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

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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 \$14 billion (seasonally adjusted annual rate) in the fourth quarter, according to preliminary estimates.

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

Period	Persons					Government							Surplus (+) or deficit (-) on income and product account
	Disposable personal income			Personal consump- tion expend- itures	Per- sonal saving (+) or dis- saving (-)	Net receipts			Expenditures				
	Total ¹	Less: Interest paid and transfer payments to for- eigners	Equals: Total exclud- ing interest and trans- fers			Tax and nontax receipts or accruals	Less: Trans- fers, interest, and sub- sidies ²	Equals: Net receipts	Total expend- itures	Less: Trans- fers, interest, and sub- sidies ²	Equals: Pur- chases of goods and services		
1959-----	337.3	7.1	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	
1966 ^p -----	505.3	13.4	491.9	465.0	26.9	212.2	55.7	156.5	208.7	55.7	153.1	3.5	
1965: I-----	453.2	11.4	441.8	418.9	22.8	186.5	48.5	138.0	180.1	48.5	131.6	6.4	
II-----	461.0	11.8	449.2	426.8	22.4	188.5	48.1	140.5	182.4	48.1	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	49.9	142.6	191.1	49.9	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	209.5	53.2	156.3	202.2	53.2	149.0	7.3	
III-----	507.8	13.5	494.3	469.9	24.5	215.9	56.4	159.5	212.5	56.4	156.2	3.3	
IV ^p -----	518.2	13.9	504.3	474.4	29.9	-----	59.7	-----	221.6	59.7	161.9	-----	

Period	Business			Net transfers to for- eigners by per- sons and Govern- ment	International			Excess of transfers (+) or of net exports (-) ⁵	Total income or receipts	Statistical discrep- ancy	Gross national product or expend- iture
	Gross retained earn- ings ³	Gross private domestic invest- ment ⁴	Excess of invest- ment (-)		Net exports of goods and services						
					Exports	Less: Imports	Equals: Net exports				
1959-----	56.8	75.3	-18.5	2.4	23.5	23.3	0.1	2.3	484.5	-0.8	483.7
1960-----	56.8	74.8	-18.0	2.4	27.2	23.2	4.0	-1.7	504.8	-1.0	503.7
1961-----	58.7	71.7	-13.0	2.6	28.6	23.0	5.6	-3.0	520.8	-.8	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
1966 ^p -----	88.2	116.5	-28.3	3.0	42.9	38.0	4.9	-1.9	739.7	-.2	739.5
1965: I-----	82.5	103.8	-21.3	2.6	35.1	28.7	6.4	-3.8	664.9	-4.1	660.8
II-----	82.4	103.7	-21.3	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-----	86.5	114.5	-28.0	3.4	41.7	35.6	6.0	-2.6	722.0	-.8	721.2
II-----	87.3	118.5	-31.0	2.9	41.9	37.3	4.7	-1.8	733.2	-.9	732.3
III-----	88.0	115.0	-27.0	3.1	43.4	39.2	4.2	-1.1	744.9	.4	745.3
IV ^p -----	-----	118.0	-----	2.7	44.6	39.8	4.8	-2.1	-----	-----	759.1

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.

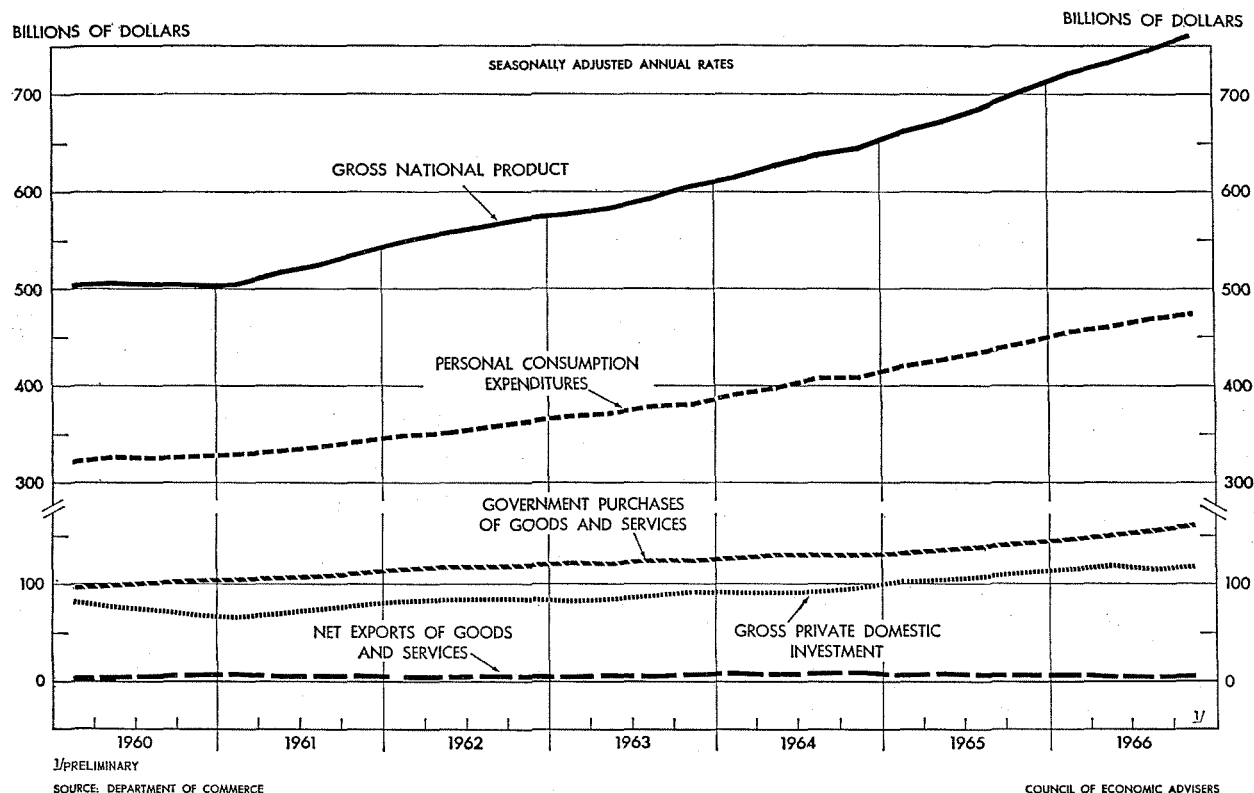
⁵ Net foreign investment with sign changed.

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 nearly 2 percent in the fourth 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											
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. 7	311. 2	75. 3	. 1	97. 0	53. 7	46. 0	7. 6	43. 3	101. 6
1960.....	487. 7	503. 7	325. 2	74. 8	4. 0	99. 6	53. 5	44. 9	8. 6	46. 1	103. 3
1961.....	497. 2	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
1966 ^p	647. 7	739. 5	465. 0	116. 5	4. 9	153. 1	77. 0	60. 0	17. 0	76. 2	114. 2
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.....	649. 9	745. 3	469. 9	115. 0	4. 2	156. 2	79. 0	62. 0	17. 0	77. 2	114. 7
IV ^p	657. 0	759. 1	474. 4	118. 0	4. 8	161. 9	82. 5	65. 5	17. 0	79. 4	115. 6

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

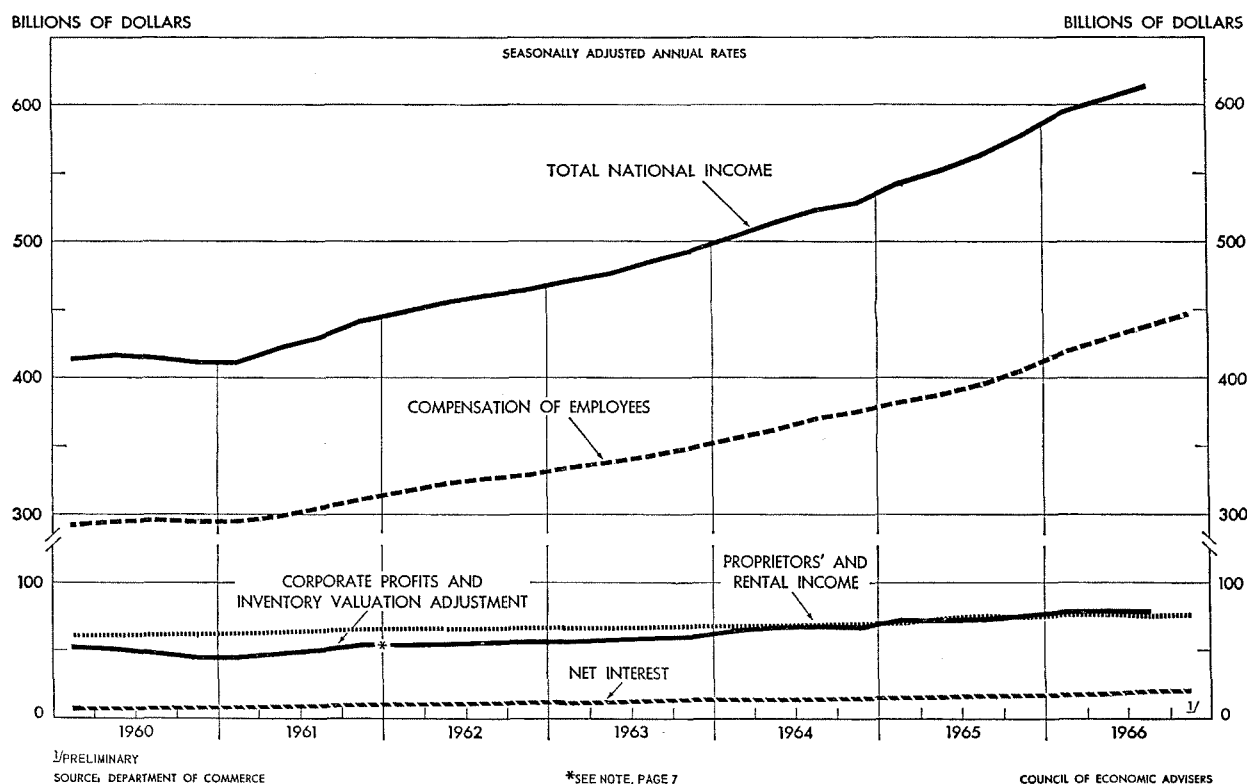
² Gross national product in current prices divided by gross national product in 1958 prices.

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

Source: Department of Commerce.

NATIONAL INCOME

National income rose \$10 billion (seasonally adjusted annual rate) in the third quarter. According to preliminary estimates for the fourth quarter, employee compensation increased more than \$9 billion and net interest rose nearly \$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
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
1966 ^p	609.7	433.3	16.0	41.8	18.9	20.0	79.8	81.8	-2.0
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.....	613.8	438.3	15.4	41.9	18.9	20.2	79.1	81.9	-2.8
IV ^p	447.5	447.5	15.2	42.2	19.1	21.0			.5

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.

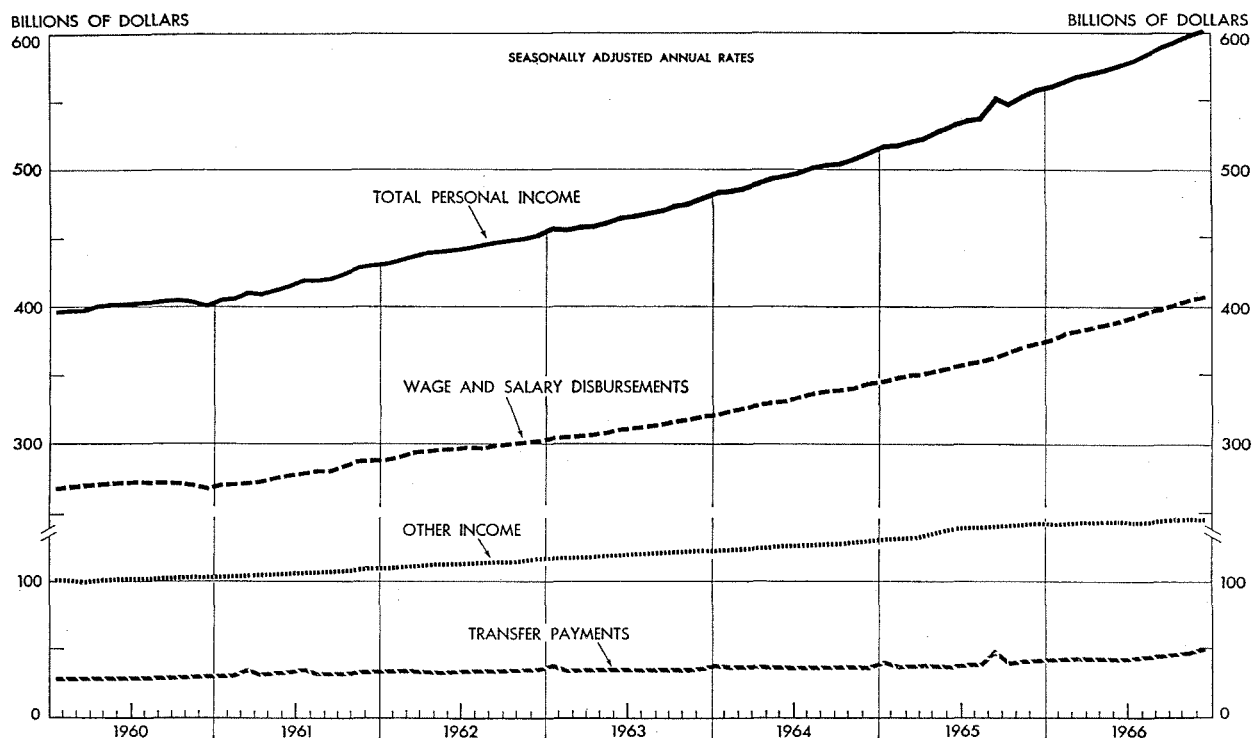
³ See Note, p. 7.

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

Source: Department of Commerce.

SOURCES OF PERSONAL INCOME

Personal income rose \$3 billion (seasonally adjusted annual rate) in December. Increases in wage and salary disbursements, up \$2¼ billion, transfer payments, up \$1 billion, and interest and proprietors' income, each up \$½ billion, outweighed a \$1½ billion drop in dividends.



SOURCE: DEPARTMENT OF COMMERCE

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[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						
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
1966.....	580.4	392.3	20.8	16.0	41.8	18.9	20.9	42.8	44.5	17.6	559.7
1965: Nov.....	553.2	371.4	19.4	16.0	41.1	18.6	20.2	39.7	40.3	13.5	532.6
1965: 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
1966: Feb.....	564.7	380.1	20.0	17.0	41.3	18.7	21.0	41.0	42.6	16.9	543.0
1966: Mar.....	569.0	382.9	20.2	17.3	41.5	18.7	20.9	41.4	42.9	16.9	547.0
1966: Apr.....	570.5	384.7	20.4	16.7	41.5	18.7	21.0	41.8	42.6	17.0	549.1
1966: May.....	573.0	387.0	20.6	16.3	41.6	18.8	21.2	42.1	42.5	17.1	551.9
1966: June.....	577.2	390.5	20.7	15.9	41.7	18.8	21.1	42.3	43.2	17.2	556.5
1966: July.....	580.0	393.7	20.9	15.5	41.8	18.9	21.1	42.6	43.5	17.9	559.8
1966: Aug.....	585.4	397.0	21.1	15.4	41.9	18.9	21.0	43.1	45.1	18.1	565.4
1966: Sept.....	590.0	399.5	21.3	15.3	42.0	19.0	21.2	43.8	46.0	18.2	570.1
1966: Oct.....	594.4	402.3	21.5	15.1	42.1	19.0	21.2	44.3	47.2	18.3	574.6
1966: Nov.....	598.5	405.1	21.7	15.2	42.2	19.1	21.2	44.8	47.8	18.5	578.6
1966: Dec.....	601.5	407.4	21.9	15.4	42.4	19.2	19.8	45.3	48.8	18.6	581.4

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.

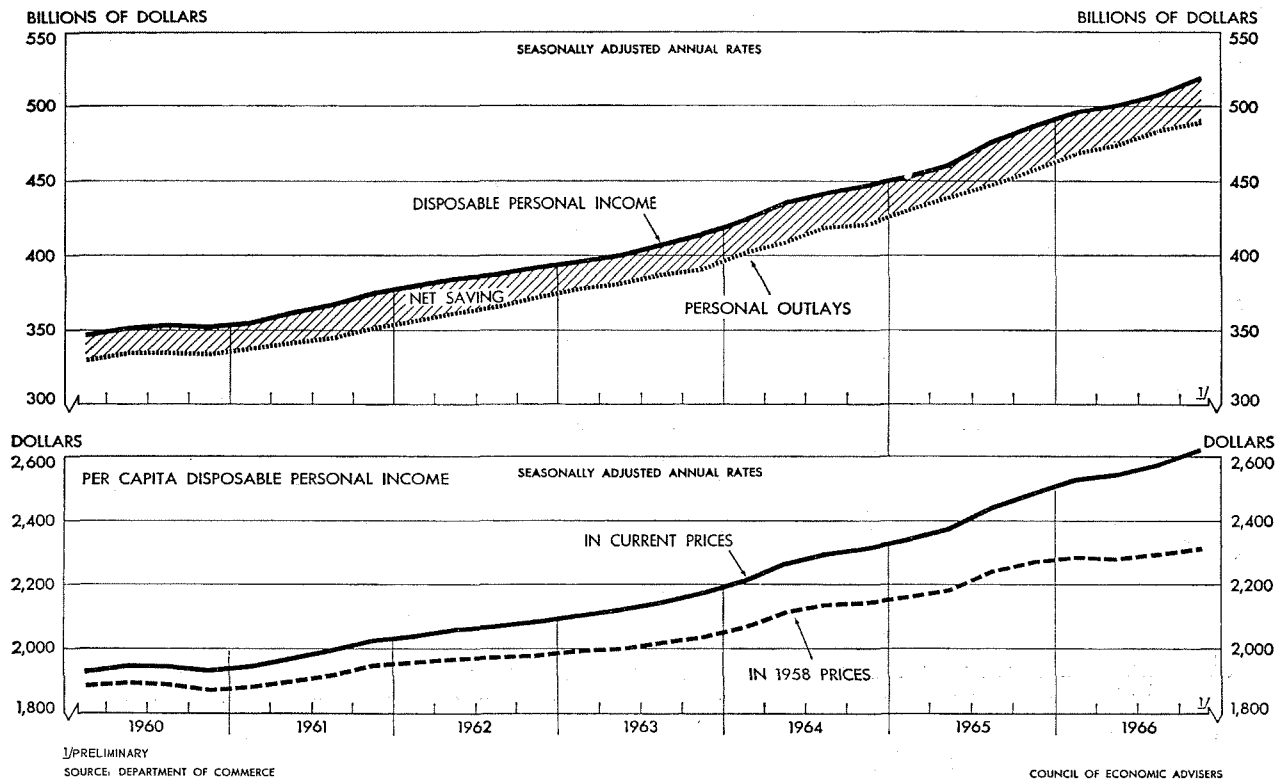
³ Personal income exclusive of net income of unincorporated farm enterprises, farm wages, agricultural net interest, and net dividends paid by agricultural corporations.

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

Source: Department of Commerce.

DISPOSITION OF PERSONAL INCOME

Personal income in the fourth quarter advanced strongly by \$13 billion (seasonally adjusted annual rate), and disposable income rose \$10½ billion. The gain in personal outlays was \$5 billion—half the increase registered in the third quarter. As a result, the saving rate jumped to 5.8 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			
1957-----	351.1	42.6	308.5	287.8	40.8	135.6	105.0	20.7	1,801	1,844	6.7	171,274	
1958-----	361.2	42.3	318.8	296.6	37.9	140.2	112.0	22.3	1,831	1,831	7.0	174,141	
1959-----	383.5	46.2	337.3	318.3	44.3	146.6	120.3	19.1	1,905	1,881	5.6	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	343.3	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	
1966 ^p -----	580.4	75.1	505.3	478.4	69.4	206.1	189.5	26.9	2,567	2,294	5.3	196,842	
	Seasonally adjusted annual rates												
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-----	585.2	77.4	507.8	483.3	70.2	208.1	191.5	24.5	2,576	2,294	4.8	197,124	
IV ^p -----	598.1	79.9	518.2	488.4	70.1	208.7	195.6	29.9	2,621	2,311	5.8	197,717	

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

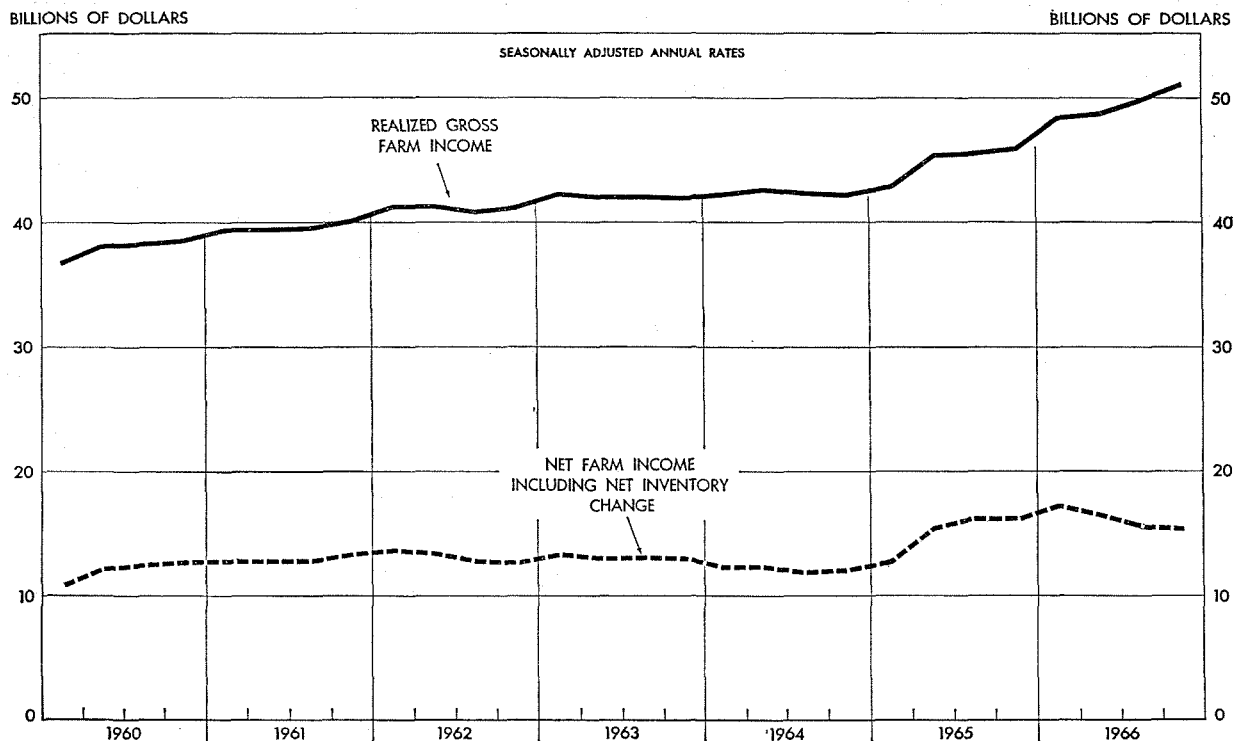
²See p. 2 for total personal consumption expenditures.

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

Sources: Department of Commerce and Council of Economic Advisers.

FARM INCOME

Farm income excluding inventory change rose slightly (seasonally adjusted) in the fourth quarter. However, including inventory change, there was a small decline. For the year as a whole, net income per farm was up over 10 percent.



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		
	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				
				Total ¹	Cash receipts from marketings		Excluding net inventory change	Including net inventory change ²	Current prices	1966 prices ⁴			
Billions of dollars												Dollars	
1958	19.5	12.8	6.7	37.9	33.5	25.2	12.7	13.5	3,189	3,504			
1959	18.1	11.0	7.0	37.5	33.5	26.1	11.4	11.5	2,795	3,071			
1960	18.7	11.4	7.2	37.9	34.0	26.2	11.7	12.0	3,043	3,308			
1961	19.0	12.1	6.9	39.6	34.9	27.0	12.6	12.9	3,389	3,684			
1962	19.2	12.2	7.0	41.1	36.2	28.5	12.5	13.1	3,562	3,789			
1963	18.7	12.0	6.7	42.1	37.2	29.6	12.5	13.1	3,671	3,864			
1964	17.9	11.1	6.7	42.3	36.9	29.4	12.9	12.1	3,479	3,662			
1965	20.6	13.7	6.8	44.9	39.2	30.7	14.2	15.2	4,493	4,632			
1966	21.3	14.5	6.8	49.5	42.9	33.2	16.3	16.1	4,955	4,955			
Seasonally adjusted annual rates													
1965: I				42.9	37.3	30.0	12.9	12.9	3,820	3,980			
II				45.4	39.7	30.8	14.6	15.5	4,590	4,730			
III				45.5	39.7	30.9	14.6	16.1	4,770	4,920			
IV				45.9	40.0	31.2	14.7	16.1	4,770	4,920			
1966: I				48.4	42.2	31.9	16.5	17.1	5,260	5,310			
II				48.7	42.2	32.5	16.2	16.4	5,040	5,040			
III				49.8	43.0	33.8	16.0	15.5	4,770	4,720			
IV				51.1	44.1	34.6	16.5	15.3	4,710	4,660			

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.

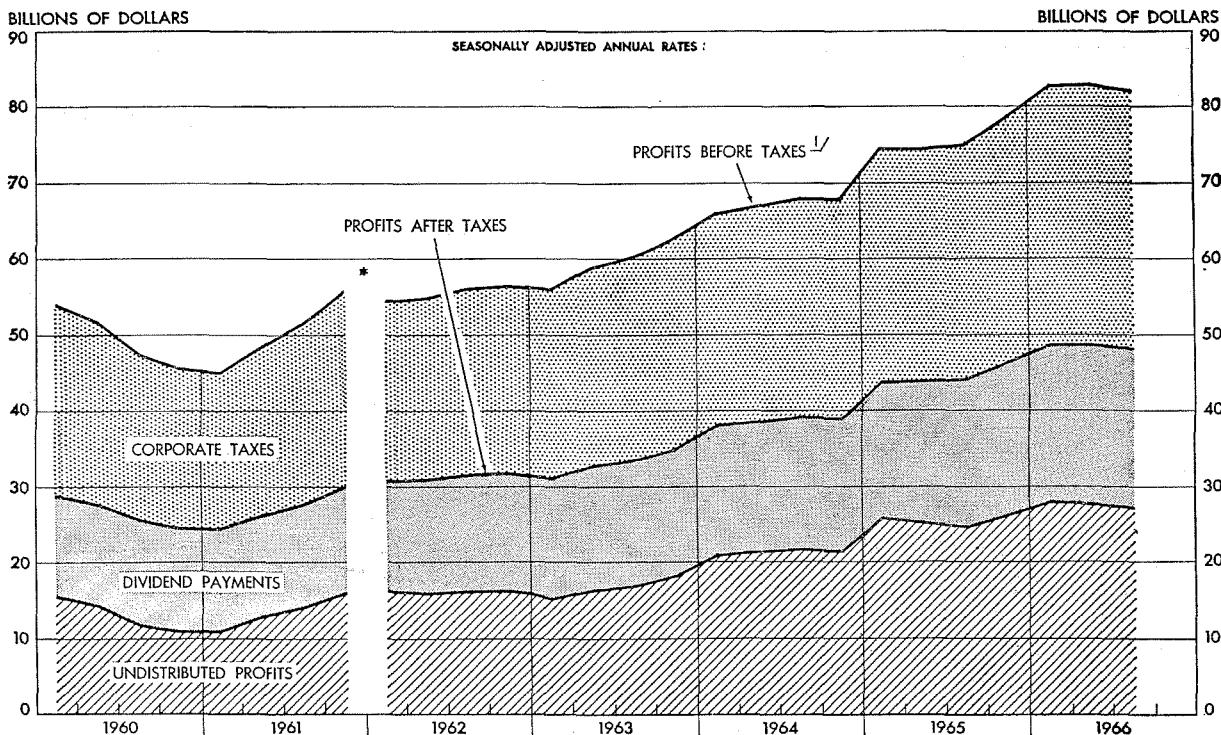
³ Based on 1959 Census of Agriculture definition of a farm. The number of farms is held constant within a year.

⁴ Income in current prices divided by the index of prices paid by farmers for family living items on a 1966 base.

Source: Department of Agriculture.

CORPORATE PROFITS

Corporate profits before taxes and inventory valuation adjustment declined slightly in the third quarter to \$79.1 billion (seasonally adjusted annual rate) but were 7 percent above a year earlier.



^{1/}EXCLUDING INVENTORY VALUATION ADJUSTMENT.

SOURCE: DEPARTMENT OF COMMERCE

* SEE NOTE ON TABLE BELOW.

COUNCIL OF ECONOMIC ADVISERS

[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									
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	20.6	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
1966 ^p -----	79.8	40.7	23.5	17.2	12.0	27.1	81.8	33.7	48.1	20.9	27.1	38.8	86.8
1965: I-----	73.2	37.4	21.9	15.5	10.7	25.1	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	25.8	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	26.7	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	87.1
III-----	79.1	39.5	22.5	17.0	12.2	27.4	81.9	33.7	48.2	21.1	27.1	39.1	87.3
IV ^p -----										20.7		39.7	

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

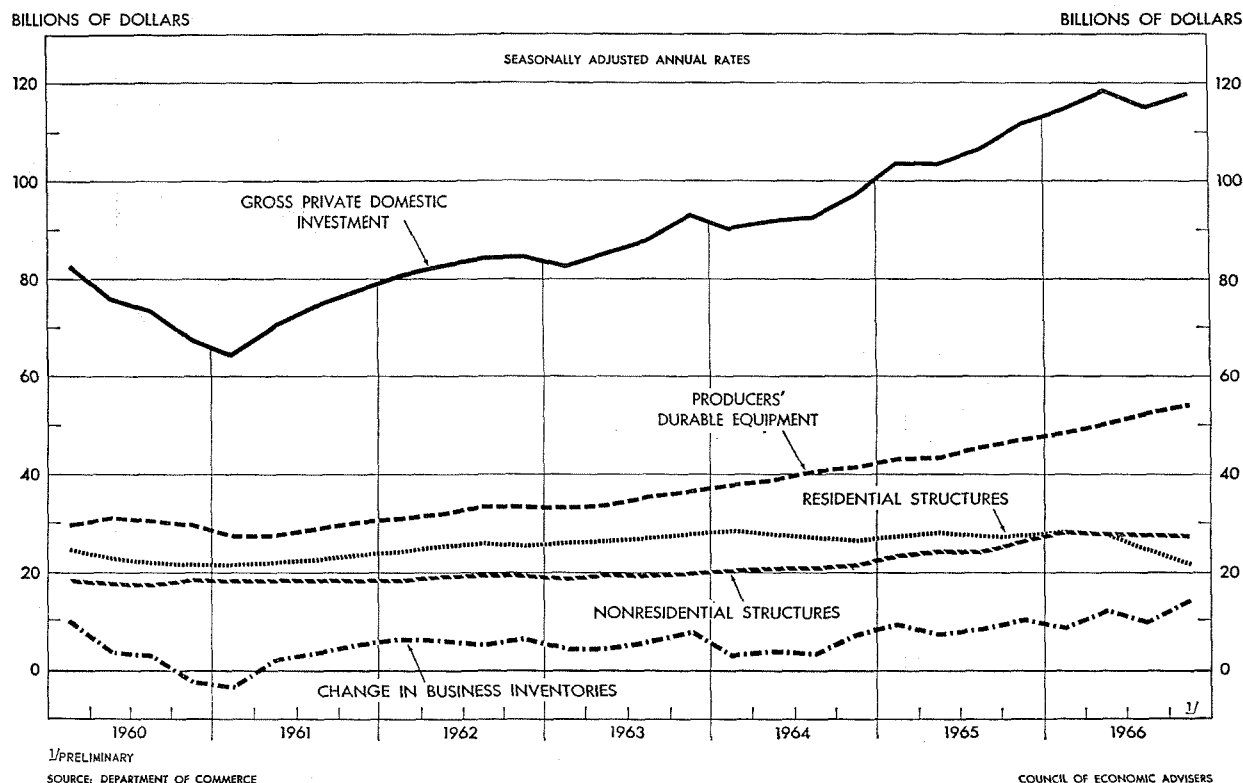
² Corporate profits after taxes plus corporate capital consumption allowances.

NOTE.—Data beginning 1962 adjusted for effects of new depreciation guidelines (\$2¼ 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 rose \$3 billion (seasonally adjusted annual rate) in the fourth quarter. A \$4½ billion spurt in inventory investment to a near-record rate and a \$1½ billion rise in producers' durable equipment outweighed a \$3 billion drop in residential construction.



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

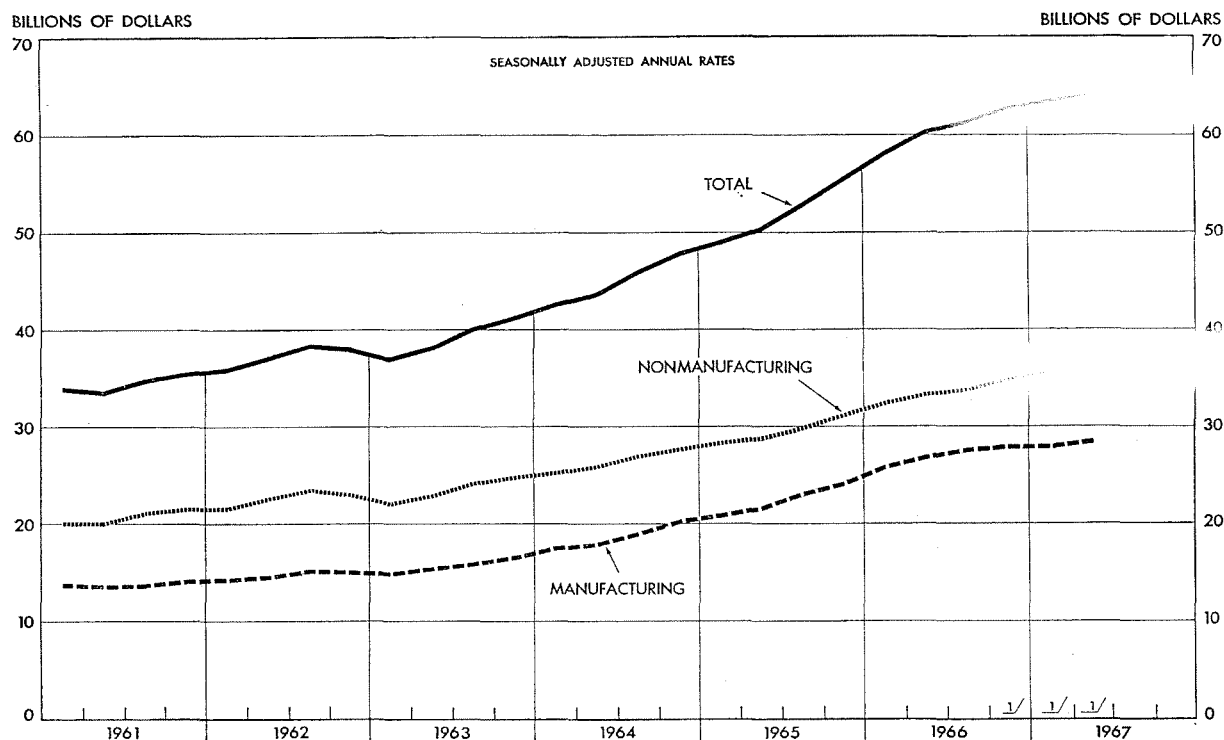
Period	Total gross private domestic investment	Fixed investment								Change in business inventories	
		Total	Nonresidential				Residential structures				
			Total	Structures		Producers' durable equipment		Total	Non-farm	Total	Non-farm
				Total	Non-farm	Total	Non-farm				
1956	70.0	65.3	43.7	17.2	16.5	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
1966	116.5	105.1	79.3	27.9	27.3	51.4	46.2	25.8	25.3	11.4	11.7
1965: I	103.8	94.4	66.7	23.6	22.9	43.1	39.3	27.7	27.2	9.5	9.4
II	103.7	96.0	67.9	24.6	24.0	43.3	39.4	28.1	27.5	7.6	6.7
III	106.7	98.0	70.2	24.4	23.8	45.8	41.3	27.8	27.3	8.7	7.2
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
II	118.5	106.2	78.2	27.9	27.2	50.3	45.4	28.0	27.4	12.3	12.1
III	115.0	105.1	80.3	27.7	27.0	52.6	47.5	24.8	24.3	9.9	10.4
IV	118.0	103.6	81.7	27.6	27.0	54.1	48.2	21.9	21.3	14.4	15.6

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

Source: Department of Commerce.

EXPENDITURES FOR NEW PLANT AND EQUIPMENT

Business expenditures for new plant and equipment in 1966 are now estimated to rise 16½ percent above 1965, to \$60.6 billion. This is ½ percentage point less than estimated in August. Outlays in the first half of 1967 are expected to continue their advance but at a considerably slower pace.



SEE NOTE 3 ON TABLE BELOW

SOURCE: SECURITIES AND EXCHANGE COMMISSION AND DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[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	60.56	27.01	14.04	12.97	1.47	1.94	3.48	8.31	18.36
1965: 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	61.25	27.55	14.35	13.20	1.45	1.85	3.40	8.55	18.45
IV ³	62.60	27.80	14.65	13.15	1.45	2.15	3.70	8.15	19.25
1967: I ³	63.45	27.85	14.70	13.15	1.50	2.00	3.65	9.30	19.15
II ³	64.05	28.45	15.10	13.35					
35.60									

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

NOTE.—Beginning 1959 all quarterly data are rounded to nearest \$50 million.

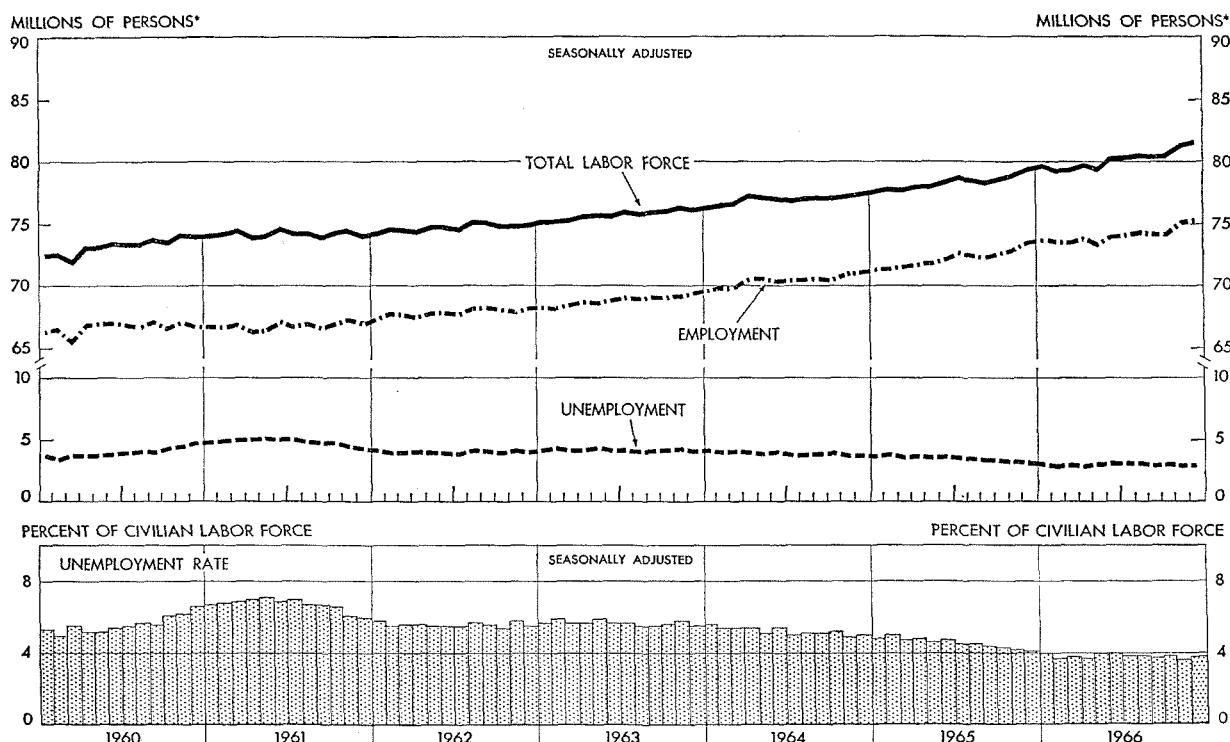
Annual total is the sum of unadjusted expenditures; it does not necessarily coincide with the average of seasonally adjusted figures.

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

In December, seasonally adjusted employment increased by 150,000 while the civilian labor force grew by 262,000. Most of the employment gains occurred in agriculture with an increase of 146,000.



*14 YEARS OF AGE AND OVER.
SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

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		
1962 ² ...	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
1966....	80, 164	74, 065	69, 859	2, 976	80, 164	77, 041	74, 065	4, 206	69, 859	2, 976	3. 9	-----	57. 9
1965:	Unadjusted				Seasonally adjusted								
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
Oct...	80, 530	74, 730	70, 430	2, 521	80, 414	77, 135	74, 163	3, 971	70, 192	2, 972	3. 3	3. 9	57. 9
Nov...	80, 968	75, 006	71, 036	2, 640	81, 249	77, 927	75, 076	4, 108	70, 968	2, 851	3. 4	3. 7	58. 2
Dec...	80, 734	74, 612	71, 147	2, 732	81, 579	78, 189	75, 226	4, 254	70, 972	2, 963	3. 5	3. 8	57. 9

¹ Total labor force as percent of noninstitutional population.

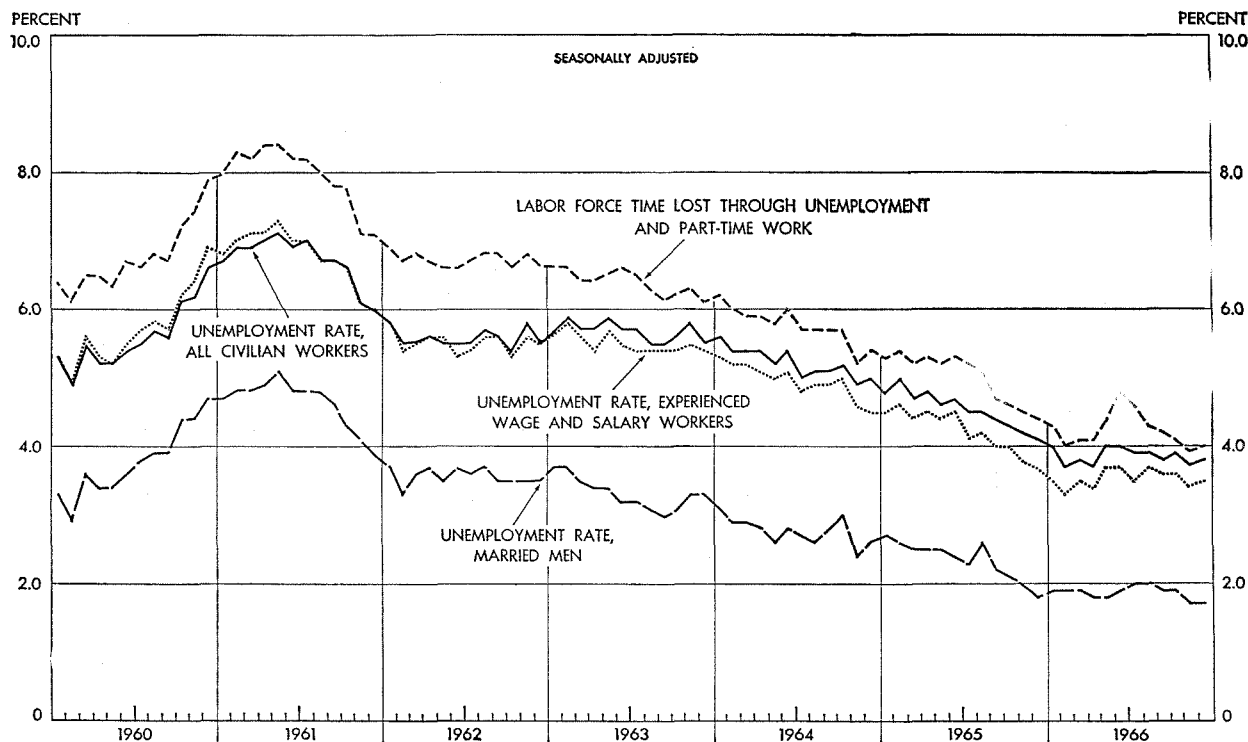
² Not strictly comparable with preceding data. See *Employment and Earnings*, May 1962, p. XIV.

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 increased slightly to 3.8 percent in December. The rate for married men stayed at the lowest point of the year, 1.7 percent.



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

Period	Unemployment rate (percent of civilian labor force in group)			Labor force time lost through unem- ployment 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						
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	-----	-----
1966-----	3.9	3.5	1.9	4.2	21,346	32,131	12,904	873	841	-----	-----
Seasonally adjusted					Unadjusted					Seasonally adjusted	
1965: 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	840	732	832	804
Oct-----	3.9	3.6	1.9	4.1	22,331	32,018	13,565	811	640	829	730
Nov-----	3.7	3.4	1.7	3.9	20,390	28,592	19,688	773	661	761	723
Dec-----	3.8	3.5	1.7	4.0	22,226	33,180	13,504	⁵ 952	⁵ 731	958	826

¹ Man-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.

² Differs 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.

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

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

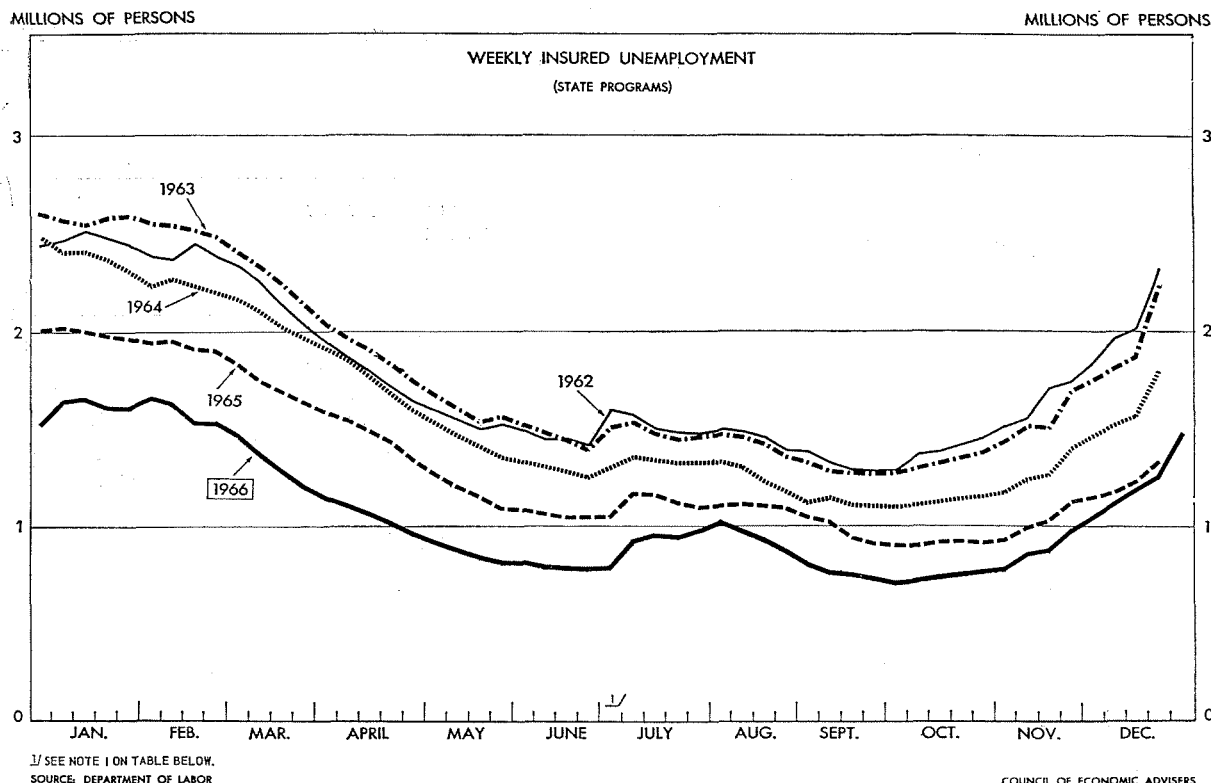
⁵ Average hours worked: usually full-time, 23.0; usually part-time, 18.5.

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

Source: Department of Labor.

UNEMPLOYMENT INSURANCE PROGRAMS

In December, insured unemployment under State programs averaged 55,000 less than in December 1965. The insured unemployment rate on a seasonally adjusted basis rose from 2.2 percent to 2.4 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			
1963.....	48,434	¹ 1,973	3,025.9	¹ 1,806	¹ 298	30	4.3	-----	2,774.7	35.28
1964.....	49,637	1,753	2,749.2	1,605	268	26	3.8	-----	2,522.1	35.96
1965.....	51,580	1,450	2,343.7	1,328	232	21	3.0	-----	2,166.0	37.19
1966 ^p	53,700	1,123	1,900.0	1,061	204	15	2.3	-----	1,780.0	39.72
1965: Nov.....	52,819	1,133	143.0	1,042	225	15	2.3	2.7	132.2	38.08
Dec.....	53,431	1,396	184.7	1,308	290	17	3.0	2.7	172.1	38.81
1966: Jan.....	^p 51,935	1,739	226.5	1,644	329	19	3.7	2.7	212.7	39.36
Feb.....	^p 52,127	1,679	230.2	1,590	238	19	3.6	2.6	217.2	39.66
Mar.....	^p 52,894	1,381	240.0	1,301	171	18	2.9	2.3	225.5	39.83
Apr.....	^p 53,797	1,112	166.4	1,044	166	19	2.3	2.1	155.5	39.38
May.....	^p 54,320	916	136.1	862	152	17	1.9	2.1	126.1	38.86
June.....	^p 55,543	842	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.....		802	114.3	754	145	11	1.6	2.2	106.5	39.68
Oct.....		799	100.4	752	166	12	1.6	2.1	93.7	39.84
Nov.....		955	122.6	903	208	12	1.9	2.2	114.8	40.57
Dec ^p		1,312	171.0	1,253	299	13	2.7	2.4	162.5	41.00
Week ended:										
1966: Dec 17.....		1,263	-----	1,205	255	-----	2.6	-----	-----	-----
24.....		1,328	-----	1,269	289	-----	2.7	-----	-----	-----
31.....		1,562	-----	1,496	374	-----	3.2	-----	-----	-----
1967: Jan 7.....		1,671	-----	² 1,597	346	-----	3.4	-----	-----	-----
14 ^p		1,639	-----	² 1,563	334	-----	3.3	-----	-----	-----
21 ^p			-----		278	-----		-----	-----	-----

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

² Not charted.

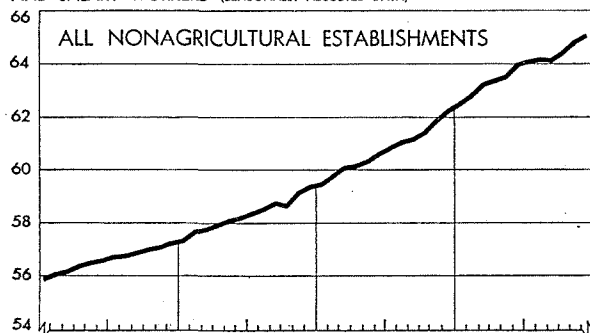
NOTE.—For definitions and coverage, see the 1964 Supplement to Economic Indicators. Data for Alaska and Hawaii included for all periods and for Puerto Rico since January 1961.

Source: Department of Labor.

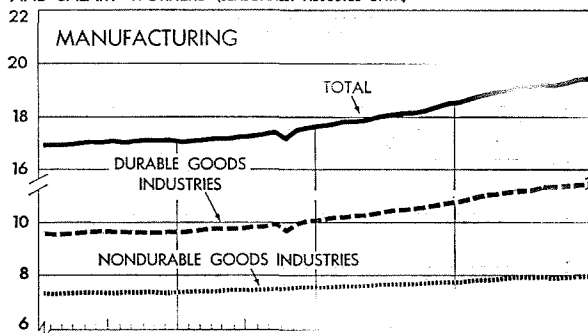
NONAGRICULTURAL EMPLOYMENT

Total nonagricultural employment (seasonally adjusted) rose by 248,000 in December. Contract construction had a substantial increase in employment (70,000). Other large employment gains were in State and local government (59,000), durable goods manufacturing (37,000), and service industries (34,000).

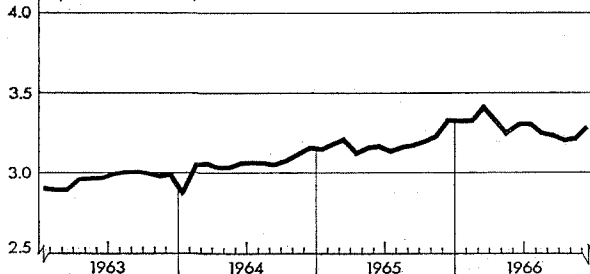
MILLIONS OF WAGE AND SALARY WORKERS (SEASONALLY ADJUSTED DATA)



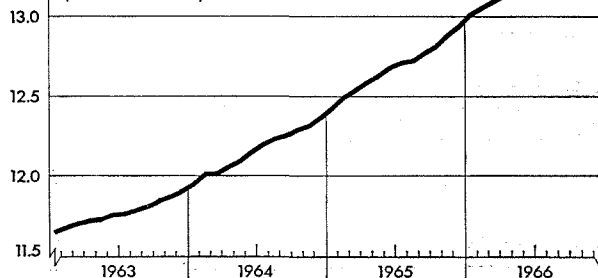
MILLIONS OF WAGE AND SALARY WORKERS (SEASONALLY ADJUSTED DATA)



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
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-----	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-----	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
1966 ¹ -----	63,863	19,084	11,190	7,895	33,930	628	3,281	4,136	13,219	3,085	9,581	2,566	8,283
1965: 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: 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-----	64,199	19,262	11,324	7,938	34,003	636	3,251	4,105	13,264	3,100	9,647	2,610	8,324
Sept-----	64,168	19,204	11,322	7,882	34,041	628	3,228	4,168	13,268	3,100	9,649	2,594	8,329
Oct-----	64,466	19,312	11,387	7,925	34,146	625	3,202	4,165	13,340	3,102	9,712	2,615	8,393
Nov ¹ -----	64,818	19,422	11,434	7,988	34,297	623	3,212	4,193	13,380	3,109	9,780	2,621	8,478
Dec ¹ -----	65,066	19,465	11,471	7,994	34,426	627	3,282	4,194	13,390	3,119	9,814	2,638	8,537

¹Includes 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 force, 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 enumeration of population, whereas the estimates in this table are based on reports from employing establishments.

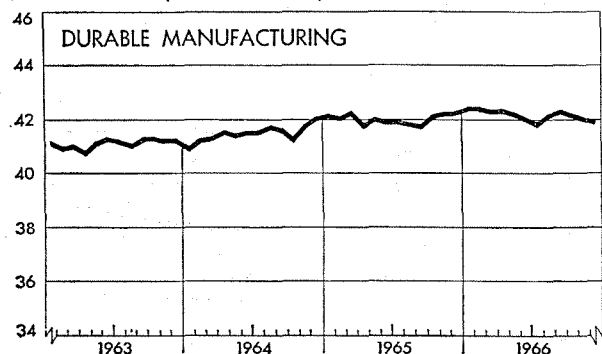
NOTE.—Beginning 1959, data include Alaska and Hawaii.

Source: Department of Labor.

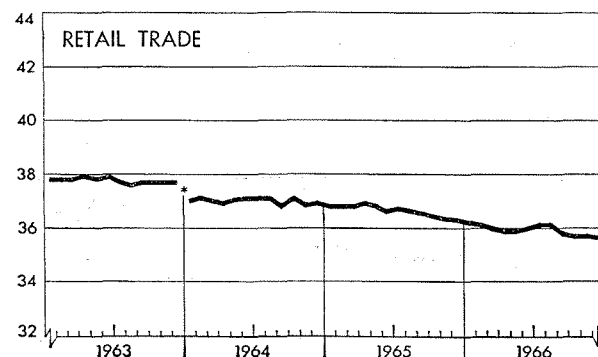
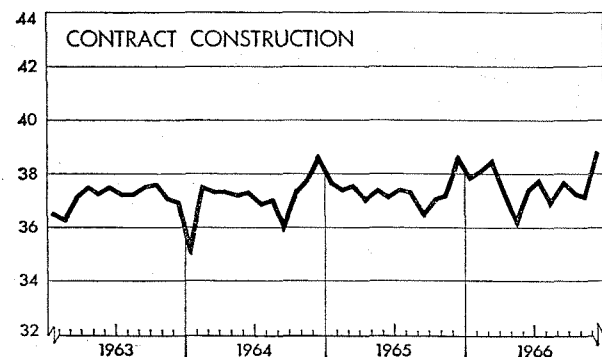
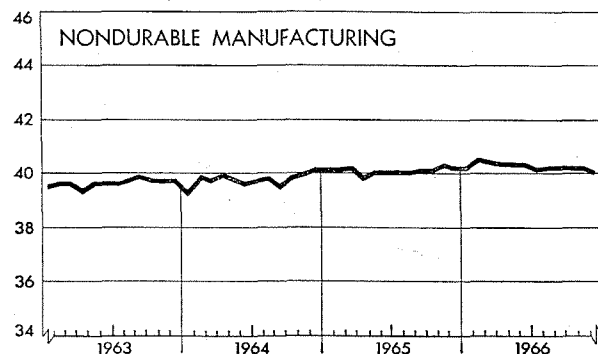
WEEKLY HOURS OF WORK - SELECTED INDUSTRIES

The seasonally adjusted average workweek in manufacturing declined 0.3 hours to 41.0 hours in December, matching the lowest level of the year reached in July. Weekly hours in contract construction increased 1.7 hours to 38.8.

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		
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
1966 ^p	41.4	42.1	40.2	37.5	35.9
1965: 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.....	41.4	42.1	40.2	36.9	36.1
Sept.....	41.5	42.3	40.2	37.7	35.8
Oct.....	41.3	42.2	40.2	37.3	35.7
Nov ^p	41.3	42.0	40.2	37.1	35.7
Dec ^p	41.0	41.9	40.0	38.8	35.6

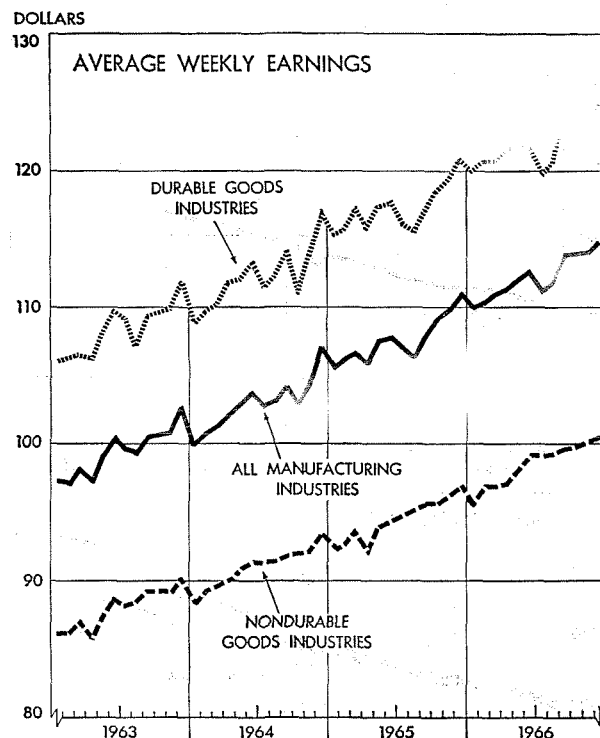
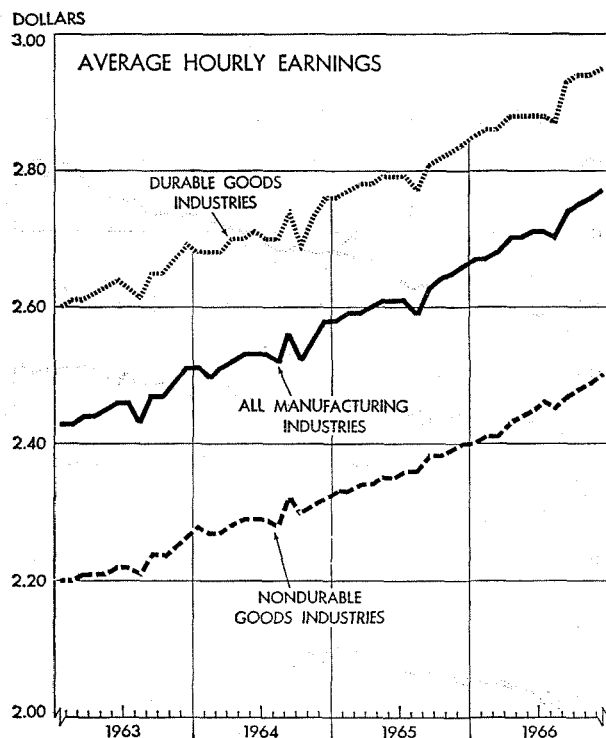
¹ Data relate to production workers or nonsupervisory employees. Data for Alaska and Hawaii included beginning 1959.

* Beginning 1964, includes eating and drinking places.

Source: Department of Labor.

AVERAGE HOURLY AND WEEKLY EARNINGS - SELECTED INDUSTRIES

Average weekly earnings in manufacturing increased slightly (\$.69) in December. Earnings in contract construction experienced a substantial increase of \$4.29.



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				
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-----	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-----	2.61	2.79	2.36	3.69	1.82	107.53	117.18	94.64	138.01	66.61	121.0	97.84
1966 ² -----	2.71	2.89	2.45	3.87	1.91	112.19	121.67	98.49	145.13	68.57	124.8	99.20
1965: 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	122.7	99.93
1966: 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-----	2.70	2.87	2.45	3.89	1.90	111.78	120.54	99.23	149.88	70.11	124.8	98.22
Sept-----	2.74	2.93	2.47	3.96	1.93	113.71	123.94	99.54	151.67	69.09	125.9	99.66
Oct-----	2.75	2.94	2.48	3.95	1.94	113.85	124.07	99.94	152.08	68.87	126.3	99.43
Nov-----	2.76	2.94	2.49	3.95	1.95	113.99	123.48	100.10	143.39	68.84	126.8	99.47
Dec ² -----	2.77	2.95	2.50	3.97	1.93	114.68	124.79	100.50	147.68	69.29	-----	99.98

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

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

* Beginning 1964, includes eating and drinking places.

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

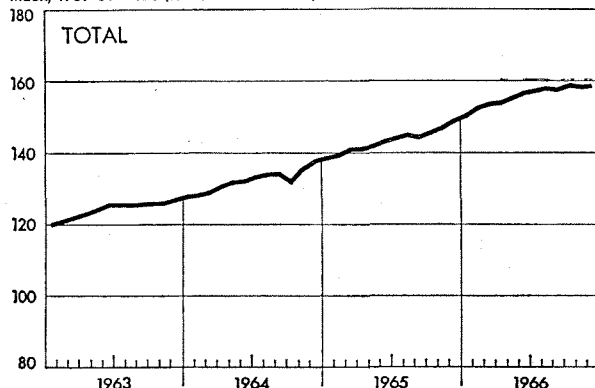
Source: Department of Labor.

PRODUCTION AND BUSINESS ACTIVITY

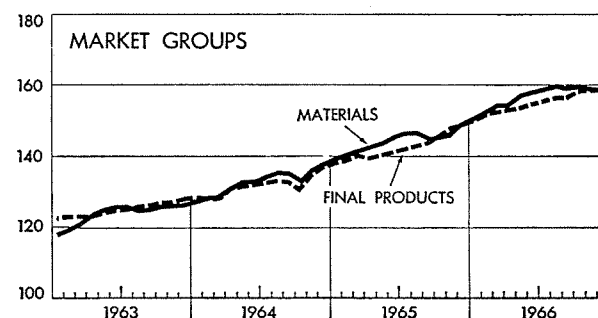
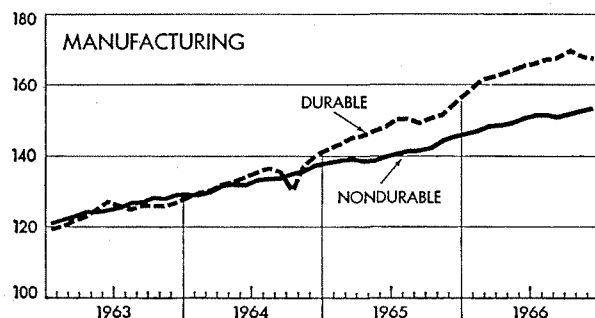
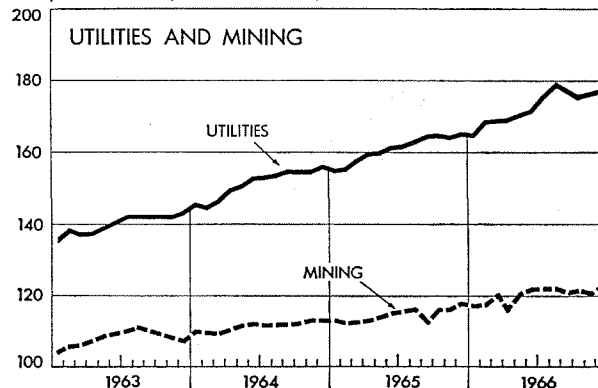
INDUSTRIAL PRODUCTION

The industrial production index, seasonally adjusted, was virtually unchanged in December but was 6½ percent higher than a year earlier. Output of consumer goods increased slightly while production of equipment and materials was maintained at record rates.

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	
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	111.5	151.3	131.8	131.7	132.0	132.8
1965.....	143.4	145.0	148.4	140.8	114.8	160.9	142.5	140.3	147.0	144.2
1966.....	156.3	158.7	165.1	150.6	120.2	173.4	155.4	147.4	172.7	157.1
1965: Nov.....	146.7	148.6	151.8	144.5	116.4	164.1	148.0	143.7	157.3	146.1
Dec.....	149.0	151.0	155.2	145.7	118.3	164.9	148.9	144.2	159.0	148.8
1966: Jan.....	150.6	152.9	158.1	146.4	117.3	164.7	150.3	144.6	162.6	150.9
Feb.....	152.4	154.7	160.7	147.3	117.7	168.7	152.1	146.1	164.8	152.6
Mar.....	153.7	155.9	161.9	148.5	120.0	168.8	152.5	146.2	166.2	154.4
Apr.....	153.9	156.6	162.9	148.7	115.6	169.1	152.9	146.4	166.9	154.5
May.....	155.3	157.6	164.2	149.4	120.7	170.2	153.7	146.2	169.8	157.1
June.....	156.5	158.9	165.4	150.7	122.0	171.7	154.9	147.1	171.4	158.0
July.....	157.2	159.4	166.1	151.3	122.0	175.7	155.3	146.5	174.4	158.8
Aug.....	158.0	160.1	167.1	151.3	122.1	179.0	156.4	147.1	176.4	159.6
Sept.....	157.7	160.0	167.3	150.9	121.0	177.0	156.3	146.5	177.4	159.2
Oct.....	158.8	161.4	169.1	151.7	121.4	175.2	158.4	148.9	179.0	159.6
Nov.....	158.6	161.0	167.6	152.8	120.8	176.5	158.4	148.4	180.1	158.8
Dec.....	158.7	161.0	167.3	153.2	122.8	177.0	159.0	148.7	181.2	158.4

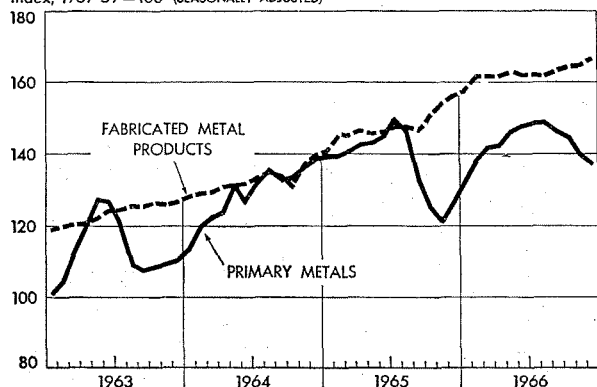
NOTE.—Beginning 1964, series revised. See *Federal Reserve Bulletin*, November 1966.

SOURCE: Board of Governors of the Federal Reserve System.

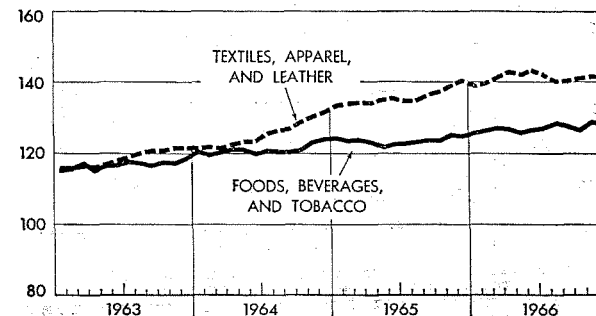
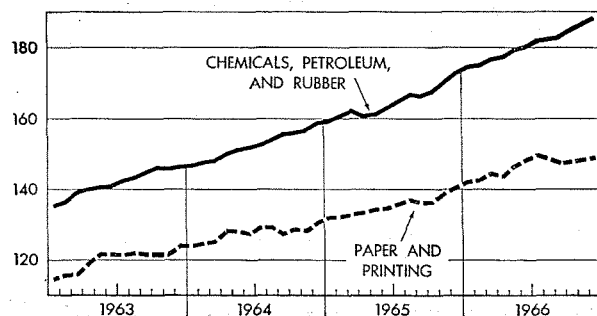
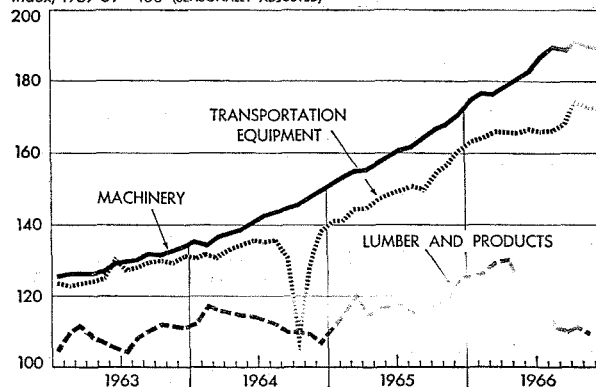
PRODUCTION OF SELECTED MANUFACTURES

Production of fabricated metal products increased about 2 percent in December, while primary metal motor vehicles declined about 2 percent on a seasonally adjusted basis. Most other durables also declined but at a slower rate. In the nondurables sector, increases more than offset declines.

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
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	137.6	147.8	160.5	149.2	117.4	135.8	135.3	164.6	123.4
1966	142.8	163.0	183.9	168.1	119.3	141.4	146.5	181.7	127.6
1965: Nov	120.6	153.6	168.3	157.2	119.1	138.7	139.2	170.6	125.1
Dec	126.5	156.3	171.0	160.4	125.4	140.2	140.6	172.8	124.8
1966: Jan	131.9	157.7	174.5	163.0	125.6	138.6	142.1	174.6	125.7
Feb	138.3	161.6	176.4	164.1	126.5	139.8	142.7	175.1	126.8
Mar	141.8	161.7	176.1	166.1	129.3	141.1	144.2	176.6	127.4
Apr	142.4	161.4	178.6	165.9	130.7	142.6	143.5	177.3	126.9
May	146.5	162.9	180.6	165.8	122.7	142.0	146.6	179.3	125.5
June	148.0	161.8	182.8	167.1	122.9	143.4	148.3	180.1	126.8
July	148.6	162.1	186.6	166.0	119.9	141.6	149.6	182.0	127.2
Aug	148.7	161.4	189.6	166.0	111.3	140.1	148.6	182.4	128.5
Sept	146.4	163.0	188.8	168.3	110.0	140.2	147.2	182.8	127.9
Oct	144.6	164.2	191.1	174.8	111.3	141.0	147.9	185.5	126.7
Nov	139.4	164.5	189.8	172.6	109.4	141.1	148.3	187.1	128.6
Dec	137	167	189	172	---	141	149	188	128

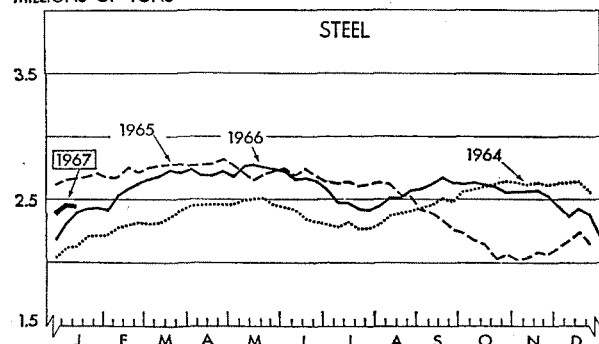
NOTE.—Beginning 1964, series revised. See *Federal Reserve Bulletin*, November 1966.

Source: Board of Governors of the Federal Reserve System.

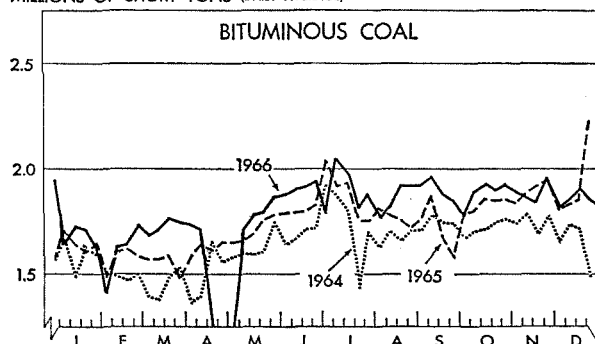
WEEKLY INDICATORS OF PRODUCTION

Most weekly indicators of production declined in December on a seasonally unadjusted basis.

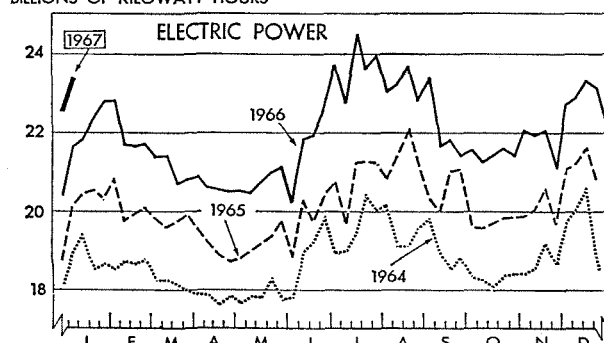
MILLIONS OF TONS



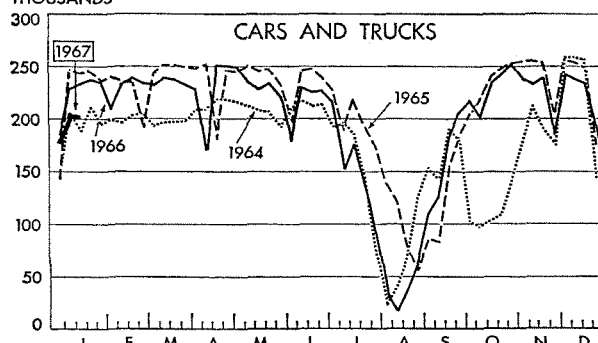
MILLIONS OF SHORT TONS (DAILY AVERAGE)



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:									
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	552	384	178.8	148.8	30.0
1965-----	2,521	135.3	20,169	1,735	562	410	213.7	179.4	34.3
1966 ^p -----	2,571	138.0	21,971	1,797	570	445	199.2	165.4	33.8
1965: Nov-----	2,056	110.4	20,027	1,907	580	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-----	2,505	134.5	23,257	1,874	594	455	52.4	37.3	15.1
Sept-----	2,636	141.5	21,639	1,887	593	434	182.6	153.4	29.3
Oct-----	2,598	139.5	21,434	1,879	631	463	233.0	196.6	36.4
Nov-----	2,538	136.2	21,982	1,891	581	459	227.7	191.9	35.8
Dec ^p -----	2,360	126.7	22,901	1,833	513	423	201.2	168.7	32.5
Week ended:									
1966: Dec 17-----	2,431	130.5	23,358	1,898	551	455	234.2	197.5	36.6
24-----	2,377	127.6	23,130	1,858	523	459	195.0	164.2	30.7
31-----	2,220	119.2	22,209	1,760	416	321	139.8	115.4	24.3
1967: Jan 7-----	2,380	127.8	22,500	² 1,875	451	267	176.9	146.5	30.4
14 ^p -----	2,450	131.5	23,411	² 1,826	542	445	203.3	165.8	37.5
21 ^p -----	2,443	131.1				437	200.8	164.3	36.4

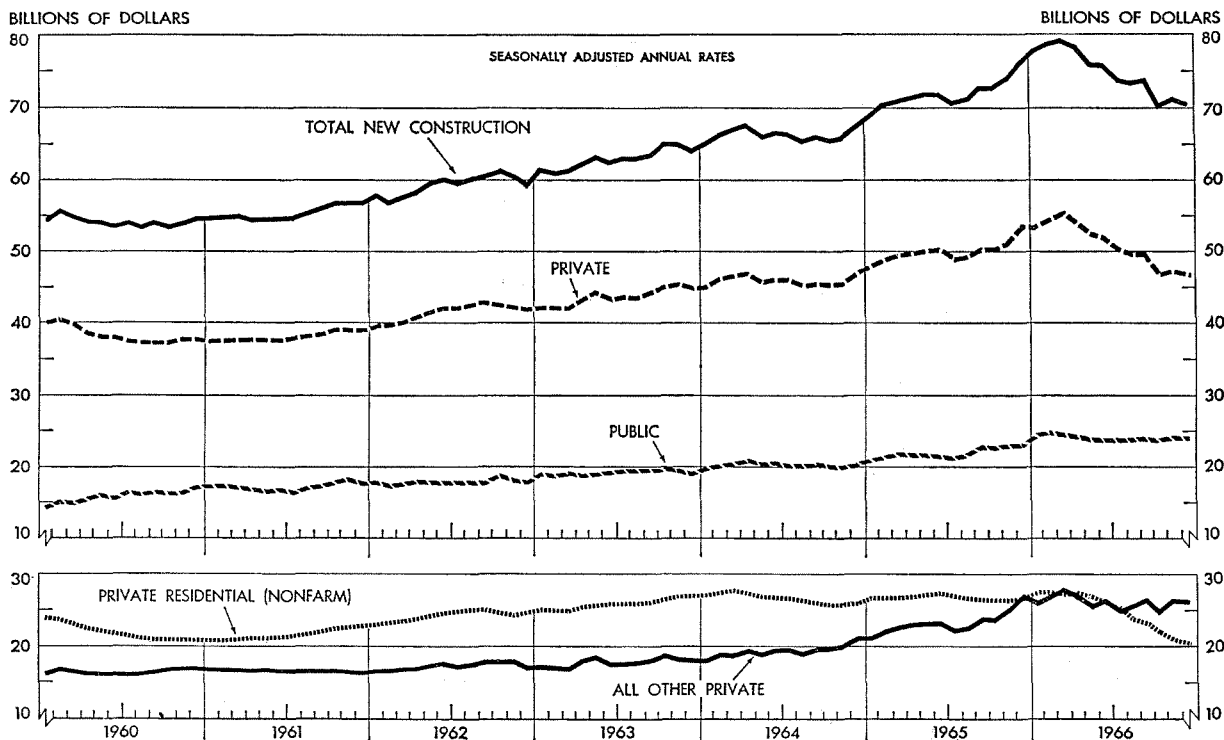
¹ Daily average. Includes data for Alaska.

² 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, declined 1 percent in December. Expenditures for residential construction, down 2½ percent, accounted for most of the drop. Revised estimates for November now show total construction up 1 percent, with increases in commercial and industrial construction offsetting a decline in residential construction.



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										
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	
1966 ^p	74.6	50.6	24.6	18.8	13.7	12.3	24.0	145.3	753	
Seasonally adjusted annual rates									Seasonally adjusted	Seasonally adjusted annual rates
1965: 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.....	73.5	49.7	23.9	18.0	13.6	12.1	23.8	139	741	
Sept.....	73.6	49.7	23.1	17.3	14.0	12.7	23.9	146	797	
Oct.....	70.3	46.8	22.0	16.2	12.8	11.9	23.6	139	637	
Nov.....	71.1	47.1	20.8	15.0	13.7	12.6	24.0	130	752	
Dec ^p	70.4	46.6	20.3	14.5	26.2		23.8	133	725	

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

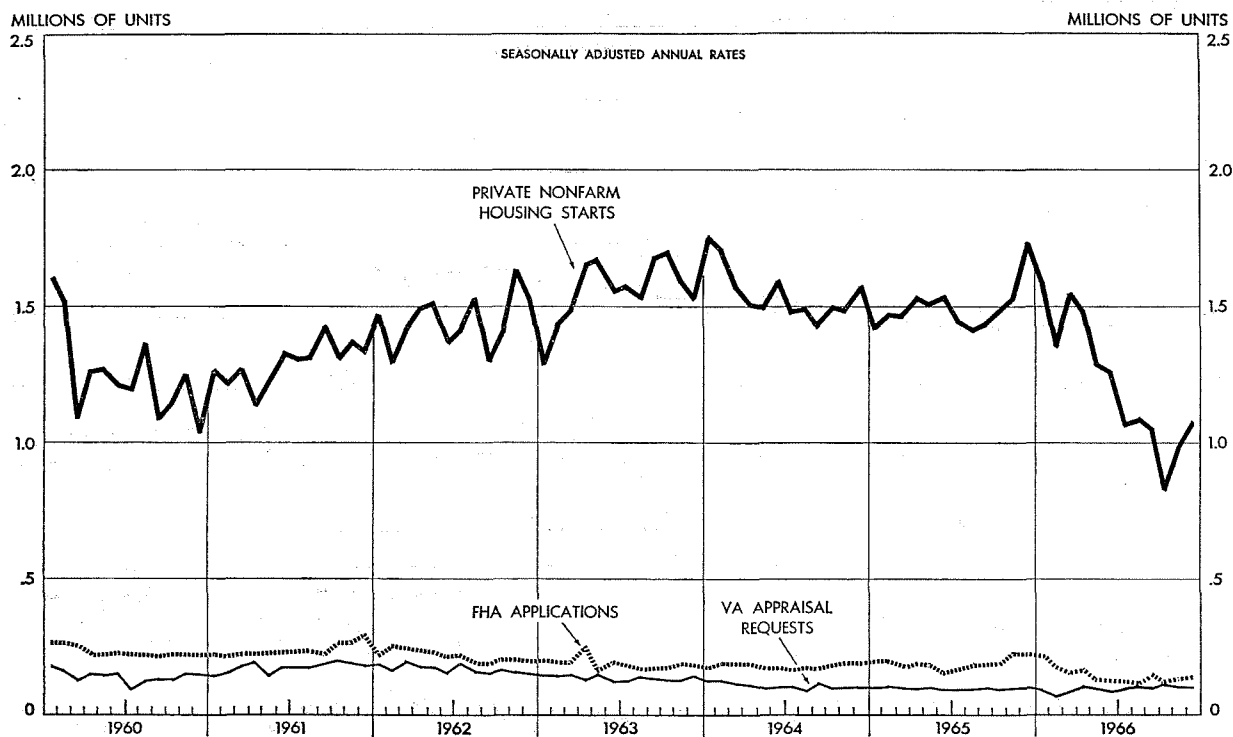
²Compiled by F. W. Dodge Corporation and relates to 48 States.

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 advanced for the second consecutive month in December, rising 9 percent to a seasonally adjusted annual rate of 1.1 million units; but they still remained considerably below the rate achieved in the first half of the year. Permits rose 8 percent, but were still nearly 40 percent below their 1965 average.



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
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-----	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
1966 ^p -----	1,252.3	1,220.5	1,197.2	772.9	424.3	1,220.5	1,197.2	129.1	40.5	966.4	153.0	99.2
Seasonally adjusted annual rates												
1965: 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--	104.8	104.0	102.3	69.7	32.6	1,088	1,068	117	42	921	124	99
Aug--	107.3	105.4	103.3	69.1	34.2	1,107	1,084	113	35	844	119	106
Sept--	95.2	92.4	90.2	60.1	30.1	1,075	1,050	96	37	733	151	104
Oct ^p --	82.8	80.2	78.1	53.0	25.1	848	826	94	38	714	122	119
Nov ^p --	77.1	74.8	73.5	49.2	24.3	1,007	988	107	40	715	135	105
Dec ^p --	66.5	64.4	63.2	41.6	21.6	1,102	1,079	105	42	772	203	104

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

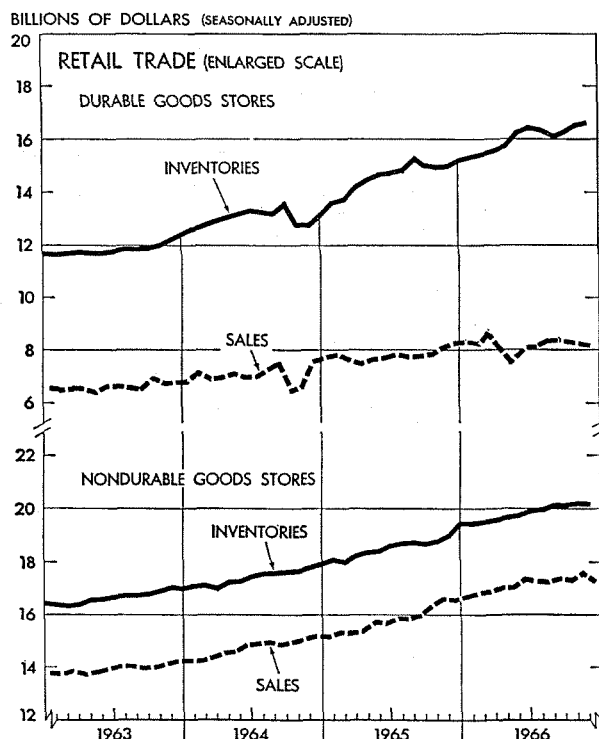
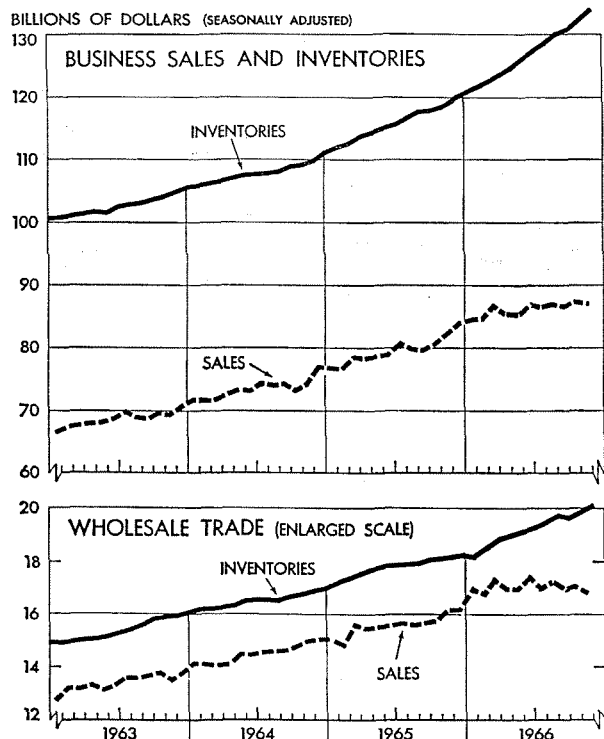
²Units represented by mortgage applications for new home construction.

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 1¼ percent in December. Revised estimates for November show retail sales up ½ percent over October. Total business sales in November dropped slightly and inventories rose \$1½ billion.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

Period	Total business ¹		Wholesale ⁴		Retail ⁵					
	Sales ²	Inventories ³	Sales ²	Inventories 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										
1959.....	59,661	91,891	11,491	13,879	17,951	5,967	11,984	25,305	11,029	14,276
1960.....	60,746	94,747	11,656	14,120	18,294	5,880	12,414	26,813	11,923	14,890
1961.....	61,106	95,813	11,988	14,488	18,234	5,581	12,654	26,238	10,965	15,273
1962.....	65,594	100,627	12,674	14,936	19,613	6,210	13,402	27,938	11,656	16,282
1963.....	68,692	105,578	13,382	16,048	20,536	6,627	13,909	29,383	12,386	16,997
1964.....	73,459	111,051	14,527	16,977	21,802	7,014	14,788	31,130	13,136	17,994
1965.....	79,536	120,896	15,595	18,274	23,662	7,810	15,853	34,607	15,194	19,413
1966 ^p	86,221	133,825	17,014	20,191	25,307	8,150	17,157	36,734	16,581	20,153
1965: Oct.....	80,655	118,432	15,777	18,123	24,330	8,001	16,329	33,667	14,927	18,740
Nov.....	82,214	119,279	16,164	18,171	24,647	8,092	16,555	33,916	14,979	18,937
Dec.....	83,591	120,896	16,153	18,274	24,816	8,252	16,564	34,607	15,194	19,413
1966: Jan.....	84,669	121,570	16,981	18,231	25,023	8,324	16,699	34,745	15,323	19,422
Feb.....	84,530	122,542	16,779	18,580	25,049	8,185	16,864	34,922	15,424	19,498
Mar.....	86,991	123,630	17,334	18,881	25,536	8,649	16,887	35,101	15,551	19,550
Apr.....	85,455	124,700	16,966	19,008	24,949	7,939	17,010	35,346	15,690	19,656
May.....	85,426	126,179	16,880	19,149	24,475	7,506	16,969	35,927	16,213	19,714
June.....	86,957	127,584	17,438	19,310	25,394	8,056	17,338	36,325	16,411	19,914
July.....	86,678	128,714	16,989	19,444	25,362	8,106	17,256	36,312	16,330	19,982
Aug.....	86,995	130,043	17,217	19,742	25,572	8,358	17,214	36,191	16,079	20,112
Sept.....	86,775	130,839	16,981	19,600	25,703	8,394	17,309	36,355	16,241	20,114
Oct ^p	87,066	132,392	17,029	19,924	25,550	8,276	17,274	36,680	16,496	20,184
Nov ^p	86,999	133,779	16,790	20,191	25,706	8,185	17,521	36,734	16,581	20,153
Dec ^p					25,362	8,143	17,219			

¹ The term "business" also includes 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.

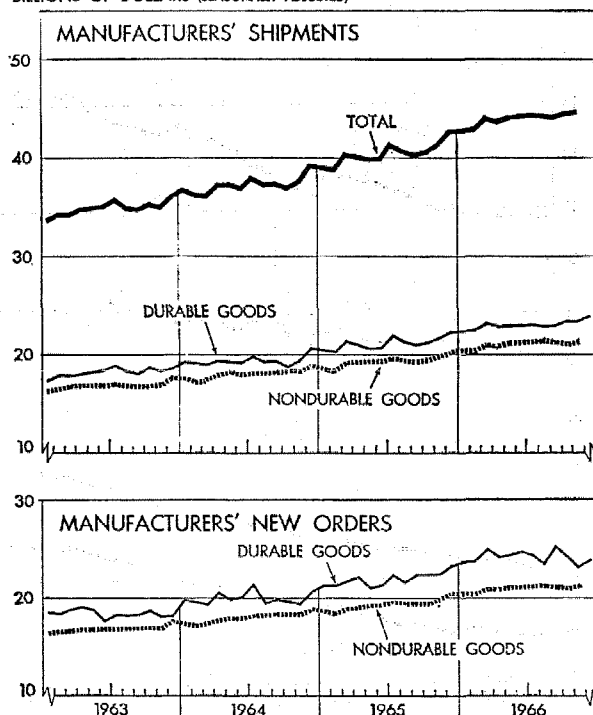
⁵ Beginning 1960, data include Alaska and Hawaii.

Source: Department of Commerce.

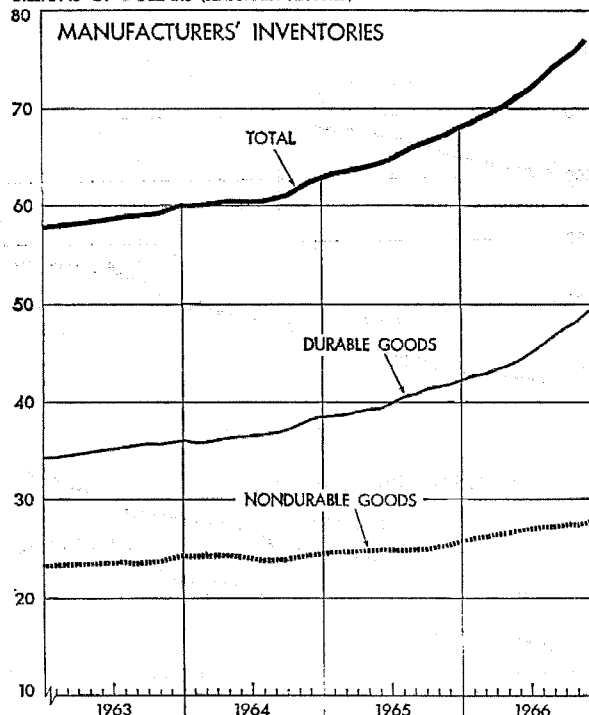
MANUFACTURERS' SHIPMENTS, INVENTORIES, AND NEW ORDERS

Manufacturers' inventories rose more than \$1 billion (seasonally adjusted) in November. New orders declined by over \$1 billion and shipments rose slightly. The inventory-shipments ratio, which has climbed steadily since May, rose to 1.73.

BILLIONS OF DOLLARS (SEASONALLY ADJUSTED)



BILLIONS OF DOLLARS (SEASONALLY ADJUSTED)



SOURCE: DEPARTMENT OF COMMERCE

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											
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
1966 ²	43, 900	22, 900	21, 000	76, 900	49, 300	27, 600	45, 000	24, 100	4, 800	20, 900	1. 65
1965: 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.....	44, 206	22, 874	21, 332	74, 110	46, 814	27, 296	44, 842	23, 512	4, 813	21, 330	1. 68
Sept.....	44, 091	22, 971	21, 120	74, 884	47, 568	27, 316	46, 318	25, 274	4, 906	21, 044	1. 70
Oct.....	44, 487	23, 451	21, 036	75, 788	48, 352	27, 436	45, 243	24, 244	4, 816	20, 999	1. 70
Nov ²	44, 503	23, 349	21, 154	76, 854	49, 240	27, 614	44, 176	23, 146	4, 685	21, 030	1. 73
Dec ²		23, 813						23, 885	4, 685		

¹ Monthly average for year and total for month.

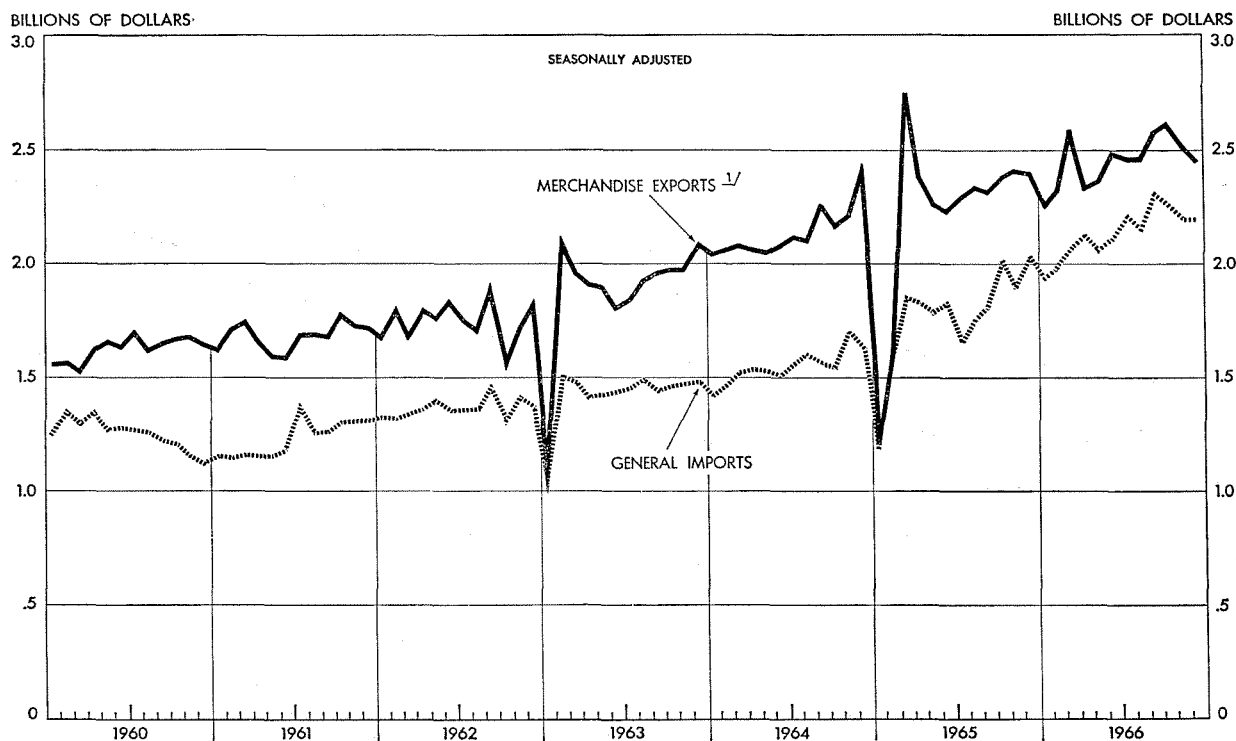
² Book value, end of period, seasonally adjusted.

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.

Source: Department of Commerce.

MERCHANDISE EXPORTS AND IMPORTS

The U.S. merchandise trade surplus (seasonally adjusted) fell to \$247 million in December. A 2.7 percent decrease in exports accounted for the deterioration; imports remained virtually constant. The 1966 totals show the trade surplus \$1.5 billion below the level of 1965, as the 10 percent increase in exports was outpaced by a 20 percent surge in imports.



[Millions of dollars]

Period	Merchandise exports						Merchandise imports					Gross-merchandise trade surplus, seasonally adjusted
	Total (including reexports) ¹		Domestic exports				General imports ²					
	Seasonally adjusted	Unadjusted	Total ^{1 3}	Food, beverages, and tobacco	Crude materials and fuel	Manufactured goods	Seasonally adjusted	Unadjusted	Food, beverages, and tobacco	Crude materials and fuels	Manufactured goods	
1958-----		16, 373	16, 208	2, 688	3, 051	11, 546		13, 220	3, 556	4, 062	5, 283	3, 153
1959-----		16, 406	16, 222	2, 852	2, 996	11, 171		15, 629	3, 580	4, 580	7, 090	777
1960-----		19, 638	19, 437	3, 145	3, 898	12, 892		15, 019	3, 392	4, 380	6, 846	4, 619
1961-----		20, 188	19, 943	3, 422	3, 817	13, 037		14, 716	3, 455	4, 303	6, 523	5, 472
1962-----		20, 973	20, 704	3, 677	3, 323	13, 912		16, 382	3, 674	4, 640	7, 627	4, 591
1963-----		22, 427	22, 142	4, 096	3, 741	14, 611		17, 140	3, 863	4, 693	8, 066	5, 287
1964-----		25, 671	25, 318	4, 638	4, 339	16, 366		18, 684	4, 022	4, 964	9, 108	6, 987
1965-----		26, 700	26, 356	4, 520	4, 274	17, 388		21, 366	4, 013	5, 385	11, 238	5, 334
1966-----		29, 396	28, 959	5, 190	4, 406	19, 116		25, 550	4, 589	5, 674	14, 421	3, 846
1965: Dec-----	2, 396	2, 594	2, 564	444	417	1, 657	1, 890	2, 007	427	519	1, 143	506
1966: Jan-----	2, 248	2, 132	2, 105	374	324	1, 359	1, 936	1, 829	332	463	993	312
Feb-----	2, 334	2, 210	2, 176	396	332	1, 468	1, 993	1, 822	355	422	968	341
Mar-----	2, 588	2, 741	2, 701	486	366	1, 822	2, 070	2, 242	425	523	1, 228	518
Apr-----	2, 330	2, 463	2, 421	437	339	1, 624	2, 138	2, 071	416	460	1, 127	192
May-----	2, 363	2, 505	2, 456	405	372	1, 650	2, 052	2, 074	362	464	1, 181	311
June-----	2, 485	2, 467	2, 428	412	379	1, 617	2, 110	2, 189	387	510	1, 216	375
July-----	2, 459	2, 327	2, 296	396	328	1, 558	2, 207	2, 072	346	458	1, 193	252
Aug-----	2, 460	2, 278	2, 244	448	354	1, 434	2, 148	2, 180	341	524	1, 253	312
Sept-----	2, 580	2, 431	2, 389	469	349	1, 543	2, 310	2, 294	426	474	1, 321	270
Oct-----	2, 621	2, 626	2, 586	467	400	1, 711	2, 260	2, 278	423	460	1, 299	36
Nov-----	2, 518	2, 572	2, 538	469	448	1, 584	2, 204	2, 258	393	464	1, 324	314
Dec-----	2, 450	2, 644	2, 618	431	421	1, 751	2, 203	2, 240	384	447	1, 331	247

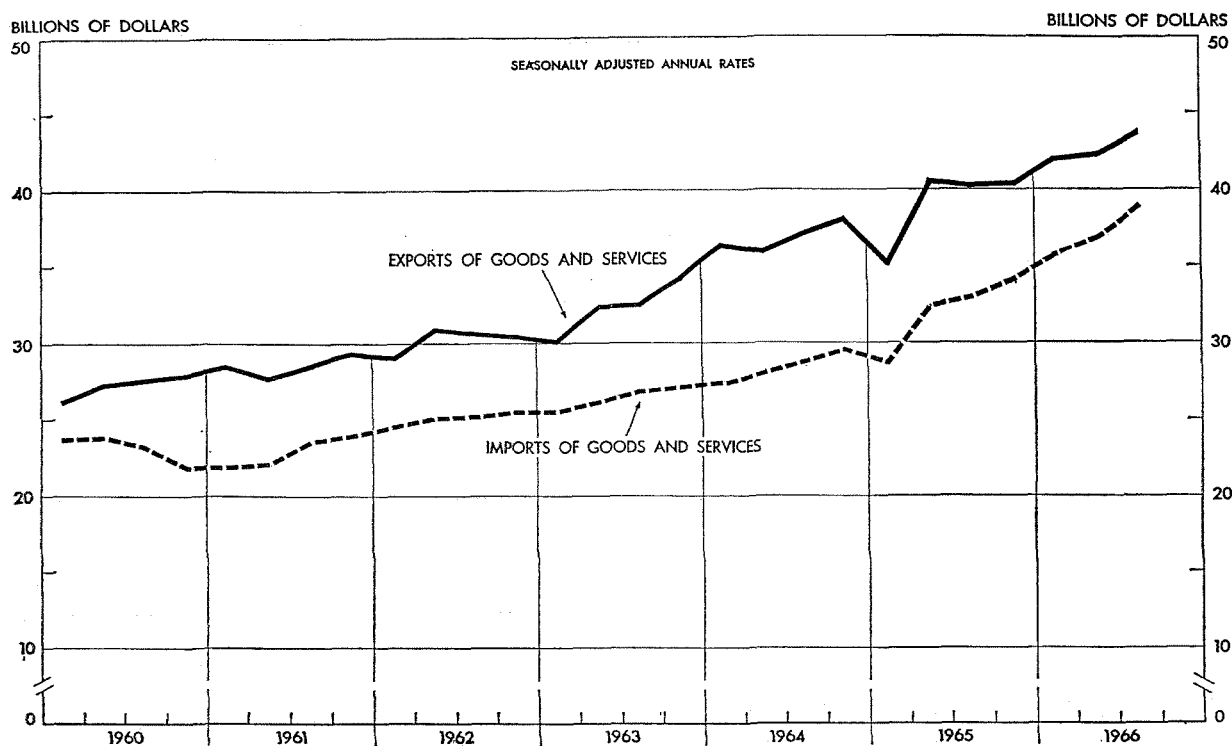
¹ Total excludes Department of Defense shipments of grant-aid military supplies and equipment under the Military Assistance Program.

³ Total arrivals of imported goods other than intransit shipments.

² Total includes commodities and transactions not classified according to kind. Source: Department of Commerce.

U.S. EXPORTS AND IMPORTS OF GOODS AND SERVICES

The U.S. surplus on goods and services declined again in the third quarter, falling almost \$700 million to \$4.7 billion (seasonally adjusted annual rate). This deterioration was due largely to a continued rapid rise in merchandise imports, up \$1.6 billion over the second quarter, and only partially offset by a \$1.3 billion increase in merchandise exports; the net effect of other items was also unfavorable.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

Period	Exports of goods and services						Imports of goods and services				Bal- ance on goods and serv- ices
	Total	Mer- chan- dise ¹	Mili- tary sales	Income on investments		Other serv- ices	Total	Mer- chan- dise ¹	Mili- tary expend- itures	Other serv- ices	
				Pri- vate	Gov- ern- ment						
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
1966 ² -----	42, 687	28, 961	898	5, 683	593	6, 552	37, 200	25, 233	3, 587	8, 380	5, 487
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, 980	28, 684	792	5, 524	596	6, 384	35, 704	24, 016	3, 416	8, 272	6, 276
II-----	42, 288	28, 444	1, 040	5, 720	596	6, 488	36, 848	25, 048	3, 596	8, 204	5, 440
III ² -----	43, 792	29, 756	860	5, 804	588	6, 784	39, 048	26, 636	3, 748	8, 664	4, 744

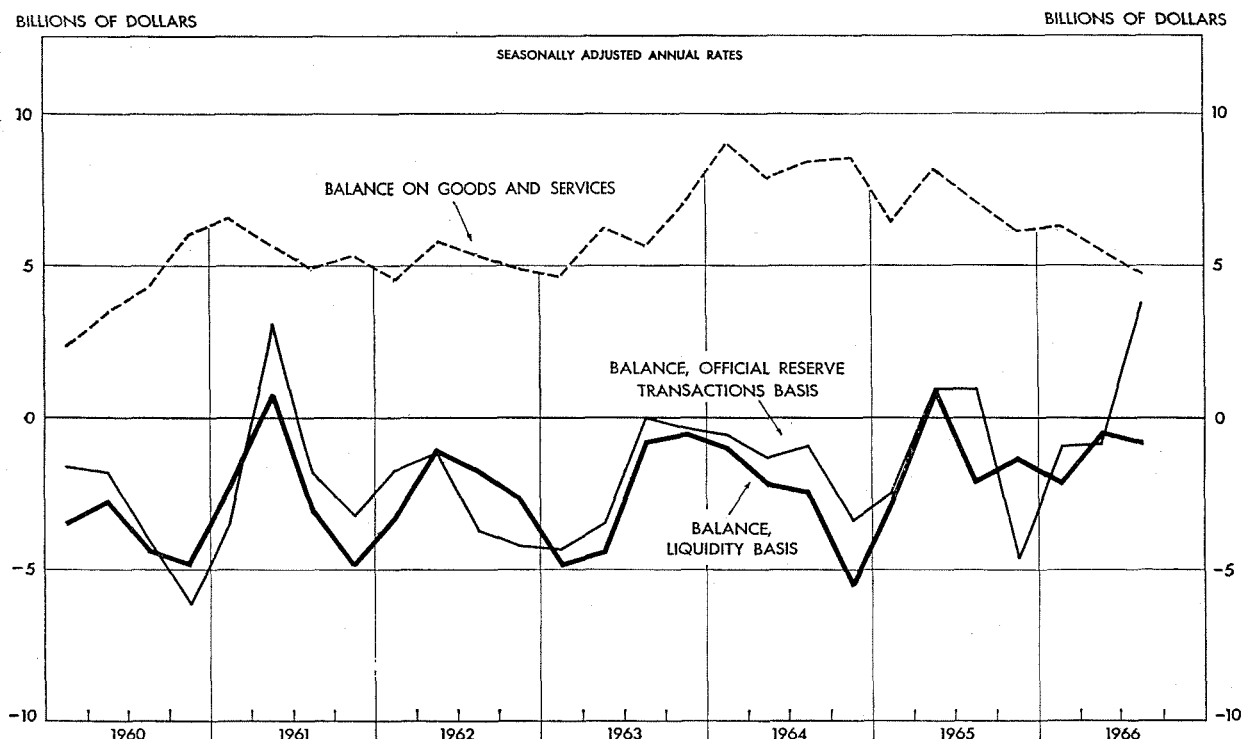
¹ Adjusted from customs data for differences in timing and coverage.

² Average of first 3 quarters at seasonally adjusted annual rates.

Source: Department of Commerce.

U.S. BALANCE OF INTERNATIONAL PAYMENTS

In the third quarter of 1966 the U.S. deficit on the liquidity basis was \$872 million (seasonally adjusted annual rate); the annual rate for the first 3 quarters was \$1.2 billion, slightly below 1965's level. A sharp increase in liquid liabilities to foreign private holders led to a third quarter official reserve transactions surplus at an annual rate of nearly \$3.8 billion.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[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		
1960----	-2,769	-1,674	-863	-1,348	366	-941	-3,881	-3,402	⁷ 1,449	-----	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
1966*----	-3,608	-3,151	-443	-53	2,016	-461	-1,213	655	-----	-----	-----	-----
Seasonally adjusted annual rates												
1965:									Quarterly totals, unadjusted			
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	-88	1,156	-1,188	-2,204	-964	-851	25	475	424
II-----	-3,856	-3,904	-320	-152	3,840	-668	-564	-856	58	254	26	68
III-----	-3,176	-2,800	-132	80	1,052	472	-872	3,784	-614	105	1,243	⁸ 82

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 Sept. 30, U.S. reserve assets consisted of gold stock, \$13,356 million (down \$173 million from June 30); IMF position including gold portion of increased U.S. subscription, \$372 million; convertible currencies, \$1,148 million.

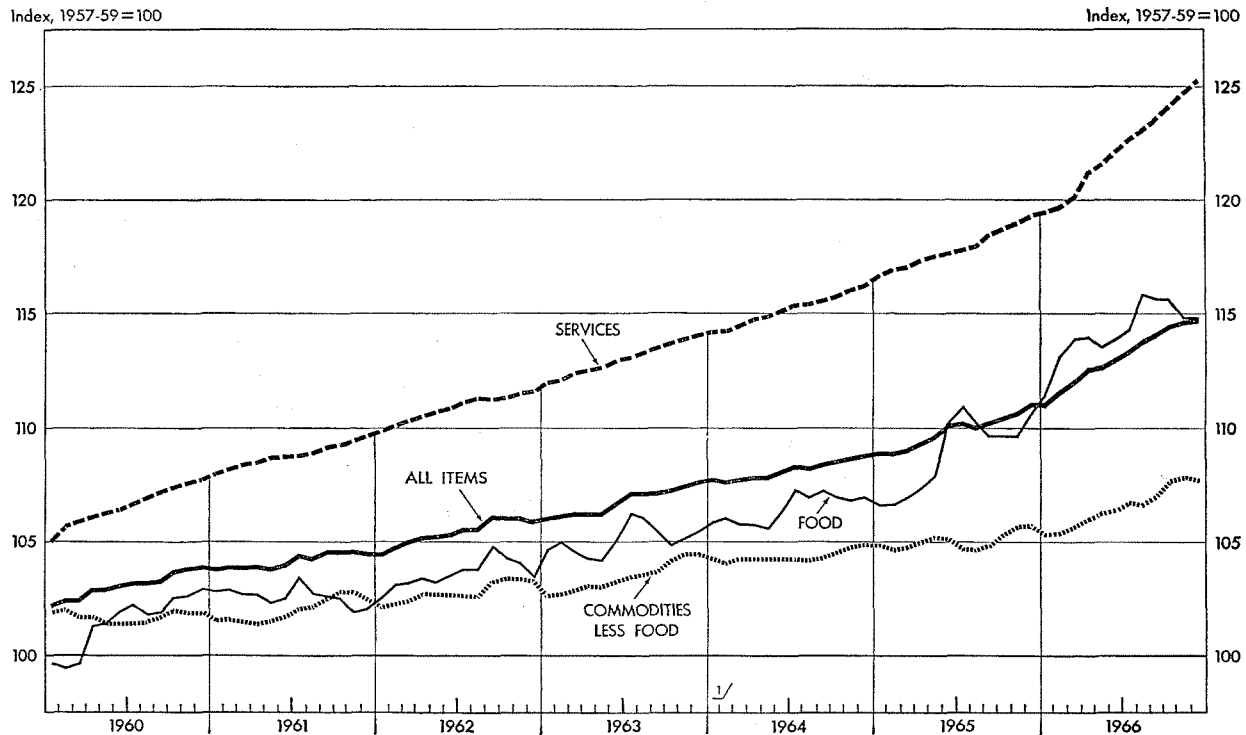
*See footnote 2, page 24.

NOTE.—Data exclude military grant-aid and U.S. subscriptions to IMF.
Source: Department of Commerce.

PRICES

CONSUMER PRICES

The consumer price index increased 0.1 percent in December. Food prices showed no change. The index for services increased 0.4 percent and for nondurable goods other than food 0.1 percent. Durable goods declined 0.4 percent. The "all items" index ended the year 3.3 percent above last December.



1/SEE NOTE BELOW.

SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

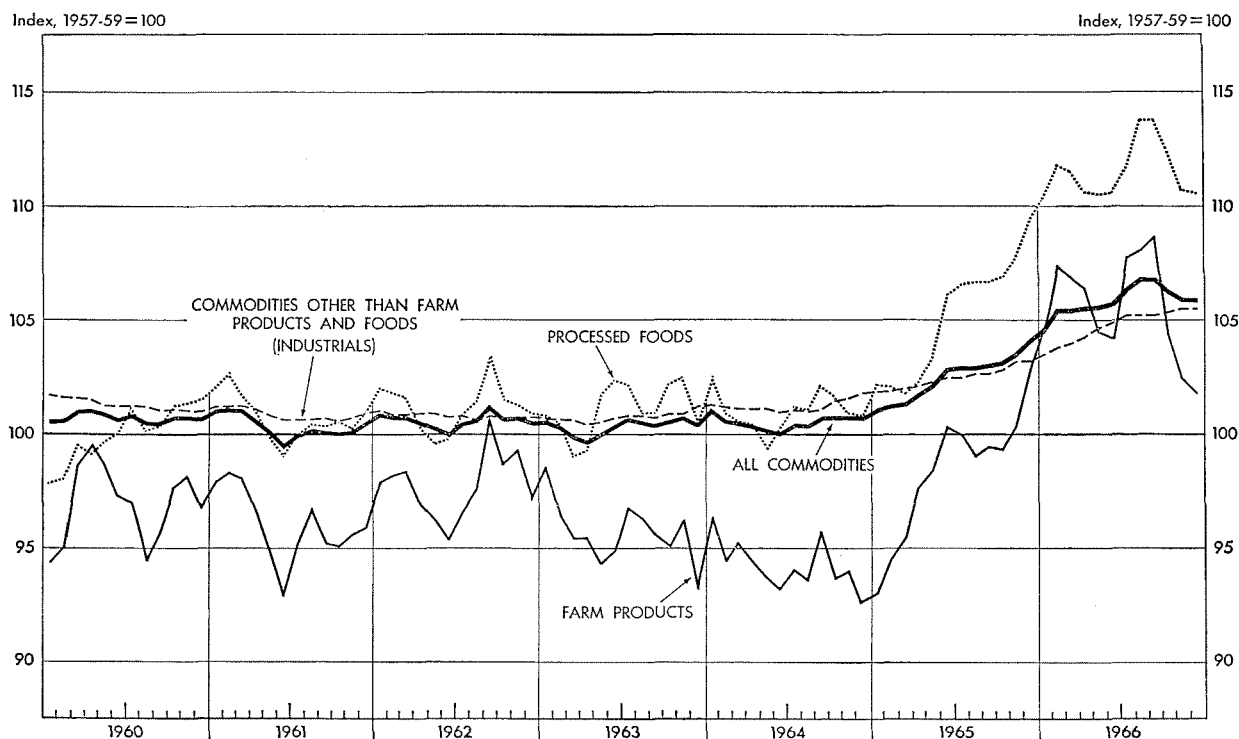
[1957-56=100]

Period	All items	Commodities					Services		
		All commodities	Food	Commodities less food			All services	Rent	Services less rent
				All	Durable	Non-durable			
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	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
1966	113.1	109.2	114.2	106.5	102.7	109.7	122.3	110.4	125.0
1965: 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
Oct	114.5	110.3	115.6	107.6	103.5	110.9	124.1	111.0	127.1
Nov	114.6	110.2	114.8	107.8	103.5	111.3	124.7	111.2	127.7
Dec	114.7	110.1	114.8	107.7	103.1	111.4	125.2	111.3	128.3

Source: Department of Labor.

WHOLESALE PRICES

The wholesale price index was unchanged from November to December. Farm prices dropped 0.7 percent and processed foods 0.1 percent. Industrial commodity prices were unchanged. The "all commodities" index ended the year 1.7 percent above last December.



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
1957	99.0	99.2	97.9	99.2	100.9	99.6	97.7	98.7	99.9
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
1966 ^a	105.8	105.6	111.5	104.7	104.5	103.6	108.0	100.2	104.8
1965: 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.	106.8	108.7	113.8	105.2	102.8	104.1	108.4	100.0	105.4
Oct.	106.2	104.4	112.4	105.3	102.8	104.1	109.1	100.9	105.5
Nov.	105.9	102.5	110.7	105.5	102.7	104.1	109.8	101.2	105.7
Dec. ^b	105.9	101.8	110.6	105.5	101.7	104.1	110.0	101.3	105.5

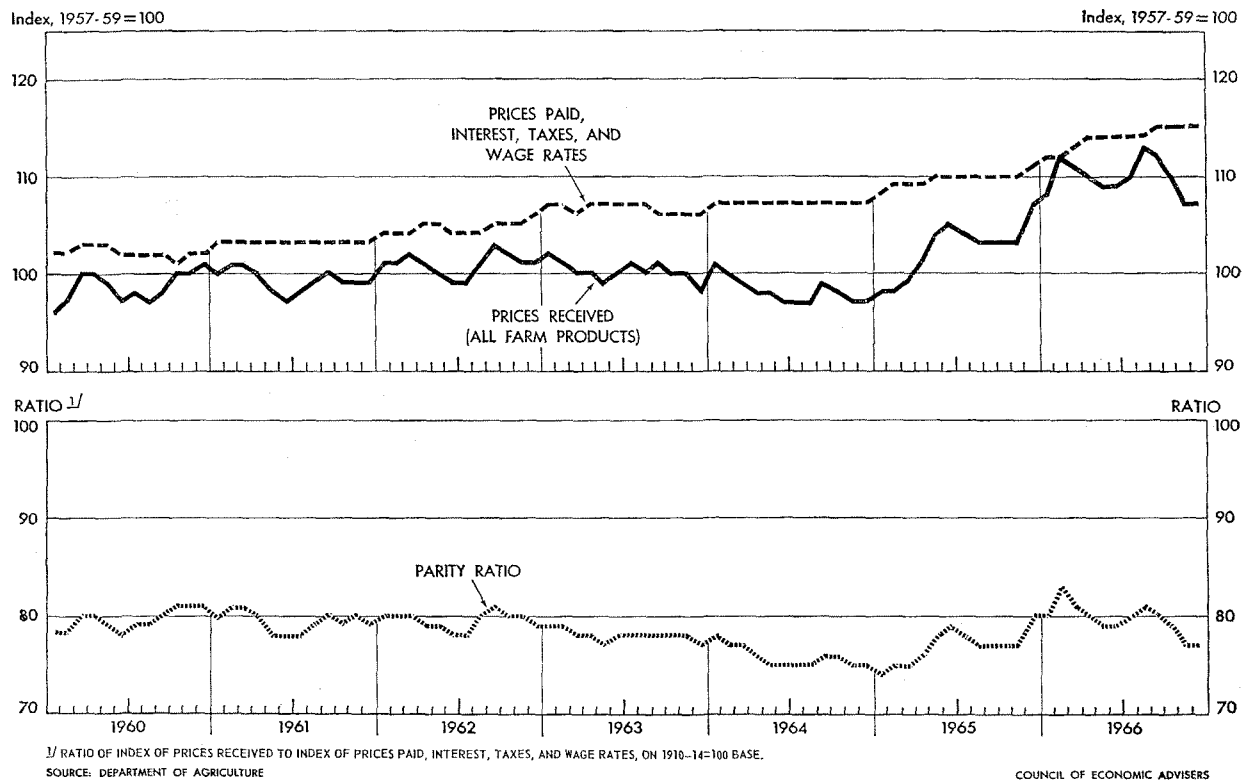
¹ Coverage of the subgroups does not correspond exactly to coverage of this index.

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

Source: Department of Labor.

PRICES RECEIVED AND PAID BY FARMERS

In the month ended December 15, the parity ratio was unchanged. Prices received by farmers and prices paid were unchanged from November, although prices received for livestock and livestock products fell 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						
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-----	99	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
1966-----	110	105	113	114	110	108	80
1965: 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
Oct 15-----	110	104	114	115	111	109	79
Nov 15-----	107	103	110	115	111	109	77
Dec 15-----	107	103	109	115	111	109	77

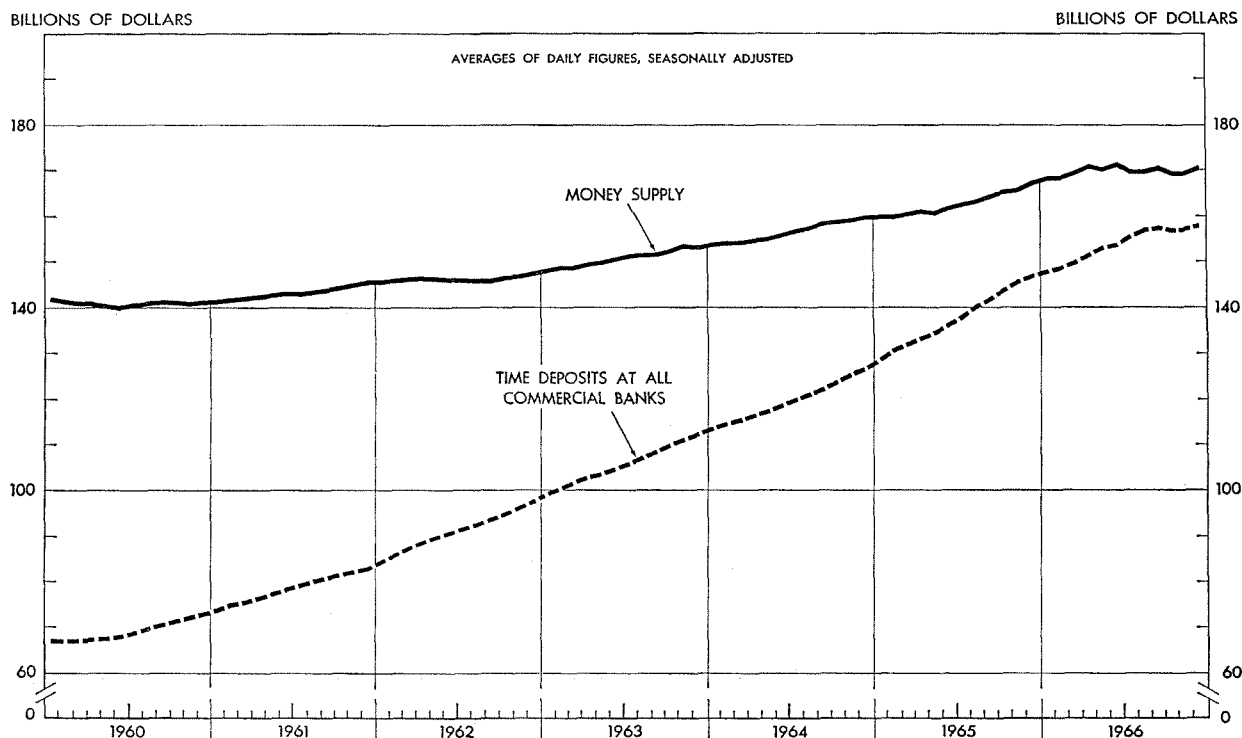
¹ Percentage ratio of index of prices received by farmers to index of prices paid, interest, taxes, and wage rates on 1910-14=100 base.

Source: Department of Agriculture.

MONEY, CREDIT, AND SECURITY MARKETS

MONEY SUPPLY

The money supply (seasonally adjusted) rose by \$1 billion in December after having fallen in the two previous months. Time deposits increased by over \$1 billion to reach a new peak.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[Averages of daily figures, millions of dollars]

Period	Money supply				Money supply				U.S. Gov-ernment de-mand de-posits ¹
	Total	Cur-rency out-side banks	De-mand de-posits	Time de-posits ¹	Total	Cur-rency out-side banks	De-mand de-posits	Time de-posits ¹	
	Seasonally adjusted				Unadjusted				
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
1966: Dec ^p -----	170. 2	38. 2	132. 0	158. 0	175. 1	39. 0	136. 1	156. 3	3. 5
1965: 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	132. 0	155. 3	167. 9	37. 8	130. 1	155. 8	8. 2
Aug-----	169. 6	37. 8	131. 8	156. 6	166. 9	37. 9	129. 1	157. 0	5. 2
Sept-----	170. 5	37. 9	132. 6	157. 1	169. 5	37. 9	131. 5	156. 9	4. 5
Oct-----	169. 6	37. 9	131. 7	156. 8	170. 1	38. 0	132. 1	156. 6	4. 8
Nov-----	169. 2	38. 0	131. 1	156. 9	171. 0	38. 5	132. 5	155. 6	3. 7
Dec ^p -----	170. 4	38. 3	132. 1	158. 0	175. 3	39. 1	136. 2	156. 3	3. 5

¹ Deposits at all commercial banks.

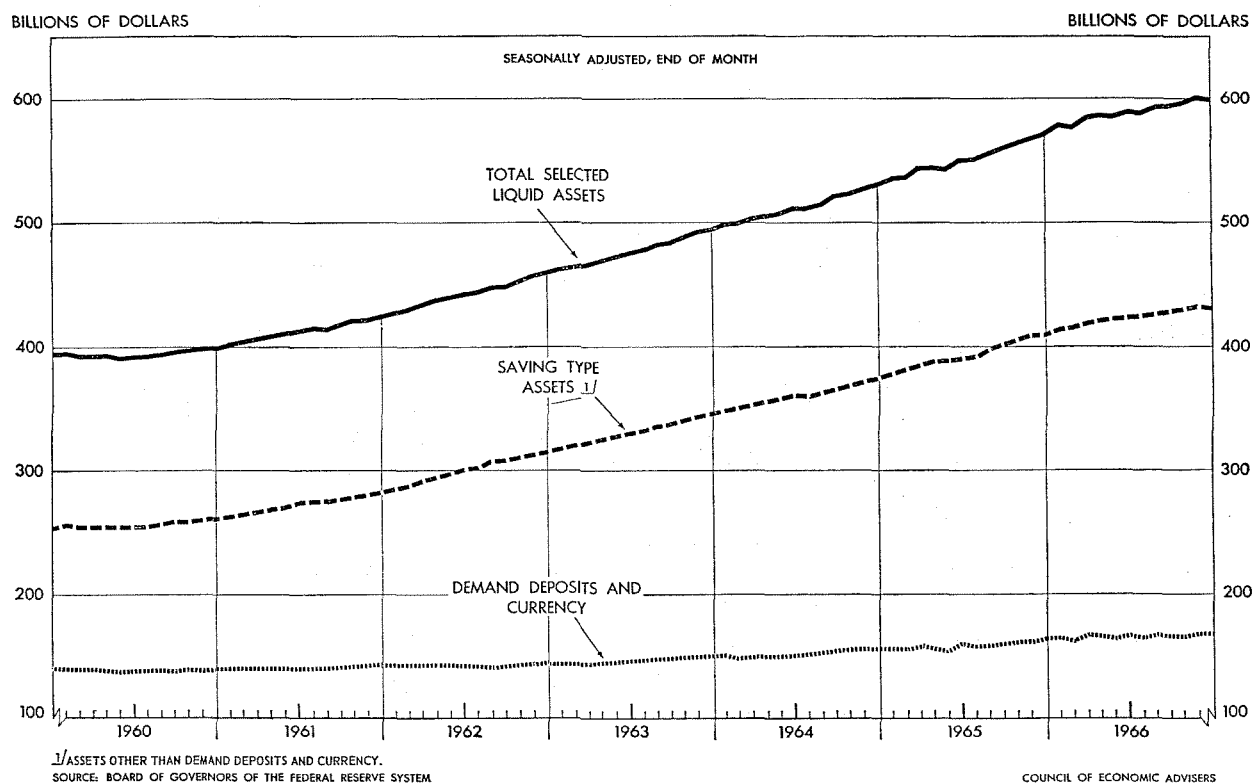
² Effective June 9, balances accumulated for payment of personal loans (about \$1.1 billion) are excluded from time deposits and from loans at all commercial banks.

NOTE.—Data include Alaska and Hawaii.

Source: Board of Governors of the Federal Reserve System.

SELECTED LIQUID ASSETS HELD BY THE PUBLIC

In December, the public's holdings of liquid assets were reduced by \$0.6 billion (seasonally adjusted). Short-term Government securities declined by more than \$2 billion while all other types of assets increased or remained constant.



[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
			Commercial banks	Mutual savings banks				
1960.....	399.2	138.4	73.1	36.2	0.8	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.....	572.9	164.0	147.1	52.6	.3	109.7	50.5	48.6
1966 ^p	599.6	168.5	158.4	54.8	.1	113.2	50.9	53.6
1965: 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	162.7	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.....	587.0	166.4	152.5	53.1	.3	111.0	50.4	53.3
May.....	585.7	163.7	153.6	53.3	.3	111.2	50.4	53.3
June.....	³ 589.1	166.5	³ 153.9	53.4	.2	111.4	50.4	53.4
July.....	588.4	164.3	156.1	53.7	.2	110.7	50.6	52.7
Aug.....	592.8	167.0	156.6	53.9	.2	111.3	50.6	53.3
Sept.....	594.2	166.1	156.7	54.2	.2	112.2	50.5	54.4
Oct ^p	596.0	166.0	156.6	54.6	.2	112.1	50.6	56.0
Nov ^p	600.2	167.8	158.2	54.8	.1	112.8	50.6	55.8
Dec ^p	599.6	168.5	158.4	54.8	.1	113.2	50.9	53.6

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.

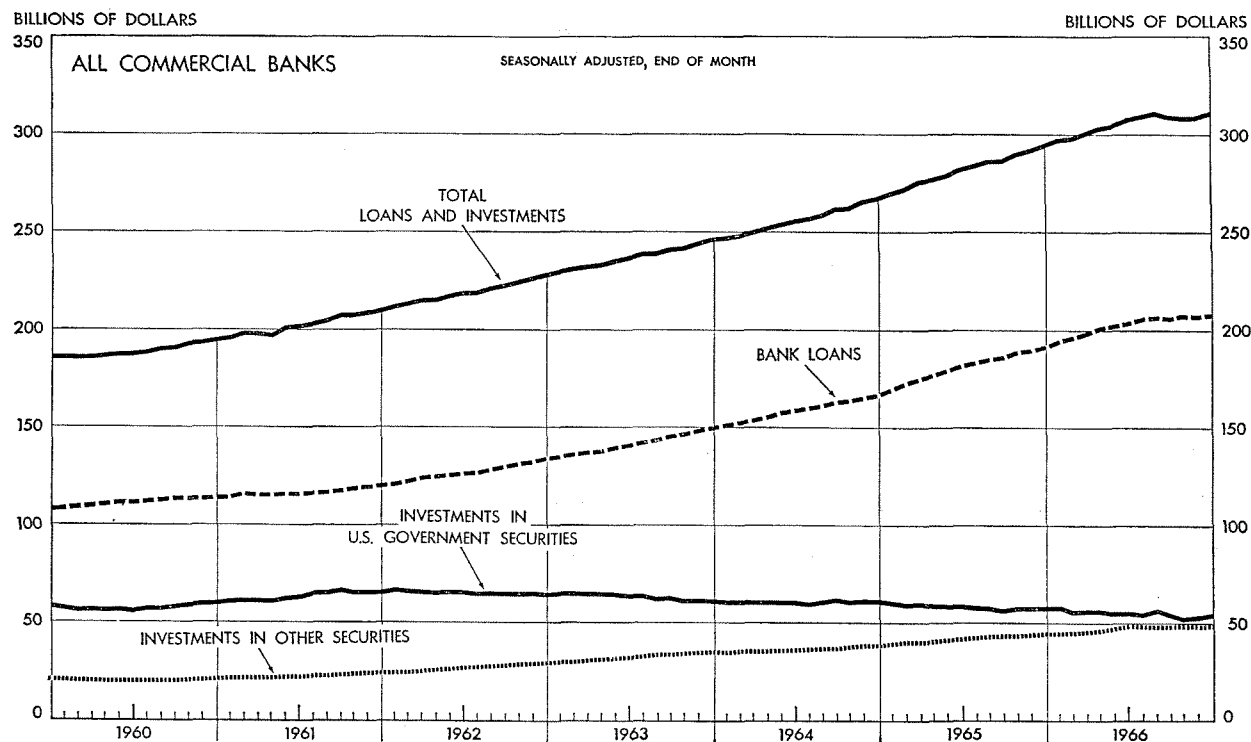
³ See footnote 2, page 29.

NOTE.—See Note, p. 31.

Source: Board of Governors of the Federal Reserve System.

BANK LOANS, INVESTMENTS, DEBITS, AND RESERVES

On a seasonally adjusted basis, bank loans rose \$0.9 billion in December and investment in Government securities rose \$1.4 billion. Net borrowed reserves showed another decline to reach the lowest level since early in the year.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

End of period	All commercial banks (seasonally adjusted data)				Weekly reporting large com- mercial banks	Bank debits outside New York City (224 centers), seasonally adjusted annual rates ²	All member banks ³			
	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 ¹					
	Billions of dollars						Millions of dollars			
1960-----	194. 5	113. 8	59. 8	20. 8	32. 2	1, 736	19, 283	756	87	669
1961-----	209. 6	120. 5	65. 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
1966 ^p -----	310. 7	208. 2	54. 3	48. 3	60. 6	-----	23, 825	396	557	-161
1965: 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-----	302. 9	200. 8	55. 9	46. 2	52. 5	3, 390	22, 528	358	626	-268
May-----	304. 9	202. 3	55. 1	47. 4	53. 5	3, 348	22, 487	370	722	-352
June-----	⁴ 307. 7	⁴ 204. 0	55. 1	⁴ 48. 6	55. 8	3, 377	22, 534	322	674	-352
July-----	309. 2	206. 4	54. 4	48. 5	⁵ 58. 7	3, 509	23, 090	408	766	-358
Aug-----	310. 8	206. 6	56. 1	48. 1	58. 3	3, 474	22, 655	338	728	-390
Sept-----	308. 7	206. 1	54. 3	48. 3	59. 4	3, 517	23, 240	398	766	-368
Oct ^p -----	308. 1	207. 3	52. 4	48. 4	59. 5	3, 487	23, 333	302	733	-431
Nov ^p -----	308. 4	207. 3	52. 9	48. 3	59. 9	3, 530	23, 251	389	611	-222
Dec ^p -----	310. 7	208. 2	54. 3	48. 3	60. 6	3, 529	23, 830	396	557	-161

¹ Commercial and industrial loans.

² Debits during period to demand deposit accounts except interbank and U.S. Government.

³ Averages of daily figures. Annual data are for December.

⁴ Effective June 1966, balances accumulated for payment of personal loans (about \$1.1 billion) are excluded from loans at all commercial banks, and certain

certificates of CCC and Export-Import Bank totaling about \$1 billion are included in other securities rather than in loans.

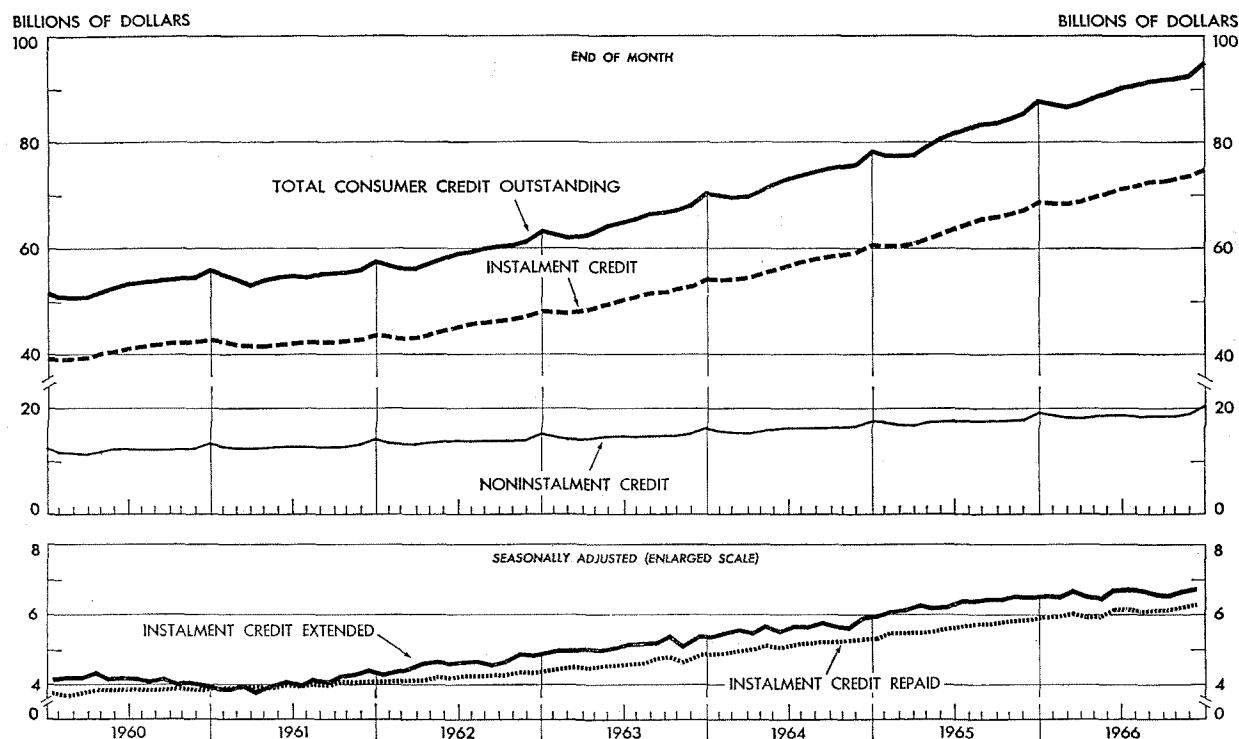
⁵ New series; see *Federal Reserve Bulletin*, August 1966.

NOTE.—Data include Alaska and Hawaii.

Source: Board of Governors of the Federal Reserve System.

CONSUMER AND REAL ESTATE CREDIT

There was a seasonal increase of \$2.5 billion in consumer credit during December. After seasonal adjustment, instalment credit showed a net increase of only \$425 million.



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	Auto- mo- bile paper	Personal loans		Extended	Repaid	Extended	Repaid	
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
1966 ⁴ -----	95, 000	74, 700	31, 000	20, 200	20, 300	79, 100	73, 000	28, 700	26, 500	225, 200
1965: 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, 500
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	-----
Sept-----	91, 639	72, 829	30, 793	19, 701	18, 810	6, 578	6, 103	2, 387	2, 213	223, 100
Oct-----	91, 899	73, 073	30, 852	19, 737	18, 826	6, 522	6, 142	2, 378	2, 244	-----
Nov-----	92, 498	73, 491	30, 937	19, 837	19, 007	6, 657	6, 213	2, 461	2, 255	-----
Dec ⁴ -----	95, 000	74, 700	31, 000	20, 200	20, 300	6, 725	6, 300	2, 450	2, 280	225, 200

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

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

³ End of period, unadjusted.

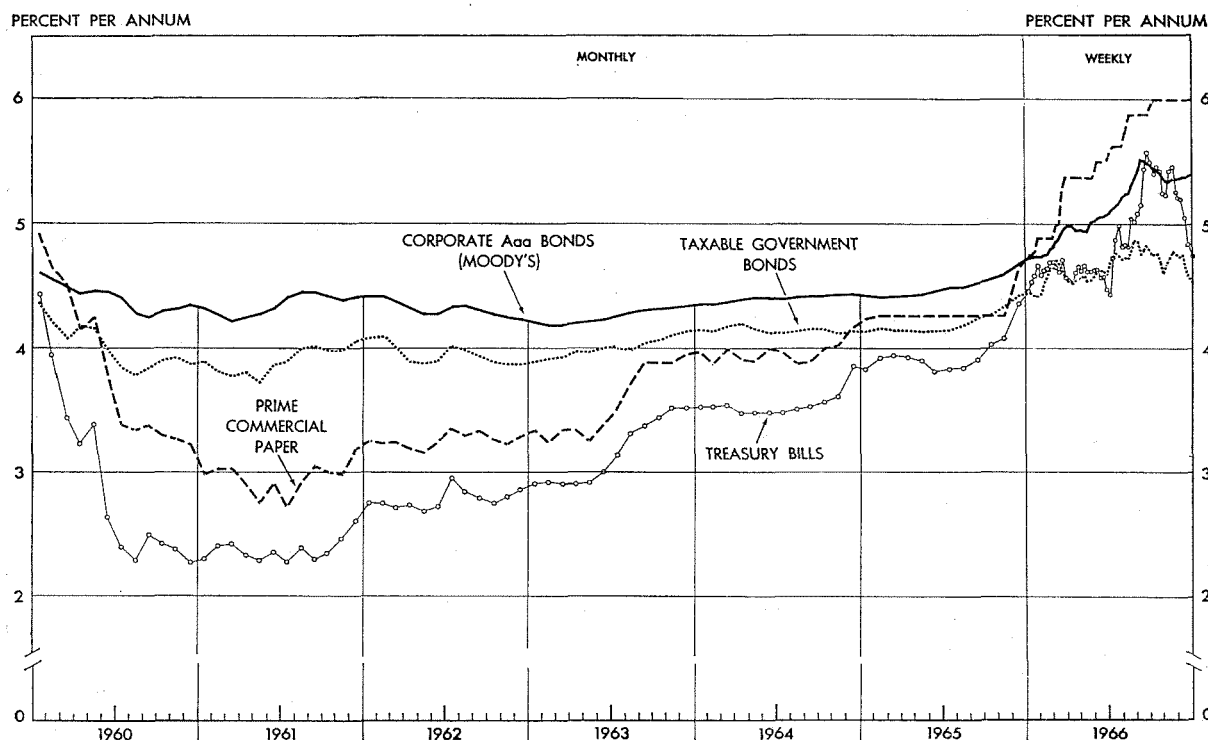
⁴ Preliminary estimates by Council of Economic Advisers.

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 (except as noted).

BOND YIELDS AND INTEREST RATES

Interest rates dropped sharply throughout December and January. By mid-January, the bill rate was down to 4.72 percent and rates on longer-term Government securities were lower than at the end of 1965.



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		
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
1966-----	4.881	5.16	4.65	3.82	5.13	5.67	5.55	6.29
1965: 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
Oct-----	5.387	5.38	4.70	3.97	5.41	6.10	6.00	6.63
Nov-----	5.344	5.43	4.74	3.93	5.35	6.13	6.00	-----
Dec-----	5.007	5.07	4.65	3.83	5.39	6.18	6.00	6.81
Week ended:								
1966: Dec 24--	4.842	4.90	4.58	3.79	5.39	6.19	6.00	-----
31--	4.747	4.86	4.54	3.78	5.40	6.18	6.00	-----
1967: Jan 7*-	4.822	4.82	4.46	3.76	5.38	6.15	6.00	-----
14*-	4.818	4.76	4.40	3.62	5.32	6.08	5.85	-----
21*-	4.716	4.65	4.37	3.43	5.15	5.92	5.68	-----
28*-	4.690							-----

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.

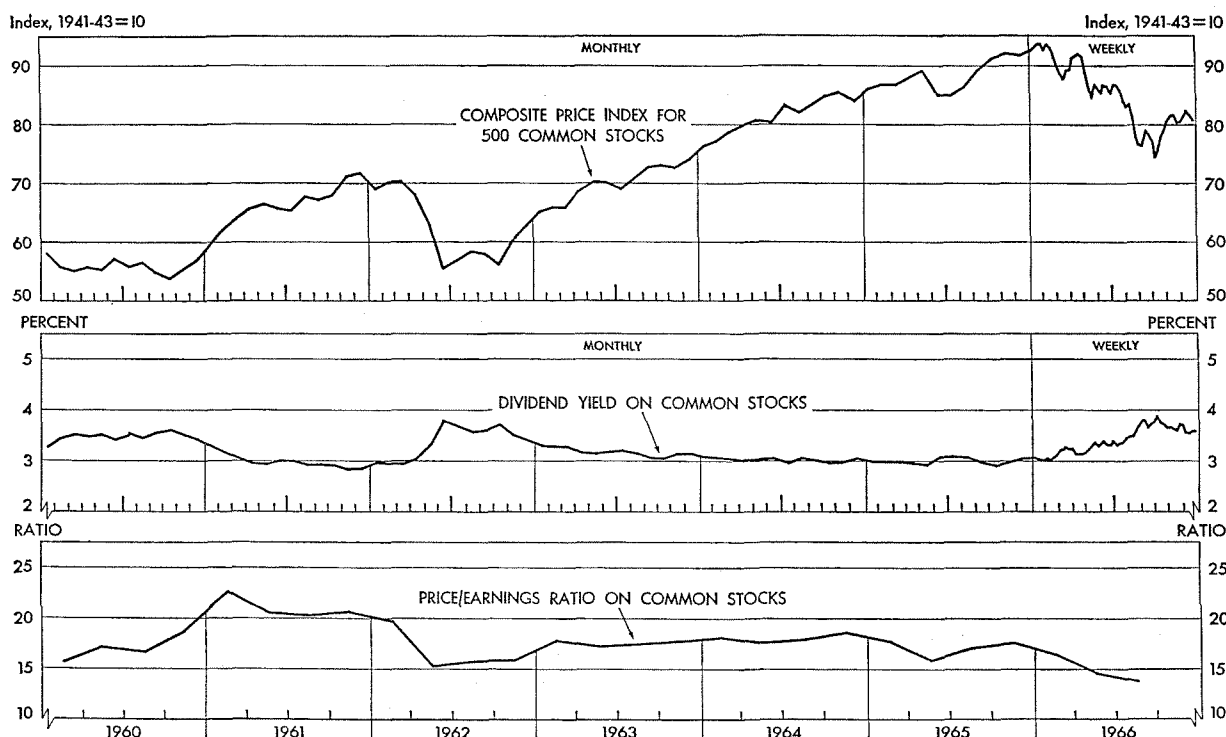
⁵ Not charted.

⁶ Data for first of the month, based on the maximum permissible interest rate (6 percent beginning October 1966) and 30-year mortgages paid in 15 years.

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

Most stock prices averaged slightly higher in December than in November. There was then an appreciable rise in most prices during the first 3 weeks of January.



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							
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
1966.....	85.26	91.09	84.78	74.00	68.21	46.34	3.40	-----
1965: 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	13.92
Oct.....	77.13	82.01	72.67	66.67	65.41	39.44	3.76	-----
Nov.....	80.99	86.10	77.89	68.25	68.82	41.57	3.66	-----
Dec.....	81.33	86.50	79.83	67.76	68.86	41.44	3.59	-----
Week ended:								
1966: Dec 16.....	82.32	87.65	81.51	69.00	69.08	41.74	3.54	-----
23.....	81.35	86.48	79.41	67.81	69.23	41.51	3.60	-----
30.....	80.58	85.54	78.20	66.78	69.35	41.28	3.59	-----
1967: Jan 6.....	⁴ 81.18	86.15	78.76	66.80	69.93	41.89	⁴ 3.65	-----
13.....	⁴ 83.51	88.79	83.20	69.36	70.52	43.66	⁴ 3.52	-----
20.....	⁴ 85.45	91.03	84.46	71.77	70.75	45.31	⁴ 3.43	-----

¹Includes 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.

²Aggregate 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.

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

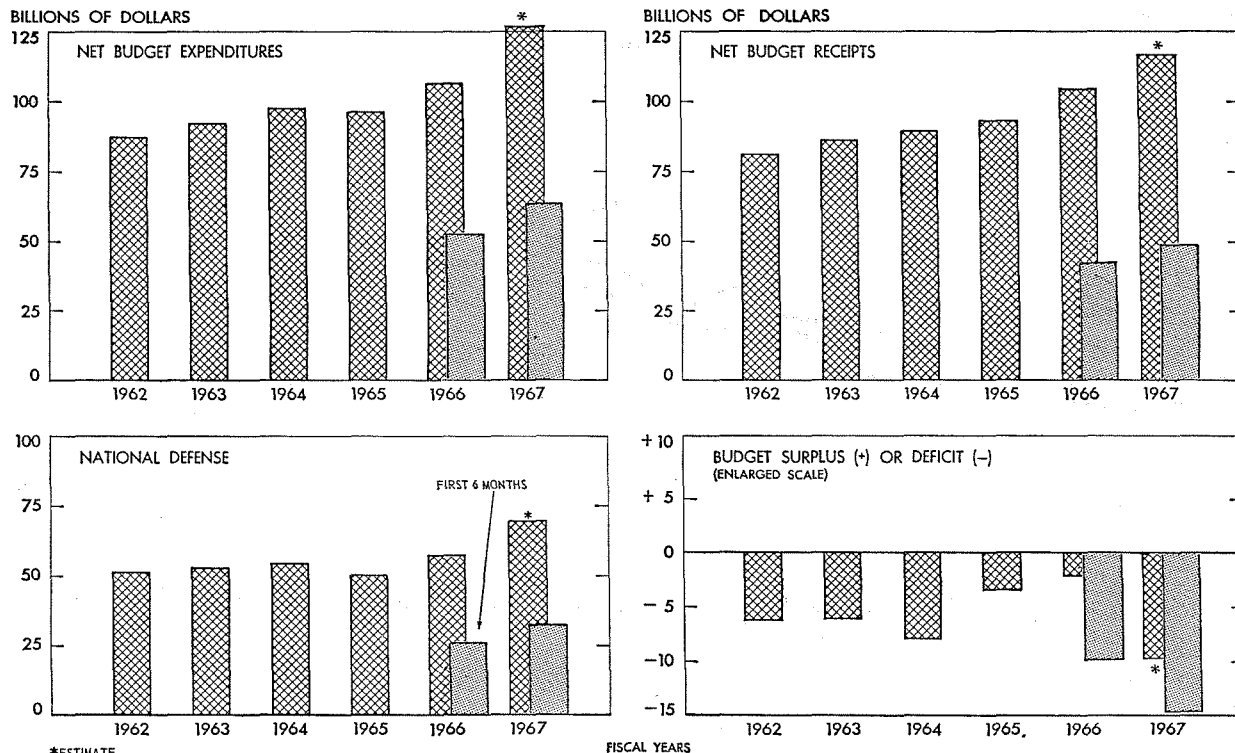
⁴Not charted.

Source: Standard & Poor's Corporation.

FEDERAL FINANCE

FEDERAL ADMINISTRATIVE BUDGET RECEIPTS AND EXPENDITURES

The administrative budget expenditures for the first 6 months of fiscal 1967 were \$64 billion. In the corresponding periods of fiscal 1966 expenditures were \$53 billion. Receipts for the same period were \$49 billion in fiscal 1967 and \$43 billion in fiscal 1966.



*ESTIMATE

SOURCES: TREASURY DEPARTMENT AND BUREAU OF THE BUDGET

FISCAL YEARS

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 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-----	104.7	107.0	57.7	54.4	1.0	—2.3	320.4
Fiscal year 1967 ³ -----	117.0	126.7	70.2	67.0	1.0	—9.7	327.3
Fiscal year 1968 ³ -----	126.9	135.0	75.5	72.3	.8	—8.1	335.4
1965: 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-----	17.2	9.4	6.3	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
Oct-----	5.8	11.0	5.5	5.3	.1	—5.2	327.4
Nov-----	7.4	10.4	5.5	5.3	.1	—3.0	329.9
Dec-----	10.6	9.5	5.9	5.7	.1	1.1	329.8
Cumulative totals, first 6 months:							
Fiscal year 1966-----	43.1	53.0	26.8	25.3	.4	—9.9	321.4
Fiscal year 1967-----	49.2	64.1	33.4	32.0	.3	—14.9	329.8

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 Estimates.

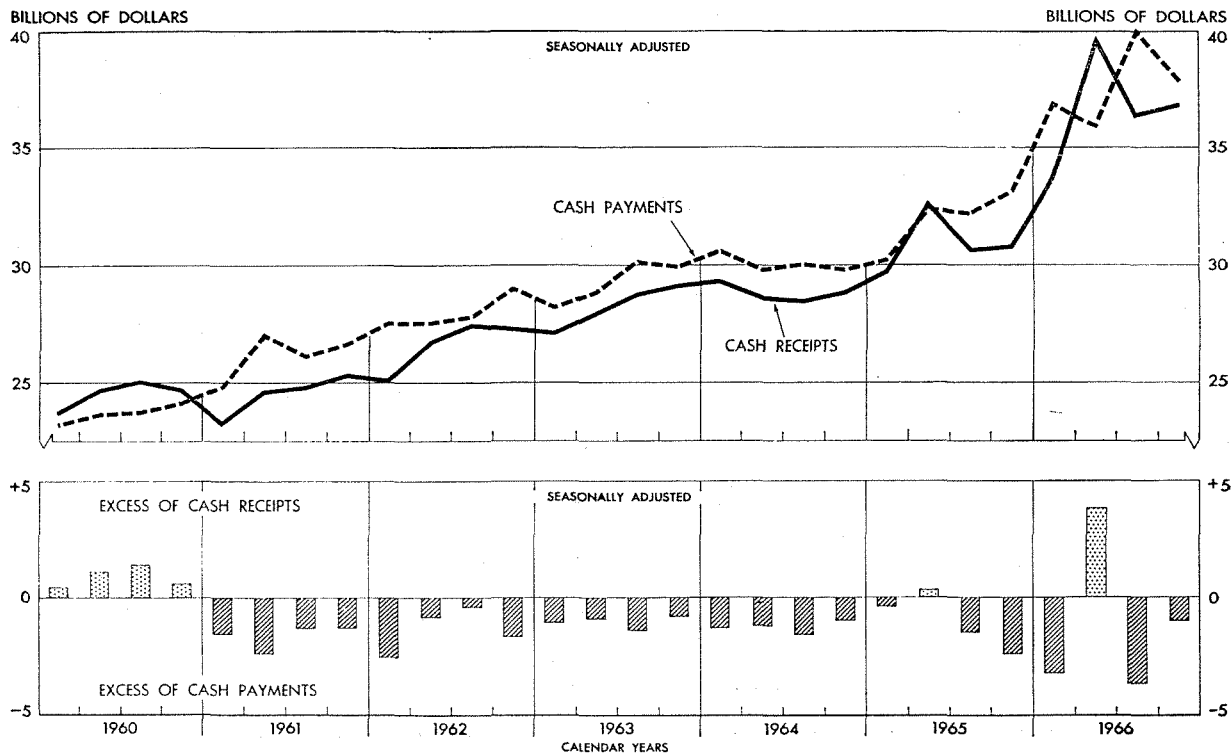
⁴ Less than \$50 million.

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 increased \$0.5 billion in the fourth quarter, while cash payments decreased \$2.2 billion, resulting in a cash deficit of \$1.0 billion. For the calendar year 1966, the cash deficit was \$5.7 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:						
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	134.5	137.8	-3.3			
1967 ¹	154.7	160.9	-6.2			
1968 ¹	168.1	172.4	-4.3			
Calendar year:						
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			
1966	145.1	150.9	-5.7			
Quarterly total (calendar years):						
	Unadjusted			Seasonally adjusted		
1965: I	30.7	28.3	2.4	29.7	30.2	-0.4
II	37.7	32.6	5.1	² 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	46.2	36.2	10.0	39.6	36.0	3.7
III	34.6	41.3	-6.7	36.3	40.0	-3.7
IV	31.1	38.8	-7.7	36.8	37.8	-1.0

¹ Estimates.

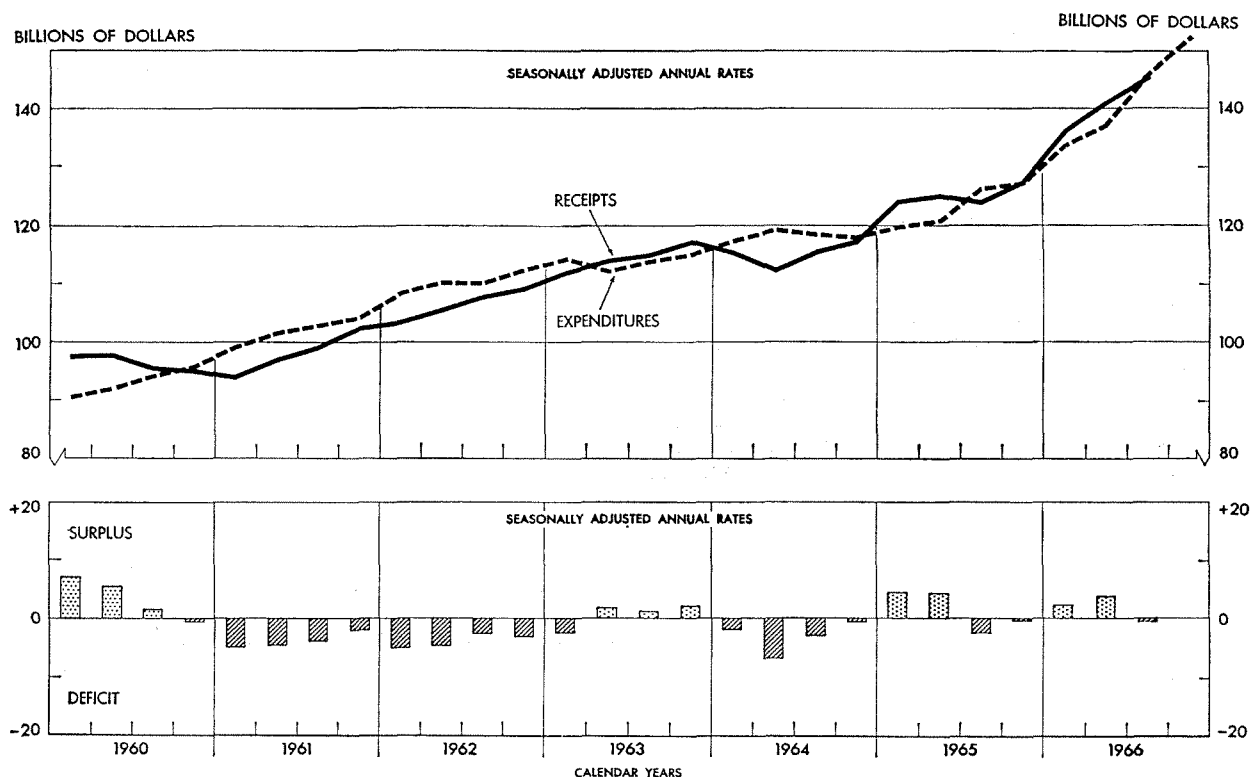
² Seasonally adjusted data include accelerated corporate tax payments of about \$0.9 billion in 1965, and \$2.9 billion in 1966; data for 1966 also include adjust-

ments for initiation of graduated withholding of personal income taxes and change in schedule for depositing withheld and OASI taxes.

Sources: Treasury Department and Bureau of the Budget.

FEDERAL BUDGET, NATIONAL INCOME ACCOUNTS BASIS

In calendar 1966, Federal receipts rose an estimated \$17½ billion and expenditures nearly \$19 billion, yielding an approximately balanced budget.



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	Corporate profits tax accruals	Indirect business tax and nontax accruals	Contributions for social insurance	Total	Purchases of goods and services	Transfer payments	Grants-in-aid to State and local governments	Net interest paid	Subsidies less current surplus of Govt. enterprises	
Fiscal year:												
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.....	132.6	57.9	30.7	15.9	28.1	132.3	71.7	34.3	12.9	9.1	4.5	.3
1967 ¹	149.8	65.5	32.3	16.5	35.5	153.6	83.6	39.8	14.8	10.0	5.4	—3.8
1968 ¹	167.1	76.8	35.3	16.9	38.1	169.2	91.9	46.6	16.7	10.5	3.5	—2.1
Calendar year:												
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
1966 ^p	142.4	61.9	31.5	16.0	33.0	142.2	77.0	36.5	14.6	9.6	4.6	.2
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	—2.2
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.....	145.3	63.9	31.6	16.2	33.6	145.8	79.0	36.9	15.3	9.7	4.8	—1.5
IV ^p	165.8	65.8	35.3	16.5	34.3	152.2	82.5	39.2	15.3	10.0	5.2	—

¹ Estimates.

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

Source: Department of Commerce.

OFFICIAL BUSINESS
First-Class Mail

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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.
Indicates preliminary and not available.