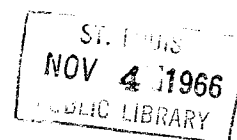


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Economic Indicators

October 1966

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

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1966

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

JOINT RESOLUTION [S.J. Res. 55]

To print the monthly publication entitled "Economic Indicators"

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Joint Economic Committee 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 Economic Committee; 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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TOTAL OUTPUT, INCOME, AND SPENDING

THE NATION'S INCOME, EXPENDITURE, AND SAVING

Gross national product rose by \$13¾ billion (seasonally adjusted annual rate) in the third quarter, according to preliminary estimates.

[Billions of dollars; quarterly data at seasonally adjusted annual rates]

Period	Persons					Government						
	Disposable personal income			Personal consumption expenditures	Personal saving (+) or dis-saving (-)	Net receipts			Expenditures			Surplus (+) or deficit (-) on income and product account
	Total ¹	Less: Interest paid and transfer payments to foreigners	Equals: Total excluding interest and transfers			Tax and nontax receipts or accruals	Less: Transfers, interest, and subsidies ²	Equals: Net receipts	Total expenditures	Less: Transfers, interest, and subsidies ²	Equals: Purchases of goods and services	
1958-----	318.8	6.5	312.4	290.1	22.3	114.7	33.0	81.6	127.2	33.0	94.2	-12.5
1959-----	337.3	7.0	330.3	311.2	19.1	128.9	34.0	95.0	131.0	34.0	97.0	-2.1
1960-----	350.0	7.8	342.3	325.2	17.0	139.8	36.5	103.3	136.1	36.5	99.6	3.7
1961-----	364.4	8.1	356.3	335.2	21.2	144.6	41.3	103.3	149.0	41.3	107.6	-4.3
1962-----	385.3	8.6	376.6	355.1	21.6	157.0	42.8	114.2	159.9	42.8	117.1	-2.9
1963-----	404.6	9.7	394.9	375.0	19.9	168.8	44.4	124.3	166.9	44.4	122.5	1.8
1964-----	436.6	10.7	425.8	401.4	24.5	174.2	46.7	127.5	175.6	46.7	128.9	-1.4
1965-----	469.1	11.9	457.2	431.5	25.7	189.0	49.6	139.4	185.8	49.6	136.2	3.2
1964: IV----	446.6	11.2	435.4	408.8	26.6	178.2	46.7	131.5	176.2	46.7	129.4	2.1
1965: I-----	453.2	11.4	441.8	418.9	22.8	186.4	48.5	137.9	180.1	48.5	131.6	6.4
II-----	461.0	11.8	449.2	426.8	22.4	188.5	48.0	140.5	182.4	48.0	134.3	6.1
III-----	476.2	12.1	464.1	435.0	29.0	188.6	51.9	136.7	189.6	51.9	137.7	-1.0
IV-----	486.1	12.4	473.7	445.2	28.5	192.6	50.0	142.6	191.1	50.0	141.2	1.4
1966: I-----	495.1	12.7	482.4	455.6	26.7	203.1	53.4	149.7	198.4	53.4	145.0	4.7
II-----	499.9	13.2	486.7	460.1	26.6	209.6	53.2	156.4	202.2	53.2	149.0	7.3
III*	507.3	13.5	493.8	470.0	23.8	-----	56.0	-----	211.3	56.0	155.3	-----

Period	Business			Net transfers to foreigners by persons and Government	International			Excess of transfers (+) or of net exports (-) ⁵	Total income or receipts	Statistical discrepancy	Gross national product or expenditure
	Gross retained earnings ³	Gross private domestic investment ⁴	Excess of investment (-)		Net exports of goods and services						
					Exports	Less: Imports	Equals: Net exports				
1958-----	49.4	60.9	-11.5	2.3	23.1	20.9	2.2	0.1	445.8	1.6	447.3
1959-----	56.8	75.3	-18.5	2.4	23.5	23.3	.1	2.3	484.5	-.8	483.6
1960-----	56.8	74.8	-18.0	2.3	27.2	23.2	4.1	-1.7	504.8	-1.0	503.8
1961-----	58.7	71.7	-13.0	2.6	28.6	22.9	5.6	-3.1	520.8	-.7	520.1
1962-----	66.3	83.0	-16.8	2.7	30.3	25.1	5.1	-2.5	559.8	.5	560.3
1963-----	68.8	87.1	-18.4	2.8	32.3	26.4	5.9	-3.1	590.8	-.3	590.5
1964-----	76.9	93.0	-16.0	2.8	37.0	28.5	8.5	-5.7	633.1	-1.4	631.7
1965-----	83.4	106.6	-23.1	2.8	39.0	32.0	7.0	-4.2	682.8	-1.6	681.2
1964: IV----	77.9	97.4	-19.5	2.7	38.1	29.6	8.6	-5.9	647.5	-3.3	644.2
1965: I-----	82.6	103.8	-21.2	2.6	35.1	28.7	6.4	-3.8	664.9	-4.1	660.8
II-----	82.3	103.7	-21.4	3.1	40.5	32.3	8.2	-5.1	675.0	-2.1	672.9
III-----	83.8	106.7	-22.9	2.8	40.1	33.0	7.1	-4.2	687.3	-.8	686.5
IV-----	85.1	111.9	-26.8	2.5	40.3	34.2	6.1	-3.5	704.0	.4	704.4
1966: I-----	86.6	114.5	-27.9	3.4	41.7	35.6	6.0	-2.6	722.0	-.8	721.2
II-----	87.4	118.5	-31.1	2.9	41.9	37.3	4.7	-1.8	733.2	-.9	732.3
III*	-----	116.0	-----	3.2	43.7	39.0	4.7	-1.5	-----	-----	746.0

¹ Personal income (p. 5) less personal taxes and nontax payments (fines, penalties, etc.).

² Government transfer payments to persons, foreign net transfers by Government, net interest paid by government, and subsidies less current surplus of government enterprises.

³ Undistributed corporate profits, corporate inventory valuation adjustment, capital consumption allowances, and wage accruals less disbursements. Does not include retained earnings of unincorporated business, which are included in disposable personal income.

⁴ Private business investment, purchases of capital goods by private nonprofit institutions, and residential housing.

⁵ Net foreign investment with sign changed.

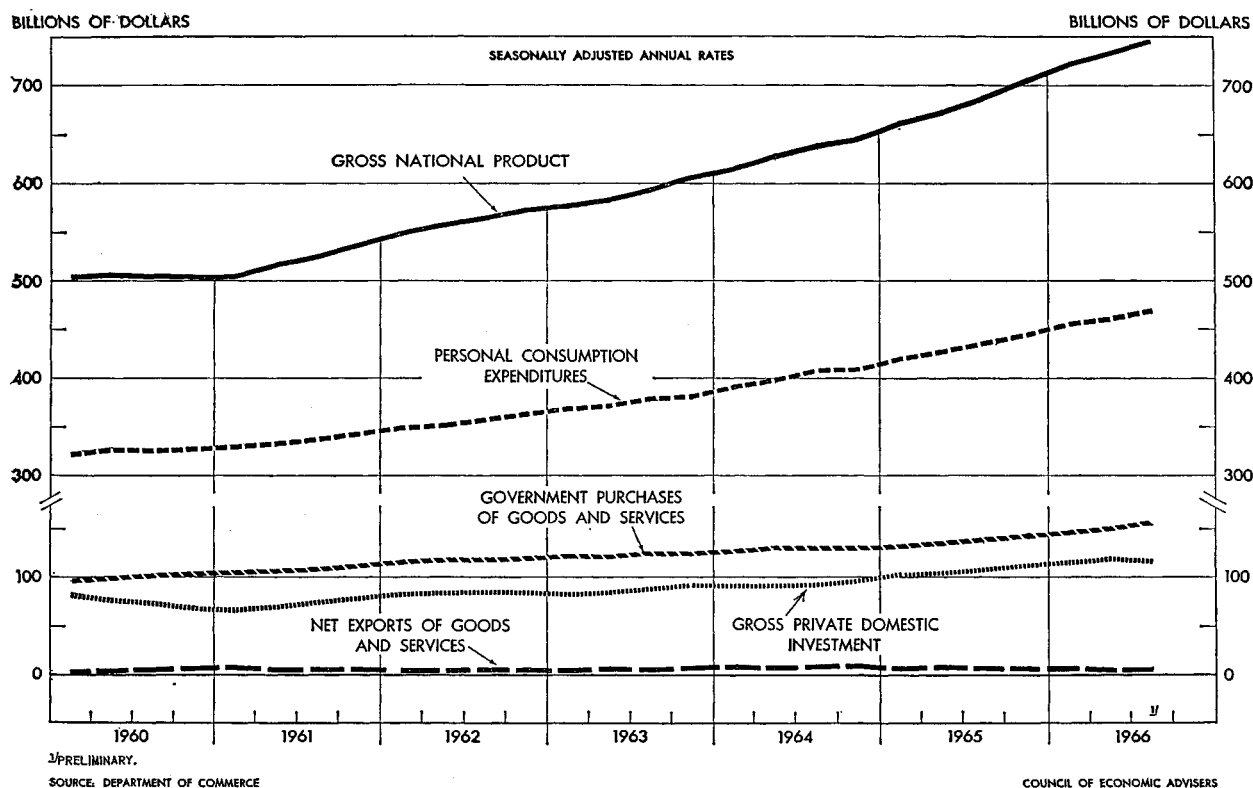
*Preliminary.

NOTE.—Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

GROSS NATIONAL PRODUCT OR EXPENDITURE

According to preliminary estimates, gross national product on a seasonally adjusted basis increased almost 2 percent in the third quarter. After adjustment for price changes, the increase was over 1 percent.



Period	Total gross national product in 1958 prices	Total gross national product	Personal consumption expenditures	Gross private domestic investment	Net exports of goods and services	Government purchases of goods and services					Implicit price deflator for total GNP, 1958=100 ²
						Total	Federal			State and local	
							Total	National defense ¹	Other		
Billions of dollars; quarterly data at seasonally adjusted annual rates											
1955.....	438.0	398.0	254.4	67.4	2.0	74.2	44.1	38.6	5.5	30.1	90.9
1956.....	446.1	419.2	266.7	70.0	4.0	78.6	45.6	40.3	5.3	33.0	94.0
1957.....	452.5	441.1	281.4	67.8	5.7	86.1	49.5	44.2	5.3	36.6	97.5
1958.....	447.3	447.3	290.1	60.9	2.2	94.2	53.6	45.9	7.7	40.6	100.0
1959.....	475.9	483.6	311.2	75.3	.1	97.0	53.7	46.0	7.6	43.3	101.6
1960.....	487.8	503.8	325.2	74.8	4.1	99.6	53.5	44.9	8.6	46.1	103.3
1961.....	497.3	520.1	335.2	71.7	5.6	107.6	57.4	47.8	9.6	50.2	104.6
1962.....	529.8	560.3	355.1	83.0	5.1	117.1	63.4	51.6	11.8	53.7	105.8
1963.....	551.0	590.5	375.0	87.1	5.9	122.5	64.2	50.8	13.5	58.2	107.2
1964.....	580.0	631.7	401.4	93.0	8.5	128.9	65.2	50.0	15.2	63.7	108.9
1965.....	614.4	681.2	431.5	106.6	7.0	136.2	66.8	50.1	16.7	69.4	110.9
1964: IV.....	587.2	644.2	408.8	97.4	8.6	129.4	64.1	48.5	15.6	65.3	109.7
1965: I.....	600.3	660.8	418.9	103.8	6.4	131.6	64.4	48.2	16.2	67.3	110.1
II.....	607.8	672.9	426.8	103.7	8.2	134.3	65.6	49.1	16.5	68.7	110.7
III.....	618.2	686.5	435.0	106.7	7.1	137.7	67.5	50.7	16.8	70.2	111.0
IV.....	631.2	704.4	445.2	111.9	6.1	141.2	69.8	52.5	17.3	71.4	111.6
1966: I.....	640.5	721.2	455.6	114.5	6.0	145.0	71.9	54.6	17.4	73.1	112.6
II.....	643.5	732.3	460.1	118.5	4.7	149.0	74.0	57.1	16.9	75.0	113.8
III ³	650.7	746.0	470.0	116.0	4.7	155.3	78.3	61.3	17.0	77.0	114.6

¹This category corresponds closely with budget expenditures for national defense, shown on p. 35.

²Gross national product in current prices divided by gross national product in 1958 prices.

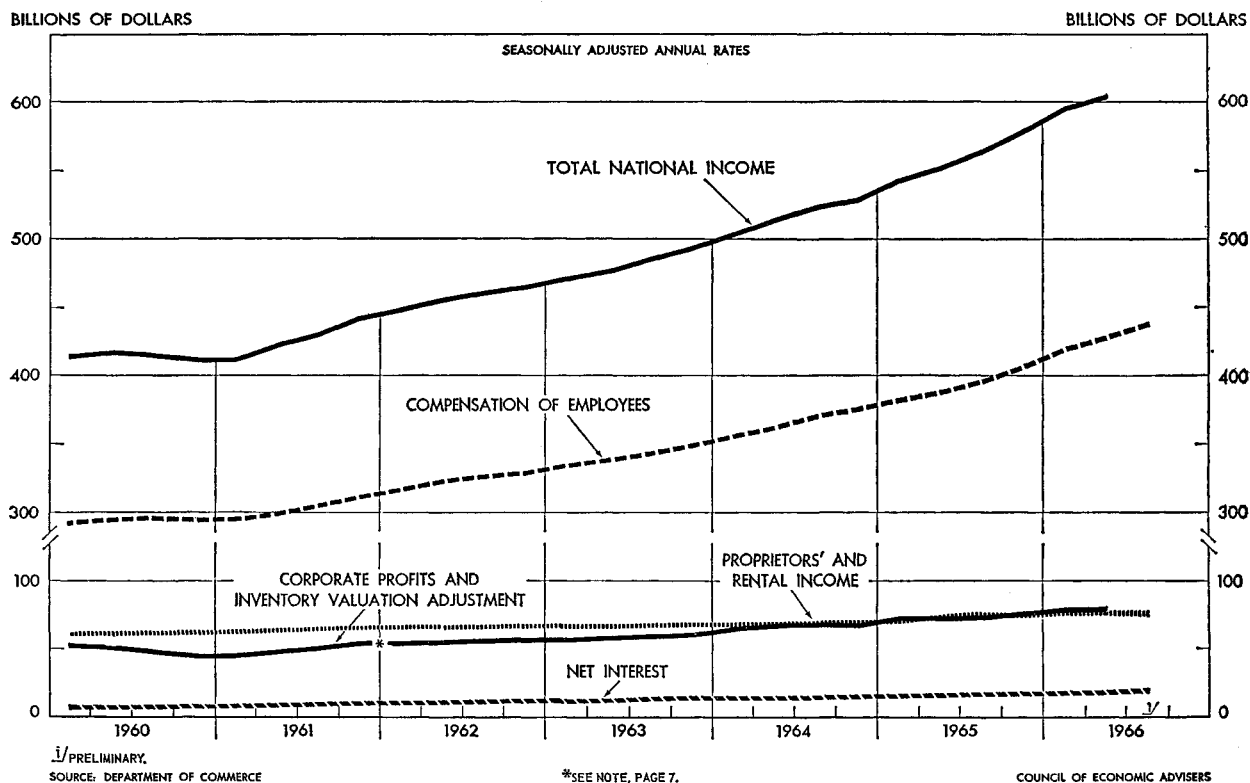
³Preliminary.

NOTE.—Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

NATIONAL INCOME

Employee compensation rose sharply by \$10 billion (seasonally adjusted annual rate) and net interest by another $\frac{1}{2}$ billion in the third quarter. Other forms of noncorporate income edged upward except farm proprietors' income which dropped almost \$1 billion.



[Billions of dollars; quarterly data at seasonally adjusted annual rates]

Period	Total national income	Compensation of employees ¹	Proprietors' income		Rental income of persons	Net interest	Corporate profits and inventory valuation adjustment ³		
			Farm ²	Business and professional			Total	Profits before taxes ³	Inventory valuation adjustment
1955.....	331.0	224.5	11.4	30.3	13.9	4.1	46.9	48.6	-1.7
1956.....	350.8	243.1	11.4	31.3	14.3	4.6	46.1	48.8	-2.7
1957.....	366.1	256.0	11.3	32.8	14.8	5.6	45.6	47.2	-1.5
1958.....	367.8	257.8	13.4	33.2	15.4	6.8	41.1	41.4	-.3
1959.....	400.0	279.1	11.4	35.1	15.6	7.1	51.7	52.1	-.5
1960.....	414.5	294.2	12.0	34.2	15.8	8.4	49.9	49.7	.2
1961.....	427.3	302.6	12.8	35.6	16.0	10.0	50.3	50.3	-.1
1962.....	457.7	323.6	13.0	37.1	16.7	11.6	55.7	55.4	.3
1963.....	481.9	341.0	13.1	37.9	17.1	13.8	58.9	59.4	-.5
1964.....	517.3	365.7	12.0	39.9	17.7	15.5	66.6	67.0	-.4
1965.....	559.0	392.9	15.1	40.7	18.3	17.8	74.2	75.7	-1.5
1964: IV.....	528.5	375.3	11.9	40.3	17.9	16.3	66.8	67.7	-.9
1965: I.....	543.3	381.7	12.9	40.5	18.1	16.9	73.2	74.5	-1.3
II.....	552.2	387.8	15.5	40.4	18.3	17.5	72.7	74.5	-1.8
III.....	562.7	395.6	16.0	40.7	18.4	18.1	74.0	75.0	-1.0
IV.....	577.8	406.5	16.0	41.1	18.5	18.7	76.9	78.7	-1.8
1966: I.....	595.7	419.6	17.0	41.4	18.7	19.1	80.0	82.7	-2.8
II.....	604.1	427.9	16.3	41.6	18.8	19.6	79.9	82.8	-2.9
III ⁴	(5)	438.1	15.4	41.9	18.9	20.2	(5)	(5)	-3.2

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

² Excludes farm profits of corporations engaged in farming and therefore differs from net farm income (including net inventory change) on p. 6 which includes such profits.

³ See Note, p. 7.

⁴ Preliminary.

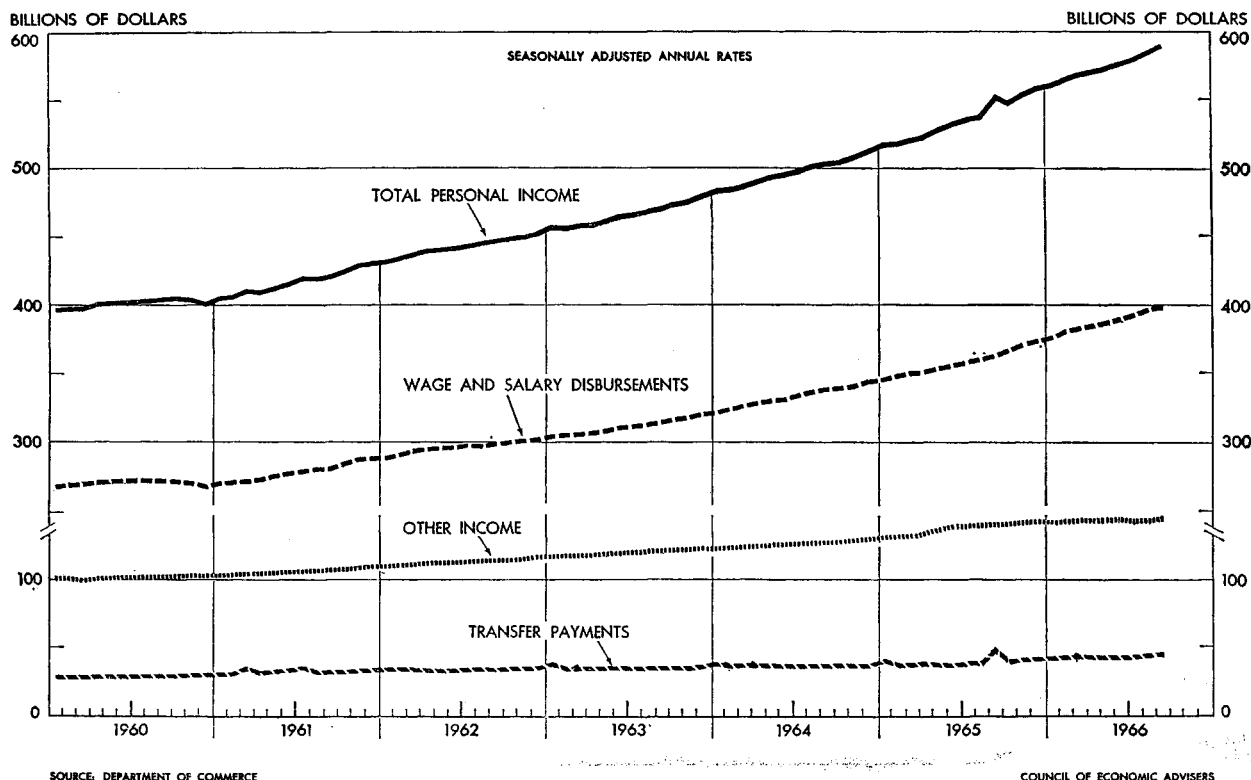
⁵ Not available.

NOTE.—Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

SOURCES OF PERSONAL INCOME

Personal income increased \$4 billion (seasonally adjusted annual rate) in September. Wage and salary disbursements were up a modest \$2 billion. Farm income was unchanged, marking the first month since March with no decline.



[Billions of dollars; monthly data at seasonally adjusted annual rates]

Period	Total personal income	Wage and salary disbursements ¹	Other labor income ²	Proprietors' income		Rental income of persons	Dividends	Personal interest income	Transfer payments	Less: Personal contributions for social insurance	Nonagricultural personal income ³
				Farm	Business and professional						
1957	351.1	238.7	9.5	11.3	32.8	14.8	11.7	17.6	21.4	6.7	336.6
1958	361.2	239.9	9.9	13.4	33.2	15.4	11.6	18.9	25.7	6.9	344.3
1959	383.5	258.2	11.3	11.4	35.1	15.6	12.6	20.7	26.6	7.9	368.5
1960	401.0	270.8	12.0	12.0	34.2	15.8	13.4	23.4	28.5	9.3	385.2
1961	416.8	278.1	12.7	12.8	35.6	16.0	13.8	25.0	32.4	9.6	400.0
1962	442.6	296.1	13.9	13.0	37.1	16.7	15.2	27.7	33.3	10.3	425.5
1963	465.5	311.1	14.9	13.1	37.9	17.1	16.5	31.4	35.3	11.8	448.1
1964	496.0	333.6	16.6	12.0	39.9	17.7	17.3	34.6	36.8	12.5	479.7
1965	535.1	358.4	18.5	15.1	40.7	18.3	19.2	38.4	39.7	13.2	515.6
1965: Aug.	537.8	360.6	18.8	15.9	40.6	18.4	19.5	38.9	38.3	13.2	517.6
Sept.	552.5	363.5	19.0	15.9	40.7	18.5	19.8	39.2	49.2	13.2	532.3
Oct.	547.2	366.9	19.2	15.8	40.8	18.5	20.0	39.4	39.8	13.3	526.9
Nov.	553.2	371.4	19.4	16.0	41.1	18.6	20.2	39.7	40.3	13.5	532.6
Dec.	558.2	374.1	19.6	16.2	41.3	18.6	20.5	40.0	41.4	13.6	537.2
1966: Jan.	560.2	376.8	19.8	16.8	41.3	18.6	20.8	40.5	42.3	16.8	538.8
Feb.	564.7	380.1	20.0	17.0	41.3	18.7	21.0	41.0	42.6	16.9	543.0
Mar.	569.0	382.9	20.2	17.3	41.5	18.7	20.9	41.4	42.9	16.9	547.0
Apr.	570.5	384.7	20.4	16.7	41.5	18.7	21.0	41.8	42.6	17.0	549.1
May	573.0	387.0	20.6	16.3	41.6	18.8	21.2	42.1	42.5	17.1	551.9
June	577.2	390.5	20.7	15.9	41.7	18.8	21.1	42.3	43.2	17.2	556.5
July	580.0	393.7	20.9	15.5	41.8	18.9	21.1	42.6	43.5	17.9	559.8
Aug.	585.4	397.0	21.1	15.4	41.9	18.9	21.0	43.1	45.1	18.1	565.4
Sept. ⁵	589.5	399.1	21.2	15.4	42.0	19.0	21.2	43.7	46.0	18.1	569.4

¹ Compensation of employees (see p. 3) excluding employer contributions for social insurance and wage accruals less disbursements.

² Employer contributions to private pension, health, and welfare funds; compensation for injuries; directors' fees; military reserve pay; and a few other minor items.

³ Personal income exclusive of net income of unincorporated farm enterprises, farm wages, agricultural net interest, and net dividends paid by agricultural corporations.

⁴ Includes retroactive social security benefits of \$885 million or \$10.6 billion at annual rate.

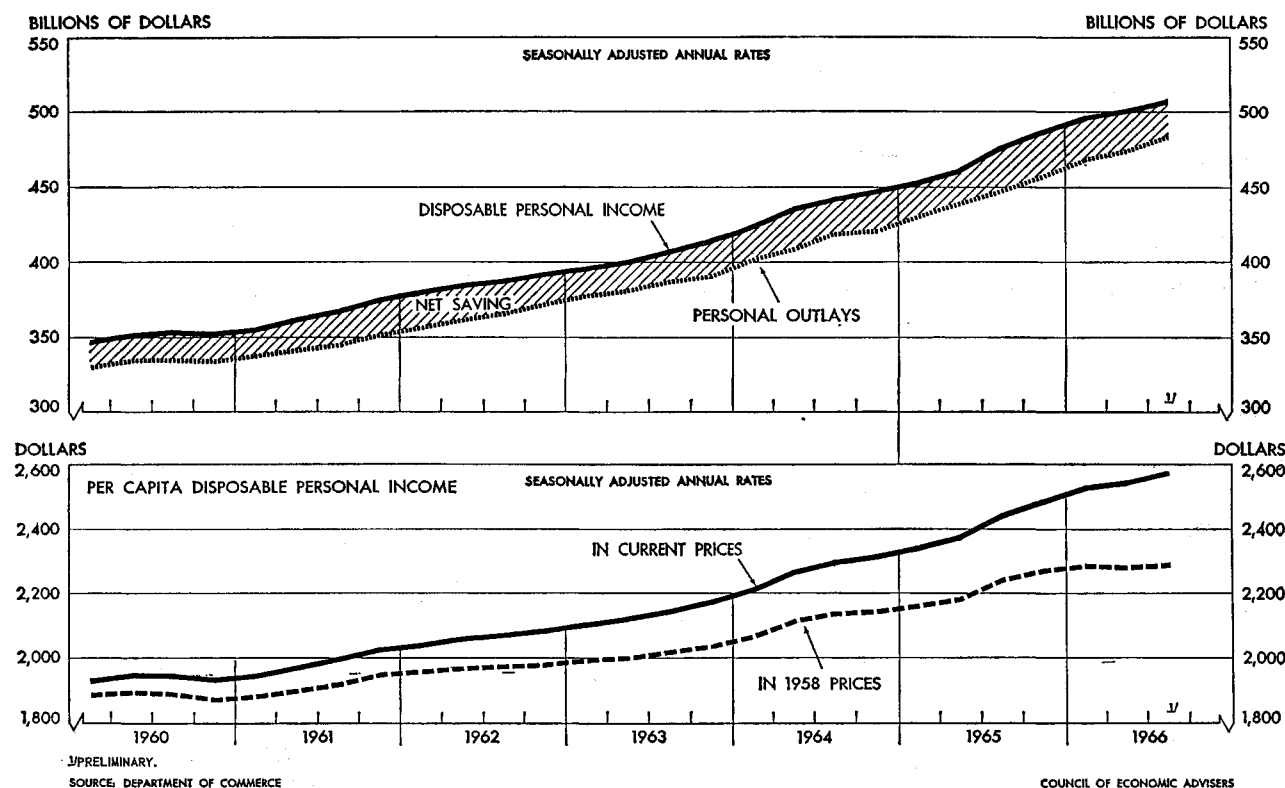
⁵ Preliminary.

NOTE.—Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

DISPOSITION OF PERSONAL INCOME

Personal income in the third quarter maintained its strong pace of the last year by adding \$11½ billion (seasonally adjusted annual rate). Another sharp rise in personal tax payments moderated the increase in disposable income; hence, the gain in personal outlays led to a significantly lower saving rate of 4.7 percent.



Period	Personal income	Less: Personal taxes	Equals: Disposable personal income	Less: Personal outlays					Equals: Personal saving	Per capita disposable personal income		Saving as percent of disposable personal income (percent)	Population (thousands)
				Total personal outlays ¹	Personal consumption expenditures ²			Current prices		1958 prices			
					Durable goods	Non-durable goods	Services						
Billions of dollars										Dollars			
1956-----	333.0	39.8	293.2	272.6	38.9	129.3	98.5	20.6	1,743	1,839	7.0	168,221	
1957-----	351.1	42.6	308.5	287.8	40.8	135.6	105.0	20.8	1,801	1,844	6.7	171,274	
1958-----	361.2	42.3	318.8	296.5	37.9	140.2	112.0	22.3	1,831	1,831	7.0	174,141	
1959-----	383.5	46.2	337.3	318.2	44.3	146.6	120.3	19.1	1,905	1,881	5.7	177,073	
1960-----	401.0	50.9	350.0	333.0	45.3	151.3	128.7	17.0	1,937	1,883	4.9	180,684	
1961-----	416.8	52.4	364.4	343.2	44.2	155.9	135.1	21.2	1,983	1,909	5.8	183,756	
1962-----	442.6	57.4	385.3	363.7	49.5	162.6	143.0	21.6	2,064	1,968	5.6	186,656	
1963-----	465.5	60.9	404.6	384.7	53.9	168.6	152.4	19.9	2,136	2,013	4.9	189,417	
1964-----	496.0	59.4	436.6	412.1	59.4	178.9	163.1	24.5	2,272	2,116	5.6	192,120	
1965-----	535.1	66.0	469.1	443.4	66.1	190.6	174.8	25.7	2,411	2,214	5.5	194,572	
Seasonally adjusted annual rates													
1964: IV--	507.5	60.9	446.6	420.0	58.9	182.4	167.5	26.6	2,312	2,140	6.0	193,196	
1965: I--	518.0	64.9	453.2	430.3	65.1	184.5	169.3	22.8	2,339	2,162	5.0	193,731	
II--	527.6	66.6	461.0	438.6	64.4	189.4	173.0	22.4	2,373	2,181	4.9	194,268	
III--	541.9	65.7	476.2	447.1	66.7	191.4	176.9	29.0	2,443	2,241	6.1	194,898	
IV--	552.8	66.7	486.1	457.6	68.0	197.0	180.2	28.5	2,486	2,270	5.9	195,543	
1966: I--	564.6	69.5	495.1	468.4	70.3	201.9	183.4	26.7	2,525	2,287	5.4	196,082	
II--	573.5	73.6	499.9	473.3	67.1	205.6	187.4	26.6	2,543	2,278	5.3	196,585	
III ³	585.0	77.7	507.3	483.5	70.3	208.3	191.4	23.8	2,574	2,289	4.7	197,124	

¹Includes personal consumption expenditures, interest paid by consumers, and personal transfer payments to foreigners.

²See p. 2 for total personal consumption expenditures.

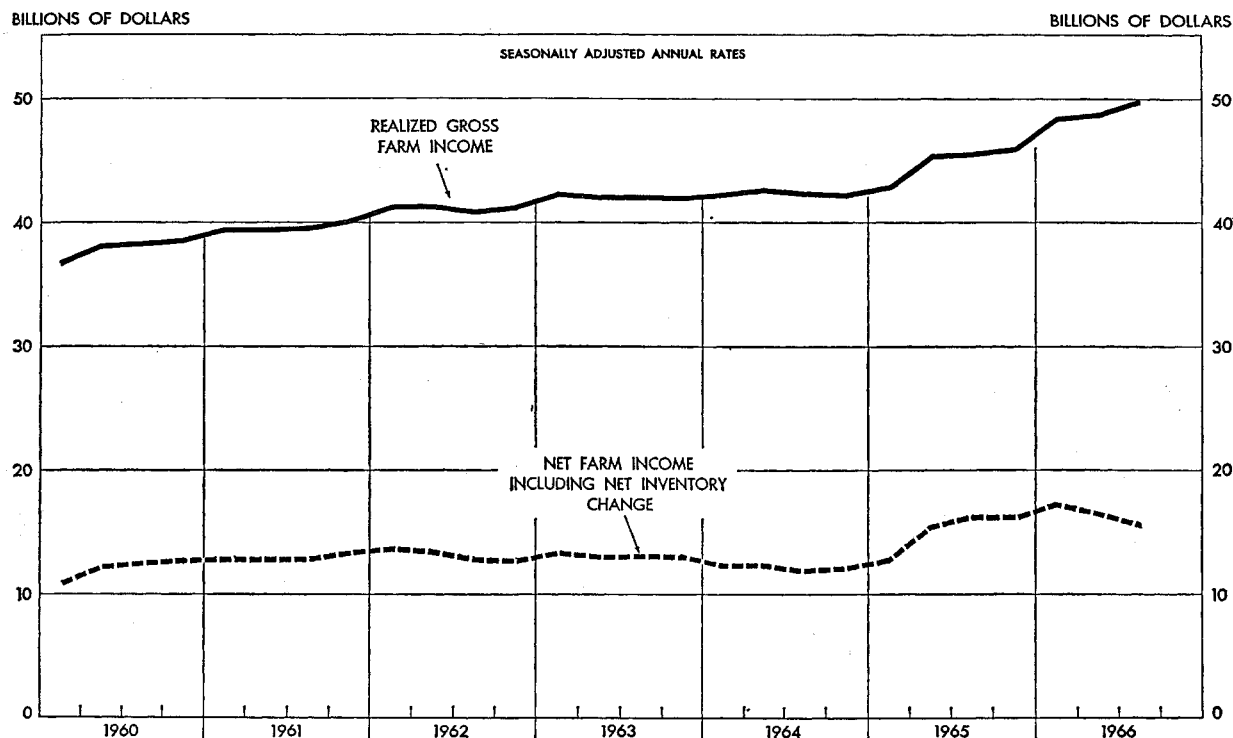
³Preliminary.

NOTE.—Data for Alaska and Hawaii included beginning 1960.

Sources: Department of Commerce and Council of Economic Advisers.

FARM INCOME

Farm income, including inventory change, fell \$1 billion (seasonally adjusted annual rate) in the third quarter. However, excluding inventory change, there was little change from the high level of the second quarter.



SOURCE: DEPARTMENT OF AGRICULTURE

COUNCIL OF ECONOMIC ADVISERS

Period	Personal income received by total farm population			Income received from farming						Net income per farm including net inventory change ³	
	From all sources	From farm sources	From nonfarm sources	Realized gross		Production expenses	Net to farm operators		Net income per farm including net inventory change ³		
				Total ¹	Cash receipts from marketings		Excluding net inventory change	Including net inventory change ²	Current prices	1965 prices ⁴	
Billions of dollars										Dollars	
1957	17.7	11.0	6.6	34.0	29.7	23.3	10.7	11.3	2,590	2,786	
1958	19.5	12.8	6.7	37.9	33.5	25.2	12.7	13.5	3,189	3,429	
1959	18.1	11.0	7.0	37.5	33.5	26.1	11.4	11.5	2,795	2,973	
1960	18.7	11.4	7.2	37.9	34.0	26.2	11.7	12.0	3,043	3,203	
1961	19.0	12.1	6.9	39.6	34.9	27.0	12.6	12.9	3,389	3,567	
1962	19.2	12.2	7.0	41.0	36.2	28.5	12.5	13.1	3,562	3,710	
1963	18.7	12.0	6.7	42.1	37.2	29.6	12.5	13.1	3,671	3,785	
1964	17.9	11.1	6.7	42.3	36.9	29.4	12.9	12.1	3,479	3,550	
1965	20.6	13.7	6.8	44.9	39.2	30.7	14.2	15.2	4,493	4,493	
Seasonally adjusted annual rates											
1964: IV				42.2	36.7	29.2	13.0	12.0	3,460	3,530	
1965: I				42.9	37.3	30.0	12.9	12.9	3,820	3,860	
II				45.4	39.7	30.8	14.6	15.5	4,590	4,590	
III				45.5	39.7	30.9	14.6	16.1	4,770	4,770	
IV				45.9	40.0	31.2	14.7	16.1	4,770	4,770	
1966: I				48.4	42.2	31.9	16.5	17.1	5,210	5,110	
II				48.7	42.2	32.5	16.2	16.4	5,000	4,850	
III ⁵				49.8	43.0	33.8	16.0	15.5	4,730	4,550	

¹ Cash receipts from marketings, Government payments, and nonmoney income furnished by farms.

² Inventory of crops and livestock valued at the average price for the year. Also, see footnote 2, p. 3.

³ Based on 1959 Census of Agriculture definition of a farm. The number of farms is held constant within a year.

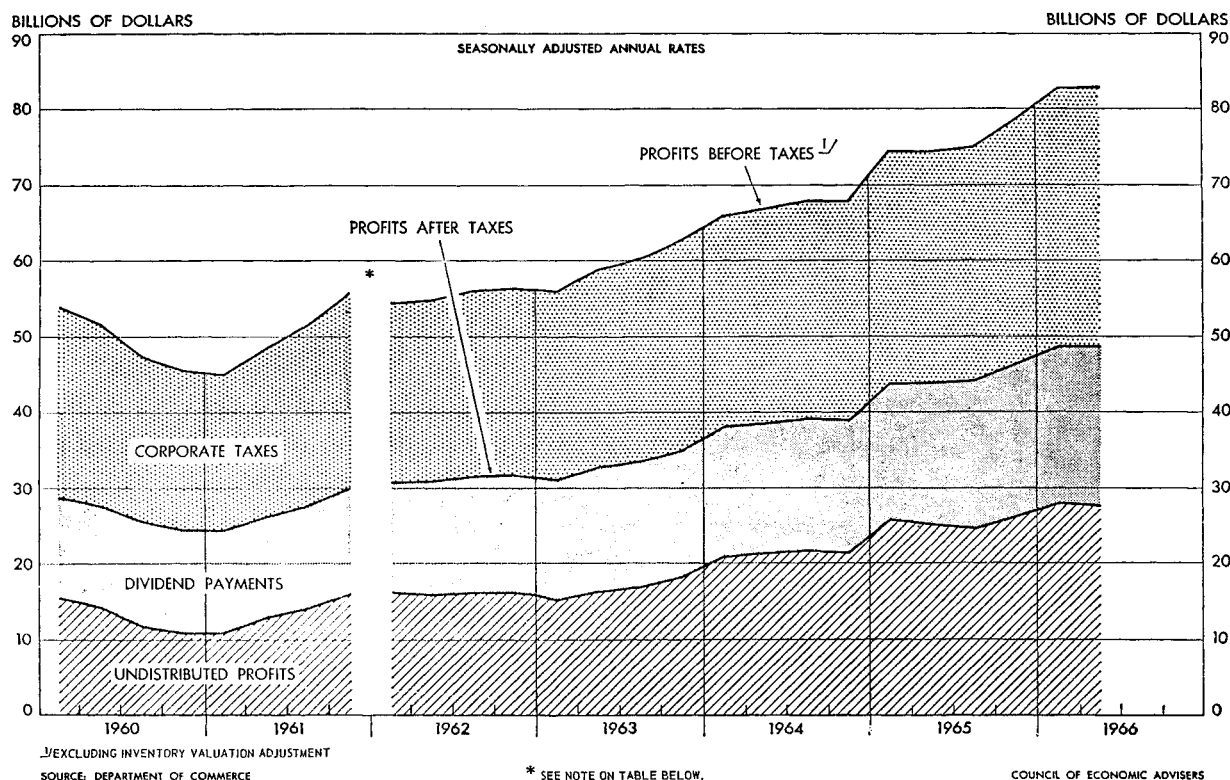
⁴ Income in current prices divided by the index of prices paid by farmers for family living items on a 1965 base.

⁵ Preliminary.

Source: Department of Agriculture.

CORPORATE PROFITS

Corporate profits (before taxes) and inventory valuation adjustment in the second quarter amounted to nearly \$80 billion (seasonally adjusted annual rate), about the same as the first quarter level and 10 percent above a year earlier.



[Billions of dollars; quarterly data at seasonally adjusted annual rates]

Period	Corporate profits (before taxes) and inventory valuation adjustment						Corporate profits before taxes	Corporate tax liability	Corporate profits after taxes			Corporate capital consumption allowances ¹	Profits plus capital consumption allowances ²
	All industries	Manufacturing			Transportation, communications, and public utilities	All other industries			Total	Dividend payments	Undistributed profits		
		Total	Durable goods industries	Non-durable goods industries									
1957-----	45. 6	24. 0	13. 3	10. 7	5. 8	15. 8	47. 2	21. 2	26. 0	11. 7	14. 2	20. 8	46. 8
1958-----	41. 1	19. 3	9. 3	10. 0	5. 9	15. 9	41. 4	19. 0	22. 3	11. 6	10. 8	22. 0	44. 3
1959-----	51. 7	26. 3	13. 6	12. 7	7. 0	18. 4	52. 1	23. 7	28. 5	12. 6	15. 9	23. 5	52. 0
1960-----	49. 9	24. 4	12. 0	12. 4	7. 5	17. 9	49. 7	23. 0	26. 7	13. 4	13. 2	24. 9	51. 6
1961-----	50. 3	23. 3	11. 4	11. 9	7. 9	19. 1	50. 3	23. 1	27. 2	13. 8	13. 5	26. 2	53. 5
1962-----	55. 7	26. 6	14. 1	12. 5	8. 5	20. 5	55. 4	24. 2	31. 2	15. 2	16. 0	30. 1	61. 3
1963-----	58. 9	28. 8	15. 8	13. 0	9. 5	20. 7	59. 4	26. 3	33. 1	16. 5	16. 6	31. 8	64. 8
1964-----	66. 6	32. 4	17. 9	14. 5	10. 4	23. 8	67. 0	28. 4	38. 7	17. 3	21. 3	33. 9	72. 5
1965-----	74. 2	37. 8	22. 1	15. 7	11. 1	25. 3	75. 7	31. 2	44. 5	19. 2	25. 3	36. 3	80. 8
1964: IV--	66. 8	32. 2	17. 5	14. 7	10. 5	24. 1	67. 7	28. 6	39. 0	17. 7	21. 4	34. 8	73. 8
1965: I---	73. 2	37. 4	21. 9	15. 5	10. 7	25. 0	74. 5	30. 7	43. 8	18. 1	25. 7	35. 2	79. 0
II--	72. 7	36. 7	21. 2	15. 5	10. 9	25. 1	74. 5	30. 7	43. 8	18. 8	25. 0	36. 0	79. 8
III--	74. 0	37. 4	21. 9	15. 5	11. 2	25. 3	75. 0	30. 9	44. 1	19. 5	24. 6	36. 8	80. 9
IV--	76. 9	39. 6	23. 2	16. 4	11. 5	25. 9	78. 7	32. 4	46. 3	20. 2	26. 1	37. 2	83. 5
1966: I---	80. 0	41. 9	24. 7	17. 2	11. 3	26. 8	82. 7	34. 1	48. 7	20. 9	27. 8	37. 7	86. 4
II--	79. 9	40. 6	23. 4	17. 2	12. 0	27. 2	82. 8	34. 1	48. 7	21. 1	27. 6	38. 5	87. 2
III ³	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	21. 1	(4)	39. 1	(4)

¹ Includes depreciation, capital outlays charged to current account, and accidental damages.

² Corporate profits after taxes plus corporate capital consumption allowances.

³ Preliminary.

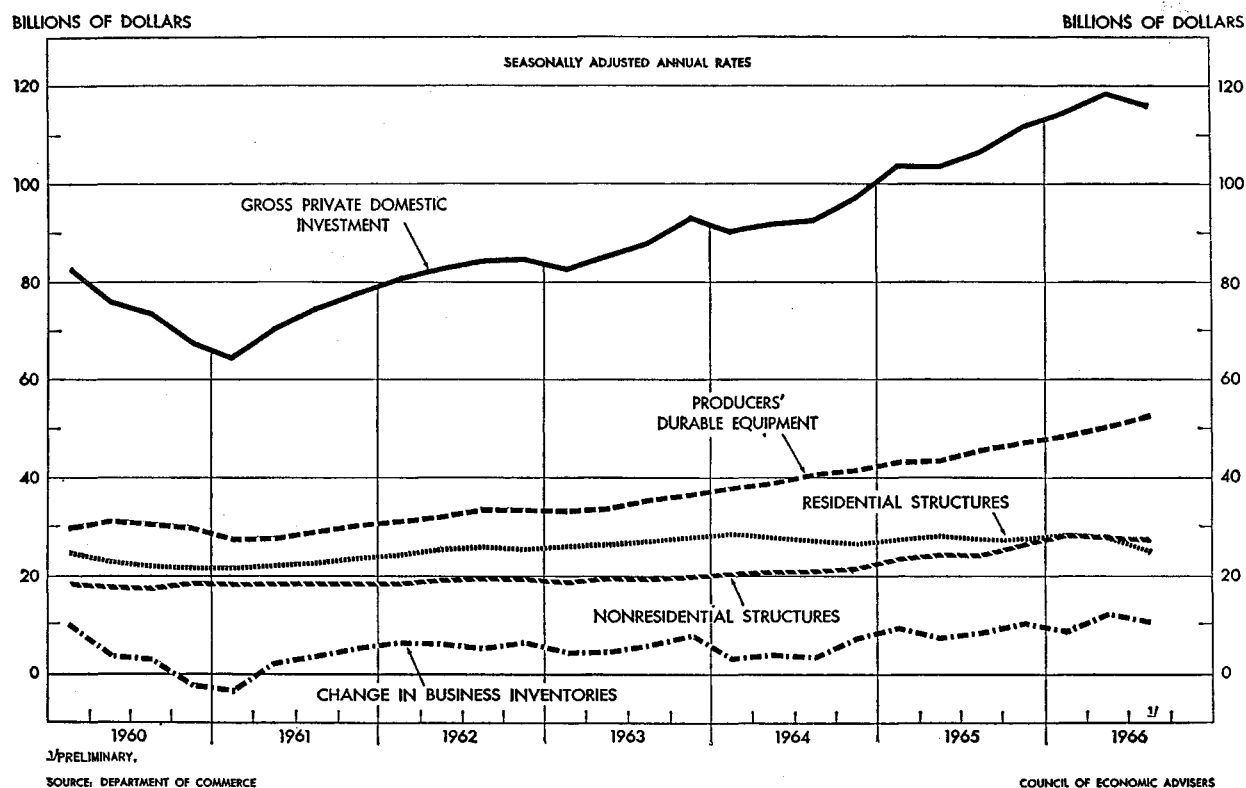
⁴ Not available.

NOTE.—Data beginning 1962 adjusted for effects of new depreciation guidelines (\$2½ billion for 1962) and therefore not comparable with preceding data. Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

GROSS PRIVATE DOMESTIC INVESTMENT

Gross private domestic investment declined \$2½ billion (seasonally adjusted annual rate) in the third quarter. A \$3½ billion decline in residential and nonresidential structures and a \$1½ billion drop in inventory accumulation more than offset a \$2½ billion gain in producers' durable equipment.



[Billions of dollars; quarterly data at seasonally adjusted annual rates]

Period	Total gross private domestic investment	Fixed investment								Change in business inventories	
		Total	Nonresidential				Residential structures				
			Total	Structures		Producers' durable equipment		Total	Non-farm		
				Total	Non-farm	Total	Non-farm				
1955.....	67.4	61.4	38.1	14.3	13.6	23.8	21.2	23.3	22.7	6.0	5.5
1956.....	70.0	65.3	43.7	17.2	16.5	26.5	24.2	21.6	20.9	4.7	5.1
1957.....	67.8	66.5	46.4	18.0	17.2	28.4	25.9	20.2	19.5	1.3	.8
1958.....	60.9	62.4	41.6	16.6	15.8	25.0	22.0	20.8	20.1	-1.5	-2.3
1959.....	75.3	70.5	45.1	16.7	15.9	28.4	25.4	25.5	24.8	4.8	4.8
1960.....	74.8	71.3	48.4	18.1	17.4	30.3	27.7	22.8	22.2	3.6	3.3
1961.....	71.7	69.7	47.0	18.4	17.7	28.6	25.8	22.6	22.0	2.0	1.7
1962.....	83.0	77.0	51.7	19.2	18.5	32.5	29.4	25.3	24.8	6.0	5.3
1963.....	87.1	81.3	54.3	19.5	18.8	34.8	31.2	27.0	26.4	5.9	5.1
1964.....	93.0	88.3	60.7	21.0	20.3	39.7	35.9	27.6	27.0	4.7	5.3
1965.....	106.6	97.5	69.7	24.9	24.2	44.8	40.6	27.8	27.2	9.1	8.1
1964: IV.....	97.4	90.0	63.3	21.8	21.2	41.4	37.7	26.7	26.2	7.4	7.9
1965: I.....	103.8	94.4	66.7	23.6	22.9	43.1	39.3	27.7	27.2	9.5	9.4
1965: II.....	103.7	96.0	67.9	24.6	24.0	43.3	39.4	28.1	27.5	7.6	6.7
1965: III.....	106.7	98.0	70.2	24.4	23.8	45.8	41.3	27.8	27.3	8.7	7.2
1965: IV.....	111.9	101.5	73.9	26.8	26.1	47.1	42.3	27.6	27.0	10.4	9.0
1966: I.....	114.5	105.6	77.0	28.5	27.8	48.5	43.7	28.6	28.0	8.9	8.5
1966: II.....	118.5	106.2	78.2	27.9	27.2	50.3	45.4	28.0	27.4	12.3	12.1
1966: III ¹	116.0	105.2	80.0	27.3	26.6	52.7	47.9	25.2	24.6	10.8	11.3

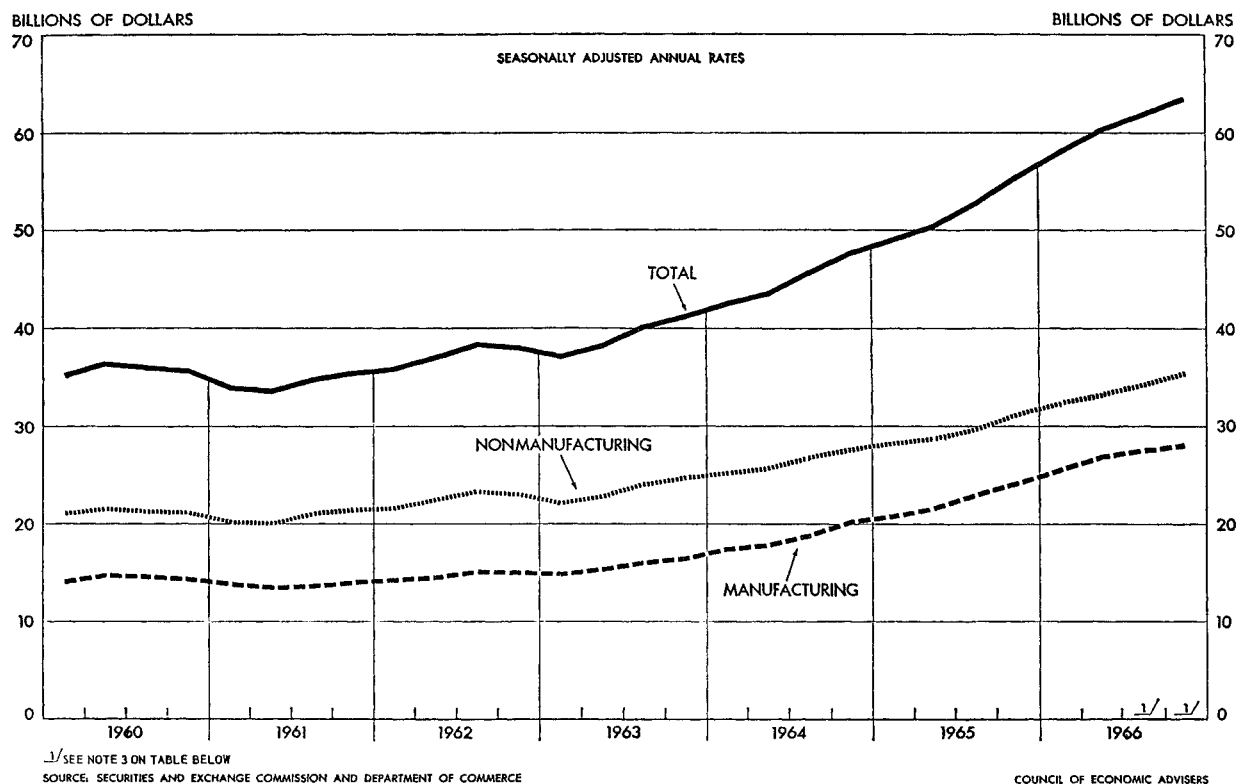
¹ Preliminary.

Source: Department of Commerce.

NOTE.—Data for Alaska and Hawaii included beginning 1960.

EXPENDITURES FOR NEW PLANT AND EQUIPMENT

Business expenditures for new plant and equipment in the second quarter were \$60.1 billion (seasonally adjusted annual rate), exceeding anticipated expenditures by $\frac{1}{2}$ billion. Outlays in the last half of 1966 still are expected to maintain a steady advance.



[Billions of dollars; quarterly data at seasonally adjusted annual rates]

Period	Total ¹	Manufacturing			Mining	Transportation		Public utilities	Commercial and other ²
		Total	Durable goods	Nondurable goods		Railroads	Other		
1953.....	28.32	11.91	5.65	6.26	0.99	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.....	28.70	11.44	5.44	6.00	.96	.92	1.60	4.31	9.47
1956.....	35.08	14.95	7.62	7.33	1.24	1.23	1.71	4.90	11.05
1957.....	36.96	15.96	8.02	7.94	1.24	1.40	1.77	6.20	10.40
1958.....	30.53	11.43	5.47	5.96	.94	.75	1.50	6.09	9.81
1959.....	32.54	12.07	5.77	6.29	.99	.92	2.02	5.67	10.38
1960.....	35.68	14.48	7.18	7.30	.99	1.03	1.94	5.68	11.57
1961.....	34.37	13.68	6.27	7.40	.98	.67	1.85	5.52	11.68
1962.....	37.31	14.68	7.03	7.65	1.08	.85	2.07	5.48	13.15
1963.....	39.22	15.69	7.85	7.84	1.04	1.10	1.92	5.65	13.82
1964.....	44.90	18.58	9.43	9.16	1.19	1.41	2.38	6.22	15.13
1965.....	51.96	22.45	11.40	11.05	1.30	1.73	2.81	6.94	16.73
1966 ³	60.86	27.07	13.96	13.11	1.46	1.96	3.62	8.16	18.60
1965: I.....	49.00	20.75	10.40	10.40	1.25	1.75	2.55	6.80	15.85
II.....	50.35	21.55	10.80	10.70	1.30	1.55	2.70	6.85	16.40
III.....	52.75	23.00	11.75	11.25	1.25	1.70	3.00	6.75	17.00
IV.....	55.35	24.15	12.45	11.70	1.35	1.95	3.00	7.30	17.55
1966: I.....	58.00	25.60	13.15	12.45	1.40	1.75	3.30	8.25	17.70
II.....	60.10	26.80	13.85	12.95	1.55	2.00	3.50	8.30	17.95
III ³	61.60	27.55	14.35	13.20	1.40	1.85	3.70	8.05	19.00
IV ³	63.55	28.15	14.40	13.70	1.45	2.30	3.95	8.10	19.65

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 1966. Includes adjustments when necessary for systematic tendencies in anticipatory data.

NOTE.—Beginning 1969 all quarterly data are rounded to nearest \$50 million.

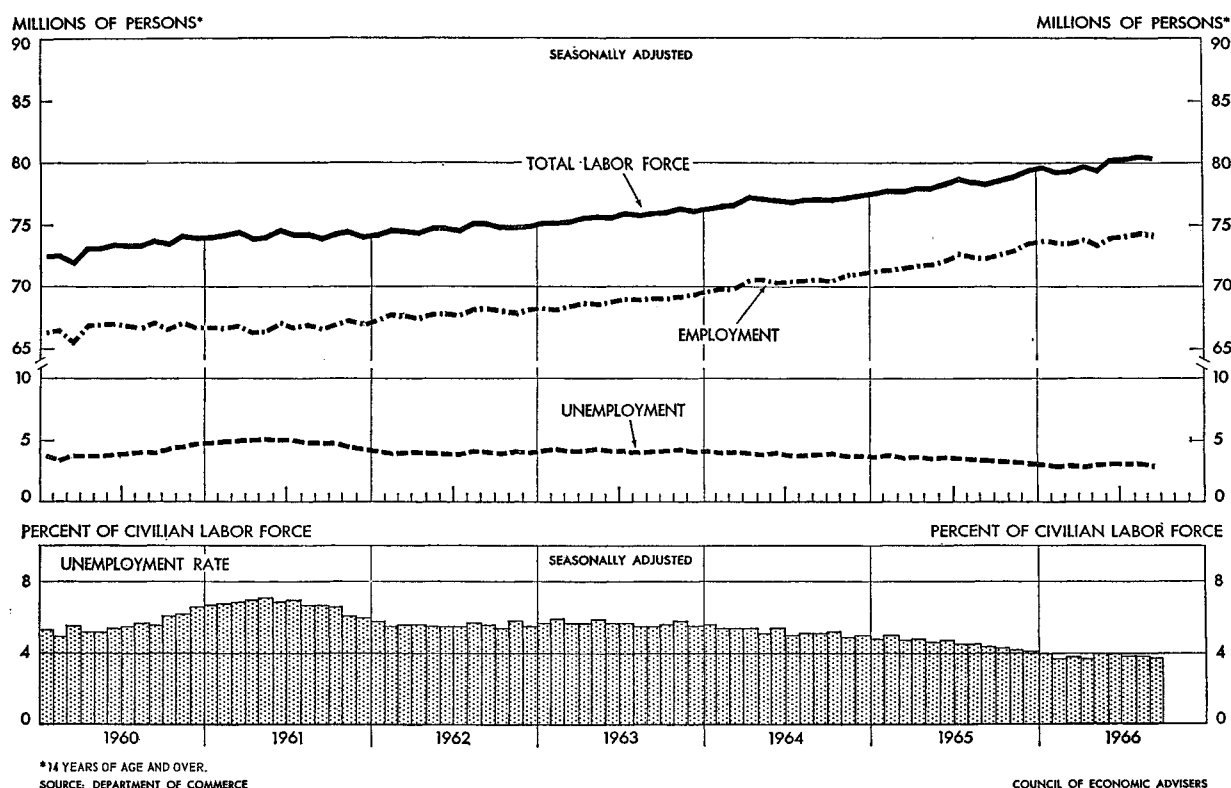
Annual total is the sum of unadjusted expenditures; it does not necessarily coincide with the average of seasonally adjusted figures.

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.

Sources: Securities and Exchange Commission and Department of Commerce.

EMPLOYMENT, UNEMPLOYMENT, AND WAGES STATUS OF THE LABOR FORCE

Employment, seasonally adjusted, decreased by 173,000 in September and the civilian labor force was down by 258,000. Nonagricultural employment declined by 64,000 and agricultural employment fell by 109,000.



Period	Total labor force (including armed forces)	Civilian employment		Unemployment	Total labor force (including armed forces)	Civilian labor force	Civilian employment			Unemployment	Unemployment rate (percent of civilian labor force)		Labor force participation rate, unadjusted ¹
		Total	Non-agricultural				Total	Agricultural	Non-agricultural		Unadjusted	Seasonally adjusted	
Thousands of persons 14 years of age and over											Percent		
1961...	74, 175	66, 796	61, 333	4, 806	74, 175	71, 603	66, 796	5, 463	61, 333	4, 806	6. 7	-----	58. 0
1962 ^a ...	74, 681	67, 846	62, 657	4, 007	74, 681	71, 854	67, 846	5, 190	62, 657	4, 007	5. 6	-----	57. 4
1963...	75, 712	68, 809	63, 863	4, 166	75, 712	72, 975	68, 809	4, 946	63, 863	4, 166	5. 7	-----	57. 3
1964...	76, 971	70, 357	65, 596	3, 876	76, 971	74, 233	70, 357	4, 761	65, 596	3, 876	5. 2	-----	57. 4
1965...	78, 357	72, 179	67, 594	3, 456	78, 357	75, 635	72, 179	4, 585	67, 594	3, 456	4. 6	-----	57. 5
Unadjusted					Seasonally adjusted								
1965:													
July...	81, 150	74, 854	69, 228	3, 602	78, 747	76, 054	72, 618	4, 639	67, 979	3, 436	4. 6	4. 5	59. 6
Aug...	80, 163	74, 212	69, 077	3, 258	78, 465	75, 772	72, 387	4, 572	67, 815	3, 385	4. 2	4. 5	58. 7
Sept...	78, 044	72, 446	67, 668	2, 875	78, 334	75, 611	72, 297	4, 418	67, 879	3, 314	3. 8	4. 4	57. 1
Oct...	78, 713	73, 196	68, 242	2, 757	78, 606	75, 846	72, 561	4, 551	68, 010	3, 285	3. 6	4. 3	57. 5
Nov...	78, 598	72, 837	68, 709	2, 966	78, 906	76, 111	72, 914	4, 273	68, 641	3, 197	3. 9	4. 2	57. 4
Dec...	78, 477	72, 749	69, 103	2, 888	79, 408	76, 567	73, 441	4, 486	68, 955	3, 126	3. 8	4. 1	57. 2
1966:													
Jan...	77, 409	71, 229	67, 652	3, 290	79, 644	76, 754	73, 715	4, 429	69, 286	3, 039	4. 4	4. 0	56. 3
Feb...	77, 632	71, 551	67, 939	3, 158	79, 279	76, 355	73, 521	4, 442	69, 079	2, 834	4. 2	3. 7	56. 4
Mar...	78, 034	72, 023	68, 244	3, 037	79, 315	76, 341	73, 435	4, 363	69, 072	2, 906	4. 0	3. 8	56. 7
Apr...	78, 914	73, 105	68, 900	2, 802	79, 674	76, 666	73, 799	4, 482	69, 317	2, 867	3. 7	3. 7	57. 2
May...	79, 751	73, 764	69, 472	2, 942	79, 313	76, 268	73, 231	4, 076	69, 155	3, 037	3. 8	4. 0	57. 7
June...	82, 700	75, 731	70, 543	3, 870	80, 185	77, 086	73, 997	4, 238	69, 759	3, 089	4. 9	4. 0	59. 8
July...	82, 771	76, 411	71, 402	3, 225	80, 233	77, 098	74, 072	4, 144	69, 928	3, 026	4. 0	3. 9	59. 8
Aug...	82, 468	76, 369	71, 662	2, 921	80, 549	77, 371	74, 338	4, 158	70, 180	3, 033	3. 7	3. 9	59. 5
Sept...	80, 052	74, 251	69, 878	2, 573	80, 342	77, 113	74, 165	4, 049	70, 116	2, 948	3. 3	3. 8	57. 7

¹ Total labor force as percent of noninstitutional population.

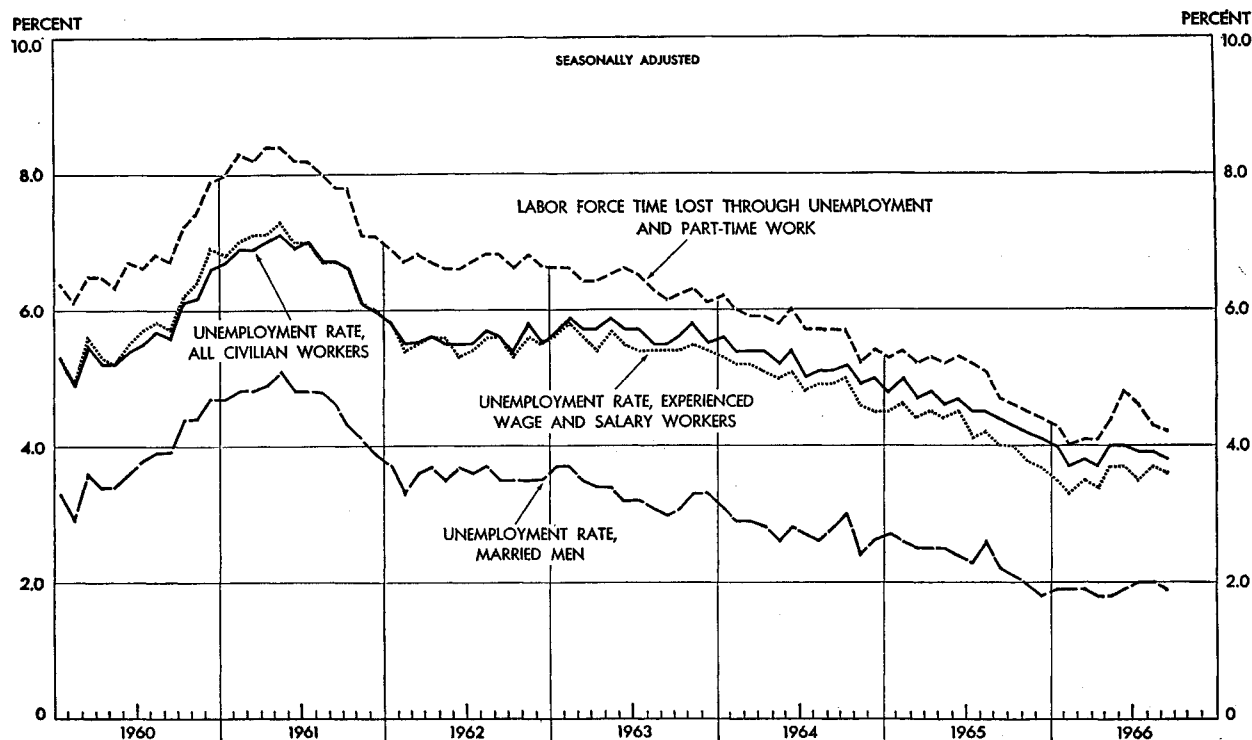
² Not strictly comparable with preceding data. See *Employment and Earnings*, May 1962, p. XIV.

NOTE.—Beginning 1960, data include Alaska and Hawaii.

Source: Department of Labor.

SELECTED MEASURES OF UNEMPLOYMENT AND PART-TIME EMPLOYMENT

The seasonally adjusted unemployment rate decreased to 3.8 percent in September, approaching the 1966 low of 3.7 percent recorded in February and April.



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

Period	Unemployment rate (percent of civilian labor force in group)			Labor force time lost through unemployment and part- time work ¹	Persons at work in nonagricultural industries by hours worked per week ²							
	All workers	Experi- enced wage and salary workers	Married men (wife present)		Over 40 hours	35-40 hours	Total	Under 35 hours				
								Part-time for economic reasons		Part-time for economic reasons		
								Usually full- time ³	Usually part- time ⁴	Usually full- time ³	Usually part- time ⁴	
Percent					Thousands of persons 14 years of age and over							
1961-----	6.7	6.8	4.6	8.0	18,210	29,047	11,132	1,297	1,516	-----	-----	
1962-----	5.6	5.5	3.6	6.7	19,025	28,853	11,675	1,049	1,288	-----	-----	
1963-----	5.7	5.5	3.4	6.4	19,257	29,422	11,856	1,070	1,219	-----	-----	
1964-----	5.2	5.0	2.8	5.8	19,294	29,127	13,850	985	1,151	-----	-----	
1965-----	4.6	4.2	2.4	5.0	20,808	30,802	12,618	897	1,031	-----	-----	
Seasonally adjusted					Unadjusted						Seasonally adjusted	
1965: Aug-----	4.5	4.2	2.6	5.1	20,424	30,684	10,408	959	1,358	932	1,038	
Sept-----	4.4	4.0	2.2	4.7	22,040	31,626	11,159	851	854	843	937	
Oct-----	4.3	4.0	2.1	4.6	21,900	30,846	13,052	829	853	848	973	
Nov-----	4.2	3.8	2.0	4.5	21,006	28,341	17,195	830	916	817	1,002	
Dec-----	4.1	3.7	1.8	4.4	22,477	32,330	12,447	761	866	766	979	
1966: Jan-----	4.0	3.5	1.9	4.3	20,851	32,125	12,408	972	794	902	917	
Feb-----	3.7	3.3	1.9	4.0	20,690	32,389	12,555	871	732	899	782	
Mar-----	3.8	3.5	1.9	4.1	21,288	32,543	12,156	826	743	820	802	
Apr-----	3.7	3.4	1.8	4.1	20,926	32,263	12,825	796	711	776	795	
May-----	4.0	3.7	1.8	4.4	21,440	32,951	12,772	829	716	839	768	
June-----	4.0	3.7	1.9	4.8	21,656	33,258	11,420	1,036	1,203	1,040	964	
July-----	3.9	3.5	2.0	4.6	20,873	31,678	10,925	886	1,303	975	1,002	
Aug-----	3.9	3.7	2.0	4.3	21,141	32,218	10,741	881	1,125	856	860	
Sept-----	3.8	3.6	1.9	4.2	22,343	32,361	12,284	⁵ 840	⁵ 732	832	804	

¹Man-hours lost by the unemployed and those on part-time for economic reasons as a percent of total man-hours potentially available to the civilian labor force. Beginning 1963, series reflects whether unemployed persons sought full- or part-time jobs.

²Differs from total nonagricultural employment (p. 13), which includes persons with jobs but not at work for such reasons as vacation, illness, bad weather, and industrial disputes.

³Includes persons who worked part-time because of slack work, material shortages or repairs, new job started, or job terminated.

⁴Primarily includes persons who could find only part-time work.

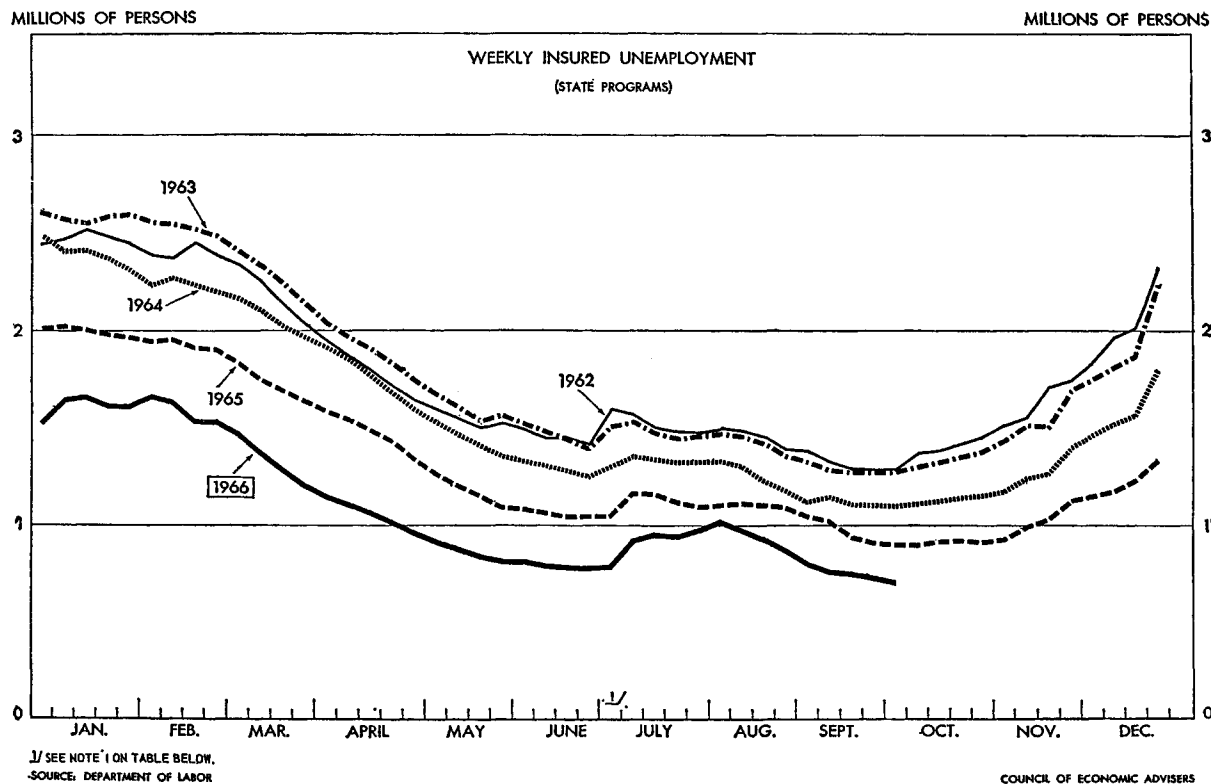
⁵Average hours worked: usually full-time, 22.8; usually part-time, 17.7.

NOTE.—Beginning 1960, data include Alaska and Hawaii.

Source: Department of Labor.

UNEMPLOYMENT INSURANCE PROGRAMS

In September, insured unemployment under State programs averaged 227,000 less than in September 1965. The insured unemployment rate on a seasonally adjusted basis dropped to 2.2 percent.



Period	All programs			State programs						
	Covered employment	Insured unemployment (weekly average)	Total benefits paid (millions of dollars)	Insured unemployment	Initial claims	Exhaustions	Insured unemployment as percent of covered employment		Benefits paid	
							Unadjusted	Seasonally adjusted	Total (millions of dollars)	Average weekly check (dollars)
	Thousands			Weekly average, thousands			Percent			
1962.....	47,776	1,946	3,160.0	1,783	302	32	4.4		2,675.4	34.56
1963.....	48,434	¹ 1,973	3,025.9	¹ 1,806	¹ 298	30	4.3		2,774.7	35.28
1964.....	49,635	1,753	2,749.2	1,605	268	26	3.8		2,522.1	35.96
1965.....	² 51,568	1,450	2,434.7	1,328	232	21	3.0		2,166.0	37.19
1965: Aug.....	52,611	1,235	160.7	1,120	215	18	2.5	3.1	148.0	36.58
Sept.....	52,713	1,089	150.3	981	173	17	2.2	2.9	138.6	37.23
Oct.....	² 52,702	1,030	128.2	933	189	16	2.0	2.7	117.8	37.32
Nov.....	² 52,709	1,133	143.0	1,042	225	15	2.3	2.7	132.2	38.08
Dec.....	² 53,411	1,396	184.7	1,308	290	17	3.0	2.7	172.1	38.81
1966: Jan.....		1,739	226.5	1,644	329	19	3.7	2.7	212.7	39.36
Feb.....		1,679	230.2	1,590	238	19	3.6	2.6	217.2	39.66
Mar.....		1,381	240.0	1,301	171	18	2.9	2.3	225.5	39.83
Apr.....		1,112	166.4	1,044	166	19	2.3	2.1	155.5	39.38
May.....		916	136.1	862	152	17	1.9	2.1	126.1	38.86
June.....		841	123.4	793	156	15	1.8	2.1	114.4	38.72
July.....		1,001	121.0	947	249	14	2.1	2.4	113.8	39.05
Aug.....		980	152.0	928	173	12	2.0	2.4	143.1	40.65
Sept ¹		801	128.9	754	145	11	1.6	2.2	120.8	40.85
Week ended:										
1966: Sept 3.....		847		800	145		1.7			
10.....		821		773	135		1.6			
17.....		804		756	155		1.6			
24.....		789		743	144		1.6			
Oct 1 ²		768		723	144		1.5			
8 ²					178					

¹ Programs include Puerto Rican sugarcane workers for initial claims and insured unemployment beginning July 1963.

² Preliminary.

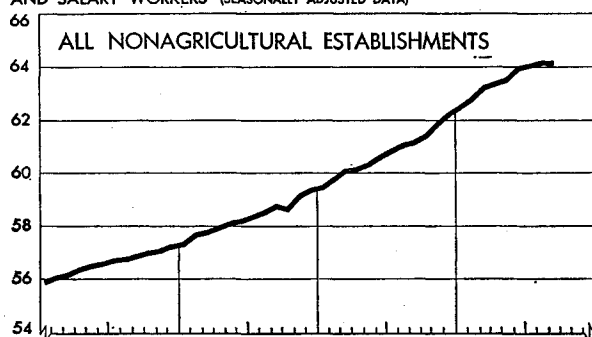
NOTE.—For definitions and coverage, see the 1964 Supplement to Economic Indicators. Data for Alaska and Hawaii included for all periods and for Puerto Rico since January 1961.

Source: Department of Labor.

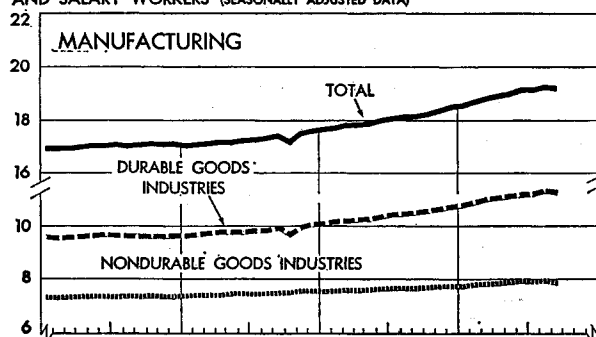
NONAGRICULTURAL EMPLOYMENT

Nonagricultural payroll employment (seasonally adjusted) decreased by 15,000 in September. Transportation and government experienced increases in employment, while most other sectors had declines with the largest being 73,000 in manufacturing.

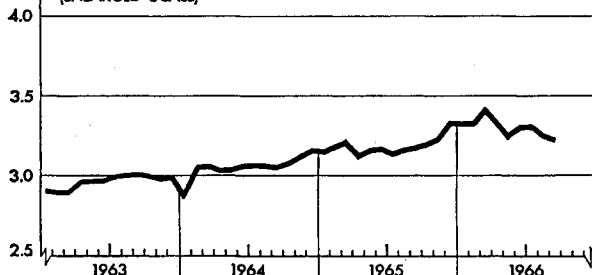
MILLIONS OF WAGE
AND SALARY WORKERS (SEASONALLY ADJUSTED DATA)



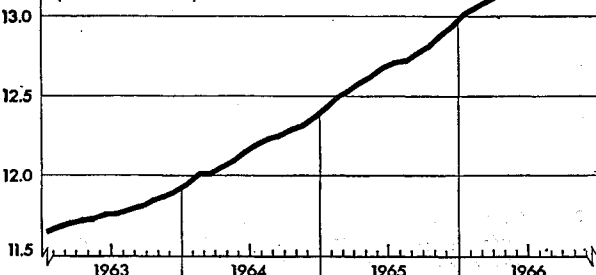
MILLIONS OF WAGE
AND SALARY WORKERS (SEASONALLY ADJUSTED DATA)



CONTRACT CONSTRUCTION
(ENLARGED SCALE)



WHOLESALE AND RETAIL TRADE
(ENLARGED SCALE)



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[Thousands of wage and salary workers; ¹ seasonally adjusted]

Period	Total	Manufacturing (private)			Nonmanufacturing (private)							Government	
		Total	Durable goods	Non-durable goods	Total	Mining	Contract construction	Transportation and public utilities	Wholesale and retail trade	Finance, insurance, and real estate	Service and miscellaneous	Federal	State and local
1959-----	53,313	16,675	9,373	7,303	28,555	732	2,960	4,011	11,127	2,594	7,130	2,233	5,850
1960-----	54,234	16,796	9,459	7,336	29,085	712	2,885	4,004	11,391	2,669	7,423	2,270	6,083
1961-----	54,042	16,326	9,070	7,256	29,122	672	2,816	3,903	11,337	2,731	7,664	2,279	6,315
1962-----	55,596	16,853	9,480	7,373	29,853	650	2,902	3,906	11,566	2,800	8,028	2,340	6,550
1963-----	56,702	16,995	9,616	7,380	30,481	635	2,963	3,903	11,778	2,877	8,325	2,358	6,868
1964 ² -----	58,332	17,274	9,816	7,458	31,461	634	3,050	3,951	12,160	2,957	8,709	2,348	7,249
1965 ² -----	60,770	18,032	10,386	7,645	32,647	632	3,181	4,033	12,683	3,019	9,098	2,378	7,713
1965: ² Aug	61,021	18,129	10,483	7,646	32,742	631	3,162	4,050	12,717	3,030	9,152	2,379	7,771
Sept.	61,180	18,157	10,508	7,649	32,835	622	3,168	4,064	12,765	3,036	9,180	2,378	7,810
Oct.	61,437	18,242	10,550	7,692	32,960	627	3,186	4,071	12,809	3,041	9,226	2,386	7,849
Nov.	61,864	18,392	10,641	7,751	33,152	631	3,234	4,080	12,880	3,045	9,282	2,400	7,920
Dec.	62,241	18,492	10,725	7,767	33,369	633	3,334	4,083	12,941	3,049	9,329	2,397	7,983
1966: ² Jan.	62,469	18,566	10,805	7,761	33,468	635	3,318	4,091	13,009	3,052	9,363	2,423	8,012
Feb.	62,811	18,722	10,911	7,811	33,568	634	3,323	4,105	13,045	3,051	9,410	2,451	8,070
Mar.	63,247	18,840	11,007	7,833	33,777	637	3,419	4,109	13,085	3,064	9,463	2,477	8,153
Apr.	63,350	18,923	11,065	7,858	33,722	595	3,333	4,114	13,128	3,068	9,484	2,501	8,204
May.	63,517	19,002	11,122	7,880	33,753	628	3,238	4,132	13,164	3,076	9,515	2,523	8,239
June.	63,983	19,167	11,220	7,947	33,931	632	3,300	4,143	13,217	3,090	9,549	2,571	8,314
July.	64,072	19,128	11,210	7,918	34,015	636	3,297	4,122	13,256	3,095	9,609	2,601	8,328
Aug. ³	64,196	19,268	11,329	7,939	33,988	636	3,246	4,101	13,264	3,100	9,641	2,610	8,330
Sept. ³	64,181	19,195	11,306	7,889	34,007	633	3,223	4,158	13,260	3,091	9,642	2,616	8,363

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 which includes the 12th 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 forces, shown on p. 10, 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 enu-

meration of population, whereas the estimates in this table are based on reports from employing establishments.

² Revised series; see note, p. 14.

³ Preliminary.

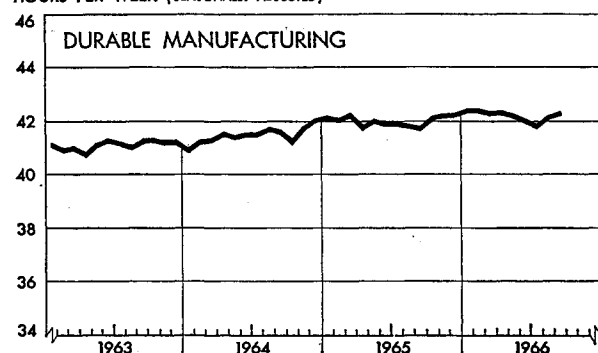
NOTE.—Beginning 1959, data include Alaska and Hawaii.

SOURCE: DEPARTMENT OF LABOR.

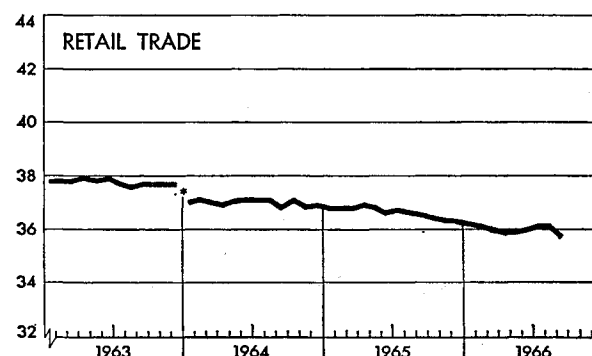
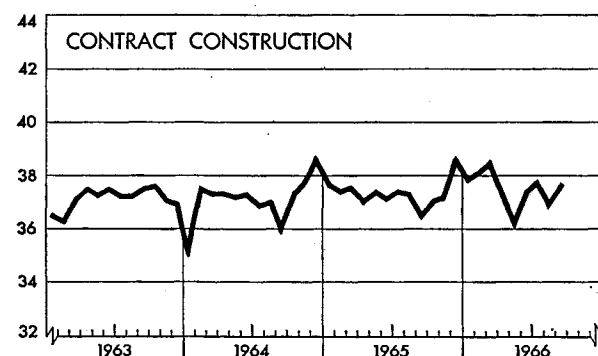
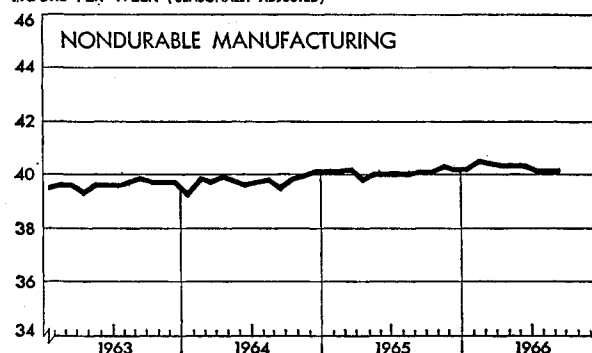
WEEKLY HOURS OF WORK - SELECTED INDUSTRIES

The average workweek in manufacturing, seasonally adjusted, remained at 41.4 hours in September. The workweek increased in durable goods manufacturing and contract construction and decreased in retail trade.

HOURS PER WEEK (SEASONALLY ADJUSTED)



HOURS PER WEEK (SEASONALLY ADJUSTED)



* SEE TABLE BELOW.

SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[Average hours per week; ¹ seasonally adjusted]

Period	Manufacturing industries			Contract construction	Retail trade
	All	Durable goods	Nondurable goods		
1955.....	40.7	41.3	39.9	37.1	39.6
1956.....	40.4	41.0	39.6	37.5	39.1
1957.....	39.8	40.3	39.2	37.0	38.7
1958.....	39.2	39.5	38.8	36.8	38.7
1959.....	40.3	40.7	39.7	37.0	38.7
1960.....	39.7	40.1	39.2	36.7	38.5
1961.....	39.8	40.3	39.3	36.9	38.1
1962.....	40.4	40.9	39.6	37.0	37.9
1963.....	40.5	41.1	39.6	37.3	37.8
1964.....	40.7	41.4	39.7	37.2	* 37.0
1965.....	41.2	42.0	40.1	37.4	36.6
1965: Aug.....	41.1	41.8	40.0	37.3	36.6
Sept.....	41.0	41.7	40.1	36.4	36.5
Oct.....	41.2	42.1	40.1	37.1	36.4
Nov.....	41.4	42.2	40.3	37.2	36.3
Dec.....	41.3	42.2	40.2	38.6	36.3
1966: Jan.....	41.4	42.4	40.2	37.8	36.2
Feb.....	41.5	42.4	40.5	38.1	36.1
Mar.....	41.5	42.3	40.4	38.5	36.0
Apr.....	41.5	42.3	40.3	37.2	35.9
May.....	41.5	42.2	40.3	36.1	35.9
June.....	41.3	42.0	40.3	37.4	36.0
July.....	41.0	41.8	40.1	37.8	36.1
Aug ²	41.4	42.1	40.1	36.9	36.1
Sept ²	41.4	42.3	40.1	37.7	35.7

¹ Data relate to production workers or nonsupervisory employees. Data for Alaska and Hawaii included beginning 1959.

² Preliminary.

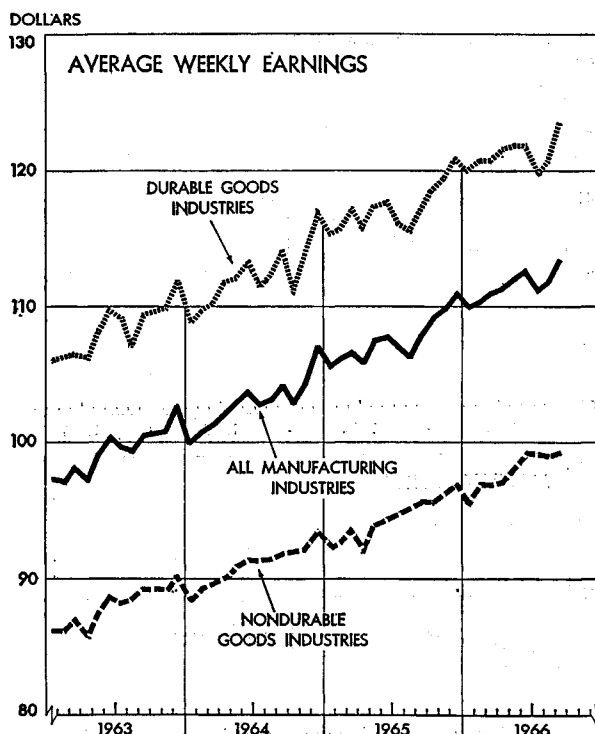
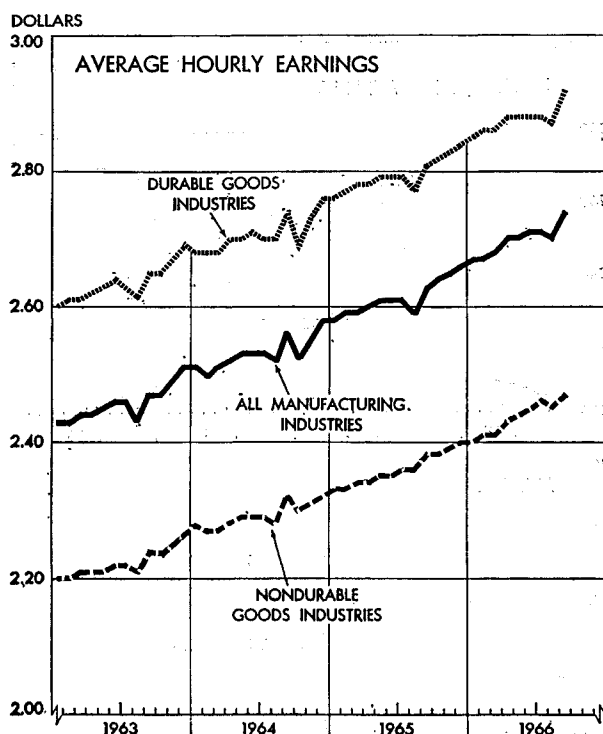
* Beginning 1964, includes eating and drinking places.

NOTE.—Revised series. For details, see *Employment and Earnings*, September 1966.

Source: Department of Labor.

AVERAGE HOURLY AND WEEKLY EARNINGS - SELECTED INDUSTRIES

Average weekly earnings in manufacturing in September were \$113.44, an increase of \$1.66 from the August level. Durable goods manufacturing and contract construction experienced the largest increases, while average weekly earnings in retail trade declined.



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[For production workers or nonsupervisory employees]

Period	Average hourly earnings—current prices					Average weekly earnings—current prices					Manufacturing industries	
	Manufacturing industries			Contract construction	Retail trade	Manufacturing industries			Contract construction	Retail trade	Adjusted hourly earnings, 1957-59=100 ¹	Average weekly earnings, 1957-59 prices ²
	All	Durable goods	Non-durable goods			All	Durable goods	Non-durable goods				
1956-----	\$1.95	\$2.08	\$1.77	\$2.57	\$1.40	\$78.78	\$85.28	\$70.09	\$96.38	\$54.74	91.5	\$83.19
1957-----	2.05	2.19	1.85	2.71	1.47	81.59	88.26	72.52	100.27	56.89	96.2	83.26
1958-----	2.11	2.26	1.91	2.82	1.52	82.71	89.27	74.11	103.78	58.82	100.2	82.14
1959-----	2.19	2.36	1.98	2.93	1.57	88.26	96.05	78.61	108.41	60.76	103.5	86.96
1960-----	2.26	2.43	2.05	3.08	1.62	89.72	97.44	80.36	113.04	62.37	106.6	87.02
1961-----	2.32	2.49	2.11	3.20	1.68	92.34	100.35	82.92	118.08	64.01	109.6	88.62
1962-----	2.39	2.56	2.17	3.31	1.74	96.56	104.70	85.93	122.47	65.95	112.3	91.61
1963-----	2.46	2.63	2.22	3.41	1.80	99.63	108.09	87.91	127.19	68.04	115.2	93.37
1964 ³ -----	2.53	2.71	2.29	3.55	*1.75	102.97	112.19	90.91	132.06	*64.75	118.0	95.25
1965 ³ -----	2.61	2.79	2.36	3.69	1.82	107.53	117.18	94.64	138.01	66.61	121.1	97.84
1965: ³ Aug--	2.59	2.77	2.36	3.69	1.82	106.45	115.51	95.11	143.54	68.07	120.8	96.77
Sept--	2.63	2.81	2.38	3.75	1.84	107.83	117.18	95.68	138.75	67.16	121.8	97.85
Oct--	2.64	2.82	2.38	3.77	1.86	109.03	118.72	95.68	144.39	67.33	121.9	98.76
Nov--	2.65	2.83	2.39	3.75	1.86	109.71	119.43	96.32	136.50	66.77	122.3	99.20
Dec--	2.66	2.84	2.40	3.77	1.85	110.92	120.98	96.96	139.87	67.71	122.8	99.93
1966: ³ Jan--	2.67	2.85	2.40	3.79	1.88	110.00	119.99	95.52	138.34	67.49	123.2	99.10
Feb--	2.67	2.86	2.41	3.82	1.88	110.27	120.69	96.88	139.05	67.30	123.4	98.81
Mar--	2.68	2.86	2.41	3.80	1.88	110.95	120.69	96.88	143.26	67.12	123.6	99.06
Apr--	2.70	2.88	2.43	3.81	1.89	111.24	121.54	96.96	140.59	67.47	124.2	98.88
May--	2.70	2.88	2.44	3.83	1.90	112.05	121.82	98.33	141.71	67.64	124.4	99.51
June--	2.71	2.88	2.45	3.83	1.91	112.74	121.82	99.23	146.69	69.14	124.7	99.86
July--	2.71	2.88	2.46	3.85	1.91	111.11	119.81	99.14	150.15	70.48	124.8	98.07
Aug ⁴ -----	2.70	2.87	2.45	3.88	1.90	111.78	120.54	98.98	148.99	70.11	124.8	98.22
Sept-----	2.74	2.92	2.47	3.96	1.93	113.44	123.52	99.29	151.67	68.90	-----	99.42

¹ Earnings in current prices, adjusted to exclude overtime and interindustry shifts.

² Earnings in current prices divided by the consumer price index.

³ See note, p. 14.

⁴ Preliminary.

*Beginning 1964, includes eating and drinking places.

NOTE.—Beginning 1959, data include Alaska and Hawaii.

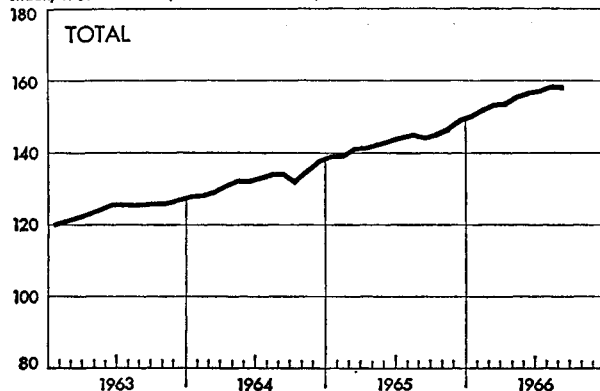
Source: Department of Labor.

PRODUCTION AND BUSINESS ACTIVITY

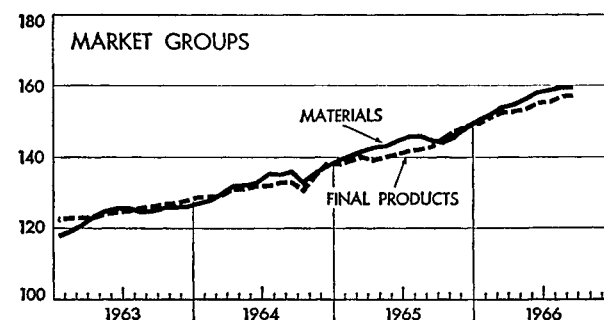
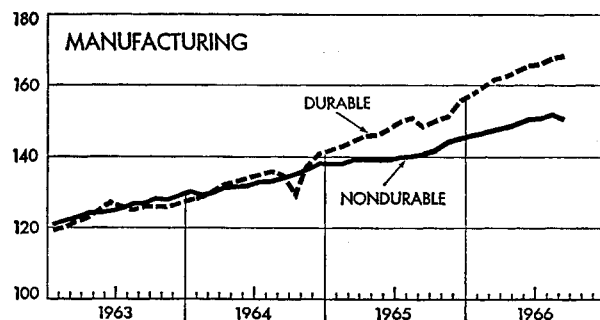
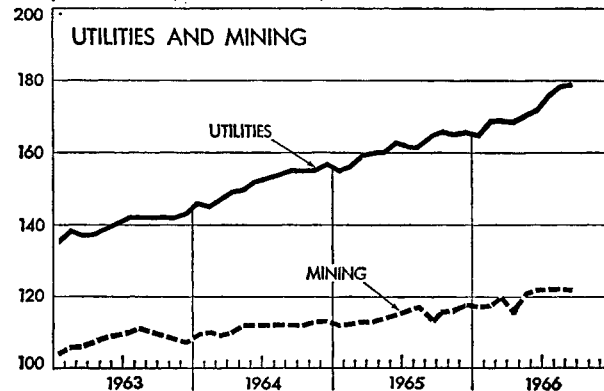
INDUSTRIAL PRODUCTION

The industrial production index in September, seasonally adjusted, was about the same as in August. An increase in the output of equipment was almost offset by a materials decline; consumer goods were unchanged.

Index, 1957-59=100 (SEASONALLY ADJUSTED)



Index, 1957-59=100 (SEASONALLY ADJUSTED)



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[1957-59=100, seasonally adjusted]

Period	Total industrial production	Industry					Market			
		Manufacturing			Mining	Utilities	Final products			Materials
		Total	Durable	Non-durable			Total	Consumer goods	Equipment	
1956.....	99.9	100.2	104.0	95.4	104.8	87.9	98.1	95.5	103.7	101.6
1957.....	100.7	100.8	104.0	96.7	104.6	93.9	99.4	97.0	104.6	101.9
1958.....	93.7	93.2	90.3	96.8	95.6	98.1	94.8	96.4	91.3	92.7
1959.....	105.6	106.0	105.6	106.5	99.7	108.0	105.7	106.6	104.1	105.4
1960.....	108.7	108.9	108.5	109.5	101.6	115.6	109.9	111.0	107.6	107.6
1961.....	109.7	109.6	107.0	112.9	102.6	122.3	111.2	112.6	108.3	108.4
1962.....	118.3	118.7	117.9	119.8	105.0	131.4	119.7	119.7	119.6	117.0
1963.....	124.3	124.9	124.5	125.3	107.9	140.0	124.9	125.2	124.2	123.7
1964.....	132.3	133.1	133.5	132.6	111.3	151.3	131.8	131.7	132.0	132.8
1965 ¹	143.3	144.9	148.4	140.7	114.4	161.0	142.4	140.2	146.9	144.1
1965: Aug.....	144.5	146.0	150.5	140.4	117.0	161.6	142.3	139.5	148.4	146.1
Sept.....	143.5	145.2	148.2	141.3	112.6	165.3	143.3	140.7	149.0	143.7
Oct.....	145.1	146.7	150.3	142.1	115.8	165.8	145.7	141.7	154.3	144.3
Nov.....	146.4	148.2	151.3	144.2	116.0	165.3	147.4	142.8	157.3	145.6
Dec.....	148.7	150.6	155.0	145.1	117.9	165.7	148.8	144.1	158.8	148.7
1966: Jan.....	150.2	152.4	157.6	146.0	117.2	164.9	149.5	144.1	161.3	150.4
Feb.....	151.9	154.1	159.7	147.0	117.7	168.9	151.4	145.5	164.1	152.0
Mar.....	153.4	155.6	161.7	147.9	120.2	168.8	152.4	146.0	166.2	154.3
Apr.....	153.8	156.5	162.8	148.5	115.8	168.6	152.8	146.2	166.9	154.6
May.....	155.2	157.6	164.2	149.3	120.8	170.1	153.7	146.1	170.1	156.6
June.....	156.5	158.9	165.5	150.6	122.0	171.6	155.2	147.1	172.5	158.0
July.....	157.2	159.3	166.0	151.0	122.0	175.6	155.4	146.5	174.4	158.8
Aug.....	158.3	160.4	167.2	152.0	122.2	178.5	156.9	147.3	177.5	159.6
Sept ¹	158.2	160.4	168.1	150.8	121.7	179.0	157.2	147.3	178.6	159.4

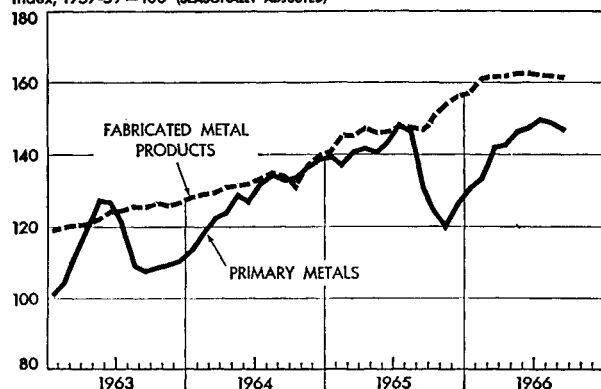
¹Preliminary.

Source: Board of Governors of the Federal Reserve System.

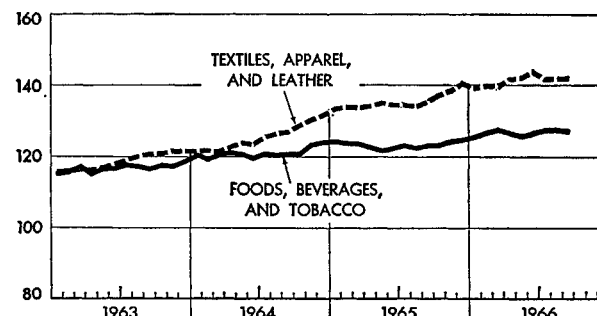
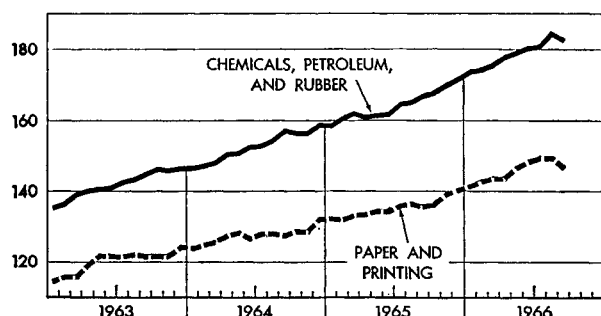
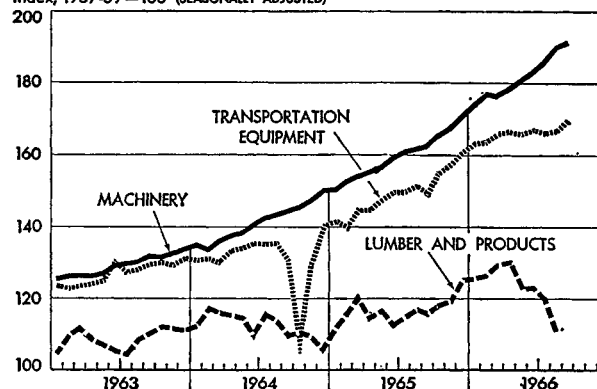
PRODUCTION OF SELECTED MANUFACTURES

Production of transportation equipment (seasonally adjusted) picked up in September with a gain of almost 2 percent. Machinery continued to increase but at a somewhat slower pace of 1 percent. Output of most other manufactures declined.

Index, 1957-59=100 (SEASONALLY ADJUSTED)



Index, 1957-59=100 (SEASONALLY ADJUSTED)



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[1957-59=100, seasonally adjusted]

Period	Durable manufactures					Nondurable manufactures			
	Primary metals	Fabricated metal products	Machinery	Transportation equipment	Lumber and products	Textiles, apparel, and leather	Paper and printing	Chemicals, petroleum, and rubber	Foods, beverages, and tobacco
1956	116.4	98.8	107.1	97.4	105.4	98.0	97.1	91.4	96.6
1957	112.2	101.5	104.2	106.4	95.9	96.9	97.8	95.6	96.7
1958	87.5	92.9	88.8	89.5	95.6	95.0	97.0	95.5	99.4
1959	100.4	105.5	107.1	104.0	108.5	108.1	105.2	108.9	103.9
1960	101.3	107.6	110.8	108.2	102.1	107.5	109.0	113.9	106.6
1961	98.9	106.5	110.4	103.6	101.3	108.4	112.4	118.9	110.2
1962	104.6	117.1	123.5	118.3	106.1	115.1	116.7	131.2	113.3
1963	113.3	123.4	129.2	127.0	108.9	118.5	120.1	141.8	116.8
1964	129.1	132.7	141.4	130.7	112.6	125.2	127.5	152.5	120.8
1965 ¹	137.5	147.8	160.4	149.2	117.4	135.7	135.3	164.6	123.1
1965: Aug	146.5	147.5	161.4	151.5	117.2	134.1	136.4	164.9	122.3
Sept	131.2	147.0	162.3	149.4	116.2	135.5	135.4	166.9	123.1
Oct	123.7	150.9	166.0	155.0	118.3	137.3	136.4	167.7	123.0
Nov	119.4	153.6	167.5	157.3	119.1	138.8	139.2	170.1	124.5
Dec	126.5	156.3	170.7	160.7	125.4	140.3	139.9	171.7	124.7
1966: Jan	130.8	157.0	174.3	163.1	125.6	139.1	141.1	173.6	125.5
Feb	133.6	160.7	176.7	163.2	126.5	139.8	142.5	174.1	127.0
Mar	141.4	161.4	176.0	165.8	129.3	139.5	143.7	175.8	127.6
Apr	142.3	161.4	178.4	166.0	130.7	141.5	143.3	177.8	126.6
May	146.5	162.3	180.6	165.8	122.7	141.9	146.6	178.9	125.6
June	147.6	162.3	183.0	167.1	122.9	143.4	148.3	179.8	126.7
July	149.5	161.8	185.9	166.0	119.9	141.7	149.6	180.4	127.6
Aug	148.7	161.7	189.9	166.5	110.9	141.6	149.2	184.4	127.4
Sept ¹	147	161	192	169	-----	142	147	183	127

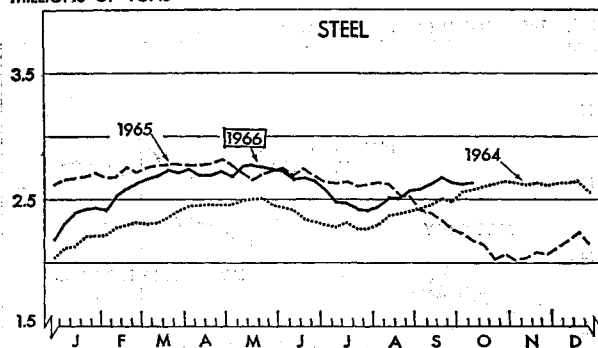
¹ Preliminary.

Source: Board of Governors of the Federal Reserve System.

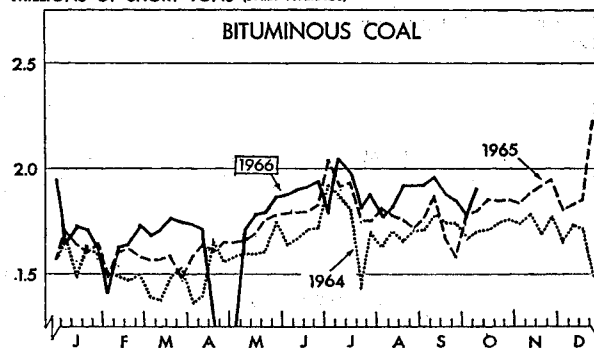
WEEKLY INDICATORS OF PRODUCTION

Auto assemblies rose substantially in September with the new model production schedule under way. Steel output also increased on a seasonally unadjusted basis. Other weekly indicators of production declined.

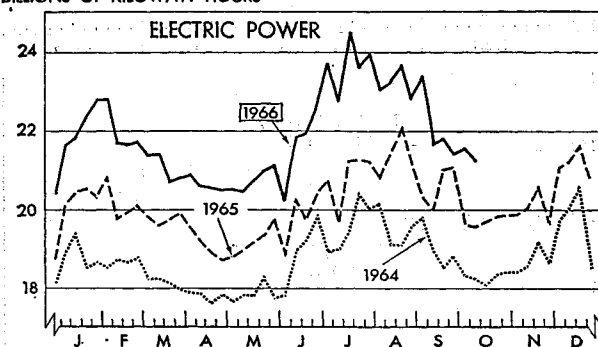
MILLIONS OF TONS



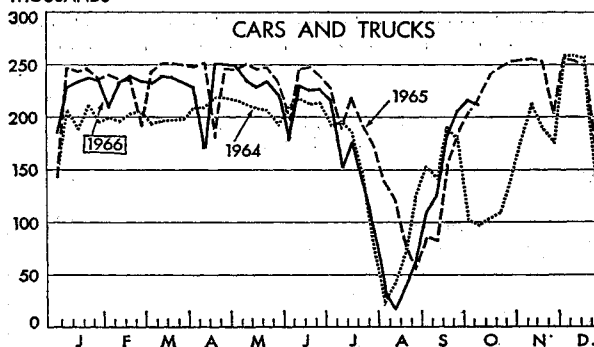
MILLIONS OF SHORT TONS (DAILY AVERAGE)



BILLIONS OF KILOWATT HOURS



THOUSANDS



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) ¹	Freight loaded (thousands of cars)	Paperboard produced (thousands of tons)	Cars and trucks assembled (thousands)		
	Thousands of net tons	Index (1957-59=100)					Total	Cars	Trucks
Weekly average:									
1959.....	1,792	96.2	13,297	1,380	596	307	129.5	107.6	21.9
1960.....	1,899	101.9	14,424	1,390	585	306	151.8	128.8	23.0
1961.....	1,880	100.9	15,139	1,353	550	322	127.8	106.1	21.7
1962.....	1,886	101.2	16,325	1,414	552	343	157.5	133.4	24.1
1963.....	2,096	112.5	17,490	1,535	555	358	175.0	146.9	28.1
1964.....	2,431	130.5	18,728	1,630	550	384	178.8	148.8	30.0
1965.....	2,521	135.3	20,169	1,735	563	410	213.7	179.4	34.3
1965: Aug.....	2,556	137.2	21,395	1,785	588	416	98.1	72.9	25.2
Sept.....	2,325	124.8	20,414	1,741	573	414	142.6	109.7	32.9
Oct.....	2,098	112.6	19,741	1,799	620	441	240.1	203.6	36.6
Nov.....	2,056	110.4	20,027	1,907	581	443	242.3	207.6	34.7
Dec.....	2,178	116.9	21,010	1,909	524	401	224.0	189.0	35.0
1966: Jan.....	2,388	128.2	22,138	1,677	526	421	233.8	196.0	37.7
Feb.....	2,562	137.5	21,969	1,675	524	446	228.7	190.2	38.5
Mar.....	2,728	146.4	21,051	1,785	558	453	234.6	197.5	37.2
Apr.....	2,697	144.8	20,542	1,196	557	450	230.7	192.8	37.9
May.....	2,752	147.7	20,826	1,830	609	466	229.7	190.2	39.4
June.....	2,658	142.7	22,078	1,922	593	459	215.3	177.2	38.0
July.....	2,441	131.1	23,719	1,910	544	396	139.0	107.4	31.6
Aug.....	2,508	134.6	23,257	1,899	594	455	52.4	37.3	15.1
Sept. ²	2,636	141.5	21,639	1,878	593	434	182.6	153.4	29.3
Week ended:									
1966: Sept. 10.....	2,615	140.4	21,674	1,968	531	344	125.0	105.2	19.8
17.....	2,670	143.3	21,848	1,875	616	466	181.7	153.5	28.2
24.....	2,645	142.0	21,462	1,853	612	455	206.4	173.0	33.4
Oct. 1.....	2,615	140.4	21,573	1,785	613	472	217.4	181.8	35.6
8 ²	2,633	141.3	21,255	1,906	621	465	201.2	167.6	33.6
15 ²	³ 2,607	139.9					³ 239.8	204.2	35.7

¹ Daily average. Includes data for Alaska.

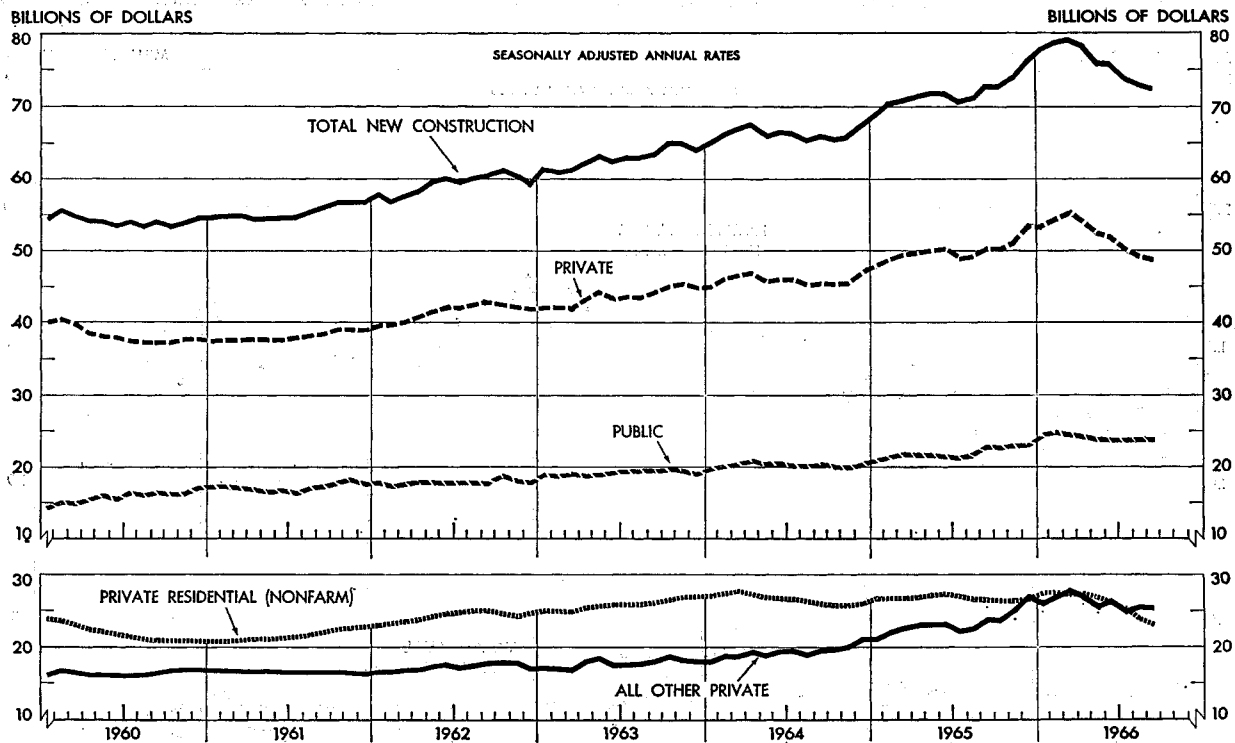
² Preliminary.

³ Not charted.

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

NEW CONSTRUCTION

New construction expenditures, seasonally adjusted, dropped about 1 percent again in September. Expenditures for residential construction, down 2½ percent, accounted for most of the drop.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

Period	Total new construction expenditures	Private						Federal, State, and local	Construction contracts ²	
		Total	Residential nonfarm		Commercial and industrial	Other	Total value (index, 1957-59=100)		Commercial and industrial floor space (millions of square feet)	
			Total ¹	New housing units						
Billions of dollars										
1960.....	53.9	38.1	21.7	16.4	7.0	9.3	15.9	105.2	461	
1961.....	55.4	38.3	21.7	16.2	7.5	9.2	17.1	107.6	443	
1962.....	59.7	41.8	24.3	18.6	8.0	9.5	17.9	119.7	500	
1963.....	63.0	43.6	25.8	20.1	7.9	9.9	19.3	132.0	534	
1964.....	66.2	45.9	26.5	20.6	9.0	10.4	20.3	137.0	599	
1965.....	71.9	50.0	26.7	20.8	11.8	11.5	21.9	142.8	680	
Seasonally adjusted annual rates									Seasonally adjusted	Seasonally adjusted annual rates
1965: Aug.....	70.9	49.2	26.6	20.7	11.2	11.4	21.6	139	595	
Sept.....	72.8	50.2	26.4	20.5	12.3	11.5	22.7	147	762	
Oct.....	72.7	50.1	26.3	20.4	12.1	11.6	22.6	147	726	
Nov.....	74.0	51.2	26.2	20.3	13.0	12.0	22.8	141	724	
Dec.....	76.4	53.4	26.7	20.8	14.3	12.5	23.0	153	772	
1966: Jan.....	77.6	53.3	27.5	21.6	13.8	12.0	24.3	152	720	
Feb.....	78.9	54.3	27.5	21.6	13.9	12.9	24.6	157	810	
Mar.....	79.5	55.1	27.3	21.4	14.7	13.0	24.4	158	829	
Apr.....	78.6	54.3	27.4	21.6	14.3	12.6	24.2	161	860	
May.....	76.1	52.3	27.0	21.1	13.0	12.3	23.9	156	744	
June.....	75.9	52.1	26.2	20.2	13.9	12.1	23.8	147	791	
July.....	73.8	50.1	25.1	19.2	13.4	11.5	23.8	147	757	
Aug.....	73.1	49.3	23.8	17.9	13.4	12.1	23.8	139	741	
Sept ³	72.5	48.7	23.2	17.4	25.4		23.8			

¹Includes nonhousekeeping residential construction and additions and alterations, not shown separately.

²Compiled by F. W. Dodge Corporation and relates to 48 States.

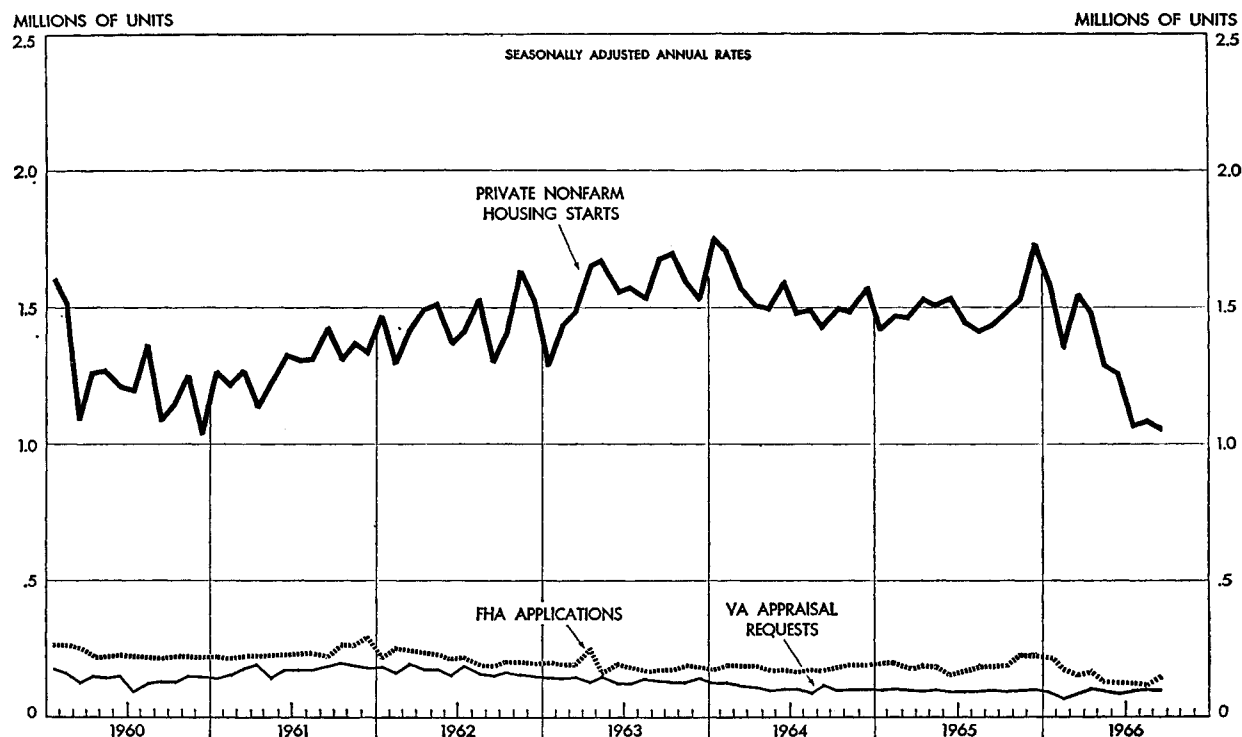
³Preliminary.

NOTE.—Data for Alaska and Hawaii included beginning January 1959.

Sources: Department of Commerce and F. W. Dodge Corporation.

NEW HOUSING STARTS AND APPLICATIONS FOR FINANCING

Total private housing starts declined 2½ percent in September to a seasonally adjusted annual rate of 1,073,000 units. On the basis of upward revisions, starts in August were about 1¼ percent above their July level. Permits in September dropped by 13 percent.



SOURCES: DEPARTMENT OF COMMERCE, FEDERAL HOUSING ADMINISTRATION (FHA), AND VETERANS ADMINISTRATION (VA)

COUNCIL OF ECONOMIC ADVISERS

[Thousands of units]

Period	Housing starts									New private housing units authorized ¹	Proposed home construction	
	Total private and public (including farm)	Total private (including farm)	Private nonfarm			Total private (including farm)	Private nonfarm		Applications for FHA commitments ²		Requests for VA appraisals ²	
			Total	One-family	Two or more families		Total	Government home programs				
								FHA				VA
1960-----	1, 296. 0	1, 252. 1	1, 230. 1	972. 7	257. 4	1, 252. 1	1, 230. 1	225. 7	74. 6	998. 0	242. 4	142. 9
1961-----	1, 365. 0	1, 313. 0	1, 284. 8	946. 2	338. 6	1, 313. 0	1, 284. 8	198. 8	83. 3	1, 064. 2	243. 8	177. 8
1962-----	1, 492. 4	1, 462. 7	1, 439. 0	967. 8	471. 2	1, 462. 7	1, 439. 0	197. 3	77. 8	1, 186. 6	221. 1	171. 2
1963-----	1, 641. 0	1, 609. 2	1, 581. 7	993. 2	588. 5	1, 609. 2	1, 581. 7	166. 2	71. 0	1, 334. 7	190. 2	139. 3
1964-----	1, 590. 7	1, 557. 4	1, 530. 4	944. 5	585. 9	1, 557. 4	1, 530. 4	154. 0	59. 2	1, 285. 8	182. 1	113. 6
1965 ³ -----	1, 542. 7	1, 505. 0	1, 482. 7	940. 0	542. 7	1, 505. 0	1, 482. 7	159. 9	52. 5	1, 240. 6	188. 9	102. 1
Seasonally adjusted annual rates												
1965: Aug--	138. 0	134. 7	132. 8	86. 5	46. 3	1, 427	1, 409	148	48	1, 228	186	95
Sept--	125. 9	124. 3	122. 7	78. 4	44. 3	1, 453	1, 436	160	47	1, 180	189	97
Oct--	135. 7	133. 6	130. 9	84. 4	46. 5	1, 411	1, 380	167	49	1, 244	192	94
Nov--	118. 3	116. 1	114. 9	70. 2	44. 7	1, 547	1, 531	173	54	1, 280	222	100
Dec--	103. 2	102. 3	100. 8	58. 3	42. 5	1, 769	1, 735	189	48	1, 292	219	105
1966: Jan--	87. 3	84. 6	83. 7	47. 2	36. 5	1, 611	1, 585	181	53	1, 255	214	89
Feb--	81. 0	78. 2	76. 7	45. 3	31. 4	1, 374	1, 349	177	40	1, 197	179	72
Mar--	130. 9	126. 3	124. 1	78. 7	45. 4	1, 569	1, 538	187	45	1, 268	160	92
Apr--	149. 2	147. 1	144. 8	93. 0	51. 8	1, 502	1, 481	151	37	1, 185	168	111
May--	139. 3	135. 4	132. 2	84. 8	47. 4	1, 318	1, 287	128	38	1, 098	133	98
June--	130. 7	127. 5	125. 1	81. 4	43. 7	1, 285	1, 261	121	44	954	127	90
July ³	104. 8	104. 0	102. 3	-----	-----	1, 088	1, 061	117	42	921	124	99
Aug ³	106. 8	104. 9	102. 8	-----	-----	1, 102	1, 079	113	35	844	119	106
Sept ³	95. 0	90. 0	-----	-----	-----	1, 073	1, 048	96	37	736	151	102

¹ Authorized by issuance of local building permit; in 10,000 permit-issuing places prior to 1963, and 12,000 or more thereafter.

² Units represented by mortgage applications for new home construction.

³ Preliminary.

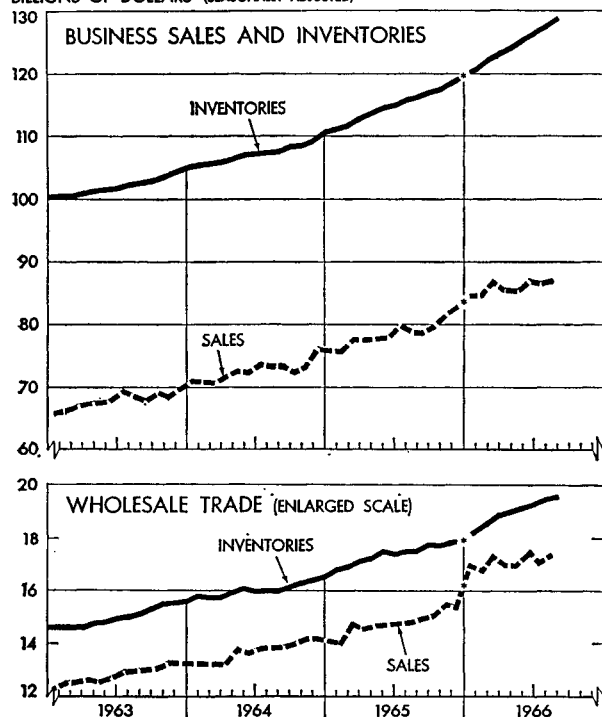
NOTE.—Data include Alaska and Hawaii.

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

BUSINESS SALES AND INVENTORIES — TOTAL AND TRADE

According to preliminary estimates, seasonally adjusted retail sales declined about ½ percent in September. Business sales in August were up ½ percent and inventories, continuing their recent strong pace, gained \$1.1 billion.

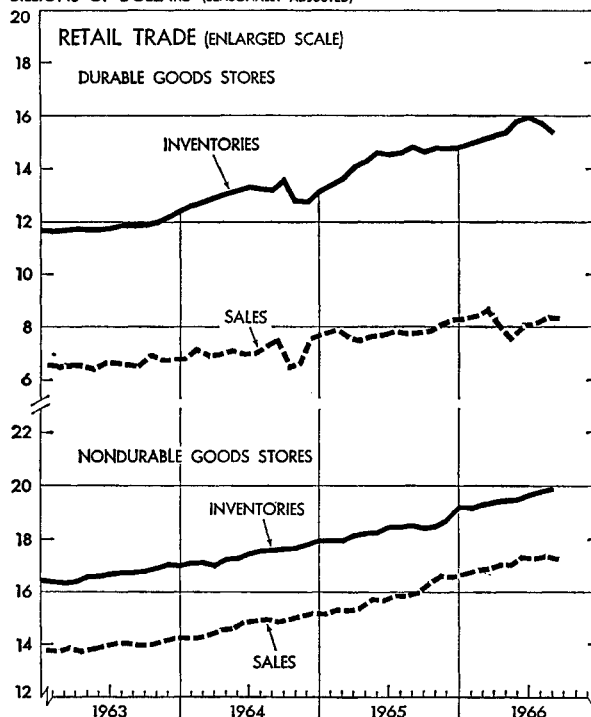
BILLIONS OF DOLLARS (SEASONALLY ADJUSTED)



* SEE TABLE BELOW.

SOURCE: DEPARTMENT OF COMMERCE

BILLIONS OF DOLLARS (SEASONALLY ADJUSTED)



COUNCIL OF ECONOMIC ADVISERS

Period	Total business ¹		Wholesale ⁴		Retail ⁵					
	Sales ²	Inven- tories ³	Sales ²	Inven- tories ³	Sales ²			Inventories ³		
					Total	Durable goods stores	Non- durable goods stores	Total	Durable goods stores	Non- durable goods stores
	Millions of dollars, seasonally adjusted									
1958.....	54, 233	86, 922	10, 257	12, 739	16, 696	5, 284	11, 412	24, 113	10, 526	13, 587
1959.....	59, 583	91, 964	11, 413	13, 952	17, 951	5, 967	11, 984	25, 305	11, 029	14, 276
1960.....	60, 530	94, 610	11, 440	13, 983	18, 294	5, 880	12, 414	26, 813	11, 923	14, 890
1961.....	60, 748	95, 576	11, 629	14, 251	18, 234	5, 581	12, 654	26, 238	10, 965	15, 273
1962.....	65, 078	100, 271	12, 158	14, 580	19, 613	6, 210	13, 402	27, 938	11, 656	16, 282
1963.....	68, 002	105, 127	12, 692	15, 597	20, 536	6, 627	13, 909	29, 383	12, 386	16, 997
1964.....	72, 647	110, 535	13, 715	16, 461	21, 802	7, 014	14, 788	31, 130	13, 136	17, 994
1965.....	78, 740	119, 847	14, 799	17, 875	23, 662	7, 810	15, 853	33, 957	14, 782	19, 175
1965: July.....	79, 948	116, 012	14, 828	17, 530	23, 668	7, 827	15, 841	33, 088	14, 592	18, 496
Aug.....	78, 932	116, 683	14, 829	17, 535	23, 585	7, 755	15, 830	33, 360	14, 819	18, 541
Sept.....	78, 862	116, 967	14, 936	17, 655	23, 753	7, 768	15, 985	33, 045	14, 621	18, 424
Oct.....	79, 737	117, 653	14, 995	17, 715	24, 194	7, 865	16, 329	33, 296	14, 782	18, 514
Nov.....	81, 555	118, 500	15, 505	17, 775	24, 647	8, 092	16, 555	33, 533	14, 774	18, 759
Dec.....	82, 810	119, 847	15, 372	17, 875	24, 816	8, 252	16, 564	33, 957	14, 782	19, 175
1966: Jan.....	^a 84, 669	^a 120, 938	^a 16, 981	^a 18, 231	25, 023	8, 324	16, 699	34, 113	14, 949	19, 164
Feb.....	84, 744	122, 047	16, 779	18, 580	25, 263	8, 399	16, 864	34, 427	15, 113	19, 314
Mar.....	86, 991	123, 085	17, 334	18, 881	25, 536	8, 649	16, 887	34, 556	15, 201	19, 355
Apr.....	85, 455	124, 091	16, 966	19, 008	24, 949	7, 939	17, 010	34, 737	15, 336	19, 401
May.....	85, 426	125, 518	16, 880	19, 149	24, 475	7, 506	16, 969	35, 266	15, 813	19, 453
June.....	86, 957	126, 854	17, 438	19, 310	25, 394	8, 056	17, 338	35, 595	15, 927	19, 668
July ⁷	86, 715	127, 881	17, 026	19, 444	25, 362	8, 106	17, 256	35, 479	15, 742	19, 737
Aug ⁷	87, 088	128, 951	17, 355	19, 588	25, 657	8, 327	17, 330	35, 263	15, 390	19, 873
Sept ⁷					25, 554	8, 306	17, 248			

¹ The term "business" here includes wholesale and retail trade, and manufacturing (see page 22).

² Monthly average for year and total for month.

³ Book value, end of period, seasonally adjusted.

⁴ Beginning 1961, data include Alaska and Hawaii.

⁵ Beginning 1960, data include Alaska and Hawaii.

⁶ New sample; not comparable with preceding data.

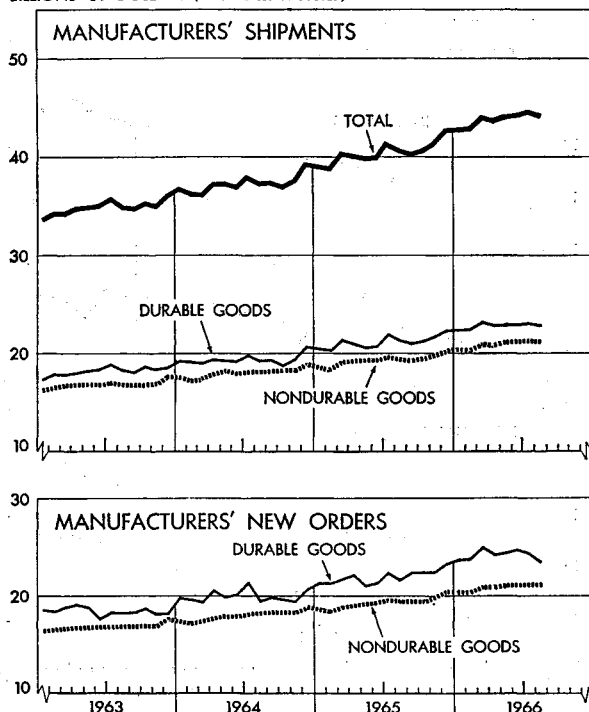
⁷ Preliminary.

Source: Department of Commerce.

MANUFACTURERS' SHIPMENTS, INVENTORIES, AND NEW ORDERS

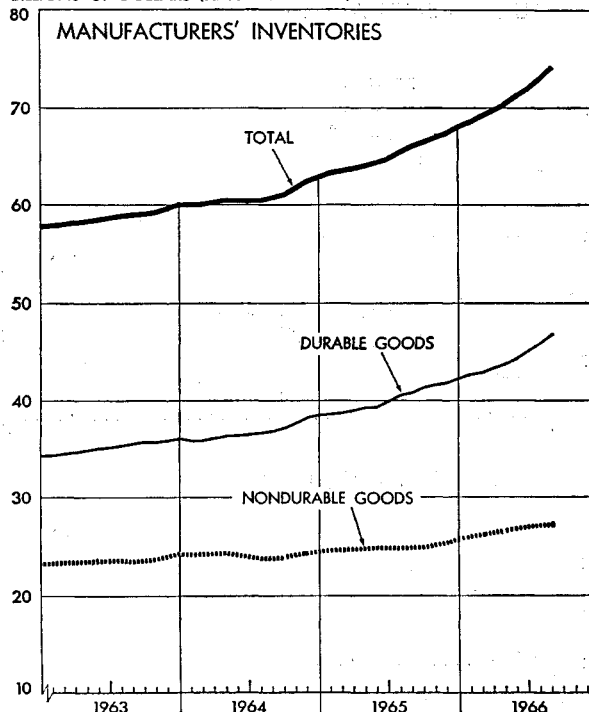
Manufacturers' inventories rose more than \$1.1 billion (seasonally adjusted) in August with durables accounting for nearly \$1 billion. As a result of the airline strike, shipments declined slightly; hence, the inventory-shipments ratio increased to 1.68.

BILLIONS OF DOLLARS (SEASONALLY ADJUSTED)



SOURCE: DEPARTMENT OF COMMERCE

BILLIONS OF DOLLARS (SEASONALLY ADJUSTED)



COUNCIL OF ECONOMIC ADVISERS

Period	Manufacturers' shipments ¹			Manufacturers' inventories ²			Manufacturers' new orders ¹				Manu- fac- turers' inven- tory- ship- ments ratio ³
	Total	Durable goods	Non- durable goods	Total	Durable goods	Non- durable goods	Total	Durable goods		Non- durable goods	
								Total	Machinery and equipment		
Millions of dollars, seasonally adjusted											
1958.....	27, 280	13, 572	13, 708	50, 070	30, 095	19, 975	26, 901	13, 170	2, 354	13, 731	1. 84
1959.....	30, 219	15, 544	14, 675	52, 707	31, 839	20, 868	30, 679	15, 951	2, 878	14, 728	1. 70
1960.....	30, 796	15, 817	14, 979	53, 814	32, 360	21, 454	30, 115	15, 223	2, 791	14, 892	1. 76
1961.....	30, 884	15, 532	15, 352	55, 087	32, 646	22, 441	31, 061	15, 664	2, 854	15, 397	1. 74
1962.....	33, 308	17, 184	16, 124	57, 753	34, 326	23, 427	33, 167	17, 085	3, 090	16, 082	1. 70
1963.....	34, 774	18, 071	16, 704	60, 147	36, 028	24, 119	35, 036	18, 300	3, 326	16, 736	1. 69
1964.....	37, 129	19, 231	17, 898	62, 944	38, 412	24, 532	37, 697	19, 803	3, 706	17, 895	1. 64
1965.....	40, 279	21, 020	19, 258	68, 015	42, 324	25, 691	41, 023	21, 728	4, 140	19, 295	1. 61
1965: July.....	41, 452	21, 820	19, 632	65, 394	40, 600	24, 794	41, 846	22, 195	4, 348	19, 651	1. 58
Aug.....	40, 518	21, 191	19, 327	65, 788	40, 814	24, 974	40, 926	21, 509	4, 159	19, 417	1. 62
Sept.....	40, 173	20, 924	19, 249	66, 267	41, 300	24, 967	41, 483	22, 163	4, 153	19, 320	1. 65
Oct.....	40, 548	21, 146	19, 402	66, 642	41, 523	25, 119	41, 843	22, 425	4, 249	19, 418	1. 64
Nov.....	41, 403	21, 606	19, 797	67, 192	41, 869	25, 323	42, 234	22, 389	4, 325	19, 845	1. 62
Dec.....	42, 622	22, 316	20, 306	68, 015	42, 324	25, 691	43, 868	23, 403	4, 583	20, 465	1. 60
1966: Jan.....	42, 665	22, 307	20, 358	68, 594	42, 589	26, 005	43, 986	23, 578	4, 450	20, 408	1. 61
Feb.....	42, 702	22, 433	20, 269	69, 040	42, 884	26, 156	44, 129	23, 741	4, 584	20, 388	1. 62
Mar.....	44, 121	23, 238	20, 883	69, 648	43, 273	26, 375	45, 833	24, 888	4, 587	20, 945	1. 58
Apr.....	43, 540	22, 708	20, 832	70, 346	43, 779	26, 567	45, 064	24, 197	4, 788	20, 867	1. 62
May.....	44, 071	22, 915	21, 156	71, 103	44, 275	26, 828	45, 321	24, 276	4, 845	21, 045	1. 61
June.....	44, 125	22, 898	21, 227	71, 949	45, 003	26, 946	45, 833	24, 593	4, 753	21, 240	1. 63
July.....	44, 327	23, 031	21, 296	72, 958	45, 790	27, 168	45, 625	24, 371	5, 092	21, 254	1. 65
Aug ⁴	44, 076	22, 817	21, 259	74, 100	46, 772	27, 328	44, 648	23, 401	4, 807	21, 247	1. 68
Sept ⁴		22, 785						24, 236	4, 886		

¹ Monthly average for year and total for month.

² Book value, end of period, seasonally adjusted.

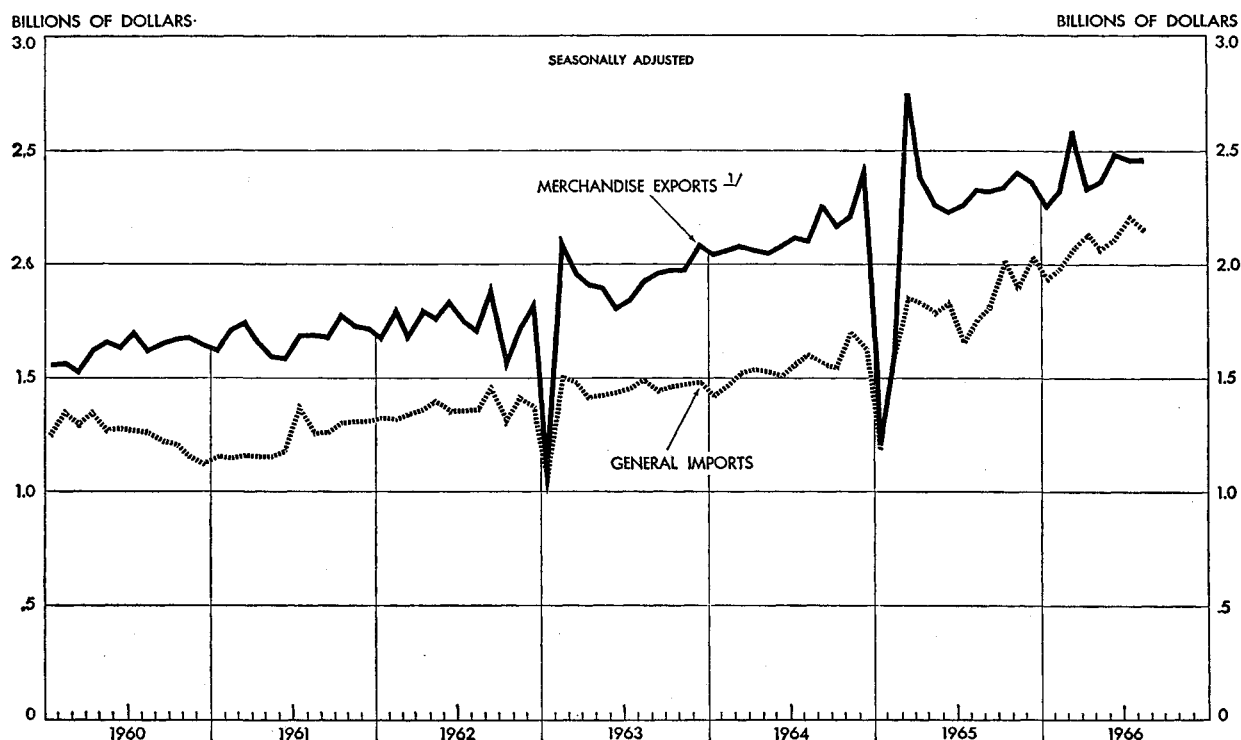
³ For annual periods, ratio of weighted average inventories to average monthly shipments; for monthly data, ratio of inventories at end of month to shipments for month.

⁴ Preliminary; September not charted.

Source: Department of Commerce.

MERCHANDISE EXPORTS AND IMPORTS

The U.S. export surplus (seasonally adjusted) rose to \$312 million in August as imports declined slightly and exports were unchanged. The August trade balance was only slightly below the \$327 million monthly rate prevailing in the first 7 months of the year.



1/SEE NOTE 1 BELOW.
SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

Period	Merchandise exports						Merchandise imports						Merchandise trade surplus, seasonally adjusted
	Total (including reexports) ¹		Domestic exports				General imports ²		Imports for consumption ³				
			Total ⁴	Food, beverages, and tobacco	Crude materials, and fuel	Manufactured goods			Total ⁴	Food, beverages, and tobacco	Crude materials, and fuel	Manufactured goods	
Monthly average:	Seasonally adjusted	Unadjusted	Total ⁴	Food, beverages, and tobacco	Crude materials, and fuel	Manufactured goods	Seasonally adjusted	Unadjusted	Total ⁴	Food, beverages, and tobacco	Crude materials, and fuel	Manufactured goods	
1958-----		1, 364	1, 351	224	254	962		1, 105	1, 101	296	342	433	259
1959-----		1, 367	1, 352	238	250	931		1, 302	1, 285	296	382	575	65
1960-----		1, 634	1, 617	263	324	1, 072		1, 251	1, 251	283	379	556	383
1961-----		1, 679	1, 659	286	318	1, 083		1, 226	1, 221	286	361	539	453
1962-----		1, 745	1, 723	307	277	1, 157		1, 366	1, 354	306	381	630	379
1963-----		1, 869	1, 846	342	311	1, 218		1, 429	1, 417	320	386	666	440
1964-----		2, 139	2, 110	387	362	1, 364		1, 557	1, 550	332	413	756	582
1965-----		2, 214	2, 185	377	356	1, 438		1, 781	1, 773	335	448	933	433
			Unadjusted						Unadjusted				
1965: Aug-----	2, 333	2, 124	2, 096	363	322	1, 393	1, 854	1, 804	1, 727	315	449	909	479
Sept-----	2, 324	2, 140	2, 110	401	303	1, 371	1, 865	1, 855	1, 795	353	431	946	460
Oct-----	2, 342	2, 420	2, 387	431	383	1, 530	1, 885	1, 876	2, 004	409	462	1, 061	457
Nov-----	2, 408	2, 440	2, 407	459	403	1, 525	1, 952	2, 017	1, 953	417	424	1, 034	456
Dec-----	2, 356	2, 551	2, 520	444	416	1, 614	1, 892	2, 009	2, 130	429	494	1, 140	463
1966: Jan-----	2, 249	2, 133	2, 105	374	324	1, 359	1, 936	1, 829	1, 801	325	461	974	313
Feb-----	2, 335	2, 210	2, 177	396	332	1, 468	1, 993	1, 822	1, 806	352	419	956	342
Mar-----	2, 594	2, 747	2, 707	486	366	1, 822	2, 073	2, 246	2, 225	414	523	1, 225	522
Apr-----	2, 331	2, 465	2, 422	437	339	1, 624	2, 138	2, 071	2, 004	378	446	1, 111	193
May-----	2, 364	2, 506	2, 457	405	372	1, 650	2, 070	2, 092	2, 066	359	456	1, 181	294
June-----	2, 486	2, 468	2, 430	412	379	1, 617	2, 115	2, 194	2, 176	388	500	1, 207	371
July-----	2, 460	2, 329	2, 298	396	328	1, 558	2, 207	2, 072	2, 051	348	445	1, 182	254
Aug-----	2, 460	2, 278	2, 244	448	354	1, 434	2, 148	2, 180	2, 216	344	523	1, 286	312

¹ Total excludes Department of Defense shipments of grant-aid military supplies and equipment under the Military Assistance Program.

² Total arrivals of imported goods other than intransit shipments.

³ Imported merchandise released from Customs custody for entry into U.S.

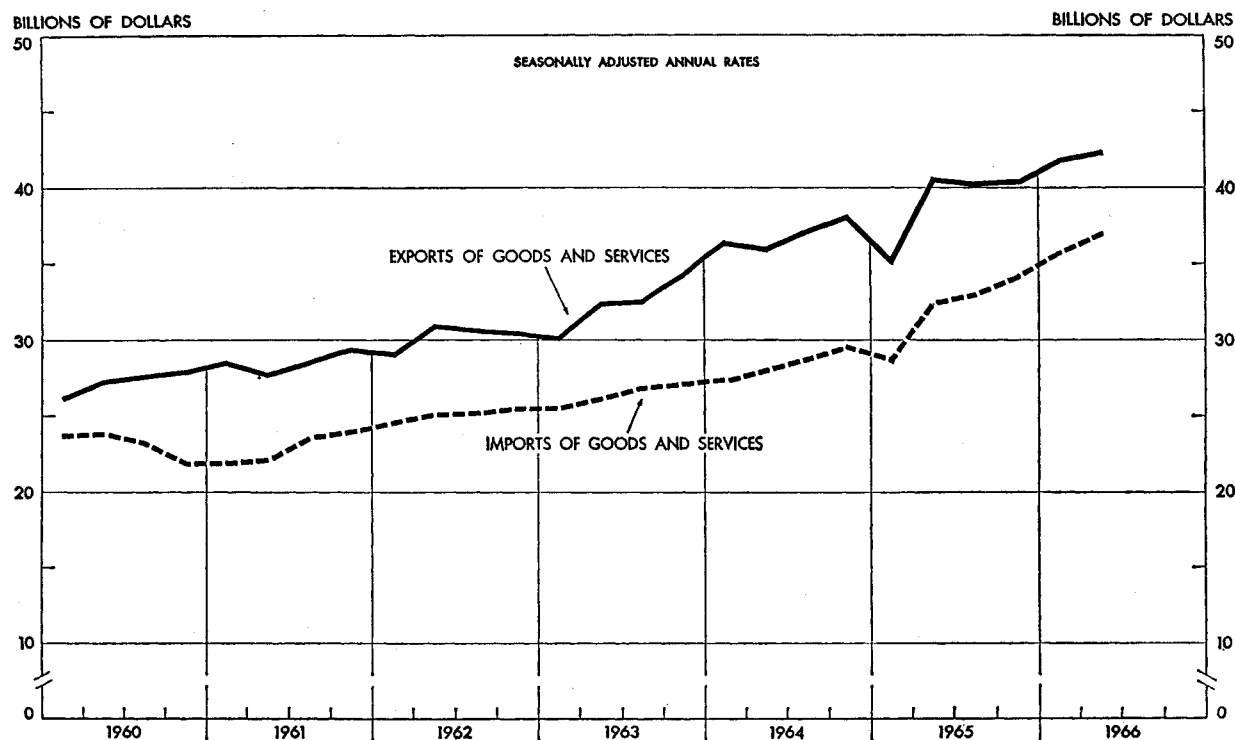
consumption channels, entries into bonded manufacturing warehouses, and ores and crude metals (after smelting and refining) in bonded warehouses.

⁴ Total includes commodities and transactions not classified according to kind.

Source: Department of Commerce.

U.S. EXPORTS AND IMPORTS OF GOODS AND SERVICES

Current data indicate that the U.S. surplus on goods and services fell \$800 million to \$5.3 billion (seasonally adjusted annual rate) in the second quarter. A billion dollar rise in merchandise imports plus larger military expenditures were only partially offset by higher military sales and rising investment income.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

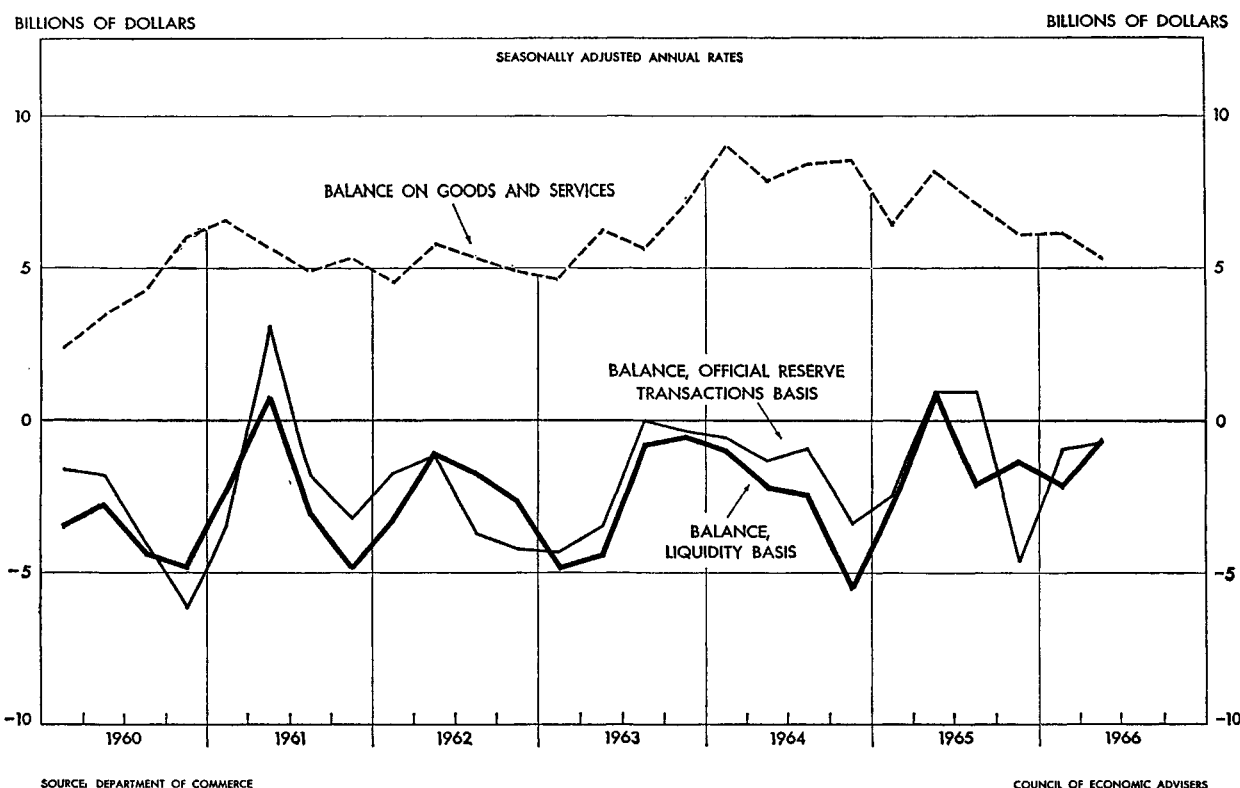
Period	Exports of goods and services						Imports of goods and services				Balance on goods and services
	Total	Merchandise ¹	Military sales	Income on investments		Other services	Total	Merchandise ¹	Military expenditures	Other services	
1959	23,489	16,295	302	2,694	349	3,849	23,342	15,310	3,107	4,925	147
1960	27,244	19,489	335	3,001	349	4,070	23,198	14,732	3,069	5,397	4,046
1961	28,575	19,954	402	3,561	380	4,278	22,954	14,510	2,981	5,463	5,621
1962	30,278	20,604	656	3,954	471	4,593	25,148	16,187	3,083	5,878	5,130
1963	32,339	22,071	657	4,156	498	4,957	26,442	16,992	2,936	6,514	5,897
1964	36,958	25,297	747	4,932	460	5,522	28,468	18,621	2,834	7,013	8,490
1965	38,993	26,276	844	5,389	512	5,972	32,036	21,488	2,881	7,667	6,957
Seasonally adjusted annual rates											
1965: I	35,104	22,500	800	5,688	556	5,560	28,656	18,624	2,656	7,376	6,448
II	40,544	27,192	916	5,880	584	5,972	32,348	21,924	2,804	7,620	8,196
III	40,064	27,304	796	5,284	596	6,084	32,980	22,380	2,980	7,620	7,084
IV	40,260	28,108	864	4,704	312	6,272	34,160	23,024	3,084	8,052	6,100
1966: I	41,824	28,484	792	5,568	596	6,384	35,688	24,012	3,416	8,260	6,136
II	42,260	28,444	1,032	5,788	596	6,400	36,952	25,032	3,652	8,268	5,308

¹ Adjusted from customs data for differences in timing and coverage.

Source: Department of Commerce.

U.S. BALANCE OF INTERNATIONAL PAYMENTS

A marked increase in foreign capital inflows in the second quarter led to a reduction in the liquidity account deficit from \$2.2 billion to \$0.6 billion (seasonally adjusted annual rates), despite a rise in U.S. direct investment abroad. The deficit on official reserve balance declined by more than \$0.2 billion to \$0.7 billion in the April-June period.



[Millions of dollars]

Period	U.S. Government grants and capital, net ¹	U.S. private capital, net			Foreign capital, net ¹	Errors and unrecorded transactions	Balance		Changes in selected liabilities (decrease (-)) ⁴			Changes in gold, convertible currencies and IMF gold tranche position (increase (-))
		Direct investment	Other long-term	Short-term			Liquidity basis ²	Official reserve transactions basis ³	To foreign official holders ⁵		To other foreign holders ⁶	
									Liquid	Non-liquid		
1959	-1,986	-1,372	-926	-77	736	423	-3,870					1,035
1960	-2,769	-1,674	-863	-1,348	366	-941	-3,881	-3,402	7,149		289	2,143
1961	-2,780	-1,599	-1,025	-1,556	707	-1,006	-2,370	-1,347	7,681		1,083	606
1962	-3,013	-1,654	-1,227	-544	1,021	-1,159	-2,203	-2,706	7,457	254	213	1,533
1963	-3,581	-1,976	-1,695	-785	689	-352	-2,670	-2,044	1,673	-7	619	378
1964	-3,560	-2,416	-1,961	-2,146	685	-1,011	-2,798	-1,546	1,073	302	1,554	171
1965	-3,375	-3,371	-1,080	761	194	-429	-1,337	-1,305	-17	100	132	1,222
Seasonally adjusted annual rates									Quarterly totals, unadjusted			
1965:												
I	-3,208	-4,848	-2,656	1,084	1,300	0	-2,788	-2,472	-860	-23	203	842
II	-3,796	-3,436	404	1,648	-524	-436	904	956	-107	-16	-150	68
III	-2,972	-2,276	-1,452	420	-1,004	-960	-2,136	928	253	-18	712	41
IV	-3,524	-2,924	-616	-108	1,004	-320	-1,328	-4,632	697	157	-633	271
1966:												
I	-3,792	-2,748	-876	-8	1,080	-1,072	-2,224	-984	-831	25	475	424
II	-3,844	-3,828	-376	-212	3,560	-264	-628	-744	73	227	43	868

¹ Includes certain special Government transactions.

² Equals changes in liquid liabilities to foreign official holders, other foreign holders, and changes in official reserve assets consisting of gold, convertible currencies, and the U.S. gold tranche position in the IMF.

³ Equals changes in liquid and nonliquid liabilities to foreign official holders and changes in official reserve assets consisting of gold, convertible currencies, and the U.S. gold tranche position in the IMF.

⁴ Includes short-term official and banking liabilities and foreign holdings of U.S. Government bonds and notes.

⁵ Central banks, governments, and U.S. liabilities to the IMF arising from reversible gold sales to, and gold deposits with, the U.S.

⁶ Private holders; includes banks and international and regional organizations; excludes IMF.

⁷ Includes change in Treasury liabilities to certain foreign military agencies; excluding these changes, data (\$ millions) are 1,259 (1960), 741 (1961), and 919 (1962).

⁸ On June 30, U.S. reserve assets consisted of gold stock, \$13,529 million (down \$209 million from Mar. 31); IMF position including gold portion of increased U.S. subscription, \$707 million; convertible currencies, \$722 million.

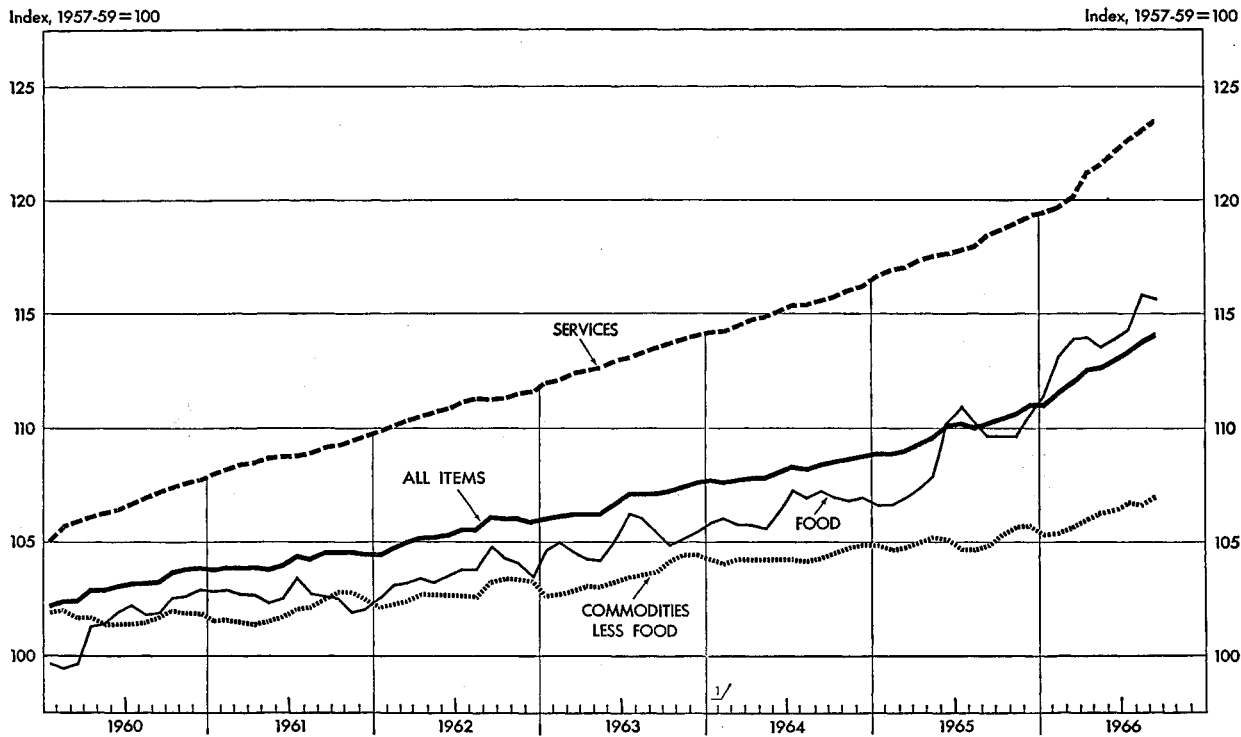
NOTE.—Data exclude military grant-aid and U.S. subscriptions to IMF.

Source: Department of Commerce.

PRICES

CONSUMER PRICES

The consumer price index increased 0.3 percent in September. Increases of 0.8 percent in nondurable goods other than food and 0.4 percent in services more than offset declines of 0.2 percent in food and 0.3 percent in durable consumer goods.



1/SEE NOTE BELOW.

SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[1957-59=100]

Period	All items	Commodities					Services		
		All commodities	Food	Commodities less food			All services	Rent	Services less rent
				All	Durable	Non-durable			
1955	93.3	94.6	94.0	94.9	95.3	94.4	90.5	94.8	89.4
1956	94.7	95.5	94.7	95.9	95.4	96.5	92.8	96.5	91.9
1957	98.0	98.5	97.8	98.8	98.5	99.1	96.6	98.3	96.1
1958	100.7	100.8	101.9	99.9	100.0	99.8	100.3	100.1	100.2
1959	101.5	100.9	100.3	101.2	101.5	101.0	103.2	101.6	103.6
1960	103.1	101.7	101.4	101.7	100.9	102.6	106.6	103.1	107.4
1961	104.2	102.3	102.6	102.0	100.8	103.2	108.8	104.4	110.0
1962	105.4	103.2	103.6	102.8	101.8	103.8	110.9	105.7	112.1
1963	106.7	104.1	105.1	103.5	102.1	104.8	113.0	106.8	114.5
1964 ¹	108.1	105.2	106.4	104.4	103.0	105.7	115.2	107.8	117.0
1965	109.9	106.4	108.8	105.1	102.6	107.2	117.8	108.9	120.0
1965: Aug.	110.0	106.6	110.1	104.7	101.8	107.1	117.9	109.0	120.0
Sept.	110.2	106.6	109.7	104.9	101.7	107.7	118.5	109.1	120.7
Oct.	110.4	106.9	109.7	105.3	102.1	108.0	118.7	109.2	121.0
Nov.	110.6	107.1	109.7	105.6	102.4	108.3	119.0	109.3	121.3
Dec.	111.0	107.4	110.6	105.7	102.4	108.4	119.3	109.5	121.6
1966: Jan.	111.0	107.4	111.4	105.3	101.9	108.0	119.5	109.7	121.8
Feb.	111.6	108.0	113.1	105.4	101.8	108.3	119.7	109.8	122.0
Mar.	112.0	108.4	113.9	105.6	102.0	108.6	120.1	109.9	122.5
Apr.	112.5	108.8	114.0	106.0	102.3	109.0	121.1	110.1	123.6
May	112.6	108.8	113.5	106.3	102.5	109.3	121.5	110.2	124.1
June	112.9	109.0	113.9	106.4	102.6	109.5	122.0	110.2	124.8
July	113.3	109.3	114.3	106.7	103.0	109.7	122.6	110.3	125.5
Aug.	113.8	109.8	115.8	106.6	103.0	109.6	123.0	110.6	125.9
Sept.	114.1	110.0	115.6	107.0	102.7	110.5	123.5	110.7	126.5

¹See Note.

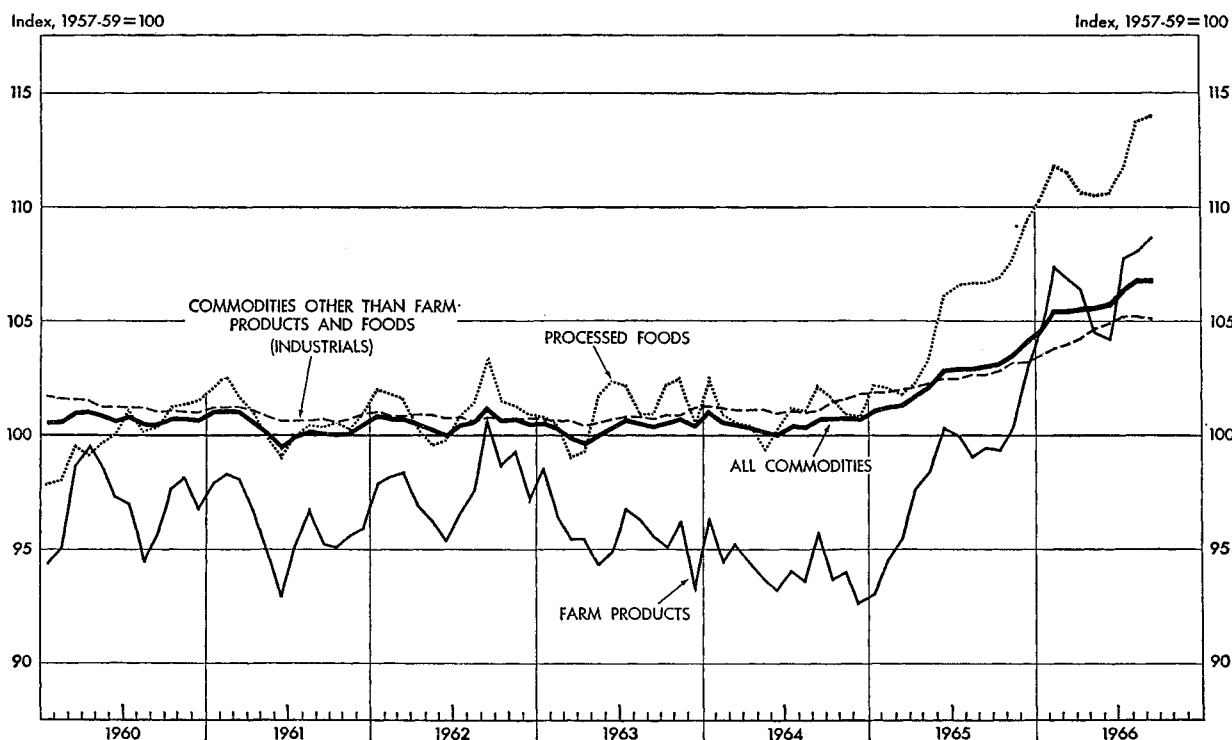
NOTE.—Prior to January 1964, indexes revised to reflect transfer of home-ownership from services to durable commodities.

Beginning with January 1964, new index with revised weights, coverage, and sampling procedures. For details, see Department of Labor release, *Major Changes in the Consumer Price Index*, March 3, 1964.

Source: Department of Labor.

WHOLESALE PRICES

The wholesale price index was unchanged in September. Farm prices rose 0.6 percent, about twice as much as in August, but the processed food price increase of 0.2 percent was significantly lower than that of August. Industrial prices fell 0.1 percent, largely because of a 0.6 percent drop in crude materials prices.



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[1957-59=100]

Period	All commodities	Farm products	Processed foods	Commodities other than farm products and foods (industrials)					
				All industrials ¹	Industrial crude materials	Industrial intermediate materials ²	Producer finished goods	Consumer finished goods excluding food	
								Durable	Non-durable
1958.....	100.4	103.6	102.9	99.5	96.9	99.4	100.2	100.1	99.3
1959.....	100.6	97.2	99.2	101.3	102.3	101.0	102.1	101.3	100.8
1960.....	100.7	96.9	100.0	101.3	98.3	101.4	102.3	100.9	101.5
1961.....	100.3	96.0	100.7	100.8	97.2	100.1	102.5	100.5	101.5
1962.....	100.6	97.7	101.2	100.8	95.6	99.9	102.9	100.0	101.6
1963.....	100.3	95.7	101.1	100.7	94.3	99.6	103.1	99.5	101.9
1964.....	100.5	94.3	101.0	101.2	97.1	100.2	104.1	99.9	101.6
1965.....	102.5	98.4	105.1	102.5	100.9	101.5	105.4	99.6	102.8
1965: Aug.....	102.9	99.1	106.7	102.7	101.7	101.7	105.5	99.5	102.8
Sept.....	103.0	99.5	106.7	102.7	101.3	101.8	105.5	99.5	103.0
Oct.....	103.1	99.4	106.9	102.8	102.0	101.9	105.6	99.5	103.3
Nov.....	103.5	100.3	107.6	103.2	102.7	102.1	105.9	99.6	103.6
Dec.....	104.1	103.0	109.4	103.2	102.6	102.2	106.0	99.6	103.7
1966: Jan.....	104.6	104.5	110.3	103.5	104.0	102.4	106.2	99.7	103.9
Feb.....	105.4	107.4	111.8	103.8	105.7	102.6	106.6	99.7	104.0
Mar.....	105.4	106.8	111.5	104.0	106.6	102.9	106.8	99.7	104.1
Apr.....	105.5	106.4	110.6	104.3	106.1	103.4	107.0	99.8	104.3
May.....	105.6	104.5	110.5	104.7	105.9	103.8	107.6	100.2	104.5
June.....	105.7	104.2	110.6	104.9	106.5	103.9	107.9	100.1	104.9
July.....	106.4	107.8	111.7	105.2	106.4	104.0	108.1	100.2	105.0
Aug.....	106.8	108.1	113.8	105.2	103.3	104.2	108.3	100.1	105.2
Sept ³	106.8	108.7	114.0	105.1	102.7	104.1	108.4	99.9	105.3
Weed ended: ⁴									
1966: Oct 4.....	106.1	104.3	112.3	105.1					
11 ³	106.1	104.4	112.1	105.1					

¹ Coverage of the subgroups does not correspond exactly to coverage of this index.

² Excludes intermediate materials for food manufacturing and manufactured animal feeds; includes, in part, grain products for further processing.

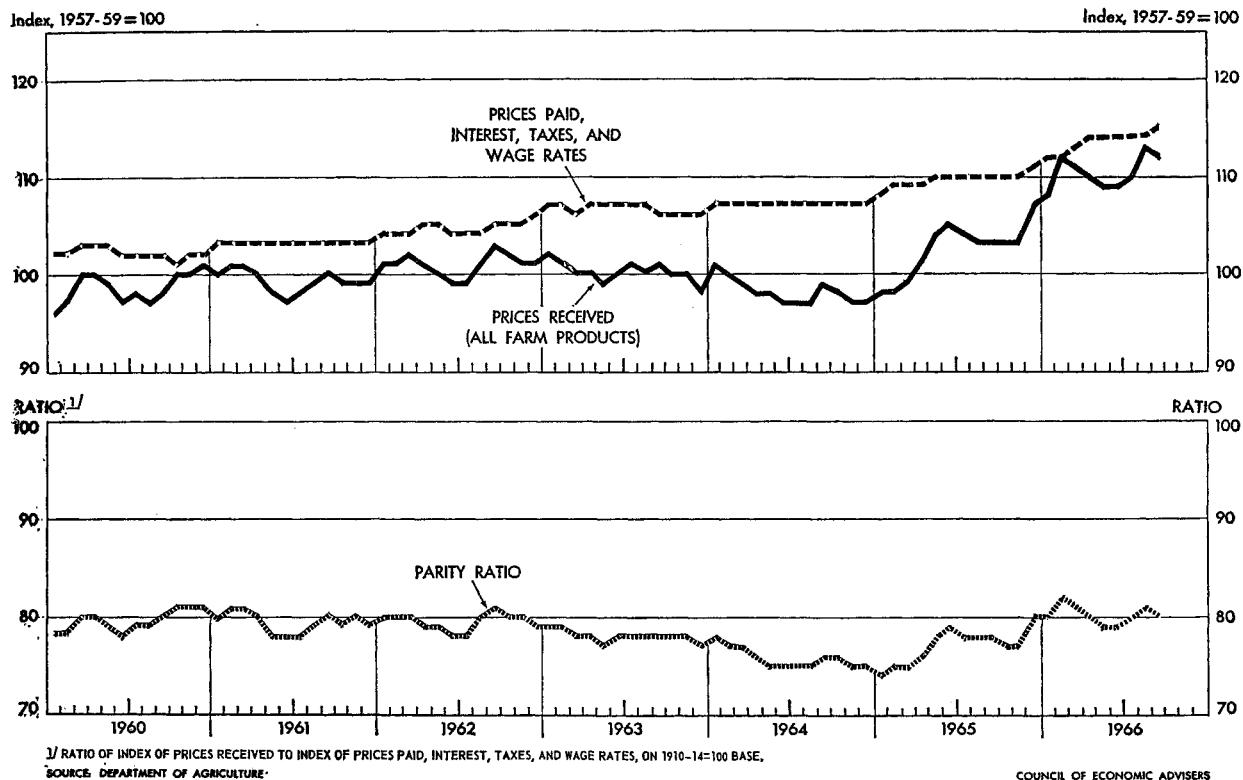
³ Preliminary.

⁴ Weekly series based on smaller sample than monthly series.

Source: Department of Labor.

PRICES RECEIVED AND PAID BY FARMERS

The parity ratio fell 1 point in the month ended September 15 as prices received by farmers fell 1 percent and prices paid rose 1 percent. Prices received for livestock and products were unchanged, but prices received for crops declined 2 percent. The cost of production items rose 1 percent.



Period	Prices received by farmers			Prices paid by farmers			Parity ratio ¹
	All farm products	Crops	Livestock and products	All items, interest, taxes, and wage rates	Family living items	Production items	
	Index, 1957-59=100						
1956.....	95	105	88	95	96	95	83
1957.....	97	101	94	98	99	98	82
1958.....	104	100	106	100	100	100	85
1959.....	99	99	100	102	101	102	81
1960.....	98	99	98	102	102	101	80
1961.....	99	102	98	103	102	101	79
1962.....	101	104	99	105	103	103	80
1963.....	100	107	95	107	104	104	78
1964.....	98	107	91	107	105	103	76
1965.....	102	104	101	110	107	105	77
1965: Aug 15.....	103	100	105	110	107	106	77
Sept 15.....	103	100	105	110	107	106	77
Oct 15.....	103	99	106	110	107	105	77
Nov 15.....	103	98	107	110	107	105	77
Dec 15.....	107	100	112	111	108	106	80
1966: Jan 15.....	108	101	114	112	108	107	80
Feb 15.....	112	104	118	112	109	108	82
Mar 15.....	111	104	118	113	110	108	81
Apr 15.....	110	106	113	114	110	108	80
May 15.....	109	107	110	114	110	108	79
June 15.....	109	108	110	114	110	108	79
July 15.....	110	110	111	114	110	109	80
Aug 15.....	113	108	116	114	111	109	81
Sept 15.....	112	106	116	115	111	110	80

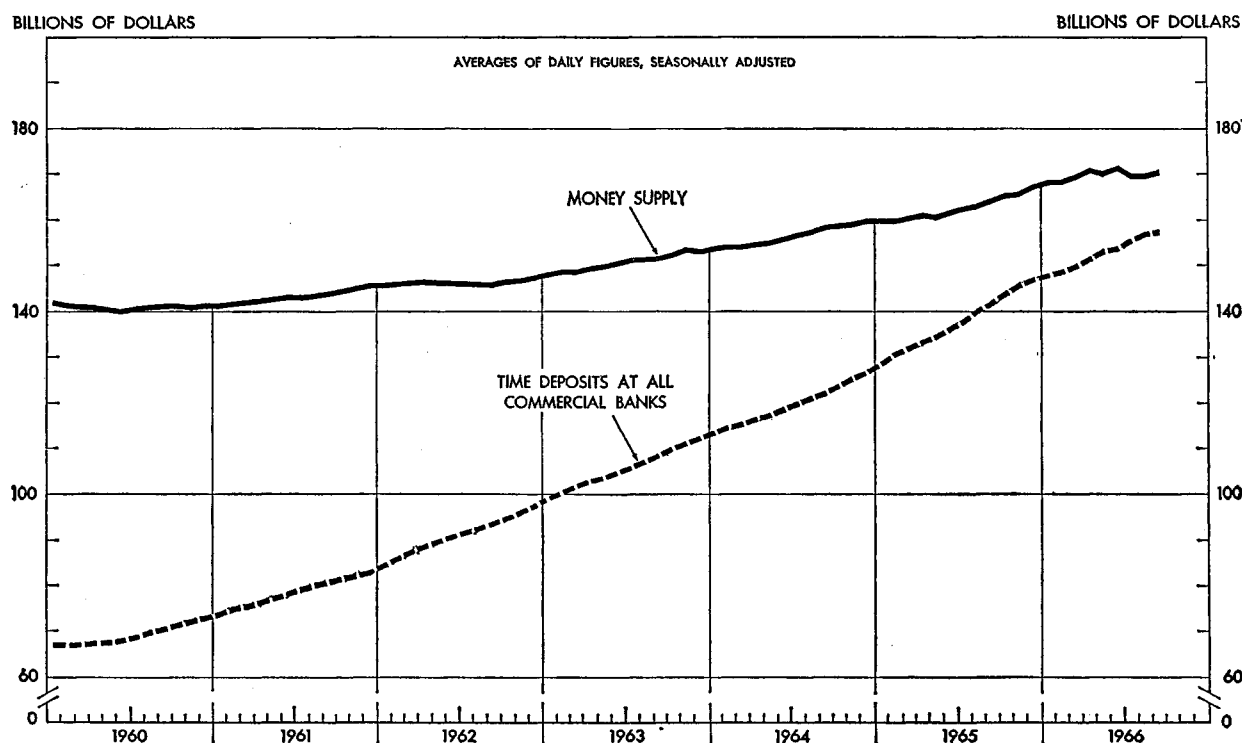
¹ Percentage ratio of index of prices received by farmers to index of prices paid, interest, taxes, and wage rates on 1910-14=100 base.

Source: Department of Agriculture.

MONEY, CREDIT, AND SECURITY MARKETS

MONEY SUPPLY

In September, an \$0.8 billion increase in demand deposits was the main cause of an \$0.9 billion increase in the seasonally adjusted money supply. Time deposits, seasonally adjusted, increased by only \$0.3 billion, the smallest monthly gain in over 6 years.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[Averages of daily figures, millions of dollars]

Period	Money supply				Time de- posits ¹	Money supply			Time de- posits ¹	U.S. Gov- ernment de- mand de- posits ¹
	Total	Cur- rency out- side banks	De- mand de- posits	Total		Cur- rency out- side banks	De- mand de- posits			
Seasonally adjusted					Unadjusted					
1960: Dec.....	141.1	28.9	112.1	72.9	144.7	29.6	115.2	72.1	4.7	
1961: Dec.....	145.5	29.6	116.0	82.7	149.4	30.2	119.2	81.8	4.9	
1962: Dec.....	147.5	30.6	116.9	97.8	151.6	31.2	120.3	96.7	5.6	
1963: Dec.....	153.1	32.5	120.6	112.2	157.3	33.1	124.1	111.0	5.1	
1964: Dec.....	159.7	34.2	125.4	126.6	164.0	35.0	129.1	125.2	5.5	
1965:*Dec.....	167.2	36.3	130.9	146.9	172.0	37.1	134.9	145.2	4.6	
1965:*Aug.....	163.0	35.5	127.5	140.0	160.3	35.5	124.8	140.2	7.3	
Sept.....	164.1	35.7	128.5	141.6	163.1	35.7	127.5	141.4	5.5	
Oct.....	165.2	36.0	129.3	143.7	165.7	36.0	129.7	143.5	5.0	
Nov.....	165.6	36.1	129.5	145.5	167.3	36.5	130.8	144.3	4.1	
Dec.....	167.2	36.3	130.9	146.9	172.0	37.1	134.9	145.2	4.6	
1966:*Jan.....	168.0	36.6	131.4	147.8	173.0	36.5	136.5	147.3	3.8	
Feb.....	168.2	36.8	131.4	148.5	167.8	36.4	131.4	148.7	5.2	
Mar.....	169.3	36.9	132.3	149.5	167.8	36.6	131.3	150.2	4.6	
Apr.....	170.9	37.2	133.7	151.4	171.6	36.8	134.8	152.2	3.1	
May.....	170.2	37.3	132.9	153.0	166.9	37.0	129.9	153.9	7.2	
June.....	171.1	37.4	133.7	153.7	168.8	37.3	131.5	154.1	6.3	
July.....	169.6	37.7	131.9	155.3	167.9	37.8	130.1	155.8	8.1	
Aug ²	169.6	37.8	131.8	156.7	166.9	37.8	129.0	157.0	5.2	
Sept ²	170.5	37.9	132.6	157.0	169.4	37.9	131.5	156.9	4.5	

¹ Deposits at all commercial banks.

² Preliminary.

³ Effective June 9, balances accumulated for payment of personal loans (about \$1.1 billion at that time) are excluded from time deposits reported by member banks and from loans at all commercial banks.

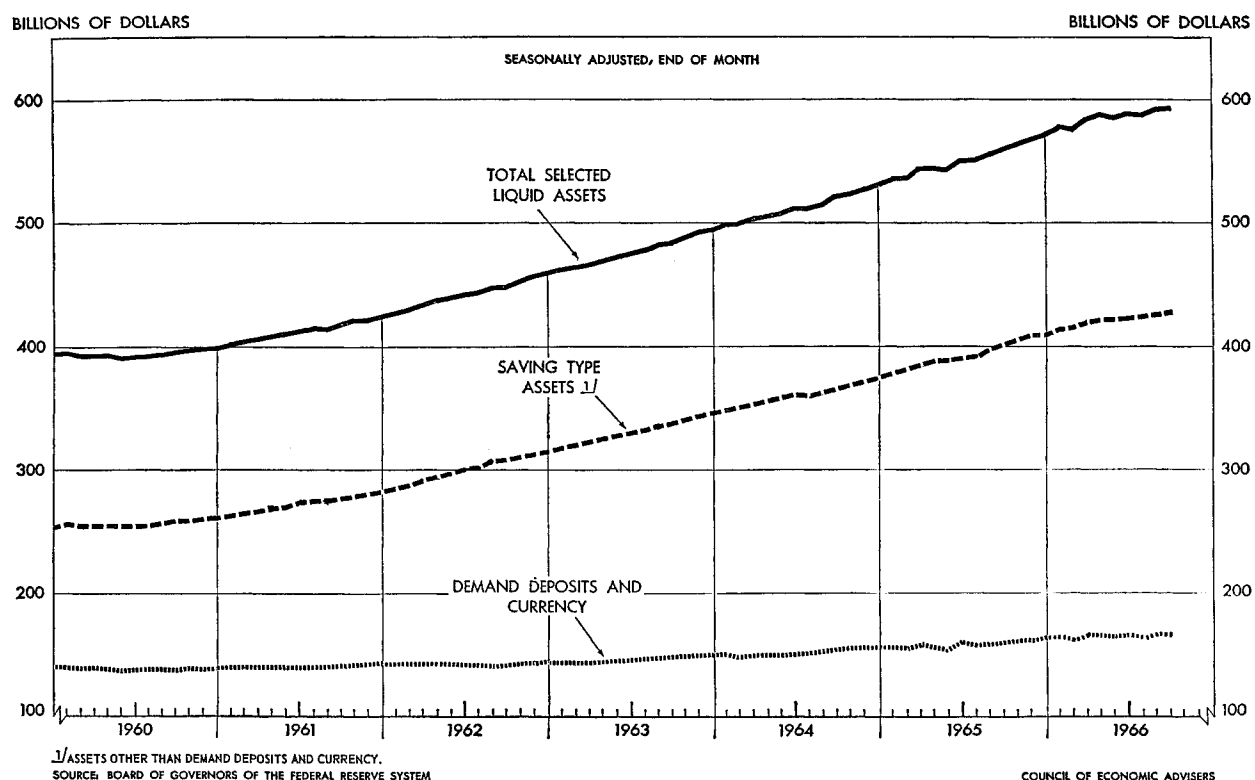
*Series revised. See *Federal Reserve Bulletin*, September 1966.

NOTE.—See Note, p. 31.

Source: Board of Governors of the Federal Reserve System.

SELECTED LIQUID ASSETS HELD BY THE PUBLIC

The public's holdings of savings and loan shares increased by about \$1½ billion (seasonally adjusted) in September. Short-term Government securities increased by a similar amount but demand deposits and currency declined by \$1 billion. In all, total liquid assets held by the public increased by only \$0.3 billion.



[Billions of dollars, seasonally adjusted]

End of period	Total selected liquid assets	Demand deposits and currency ¹	Time deposits		Postal Savings System	Savings and loan shares	U.S. Government savings bonds ²	U.S. Government securities maturing within one year ²
			Com-mercial banks	Mutual savings banks				
1959-----	393.9	139.7	67.4	34.9	0.9	54.3	47.9	48.8
1960-----	399.2	138.4	73.1	36.2	.8	61.8	47.0	41.9
1961-----	424.6	142.6	82.5	38.3	.6	70.5	47.4	42.6
1962-----	459.0	144.8	98.1	41.4	.5	79.8	47.6	46.8
1963-----	495.4	149.6	112.9	44.5	.5	90.9	49.0	48.1
1964-----	530.5	156.7	127.1	49.0	.4	101.4	49.9	46.1
1965-----	572.8	164.0	147.1	52.5	.3	109.7	50.5	48.6
1965: Aug-----	555.7	157.8	139.8	51.3	.3	106.5	50.1	49.8
Sept-----	560.7	160.6	141.6	51.6	.3	107.8	50.1	48.7
Oct-----	565.1	161.1	144.0	52.0	.3	108.4	50.1	49.1
Nov-----	568.3	160.4	146.5	52.3	.3	109.3	50.1	49.4
Dec-----	572.9	164.0	147.1	52.6	.3	109.7	50.5	48.6
1966: Jan-----	578.5	164.8	149.2	52.8	.3	109.8	50.5	51.2
Feb-----	577.5	162.8	149.4	53.0	.3	110.6	50.3	51.0
Mar-----	585.5	167.0	151.1	53.1	.3	111.4	50.3	52.1
Apr ³ -----	587.0	166.6	152.3	53.1	.3	111.0	50.4	53.3
May ³ -----	585.8	164.1	153.2	53.2	.3	111.2	50.4	53.3
June ³ -----	⁴ 588.6	166.4	⁴ 153.4	53.4	.2	111.4	50.4	53.4
July ³ -----	587.8	164.3	155.6	53.7	.2	110.7	50.6	52.7
Aug ³ -----	592.3	166.9	156.1	53.9	.2	111.3	50.6	53.3
Sept ³ -----	592.6	165.9	156.2	54.1	.2	111.9	50.5	53.8

¹ Agrees in concept with money supply, p. 29, except for deduction of demand deposits held by mutual savings banks and savings and loan associations. Data for last Wednesday of month.

² Excludes holdings of Government agencies and trust funds, domestic commercial and mutual savings banks, Federal Reserve Banks, and beginning February 1960, savings and loan associations.

³ Preliminary.

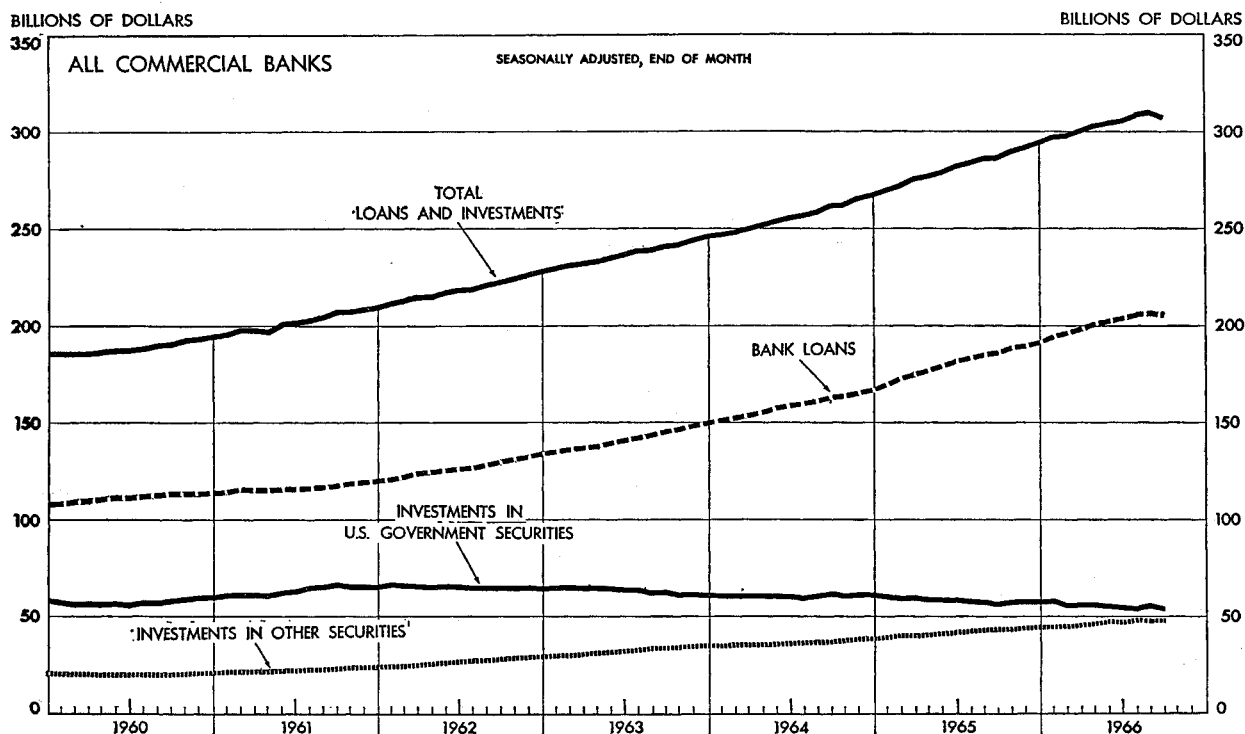
⁴ See footnote 3, page 29.

NOTE.—See Note, p. 31.

Source: Board of Governors of the Federal Reserve System.

BANK LOANS, INVESTMENTS, DEBITS, AND RESERVES

Total commercial bank credit, seasonally adjusted, declined by over \$2 billion in September due to a reduction in loans and in holdings of Government securities. There was also a decline in net borrowed reserves.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

End of period	All commercial banks (seasonally adjusted data)				Weekly reporting member banks ¹	Bank debits outside New York City (224 centers), seasonally adjusted annual rates ³	All member banks ^{1 4}			
	Total loans and invest- ments	Loans, excluding inter- bank	Investments				Total reserves	Excess reserves	Borrow- ings at Federal Reserve Banks	Free reserves
			U.S. Gov- ernment securities	Other securi- ties	Business loans ²					
	Billions of dollars					Millions of dollars				
1959.....	185.9	107.5	57.9	20.5	30.7	1,656	18,932	482	906	-424
1960.....	194.5	113.8	59.8	20.8	32.2	1,736	19,283	756	87	669
1961.....	209.6	120.5	62.2	23.9	32.9	1,832	20,118	568	149	419
1962.....	227.9	134.1	64.5	29.2	35.2	2,021	20,040	572	304	268
1963.....	246.2	149.7	61.5	35.0	38.8	2,199	20,746	536	327	209
1964.....	267.2	167.4	61.1	38.7	42.1	2,696	21,609	411	243	168
1965.....	294.4	192.0	57.7	44.8	50.6	2,997	22,719	452	454	-2
1965: Aug.....	286.1	185.2	57.7	43.1	46.9	3,019	21,617	430	564	-134
Sept.....	286.2	186.2	56.5	43.4	48.1	3,023	21,740	384	528	-144
Oct.....	289.9	188.6	57.4	43.9	48.2	3,069	21,958	344	490	-146
Nov.....	291.5	189.8	57.5	44.2	49.0	3,179	21,958	369	452	-83
Dec.....	294.4	192.0	57.7	44.8	50.6	3,250	22,719	452	454	-2
1966: Jan.....	297.4	194.5	58.0	44.9	50.3	3,198	22,750	358	402	-44
Feb.....	297.5	196.2	55.9	45.4	51.1	3,264	22,233	371	478	-107
Mar.....	300.3	198.6	56.0	45.7	52.6	3,397	22,160	305	551	-246
Apr ⁵	302.7	200.7	55.8	46.2	52.5	3,390	22,528	358	626	-268
May ⁵	304.3	202.0	55.0	47.2	53.5	3,348	22,487	370	722	-352
June ⁵	305.4	203.7	54.5	47.1	55.8	3,377	22,534	322	674	-352
July ⁵	308.2	205.9	54.1	48.2	58.7	3,509	23,090	404	766	-362
Aug ⁵	309.8	206.1	55.9	47.8	58.3	3,474	22,653	325	728	-403
Sept ⁵	307.6	205.5	54.0	48.0	59.4		23,239	392	766	-374

¹ Member banks are all national banks and those State banks which have taken membership in the Federal Reserve System.

² Commercial and industrial loans.

³ Debits during period to demand deposit accounts except interbank and U.S. Government. New series; see *Bank Debits and Deposit Turnover, G.6 FRB, February 19, 1965*.

⁴ Averages of daily figures. Annual data are for December.

⁵ Preliminary.

⁶ See footnote 3, page 29.

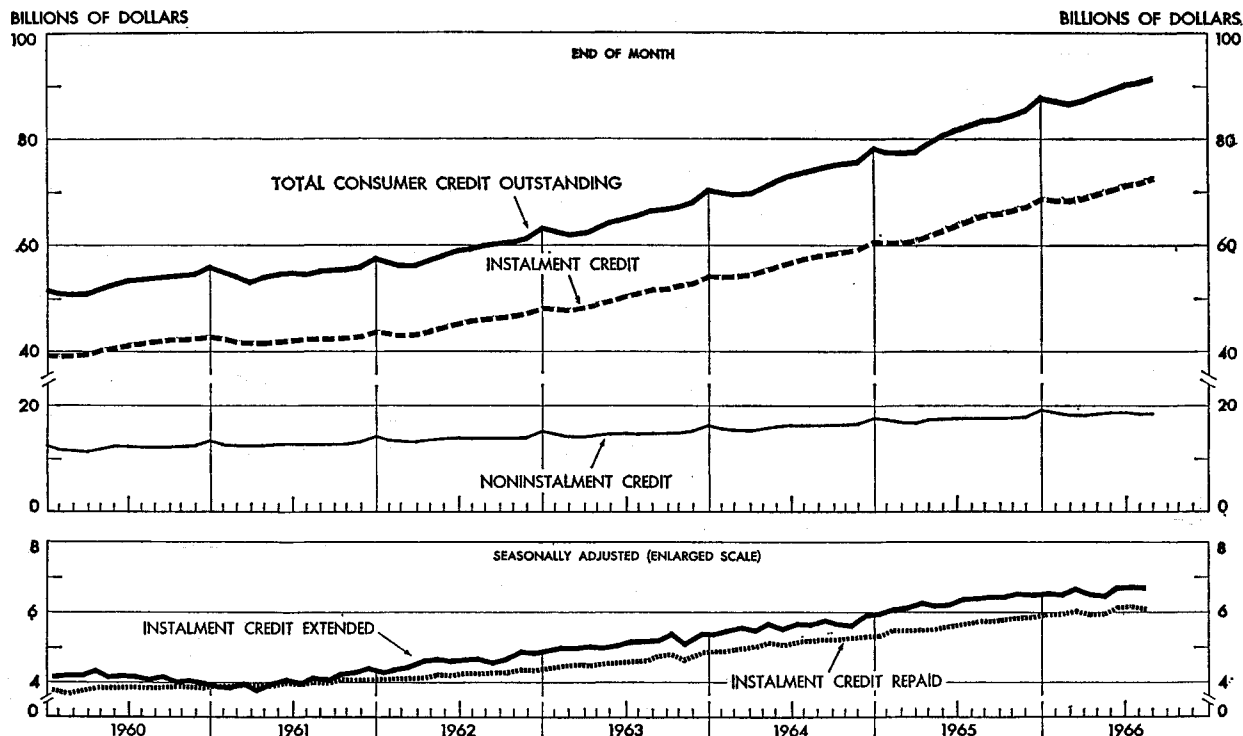
⁷ New series; see *Federal Reserve Bulletin*, August 1966.

NOTE.—Between January and August 1959, series for all commercial banks expanded to include data for all banks in Alaska and Hawaii. Data for all member banks include Alaska and Hawaii beginning 1954 and 1959, respectively.

Source: Board of Governors of the Federal Reserve System.

CONSUMER AND REAL ESTATE CREDIT

Consumer credit outstanding rose again during August. Most of the increase was in instalment loans.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

Period	Consumer credit outstanding (end of period; unadjusted)					Consumer instalment credit extended and repaid (seasonally adjusted)				Mortgage debt out- standing, nonfarm 1- to 4- family houses ³
	Total	Instalment			Non- instal- ment ²	Total		Automobile paper		
		Total ¹	Autom- obile paper	Personal loans		Extended	Repaid	Extended	Repaid	
1956-----	42,334	31,720	14,420	6,789	10,614	39,868	37,054	15,515	14,555	99,000
1957-----	44,970	33,867	15,340	7,582	11,103	42,016	39,868	16,465	15,545	107,600
1958-----	45,129	33,642	14,152	8,116	11,487	40,119	40,344	14,226	15,415	117,700
1959-----	51,542	39,245	16,420	9,386	12,297	48,052	42,603	17,779	15,579	130,900
1960-----	56,028	42,832	17,688	10,480	13,196	49,560	45,972	17,654	16,384	141,300
1961-----	57,678	43,527	17,223	11,256	14,151	48,396	47,700	16,007	16,472	153,100
1962-----	63,164	48,034	19,540	12,643	15,130	55,126	50,620	19,796	17,478	166,500
1963-----	70,461	54,158	22,433	14,464	16,303	61,295	55,171	22,292	19,400	182,200
1964-----	78,442	60,548	25,195	16,228	17,894	67,505	61,121	24,435	21,676	197,600
1965-----	87,884	68,565	28,843	18,354	19,319	75,508	67,495	27,914	24,267	213,500
1965: July-----	82,539	64,704	27,779	17,503	17,835	6,383	5,659	2,355	2,007	-----
Aug-----	83,319	65,508	28,111	17,753	17,811	6,385	5,729	2,372	2,068	-----
Sept-----	83,801	65,979	28,175	17,911	17,822	6,434	5,748	2,385	2,056	209,500
Oct-----	84,465	66,511	28,393	17,950	17,954	6,425	5,805	2,338	2,080	-----
Nov-----	85,291	67,168	28,612	18,070	18,123	6,530	5,831	2,480	2,148	-----
Dec-----	87,884	68,565	28,843	18,354	19,319	6,489	5,855	2,443	2,107	213,500
1966: Jan-----	87,027	68,314	28,789	18,325	18,713	6,544	5,947	2,340	2,115	-----
Feb-----	86,565	68,279	28,894	18,396	18,286	6,492	5,954	2,340	2,135	-----
Mar-----	87,059	68,827	29,248	18,532	18,232	6,673	6,024	2,479	2,216	216,700
Apr-----	88,184	69,543	29,597	18,747	18,641	6,505	5,974	2,302	2,145	-----
May-----	89,092	70,209	29,908	18,927	18,883	6,472	5,979	2,298	2,159	-----
June-----	90,070	71,194	30,402	19,156	18,876	6,675	6,126	2,419	2,211	220,400
July-----	90,650	71,862	30,680	19,306	18,788	6,732	6,168	2,383	2,238	-----
Aug-----	91,483	72,640	30,918	19,577	18,843	6,689	6,087	2,431	2,223	-----

¹Also includes other consumer goods paper, and repair and modernization loans, not shown separately.

²Consists of single-payment loans, charge accounts, and service credit.

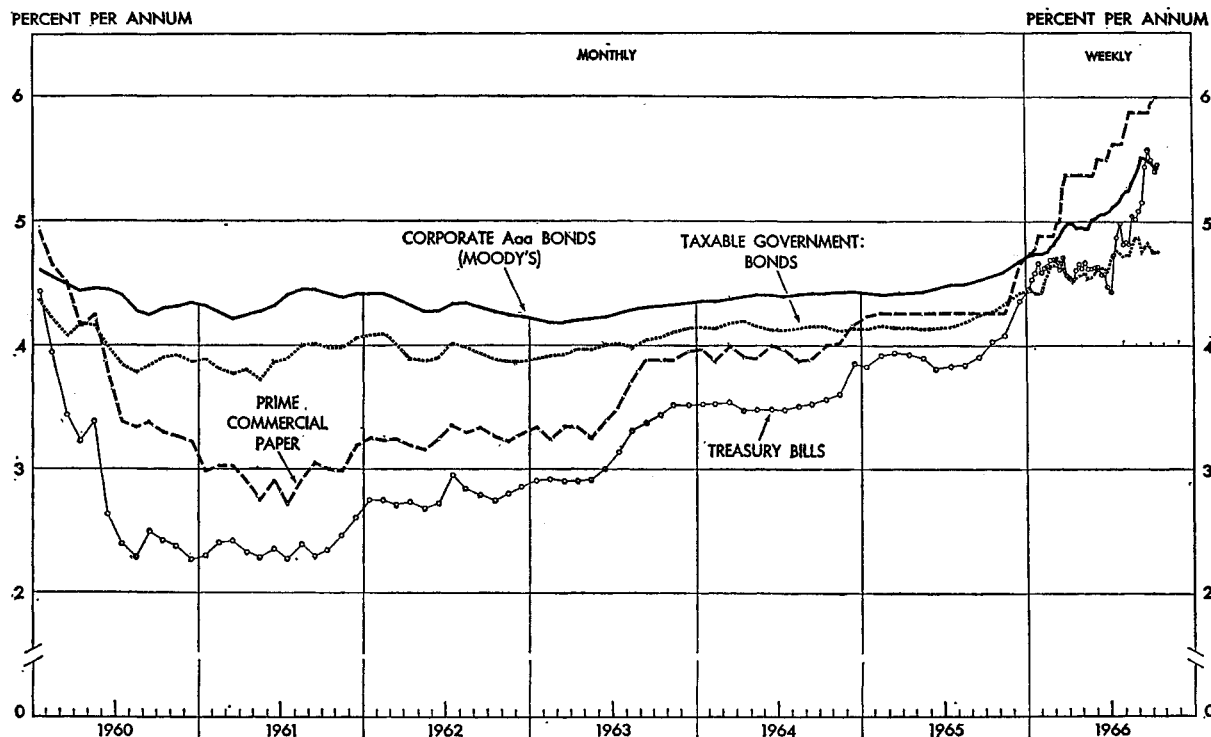
³End of period, unadjusted.

NOTE.—Data for Alaska and Hawaii included beginning January and August 1959, respectively.

Sources: Board of Governors of the Federal Reserve System and Federal Home Loan Bank Board.

BOND YIELDS AND INTEREST RATES

Yields on Government and municipal securities continued to rise throughout September but showed moderate declines in early October. FHA new home mortgage yields increased slightly.



SOURCES: SEE TABLE BELOW

COUNCIL OF ECONOMIC ADVISERS

[Percent per annum]								
Period	U.S. Government security yields			High-grade municipal bonds (Standard & Poor's) ⁴	Corporate bonds (Moody's)		Prime commercial paper, 4-6 months	FHA new home mortgage yields ⁵
	3-month Treasury bills ¹	3-5 year issues ²	Taxable bonds ³		Aaa	Baa		
1959	3.405	4.33	4.08	3.95	4.38	5.05	3.97	5.77
1960	2.928	3.99	4.02	3.73	4.41	5.19	3.85	6.16
1961	2.378	3.60	3.90	3.46	4.35	5.08	2.97	5.78
1962	2.778	3.57	3.95	3.18	4.33	5.02	3.26	5.60
1963	3.157	3.72	4.00	3.23	4.26	4.86	3.55	5.46
1964	3.549	4.06	4.15	3.22	4.40	4.83	3.97	5.45
1965	3.954	4.22	4.21	3.27	4.49	4.87	4.38	5.46
1965: Aug.	3.836	4.19	4.19	3.25	4.49	4.88	4.38	5.44
Sept.	3.912	4.24	4.25	3.36	4.52	4.91	4.38	5.45
Oct.	4.032	4.33	4.28	3.42	4.56	4.93	4.38	5.46
Nov.	4.082	4.46	4.34	3.47	4.60	4.95	4.38	5.49
Dec.	4.362	4.77	4.43	3.56	4.68	5.02	4.65	5.51
1966: Jan.	4.596	4.89	4.43	3.52	4.74	5.06	4.82	5.62
Feb.	4.670	5.02	4.61	3.63	4.78	5.12	4.88	5.70
Mar.	4.626	4.94	4.63	3.72	4.92	5.32	5.21	-----
Apr.	4.611	4.86	4.55	3.59	4.96	5.41	5.38	6.00
May	4.642	4.94	4.57	3.68	4.98	5.48	5.39	-----
June	4.539	5.01	4.63	3.77	5.07	5.58	5.51	6.32
July	4.855	5.22	4.75	3.94	5.16	5.68	5.63	6.45
Aug.	4.932	5.58	4.80	4.17	5.31	5.83	5.85	6.51
Sept.	5.356	5.62	4.79	4.11	5.49	6.09	5.89	6.58
Week ended:								
1966: Sept 17	5.447	5.65	4.79	4.08	5.51	6.10	5.88	-----
24	5.586	5.69	4.82	4.16	5.49	6.10	5.88	-----
Oct 1	5.503	5.49	4.76	4.02	5.47	6.08	5.95	-----
8	5.408	5.39	4.76	4.01	5.44	6.08	6.00	-----
15	5.471	5.42	4.76	3.99	5.43	6.10	6.00	-----
22*	5.424							-----

¹ Rate on new issues within period.

² Selected note and bond issues.

³ April 1953 to date, bonds due or callable 10 years and after.

⁴ Weekly data are Wednesday figures.

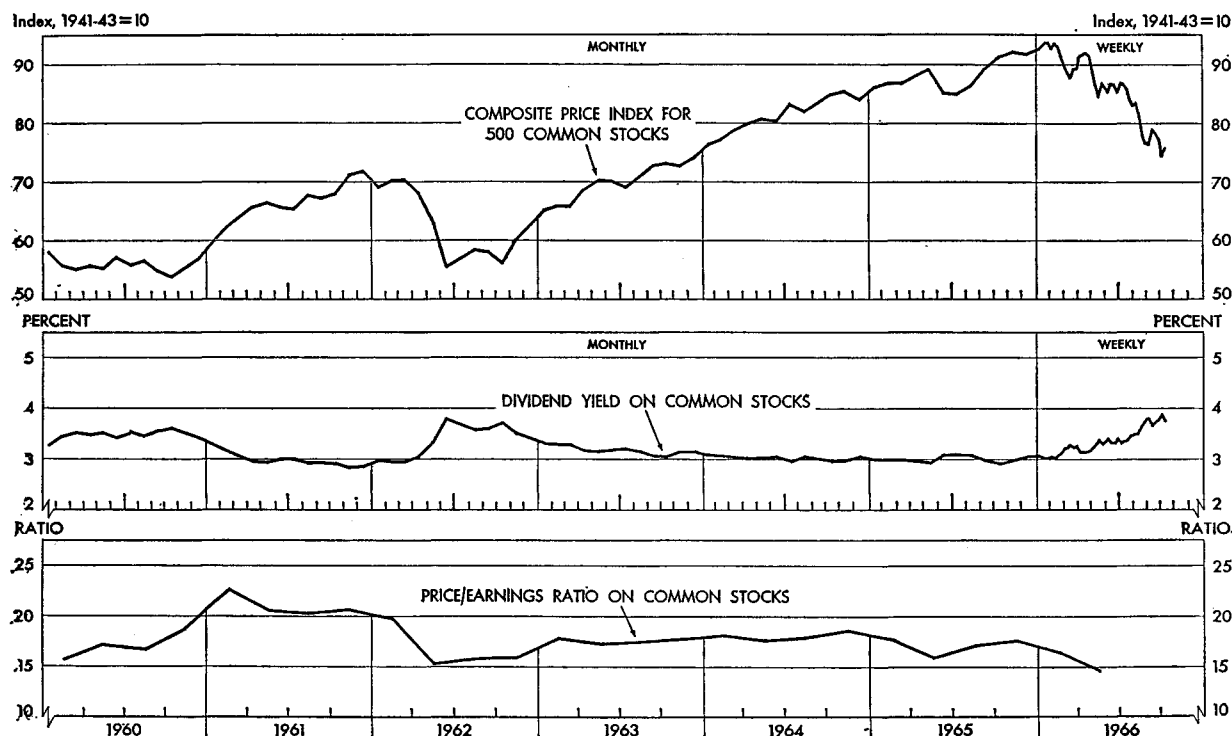
⁵ Data for first of the month, based on the maximum permissible interest rate (6 3/4 percent June-September 1966) and 30-year mortgages paid in 15 years.

* Not charted.

Sources: Treasury Department, Board of Governors of the Federal Reserve System, Federal Housing Administration, Standard & Poor's Corporation, and Moody's Investors Service.

COMMON STOCK PRICES, YIELD, AND EARNINGS

Stock prices dropped slowly through late September and early October. For the month of September as a whole prices averaged slightly lower than in August. The second quarter price/earnings ratio showed a considerable drop from the first quarter.



SOURCE: STANDARD AND POOR'S CORPORATION

COUNCIL OF ECONOMIC ADVISERS

Period	Price index ¹						Dividend yield ² (percent)	Price/ earnings ratio ³
	Total	Industrials			Public utilities	Railroads		
		Total	Capital goods	Consumers' goods				
	1941-43=10							
1960.....	55.85	59.43	59.75	47.21	46.86	30.31	3.47	17.09
1961.....	66.27	69.99	67.33	57.01	60.20	32.83	2.98	21.06
1962.....	62.38	65.54	58.15	54.96	59.16	30.56	3.37	16.68
1963.....	69.87	73.39	63.30	62.28	64.99	37.58	3.17	17.62
1964.....	81.37	86.19	76.34	73.84	69.91	45.46	3.01	18.08
1965.....	88.17	93.48	85.26	81.94	76.08	46.78	3.00	17.08
1965: Sept.....	89.38	94.93	86.91	82.34	76.10	46.96	2.98	17.10
Oct.....	91.39	97.20	90.28	83.90	76.69	48.46	2.91	-----
Nov.....	92.15	98.02	91.62	83.75	76.72	50.23	2.96	-----
Dec.....	91.73	97.66	91.42	83.31	75.39	51.03	3.05	17.61
1966: Jan.....	93.32	99.56	93.35	84.28	74.50	53.68	3.02	-----
Feb.....	92.69	99.11	93.69	83.48	71.87	54.78	3.06	-----
Mar.....	88.88	95.04	90.28	78.96	69.21	51.52	3.23	16.31
Apr.....	91.60	98.17	93.54	79.28	70.06	52.33	3.15	-----
May.....	86.78	92.85	88.78	75.12	68.49	47.00	3.30	-----
June.....	86.06	92.14	87.34	73.75	67.51	46.35	3.36	14.71
July.....	85.84	91.95	86.38	73.87	67.30	45.50	3.37	-----
Aug.....	80.65	86.40	79.81	69.91	63.41	42.12	3.60	-----
Sept.....	77.81	83.11	74.74	67.89	63.11	40.31	3.75	-----
Week ended:								
1966: Sept 9.....	76.41	81.61	73.98	66.95	61.97	39.68	3.80	-----
16.....	79.09	84.50	76.99	68.79	63.93	40.88	3.67	-----
23.....	78.39	83.71	74.55	68.24	63.71	40.52	3.74	-----
30.....	77.19	82.36	73.42	67.56	63.11	40.15	3.77	-----
Oct 7.....	74.39	79.21	70.74	65.35	62.06	38.64	3.89	-----
14.....	75.99	80.89	72.31	66.52	63.72	39.07	3.77	-----

¹ Includes 500 common stocks; 425 are industrials; 50 are public utilities; and 25 are railroads. Weekly indexes for capital and consumer goods are Wednesday figures; all other weekly indexes are averages of daily figures.

² Aggregate cash dividends (based on latest known annual rate) divided by the aggregate monthly market value of the stocks in the group. Annual yields are averages of monthly data. Weekly data are Wednesday figures.

³ Ratio of price index for last day in quarter to quarterly earnings (seasonally adjusted annual rate). Annual ratios are averages of quarterly data.

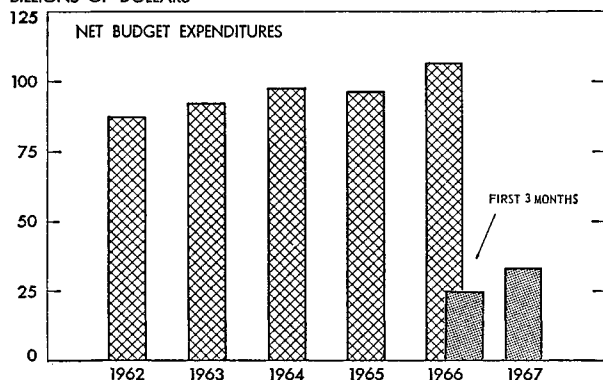
Source: Standard & Poor's Corporation.

FEDERAL FINANCE

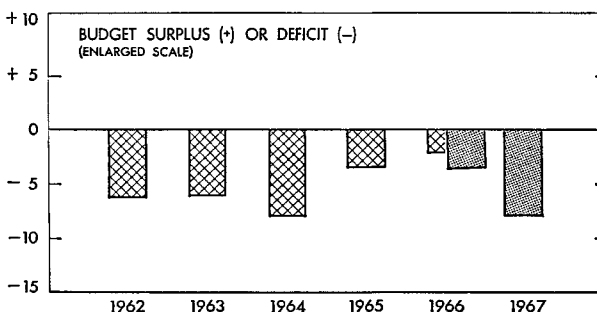
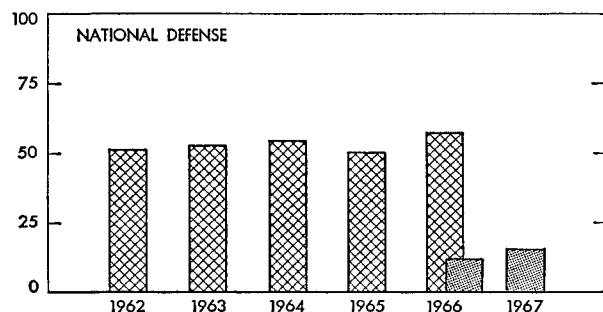
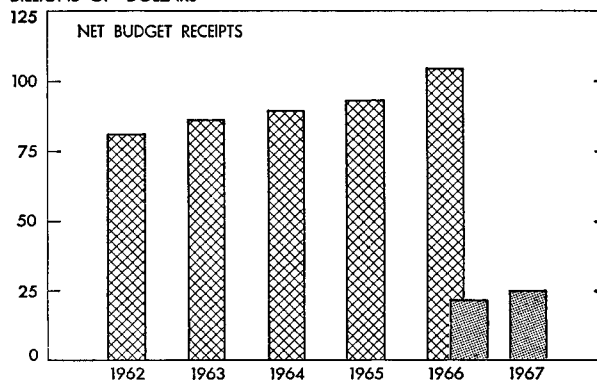
FEDERAL ADMINISTRATIVE BUDGET RECEIPTS AND EXPENDITURES

The budget deficit for the first 3 months of fiscal 1967, was \$7.8 billion. In the corresponding period of fiscal 1966 the deficit was \$3.5 billion.

BILLIONS OF DOLLARS



BILLIONS OF DOLLARS



SOURCES: TREASURY DEPARTMENT AND BUREAU OF THE BUDGET

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]

Period	Net budget receipts	Net budget expenditures				Budget surplus or deficit (—)	Public debt (end of period) ²
		Total	National defense ¹				
			Total	Department of Defense, military	Military assistance		
Fiscal year 1960-----	77.8	76.5	45.7	41.2	1.6	1.2	286.5
Fiscal year 1961-----	77.7	81.5	47.5	43.2	1.4	—3.9	289.2
Fiscal year 1962-----	81.4	87.8	51.1	46.8	1.4	—6.4	298.6
Fiscal year 1963-----	86.4	92.6	52.8	48.3	1.7	—6.3	306.5
Fiscal year 1964-----	89.5	97.7	54.2	49.8	1.5	—8.2	312.5
Fiscal year 1965-----	93.1	96.5	50.2	46.2	1.2	—3.4	317.9
Fiscal year 1966 ³ -----	104.6	106.9	57.7	54.4	.9	—2.3	320.4
1965: Aug-----	7.4	9.0	4.4	4.1	(⁴)	—1.6	318.7
Sept-----	11.0	9.5	4.5	4.3	.1	1.5	317.3
Oct-----	3.3	8.8	4.5	4.3	(⁴)	—5.5	319.4
Nov-----	8.1	9.1	4.5	4.2	.1	—1.0	322.2
Dec-----	9.6	9.4	5.1	4.8	.1	.1	321.4
1966: Jan-----	6.5	8.8	4.6	4.4	(⁴)	—2.4	322.4
Feb-----	8.3	8.2	4.5	4.2	.1	.2	323.7
Mar-----	11.3	10.2	5.6	5.2	.2	1.1	321.5
Apr-----	9.9	8.4	5.0	4.8	(⁴)	1.6	320.1
May-----	8.5	9.1	4.9	4.6	.1	— .6	322.8
June-----	17.1	9.4	6.2	5.9	.2	7.7	320.4
July-----	5.7	10.3	4.9	4.7	(⁴)	—4.6	319.8
Aug-----	7.2	11.0	5.6	5.4	.1	—3.8	324.9
Sept-----	12.5	11.9	6.0	5.7	(⁴)	.6	325.3
Cumulative totals, first 3 months:							
Fiscal year 1966-----	22.2	25.7	12.7	12.0	.1	—3.5	317.3
Fiscal year 1967-----	25.4	33.2	16.4	15.7	.1	—7.8	325.3

¹ In addition to items shown, also includes atomic energy and defense related services.

² Includes guaranteed securities held outside the Treasury. Not all of total shown is subject to statutory debt limitation.

³ Preliminary.

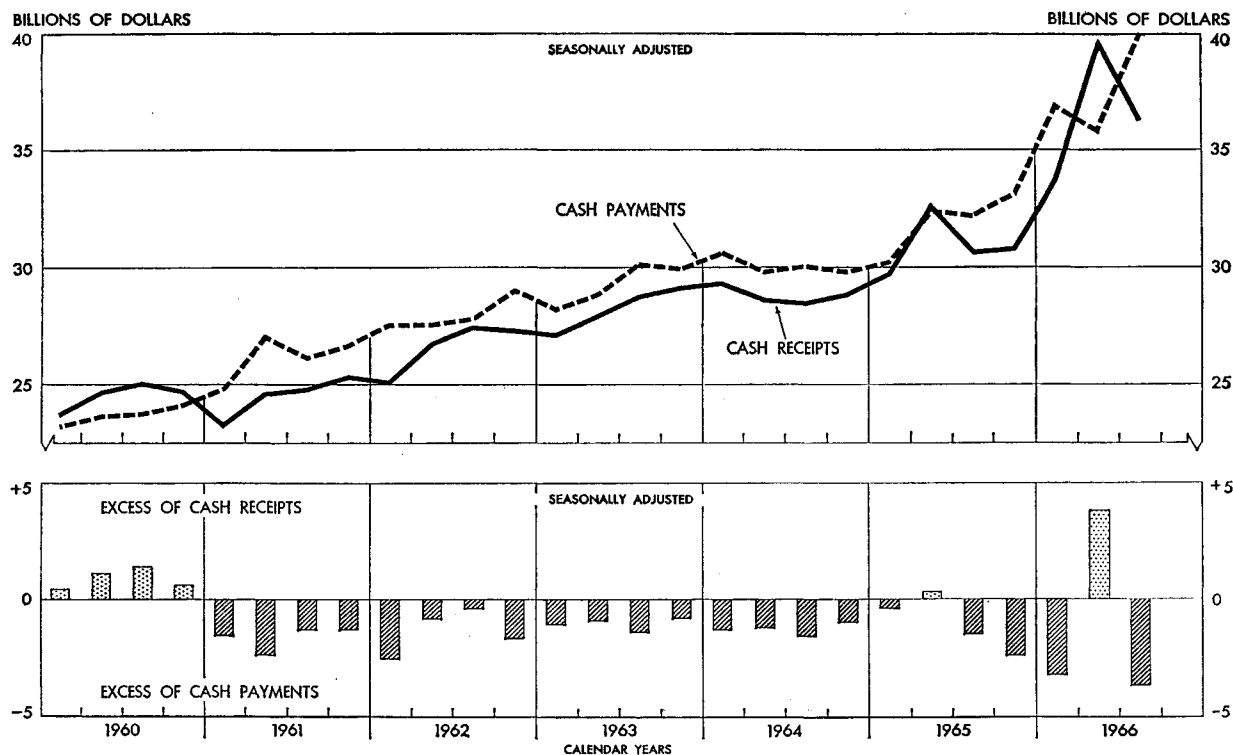
⁴ Less than \$50 million.

NOTE.—Total budget receipts and expenditures exclude certain intragovernmental transactions.

Sources: Treasury Department and Bureau of the Budget.

FEDERAL CASH RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

On a seasonally adjusted basis, cash receipts declined \$3.3 billion in the third quarter, while cash payments increased \$4.2 billion, resulting in a cash deficit of \$3.8 billion.



SOURCES, TREASURY DEPARTMENT AND BUREAU OF THE BUDGET

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]

Period	Cash receipts from the public	Cash payments to the public	Excess of receipts or payments (—)	Cash receipts from the public	Cash payments to the public	Excess of receipts or payments (—)
Fiscal year:						
1961.....	97.2	99.5	—2.3			
1962.....	101.9	107.7	—5.8			
1963.....	109.7	113.8	—4.0			
1964.....	115.5	120.3	—4.8			
1965.....	119.7	122.4	—2.7			
1966.....	134.4	137.6	—3.2			
Calendar year:						
1960.....	98.3	94.7	3.6			
1961.....	97.9	104.7	—6.8			
1962.....	106.2	111.9	—5.7			
1963.....	112.6	117.2	—4.6			
1964.....	115.0	120.3	—5.2			
1965.....	123.4	127.9	—4.5			
Quarterly total (calendar years):						
	Unadjusted			Seasonally adjusted		
1964: IV.....	24.3	30.6	—6.3	28.8	29.8	—1.0
1965: I.....	30.7	28.3	2.4	29.7	30.2	—0.4
II.....	37.7	32.6	5.1	32.6	32.4	.3
III.....	29.2	33.1	—3.9	30.6	32.1	—1.5
IV.....	25.8	34.0	—8.1	30.7	33.1	—2.4
1966: I.....	33.3	34.6	—1.3	33.7	36.9	—3.2
II.....	46.1	36.0	10.1	39.6	35.8	3.8
III.....	34.6	41.3	—6.7	36.3	40.0	—3.7

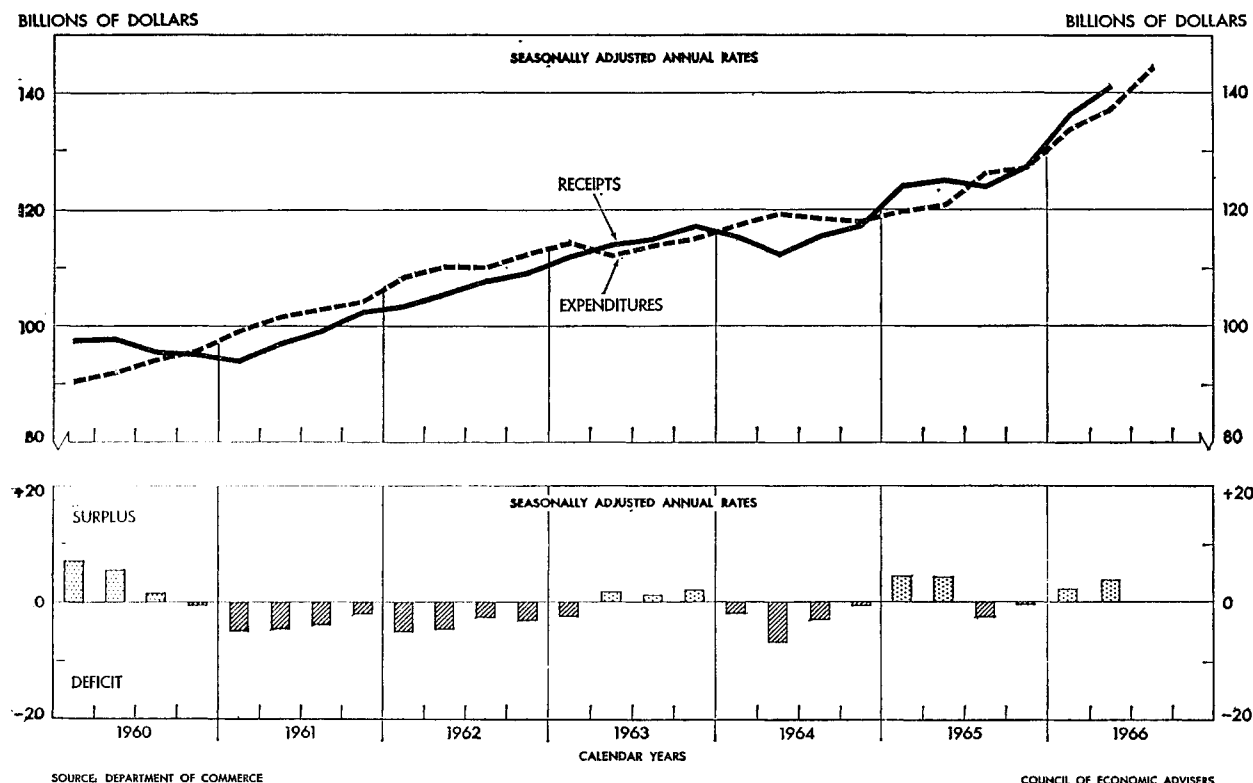
¹ Seasonally adjusted data include accelerated corporate tax payments of about \$0.9 billion in 1965, and \$2.9 billion in 1966; data also include about \$0.6

billion in 1966 for initiation of graduated withholding of personal income taxes and \$1.4 billion for change in schedule for depositing withheld and OASI taxes.

Sources: Treasury Department and Bureau of the Budget.

FEDERAL BUDGET, NATIONAL INCOME ACCOUNTS BASIS

In the third quarter, Federal expenditures rose \$7 billion (seasonally adjusted annual rate) with a gain of \$4 billion in purchases of goods and services, almost entirely for defense, and a rise of \$2 billion in transfer payments. On the receipt side, personal taxes were up more than \$3 billion and contributions for social insurance almost \$1½ billion; data are not yet available on corporate profits taxes.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars, quarterly data at seasonally adjusted annual rates]

Period	Federal Government receipts					Federal Government expenditures					Surplus or deficit (—)	
	Total	Personal tax and nontax receipts	Corpo- rate profits tax accruals	Indirect business tax and nontax accruals	Contri- butions for social in- surance	Total	Pur- chases of goods and services	Trans- fer pay- ments	Grants- in-aid to State and local govern- ments	Net interest paid		Subsidies less current surplus of Govt. enter- prises
Fiscal year:												
1962-----	104. 2	47. 3	22. 9	14. 2	19. 9	106. 4	60. 9	27. 2	7. 6	6. 8	3. 8	— 2. 1
1963-----	110. 2	49. 6	23. 5	15. 0	22. 1	111. 4	63. 4	28. 5	8. 4	7. 5	3. 6	— 1. 2
1964-----	115. 5	50. 7	25. 6	15. 6	23. 6	116. 9	65. 7	29. 6	9. 8	8. 1	3. 9	— 1. 4
1965-----	120. 6	51. 3	27. 8	16. 9	24. 6	118. 3	64. 3	30. 4	10. 9	8. 5	4. 1	2. 3
1966 ¹ -----	131. 9	56. 6	30. 8	16. 1	28. 4	131. 0	70. 8	34. 4	12. 6	9. 1	4. 1	. 9
Calendar year:												
1962-----	106. 4	48. 6	22. 7	14. 6	20. 5	110. 3	63. 4	27. 7	8. 0	7. 2	4. 0	— 3. 8
1963-----	114. 5	51. 5	24. 6	15. 3	23. 1	113. 9	64. 2	29. 1	9. 1	7. 7	3. 6	— . 7
1964-----	115. 1	48. 6	26. 5	16. 2	23. 9	118. 1	65. 2	29. 9	10. 4	8. 3	4. 2	— 3. 0
1965-----	124. 9	54. 2	29. 1	16. 8	24. 8	123. 4	66. 8	32. 4	11. 2	8. 7	4. 2	1. 6
1964: IV-----	117. 2	49. 6	26. 7	16. 5	24. 4	117. 7	64. 1	29. 8	11. 0	8. 4	4. 4	— . 5
1965: I-----	124. 0	53. 4	28. 7	17. 5	24. 5	119. 6	64. 4	31. 3	11. 0	8. 6	4. 3	4. 5
II-----	125. 0	54. 9	28. 7	16. 8	24. 6	120. 6	65. 6	30. 9	11. 1	8. 7	4. 2	4. 4
III-----	123. 8	53. 8	28. 9	16. 3	24. 7	126. 3	67. 5	34. 8	11. 1	8. 8	4. 1	— 2. 5
IV-----	126. 9	54. 7	30. 3	16. 7	25. 2	127. 0	69. 8	32. 8	11. 6	8. 8	4. 1	— . 2
1966: I-----	136. 0	57. 1	31. 9	15. 2	31. 7	133. 7	71. 9	35. 4	13. 0	9. 3	4. 1	2. 3
II-----	141. 0	60. 7	31. 9	16. 1	32. 2	137. 1	74. 0	34. 8	14. 6	9. 5	4. 2	3. 8
III ² -----	(³)	63. 9	(³)	16. 2	33. 6	144. 3	78. 3	37. 0	14. 9	9. 7	4. 4	(³)

¹ Preliminary, based on seasonally adjusted data; not strictly comparable with previous data.
² Preliminary. ³ Not available.

NOTE.—Data for Alaska and Hawaii included beginning 1960.
 Source: Department of Commerce.

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NOTE.—Detail in these tables will not necessarily add to totals because of rounding.
Data for Alaska and Hawaii are not included unless specifically noted.
Unless otherwise stated, all dollar figures are in current prices.