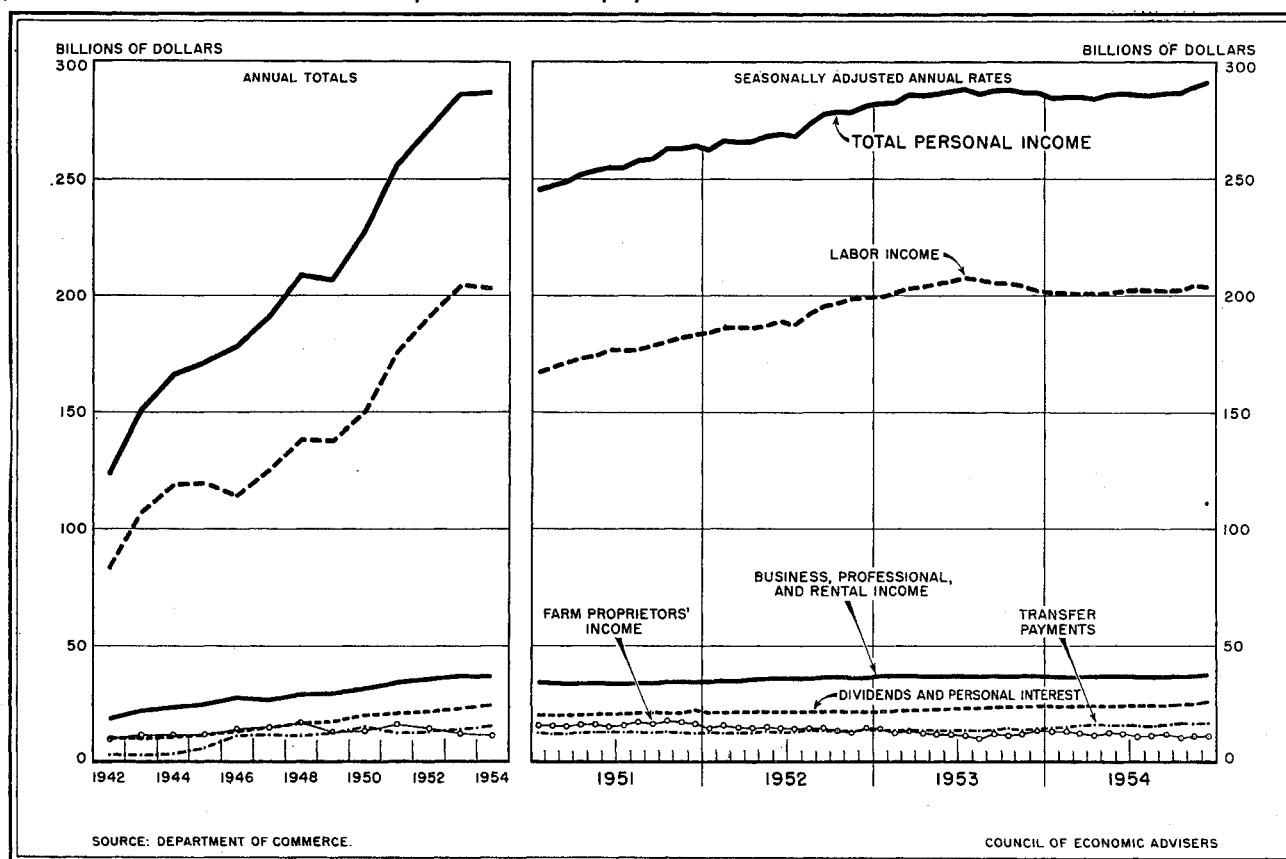
<sup>1</sup> Preliminary estimates by Council of Economic Advisers.

NOTE.—See p. 21 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).

## SOURCES OF PERSONAL INCOME

In December, personal income rose by almost \$2 billion (seasonally adjusted annual rate) to an alltime peak of \$291 billion. Year-end extra and special dividend payments accounted for most of the rise.



[Billions of dollars]

Period	Total personal income	Labor income (wage and salary disbursements and other labor income) <sup>1</sup>	Proprietors' income	Rental income of persons	Dividends	Personal interest income	Transfer payments	Less: Personal contributions for social insurance	Nonagricultural personal income <sup>2</sup>
			Farm	Business and professional					
1939.....	72.9	46.6	4.3	7.3	2.7	3.8	5.8	3.0	67.1
1944.....	165.7	118.5	11.5	18.0	5.4	4.7	6.2	2.2	151.6
1946.....	178.0	113.8	13.9	21.3	6.2	5.8	7.6	2.0	161.1
1948.....	208.7	137.9	16.7	21.6	7.2	7.2	9.0	2.2	188.5
1949.....	206.8	137.4	12.7	21.4	7.9	7.5	9.8	2.2	190.8
1950.....	227.1	150.3	13.3	22.9	8.5	9.2	10.6	2.9	210.5
1951.....	255.3	175.6	16.0	24.8	9.1	9.1	11.6	3.4	235.7
1952.....	271.2	190.6	14.2	25.7	10.0	9.1	12.3	3.8	253.3
1953.....	286.1	204.4	12.2	26.2	10.6	9.4	13.5	4.0	270.0
1954 <sup>4</sup> .....	286.5	202.3	11.9	25.9	10.9	9.9	14.4	4.7	270.7
Seasonally adjusted annual rates									
1953: November..	287.2	204.5	12.2	26.1	10.8	9.6	14.1	4.0	271.3
December.....	287.0	202.7	13.4	25.8	10.9	9.6	14.1	4.1	269.6
1954: January.....	284.9	201.3	13.2	25.5	10.9	9.7	14.2	4.7	267.9
February.....	285.0	201.3	13.2	25.6	10.8	9.6	14.3	4.8	268.2
March.....	285.0	201.1	12.5	25.6	10.8	9.6	14.3	4.7	268.8
April.....	284.4	200.9	11.5	25.9	10.8	9.6	14.4	4.6	269.1
May.....	286.2	201.6	12.6	25.8	11.0	9.6	14.4	4.6	269.7
June.....	286.5	202.1	12.2	26.0	10.9	9.6	14.4	4.7	270.3
July.....	285.7	202.3	11.1	26.0	10.8	9.7	14.5	4.5	270.6
August.....	285.4	202.1	11.4	25.9	10.9	9.8	14.5	4.7	270.2
September.....	286.6	202.0	11.8	25.9	11.0	9.8	14.6	4.6	271.1
October.....	286.3	202.7	10.4	25.9	10.9	9.8	14.6	4.6	272.3
November.....	289.3	204.7	11.2	26.2	10.9	9.9	14.7	4.7	274.6
December <sup>4</sup> .....	291.1	204.0	11.3	26.7	11.0	11.5	14.7	4.7	276.1

<sup>1</sup> Compensation of employees (see p. 21) excluding employer contributions for social insurance.

<sup>2</sup> Personal income exclusive of net income of unincorporated farm enterprises, farm wages, agricultural net interest, and net dividends paid by agricultural corporations.

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

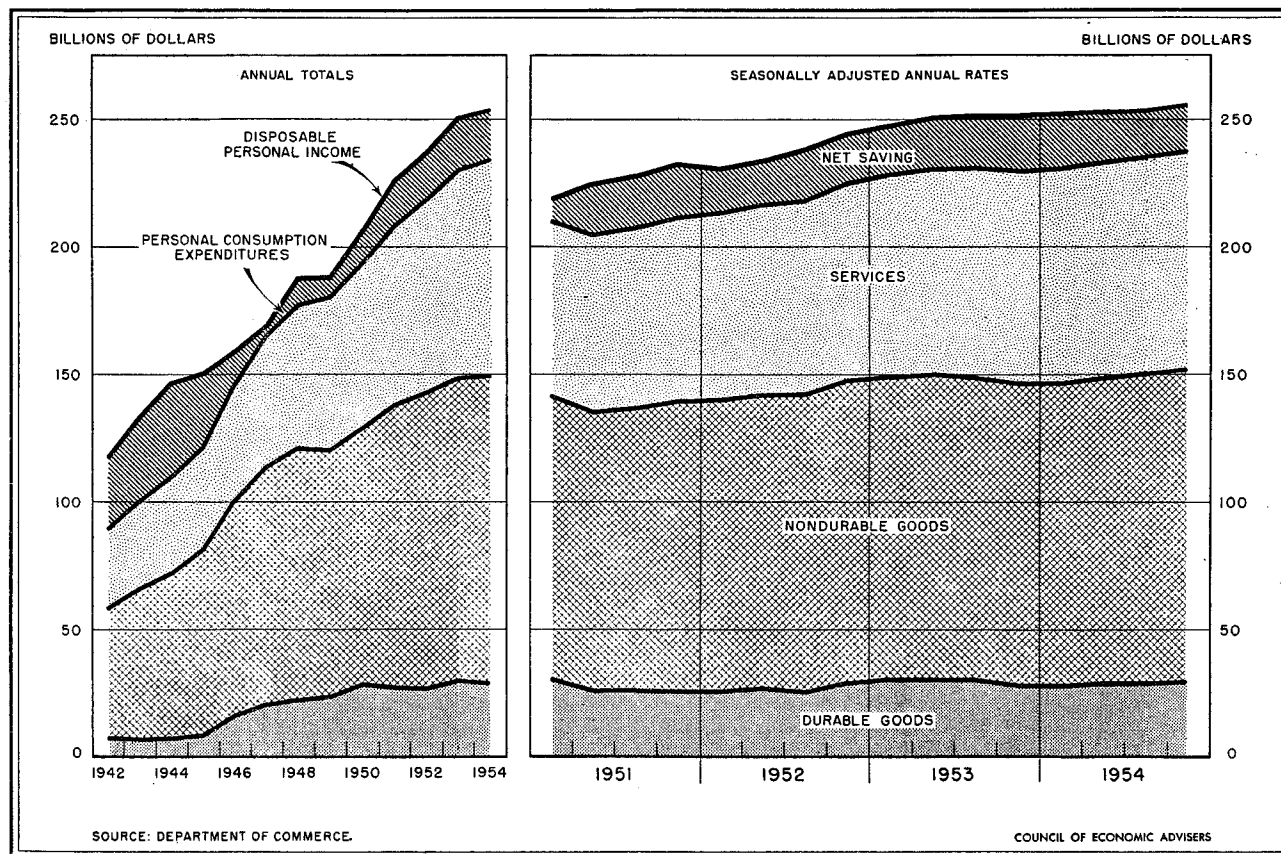
<sup>3</sup> Includes \$2.7 billion National Service Life Insurance dividend, most of which was paid in the first half of the year.

<sup>4</sup> Preliminary estimates.

Source: Department of Commerce.

## DISPOSITION OF PERSONAL INCOME

Disposable personal income rose \$2.7 billion (seasonally adjusted annual rate) between the third and fourth quarters of last year. Since consumer spending rose somewhat more, both the dollar amount and the rate of consumer saving decreased slightly.



Period	Personal income	Less:	Equals:	Less: Personal consumption expenditures				Equals:	Saving as percent of disposable income
		Personal taxes <sup>1</sup>	Disposable personal income	Total	Durable goods	Non-durable goods	Services	Personal saving	
	Billions of dollars								
1939.....	72.9	2.4	70.4	67.6	6.7	35.1	25.8	2.9	4.1
1944.....	165.7	18.9	146.8	109.8	6.8	65.4	37.7	36.9	25.2
1946.....	178.0	18.8	159.2	146.6	15.9	84.5	46.2	12.6	7.9
1948.....	208.7	21.1	187.6	177.6	22.2	98.7	56.7	10.0	5.3
1949.....	206.8	18.7	188.2	180.6	23.6	96.9	60.1	7.6	4.0
1950.....	227.1	20.9	206.1	194.0	28.6	100.4	65.0	12.1	5.9
1951.....	255.3	29.3	226.1	208.3	27.1	111.1	70.1	17.7	7.8
1952.....	271.2	34.4	236.9	218.4	26.8	116.0	75.6	18.4	7.8
1953.....	286.1	36.0	250.1	230.1	29.7	118.9	81.4	20.0	8.0
1954.....	286.5	32.9	253.5	234.0	28.9	120.5	84.6	19.5	7.7
	Billions of dollars, seasonally adjusted annual rates								
1953: Third quarter.....	287.5	36.3	251.2	231.2	30.3	118.6	82.3	20.0	8.0
Fourth quarter.....	287.3	36.1	251.2	229.7	28.0	118.7	83.0	21.5	8.6
1954: First quarter.....	285.1	32.8	252.3	230.5	28.0	118.8	83.6	21.8	8.6
Second quarter.....	285.7	32.9	252.9	233.1	28.8	120.0	84.3	19.7	7.8
Third quarter.....	286.2	32.9	253.2	234.8	28.9	121.1	84.8	18.4	7.3
Fourth quarter.....	289.0	33.1	255.9	237.7	29.9	122.1	85.7	18.2	7.1

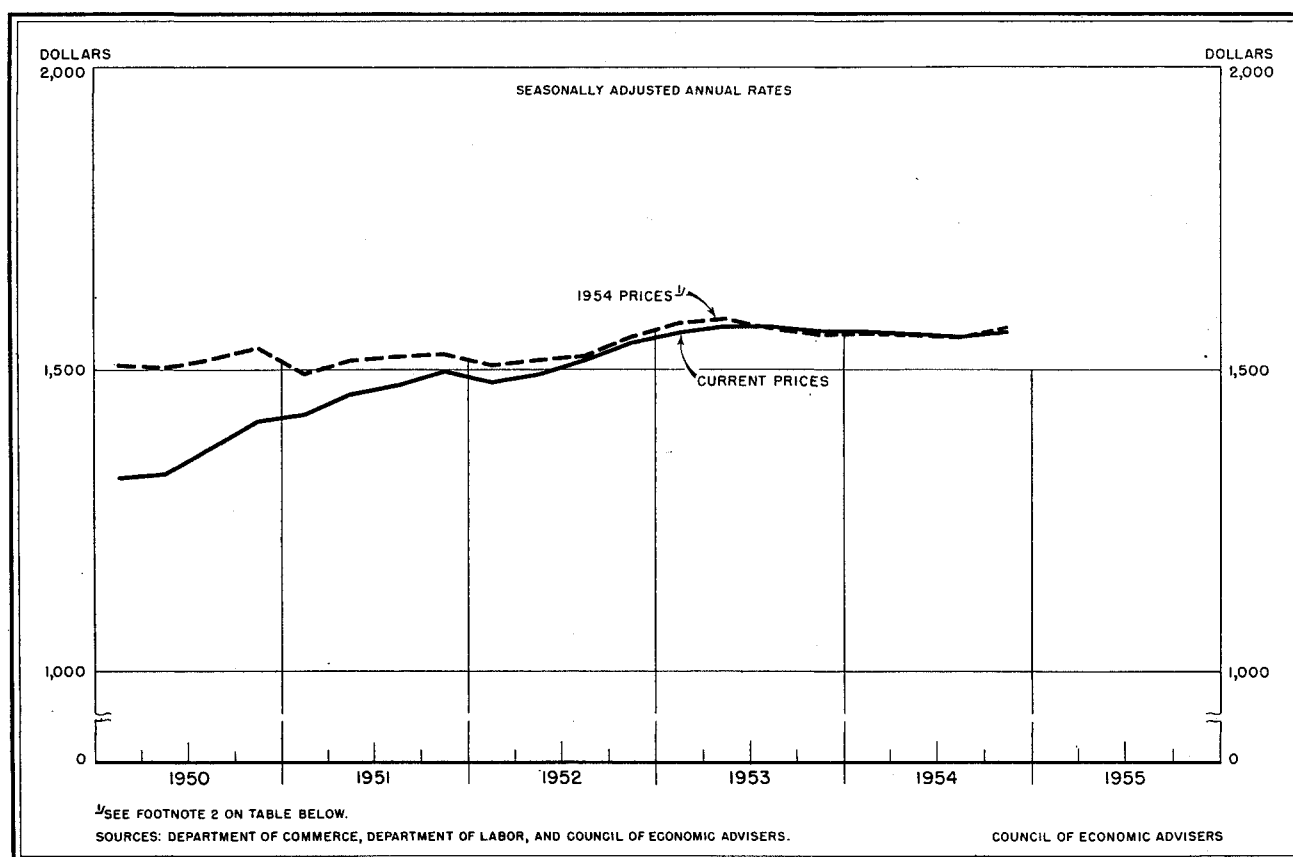
<sup>1</sup>Includes such items as fines, penalties, and donations.

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

Source: Department of Commerce.

## PER CAPITA DISPOSABLE INCOME

Per capita disposable income in both current and constant dollars rose in the fourth quarter, reversing the mild declines which had been experienced throughout the earlier quarters of 1954.



Period	Total disposable personal income (billions of dollars) <sup>1</sup>		Per capita disposable personal income (dollars) <sup>1</sup>		Population (thousands) <sup>3</sup>
	Current prices	1954 prices <sup>2</sup>	Current prices	1954 prices <sup>2</sup>	
1939.....	70.4	136.3	538	1,041	131,028
1944.....	146.8	224.1	1,060	1,618	138,397
1946.....	159.2	219.3	1,126	1,551	141,389
1948.....	187.6	209.6	1,279	1,429	146,631
1949.....	188.2	212.1	1,261	1,422	149,188
1950.....	206.1	230.3	1,359	1,518	151,683
1951.....	226.1	233.8	1,465	1,515	154,360
1952.....	236.9	239.5	1,509	1,526	157,022
1953.....	250.1	250.9	1,567	1,572	159,629
1954.....	253.5	253.5	1,561	1,561	162,414
Seasonally adjusted annual rates					
1953: Third quarter.....	251.2	250.9	1,570	1,568	160,022
Fourth quarter.....	251.2	250.4	1,563	1,558	160,764
1954: First quarter.....	252.3	251.8	1,563	1,560	161,436
Second quarter.....	252.9	252.6	1,560	1,558	162,078
Third quarter.....	253.2	252.9	1,555	1,553	162,808
Fourth quarter.....	255.9	256.7	1,564	1,569	163,582

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

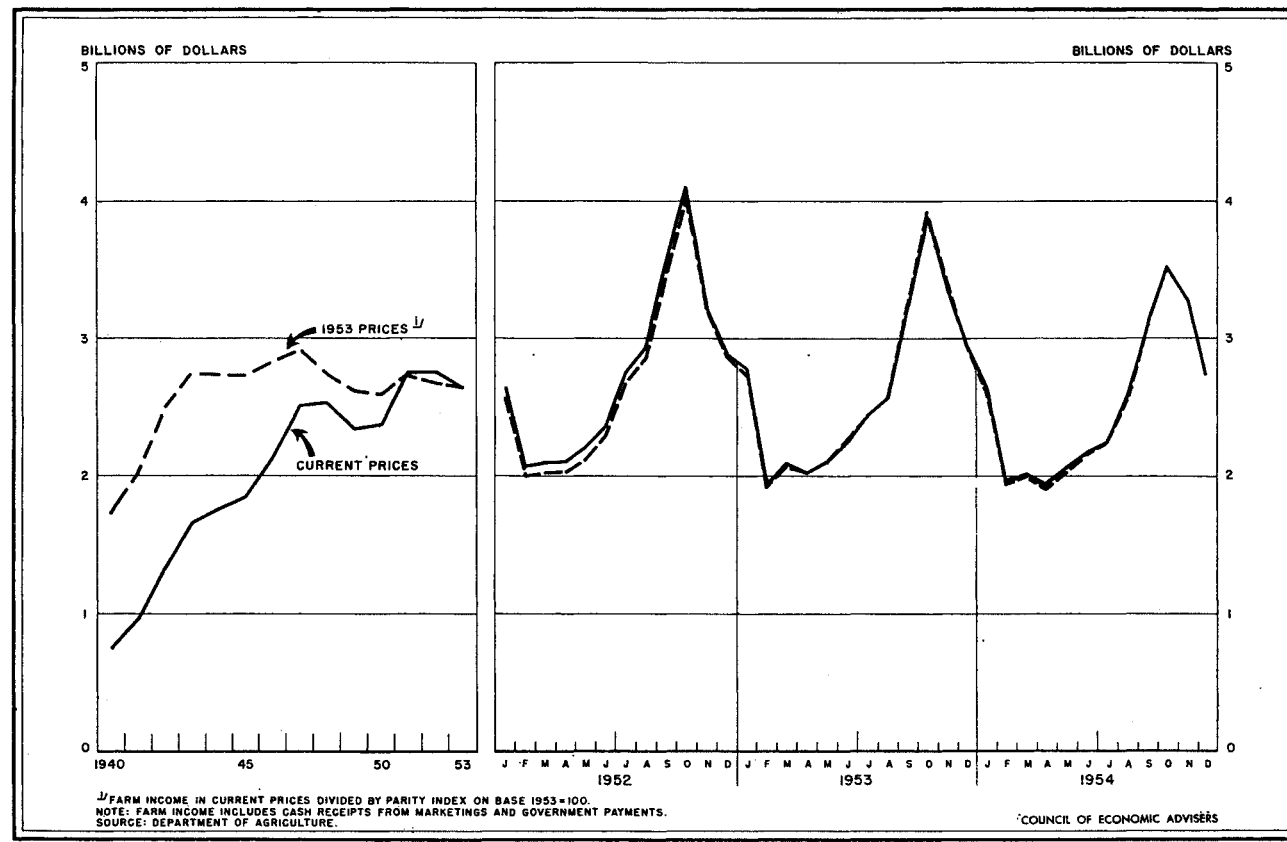
<sup>2</sup> Dollar estimates in current prices divided by consumer price index on base 1954=100.

<sup>3</sup> Includes armed forces overseas. Annual data as of July 1; quarterly data centered in the middle of the period, interpolated from monthly figures.

Sources: Department of Commerce, Department of Labor, and Council of Economic Advisers.

## FARM INCOME

In 1954, farmers received an average of \$2.5 billion per month from cash marketings and Government payments, about 4 percent lower than in 1953. Cash receipts from livestock and products were down 4 percent and crop receipts about 5 percent.



Period	Farm income (millions of dollars, current prices)			Parity index (prices paid, interest, taxes, and wage rates), 1953=100 <sup>1</sup>	Farm income (millions of dollars, 1953 prices) <sup>2</sup>
	Cash receipts and Govern- ment payments	Cash receipts from marketings			
		Livestock and products	Crops		
1939 monthly average .....	715	377	275	44	1,625
1944 monthly average .....	1,763	945	753	65	2,712
1946 monthly average .....	2,111	1,144	903	75	2,815
1948 monthly average .....	2,539	1,423	1,095	93	2,730
1949 monthly average .....	2,344	1,280	1,049	90	2,604
1950 monthly average .....	2,384	1,331	1,029	92	2,591
1951 monthly average .....	2,757	1,634	1,099	101	2,730
1952 monthly average .....	2,747	1,537	1,187	103	2,667
1953 monthly average .....	2,636	1,439	1,179	100	2,636
1954 monthly average <sup>3</sup> .....	2,524	1,384	1,118	101	2,499
1953: October .....	3,888	1,572	2,309	99	3,927
November .....	3,374	1,559	1,811	99	3,408
December .....	2,939	1,461	1,466	100	2,939
1954: January .....	2,629	1,416	1,195	101	2,603
February .....	1,960	1,303	643	101	1,941
March .....	2,014	1,452	538	101	1,994
April .....	1,914	1,387	494	101	1,895
May .....	2,062	1,444	589	102	2,022
June .....	2,176	1,344	793	101	2,154
July .....	2,246	1,251	977	100	2,246
August .....	2,581	1,350	1,219	101	2,555
September .....	3,158	1,393	1,753	100	3,158
October .....	3,535	1,457	2,068	100	3,535
November .....	3,278	1,511	1,748	100	3,278
December <sup>3</sup> .....	2,730	1,300	1,400	100	2,730

<sup>1</sup> Converted from the reported base, 1910-14=100, to the base 1953=100.

<sup>2</sup> Farm income in current dollars divided by parity index on base 1953=100.

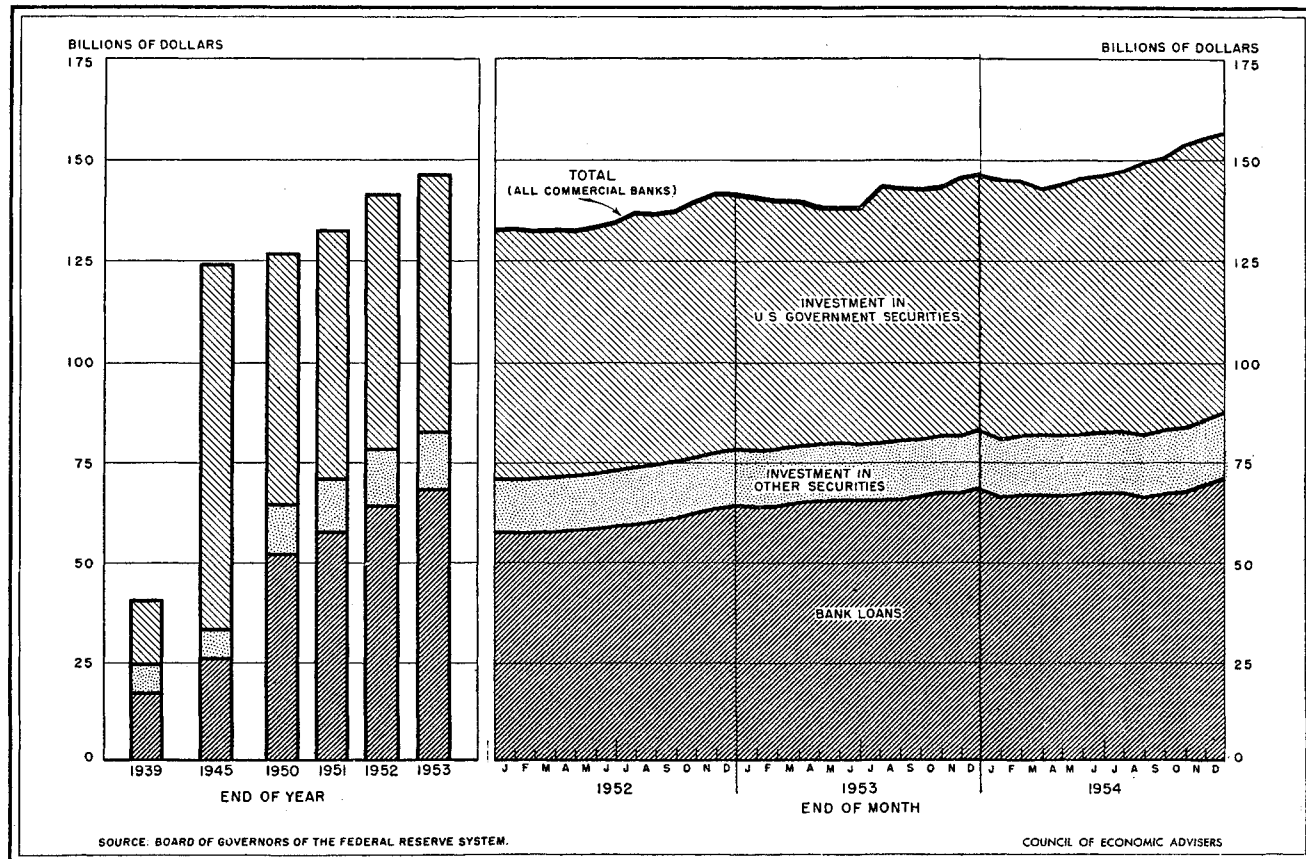
Source: Department of Agriculture.

<sup>3</sup> Preliminary estimates.

# CREDIT, MONEY, AND FEDERAL FINANCE

## BANK LOANS, INVESTMENTS, AND RESERVES

Total loans and investments of commercial banks rose by \$1 billion in December. The \$1.7 billion rise in loans was partially offset by a \$700 million reduction in bank holdings of U. S. Government securities.



[Billions of dollars]

End of period	All commercial banks					Weekly reporting member banks	All member banks <sup>2</sup>		
	Total loans and investments	Loans	Investments				Reserve balances		Borrowings at Federal Reserve Banks
			Total	U. S. Government securities	Other securities		Required	Excess	
1939 -----	40. 7	17. 2	23. 4	16. 3	7. 1	4. 7	6. 0	4. 4	0. 0
1949 -----	120. 2	43. 0	77. 2	67. 0	10. 2	13. 9	17. 0	. 8	. 1
1950 -----	126. 7	52. 2	74. 4	62. 0	12. 4	17. 9	15. 6	. 8	. 1
1951 -----	132. 6	57. 7	74. 9	61. 5	13. 3	21. 6	18. 5	. 8	. 3
1952 -----	141. 6	64. 2	77. 5	63. 3	14. 1	23. 4	19. 6	. 7	. 8
1953 -----	145. 7	67. 6	78. 1	63. 4	14. 7	23. 4	19. 3	. 7	. 8
1954 <sup>3</sup> -----	156. 8	71. 2	85. 7	69. 5	16. 2	22. 5	18. 5	. 8	. 2
1953: November -----	145. 5	67. 2	78. 3	63. 7	14. 6	23. 2	19. 0	. 7	. 5
December -----	145. 7	67. 6	78. 1	63. 4	14. 7	23. 4	19. 2	. 7	. 4
1954: January -----	145. 3	66. 5	78. 9	64. 2	14. 7	22. 5	19. 2	. 9	. 1
February -----	144. 9	66. 9	78. 0	63. 0	15. 0	22. 4	18. 9	. 6	. 3
March -----	142. 8	67. 1	75. 7	60. 7	15. 1	22. 8	18. 9	. 7	. 2
April -----	144. 1	66. 8	77. 4	62. 1	15. 2	22. 2	18. 6	. 8	. 1
May -----	145. 7	67. 1	78. 6	63. 3	15. 3	21. 9	18. 8	. 7	. 2
June -----	146. 4	67. 3	79. 0	63. 5	15. 5	21. 9	18. 8	. 9	. 1
July <sup>3</sup> -----	147. 3	67. 3	80. 0	64. 3	15. 7	21. 5	18. 3	. 8	. 1
August <sup>3</sup> -----	149. 5	66. 5	83. 0	67. 3	15. 7	20. 8	17. 6	. 8	. 1
September <sup>3</sup> -----	150. 6	67. 3	83. 3	67. 3	16. 0	21. 0	17. 6	. 8	. 1
October <sup>3</sup> -----	154. 1	67. 8	86. 3	70. 2	16. 1	21. 0	18. 2	. 7	. 1
November <sup>3</sup> -----	155. 8	69. 5	86. 3	70. 2	16. 2	22. 1	18. 4	. 8	. 2
December <sup>3</sup> -----	156. 8	71. 2	85. 7	69. 5	16. 2	22. 5	18. 6	. 7	. 2
1955: January <sup>3</sup> -----						22. 1	18. 4	. 7	. 3

<sup>1</sup> Commercial, industrial, and agricultural loans; revised series beginning January 1952.

<sup>2</sup> Preliminary estimates.

<sup>3</sup> Data are averages of daily figures on balances and borrowings during the period. Member banks include, besides all national banks, those State banks that have taken membership in the Federal Reserve System.

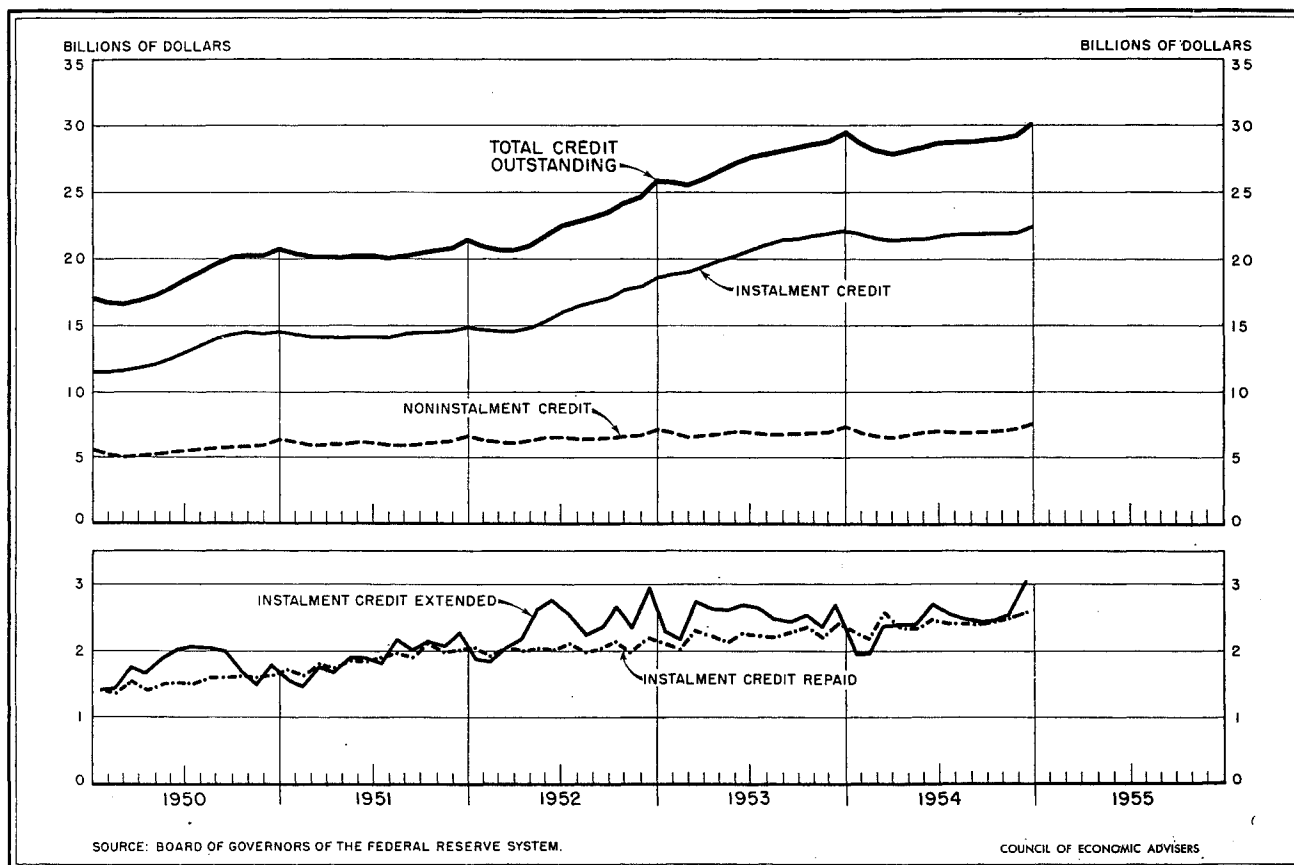
NOTE.—Detail will not

o totals because of rounding.

Source: Board of Governors of the Federal Re

## CONSUMER CREDIT

Consumer credit outstanding rose \$900 million in December to reach a new record. The increase was due largely to a seasonal rise in charge account credit. For the year 1954 as a whole, instalment credit extended was \$1 billion below that in 1953, while repayments were \$2.2 billion higher.



[Millions of dollars]

End of period	Total consumer credit outstanding	Instalment credit outstanding					Noninstalment credit outstanding		Instalment credit extended <sup>1</sup>	Instalment credit repaid <sup>2</sup>
		Total	Auto-mobility paper <sup>1</sup>	Other consumer goods paper <sup>1</sup>	Repair and modernization loans <sup>3</sup>	Personal loans	Total	Charge accounts		
1939.....	7,222	4,503	1,497	1,620	298	1,088	2,719	1,414	-----	-----
1944.....	5,111	2,176	397	791	119	869	2,935	1,517	4,894	4,854
1946.....	8,384	4,172	981	1,290	405	1,496	4,212	2,076	8,495	6,785
1948.....	14,411	8,968	3,054	2,842	843	2,229	5,443	2,713	15,540	13,267
1949.....	17,104	11,516	4,699	3,486	887	2,444	5,588	2,680	18,002	15,454
1950.....	20,813	14,490	6,342	4,337	1,006	2,805	6,323	3,006	21,256	18,282
1951.....	21,468	14,837	6,242	4,270	1,090	3,235	6,631	3,096	22,791	22,444
1952.....	25,827	18,684	8,099	5,328	1,406	3,851	7,143	3,342	28,397	24,550
1953.....	29,537	22,187	10,341	5,831	1,649	4,366	7,350	3,411	30,321	26,818
1954.....	30,125	22,467	10,396	5,668	1,616	4,787	7,658	3,518	29,304	29,024
1953: November..	28,760	21,907	10,404	5,587	1,645	4,271	6,853	2,931	2,355	2,214
December.....	29,537	22,187	10,341	5,831	1,649	4,366	7,350	3,411	2,696	2,416
1954: January.....	28,724	21,836	10,158	5,697	1,635	4,346	6,888	3,002	1,947	2,298
February.....	28,140	21,582	10,010	5,588	1,623	4,361	6,558	2,682	1,956	2,210
March.....	27,833	21,381	9,919	5,443	1,614	4,405	6,452	2,564	2,380	2,581
April.....	28,095	21,426	9,942	5,413	1,617	4,454	6,669	2,723	2,400	2,355
May.....	28,372	21,487	10,002	5,370	1,634	4,481	6,885	2,786	2,397	2,336
June.....	28,666	21,717	10,168	5,367	1,635	4,547	6,949	2,819	2,703	2,473
July.....	28,725	21,849	10,298	5,328	1,637	4,586	6,876	2,773	2,549	2,417
August.....	28,736	21,901	10,349	5,294	1,642	4,616	6,835	2,734	2,477	2,425
September.....	28,856	21,935	10,365	5,287	1,642	4,641	6,921	2,807	2,441	2,407
October.....	28,975	21,952	10,340	5,324	1,637	4,651	7,023	2,892	2,454	2,437
November.....	29,209	22,014	10,296	5,398	1,631	4,689	7,195	3,042	2,554	2,492
December.....	30,125	22,467	10,396	5,668	1,616	4,787	7,658	3,518	3,046	2,593

<sup>1</sup> Includes all consumer credit extended for the purpose of purchasing automobiles and other consumer goods and secured by the items purchased.

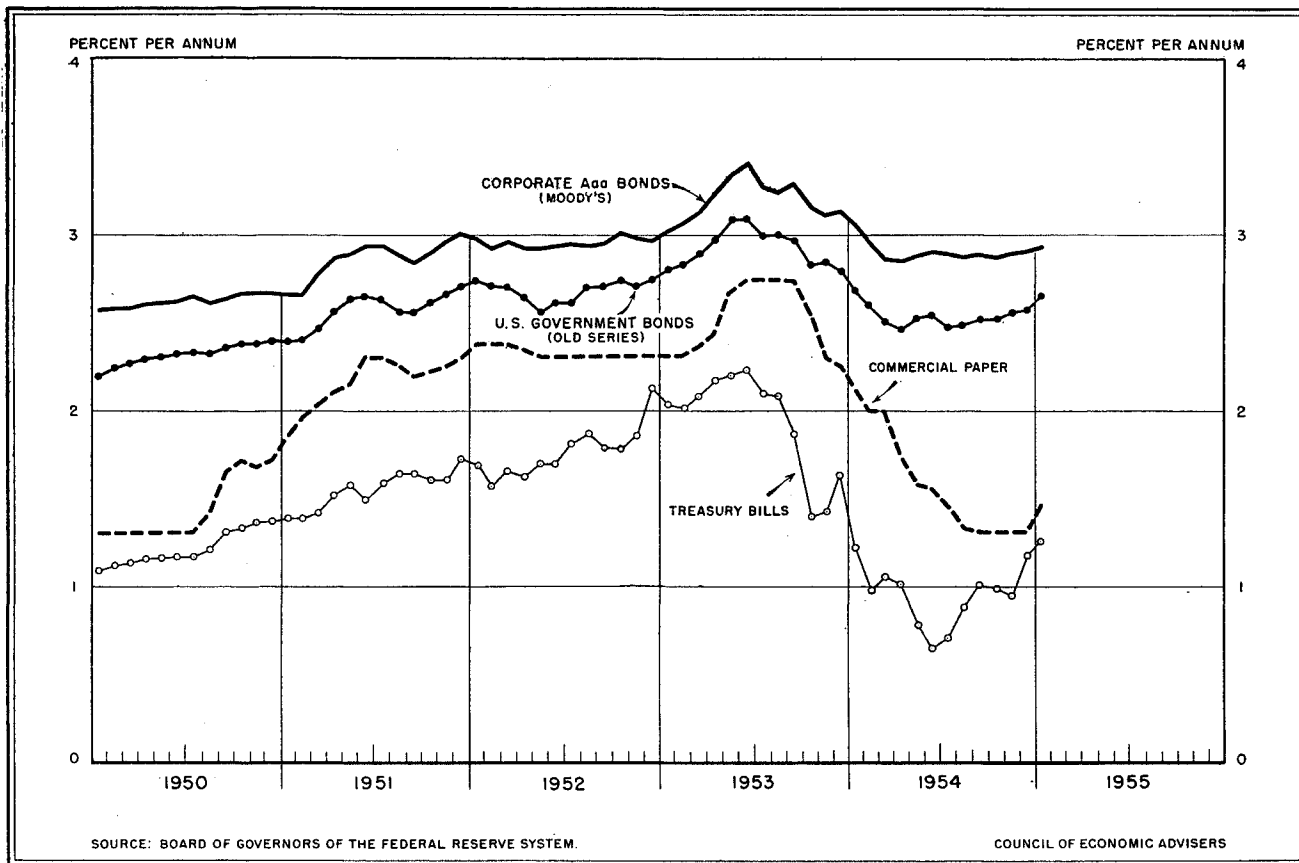
<sup>2</sup> Includes only such loans held by financial institutions; those held by retail outlets are included in "other consumer goods paper."

<sup>3</sup> Credit extended or repaid during the period.

Note.—Detail will not necessarily add to totals because of rounding. Source: Board of Governors of the Federal Reserve System.

# BOND YIELDS AND INTEREST RATES

Rates on prime commercial paper and Treasury bills rose in January. Yields on Federal municipal, and corporate bonds also increased.



[Percent per annum]

Period	U. S. Government security yields				High-grade municipal bonds <sup>5</sup>	Corporate bonds (Moody's)		Prime commercial paper, 4-6 months
	3-month Treasury bills <sup>1</sup>	Taxable bonds <sup>2</sup>		Aaa		Baa		
		Old series <sup>3</sup>	New series <sup>4</sup>					
1939.....	0.023				2.76	3.01	4.96	0.59
1948.....	1.040	2.44			2.40	2.82	3.47	1.44
1949.....	1.102	2.31			2.21	2.66	3.42	1.49
1950.....	1.218	2.32			1.98	2.62	3.24	1.45
1951.....	1.552	2.57			2.00	2.86	3.41	2.16
1952.....	1.766	2.68			2.19	2.96	3.52	2.33
1953.....	1.931	2.93		3.16	2.72	3.20	3.74	2.52
1954.....	.953	2.53		2.70	2.37	2.90	3.51	1.58
1953: December.....	1.630	2.79		2.96	2.59	3.13	3.74	2.25
1954: January.....	1.214	2.68		2.90	2.50	3.06	3.71	2.11
February.....	.984	2.60		2.85	2.39	2.95	3.61	2.00
March.....	1.053	2.51		2.73	2.38	2.86	3.51	2.00
April.....	1.011	2.47		2.70	2.47	2.85	3.47	1.76
May.....	.782	2.52		2.72	2.49	2.88	3.47	1.58
June.....	.650	2.54		2.70	2.48	2.90	3.49	1.56
July.....	.710	2.47		2.62	2.31	2.89	3.50	1.45
August.....	.892	2.48		2.60	2.23	2.87	3.49	1.33
September.....	1.007	2.51		2.64	2.29	2.89	3.47	1.31
October.....	.987	2.52		2.65	2.32	2.87	3.46	1.31
November.....	.948	2.55		2.68	2.28	2.89	3.45	1.31
December.....	1.174	2.57		2.68	2.33	2.90	3.45	1.31
1955: January.....	1.257	2.65		2.76	2.39	2.93	3.46	1.47
Week ended:								
1955: January 8.....	1.049	2.62		2.71	2.36	2.91	3.45	1.31
15.....	1.222	2.64		2.76	2.40	2.92	3.45	1.39
22.....	1.407	2.65		2.78	2.40	2.93	3.46	1.54
29.....	1.349	2.67		2.78	2.41	2.94	3.46	1.60
February 5.....	1.134	2.70		2.82	2.43	2.96	3.46	1.66
12.....	1.088	2.69		2.82	2.41	2.97	3.47	1.69

<sup>1</sup> Rate on new issues within period.

<sup>2</sup> Bonds in this classification were first issued in March 1941.

<sup>3</sup> Beginning April 1952, 2 1/4-percent bonds first callable after 12 years. Prior to that, only bonds due or callable after 15 years were included.

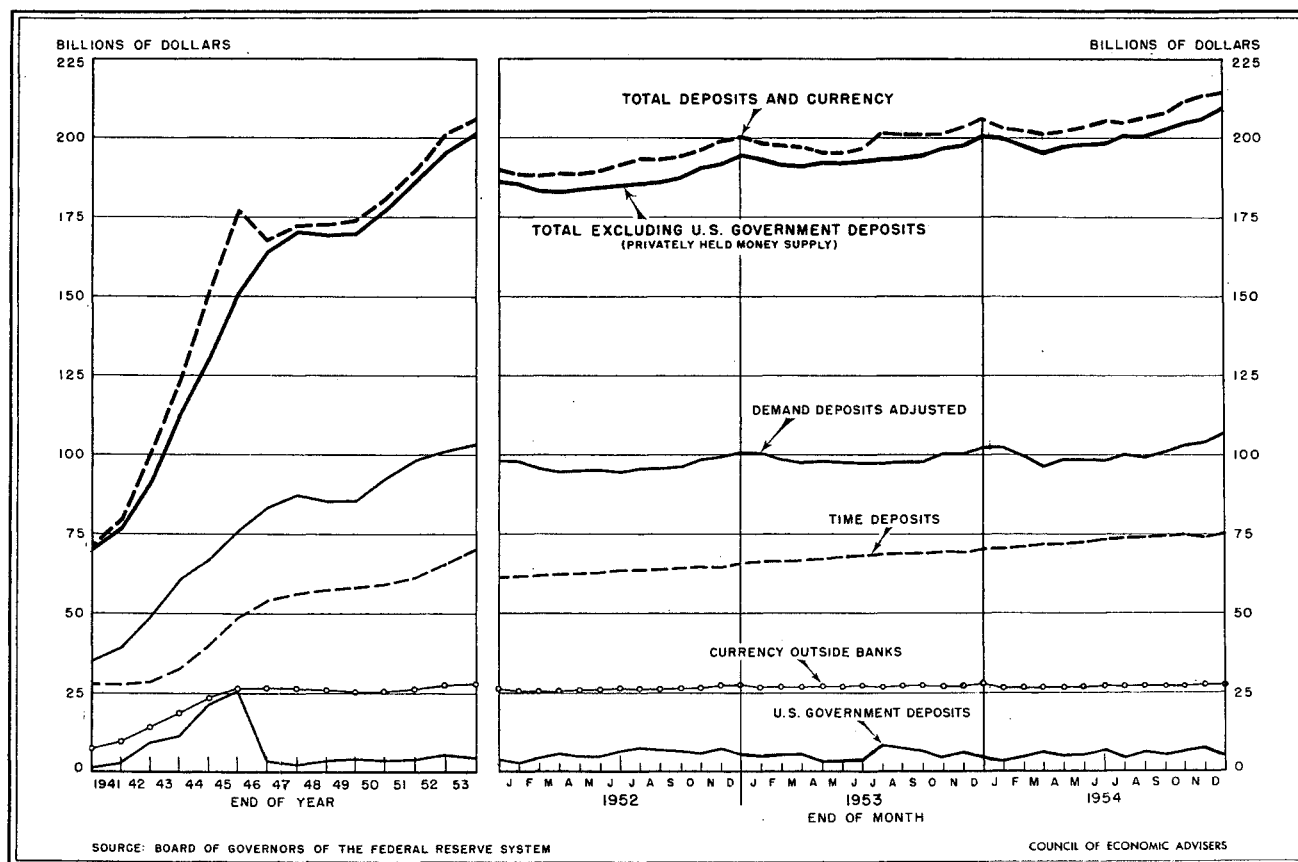
<sup>4</sup> 3 1/4-percent bonds of 1978-83, issued May 1, 1953.

<sup>5</sup> Standard and Poor's. Weekly data are Wednesday figures.

Source: Board of Governors of the Federal Reserve System.

## MONEY SUPPLY

The privately held money supply rose about \$3½ billion in December to a level \$8½ billion above a year earlier. During December, demand deposits rose \$2.8 billion, while time deposits increased by \$800 million.



[Billions of dollars]

End of period	Total deposits and currency	U. S. Government deposits <sup>1</sup>	Total excluding U. S. Government deposits (privately held money supply)			
			Total	Currency outside banks	Demand deposits adjusted <sup>2</sup>	Time deposits <sup>3</sup>
1939	64.7	1.5	63.3	6.4	29.8	27.1
1944	151.4	21.2	130.2	23.5	66.9	39.8
1946	167.5	3.5	164.0	26.7	83.3	54.0
1948	172.7	3.6	169.1	26.1	85.5	57.5
1949	173.9	4.1	169.8	25.4	85.8	58.6
1950	180.6	3.7	176.9	25.4	92.3	59.2
1951	189.9	3.9	186.0	26.3	98.2	61.4
1952	200.4	5.6	194.8	27.5	101.5	65.8
1953	205.7	4.8	200.9	28.1	102.5	70.4
1954 <sup>4</sup>	214.5	5.1	209.4	27.4	106.8	75.1
1953: November	203.6	6.2	197.4	27.9	100.2	69.3
December	205.7	4.8	200.9	28.1	102.5	70.4
1954: January	203.5	3.7	199.8	26.9	102.3	70.6
February	202.4	5.0	197.4	26.9	99.6	71.0
March	201.3	6.1	195.2	26.9	96.7	71.7
April	202.3	5.0	197.3	26.7	98.6	72.0
May	203.6	5.6	198.0	26.8	98.7	72.5
June	205.3	6.8	198.5	27.1	98.1	73.3
July <sup>4</sup>	204.8	4.4	200.4	26.8	100.0	73.7
August <sup>4</sup>	206.3	6.0	200.3	26.9	99.4	74.0
September <sup>4</sup>	207.7	5.2	202.5	26.9	101.2	74.4
October <sup>4</sup>	211.4	6.6	204.8	26.9	103.1	74.7
November <sup>4</sup>	213.3	7.5	205.8	27.5	104.0	74.3
December <sup>4</sup>	214.5	5.1	209.4	27.4	106.8	75.1

<sup>1</sup> Includes U. S. Government deposits at Federal Reserve banks and commercial and savings banks, and U. S. Treasurer's time deposits, open account.

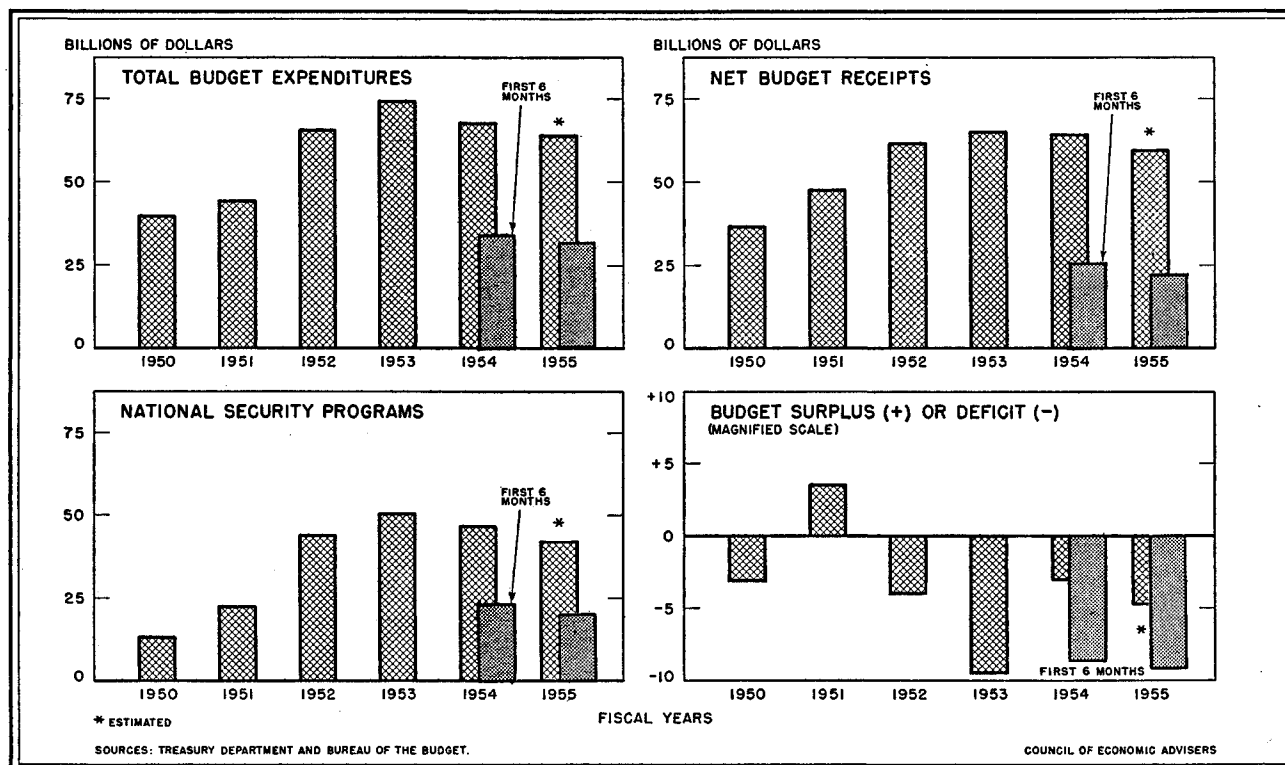
<sup>2</sup> Includes demand deposits, other than interbank and U. S. Government, less cash items in process of collection.

<sup>3</sup> Includes deposits in commercial banks, mutual savings banks, and Postal Savings System, but excludes interbank deposits.

<sup>4</sup> Preliminary estimates.

# FEDERAL BUDGET RECEIPTS AND EXPENDITURES

Although budget expenditures rose in December, reflecting in part the usual rise in interest payments, the total for the first 6 months of the fiscal year was about \$3 billion less than in the corresponding period of a year earlier. The cumulative deficit for the current fiscal year was \$9.3 billion compared with \$8.7 billion at the same time a year earlier.



[Billions of dollars]

Period	Net budget receipts	Budget expenditures		Budget surplus (+) or deficit (-)	Public debt (end of period) <sup>2</sup>
		Total	National security <sup>1</sup>		
Fiscal year 1944	43.6	95.1	75.8	-51.4	202.6
Fiscal year 1947	39.8	39.0	14.4	+8.8	258.4
Fiscal year 1948	41.5	33.1	11.7	+8.4	252.4
Fiscal year 1949	37.7	39.5	12.9	-1.8	252.8
Fiscal year 1950	36.5	39.6	13.0	-3.1	257.4
Fiscal year 1951	47.6	44.1	22.3	+3.5	255.3
Fiscal year 1952	61.4	65.4	43.8	-4.0	259.2
Fiscal year 1953	64.8	74.3	50.3	-9.4	266.1
Fiscal year 1954	64.7	67.8	46.5	-3.1	271.3
Fiscal year 1955 (estimated)	59.3	64.0	41.9	-4.7	274.5
1953: November	4.6	5.2	3.7	-0.6	275.3
December	4.6	6.4	4.2	-1.8	275.2
1954: January	5.0	5.2	3.8	-0.2	274.9
February	5.4	4.7	3.6	+0.7	274.9
March	11.4	5.6	3.9	+5.9	270.3
April	2.8	5.3	3.7	-2.5	271.1
May	3.6	5.2	3.3	-1.6	273.6
June	10.6	7.3	4.5	+3.3	271.3
July	2.8	4.8	3.2	-2.0	271.0
August	3.9	6.7	3.4	-2.8	275.0
September	5.0	5.0	3.3	-0.1	274.8
October	2.6	4.9	3.3	-2.2	278.8
November	4.2	3.8	3.3	+0.4	278.9
December	3.7	6.3	3.7	-2.5	278.8
Cumulative totals for first 6 months:					
Fiscal year 1954	25.8	34.5	23.8	-8.7	275.2
Fiscal year 1955	22.3	31.6	20.2	-9.3	278.8

<sup>1</sup> Revised to include the items classified as "national security" in *The Budget of The United States Government for the Fiscal Year Ending June 30, 1955*. These expenditure items are: Military functions of Defense Department, mutual military program, development and control of atomic energy, and allocation of critical and strategic materials.

<sup>2</sup> Includes guaranteed securities, except those held by the Treasury. Not all of total shown is subject to statutory debt limitation.

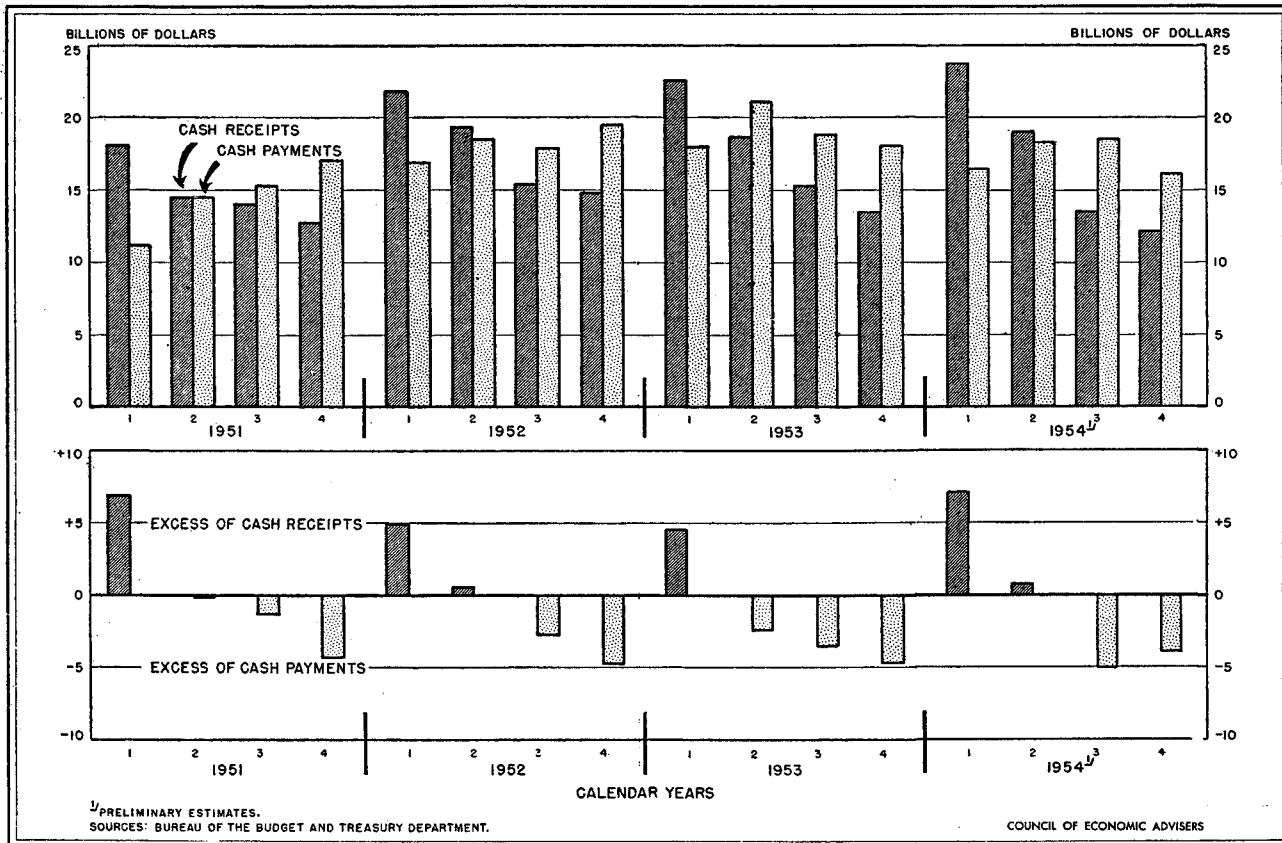
NOTE.—Beginning with February 1954, the reporting of budget receipts and expenditures is on a basis consistent with that used in preparing budget estimates. The figures shown above for fiscal years 1953 and 1954 are those published by the Treasury Department on the new basis.

Detail will not necessarily add to totals because of rounding.

Sources: Treasury Department and Bureau of the Budget.

## FEDERAL CASH RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

For the calendar year 1954 the cash deficit was \$1.1 billion, about \$5 billion less than in 1953. The cash deficit for the quarter ending in December was \$3.9 billion, reflecting to a considerable degree the seasonally low receipts during the first half of the fiscal year.



[Millions of dollars]

Calendar year	Cash receipts from the public	Cash payments to the public	Excess of receipts (+) or payments (-)
<b>Calendar year total:</b>			
1946.....	41, 441	41, 399	+42
1947.....	44, 282	38, 616	+5, 666
1948.....	44, 922	36, 897	+8, 027
1949.....	41, 346	42, 642	-1, 295
1950.....	42, 419	41, 969	+450
1951.....	59, 278	58, 034	+1, 244
1952.....	71, 339	72, 980	-1, 641
1953.....	70, 041	76, 194	-6, 153
1954 <sup>1</sup> .....	68, 562	69, 622	-1, 060
<b>Quarterly totals, not adjusted for seasonal variation:</b>			
1953: First quarter.....	22, 539	18, 166	+4, 373
Second quarter.....	18, 674	21, 049	-2, 375
Third quarter.....	15, 357	18, 870	-3, 513
Fourth quarter.....	13, 471	18, 109	-4, 638
1954: <sup>1</sup> First quarter.....	23, 693	16, 459	+7, 234
Second quarter.....	19, 115	18, 431	+684
Third quarter.....	13, 501	18, 582	-5, 082
Fourth quarter.....	12, 253	16, 150	-3, 897

<sup>1</sup> Preliminary estimates.

NOTE.—Detail will not necessarily add to totals because of rounding.  
Sources: Bureau of the Budget and Treasury Department.