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Economic Indicators

SEPTEMBER 1955

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

A number of subscribers to *Economic Indicators* have inquired about the Historical and Descriptive Supplement to *Economic Indicators*, which describes each series and gives data for years not shown in the monthly issue. This publication was issued in December 1953 but has been out of print in recent months. A revised version is expected to be ready in October or early November.

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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.

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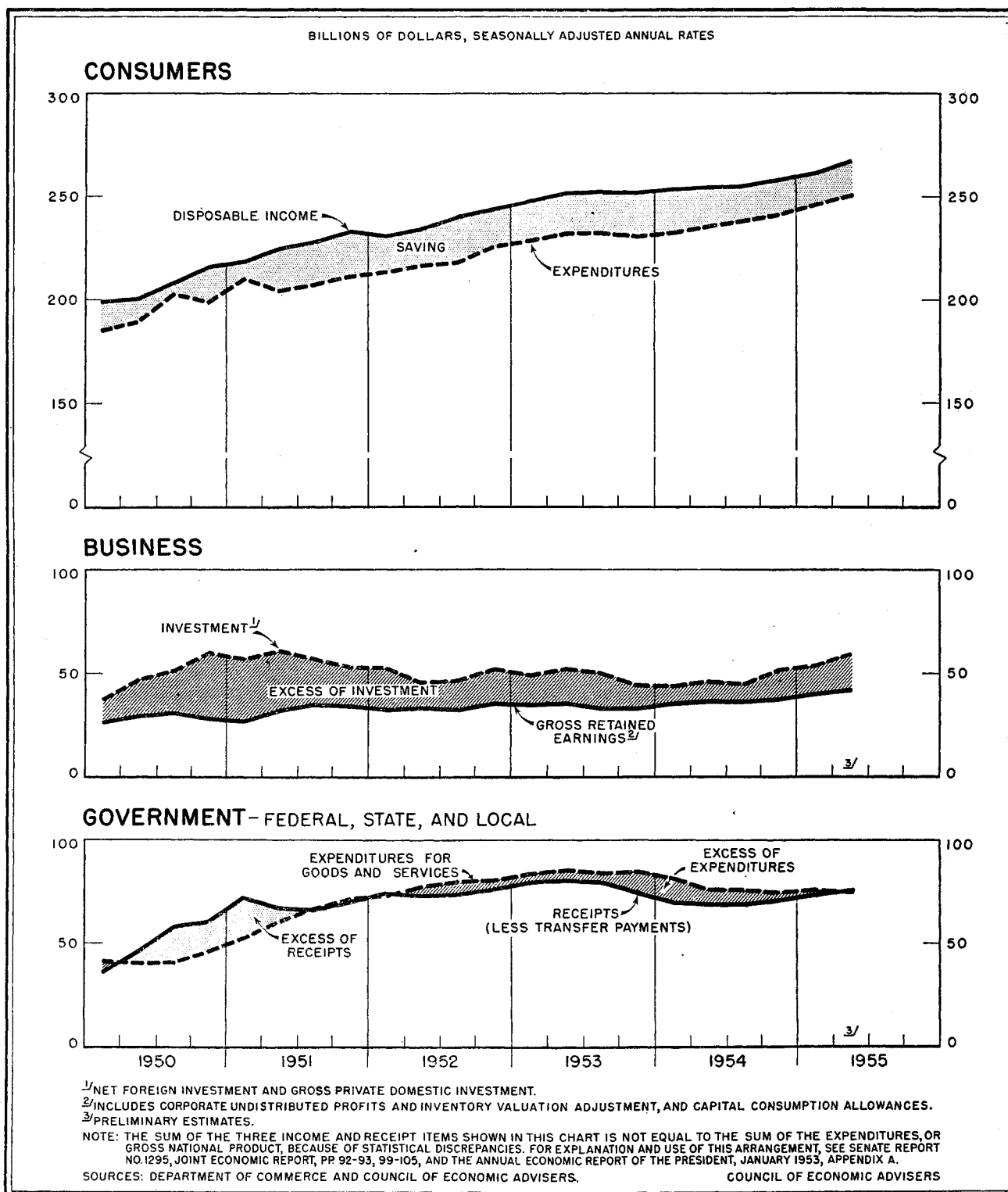
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TOTAL OUTPUT, INCOME, AND SPENDING

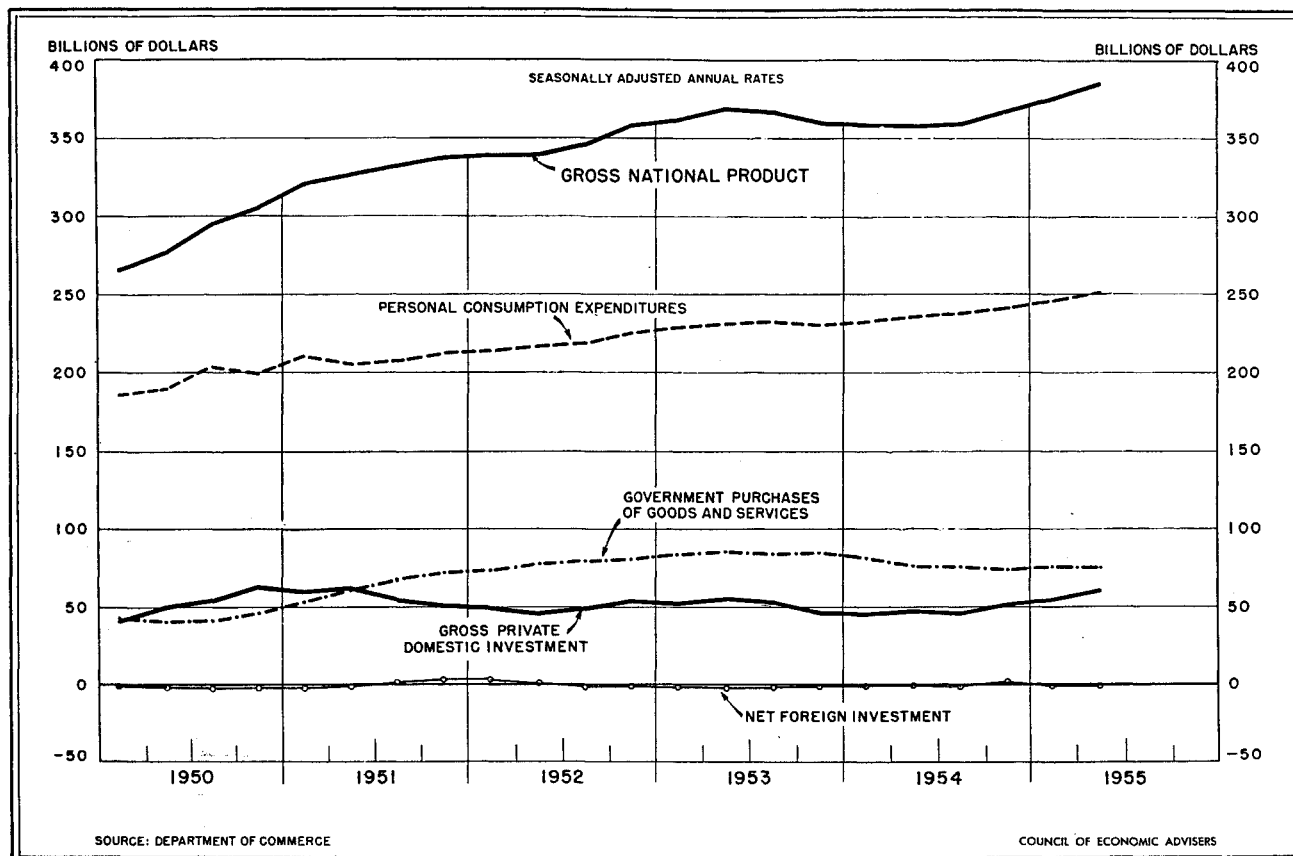
THE NATION'S INCOME, EXPENDITURE, AND SAVING

Estimates of total income and expenditures for the second quarter of 1955 reflect the continued rise in over-all economic activity.



GROSS NATIONAL PRODUCT OR EXPENDITURE

The gross national product rose substantially in the second quarter to a new high of about \$385 billion (seasonally adjusted annual rate), according to current estimates. Increases of about \$5 billion in personal consumption expenditures and \$6 billion in gross private domestic investment were partially offset by a \$1 billion decline in government purchases.



[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 ¹	Total ¹	National security ²	Other	State and local
1939.....	91.1	67.6	9.3	0.9	13.3	5.2	1.3	3.9	8.2
1946.....	209.2	146.6	27.1	4.6	30.9	20.9	21.2	2.5	10.0
1947.....	232.2	165.0	29.7	8.9	28.6	15.8	13.3	3.8	12.8
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.....	345.2	218.3	49.6	-.2	77.5	54.3	48.8	5.8	23.2
1953.....	364.5	230.6	51.4	-2.0	84.5	59.5	51.4	8.5	25.0
1954.....	360.5	236.5	47.2	-.3	77.0	49.2	43.2	6.3	27.8
Seasonally adjusted annual rates									
1954: First quarter.....	358.3	232.2	45.5	-1.1	81.7	54.7	46.8	8.3	27.0
Second quarter.....	357.6	235.1	46.9	-.3	75.9	48.6	43.6	5.4	27.3
Third quarter.....	358.8	237.9	45.9	-.7	75.8	47.7	42.1	6.1	28.1
Fourth quarter.....	367.1	241.0	50.7	.9	74.5	45.7	40.5	5.5	28.7
1955: First quarter.....	375.3	245.8	54.1	-.4	75.8	46.4	41.2	5.5	29.4
Second quarter.....	384.8	250.5	60.1	-.7	74.9	45.2	40.4	5.2	29.7

¹ Less Government sales.

² 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*.

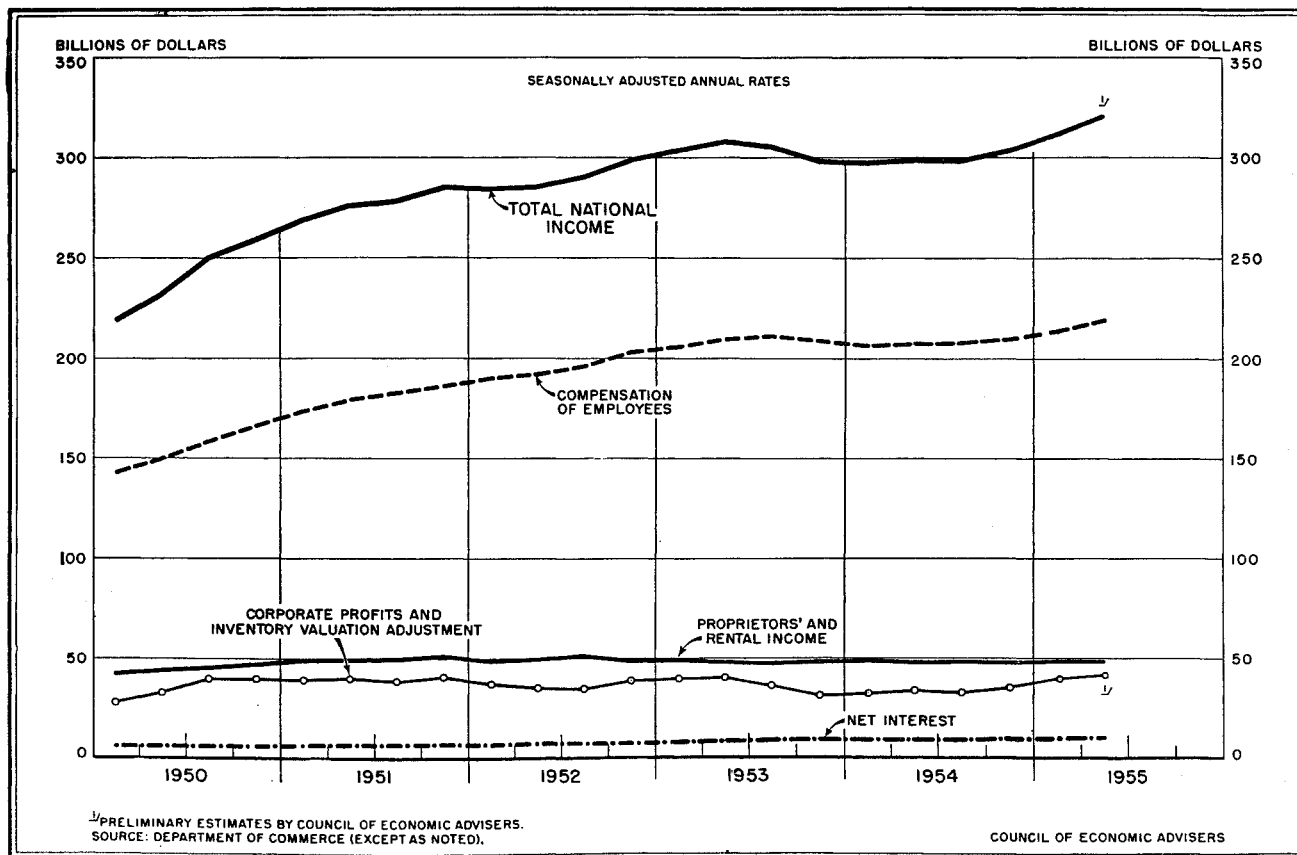
NOTE.—The figures beginning with 1952 are the revised series. For details, see *Survey of Current Business*, July 1955.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

NATIONAL INCOME

The increase in general business activity during the second quarter was reflected in a \$9 billion (seasonally adjusted annual rate) rise in national income. Increases in employee compensation and corporate profits accounted for most of the rise.



[Billions of dollars]

Period	Total national income	Compensation of employees ¹	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
1946.....	179.6	117.7	13.9	21.3	6.2	3.1	17.3	22.6	-5.3
1947.....	197.2	128.8	14.5	19.9	6.5	3.8	23.6	29.5	-5.9
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.....	289.5	195.3	14.3	25.7	9.9	7.4	36.9	35.9	1.0
1953.....	303.6	209.2	12.3	25.9	10.3	8.8	37.2	38.3	-1.1
1954.....	299.7	207.9	12.0	25.9	10.5	9.5	33.8	34.0	-0.2
Seasonally adjusted annual rates									
1954: First quarter.....	297.7	206.7	13.2	25.3	10.4	9.4	32.6	32.7	-0.2
Second quarter.....	298.9	207.2	11.9	25.9	10.5	9.5	34.0	33.7	0.2
Third quarter.....	298.7	207.8	11.7	26.0	10.6	9.5	33.1	33.5	-0.5
Fourth quarter.....	303.2	209.8	11.2	26.3	10.7	9.7	35.5	36.0	-0.5
1955: First quarter.....	311.4	213.1	11.5	26.6	10.7	9.9	39.6	40.9	-1.3
Second quarter.....	² 320.3	219.5	11.0	27.1	10.7	10.3	² 41.7	² 42.5	-0.8

¹ Includes employer contributions for social insurance. (See also p. 4.)

² Preliminary estimates by Council of Economic Advisers.

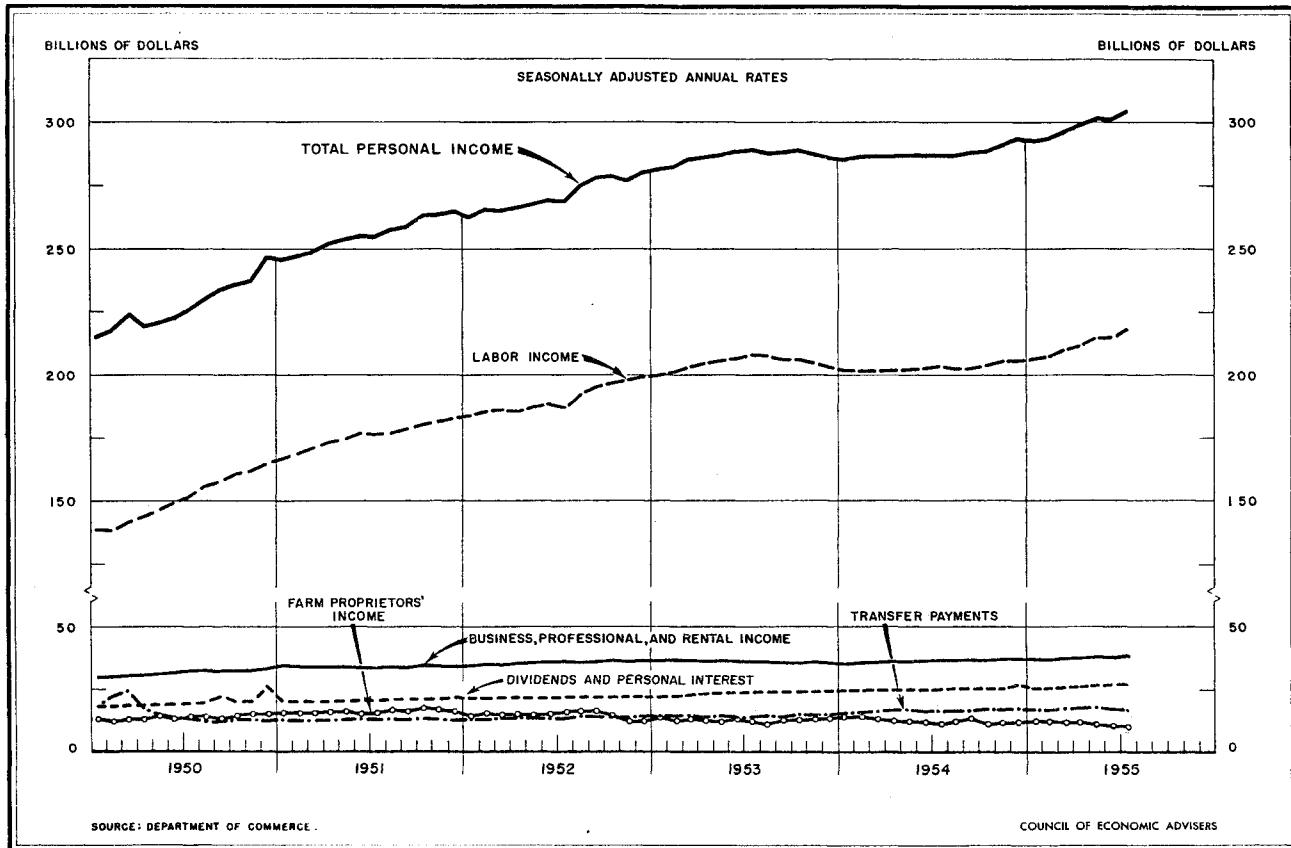
NOTE.—The figures beginning with 1952 are the revised series. For details, see *Survey of Current Business*, July 1955.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

SOURCES OF PERSONAL INCOME

Personal income rose \$3 billion (seasonally adjusted annual rate) between June and July. A substantial part of this increase was accounted for by lump-sum payments of retroactive pay increases to Federal Government employees. Labor income of non-Federal employees, and business and professional income also rose, while farm proprietors' income and transfer payments declined.



Period	Total personal income	Labor income (wage and salary disbursements and other labor income) ¹	Proprietors' income		Rental income of persons	Dividends	Personal interest income	Transfer payments	Less: Personal contributions for social insurance	Nonagricultural personal income ²
			Farm	Business and professional						
1939.....	72.9	46.6	4.3	7.3	2.7	3.8	5.8	3.0	0.6	67.1
1948.....	208.7	137.9	16.7	21.6	7.2	7.2	9.0	11.3	2.2	188.5
1949.....	206.8	137.4	12.7	21.4	7.9	7.5	9.8	12.4	2.2	190.8
1950.....	227.1	150.3	13.3	22.9	8.5	9.2	10.6	* 15.1	2.9	210.5
1951.....	255.3	175.6	16.0	24.8	9.1	9.1	11.6	12.6	3.4	235.7
1952.....	271.1	190.5	14.3	25.7	9.9	9.0	12.3	13.2	3.8	253.1
1953.....	286.2	204.6	12.3	25.9	10.3	9.3	13.8	14.0	3.9	270.2
1954.....	287.6	202.8	12.0	25.9	10.5	10.0	14.7	16.2	4.5	271.9
Seasonally adjusted annual rates										
1954: June.....	286.7	202.4	11.7	26.0	10.5	9.9	14.7	16.0	4.5	272.1
July.....	287.1	203.2	11.0	26.0	10.6	9.9	14.7	16.1	4.4	272.1
August.....	286.7	202.4	11.6	25.9	10.6	9.9	14.7	16.1	4.6	271.5
September.....	287.9	202.4	12.5	26.0	10.6	10.0	14.7	16.3	4.5	272.1
October.....	288.4	203.5	10.9	26.0	10.7	10.1	14.8	17.0	4.5	273.8
November.....	290.8	205.3	11.3	26.3	10.7	10.1	14.8	16.8	4.5	275.9
December.....	293.4	205.5	11.5	26.7	10.7	11.7	14.9	17.1	4.6	278.1
1955: January.....	292.2	206.1	11.7	26.6	10.7	10.1	14.9	17.0	5.0	276.5
February.....	293.2	207.1	11.7	26.4	10.7	10.2	15.1	17.0	5.0	277.7
March.....	295.7	209.4	11.1	26.7	10.7	10.4	15.2	17.4	5.1	280.9
April.....	298.9	211.5	11.4	26.9	10.6	10.6	15.3	17.6	5.1	283.7
May.....	301.4	214.2	10.9	27.2	10.7	10.7	15.4	17.5	5.2	286.6
June.....	301.6	214.9	10.5	27.3	10.7	10.8	15.5	17.1	5.2	287.2
July ⁴	304.7	218.6	9.8	27.6	10.7	10.9	15.6	16.9	5.3	291.1

¹ Compensation of employees (see p. 3) excluding employer contributions for social insurance.

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

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

⁴ Preliminary estimates.

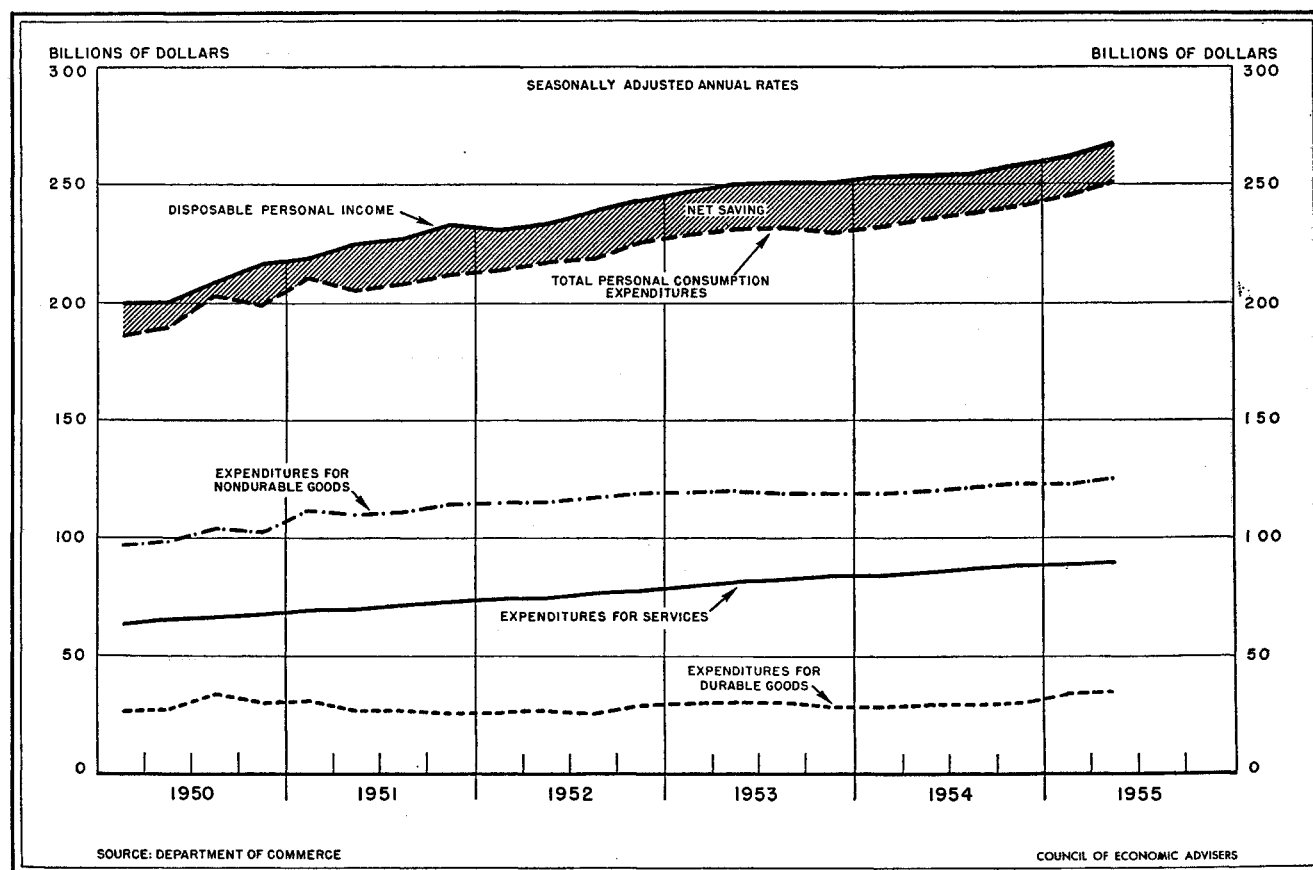
NOTE.—The figures beginning with 1952 are the revised series. For details, see *Survey of Current Business*, July 1955.

4 Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

DISPOSITION OF PERSONAL INCOME

Disposable personal income rose by \$6 billion (seasonally adjusted annual rate) in the second quarter. Personal consumption expenditures rose almost \$5 billion; \$3 billion of this rise was for increased purchases of nondurables. The rate of personal saving rose somewhat.



Period	Personal income	Less:	Equals:	Less: Personal consumption expenditures				Equals:	Saving as percent of disposable income
		Personal taxes ¹	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
1946.....	178.0	18.8	159.2	146.6	15.9	84.5	46.2	12.6	7.9
1947.....	190.5	21.5	169.0	165.0	20.6	93.1	51.3	4.0	2.4
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.....	271.1	34.4	236.7	218.3	26.6	116.0	75.7	18.4	7.8
1953.....	286.2	35.8	250.4	230.6	29.8	118.9	81.8	19.8	7.9
1954.....	287.6	32.8	254.8	236.5	29.3	120.9	86.4	18.3	7.2
Billions of dollars, seasonally adjusted annual rates									
1954: First quarter.....	285.8	32.7	253.1	232.2	28.3	119.2	84.7	21.0	8.3
Second quarter.....	286.6	32.7	253.9	235.1	29.0	120.4	85.7	18.8	7.4
Third quarter.....	287.3	32.8	254.5	237.9	29.4	121.5	87.0	16.6	6.5
Fourth quarter.....	290.8	33.1	257.8	241.0	30.4	122.5	88.1	16.8	6.5
1955: First quarter.....	293.6	32.6	261.0	245.8	34.4	122.4	89.0	15.3	5.9
Second quarter.....	300.5	33.4	267.1	250.5	35.1	125.3	90.2	16.6	6.2

¹ Includes such items as fines, penalties, and donations.

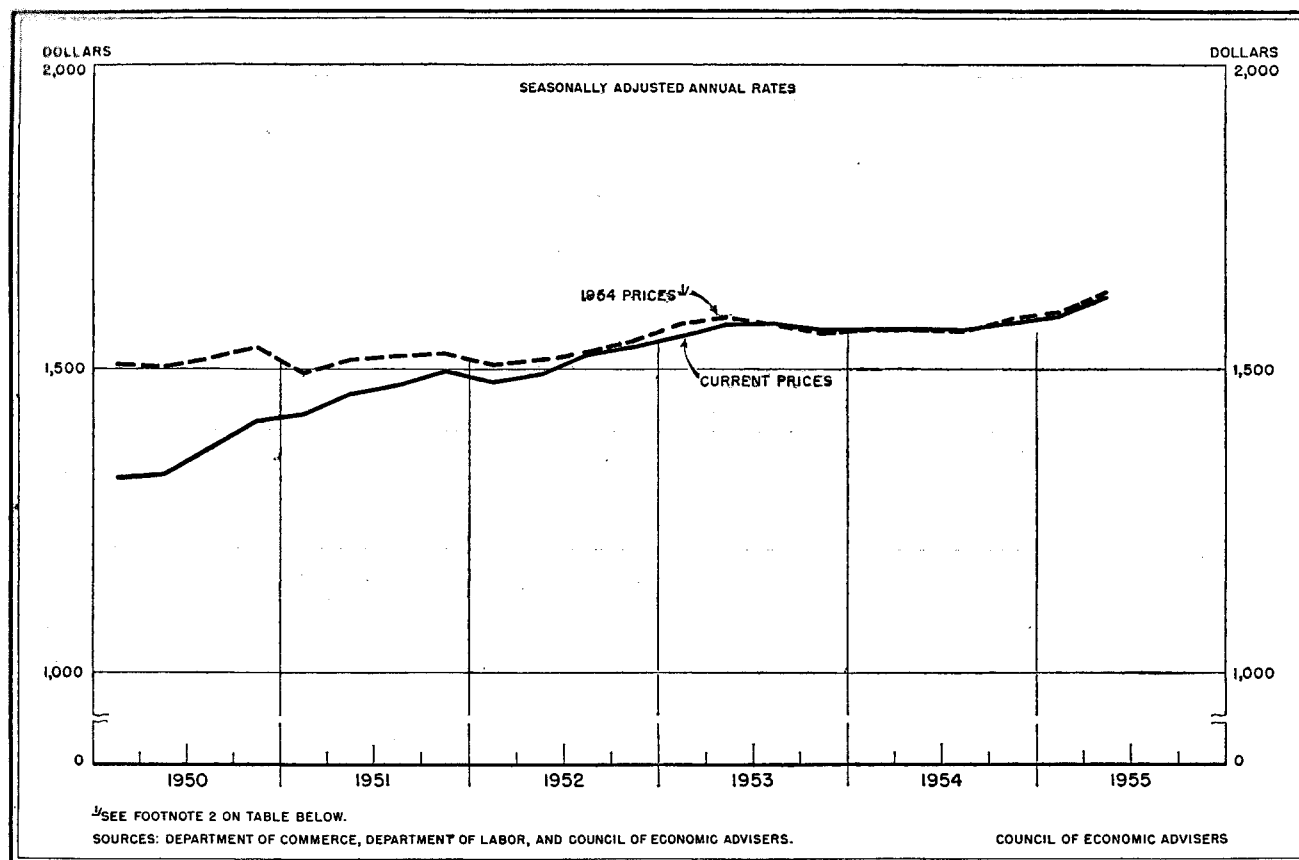
NOTE.—The figures beginning with 1952 are the revised series. For details, see *Survey of Current Business*, July 1955.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

PER CAPITA DISPOSABLE INCOME

Per capita disposable income (seasonally adjusted) reached a new high in the second quarter of this year. In constant prices, it exceeded that of the corresponding quarter of 1954 by 4 percent.



Period	Total disposable personal income (billions of dollars) ¹		Per capita disposable personal income (dollars) ¹		Population (thousands) ²
	Current prices	1954 prices ²	Current prices	1954 prices ²	
1939.....	70.4	136.3	538	1,041	131,028
1946.....	159.2	219.3	1,126	1,551	141,389
1947.....	169.0	203.1	1,173	1,410	144,126
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.....	236.7	239.4	1,508	1,525	157,028
1953.....	250.4	251.1	1,568	1,573	159,643
1954.....	254.8	254.8	1,569	1,569	162,409
Seasonally adjusted annual rates					
1954: First quarter.....	253.1	252.6	1,568	1,565	161,439
Second quarter.....	253.9	253.6	1,567	1,565	162,075
Third quarter.....	254.5	254.2	1,563	1,561	162,806
Fourth quarter.....	257.8	258.6	1,576	1,581	163,582
1955: First quarter.....	261.0	262.0	1,589	1,595	164,262
Second quarter.....	267.1	268.2	1,620	1,627	164,911

¹ Income less taxes.

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

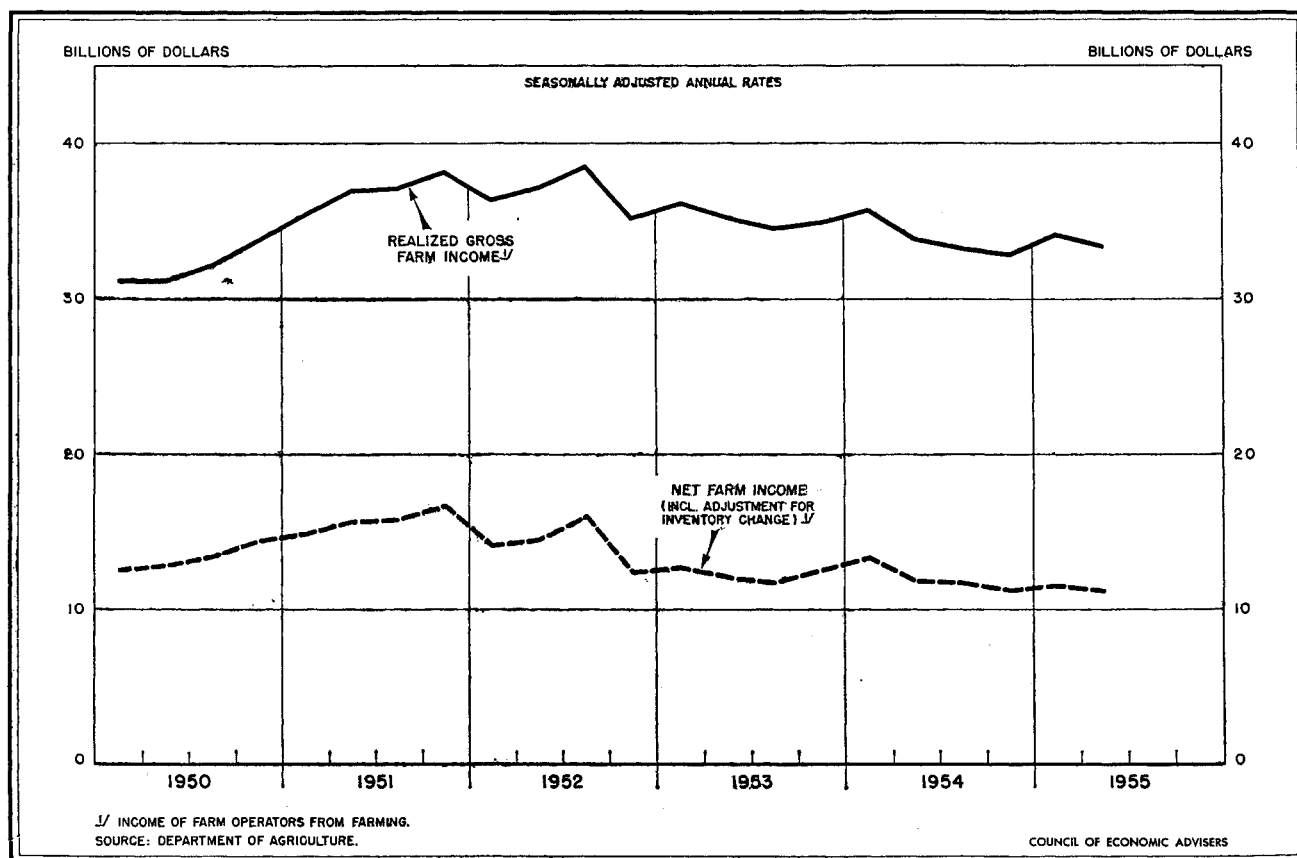
³ Includes armed forces overseas. Annual data as of July 1; quarterly data centered in the middle of the period, interpolated from monthly figures.

NOTE.—The figures beginning with 1952 are the revised series. For details, see *Survey of Current Business*, July 1955.

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

FARM INCOME

Gross and net farm income (seasonally adjusted) declined in the second quarter.



Period	Farm operators' income						Number of farms (thousands) ⁶
	Realized gross farm income ¹	Farm production expenses	Net income ²		Net income per farm (including adjustment for inventory change)		
			Excluding adjustment for inventory change ³	Including adjustment for inventory change ⁴	Current prices	1954 prices ⁵	
	Billions of dollars				Dollars		
1939-----	10.4	6.1	4.3	4.3	670	1,523	6,441
1946-----	29.0	14.8	14.2	13.9	2,353	3,180	5,927
1947-----	34.0	17.2	16.8	14.5	2,466	2,867	5,873
1948-----	34.5	18.9	15.6	16.7	2,884	3,135	5,804
1949-----	31.8	18.2	13.6	12.7	2,222	2,497	5,723
1950-----	32.1	19.7	12.4	13.3	2,352	2,613	5,648
1951-----	36.9	22.4	14.5	15.8	2,819	2,877	5,596
1952-----	36.8	23.2	13.6	14.3	2,579	2,605	5,535
1953-----	35.3	22.4	12.9	12.3	2,235	2,258	5,482
1954-----	34.0	22.4	11.6	12.0	2,212	2,212	5,425
	Seasonally adjusted annual rates						
1954: First quarter-----	35.8	22.7	13.1	13.2	2,433	2,458	5,425
Second quarter-----	33.9	22.5	11.4	11.9	2,194	2,194	5,425
Third quarter-----	33.3	22.2	11.1	11.7	2,157	2,136	5,425
Fourth quarter-----	32.9	22.1	10.8	11.2	2,065	2,086	5,425
1955: First quarter-----	34.2	22.7	11.5	11.5	2,144	2,166	⁷ 5,365
Second quarter-----	33.3	22.5	10.8	11.0	2,050	2,050	⁷ 5,365

¹ Includes cash receipts from farm marketings, value of farm products consumed directly in farm households, gross rental value of farm dwellings, and Government payments to farmers.

² Excludes (a) farm wages paid to workers living on farms and (b) any income to farm people from nonfarm sources. These items in 1954 were as follows: (a) 2.1 billion dollars and (b) 5.7 billion dollars.

³ Realized gross income less farm production expenses.

⁴ Same as farm proprietors' income on pages 3 and 4 except for 1951, which includes revisions by the Department of Agriculture not yet incorporated into the national income accounts of the Department of Commerce.

⁵ Dollar estimates in current prices divided by index of prices paid by farmers for items used in family living, on base 1954=100.

⁶ For the quarterly data, the number of farms is held constant within a given year.

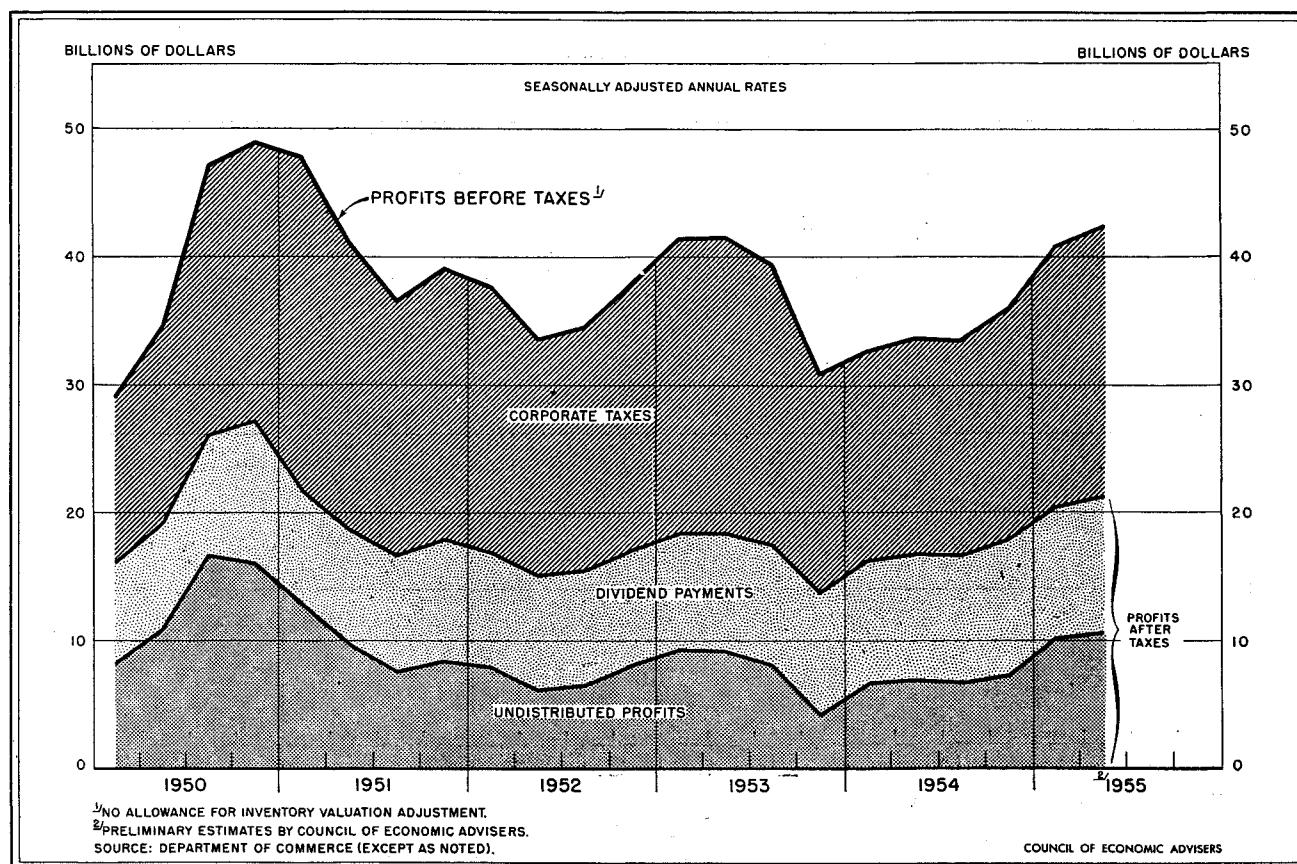
⁷ Estimate by Council of Economic Advisers.

NOTE.—Estimates for 1952-55 reflect interim revisions made in connection with the annual report on national income by the Department of Commerce. Final revisions will be completed by the Department of Agriculture in October.

Source: Department of Agriculture (except as noted).

CORPORATE PROFITS

Corporate profits (seasonally adjusted), both before and after taxes, continued to rise in the second quarter of 1955, according to preliminary estimates.



[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
1946.....	22.6	9.1	13.4	5.8	7.7
1947.....	29.5	11.3	18.2	6.5	11.7
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.....	35.9	19.8	16.1	9.0	7.1
1953.....	38.3	21.3	17.0	9.3	7.7
1954.....	34.0	17.1	17.0	10.0	7.0
Seasonally adjusted annual rates					
1954: First quarter.....	32.7	16.4	16.3	9.7	6.6
Second quarter.....	33.7	16.9	16.8	9.8	7.0
Third quarter.....	33.5	16.8	16.7	10.0	6.7
Fourth quarter.....	36.0	18.1	17.9	10.6	7.3
1955: First quarter.....	40.9	20.5	20.4	10.2	10.2
Second quarter.....	¹ 42.5	¹ 21.3	¹ 21.2	10.7	¹ 10.5

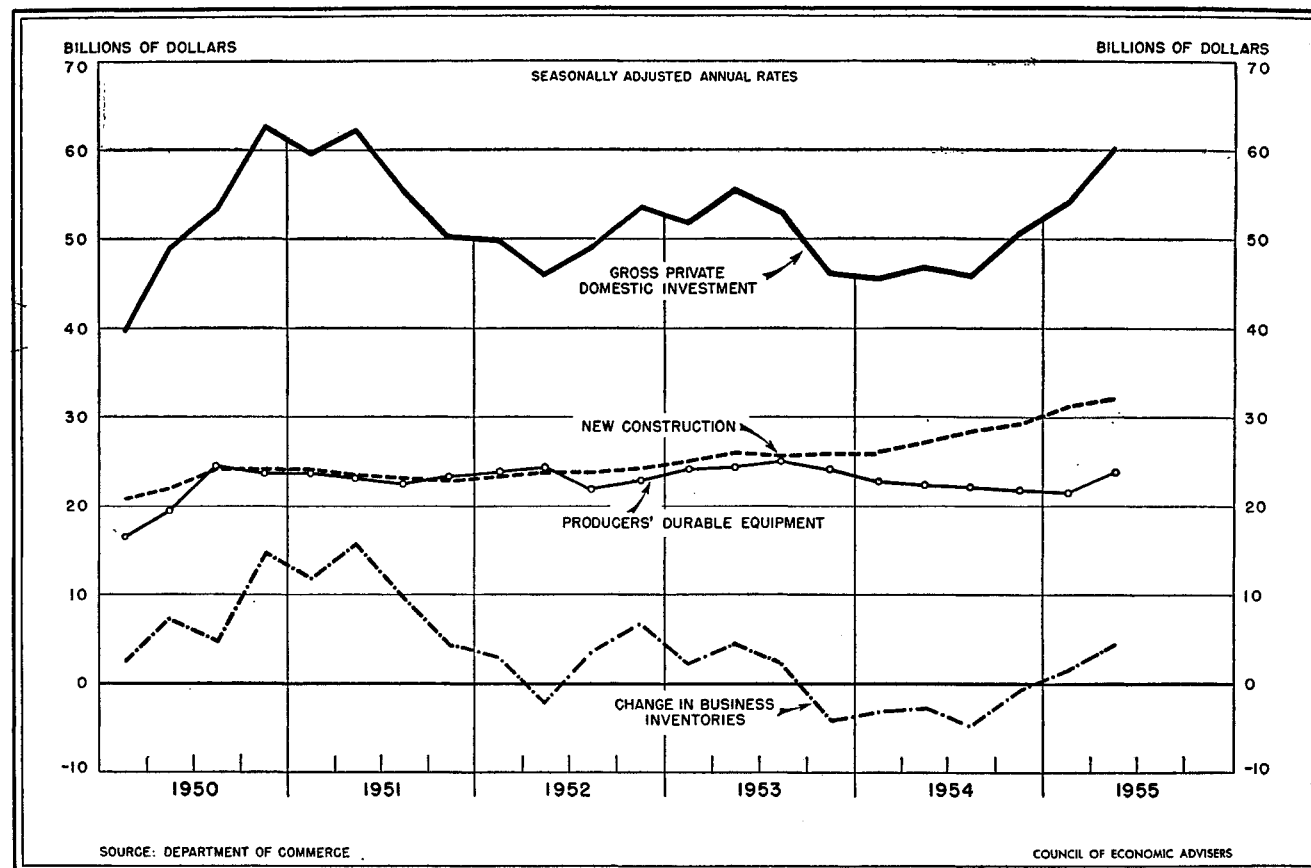
¹ Preliminary estimates by Council of Economic Advisers.

NOTE.—The figures beginning with 1952 are the revised series. For details, see *Survey of Current Business*, July 1955. See p. 3 for profits before taxes and after inventory valuation adjustment.

Detail will not necessarily add to totals because of rounding. Source: Department of Commerce (except as noted).

GROSS PRIVATE DOMESTIC INVESTMENT

Gross private domestic investment increased by \$6 billion (seasonally adjusted annual rate) in the second quarter of 1955. Investment in inventories and producers' equipment rose considerably. Construction continued to increase.



[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 ¹	All other ²			
1939.....	9.3	8.9	4.8	2.7	1.2	0.8	4.2	0.4	0.3
1946.....	27.1	21.0	10.3	4.0	4.2	2.1	10.7	6.1	6.4
1947.....	29.7	30.7	14.0	6.3	4.9	2.8	16.7	-1.0	1.3
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.....	49.6	46.8	23.7	11.1	7.5	5.2	23.1	2.8	2.1
1953.....	51.4	50.2	25.8	11.9	8.4	5.4	24.4	1.2	1.9
1954.....	47.2	50.1	27.8	13.5	8.6	5.7	22.3	-2.9	-3.2
Seasonally adjusted annual rates									
1954: First quarter.....	45.5	48.8	25.9	11.8	8.5	5.6	22.9	-3.2	-3.4
Second quarter.....	46.9	49.7	27.3	13.0	8.5	5.8	22.4	-2.7	-3.2
Third quarter.....	45.9	50.7	28.5	14.2	8.6	5.7	22.2	-4.9	-5.4
Fourth quarter.....	50.7	51.3	29.4	15.0	8.7	5.7	21.9	-6	-1.0
1955: First quarter.....	54.1	52.7	31.2	16.0	9.3	5.9	21.5	1.5	1.5
Second quarter.....	60.1	55.8	32.1	16.4	9.8	5.9	23.7	4.3	4.2

¹ Includes public utility.

² Includes petroleum and natural gas well drilling.

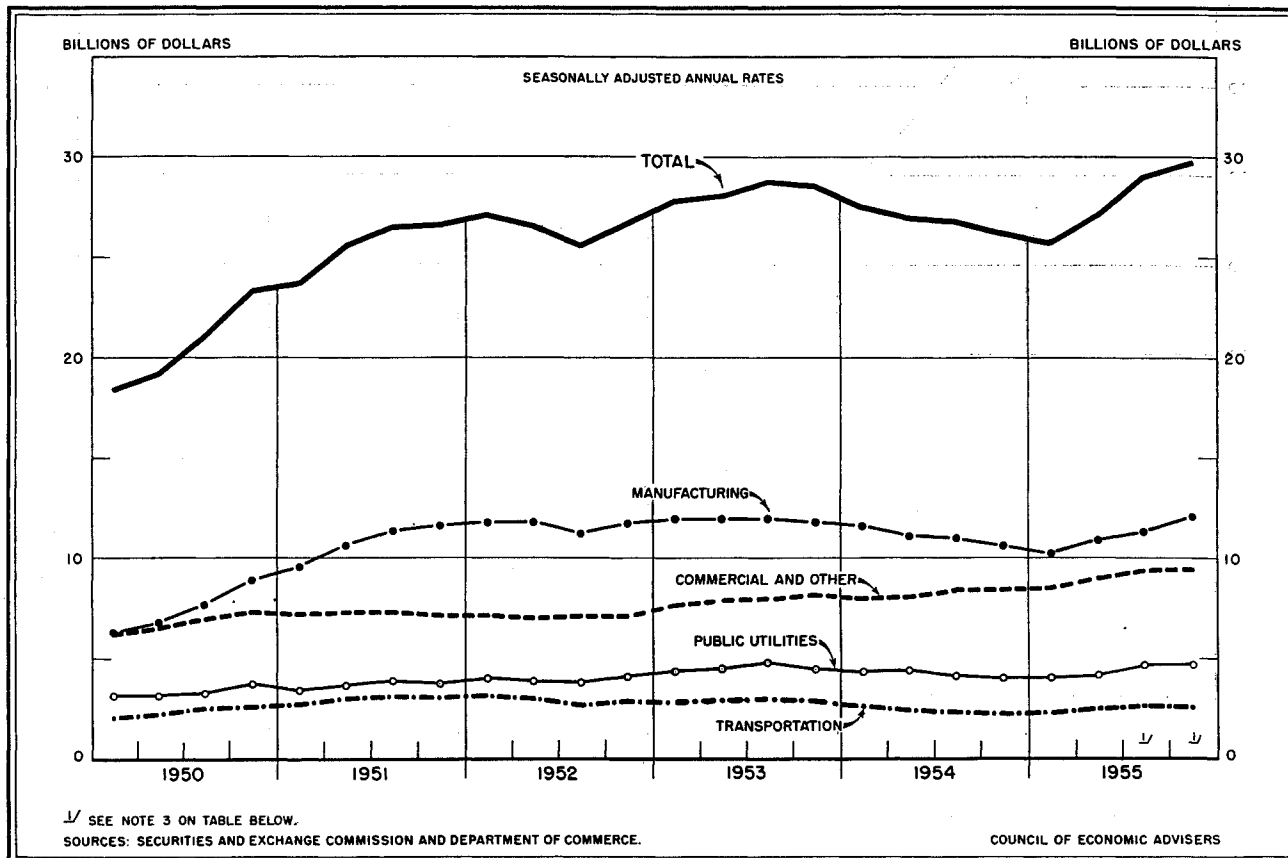
NOTE.—The figures beginning with 1952 are the revised series. For details, see *Survey of Current Business*, July 1955.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

EXPENDITURES FOR NEW PLANT AND EQUIPMENT

According to a survey taken in July and August, business expenditures on plant and equipment in 1955 are expected to total \$27.9 billion, more than \$1 billion higher than in 1954. Expenditures for the third and fourth quarters are programed at \$29.0 and \$29.7 billion (seasonally adjusted annual rate), up sharply from the first half of this year and higher than any prior quarter.



[Billions of dollars]

Period	Total ¹	Manufacturing			Mining	Transportation		Public utilities	Commercial and other ²
		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
1947	20.61	8.70	3.41	5.30	.69	.89	1.30	1.54	7.49
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	28.32	11.91	5.65	6.26	.99	1.31	1.56	4.55	8.00
1954	26.83	11.04	5.09	5.95	.98	.85	1.51	4.22	8.23
1955 ^{3 4}	27.90	11.19	5.36	5.83	.90	.91	1.56	4.44	8.89
Seasonally adjusted annual rates									
1954: Third quarter	26.84	10.98	5.06	5.93	1.00	.80	1.51	4.12	8.42
Fourth quarter	26.18	10.58	4.80	5.79	.91	.68	1.53	4.01	8.46
1955: First quarter	25.65	10.17	4.78	5.39	.80	.74	1.46	4.01	8.46
Second quarter	27.19	10.84	5.06	5.78	.94	.80	1.62	4.09	8.90
Third quarter ³	29.03	11.36	5.48	5.88	.93	.98	1.68	4.64	9.43
Fourth quarter ³	29.73	12.05	5.96	6.09	.92	1.12	1.47	4.68	9.48

¹ Excludes agriculture.

² Commercial and other includes trade, service, finance, communications, and construction.

³ Estimates based on anticipated capital expenditures as reported by business in late July and August 1955.

⁴ Annual total is sum of seasonally unadjusted expenditures; it does not necessarily coincide with average of seasonally adjusted figures, which include adjustments, when necessary, for systematic tendencies in anticipatory data.

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.

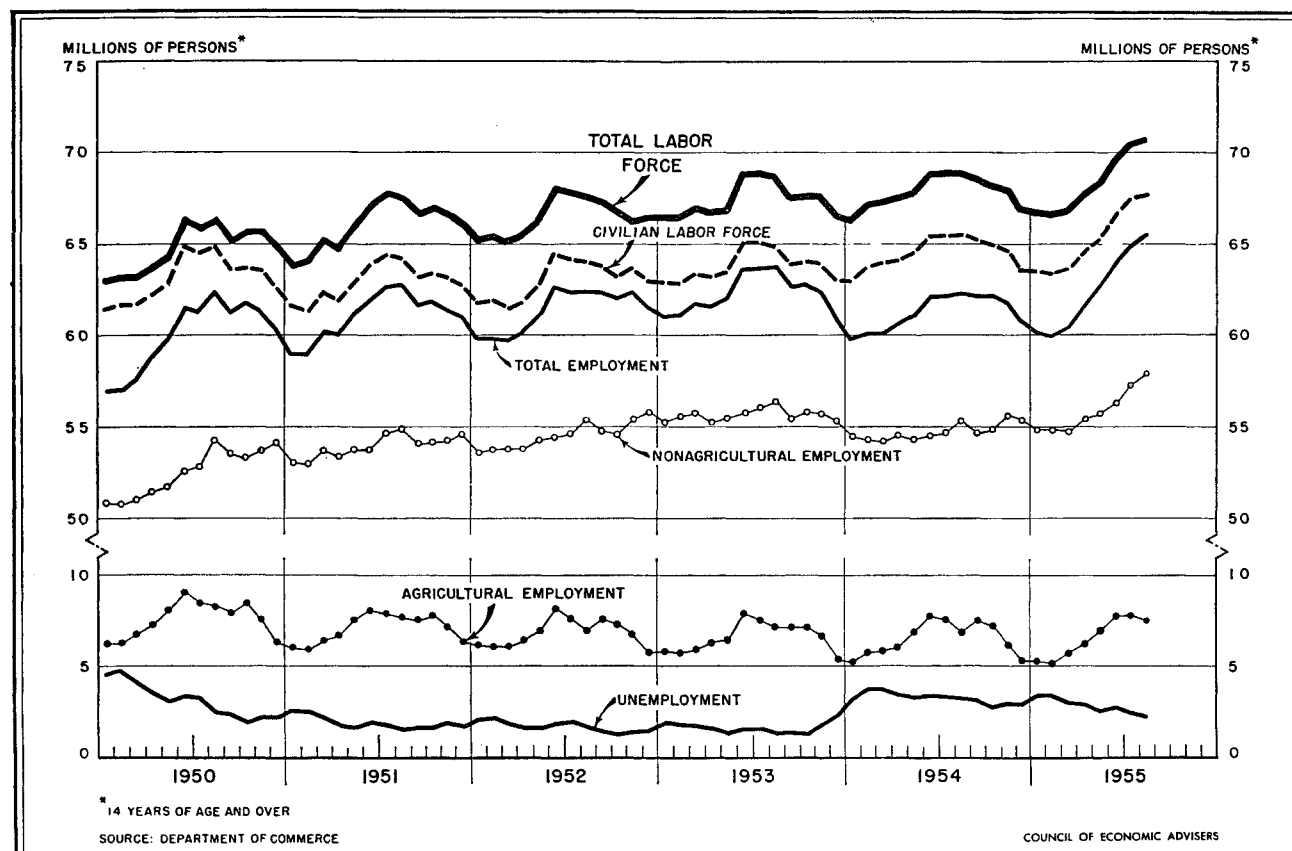
Detail will not necessarily add to totals because of rounding.

Sources: Securities and Exchange Commission and Department of Commerce.

EMPLOYMENT, UNEMPLOYMENT, AND WAGES

STATUS OF THE LABOR FORCE

Employment rose seasonally between mid-July and mid-August to an all-time high of 65½ million. Unemployment declined by 234,000. The fall in unemployment was somewhat less than expected at this time of year.



Period	Total labor force (including armed forces)	Civilian labor force	Employment ¹			Temporary layoffs ²	Unemployment ³		Insured unemployment ⁴	
			Total	Agricultural	Nonagricultural		Number	% of civilian labor force	Thousands of persons (all programs)	% of covered employment (State programs)
	Thousands of persons 14 years of age and over ⁵									
1939-----	55,600	55,230	45,750	9,610	36,140	-----	9,480	17.2	-----	-----
1949-----	63,721	62,105	58,710	8,026	50,684	185	3,395	5.5	2,470	6.2
1950-----	64,749	63,099	59,957	7,507	52,450	92	3,142	5.0	1,599	4.6
1951-----	65,982	62,884	61,005	7,054	53,951	117	1,879	3.0	996	2.8
1952-----	66,560	62,966	61,293	6,805	54,488	142	1,673	2.7	1,064	2.9
1953-----	67,362	63,815	62,213	6,562	55,651	142	1,602	2.5	1,058	2.8
1954-----	67,818	64,468	61,238	6,504	54,734	221	3,230	5.0	2,039	5.2
1954: July-----	68,824	65,494	62,148	7,486	54,661	298	3,347	5.1	2,037	5.1
August-----	68,856	65,522	62,277	6,928	55,349	143	3,245	5.0	1,871	4.6
September-----	68,566	65,244	62,145	7,527	54,618	198	3,100	4.8	1,752	4.3
October-----	68,190	64,882	62,141	7,239	54,902	136	2,741	4.2	1,631	4.0
November-----	67,909	64,624	61,732	6,154	55,577	120	2,893	4.5	1,643	4.0
December-----	66,811	63,526	60,688	5,325	55,363	137	2,838	4.5	1,869	4.6
1955: January-----	66,700	63,497	60,150	5,297	54,853	251	3,347	5.3	2,201	5.5
February-----	66,550	63,321	59,938	5,084	54,854	145	3,383	5.3	2,109	5.2
March-----	66,840	63,654	60,477	5,692	54,785	75	3,176	5.0	1,875	4.7
April-----	67,784	64,647	61,685	6,215	55,470	108	2,962	4.6	1,651	4.1
May-----	68,256	65,192	62,703	6,963	55,740	133	2,489	3.8	1,392	3.6
June-----	69,692	66,696	64,016	7,681	56,335	107	2,679	4.0	1,226	3.2
July-----	70,429	67,465	64,995	7,704	57,291	157	2,471	3.7	1,202	3.1
August-----	70,694	67,725	65,488	7,536	57,952	173	2,237	3.3	⁶ 1,076	2.7

¹ Includes part-time workers and those with jobs but not at work for such reasons as vacations, illness, bad weather, temporary layoff, and industrial disputes; excludes armed forces.
² Shown separately so as to afford a basis for further analysis of employment and unemployment.

³ See footnote 2.

⁴ Weekly average.

⁵ Data for 1949-53 (1953 revised series) based on 68-area sample; beginning 1954, on 230-area sample. Starting July 1955, data are for week ending nearest

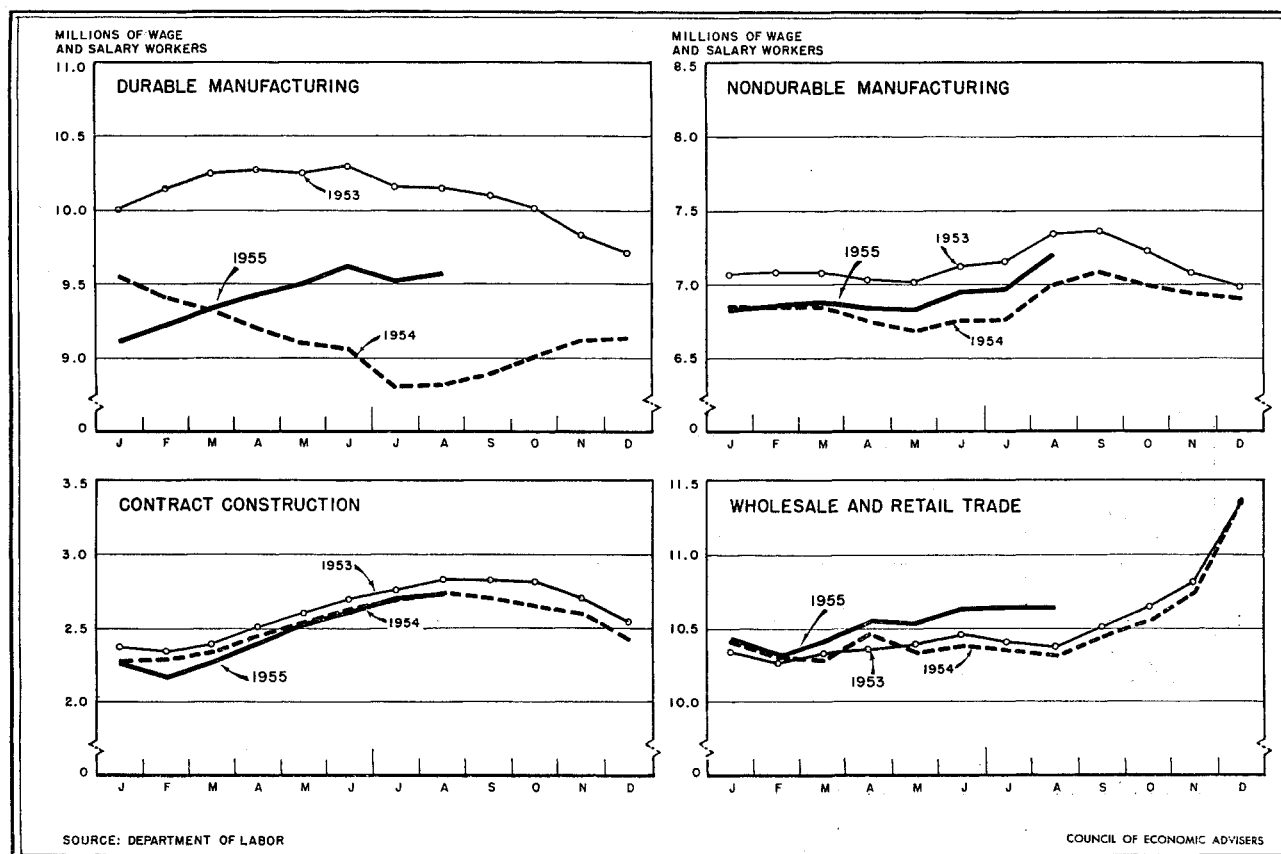
15th of month; previously, for week containing 8th of month.

⁶ Preliminary estimate.

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

NONAGRICULTURAL EMPLOYMENT

Total employment in nonagricultural establishments increased seasonally between mid-July and mid-August. Employment in both durable and nondurable goods manufacturing increased about as expected at this time of year.



[Thousands of wage and salary workers ¹]

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		30,311	10,078	4,683	5,394	845	1,150	6,612	3,995	7,632
1946		41,287	14,461	7,739	6,722	852	1,661	8,602	5,595	10,116
1948		44,448	15,321	8,312	7,010	982	2,169	9,519	5,650	10,807
1949		43,315	14,178	7,473	6,705	918	2,165	9,513	5,856	10,686
1950		44,738	14,967	8,085	6,882	889	2,333	9,645	6,026	10,878
1952		48,303	16,334	9,340	6,994	885	2,634	10,281	6,609	11,563
1953		49,681	17,238	10,105	7,133	852	2,622	10,527	6,645	11,797
1954		48,285	15,989	9,120	6,870	770	2,527	10,498	6,751	11,751
1954: July	48,048	47,866	15,584	8,811	6,773	760	2,686	10,351	6,551	11,934
August	48,029	48,123	15,822	8,820	7,002	763	2,735	10,321	6,563	11,919
September	48,020	48,490	15,972	8,887	7,085	744	2,698	10,447	6,746	11,883
October	48,129	48,580	16,007	9,002	7,005	743	2,652	10,548	6,829	11,801
November	48,386	48,808	16,057	9,121	6,936	749	2,598	10,745	6,917	11,742
December	48,380	49,463	16,050	9,144	6,906	747	2,426	10,354	7,166	11,720
1955: January	48,398	47,741	15,925	9,113	6,812	741	2,237	10,419	6,835	11,584
February	48,440	47,753	16,060	9,220	6,840	737	2,169	10,309	6,873	11,605
March	48,766	48,212	16,201	9,323	6,878	739	2,255	10,408	6,922	11,687
April	48,881	48,643	16,255	9,418	6,837	739	2,399	10,549	6,927	11,774
May	49,214	48,918	16,334	9,501	6,833	742	2,526	10,534	6,881	11,901
June	49,505	49,508	16,577	9,624	6,953	760	2,615	10,643	6,851	12,062
July ²	49,654	49,433	16,491	9,525	6,966	747	2,701	10,642	6,696	12,156
August ²	49,678	49,789	16,772	9,570	7,202	753	2,729	10,641	6,718	12,176

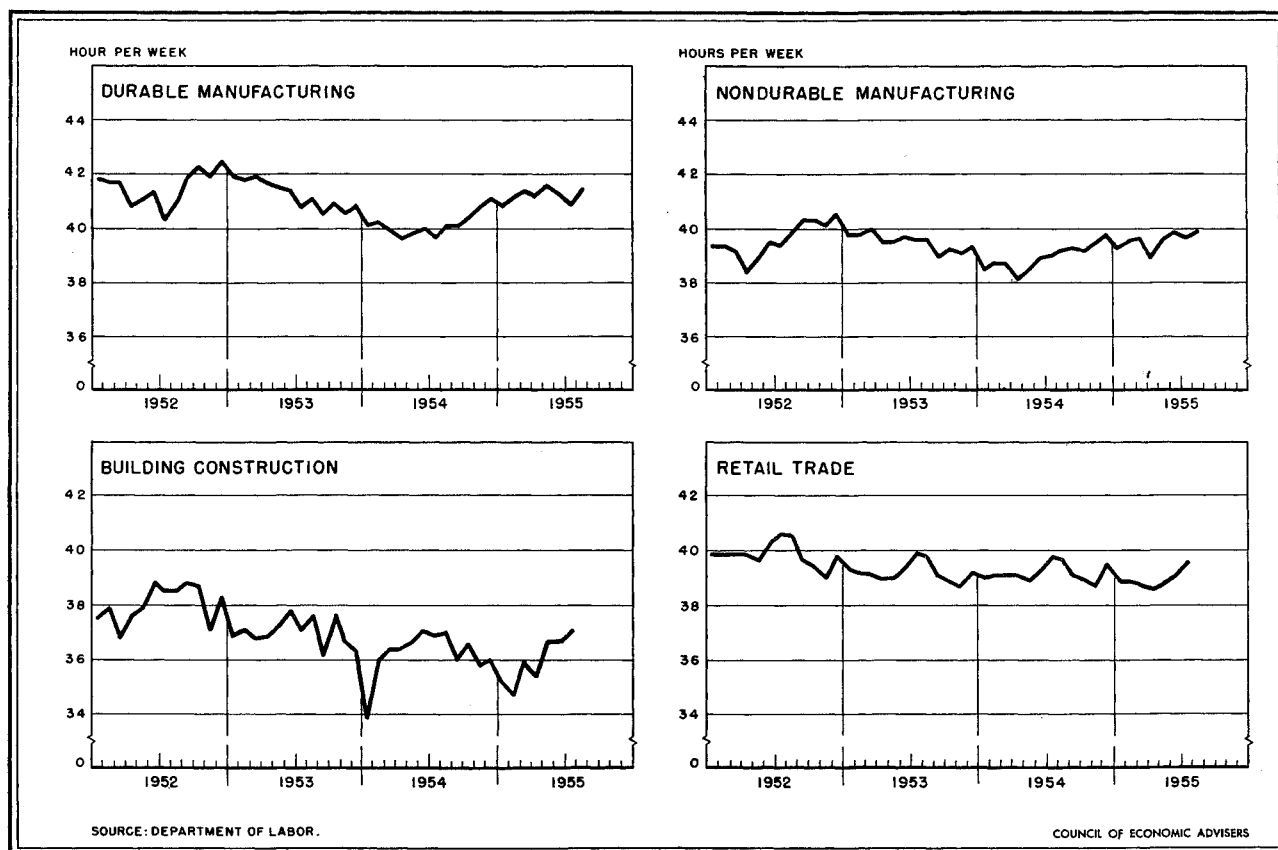
¹ Includes all full- and part-time wage and salary workers in nonagricultural establishments who worked during or received pay for any part of the pay period ending nearest the 15th of the month. Excludes proprietors, self-employed persons, domestic servants, and personnel of the armed forces. Total derived from this table not comparable with estimates of nonagricultural employment of the civilian labor force reported by the Department of Commerce (p. 11) 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.

² Preliminary estimates.

12 Note.—Beginning with 1953, data are based on first quarter 1954 benchmark levels.
Source: Department of Labor.

AVERAGE WEEKLY HOURS - SELECTED INDUSTRIES

The average workweek of factory production workers increased from 40.4 hours in July to 40.8 hours in August. An increase 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
1946.....	40.4	40.2	40.5	38.1	40.7
1947.....	40.4	40.6	40.1	37.6	40.3
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	39.2
1954.....	39.7	40.2	39.0	36.2	39.2
1954: 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	39.1
October.....	39.9	40.4	39.2	36.6	38.9
November.....	40.2	40.8	39.5	35.8	38.7
December.....	40.5	41.1	39.8	36.0	39.5
1955: January.....	40.2	40.9	39.3	35.1	38.9
February.....	40.4	41.1	39.5	34.7	38.9
March.....	40.6	41.4	39.7	35.9	38.8
April.....	40.3	41.2	39.0	35.4	38.6
May.....	40.8	41.6	39.6	36.7	38.8
June.....	40.7	41.2	39.9	36.7	39.1
July ²	40.4	40.9	39.7	37.1	39.6
August ²	40.8	41.5	39.9	(³)	(³)

¹ Data beginning with January 1948 are not strictly comparable with those for earlier periods.

² Preliminary estimates.

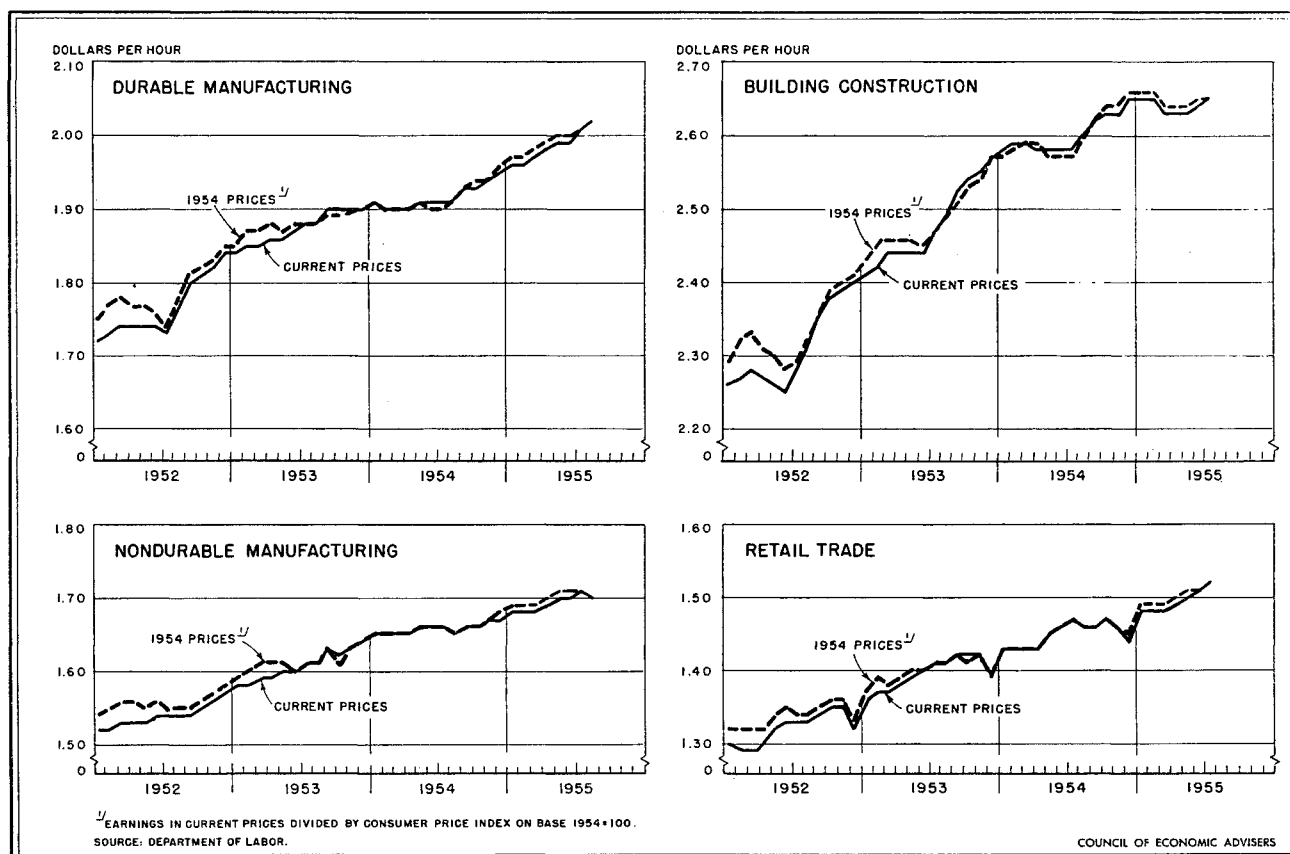
NOTE.—Beginning with 1953, data are based on first quarter 1954 benchmark levels of employment.

Source: Department of Labor.

³ Not available.

AVERAGE HOURLY EARNINGS - SELECTED INDUSTRIES

Average hourly earnings of production workers in manufacturing were \$1.89 in August, the same as in July and 10 cents higher than in August of last year.



[For production workers or nonsupervisory employees]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		Retail trade	
	Current prices	1954 prices ¹	Current prices	1954 prices ¹	Current prices	1954 prices ¹	Current prices	1954 prices ¹	Current prices	1954 prices ¹
1939.....	\$0. 633	\$1. 224	\$0. 698	\$1. 350	\$0. 582	\$1. 126	\$0. 932	\$1. 803	\$0. 542	\$1. 048
1946.....	1. 086	1. 496	1. 156	1. 592	1. 015	1. 398	1. 478	2. 036	. 893	1. 230
1947.....	1. 237	1. 487	1. 292	1. 553	1. 171	1. 407	1. 681	2. 020	1. 009	1. 213
1948.....	1. 350	1. 508	1. 410	1. 575	1. 278	1. 428	² 1. 848	² 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.....	1. 81	1. 81	1. 92	1. 92	1. 66	1. 66	2. 60	2. 60	1. 45	1. 45
1954: 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. 46	1. 46
September.....	1. 81	1. 81	1. 93	1. 93	1. 66	1. 66	2. 62	2. 62	1. 46	1. 46
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.....	1. 83	1. 84	1. 95	1. 96	1. 67	1. 68	2. 65	2. 66	1. 44	1. 45
1955: January.....	1. 84	1. 85	1. 96	1. 97	1. 68	1. 69	2. 65	2. 66	1. 48	1. 49
February.....	1. 85	1. 86	1. 96	1. 97	1. 68	1. 69	2. 65	2. 66	1. 48	1. 49
March.....	1. 85	1. 86	1. 97	1. 98	1. 68	1. 69	2. 63	2. 64	1. 48	1. 49
April.....	1. 86	1. 87	1. 98	1. 99	1. 69	1. 70	2. 63	2. 64	1. 49	1. 50
May.....	1. 87	1. 88	1. 99	2. 00	1. 70	1. 71	2. 63	2. 64	1. 50	1. 51
June.....	1. 87	1. 88	1. 99	2. 00	1. 70	1. 71	2. 64	2. 65	1. 51	1. 51
July ³	1. 89	1. 89	2. 01	2. 01	1. 71	1. 71	2. 65	2. 65	1. 52	1. 52
August ⁴	1. 89	(⁴)	2. 02	(⁴)	1. 70	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)

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

² Data beginning with January 1948 are not strictly comparable with those for earlier periods.

NOTE: Beginning with 1953, data are based on first quarter 1954 benchmark levels of employment.

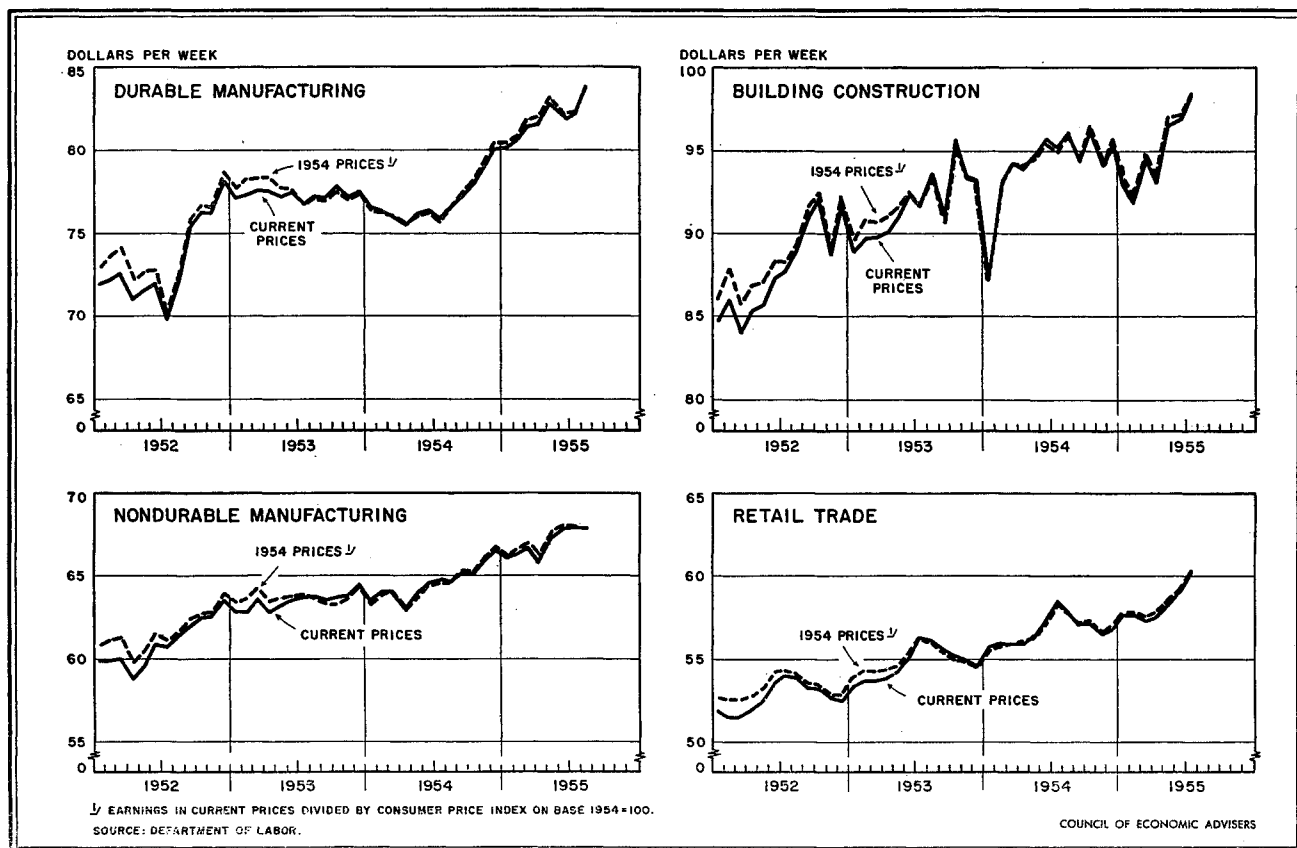
SOURCE: Department of Labor.

³ Preliminary estimates.

⁴ Not available.

AVERAGE WEEKLY EARNINGS - SELECTED INDUSTRIES

Average weekly earnings of factory production workers rose from \$76.36 in July to an all-time high of \$77.11 in August, reflecting the longer workweek. The August figure was \$6.05 higher than a year earlier.



[For production workers or nonsupervisory employees]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		Retail trade	
	Current prices	1954 prices ¹	Current prices	1954 prices ¹	Current prices	1954 prices ¹	Current prices	1954 prices ¹	Current prices	1954 prices ¹
1939.....	\$23.86	\$46.15	\$26.50	\$51.26	\$21.78	\$42.13	\$30.39	\$58.78	\$23.14	\$44.76
1946.....	43.82	60.36	46.49	64.04	41.14	56.67	56.24	77.47	36.35	50.07
1947.....	49.97	60.06	52.46	63.05	46.96	56.44	63.30	76.08	40.66	48.87
1948.....	54.14	60.49	57.11	63.81	50.61	56.55	² 68.85	² 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	54.88	55.05
1954.....	71.86	71.86	77.18	77.18	64.74	64.74	94.12	94.12	56.84	56.84
1954: 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	57.96	57.84
September.....	71.86	71.93	77.39	77.47	65.24	65.31	94.32	94.41	57.09	57.15
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.....	74.12	74.42	80.15	80.47	66.47	66.74	95.40	95.78	56.88	57.11
1955: January.....	73.97	74.27	80.16	80.48	66.02	66.29	93.02	93.39	57.57	57.80
February.....	74.74	75.04	80.56	80.88	66.36	66.63	91.96	92.33	57.57	57.80
March.....	75.11	75.41	81.56	81.89	66.70	66.97	94.42	94.80	57.42	57.65
April.....	74.96	75.34	81.58	81.99	65.91	66.24	93.10	93.57	57.51	57.80
May.....	76.30	76.68	82.78	83.20	67.32	67.66	96.52	97.01	58.20	58.49
June.....	76.11	76.34	81.99	82.24	67.83	68.03	96.89	97.18	59.04	59.22
July ³	76.36	76.44	82.21	82.29	67.89	67.96	98.32	98.42	60.19	60.25
August ³	77.11	(⁴)	83.83	(⁴)	67.83	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)

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

² Data beginning with January 1948 are not strictly comparable with those for earlier periods.

³ Preliminary estimates.

⁴ Not available.

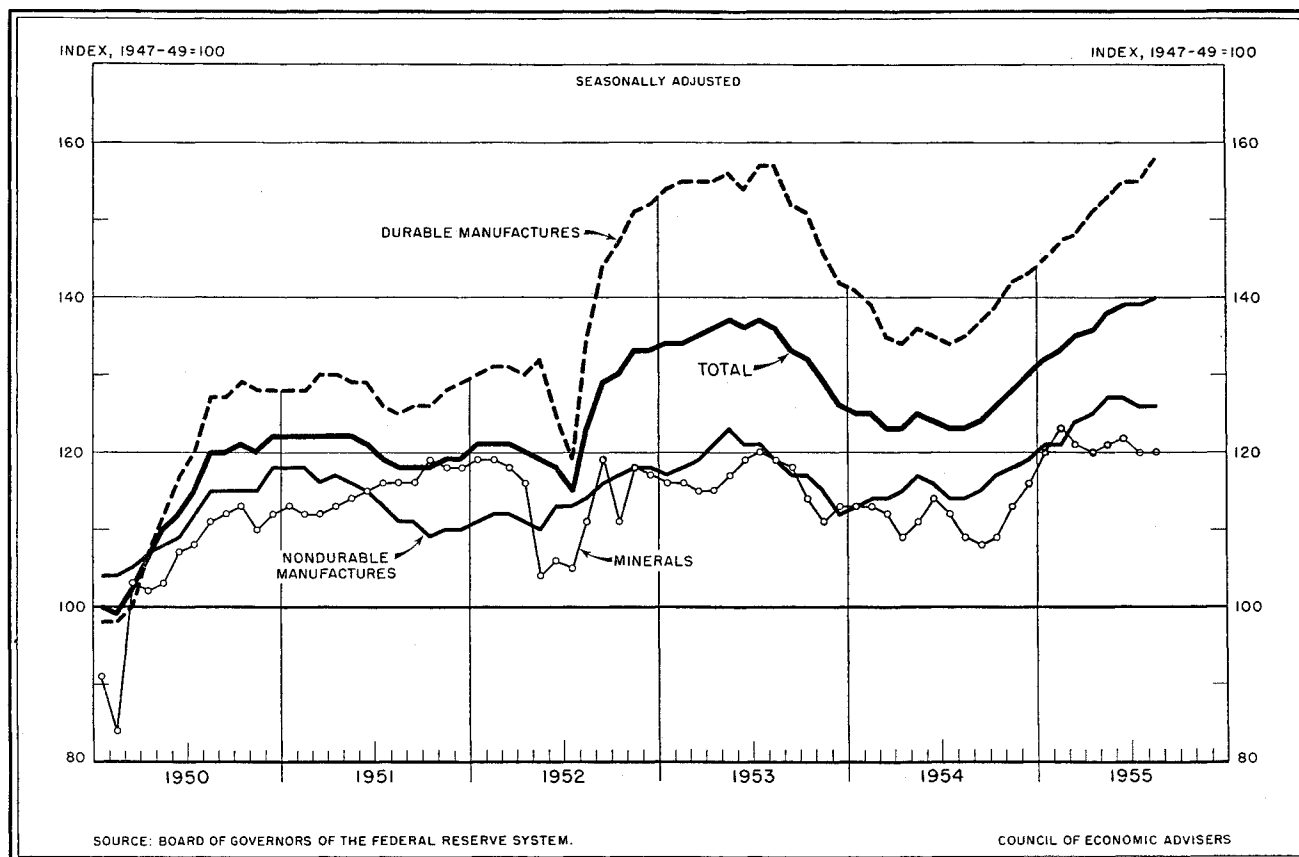
NOTE.—Beginning with 1953, data are based on first quarter 1954 benchmark levels of employment.

Source: Department of Labor.

PRODUCTION AND BUSINESS ACTIVITY

INDUSTRIAL PRODUCTION

According to preliminary estimates, the seasonally adjusted index of industrial production was at an all-time high of 140 (1947-49=100) in August. Durable goods manufacturing exceeded the previous peak in 1953 for the first time since the current expansion began.



[1947-49=100, seasonally adjusted]

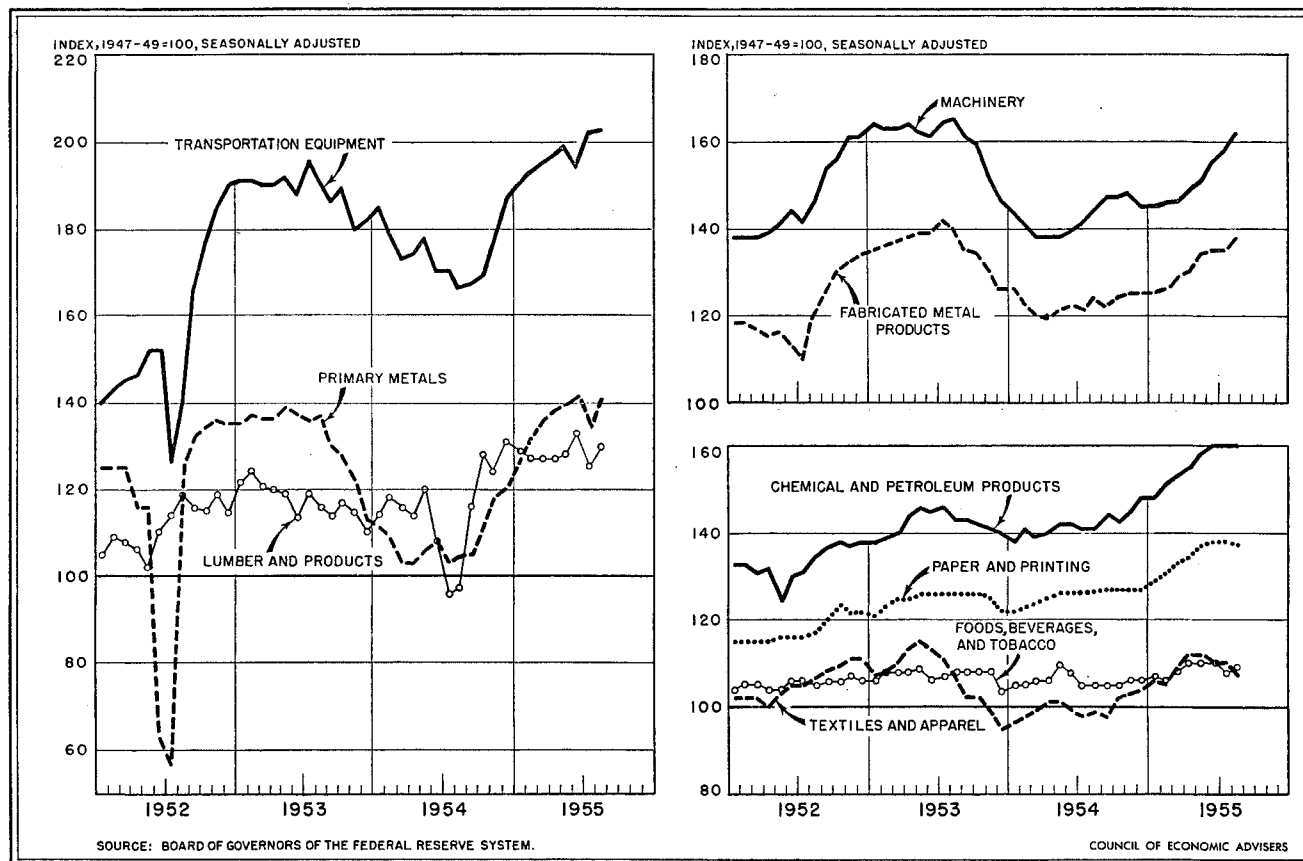
Period	Total industrial production	Manufactures			Minerals
		Total	Durable	Nondurable	
1939.....	58	57	49	66	68
1946.....	90	90	86	95	91
1947.....	100	100	101	99	100
1948.....	104	103	104	102	106
1949.....	97	97	95	99	94
1950.....	112	113	116	111	105
1951.....	120	121	128	114	115
1952.....	124	125	136	114	114
1953.....	134	136	153	118	116
1954 ¹	125	127	137	116	111
1954: July.....	123	124	134	114	112
August.....	123	125	135	114	109
September.....	124	126	137	115	108
October.....	126	128	139	117	109
November.....	128	130	142	118	113
December.....	130	131	143	119	116
1955: January.....	132	133	145	121	120
February.....	133	134	147	121	123
March.....	135	136	148	124	121
April.....	136	138	151	125	120
May.....	138	140	153	127	121
June.....	139	141	155	127	122
July.....	139	141	155	126	120
August ¹	140	142	158	126	120

¹ Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.

PRODUCTION OF SELECTED MANUFACTURES

Production of most durable goods manufacturing industries rose in August. Nondurable goods manufacturing experienced divergent movements.



[1947-49=100, seasonally adjusted]

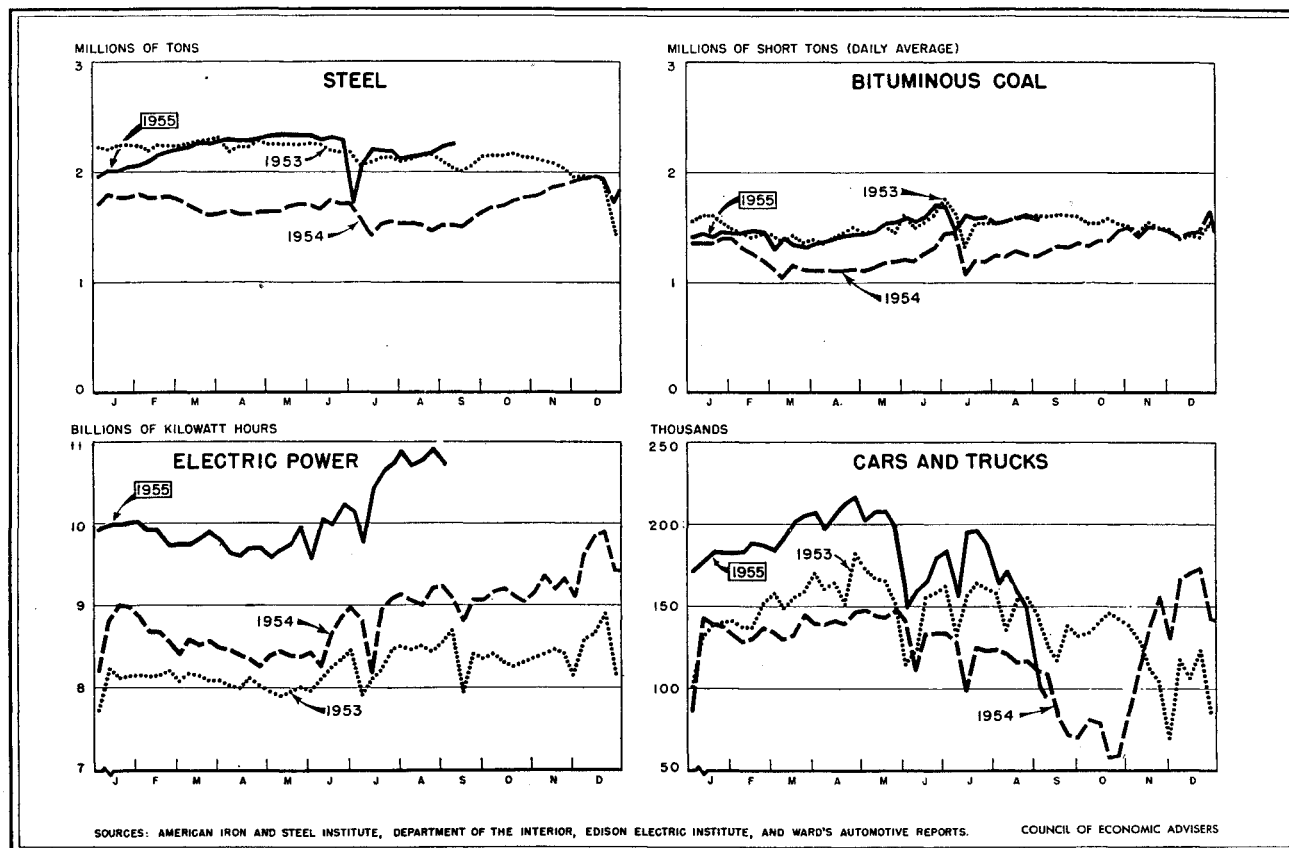
Period	Durable manufactures					Nondurable manufactures				Consumer durable goods
	Primary metals	Fabricated metal products	Machinery	Transportation equipment	Lumber and products	Textiles and apparel	Paper and printing	Chemical and petroleum products	Foods, beverages, and tobacco	
1939	53		38	48	80	80				
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 ¹	108	123	142	175	115	100	125	142	106	116
1954: July	103	121	141	170	96	98	126	141	105	116
August	105	123	144	166	97	99	126	141	105	115
September	105	122	147	167	116	98	127	144	105	114
October	111	124	147	169	128	102	127	143	105	112
November	118	125	148	175	124	103	127	145	106	119
December	121	125	145	187	131	104	127	148	106	125
1955: January	127	125	145	191	129	106	129	148	107	131
February	131	126	146	193	127	105	130	151	106	135
March	136	129	146	195	127	109	133	153	108	139
April	138	130	149	197	127	112	134	155	110	144
May	140	134	151	199	128	112	137	158	110	145
June	143	135	155	194	133	110	138	160	110	147
July	134	135	158	202	125	110	138	160	108	153
August ¹	141	138	162	203	130	107	137	160	109	152

¹ Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.

WEEKLY INDICATORS OF PRODUCTION

Electric power and paperboard production were at new highs during August. Steel production, bituminous coal mining, and freight carloadings increased during the month. Car and truck assemblies declined as the industry entered the model changeover period.



Period	Steel produced		Electric power distributed (millions of kilowatt-hours)	Bituminous coal mined (thousands of short tons) ²	Freight loaded (thousands of cars)	Paperboard produced (thousands of tons)	Cars and trucks assembled (thousands)		
	Thousands of net tons	Percent of theoretical capacity ¹					Total	Cars	Trucks
Weekly average:									
1950.....	1, 857	96. 9	6, 183	1, 687	748	214	154. 2	128. 4	25. 9
1951.....	2, 018	100. 9	6, 958	1, 772	779	229	129. 8	102. 7	27. 2
1952.....	1, 782	85. 8	7, 451	1, 548	730	213	106. 8	83. 4	23. 4
1953.....	2, 141	94. 9	8, 244	1, 521	737	241	141. 1	118. 0	23. 2
1954.....	1, 694	71. 0	8, 883	1, 304	651	236	125. 6	106. 0	19. 7
1954: August.....	1, 505	63. 1	9, 122	1, 288	677	246	116. 4	99. 8	16. 5
September.....	1, 591	66. 7	9, 040	1, 379	687	235	82. 8	67. 5	15. 3
October.....	1, 738	72. 9	9, 124	1, 410	726	254	70. 8	55. 8	15. 0
November.....	1, 886	79. 1	9, 240	1, 498	671	254	134. 2	113. 7	20. 5
December.....	1, 875	78. 6	9, 645	1, 502	610	227	159. 4	138. 9	20. 5
1955: January.....	1, 995	82. 7	9, 936	1, 444	631	243	178. 9	156. 9	22. 0
February.....	2, 124	88. 0	9, 902	1, 463	644	260	185. 0	169. 2	15. 8
March.....	2, 253	93. 4	9, 796	1, 376	656	270	198. 1	174. 1	23. 9
April.....	2, 288	94. 8	9, 658	1, 366	693	263	207. 6	177. 0	30. 6
May.....	2, 331	96. 6	9, 741	1, 523	766	275	204. 2	173. 3	30. 9
June.....	2, 272	94. 1	9, 986	1, 617	756	278	168. 1	141. 8	26. 2
July.....	2, 059	85. 3	10, 386	1, 573	758	232	183. 8	158. 0	25. 8
August ³	2, 163	89. 6	10, 816	1, 609	781	282	149. 2	128. 7	20. 4
Week ended:									
1955: August 6..	2, 098	86. 9	10, 925	1, 532	765	278	163. 1	140. 8	22. 3
13..	2, 157	89. 4	10, 729	1, 553	775	274	172. 7	149. 2	23. 5
20..	2, 176	90. 2	10, 812	1, 579	781	283	159. 5	138. 2	21. 3
27..	2, 186	90. 6	10, 906	1, 622	792	283	149. 8	129. 6	20. 2
September 3 ³	2, 255	93. 4	10, 706	1, 578	794	291	100. 7	85. 9	14. 8
10 ³	2, 264	93. 8	⁴ 10, 155			219	95. 6	80. 2	15. 3

¹ 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; 2,384,549 beginning January 1, 1954; and 2,413,278 beginning January 1, 1955.

² Daily average for week.

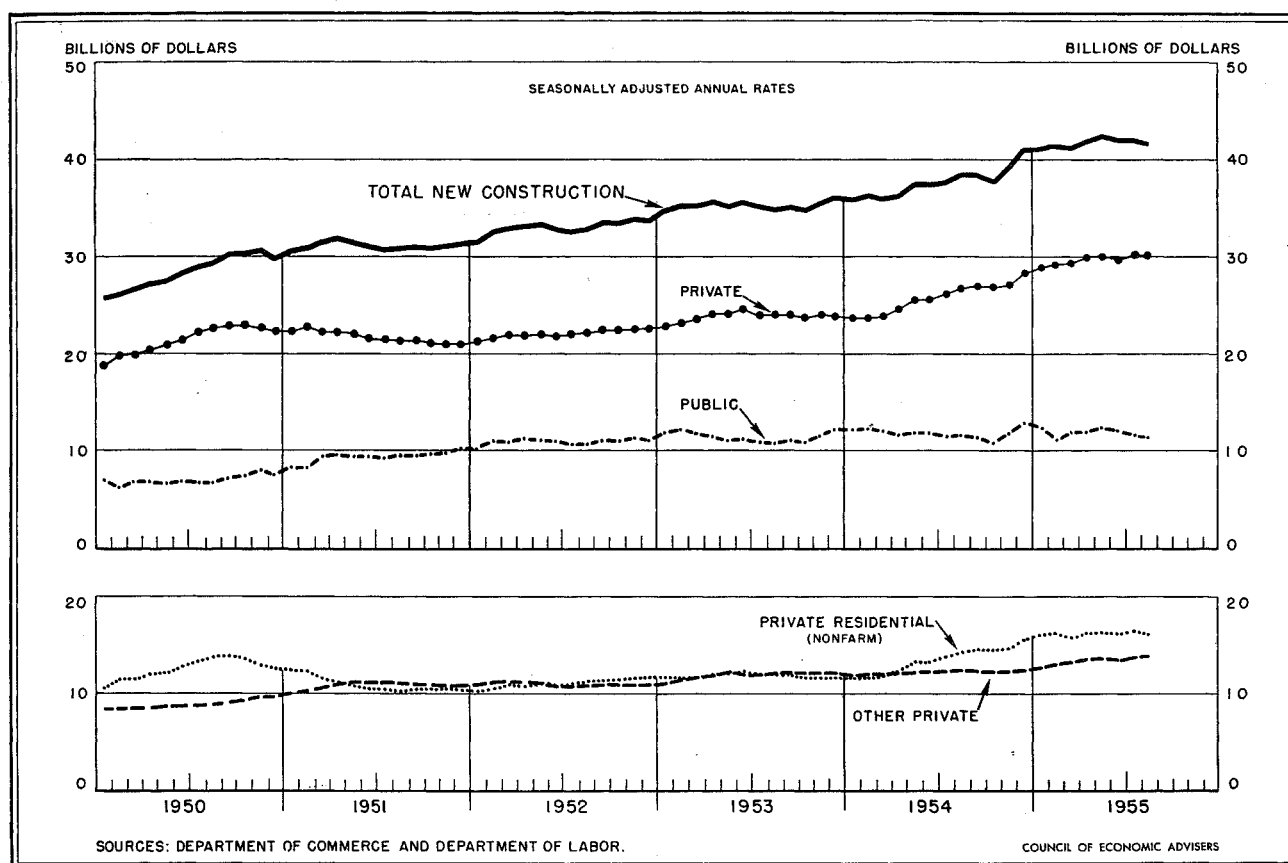
³ Preliminary estimates.

⁴ Not plotted.

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.

NEW CONSTRUCTION

In August, expenditures for total new construction continued at near record levels. Construction contracts awarded (seasonally adjusted) dropped 8 percent.



[Billions of dollars]

Period	Total new construction	Private			Federal, State, and local	Construction contracts awarded in 37 Eastern States ¹	
		Total private	Residential (nonfarm)	Other			
1939	8.2	4.4	2.7	1.7	3.8	3.6	
1946	12.0	9.6	4.0	5.6	2.4	7.5	
1947	16.7	13.3	6.3	6.9	3.4	7.8	
1948	21.7	16.9	8.6	8.3	4.8	9.4	
1949	22.8	16.4	8.3	8.1	6.4	10.4	
1950	28.5	21.5	12.6	8.9	7.0	14.5	
1951	31.2	21.8	11.0	10.8	9.4	15.8	
1952	33.0	22.1	11.1	11.0	10.9	16.8	
1953	35.3	23.9	11.9	11.9	11.4	17.4	
1954	37.6	25.8	13.5	12.3	11.8	19.8	
Seasonally adjusted annual rates						Annual rates	
						Un-adjusted	Seasonally adjusted
1954: July	37.6	26.2	13.8	12.4	11.4	22.0	19.3
August	38.4	26.7	14.3	12.4	11.7	18.9	18.3
September	38.4	27.0	14.6	12.4	11.4	21.8	18.9
October	37.6	26.9	14.5	12.3	10.8	23.6	23.4
November	39.0	27.2	14.7	12.5	11.8	18.0	20.9
December	41.1	28.2	15.7	12.5	12.9	21.9	22.9
1955: January	41.1	28.8	16.0	12.7	12.4	18.0	24.4
February	41.4	29.2	16.1	13.1	12.2	19.0	25.6
March	41.3	29.4	16.0	13.4	12.0	25.6	26.1
April	41.9	30.0	16.4	13.6	11.9	27.9	24.4
May	42.4	30.0	16.4	13.6	12.3	26.2	22.8
June	42.1	29.8	16.3	13.5	12.2	27.1	25.1
July	41.9	30.2	16.5	13.7	11.7	27.3	23.9
August ²	41.5	30.0	16.1	13.9	11.5	22.7	22.1

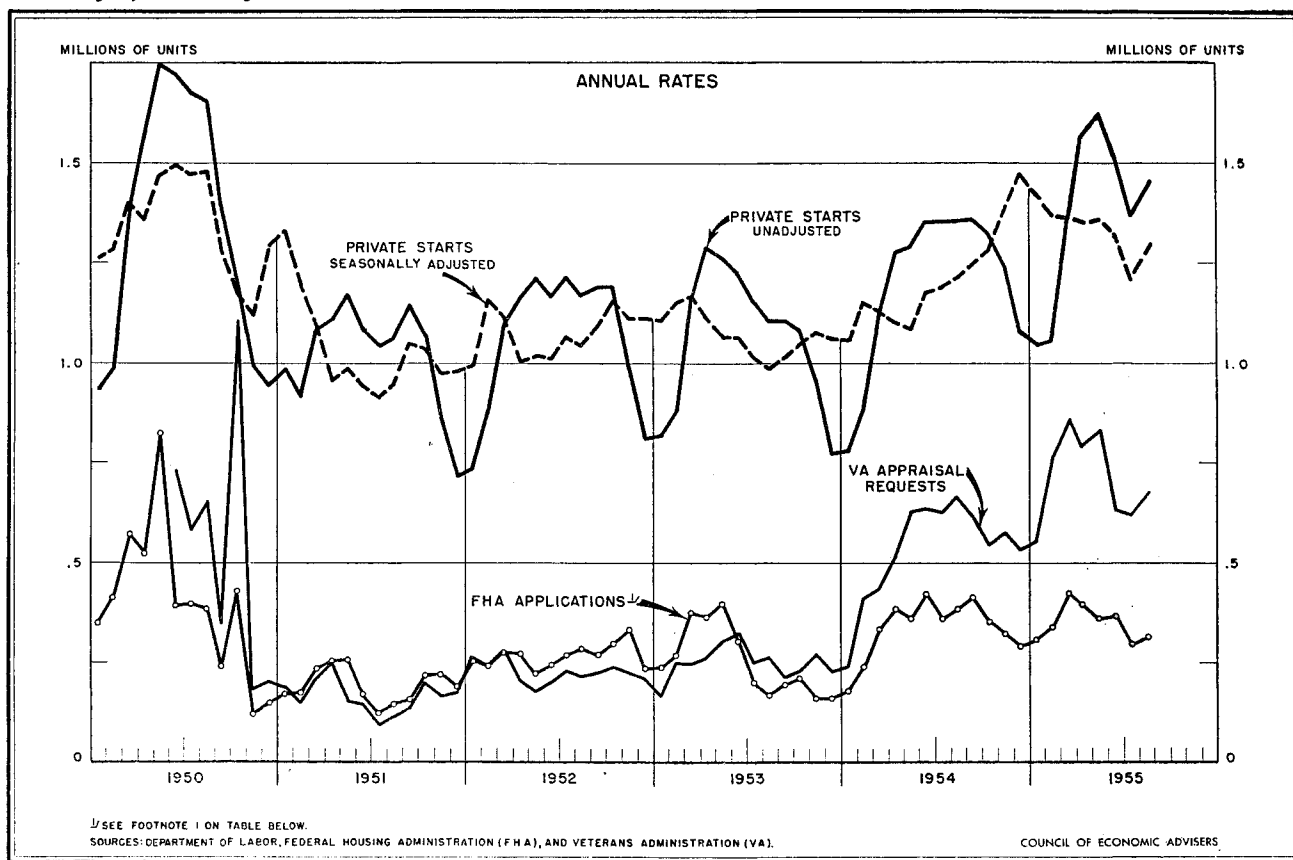
¹ Compiled by F. W. Dodge Corporation; seasonally adjusted by the National Bureau of Economic Research. Omits small contracts, and covers rural areas less fully than urban.

² Preliminary estimates.

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

HOUSING STARTS AND APPLICATIONS FOR FINANCING

The number of private nonfarm housing starts increased from 1.2 to 1.3 million units (seasonally adjusted annual rate) between July and August.



[Thousands of units]

Period	New nonfarm housing starts						Proposed home construction	
	Total	Publicly financed	Privately financed			Private, seasonally adjusted annual rates	Applications for FHA commitments ¹	Requests for VA appraisals
			Total	Government underwritten				
				Total	FHA			
Annual total: 1939	515.0	56.6	458.4	158.1	158.1	(2)	167.8	-----
1946	670.5	8.0	662.5	(2)	69.0	(2)	121.7	(2)
1948	931.6	18.1	913.5	(2)	294.1	(2)	293.2	(2)
1949	1,025.1	36.3	988.8	(2)	363.8	(2)	327.0	(2)
1950	1,396.0	43.8	1,352.2	686.7	486.7	³ 200.0	397.7	(2)
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	1,220.4	18.7	1,201.7	583.3	276.3	307.0	338.6	535.4
Monthly average: 1950	116.3	3.6	112.7	57.2	40.6	16.7	33.1	(2)
1953	92.0	3.0	89.0	34.0	21.0	13.1	21.1	21.0
1954	101.7	1.6	100.1	48.6	23.0	25.6	28.2	44.6
1954: July	116.0	3.1	112.9	52.2	25.4	26.8	1,188	30.1
August	114.3	1.3	113.0	60.3	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	103.6	.3	103.3	62.4	26.3	36.0	1,393	26.9
December	90.6	.7	89.9	50.7	21.5	29.1	1,478	24.3
1955: January	87.6	.3	87.3	46.1	20.0	26.1	1,416	25.6
February	89.9	2.0	87.9	45.3	17.2	28.0	1,370	28.3
March	113.8	1.0	112.8	53.6	23.8	29.8	1,367	35.6
April	132.0	1.5	130.5	60.3	25.8	34.5	1,350	33.1
May	137.6	2.5	135.1	65.9	28.0	37.8	1,362	30.1
June	⁴ 129.0	⁴ 2.5	⁴ 126.5	71.6	32.1	39.5	⁴ 1,320	30.8
July	⁴ 115.0	⁴ 1.8	⁴ 114.2	63.3	26.0	37.4	⁴ 1,202	24.3
August ⁴	123.0	1.3	121.7	67.6	26.9	40.8	1,304	26.4

¹ Units represented by mortgage applications for new home construction.

² Not available.

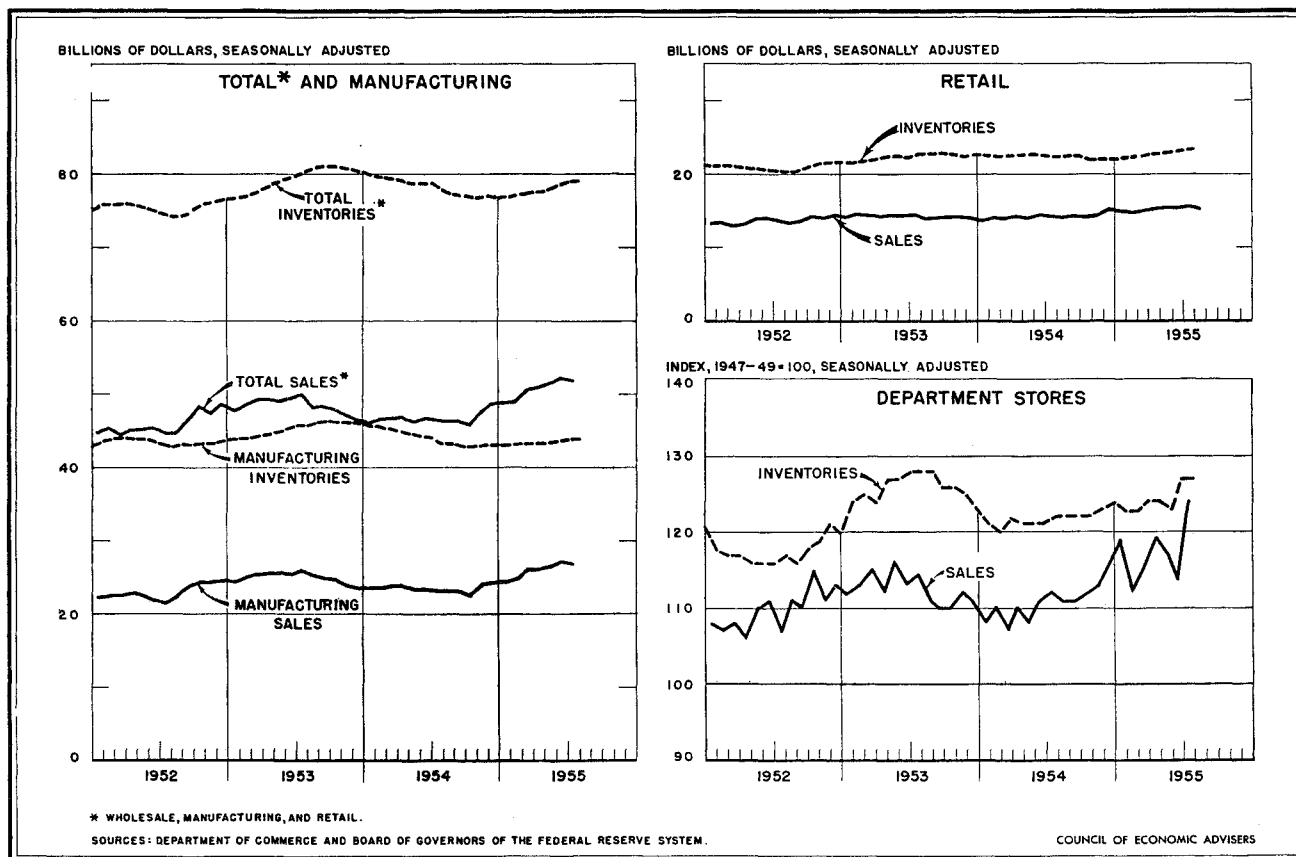
³ Partly estimated.

⁴ Preliminary estimates.

Sources: Department of Labor, Federal Housing Administration (FHA), and Veterans Administration (VA)

SALES AND INVENTORIES - MANUFACTURING AND TRADE

Retail sales (seasonally adjusted) increased in July, while sales of manufacturers and wholesalers declined somewhat. According to preliminary estimates, August retail sales were practically unchanged from the record July level. Manufacturers' new orders declined in July but continued to exceed sales. Inventories of manufacturers and distributors increased during July, with the largest increase occurring in retail stores.



Period	Manufacturing and trade		Manufacturing			Wholesale		Retail		Department stores	
	Sales ¹	Inven- tories ²	Sales ¹	Inven- tories ²	New orders ¹	Sales ¹	Inven- tories ²	Sales ¹	Inven- tories ²	Sales ¹	Inven- tories ³
Billions of dollars, seasonally adjusted										Index 1947-49=100, seasonally adjusted	
1939.....	10.8	20.1	5.1	11.5	5.4	2.2	3.1	3.5	5.5	35	35
1946.....	27.2	42.9	12.6	24.5	13.7	6.0	6.6	8.5	11.9	90	78
1948.....	36.4	55.6	17.6	31.7	17.4	7.9	8.1	10.9	15.8	104	107
1949.....	34.7	52.1	16.4	28.9	15.9	7.4	7.9	10.9	15.3	98	99
1950.....	39.9	64.1	19.3	34.3	21.0	8.7	10.5	12.0	19.3	105	109
1951.....	⁴ 44.9	⁴ 75.2	22.3	42.8	24.5	9.4	11.1	⁴ 13.2	⁴ 21.2	109	128
1952.....	45.9	76.7	22.8	43.8	23.6	9.4	11.3	13.7	21.6	110	118
1953.....	48.4	80.3	24.9	45.9	23.4	9.3	11.7	14.2	22.7	112	126
1954.....	46.7	76.9	23.4	43.3	22.4	9.1	11.5	14.2	22.1	111	122
1954: June.....	46.9	78.6	23.3	44.2	22.0	9.1	11.9	14.4	22.6	111	121
July.....	46.6	77.6	23.2	43.4	21.4	9.1	11.8	14.3	22.4	112	121
August.....	46.3	77.3	23.1	43.1	21.9	9.1	11.8	14.2	22.5	111	122
September.....	46.4	77.0	23.0	42.9	23.3	9.2	11.7	14.2	22.4	111	122
October.....	45.6	76.9	22.5	43.2	22.9	9.0	11.7	14.1	22.0	112	122
November.....	47.6	77.1	24.0	43.3	23.1	9.3	11.7	14.4	22.1	113	123
December.....	48.7	76.9	24.1	43.3	24.8	9.5	11.5	15.1	22.1	116	124
1955: January.....	48.7	76.9	24.3	43.2	24.6	9.5	11.5	14.9	22.2	119	123
February.....	48.9	77.3	24.6	43.3	24.8	9.5	11.7	14.8	22.4	112	123
March.....	50.7	77.5	26.0	43.3	26.5	9.7	11.6	15.1	22.6	115	124
April.....	50.9	77.7	26.0	43.3	26.1	9.6	11.7	15.3	22.8	119	124
May.....	51.7	78.3	26.7	43.5	27.7	9.7	11.8	15.4	23.0	117	123
June.....	52.2	78.8	27.1	43.8	27.8	9.7	11.8	15.3	23.2	114	127
July ⁵	51.9	79.2	26.8	43.9	26.9	9.6	11.9	15.5	23.4	124	127
August ⁵								15.4		⁶ 118	

¹ Monthly average for year and total for month.

² Book value, end of period.

³ 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.

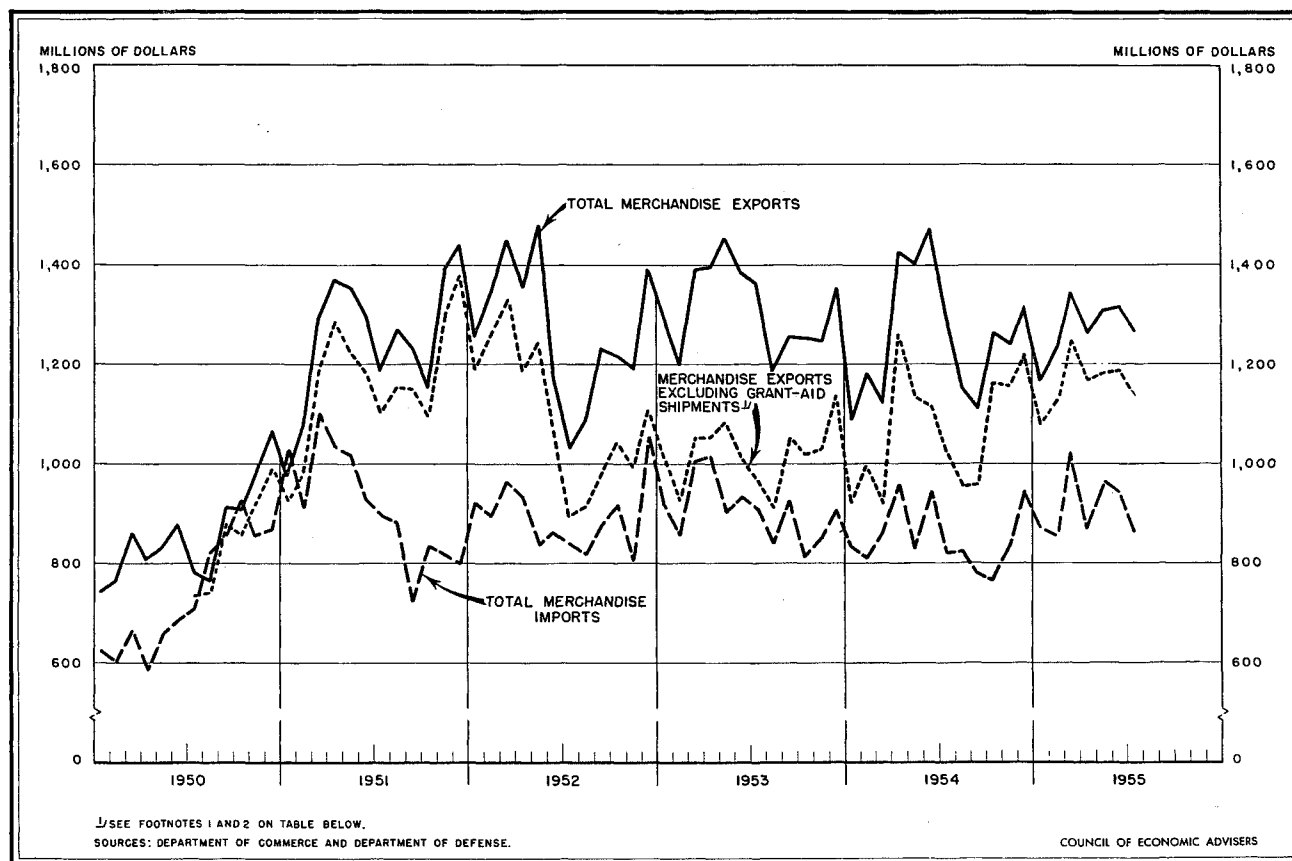
⁴ New series on retail trade beginning with 1951; not comparable with previous data. See *Survey of Current Business*, September and November 1952, for detail.

⁵ Preliminary estimates.

⁶ Not plotted.

MERCHANDISE EXPORTS AND IMPORTS

Both commercial exports and imports declined moderately in July. For the first 7 months of the year, commercial exports were 10 percent higher and imports 5 percent higher than in the corresponding period of 1954.



[Millions of dollars]						
Period	Merchandise exports			Merchandise imports	Excess of exports (+) or imports (-)	
	Total	Grant-aid shipments ¹	Excluding grant-aid shipments		Total	Excluding grant-aid shipments
1936-38 monthly average-----	247	(²)	(²)	207	+40	(²)
1946 monthly average-----	812	54	757	412	+400	+345
1947 monthly average-----	1,278	96	1,182	480	+798	+702
1948 monthly average-----	1,054	(²)	(²)	594	+460	(²)
1949 monthly average-----	1,003	(²)	(²)	552	+452	(²)
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-----	1,258	188	1,070	851	+407	+219
1954: June-----	1,474	359	1,115	946	+528	+168
July-----	1,291	268	1,024	822	+469	+202
August-----	1,156	200	955	825	+331	+131
September-----	1,114	153	961	780	+334	+181
October-----	1,265	104	1,161	763	+502	+398
November-----	1,249	85	1,164	840	+410	+325
December-----	1,318	98	1,221	942	+376	+278
1955: January-----	1,166	85	1,080	870	+296	+210
February-----	1,238	95	1,143	850	+388	+294
March-----	1,343	92	1,250	1,019	+324	+232
April-----	1,260	94	1,166	871	+389	+295
May-----	1,312	131	1,181	966	+346	+215
June-----	1,317	128	1,189	940	+377	+249
July-----	1,267	128	1,139	³ 863	³ +404	³ +276

¹ 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.

² Not available.

³ Preliminary estimates.

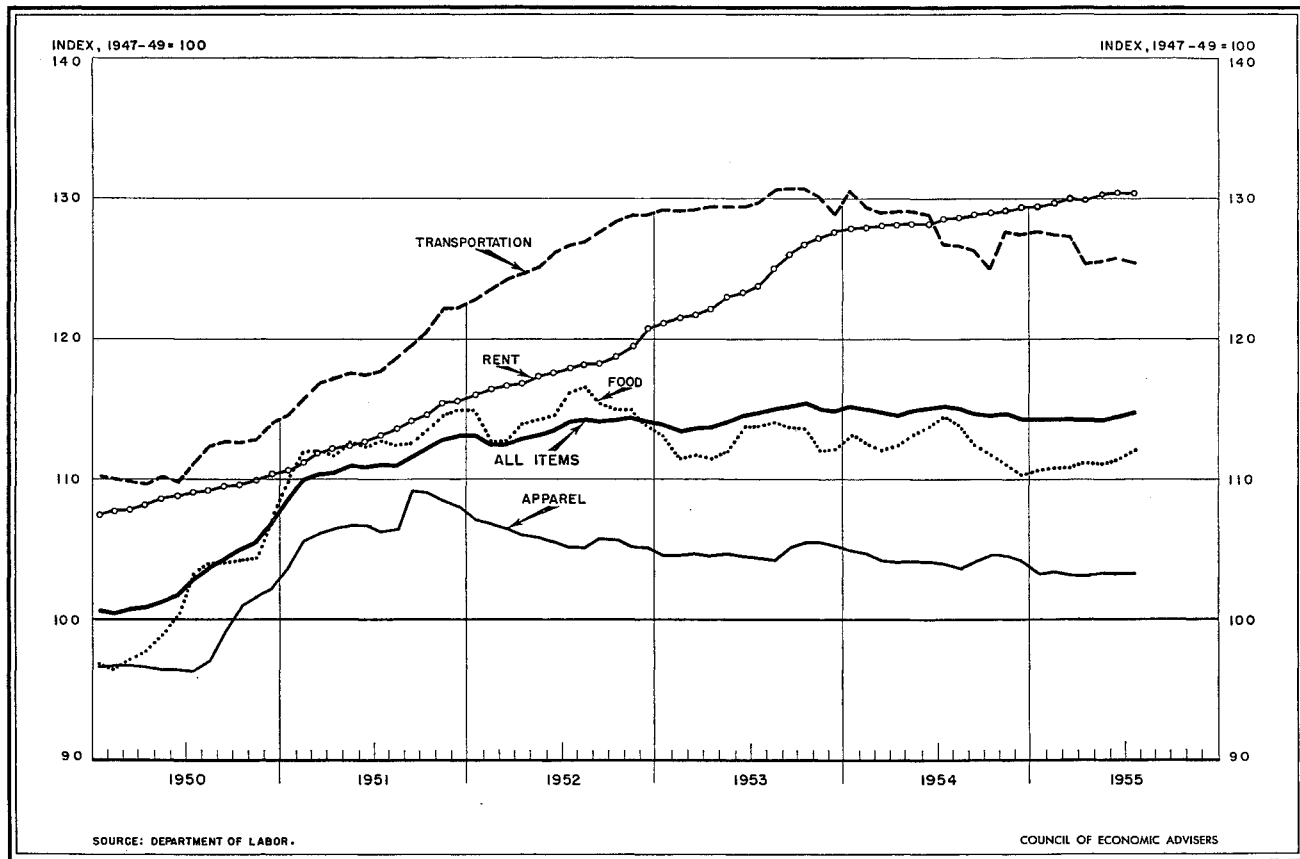
22 NOTE—Detail will not necessarily add to totals because of rounding.

Sources: Department of Commerce and Department of Defense.

PRICES

CONSUMER PRICES

In July, the average of consumer prices increased 0.3 percent. As in June, seasonally higher food prices were primarily responsible for the increase.



[1947-49=100]

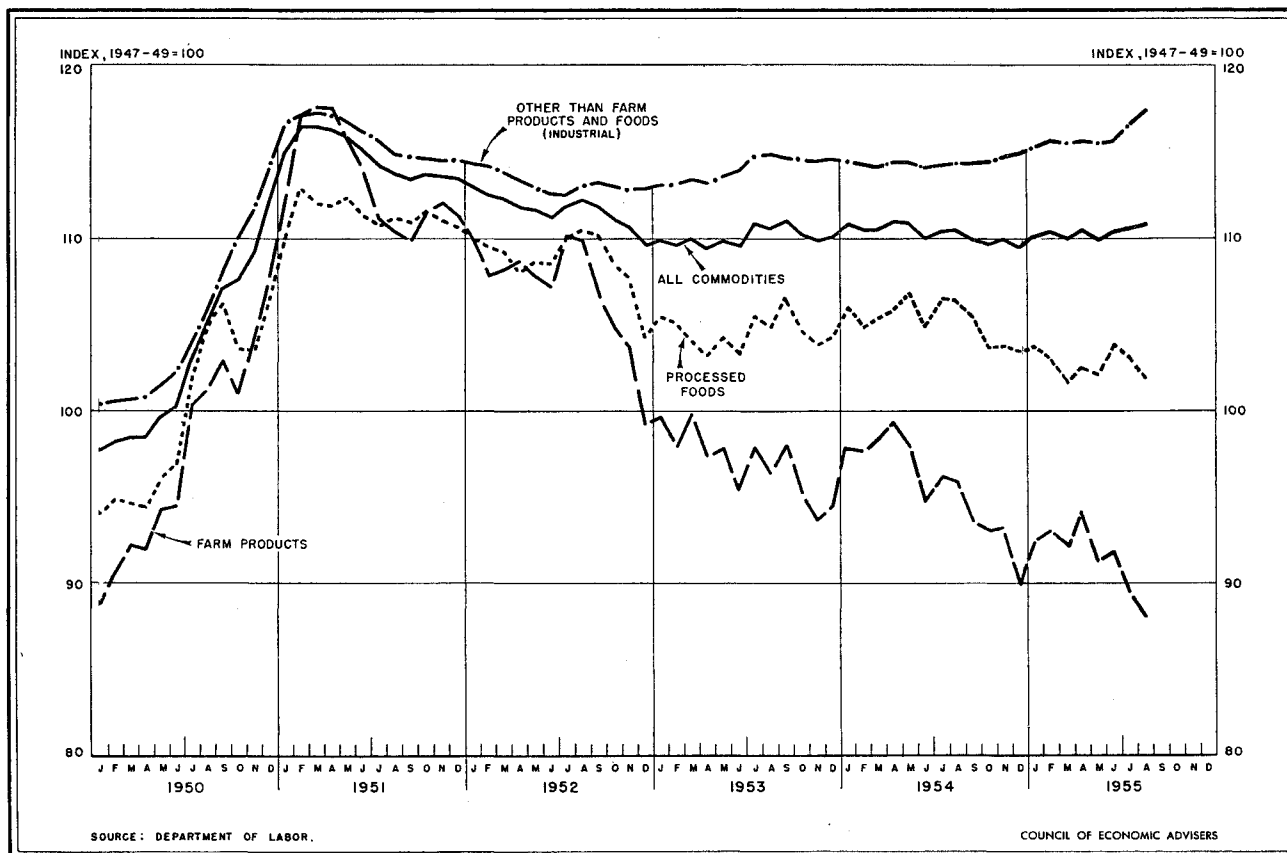
Period	All items	Food	Housing		Apparel	Transportation	Medical care	Personal care	Reading and recreation	Other goods and services
			Total	Rent						
1939.....	59.4	47.1	(1)	86.6	52.5	(1)	(1)	(1)	(1)	(1)
1946.....	83.4	79.0	(1)	91.4	83.7	(1)	(1)	(1)	(1)	(1)
1947.....	95.5	95.9	95.0	94.4	97.1	90.6	94.9	97.6	95.5	96.1
1948.....	102.8	104.1	101.7	100.7	103.5	100.9	100.9	101.3	100.4	100.5
1949.....	101.8	100.0	103.3	105.0	99.4	108.5	104.1	101.1	104.1	103.4
1950.....	102.8	101.2	106.1	108.8	98.1	111.3	106.0	101.1	103.4	105.2
1951.....	111.0	112.6	112.4	113.1	106.9	118.4	111.1	110.5	106.5	109.7
1952.....	113.5	114.6	114.6	117.9	105.8	126.2	117.2	111.8	107.0	115.4
1953.....	114.4	112.8	117.7	124.1	104.8	129.7	121.3	112.8	108.0	118.2
1954.....	114.8	112.6	119.1	128.5	104.3	128.0	125.2	113.4	107.0	120.1
1954: 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
1955: January.....	114.3	110.6	119.6	129.5	103.3	127.6	126.5	113.7	106.9	119.9
February.....	114.3	110.8	119.6	129.7	103.4	127.4	126.8	113.5	106.4	119.8
March.....	114.3	110.8	119.6	130.0	103.2	127.3	127.0	113.5	106.6	119.8
April.....	114.2	111.2	119.5	129.9	103.1	125.3	127.3	113.7	106.6	119.8
May.....	114.2	111.1	119.4	130.3	103.3	125.5	127.5	113.9	106.5	119.9
June.....	114.4	111.3	119.7	130.4	103.2	125.8	127.6	114.7	106.2	119.9
July.....	114.7	112.1	119.9	130.4	103.2	125.4	127.9	115.5	106.3	120.3

¹ Not available.

Source: Department of Labor.

WHOLESALE PRICES

The average of industrial prices rose 0.8 percent in August. Higher prices for metals, rubber, and machinery and motive products were largely responsible for the increase. Reductions in the average prices of farm products and processed foods partly offset the increase in prices of industrial commodities, so that the average of wholesale prices increased only 0.3 percent.



(1947-49=100)

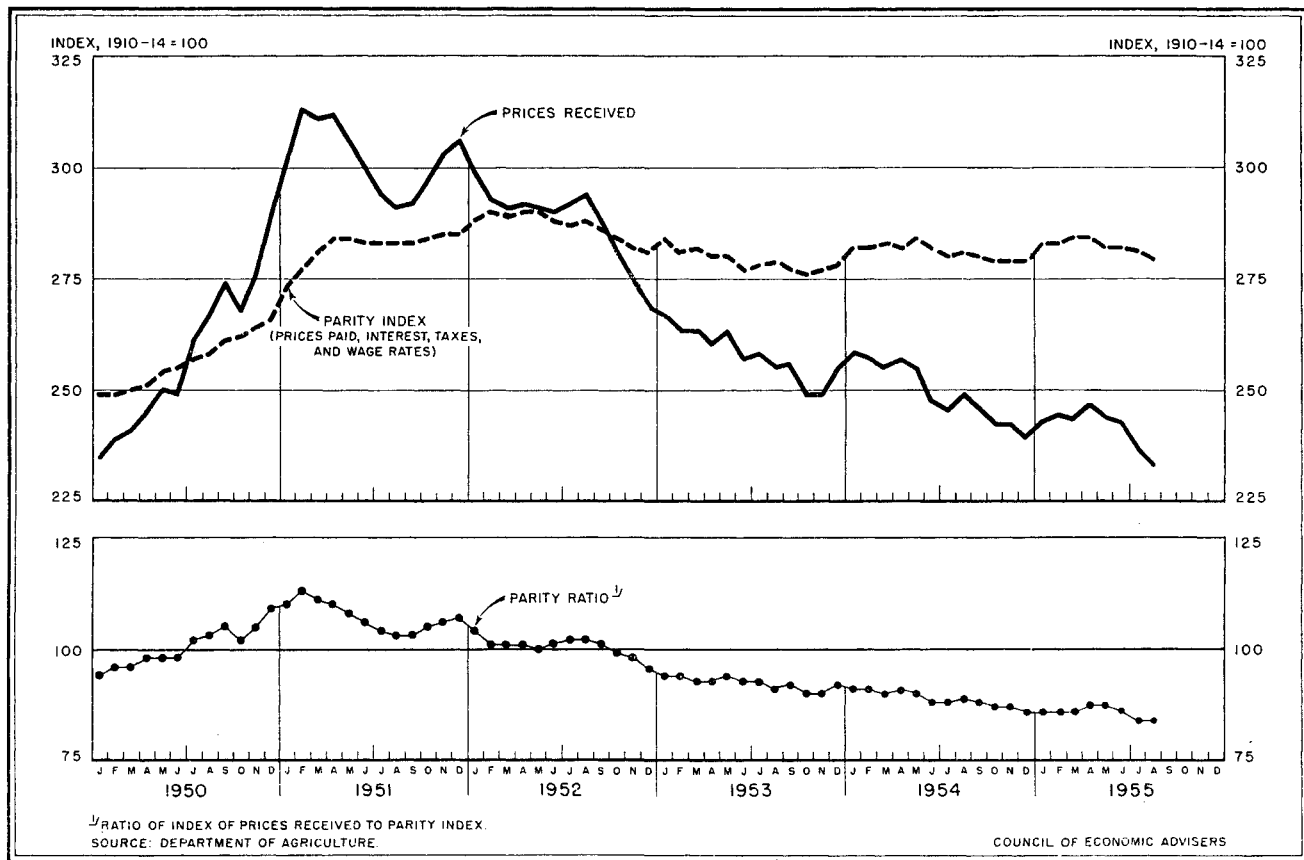
Period	All commodities	Farm products	Processed foods	Other than farm products and foods (industrial)
1939.....	50.1	36.5	43.3	58.1
1947.....	96.4	100.0	98.2	95.3
1948.....	104.4	107.3	106.1	103.4
1949.....	99.2	92.8	95.7	101.3
1950.....	103.1	97.5	99.8	105.0
1951.....	114.8	113.4	111.4	115.9
1952.....	111.6	107.0	108.8	113.2
1953.....	110.1	97.0	104.6	114.0
1954.....	110.3	95.6	105.3	114.5
1954: 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.....	110.1	92.5	103.8	115.2
February.....	110.4	93.1	103.2	115.7
March.....	110.0	92.1	101.6	115.6
April.....	110.5	94.2	102.5	115.7
May.....	109.9	91.2	102.1	115.5
June.....	110.3	91.8	103.9	115.6
July.....	110.5	89.5	103.1	116.5
August.....	110.8	88.1	101.9	117.4
Week ended: ¹				
1955: September 6.....	111.1	88.3	101.8	117.8
13.....	111.4	89.5	102.2	117.9

¹ Weekly series based on a smaller sample than the monthly series.

Source: Department of Labor.

PRICES RECEIVED AND PAID BY FARMERS

The index of prices received by farmers declined 2 percent during the month ended August 15. The index of prices paid by farmers also declined, and the parity ratio was unchanged.



Period	Prices paid by farmers for items used in		Parity index (prices paid, interest, taxes, and wage rates)	Prices re- ceived by farmers	Parity ratio ¹
	Family living	Produc- tion			
	Index, 1910-14=100				
1939.....	120	121	123	95	77
1946.....	202	191	208	236	113
1947.....	237	224	240	276	118
1948.....	251	250	260	287	115
1949.....	243	238	251	250	100
1950.....	246	246	256	258	101
1951.....	268	273	282	302	107
1952.....	271	274	287	288	100
1953.....	270	253	279	258	92
1954.....	274	252	281	249	89
1954: July 15.....	277	247	280	245	88
August 15.....	277	250	281	249	89
September 15.....	273	251	280	246	88
October 15.....	273	250	279	242	87
November 15.....	272	251	279	242	87
December 15.....	272	250	279	239	86
1955: January 15.....	273	254	283	243	86
February 15.....	271	256	283	244	86
March 15.....	273	256	284	243	86
April 15.....	274	254	284	247	87
May 15.....	274	251	282	244	87
June 15.....	274	250	282	243	86
July 15.....	274	248	281	237	84
August 15.....	273	247	279	233	84

¹ Percentage ratio of index of prices received by farmers to parity index.

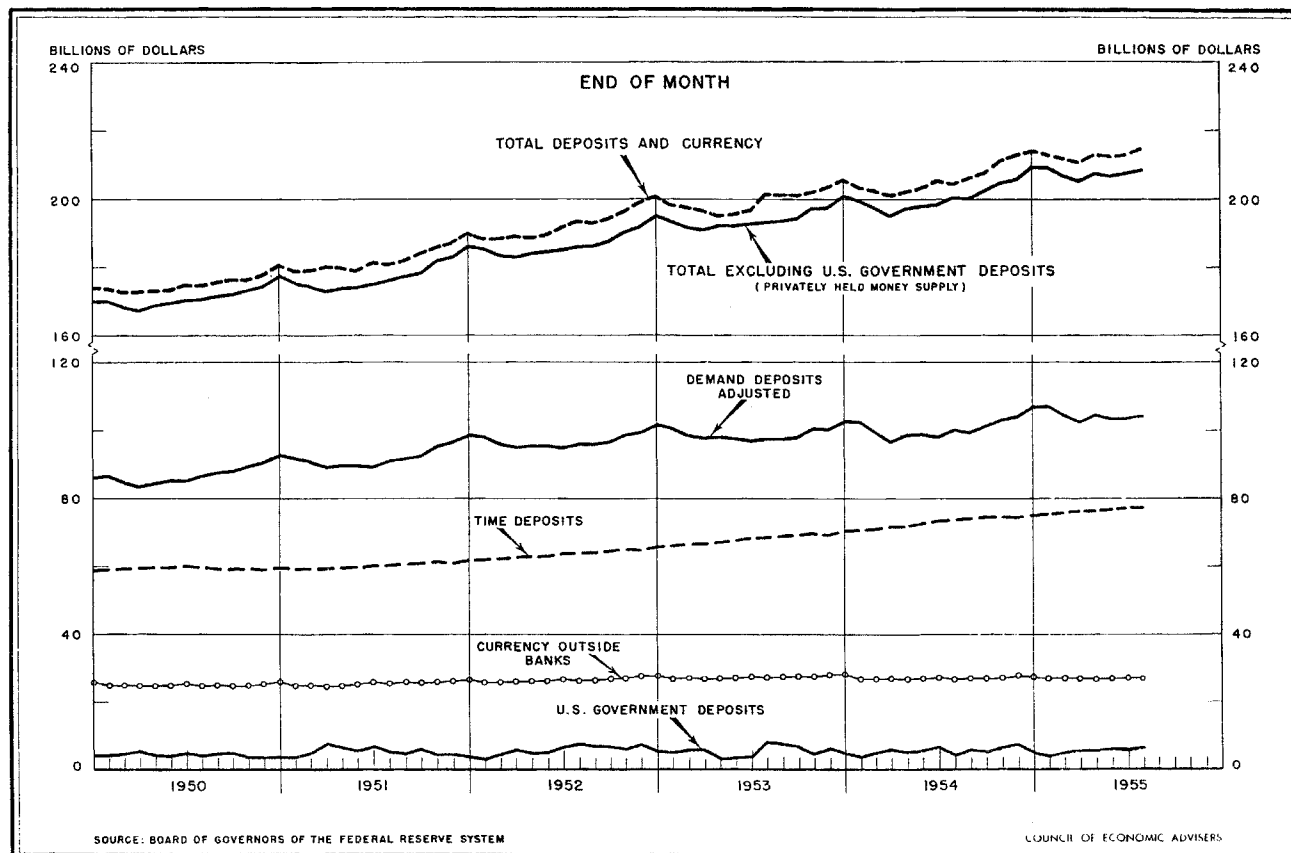
² Includes wartime subsidies paid on beef cattle, sheep, lambs, milk, and butterfat between October 1943 and June 1946.

Source: Department of Agriculture.

CURRENCY, CREDIT, AND SECURITY MARKETS

CURRENCY AND DEPOSITS

Total deposits (excluding Government) and currency rose more than seasonally between the end of June and the end of July.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]

End of period	Total deposits and currency	U. S. Government deposits ¹	Total excluding U. S. Government deposits (privately held money supply)			
			Total	Currency outside banks	Demand deposits adjusted ²	Time deposits ³
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.....	214.8	5.1	209.7	27.9	106.6	75.3
1954: June.....	205.3	6.8	198.5	27.1	98.1	73.3
July.....	204.8	4.4	200.4	26.8	100.0	73.7
August.....	206.3	6.0	200.3	26.9	99.4	74.0
September.....	207.7	5.2	202.5	26.9	101.2	74.4
October.....	211.3	6.6	204.7	26.9	103.1	74.8
November.....	213.3	7.5	205.8	27.5	104.0	74.3
December.....	214.8	5.1	209.7	27.9	106.6	75.3
1955: January.....	213.4	4.2	209.2	26.8	107.0	75.4
February.....	212.0	5.1	206.9	26.8	104.5	75.7
March.....	210.6	5.3	205.3	26.7	102.4	76.2
April.....	213.0	5.6	207.4	26.7	104.5	76.2
May.....	212.6	5.9	206.7	26.8	103.4	76.5
June.....	213.0	5.6	207.4	27.1	103.4	77.0
July.....	214.7	6.5	208.2	27.1	104.1	77.0

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

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

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

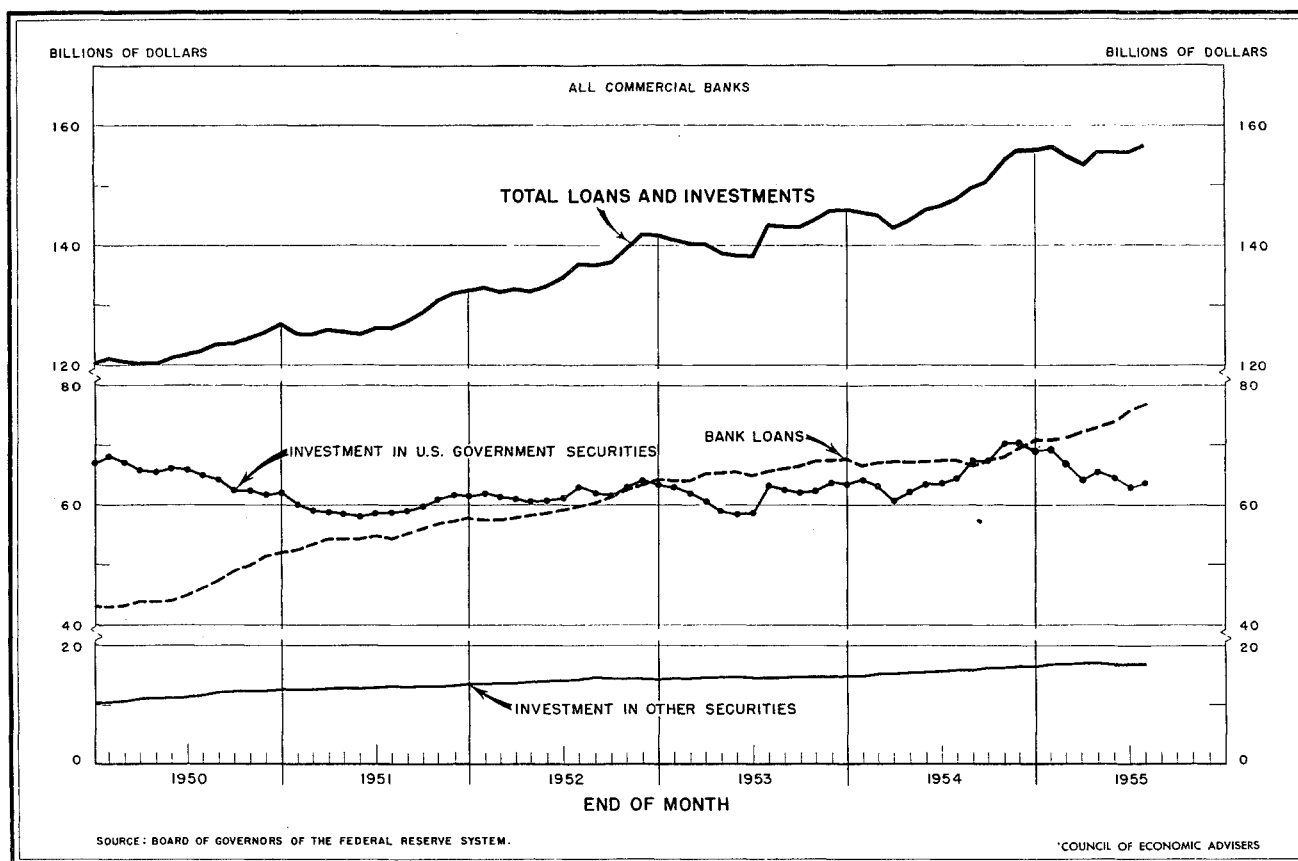
⁴ Preliminary estimates.

⁵ Seasonal details will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve Board.

BANK LOANS, INVESTMENTS, AND RESERVES

Total loans and investments of commercial banks rose \$1.3 billion in July. Increased loans accounted for \$1 billion of the rise. During July and August, "free" reserves (excess reserves less borrowings at Federal Reserve Banks) declined.



[Billions of dollars]

End of period	All commercial banks					Weekly reporting member banks ^{1 2}	All member banks ^{1 3}		
	Total loans and invest-ments	Loans	Investments				Reserve balances		Borrow-ings at Federal Reserve Banks
			Total	U. S. Gov-ernment securities	Other securities		Required	Excess	
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	155. 9	70. 6	85. 3	69. 0	16. 3	22. 4	18. 5	. 8	. 1
1954: June	146. 4	67. 3	79. 0	63. 5	15. 5	21. 9	18. 8	. 9	. 1
July	147. 3	67. 3	80. 0	64. 3	15. 7	21. 5	18. 3	. 8	. 1
August	149. 5	66. 5	83. 0	67. 3	15. 7	20. 8	17. 6	. 8	. 1
September	150. 6	67. 3	83. 3	67. 3	16. 0	21. 0	17. 6	. 8	. 1
October	154. 0	67. 7	86. 3	70. 2	16. 1	21. 0	18. 2	. 7	. 1
November	155. 7	69. 4	86. 3	70. 1	16. 2	22. 1	18. 4	. 8	. 2
December	155. 9	70. 6	85. 3	69. 0	16. 3	22. 4	18. 6	. 7	. 2
1955: January ⁴	156. 2	70. 6	85. 7	69. 0	16. 7	22. 0	18. 4	. 7	. 3
February ⁴	154. 8	71. 2	83. 6	66. 8	16. 8	22. 1	18. 2	. 6	. 4
March ⁴	153. 5	72. 3	81. 2	64. 2	17. 0	22. 6	18. 0	. 6	. 5
April ⁴	155. 5	72. 9	82. 6	65. 6	17. 0	22. 5	18. 2	. 6	. 5
May ⁴	155. 5	73. 9	81. 6	64. 9	16. 7	22. 6	18. 2	. 6	. 4
June ⁴	155. 5	75. 7	79. 8	63. 0	16. 8	23. 5	18. 1	. 6	. 4
July ⁴	156. 8	76. 7	80. 2	63. 4	16. 8	23. 5	18. 2	. 6	. 5
August ⁴						24. 2	18. 1	. 6	. 8

¹ Member banks include, besides all national banks, those State banks that have taken membership in the Federal Reserve System.

² Commercial, industrial, and agricultural loans; revised series beginning January 1952. Such loans by weekly reporting member banks represent approximately 70 percent of business loans by all commercial banks.

³ Data are averages of daily figures on balances and borrowings during the period.

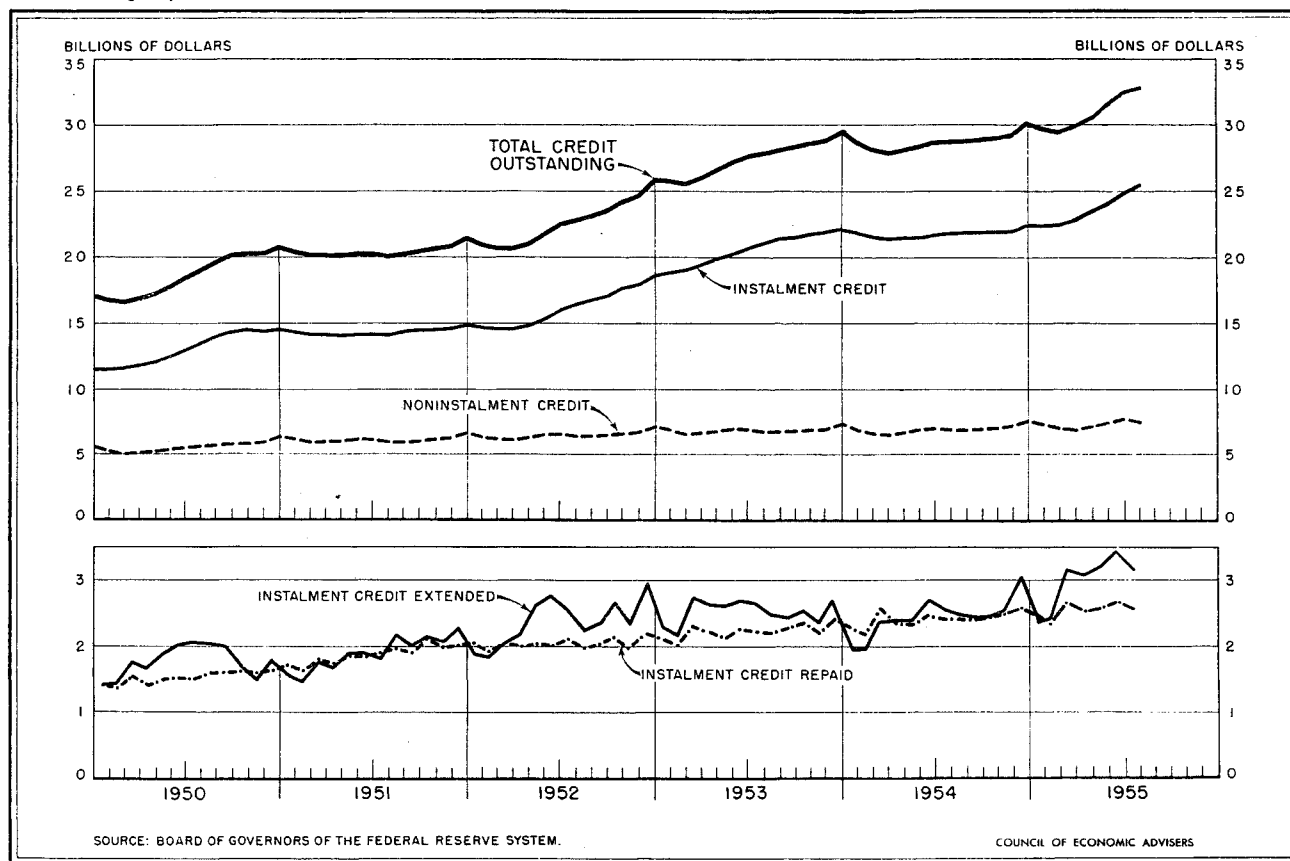
⁴ Preliminary estimates.

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

Source: Board of Governors of the Federal Reserve System.

CONSUMER CREDIT

In July, total consumer credit outstanding rose \$425 million to a new high of \$32.9 billion. Instalment credit outstanding increased \$560 million, due largely to the continued rise in automobile credit. Noninstalment credit declined slightly.



[Millions of dollars]

End of period	Total consumer credit outstanding	Instalment credit outstanding					Noninstalment credit outstanding		Instalment credit extended ³	Instalment credit repaid ³
		Total	Auto-mobile paper ¹	Other consumer goods paper ¹	Repair and modernization loans ²	Personal loans	Total	Charge accounts		
1939-----	7,222	4,503	1,497	1,620	298	1,088	2,719	1,414	-----	-----
1946-----	8,384	4,172	981	1,290	405	1,496	4,212	2,076	8,495	6,785
1947-----	11,570	6,695	1,924	2,143	718	1,910	4,875	2,353	12,713	10,190
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
1954: 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
1955: January-----	29,760	22,436	10,459	5,609	1,574	4,794	7,324	3,225	2,389	2,420
February-----	29,518	22,508	10,641	5,484	1,550	4,833	7,010	2,831	2,416	2,344
March-----	29,948	22,974	11,053	5,479	1,530	4,912	6,974	2,735	3,159	2,693
April-----	30,655	23,513	11,482	5,492	1,534	5,005	7,142	2,859	3,089	2,550
May-----	31,568	24,149	11,985	5,555	1,546	5,063	7,419	3,011	3,206	2,570
June-----	32,471	24,914	12,561	5,639	1,562	5,152	7,557	3,040	3,443	2,678
July-----	32,896	25,476	13,038	5,676	1,570	5,192	7,420	2,991	3,131	2,569

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

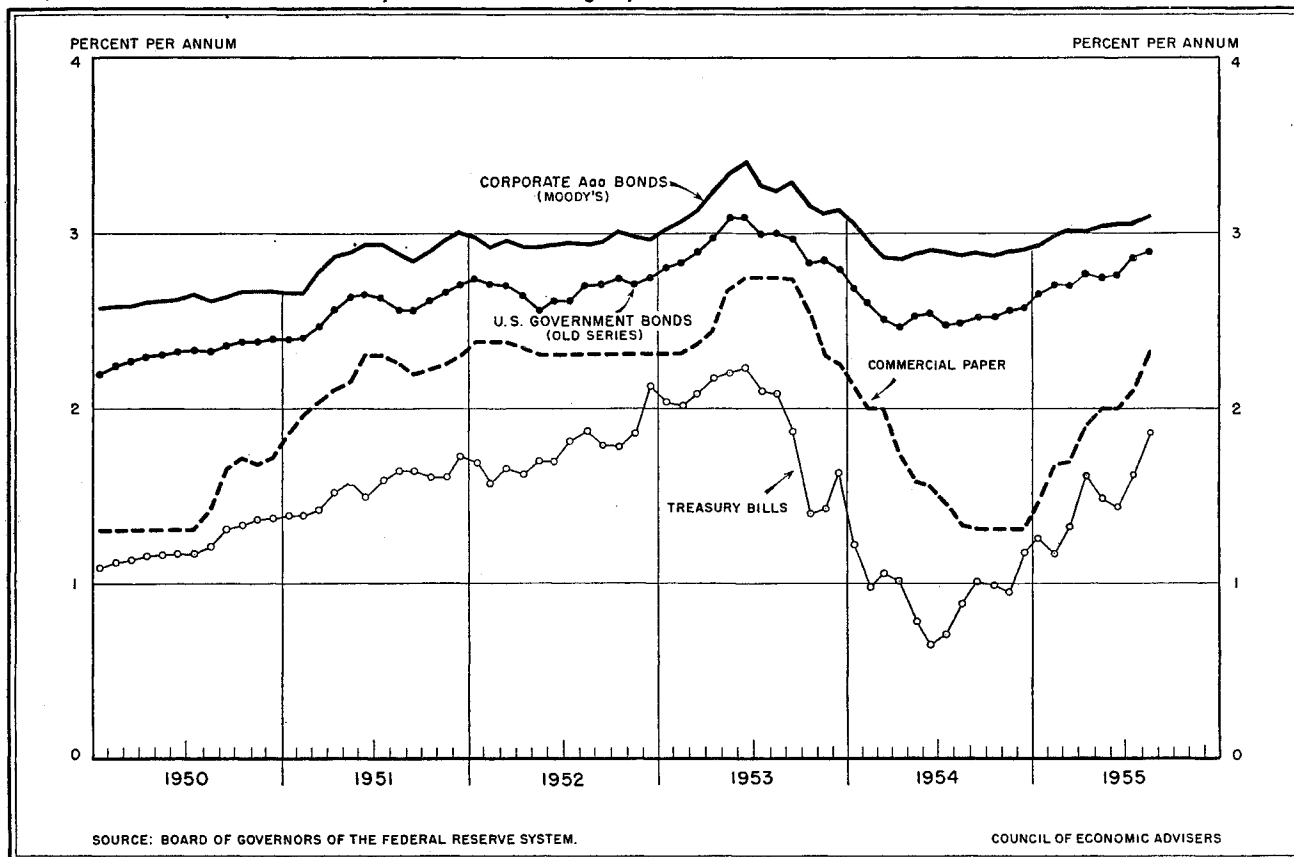
² Includes only such loans held by financial institutions; those held by retail outlets are included in "other consumer goods paper."

³ Credit extended or repaid during the period.

Source: Board of Governors of the Federal Reserve System.

BOND YIELDS AND INTEREST RATES

Short-term interest rates rose during August and early September. Yields on corporate and municipal bonds also rose, but U. S. Government bond yields declined slightly.



[Percent per annum]

Period	U. S. Government security yields				High-grade municipal bonds ⁵	Corporate bonds (Moody's)		Prime commercial paper, 4-6 months
	3-month Treasury bills ¹	Taxable bonds ²		Aaa		Baa		
		Old series ³	New series ⁴					
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	
1954: 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. 29	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. 45	1. 47	
February	1. 177	2. 72	2. 92	2. 42	2. 99	3. 47	1. 68	
March	1. 335	2. 71	2. 92	2. 45	3. 02	3. 48	1. 69	
April	1. 620	2. 77	2. 92	2. 43	3. 01	3. 49	1. 90	
May	1. 491	2. 75	2. 91	2. 41	3. 04	3. 50	2. 00	
June	1. 432	2. 76	2. 91	2. 48	3. 05	3. 51	2. 00	
July	1. 622	2. 87	2. 96	2. 62	3. 06	3. 52	2. 11	
August	1. 876	2. 91	3. 02	2. 67	3. 11	3. 56	2. 33	
Week ended:								
1955: August 6	1. 850	2. 94	3. 03	2. 66	3. 09	3. 55	2. 29	
13	1. 889	2. 89	3. 02	2. 66	3. 10	3. 56	2. 31	
20	1. 888	2. 89	3. 01	2. 66	3. 12	3. 57	2. 31	
27	1. 875	2. 91	3. 02	2. 69	3. 12	3. 58	2. 35	
September 3	2. 088	2. 91	3. 02	2. 69	3. 13	3. 58	2. 48	
10	2. 134	2. 88	3. 01	2. 68	3. 14	3. 59	2. 50	

¹ Rate on new issues within period.

² Bonds in this classification were first issued in March 1941.

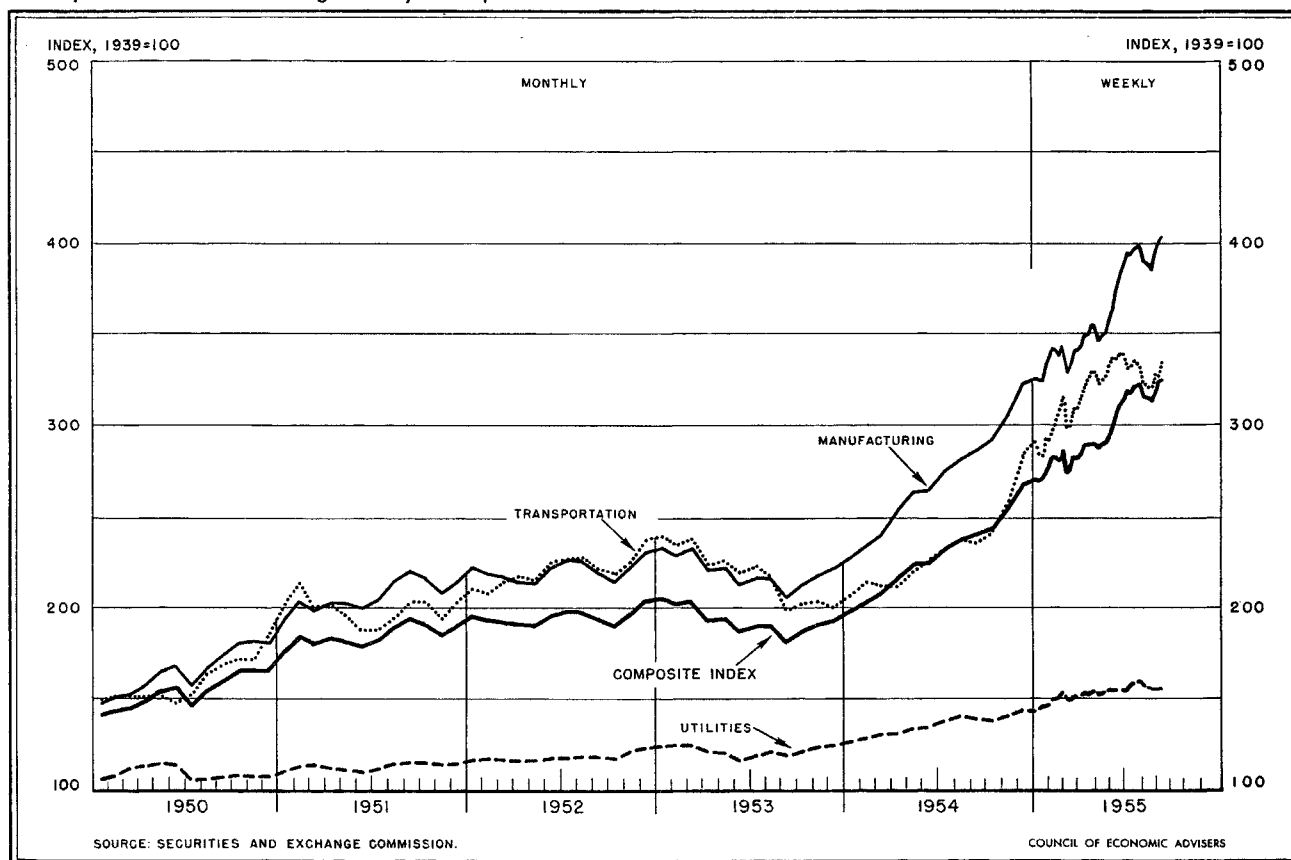
³ Beginning April 1952, 2½-percent bonds first callable after 12 years. Prior to that, only bonds due or callable after 15 years were included.

⁴ 3¼-percent bonds of 1978-83, issued in May 1953; and 3-percent bonds of 1995, issued in February 1955.

⁵ Standard and Poor's Weekly data are Wednesday figures. Source: Board of Governors of the Federal Reserve System.

STOCK PRICES

Stock prices reached new highs early in September.



[1939=100]

Period	Com- posite index ¹	Manufacturing			Trans- portation	Utilities	Trade, finance, and service	Mining
		Total	Durable goods	Nondura- ble goods				
Weekly average:								
1946.....	149.4	146.6	138.6	154.5	202.4	121.0	204.3	125.5
1947.....	130.9	132.4	119.9	144.6	149.1	105.5	162.8	117.2
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
1954: 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
February.....	281.0	340.0	320.0	358.2	300.3	150.0	276.0	314.6
March.....	279.6	336.9	318.2	353.8	305.4	150.9	274.6	315.1
April.....	286.8	347.0	326.8	365.3	320.5	152.1	277.3	311.3
May.....	289.0	349.6	324.5	372.4	326.0	153.5	280.5	302.6
June.....	302.9	370.1	344.4	393.4	336.5	154.3	294.2	313.8
July.....	318.8	394.6	366.1	420.7	333.9	156.6	304.3	317.2
August.....	315.3	390.0	367.8	410.0	323.6	156.2	302.4	311.4
Week ended:								
1955: August 5.....	315.6	389.9	369.2	408.7	323.9	157.6	300.8	312.0
12.....	314.4	388.6	364.0	410.9	321.3	156.4	302.0	311.2
19.....	312.2	385.4	363.3	405.3	322.2	155.7	301.4	307.9
26.....	318.9	396.0	374.6	415.3	327.2	154.9	305.6	314.4
September 2.....	322.9	402.0	379.8	422.1	326.8	155.6	309.1	313.6
9.....	325.0	404.8	382.4	425.0	334.7	155.2	312.8	319.8

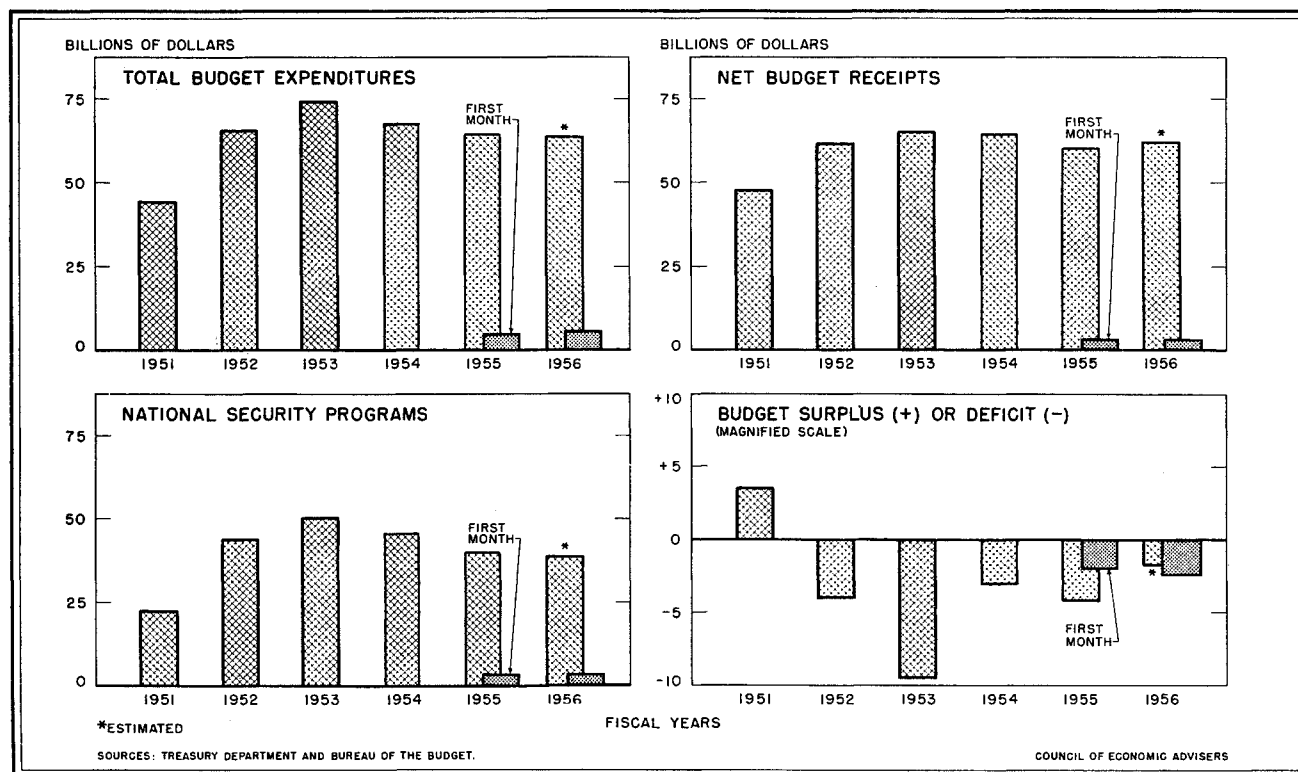
¹ Composite of common stocks: 98 for durable goods manufacturing, 72 for nondurable goods manufacturing, 21 for transportation, 29 for utilities, 31 for trade, finance, and service, and 14 for mining. Indexes are for weekly closing prices.

Source: Securities and Exchange Commission.

FEDERAL FINANCE

BUDGET RECEIPTS AND EXPENDITURES

In July, Federal budget expenditures exceeded budget receipts by \$2.6 billion, due primarily to seasonally low tax collections.



[Billions of dollars]

Period	Net budget receipts	Budget expenditures		Budget surplus (+) or deficit (-)	Public debt (end of period) ²
		Total	National security ¹		
Fiscal year 1944	43.6	95.1	75.8	-51.4	202.6
Fiscal year 1947	39.8	39.0	14.4	+8.4	258.4
Fiscal year 1948	41.5	33.1	11.8	+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	60.3	64.5	40.4	-4.2	274.4
Fiscal year 1956 (estimated)	62.1	63.8	38.7	-1.7	275.0
1954: 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	-1.1	274.8
October	2.6	4.9	3.3	-2.2	278.8
November	4.2	3.8	3.3	+4.4	278.9
December	3.7	6.3	3.7	-2.5	278.8
1955: January	4.7	4.9	3.2	-3.3	278.5
February	5.4	4.8	3.1	+6.6	278.2
March	9.7	5.9	3.5	+3.8	274.1
April	3.7	5.2	3.3	-1.5	276.7
May	4.4	5.4	3.3	-9.9	277.5
June	10.0	6.7	3.9	+3.4	274.4
July	2.8	5.4	2.9	-2.6	277.6

¹ 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.

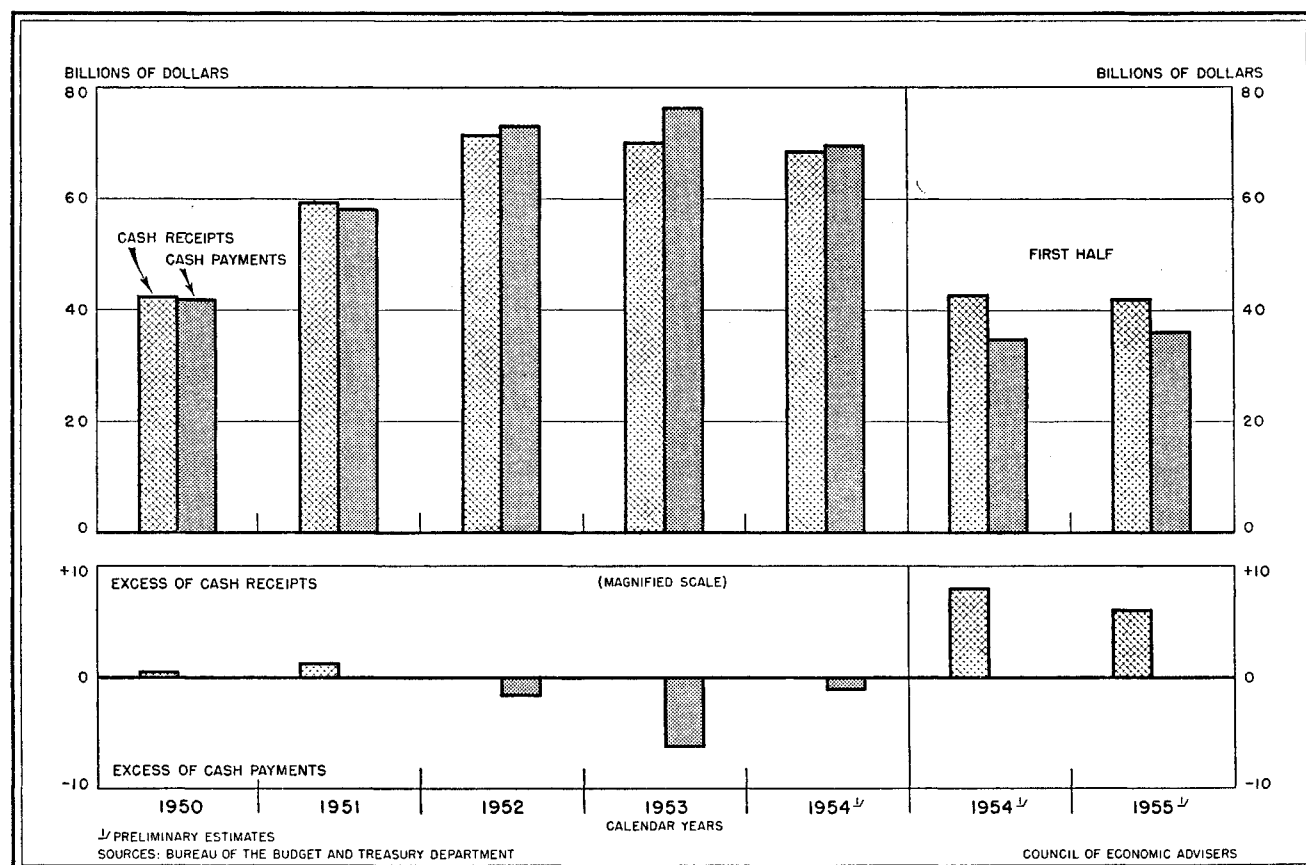
² Includes guaranteed securities, except those held by the Treasury. Not all of total shown is subject to statutory debt limitation.

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.

CASH RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

Federal cash receipts exceeded cash payments by \$1.9 billion in the second quarter of this year. A cash surplus is usual at this time of the year. For the entire fiscal year 1955, Federal cash payments exceeded cash receipts by \$3.0 billion.



[Millions of dollars]

Calendar year	Cash receipts from the public	Cash payments to the public	Excess of receipts (+) or payments (-)
Calendar year total:			
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 ¹	68,562	69,622	-1,060
Quarterly totals, not adjusted for seasonal variation:			
1953: Third quarter	15,357	18,870	-3,513
Fourth quarter	13,471	18,109	-4,638
1954: ¹ 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	16,172	-3,918
1955: ¹ First quarter	21,287	17,161	+4,126
Second quarter	20,749	18,878	+1,871

¹ Preliminary estimates.

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

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